



## Media Release

Meat Industry Association of New Zealand (Inc)

4 May 2007

### **Meat industry welcomes common sense on competition for 'meat inspection' services**

The Meat Industry Association ('MIA') is pleased that a majority of members of the Commerce Select Committee have recognised its concerns over a bill that would effectively create a state monopoly on the provision of 'meat inspection' services.

The Committee's report on the State-owned Enterprises (AgriQuality Limited and Asure New Zealand Limited) Bill was released today. Although the report recommends that the Bill proceed, a commitment secured by United Future will see the Bill amended to allow New Zealand to continue to play a leading role in international moves to recognise non-government providers of meat inspection services.

'The meat industry wishes to acknowledge the considerable efforts taken by Mr Copeland of United Future to broker these amendments and the support received from other parties,' said the Chairman of the MIA, Mr Bill Falconer. 'This compromise would keep alive the prospect of competition among meat inspection service providers.'

Mr Falconer also acknowledged the initiatives taken by the Chair of the Commerce Select Committee in creating the opportunity for the MIA to be heard and for the substantive matters in the Bill to be considered.

The amendments to be made to the Bill will provide for a Commerce Commission review of the market for meat inspection services, to be undertaken three years after the Bill is enacted. In addition, the amendments will re-affirm the negotiating mandate of the New Zealand Food Safety Authority to secure approval from New Zealand's trading partners for recognition of alternate providers of meat inspection services.

'The issue for the MIA has not been whether AgriQuality and Asure should merge, and we reserve our judgement on such a merger until a robust assessment of the costs and benefits of such a merger has been completed', said Mr Falconer.

'Our driving concern has been that the Bill would deny the meat industry, as the consumers of meat inspection services, the fundamental protections afforded to all consumers by competition and the provisions of the Commerce Act. In our view, the amendments proposed to the Bill will address this issue.'

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