



## **Media Release**

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### **New Zealand lamb exports – the good news story**

Export figures are showing New Zealand lamb and beef prices continuing to strengthen in spite of the difficult global economy.

Meat & Wool New Zealand and the Meat Industry Association have highlighted that export lamb returns for the first six months of the export year (October 2008 to March 2009) were up 27 percent to \$8,670 per tonne, when compared with the same six month period in the previous year.

Export beef returns, on a similar time comparison were up 22 per cent to \$5,420 per tonne.

Meat & Wool New Zealand Chairman, Mike Petersen said this was a very positive result given the current trading environment.

“While there has clearly been a contraction in lamb supply, this industry is producing a top-end, high value-added consumer-ready product, and because of this, we have avoided the commodity slump that has affected many other industries.”

Meat Industry Association Chairman, Bill Falconer said that New Zealand lamb had been able to more than hold its position in spite of the recession because meat companies were delivering a quality product – the premium positioning of which was supported by farmer levy-funded promotion.

“Farmers are delivering quality lambs, processors are turning those into a high value product and farmer-funded promotion is enhancing companies’ own product positioning in key markets.”

Lamb prices have staged a remarkable recovery in the last year and farm gate returns are nearly 60 per cent higher than this time last year, reflecting the more export friendly New Zealand dollar value and the continued growth of higher value chilled sendings to our key export markets. The current average farm gate price for a 19 kg lamb is around \$105 net. Last year the same lambs were fetching about \$67.

Petersen believes that these improvements can be sustained.

“The sector partnerships are delivering for farmers and we are confident that we can continue to build on this.

“Food production is New Zealand’s comparative advantage, and lamb, along with other meat exports is playing a key role in keeping the engine room of the New Zealand economy ticking over.”

**For more information please contact: Meat & Wool New Zealand Chairman, Mike Petersen 021 243 7344 or Meat Industry Association Chairman, Bill Falconer 021 939 520.**