



Llywodraeth Cynulliad Cymru
Welsh Assembly Government

WRITTEN STATEMENT BY THE WELSH ASSEMBLY GOVERNMENT

Title: Proposed Red Meat Industry (Wales) Measure

Date: 19 October 2009

By: Elin Jones AM, Minister for Rural Affairs

Members will wish to note that the proposed Red Meat Industry (Wales) Measure will be laid today, 19 October 2009. I will be making a Legislative Statement in plenary tomorrow, 20 October 2009, to introduce the Measure.

The proposed Measure is primarily enabling in scope. It will allow Welsh Ministers to set out, in subordinate legislation and in guidance, the detail of a framework within which the important red meat industry in Wales may be developed and promoted.

The proposed Measure will provide Welsh Ministers with the power to make detailed provision in regulations about the following:

- a. Increasing efficiency or productivity in the industry;
- b. Improving marketing in the industry;
- c. Improving or developing services that the industry provides or could provide to the community; and
- d. Improving the ways in which the industry contributes to sustainable development.

The red meat industry is defined in the proposed Measure as all of the activities comprised in:

- a. breeding, keeping, processing, marketing and distributing cattle, sheep and pigs (alive or dead), and

- b. producing, processing, marketing, manufacturing and distributing products derived to any substantial extent from those animals (apart from milk and milk products, fleece wool and hides).

The proposed Measure sets out a framework within which those involved in primary activities such as breeding and rearing and those involved in secondary activities such as slaughtering, exporting or promotion may be subject to a levy fee. This would be a continuation of arrangements that have been in place since the establishment of the Meat and Livestock Commission under the Agriculture Act in 1967. Since that time those engaged in the red meat industry have paid a compulsory levy so that activities that could not be afforded by small farmers and processors individually, such as external promotion and marketing and research and development, could be provided for wider general benefit.

Since 1967 the arrangements have been subjected to a number of changes culminating most recently in the formation of the Welsh Levy Board which was established on 1 April 2007. This Assembly Sponsored Public Body took on the role of providing a mechanism by which the red meat levy and the associated support arrangements could be delivered in Wales. These arrangements were necessary because the restructuring of the arrangements at a UK level following the Radcliffe Report into the mechanisms for agricultural sectoral support meant that this was the only practical option for Wales. However, this was not considered to be appropriate as a long term solution and the royal assent of the Legislative Competence Order in July this year has given the opportunity to introduce this proposed Measure which will give Welsh Ministers the powers needed to be able to undertake this directly.

Since 2003 and the formation of Hybu Cig Cymru [Meat Promotion Wales] (HCC) the levy collected on Wales behalf by the Meat and Livestock Commission was given to HCC under a delegation agreement so that these important promotion and development activities could take place. HCC has been instrumental in securing European recognition for the two key products of Welsh Lamb and Welsh Beef with Protected Geographic Indicator status and this has been a major feature in our industry promotion in recent years. This is a significant example of the kind of benefits that can be gained from a centralised co-ordinated approach that is financially supported through the levy fee.

It is not proposed to make changes to the current delegation arrangements and it is envisaged that a new delegation arrangement will be put in place between the Welsh Ministers and HCC that will allow HCC to continue as before.