



# **CATTLE COUNCIL OF AUSTRALIA**

**Consultative Committee May Meetings**

**- Policy Briefing -**

**May 2019**



# CATTLE COUNCIL OF AUSTRALIA

Dear State Farming Organisations,

It has been a busy second quarter for Cattle Council of Australia (Cattle Council), with the Red Meat Memorandum of Understanding being reviewed, and Meat Industry Strategic Plan for 2020-2030 currently under development. Our committees have also been kept busy with policy reviews, funding the Integrity Systems Company, the Red Meat Panel, and taking part in MISP workshops.

The following information provides an update on activities that Cattle Council is working on through its consultative committees and Board to deliver these objectives. It provides an overview of their deliberations at the May 2019 meetings and outlines further areas for action.

Cattle Council is now preparing for Board and committee meetings in August. Engagement with State Farming Organisations (SFOs) prior to these meetings will be focused on ensuring both SFOs and Cattle Council members achieve clear alignment of expectations around outcomes and timelines.

Cattle Council will also be holding an SFO workshop on the 13<sup>th</sup> of June to discuss PIC and SFO communication and collaboration.

Cattle Council will endeavour to provide an updated copy of this document to you following each set of meetings.

Your sincerely



Ms Margo Andrae  
**Chief Executive Officer**



## Labelling

Food labelling is an increasingly critical issue both domestically and internationally for beef producers as consumers demand greater information on its integrity and provenance. Cattle Council has undertaken a stocktake of its current policies that relate to labelling to assess if they remain fit for purpose and adaptive enough to respond to the range of current and emerging issues related to labelling.

Cattle Council proposed a draft policy position based on current and prior statements made by Cattle Council, and the MMAT Committee will continue to refine this position. Cattle Council will continue to work with Meat and Livestock Australia and SFOs to ensure industry and consumers can make informed decisions about their protein purchases based on food safety, sound definitions and labelling.

## Beef Imports

Although the period from March to May 2019 saw no new applications for fresh beef importation into Australia, Cattle Council members are increasingly becoming attuned to the apparent regulatory disparity between imported and exported beef products. Cattle Council is concerned that the Australian government does not effectively recognise the principles of equivalency and reciprocity in regard to meat import and export regulation and tariff arrangements.

It is the view of Cattle Council that domestic producers are subjected to additional regulation to comply with export requirements, and that importing countries currently are not exposed to the same level of scrutiny or tariff arrangements. Cattle Council will thus be writing to the Department of Agriculture and Water Resources reinforcing its current policy positions and principles beef imports.

Current Cattle Council policy principles include:

That, in relation to import risk analysis for beef, Cattle Council support that:

1. Trade being conducted is consistent with Australia's current (World Trade Organisation) WTO obligations;
2. Consideration of applications must be science based;
3. In-country whole-of-life traceability is demonstrated to meet Australian standards;
4. Any beef imported must not be relabelled as Australian product or re-exported;
5. Any importation of beef must not threaten Australia's market access and biosecurity protocols;
6. Imported beef is tested for violative residues and contaminants at frequencies consistent with those applied to Australian beef;
7. Imported beef must be consistent with Australia's current regulations surrounding banned substances, for example Restricted Animal Material (RAM), beta-agonists; and
8. Monitoring of import risk analysis requirements must be maintained by (Department of Agriculture and Water Recourses) DAWR and industry informed promptly of any breaches.



**Recommendation:** Cattle Council believe that if product is coming into Australia from a country that is charged nil tariffs, then the equivalent tariff should be applied to Australian product going into the reciprocal country.

**Action:** Cattle Council (through the Board) write to the Department of Agriculture and Water Resources reinforcing the current policy positions and principles developed by Cattle Council on beef imports.

## Geographical Indications

One key aspect of the FTA negotiations between the EU and Australia will be geographical indications (GIs) – with the EU wanting Australia to recognise and protect product names currently protected in the EU as GIs. Any concessions made by Australia during the FTA negotiations on GIs are being directly linked (by the Australian Government) to requiring the EU to make substantial concessions on agricultural market access (including beef).

The MMAT Committee discussed a range of issues concerning GIs and the difference between the use of trademarks and GIs, in Australia. After extensive debate, Cattle Council have determined to oppose the use of GIs in the Australian EU FTA.

The opposition is based on several concerns, particularly the additional cost that GIs may impose administratively. Cattle Council's considers that Australia already has an effective trademark system that provides strong protection for food product names. This system is well established in Australia with clear processes and standards for securing protection. These trademark systems provide equivalent protection for European food names to that which might be provided by a separate GI system. This position offsets any potential delay in providing protection that would necessarily accompany the establishment of a new system of GI protection, further delaying the FTA.

Further concerns arose about the possibility of significant additions to the list of EU GIs and the circumstances under which Australia is being asked to extend GI protection could impose a heavy administrative burden.

For several decades, Australian farmers have suffered from EU agricultural production and export subsidies, high tariffs and small quotas. These measures have restricted access to the EU while Australia has opened its markets to EU agricultural, food and wine products. Today, the EU exports almost twice as much product to Australia as Australia exports to the EU despite Australia exporting two-thirds of its entire agricultural production.

Cattle Council is concerned that FTA negotiations that could address the significant imbalance in agricultural trade may instead introduce a GI system that effectively extends protectionism. Therefore, Cattle Council opposes GIs as a potential additional barrier to trade.

**Recommendation:** that Cattle Council oppose the principle of Geographical Indicators and believe that Geographical Indicators' are an additional barrier to trade.

**Recommendation:** that Cattle Council support the MMAT Committee further reviewing the functions and governance of the MLA EU Taskforce and seek further information to assess if this is the appropriate avenue for effective representation for producers in FTA negotiations.



## Breeder Programs

Cattle council currently have policy around Breeder Programs. The Committee considered the need to develop further policy positions given the recent animal welfare issues in Sri Lanka. Australian Government regulatory power and industry commercial influence over animal welfare in other countries is limited beyond the Importing company or authority.

There have been previous problems with adverse animal welfare outcomes from breeder cattle exports. Supply chain assurance system (ESCAS) has been developed for feeder and slaughter cattle exports as part of the industry and Government response to animal welfare concerns, there is no equivalent for breeder cattle.

**Recommendation:** The MMAT committee will continue to develop a policy position regarding breeder programs, based on the following guiding principles:

Where breeder animals go into new or at-risk markets outside of ESCAS the government must:

- Conduct a risk assessment on the program bringing in breeders before animals are imported to respective countries;
- Ensure Animals are fit for purpose;
- Ensure that animals are suitable for the environmental conditions of the receiving countries.
- Ensure independent monitoring is conducted by the regulator of the shipment one year after the delivery.

## Codex Statement of Principles

The EU is proposing to introduce animal welfare into the Codex statement and principles. Cattle Council was approached by the International Beef Alliance to oppose the addition. Codex has primarily been based on scientific evidence, and animal welfare already sits within the OIE.

**Recommendation:** that Cattle Council oppose the inclusion of animal welfare standards into the Codex statement of principles.

## Phase out of superseded NVDs after six months or 1 July

Cattle Council recommended to SAFEMEAT Policy Group the review of NVDs should occur not less than annually.

It also recommended that from the date SAFEMEAT Partners agree to a new version of an NVD, a phase out period of six months and 1 July be the common phase out date. The sheep and goat industries agreed to these timelines.

This position has been driven by ongoing issues with the current paper-based NVD system and non-compliance. The Cow Catcher III exercise highlighted the need for a more integrated approach to improve compliance on animal treatments and food safety information.

At its meeting on 29 May SAFEMEAT Policy Group agreed that these recommendations go to FAEMEAT Partners for endorsement. A communications strategy will be developed to inform supply chain partners of these changes if agreed.

## AMPC funding of ISC



Equitable funding arrangements for the ongoing funding of the Integrity Systems Company have been previously agreed. Cattle Council is seeking advice from AMPC on its funding intentions for the 20/21 financial year.

### **LPA and stock route exemption withdrawal**

Discussions are being held on the withdrawal of the exemption for cattle traveling along stock routes that are not LPA accredited due to ongoing difficulties of councils not complying with the requirements under the LPA accreditation system.

As a consequence, stock routes are a potentially significant source of contamination through spraying and associated withholding periods and dumped rubbish etc., while also being a very high biosecurity risk.

Cattle Council will seek to obtain list of non-accredited stock routes to make a more informed decision and provide advice back to ISC.

### **Cotton Trash**

A number of cattle with a cotton trash Device Based Status (CTA) status have shown up at abattoirs, and have been detected on the chain at the knocking box. AMIC proposed cotton trash be added to EW1 so processors would have some warning that CTA animals might be in a consignment.

Cattle Council opposes this option as is EW was designed for “market stopper” diseases and residues; demonstrably cotton trash is not a “market stopper” residue issue.

EW1 will not solve processors problems if the movement of cattle has not been recorded on the NLIS database.

**Recommendation:** Cattle Council opposes EW1 being applied to cotton trash.

Producers feeding cotton trash are subject to a targeted audit through the Livestock Production Assurance Program.

Cattle Council to recommend that transfer of cattle on the NLIS database, that have been fed cotton trash, to be the responsibility of the vendor.

Producers feeding cotton trash be suspended from the Livestock Production Assurance Program if found to be not transferring cattle on the NLIS database until they can show cause for reaccreditation.

Applying EW1 status to cotton trash was not endorsed by SAFEMEAT Policy Group and other options for flagging CTA status are being investigated.

### **Environment and Sustainability**

The Environment and Sustainability committee has developed a suite of policies that will direct the future direction of the committee. These policies were endorsed by the Board. The committee will now work to develop supporting policies inform advocacy, and drive research, development and adoption.

**Overarching policy:** Cattle Council supports the need for environmental and sustainability policy that promote and incentivise improved management practices for the beef industry.



**Supporting Statement:** Recognising our industry’s role as land stewards, we are committed to managing the impacts of climate change and variability through policy that supports continuous improvement.

**Recommendation:** Cattle Council supports the goal of the Australian red meat industry becoming carbon neutral by 2030.

**Recommendation:** Cattle Council supports sustainable land management.

### **Red Meat Panel**

The Research, Development and Adoption Committee received investment summaries of grassfed and feed base projects from the 2018/19 Annual Call for endorsement. All projects were endorsed by the Committee and taken to the Red Meat Panel.

All grassfed beef projects were recommended for funding have been approved pending the budget. Next year’s Call will be geared more towards Producer Demonstration Sites.

A large Rural R&D for Profit project looking at emissions and carbon neutrality has not yet been confirmed for funding.

### **Wild Dog Control**

The Board supported NSW Farmers approaching MLA for additional funds for the National Wild Dog Action Plan. NSW Farmers is concerned that a reduction in available funds for the Plan from AWI will lead to the loss of the co-ordinator in Western NSW; given the effectiveness of the control program in that region, such a loss would have serious ramification for producers affected by wild-dog attacks on their livestock. NSW Farmers is seeking support from a wide range of potential co-funders to fill the financial gap left by the wind-back of AWI funding. (Although MLA is already providing \$220,000 over five years for the Plan, it was noted that AWI has been the majority funder since the Plan's inception.)

### **MISP5 and animal health, welfare and biosecurity**

Cattle Council’s Animal Health, Welfare and Biosecurity Committee held a facilitated workshop in March to consider strategic issues within its portfolio that can be fed into the MISP5 drafting process. The Board reviewed and endorsed a summary of the workshop outcomes.

