



AUSTRALIAN SENATE

STANDING COMMITTEES ON RURAL AND REGIONAL AFFAIRS AND TRANSPORT

REFERENCES COMMITTEE

14 February 2019

The Hon. David Littleproud, MP
Minister for Agriculture and Water Resources
Parliament House
CANBERRA ACT 2600

Dear Minister Littleproud,

Government Response – Inquiry into the effect of consolidation on the red meat processing sector

In December 2018, the Committee received the Government Response to its report on the *Inquiry into the effect of consolidation on the red meat processing sector*. The response indicated that it related to both the Committee's interim report (tabled in May 2016) and its final report, (tabled in September 2017).

The Committee acknowledges the Government's response to the seven recommendations contained in its final report. It notes, however, that the response does not address the five recommendations contained in the interim report. Instead it provides the following standard response to each of these recommendations:

The Australian Government notes that this recommendation has been superseded by those made in the Senate Rural and Regional Affairs and Transport References Committee's final report (September 2017) on the effect of market consolidation on the red meat processing sector. Australian Government responses to the recommendations of the final report are provided above.

The recommendations made in the interim report were not superseded by those in the final report. The recommendations relate to a number of very distinct and important issues which were raised by stakeholders during the Inquiry. The Committee takes the view that the Government has not addressed all the recommendations, and has not therefore fulfilled its requirements under Senate resolution of continuing effect No. 46, adopted 14 March 1973.

The Government is required to review all the recommendations in the interim report – except Recommendation 5 (directed to the Senate) and give consideration to the issues raised, including:

- the introduction of a transparent pricing mechanism at livestock saleyards;
- the establishment of a national price disclosure and reporting system;
- the establishment of best practice modelling for saleyard design;
- the introduction of legislation to prohibit concerted practices;
- the establishment of a registration and training system for livestock agents; and

- the introduction of a system of oversight by the registration body which includes a formal complaints mechanism.

It would be appreciated, therefore, if the appropriate consideration could be given to the issues raised by the recommendations as outlined in the Committee's interim report.

The Committee looks forward to receiving the Government Response to the recommendations contained in its interim report. As the response provided was tabled in December 2018 – considerably outside the 3 months required under the resolution – the Committee anticipates a prompt reply.

Yours sincerely,



Senator Glenn Sterle
Chair