

Mr. Tim Watling,
Secretary,
Rural and Regional Affairs and Transport References committee,
PO Box 6100
Canberra ACT 2600
Australia

The Federal Senate Inquiry into Grass Fed Cattle Levy Funded Industry Structures and Systems

Dear Sir,

I am part of a small family owned beef operation in North West Queensland and believe the current method of the collection and disbursement of levies in the grass fed beef industry, needs to change.

The fact is grass fed beef industry stakeholders are underrepresented and have very little influence on the decisions made regarding their livelihood at Peak Body level. We are not price 'setters', for our product, only price 'takers'. This is a very big factor in the vulnerability of the system. Our ability to move forward in this environment is dependant on many uncontrollable factors including the price for our product, the weather and the availability of nutritional supplements, amongst others.

It seems Peak body members are out of touch with the family owned operation and this is not sustainable. Australian Agriculture needs systems in place that will put our industry in a sustainable format for the future years. There is no reason why the Australian Beef Industry needs two organizations to handle policy formation and service delivery. This only increases administration costs and double handling of issues. Those in the beef industry need one democratically elected body to represent them, they need input into the expenditure of the compulsory \$5 per head transaction levy collected and they need automatic membership to industry bodies.

We are entitled to a democratically elected body to oversee our industry. MLA (Meat & Livestock Australia) is not a democratically elected body and so is not a fair representation of the levy payers it stands for. This leaves thousands of producers without a strong voice. CCA (Cattlemans Council of Australia) is not a "Peak Council" as it is not representative of the grass fed levy paying producers of Australia. Hence, a gross under-representation.

Secondly, grass fed levy paying producers of Australia need input into the expenditure of the money collected from the compulsory \$5 per head levy fee. \$56 odd million are collected annually from the transaction levy and goes into Research and Development that is chosen by the Peak industry bodies. MLA makes significant decisions like the introduction of the National Livestock Identification System (NLIS) which impose significantly more costs onto the producers without any increase at the farm gate, for their product. This is not sustainable. Prices for beef at consumer level have certainly increased over the past 25 years, however the profit for producers has not. Increases in cost of production + decreased income from product = UNSUSTAINABLE BEEF INDUSTRY.

Finally, there needs to be automatic membership to peak industry bodies that represent our livelihood. If levies are paid – membership needs to be guaranteed. Faith has been lost in the decisions that peak industry bodies make on behalf of stakeholders, and so levy payers are not considering the extra effort to obtain membership. I believe faith has been lost to such an extent that many feel total helplessness in having any power to make change. Membership should be automatic. Producers need up to date information from their industry leaders without having to separately apply for membership. To give an example; when the new requirements for completing National Vendor Declaration (NVD) forms to include 'Russian and Saudi eligible' came into being – the notification to producers from Peak Body industries was limited and unsatisfactory. Many producers were not informed and at risk of being penalised. The Peak Bodies need to be more efficient and create greater benefits for the producers, for the money they spend.

The restructuring of industry systems governing the marketing, research and development to enhance the control of not only our own family based agricultural business, but those nation wide, is imperative. Too often we are left standing without a voice and at the hands of 'out of touch' representatives. We need change!

Thanking you for the opportunity to make this submission to your committee.

Rachel Weston