



# Definitions of meat and other animal products

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## About NSW Farmers

The NSW Farmers' Association is Australia's largest state farming organisation (SFO) representing the interests of its farmer members. Our purpose is to build a profitable and sustainable New South Wales farming sector through promoting productivity, risk management and business continuity in individual farm enterprises.

Agriculture is a significant contributor to the NSW economy. Despite facing prolonged drought, bushfires and COVID-19 over late 2019 and early 2020, the industry reached an estimated \$12.2 billion in output over the year. Agricultural exports also accounted for 10 percent of the state's total exports during this time.

NSW is the most productive state, adding around a fifth on average to national agricultural output. The state industry has set the goal of reaching \$30 billion in output by 2030, which would make NSW a key contributor to the national target of \$100 billion by 2030.

Our state's diverse geography and climatic conditions mean a wide variety of crops and livestock can be cultivated here. Unlike most other SFOs, we represent the interests of farmers from a broad range of commodities – from avocados and tomatoes, apples, bananas and berries, through grains, pulses and lentils to oysters, cattle, dairy, goats, sheep, pigs and chickens.

Our advocacy extends to the environment, biosecurity, water, economics, trade and rural and regional affairs. We also have an eye on the future; we are advocates for innovation in agriculture, striving to give our members access to the latest and best innovation in research, development and extension. Our industrial relations section provides highly specialised advice on labour and workplace matters.

Our grassroots structure means members are the final arbiters of the policy we advocate on. Our regional network connects members to Macquarie Street, while Annual Conference and elected forums such as Executive Council enable members to lobby for the issues that matter to them and their community. Our issue- and commodity-specific Advisory Committees are elected by members to provide specialist, practical advice to decision makers on issues affecting the sector. We are proudly apolitical – we put our members' needs first.

In addition, NSW Farmers has partnerships and alliances with like-minded organisations, universities, government agencies and commercial businesses across Australia. We are a proud founding member of the National Farmers' Federation.

## Executive summary

NSW Farmers welcomes the opportunity to provide a submission into the Senate Standing Committee on Rural and Regional Affairs and Transport Inquiry into Definitions of Meat and other Animal Products. NSW Farmers would like to highlight our support for all agricultural industries and actively advocates on their behalf, including the need for clear and consistent labelling laws for all agricultural and food products.

The alternative and plant-based protein sector has seen rapid growth in the last few years due to a growing consumer demand for non-meat alternatives and advances in food processing technology. NSW Farmers supports further research and development into agricultural products including alternative proteins, as well as collaboration between both traditional and future protein sectors in meeting the global protein demand. Clear labelling is required for alternative plant-based protein products to quantify that they are plant-based, and any environmental or health claims should be supported by sound evidence to justify their inclusion.

The use of industry and public funds for the research and development (R&D) and marketing of product under a legislated body such as Meat and Livestock Australia (MLA) should remain protected. Beef, sheep meat, goat, chicken and dairy industries have long established marketing descriptors used to promote their products and we believe it necessary to retain the use of these descriptors in order to maintain market presence. Marketing supports industry R&D paid for by government, industry and the public.

Additionally, common terms and descriptors such as “meat”, “beef” and “lamb” have been developed and managed by government and provide clear definitions for industry, consumers and markets alike as to what a product is. These standards are legislated standards and we believe it necessary to support and protect the use of these descriptors.

# 1. Introduction

The alternative and plant-based protein sector has seen rapid growth in recent years due to growing consumer demand for non-meat alternatives and advances in food processing technology.

Current NSW Farmer policy supports on-going research and development into agricultural products including alternative proteins. We support the need for clear labelling of these products including the provision of sufficient evidence on any health and environmental claims they may make in marketing and labelling. In addition, we support both traditional and future protein sectors collaborating in order to meet the projected protein demand.

In 2018-19 Australia's red meat and livestock industry contribution to GDP totalled \$17.6 billion, driven by the demand for protein from global markets. In addition, the Australian red meat and livestock industry employed approximately 434,000 people in 2018-19<sup>1</sup>. The Australian alternative protein sector generated \$150 million in Australian retail sales and supported 265 jobs in 2018-19<sup>2</sup>.

NSW Farmers defines 'alternative' as all forms of protein that is a) not taken from the carcass of an animal that was either grown for slaughter, fished, or hunted, and b) sold commercially or is in development as an alternative to animal products.

Most references to alternative protein cover two types of products:

1. Plant-based protein refers to protein products made from plants, including established products like vegetables patties to new products designed to replicate the mouthfeel and taste of meat, such as the Hungry Jacks, Rebel Whopper.
2. Cell-based, cultured or lab-grown protein is produced using animal cell culture technology, where meat is produced from animal cells using a combination of biotechnology, tissue engineering, molecular biology and synthetic processes.

Research from the Australian Farm Institute shows that the demand for protein will be so great by 2050 that animal agriculture won't be able to meet it alone<sup>3</sup>. Alternative plant based protein will be complementary to our traditional agricultural industries rather than a direct threat to their viability.

Consumption of protein - both plant and animal based - is rising, driven by a growing population and an emergent middle class in our key export markets. Domestic and international demand for meat remains strong, and the majority of domestic consumers hold a positive perception of Australia's meat industries.

The opportunities for our grain and horticulture producers to feed into the protein market are currently small, but have the opportunity to grow considerably over the next thirty years.

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<sup>1</sup> MLA, *State of the Industry Report 2020* - <https://www.mla.com.au/globalassets/mla-corporate/prices--markets/documents/trends--analysis/soti-report/mla-state-of-industry-report-2020.pdf>

<sup>2</sup> Food Frontier, Media Release (March 2021) - [https://www.foodfrontier.org/wp-content/uploads/2021/03/Media-Release\\_Alternative-Proteins-Council\\_310321.pdf](https://www.foodfrontier.org/wp-content/uploads/2021/03/Media-Release_Alternative-Proteins-Council_310321.pdf)

<sup>3</sup> Australian Farm Institute, *The Changing Landscape of Protein Production: Opportunities & challenges for Australian agriculture* - <https://www.agrifutures.com.au/wp-content/uploads/2020/02/20-001.pdf>

Diversification in our plant industries can help manage farm business risk by reducing reliance on single commodity markets.

## 2. Recommendation

NSW Farmers would like to make the following recommendations to be considered as part of this submission:

1. Clear labelling of alternative protein products, including blended and cell-based products including:
  - i. Use of the terms “meat”, “beef”, “lamb”, “goat”, “chicken”, “pork” and “milk” be prohibited for the purposes of marketing and labelling of alternative protein products;
  - ii. The use of images of beef, chicken, lamb and pork be prohibited on marketing and labelling of alternative protein product;
  - iii. Products must include a prominent statement or qualifier on the front of the package to identify if a product is “plant-based” or “cell-based”;
  - iv. The terms “beef”, “lamb”, “goat”, “chicken”, “pork” and “milk” to only be used when a suitable qualifier such as the word “flavoured” is used in conjunction with “plant based” or “cell-based” i.e. *“beef flavoured plant based burgers”*
2. Any health and environmental marketing claims used by the alternative protein products must be evidence based and not misleading.

## 3. Levy investment into meat category brands

The Australian red meat livestock industry is required to pay a compulsory livestock and meat processing levy. These levies are collected by the Department of Agriculture and Water Resources Levies Service and the expenditure of these levies are managed by industry Research and Development (R&D) service provider Meat and Livestock Australia (MLA).

The levies collected contribute to R&D that is undertaken on behalf of industry, and co-matched by the Commonwealth Government utilising public funds. A portion of levies collected contribute to the marketing of product for the Australian red meat industry however are not subject to a co-matching contribution by the Commonwealth. For products such as beef, a significant proportion of the levy payment (\$3.66 per \$5 per head transaction levy) is put toward the marketing of the product utilising common descriptors for their product such as beef, meat and steak.

Australia’s other livestock and affiliated industries also pay levies that directly contribute to R&D and marketing on behalf of industry. Australian Pork Limited, Dairy Australia Ltd and AgriFutures Australia

(on behalf of the chicken meat industry), manage these levies for industry R&D and also benefit from Commonwealth co-contribution.

Australian field crop producers, including plant-based protein producers, are required to contribute to research and development via their compulsory field crop levies. They are required to pay around 1.020% of the sale value of their crop<sup>4</sup> and the funds are invested in emergency plant pest response, national residue testing, Plant Health Australia and research and development. They do not however, pay levies for marketing, as is the case with livestock (red meat, dairy and pork).

The use of industry and public funds for the R&D and marketing of product under a legislated body such as Meat and Livestock Australia (MLA) should remain protected. Beef, sheep meat, goat, chicken and dairy industries have long established marketing descriptors used to promote their products. We believe it necessary to retain the use of these descriptors paid for in part by levies, in order to maintain their market presence while reducing the misuse of these terms by other industries. Marketing supports industry R&D paid for by government, industry and the public.

## 4. Brand appropriation

Australia through the Australian New Zealand Food Standards Code<sup>5</sup> as administered by the Department of Health through Food Standards Australia and New Zealand (FSANZ), has clearly defined the following terms relating to the term “meat”. These include:

Standard 2.2.1– Meat and meat products, lists meat definitions:

- “Meat” means whole or part of the carcass of any of the following animals ...
  - buffalo, camel, cattle, deer, goat, hare, pig, poultry, rabbit or sheep
  - any other animal permitted for human consumption under a law ...
- “Manufactured meat” means processed meat.
- “Processed meat” means a food which has, either singly or in combination with other foods, undergone a method of processing other than boning, slicing, dicing, mincing or freezing.

Standard 4.2.3 – Production and Processing Standard for Meat (Australia only),

- Division 1 (1): “meat product” means a food containing no less than 300g/kg of meat.
- Division 2: “meat” means any part of a slaughtered animal for human consumption.

These definitions provide a clear description of what the terms mean (therefore what they do not mean) and the measures by which to assess compliance with these definitions. These terms have been developed and managed by government using a rigorous and scientific methodology and provide clear definitions. The standards in the *Australia New Zealand Food Standards Code* are legislative instruments under the *Legislation Act 2003*.

AUS-MEAT is responsible for setting standards for meat for export under Regulation 3 (1) of the

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<sup>4</sup> DAWE, Levy and Charge Rates, <https://www.agriculture.gov.au/ag-farm-food/levies/rates#field-crops>

<sup>5</sup> Australia New Zealand Food Standards Code – Standard 2.2.1 - Meat and meat products

Australian Meat & Livestock Industry (Export Licensing) regulations 1998<sup>6</sup>. A memorandum of Understanding (MOU) confirms the arrangement between the Department and AUS-MEAT for the verification of trade description requirements under the Export Control Act 1982 and the Export Control (Meat and Meat Products) Orders 2005. Resulting from this MOU and its Standards Body designation, AUS-MEAT Ltd. therefore has an important role in the management of trade descriptions through its Australian Meat Industry Classification System, also termed the “AUS-MEAT Language”. In order to underpin the application and use of its product language, AUSMEAT Ltd. has a system of National Accreditation Standards for meat industry enterprises.

The AUS-MEAT Language is a common language which uses objective descriptions to describe meat products accurately to meet market requirements both nationally and internationally. The AUS-MEAT Language objective descriptions are for use by livestock producers, meat processors, boning rooms, wholesalers and food service organisations. The Language has been adopted throughout the Australian Meat Industry and provides customers with an accurate way of ordering meat products. Industry language is managed and administered by AUS-MEAT Limited. Any amendments made to this Language are progressed and approved through the consultative process with industry stakeholders and final approval and implementation comes from the Australian Meat Industry Language and Standards Committee (AMILSC). Membership of the AMILSC consists of Peak Industry Councils representing each sector of the meat protein industry. MLA is an observer participant in this committee.

The AMILSC is responsible for setting the standards for the Australian Meat Industry. The standards are designed to protect the reputation of AUS-MEAT, the integrity of the AUS-MEAT Language and the interests of the Australian industry in relation to the sale, distribution and export of Australian Meat and Livestock.

We believe it is necessary to uphold the standards, definitions and language set by government and industry. NSW Farmers requests clear labelling for alternative protein products, including blended products, without the use of existing definitions relating to meat and animals, so as not to confuse or deliberately mislead consumers. This is in line with Australian Consumer Law that prohibits a business or person to engage in conduct that is misleading or deceptive or is likely to mislead or deceive, or from making false or misleading representations about goods or services<sup>7</sup>. There are also specific prohibitions on false or misleading representation including a good’s quality, grade or composition.

NSW Farmers do not support the use of descriptors such as “meat”, “beef”, “lamb”, “goat”, “chicken” and “pork” to describe alternative protein products. We support truth in labelling on all food products. We believe that the alternative plant based protein sector are utilising descriptors commonly used for meat, on the basis that their product represents the same or comparable attributes and qualities. The name of the food needs to be accurate and indicate the true nature of the product. We support the need to prohibit alternative protein descriptors that reference animal flesh or product.

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<sup>6</sup> <https://www.legislation.gov.au/Details/F2009C01303>

<sup>7</sup> *Competition and Consumer Act, 2010*



NSW Farmers support the need for clear labelling of alternative protein products, including the use of images on labelling. We do not support the use of images of livestock such as cattle, sheep, goats, chicken etc. on alternative protein packaging or marketing materials. We believe that the use of images of livestock on marketing material and labelling indicate the product either contains elements of the animal pictured or comparable attributes and qualities of them.

## 5. Health claims

Whilst we do not believe there is significant confusion in relation to the purchase of whole meat products versus alternative protein products, we believe consumers are misled by the apparent health benefits or claims made by alternative protein products. NSW Farmers support the need for the provision of substantive evidence on health marketing claims made by all sectors, including alternative protein products, including on labelling.

Alternative protein products through marketing and labelling claims, can be interpreted by consumers to be a healthier option than whole meat products. There are concerns over the level of processing and additional ingredients in their profile. Alternative plant-based protein products are usually highly processed, with processed foods being defined as those that have been modified from their original fresh or whole state<sup>8</sup>. Marketing claims are also made on the health virtues of these products versus those from unprocessed meat product such as whole beef, lamb or chicken. As with plant-based milk alternatives, alternative plant-based protein products are required to be fortified with additional nutrients to match the nutritional profile of whole meat product. Alternative plant-based products are also often higher in carbohydrate, sugars, and sodium<sup>9</sup>.

The Health Star Rating System is a voluntary front-of-pack labelling system that rates the overall nutritional profile of packaged food and assigns it a rating from ½ to 5 stars. Most products carry a Nutritional Information Panel which provides important information about the contents of the food. The Health Star Rating provides consumers with an easy way to compare similar packaged food and assess their health. The current Health Star Rating System is a suitable tool to inform consumers of the health and nutritional profile of the food they are purchasing and thus consuming.

NSW Farmers supports the need for clear labelling of all food products including both meat and alternative protein products. Labelling should include all ingredients in the product and any health claims made by the product should be verified by substantive evidence.

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<sup>8</sup> Food Standards Australian New Zealand (FSANZ), <https://www.foodstandards.gov.au/consumer/generalissues/Pages/processed-foods.aspx>

<sup>9</sup> McClements, D.J., Grossmann, L. A brief review of the science behind the design of healthy and sustainable plant-based foods. npj Sci Food 5, 17 (2021). <https://doi.org/10.1038/s41538-021-00099-y>

## 6. Social and economic impact

Soy-based products currently dominate the alternative plant-based protein market and are largely made from imported product. Approximately 50 percent of Australian consumed alternative plant-based protein is imported as a consumer ready product<sup>10</sup>. Australian soybean production stands at only 26,000 metric tonnes per annum and growth is limited by the climatic needs of soybeans. There are also limitations for Australia in terms of cost of production in comparison with markets such as India and China.

Of concern is the ability for food products that are wholly comprised of imported ingredients to claim they are 'Australian made'. This applies to circumstances where a product underwent its last substantial transformation in that country. We support a clear and defined labelling system for all food products that allows the Country of Origin of its essential character to be easily determined by the consumer.

NSW Farmers is committed to our agriculture industry pursuing and achieving the NSW goal of becoming a \$30 billion industry by 2030. This will make the state a leader in the national industry's aspiration of \$100 billion by 2030. NSW Farmers has identified eight key areas of focus to ensure the State reaches its \$30 billion target including building vibrant regions and supporting jobs growth in agriculture.

This will be supported by the red meat industry's plan to double production from \$17.6 billion in 2018/19 to \$35 billion by 2030. On a national basis the livestock sector employs 189,000 people directly with a further 245,000 people indirectly employed by the sector<sup>11</sup>. NSW has the highest levels of employment in the red meat and livestock industry (approximately 28%), equating to approximately 50,000 employees across the red meat and livestock value chain<sup>12</sup>. Conversely Australia's alternative protein industry is worth an estimated \$140 million in 2018/19 and employed 265 people<sup>13</sup>. The global demand for Australia's red meat sector and production target for 2030 will drive and support jobs growth in rural, regional and remote centres.

NSW Farmers also acknowledge and support the development and potential of the alternative protein sector in NSW and Australia. We support the ongoing research and development into new marketing opportunities for agricultural producers including the alternative protein sector.

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<sup>10</sup> Rabobank, *Getting granular with plant based meat substitutes* - <https://research.rabobank.com/far/en/sectors/grains-oilseeds/getting-granular-with-plant-based-meat-substitutes.html>

<sup>11</sup> ABS Agricultural commodities 2018-19, MLA industry statistics

<sup>12</sup> IBISWorld

<sup>13</sup> FoodFrontier, *Meat the Alternative*; 2019

## 7. Other implications

NSW Farmers note that this inquiry also has implications for other sectors of Australian agriculture including but not limited to the dairy industry. NSW Farmer policy states that the term 'milk' be restricted to the mammary secretions of milking animals. The dairy industry has been actively engaged in industry discussions on labelling and seek support to protect the term 'milk'.

NSW Farmers are also aware of the growing interest and development in cell-based, cultured or lab-grown protein. Careful consideration needs to be given to this growing food category and ensure that labelling laws adequately account for this production method. Distinction on labelling and marketing needs to be provided for 'cell-based' or 'lab grown' meat. It should be clear, accurate and truthful when describing a product.

## 8. Conclusion

NSW Farmers represents a wide and diverse range of commodities – from avocados and tomatoes, apples, bananas and berries, through grains, pulses and lentils to oysters, cattle, dairy, goats, sheep, pigs and chickens. We support all commodities including the grains and pulse industry that in turn supports the alternative protein market, increasing its value and accessing new market opportunities.

We support the need to strengthen our labelling laws and protect the use of terms “meat”, “beef”, “lamb”, “goat”, “chicken”, “pork” and “milk”. We do not condone or support the use of these terms or associated images in marketing and labelling of alternative protein products. Significant amounts of industry and government funds are utilised to undertake research and development as well as market development on behalf of Australia’s meat industries. Additionally, common terms and descriptors have been developed and managed by government and provide clear definitions for industry, consumers and markets alike as to what a product is. These standards are legislated standards and another industry should not be allowed to misappropriate these.

We continue to support all agricultural industries but also support the need for clear and truthful labelling of all products, and not to the detriment of others. The development of all industry sectors will support our goal of reaching \$30 billion in output by 2030, and contributing to the national target of \$100 billion by 2030.