



24th April 2014

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600

Re; Supplementary submission in response to the Senate inquiry into industry structures and systems governing levies on grass-fed cattle

There are several inaccuracies from the public hearing conducted in Canberra on Friday the 7th March that the Australian Lot Feeders' Association (ALFA) would like to correct.

On page 5 of Hansard, Mr Koval states that the MLA Board makes decisions regarding individual Research and Development projects. The fact is that while the MLA Board approves 'contracts' for projects above \$1 million, the decision regarding individual R&D projects in regard to the grain fed cattle transaction levy, is made by ALFA. With respect to the grass fed cattle transaction levy, such decisions are made by the North Australia Beef Research Council and the Southern Australia Meat Research Committee.

On page 50, Mr Economou states that 'lot feeders are basically multinational processors'. Similar sentiments are expressed in the Australian Beef Association submission to the inquiry. Such statements are wildly inaccurate. The fact is that multinational processors own only 2% of the feedlots in Australia and only 22% of total feedlot industry capacity. Around 98% of the feedlots in Australia are owned and managed by farming families with the average feedlot size only 2,000 head. This accordingly demonstrates that the sector is not dominated by large feedlots owned and operated by multinational processors.

Yours sincerely,

Dougal Gordon
CEO