

## **Additional Comments – Australian Greens**

1.1 Whilst the Greens support the key recommendations of the committee's findings we would like it noted that long term, low real returns in farm gate prices in Australia are not just related to inefficiencies in the meat industry and levy structure, but are also likely to be related to high market concentration power in both the processing and retail (distribution) industry. The opposite occurs in the producer end of the value chain with many suppliers.

1.2 It should be pointed out that this inquiry didn't look into these critical issues in any detail, as they weren't part of the terms of reference, and that this should be considered for an additional Senate inquiry.

1.3 We would also like it noted that the Australian Greens hope that any new producer group uses its levy pool to fund more innovation, marketing and research incentives for producers. This will assist them to move up the value chain, to develop their own brands and direct-to-market distribution networks as a means of addressing the concentration of market power in the retail distribution networks.

1.4 Supermarket buying power and market concentration issues in Australia are pushing farmers to seek returns from live export markets, which create pricing tension for producers. As we oppose live animal exports we would like to see these obvious and ongoing market concentration issues better examined and tackled.

1.5 Levy funds should be used, as a priority, to help develop meat processing capacity in Northern Australia to enhance value added export product and move producers away from reliance on live cattle export. The Greens believe live cattle exports will continue to pose market and operational risks to producers and this could be mitigated with enhanced processing capacity in Northern Australia. The Inquiry report provides an interesting discussion on the scope and sustainability for new innovative beef farming practices and processing facilities in Northern Australia and this could also be considered by the committee for an additional, separate inquiry.

**Senator Rachel Siewert**

**Senator Peter Whish-Wilson**

