

**Cattle Council of Australia (CCA) Full Council meeting summary – YASS, NSW
28 February and 1, 2 March 2011**

Upcoming meetings include:

May 16 - 17 CCA Executive Council Meeting, Canberra

August 29 -30 CCA Executive Council Meeting, Canberra

November CCA Annual General Meeting, TBC

Day 1 & 2: Major issues discussed at the March meeting include:

Climate change policy / Environment

Carbon Farming Initiative (CFI)

Cattle Council has always advocated that beef producers are part of the solution, not the problem when it comes to climate change. In this context, the opportunities, risks and challenges of the CFI were vigorously debated among the Council. Cattle Council was very active in influencing the NFF to utilise Australian Farm Institute research to outline the limitations the current CFI has in relation to the beef industry. The AFI research is due for public release after it has been peer reviewed.

Background: The Australian Government proposes to set up a new market in pollution offsets: the 'Carbon Farming Initiative' or CFI. The CFI would set up a new trading scheme to enable farmers, foresters, Indigenous communities and conservation groups to carry out various practices and land-uses that cut pollution on the farm or sequester carbon in the landscape. These projects would be paid for by polluting companies elsewhere in Australia and around the world.

Mandatory Carbon Price

The proposed Carbon tax was debated. It was agreed that a price on carbon would have a negative impact on the competitiveness of beef producers in the domestic and international market place.

Beef producers capacity to produce food for less would be compromised and consequently Cattle Council is not supportive of this policy.

Background: Government intend to introduce a carbon price in Australia on July 1, 2012. A fixed carbon price would start on July 1, 2012, before moving to a cap-and-trade emissions trading scheme within three to five years. One year before the end of the fixed price period, a review would consider if there were any reasons to delay moving to a cap and trade scheme. Eleven principles will govern the carbon price:

<<http://www.climatechange.gov.au/government/initiatives/multi-party-committee/meetings/third-meeting/communique.aspx#attachmenta>> The Government has made a policy commitment to exclude agricultural direct emissions indefinitely from any CPRS. This announcement was made last year and Cattle Council lobbied hard to achieve this outcome.

Stewardship Environmental Module update

Cattle Council is working on an environmental accreditation for beef producers that aims to acknowledge producers for sustainable land management practices on-farm and provide a mechanism to communicate their environmental integrity to consumers. Outcomes of a recent meeting in Brisbane on the structure of the Environmental Module were discussed. It was important the Module was not only accessible for producers but

also easily understood in terms of compliance and paperwork. Work will progress on the Module.

Global Sustainability Conference - update

Matt Sutton-Vermeulen from Unison Resources, USA and facilitator of the Global Conference on Sustainable Beef reported on the key issues that were raised at the Conference, held in Denver, and how this group could operate into the future by way of sharing ideas and directions. A board of directors will be guided by three groups comprising of communications, development and finance, and projects and programs. A technical working group will report to the board of directors, covering topics such as air, biodiversity, energy, land, people, animals and water.

The Conference encouraged stakeholders to share policies in light of the 'triple bottom line'; environmental sustainability, social responsibility and economic viability.

Background: Cattle Council represented beef producers views at the Conference. A range on international environmental and animal industry stakeholders recognised the value of beef producers as stewards of the land and adopting innovative practices to continue to improve production efficiencies. Cattle Council has undertaken several media interviews about its involvement in the Conference, including a positive article with Sydney Morning Herald.

David Inall, CEO, Cattle Council, will represent Cattle Council at the next stakeholder meeting, coordinated by MLA in Brisbane on 21 March 2011.

Research & Development and Extension (RD&E)

Beef CRC extension

Guy Fitzhardinge, Chairman of Beef CRC, presented to the Council information on the Beef CRC bid, which if successful, would extend funding for Beef CRC activities for the next 5 years. Work would capitalize on new developments such as the establishment of Beef Information Nucleus herds and cheaper gene sequencing technology. A project and program impact assessment will take place to estimate the potential of Beef CRC's proposed activities and outcomes for the extended period. Council discussed the rebid and the importance of extension to producers in deriving benefit from R&D work.

CCA supports the development of the bid but formal support for the CRC extension would depend on outcomes from the impact assessment.

North Australia Beef Research Council (NABRC) update

Ralph Shannon, Chairman of NABRC, explained NABRC's role in the National RD&E Strategy. A series of March workshops will identify R&D priorities for northern beef and this will feed into the National RD&E Strategy for beef. A range of projects will be defined under each R&D priority. Feedback will be provided on R&D priorities to Cattle Council and Meat and Livestock Australia (MLA).

Other issues

Red Meat Advisory Council (RMAC) – EUCAS (European Union cattle accreditation scheme)

Council discussed the EUCAS system, Australia's system for meeting EU market requirements for traceability and non-HGP treated cattle. RMAC reached agreement with Australian Quarantine Inspection Service (AQIS) to remove the green tail tag requirement and will investigate alternatives to the palpable Hormone Growth Promotant (HGP) marker.

Industry Systems and Food Safety

Options for funding of Industry Programs from Industry Reserve Funds were discussed. The development of six funding scenarios to address key issues were debated among the Council. Decisions will occur at a later date.

SAFEMEAT Initiatives Review

Cattle Council is represented on the SAFEMEAT Initiatives Review. An update was provided to the Council on this review—terms of Reference including membership, deliverables and objectives were noted.

Dietary guidelines

The Australian Dietary guidelines are currently being reviewed and Cattle Council is concerned that they will incorporate changes to red meat consumption based on false assumptions regarding cattle and the environment. Changes to consumption habits around fish, dairy and red meat are being considered. Cattle Council has been in discussions with NFF who has in turn raised concerns with the Minister for Health and Minister for Agriculture. Draft guidelines will be publically released for feedback on 4 April 2011. If necessary, CCA will make a submission to the draft guidelines.

LPA Strategic Planning Workshop update

CCA attended the Strategic Planning Workshop that was held in Brisbane in November 2010. The objective of the Workshop was to determine a range of recommendations for consideration by stakeholders relating to the future development of Livestock Production Assurance (LPA). The Workshop identified several strategies for developing and implementing appropriate timely changes to the LPA Program.

Council will discuss further and provide advice on the recommendations.

Coles 'No Added Hormones' marketing campaign

Council discussed Coles recent campaigns around milk and beef. A senate enquiry has been called into milk pricing. The dairy industry has sought funding from the Farmers' Fighting fund to investigate ACCC action. CCA is exploring options under misleading labelling laws to address the potential impact Coles beef marketing campaign could have on the beef industry. Coles claim that no added hormones in beef will make beef more tender. There are many factors that affect eating quality—to focus on HGP's in isolation to improve tenderness is a flawed approach.

It was well recognised that Coles need to be responsible in the management of their campaign and take care that public statements do not mislead consumers and tarnish the beef industry.

Floods

Representatives from Queensland, Western Australia and Victoria provided an outline of the conditions following the floods.

In the majority of cases, the immediate priority is rebuilding infrastructure, which requires significant investment. Cattle Council is working with its State Farming Organisations and the NFF in ensuring continued Government assistance in the repair of roads and support services to communities. Floods have restricted cattle movement and affected producers' ability to send cattle to markets.

Indonesian livestock export trade

David Inall, CEO, Cattle Council, has met with several backbenchers to increase their understanding of the Indonesian livestock export trade. Indonesia is an important trading partner and assisting Indonesia to meet its self sufficiency needs is important to maintaining this strong relationship. The 350 kg weight restriction is part of Indonesia's self sufficiency goal. While the Council understands Indonesia's desire to only receive cattle under 350kgs, it is important producers, through Cattle Council, continue to work closely with stakeholders to build an understanding of Australia's production system as well as the effect this restriction will have on the beef supply base in Indonesia.

2011 Rising Champions Initiative

Cattle Council provided feedback on the inaugural Rising Champions Initiative 2010. It was successful in meeting its objectives and Council agreed to run a 2011 Rising Champions Initiative, conditional on the Cattle Council Finance and Audit Committee approving funding.

Presentations and addresses

- Greg Brown, President, CCA

The President's report covered the impact weather conditions have had on the beef industry, animal welfare, trade, including bilateral trade agreements, and the Coles 'No Added Hormones' beef campaign in reference to truth in labelling.

- David Inall, CEO, CCA

The CEO's report focused on the Coles beef campaign and Indonesia livestock exports.

Other presenters included:

- Don Heatley, Chairman, MLA - future directions
- David Palmer, Managing Director, MLA - staffing and future directions
- Glen Fiest, General Manager, Marketing, MLA - Results from Beef Marketing Campaign
- David Pietsch, General Manager, Corporate Communications, MLA - Dietary guidelines update
- Elanco Animal Health - Presentation and strategic direction
- Michelle Gorman, General Manager, Industry Systems, MLA - Stock data link, MSA beef
- Laurie Robinson, General Manager, Corporate Services, MLA, Marketing Taskforces and budgets

Day 3: Wednesday March 2, Parliament House, Canberra

BBQ Brekkie briefing

Cattle Council hosted 'The Big Beef Brekkie' at Parliament House on March 2 from 6.30 to 8.30am. Cattle Councillors engaged Ministers, Minister Advisors, Senators and staff in discussions on the big issues facing the industry; livestock export trade and Indonesia, carbon price, free trade agreements and research and development funding. The Hon. Joe Ludwig Minister for Agriculture, Fisheries and Forestry highlighted the scale of the industry in his welcoming speech. Cattle Council President, Greg Brown, reiterated the importance of market access, R&DE and maintaining the industry's competitiveness under the carbon tax scheme.