



CATTLE COUNCIL OF AUSTRALIA

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Cattle Council Concerned Over Ethanol Mandate

The Cattle Council of Australia says that reports the Government may mandate ethanol use in fuels are of concern as a mandate would inject a price distortion in the marketplace.

"I would like to place on the record up front that Cattle Council is not opposed to the emerging biofuels industry," said Cattle Council President, Mr Bill Bray.

"However, as a general policy, Cattle Council is opposed to Government intervention in agricultural industries where it creates price distortion.

"Furthermore, if Government intervention is required, it must be equitable across all industries – one industry cannot be assisted at the expense of another," Mr Bray added.

Earlier this week, a study commissioned by Meat and Livestock Australia on behalf of the beef industry was released. This Centre for International Economics report forecasts a number of scenarios if ethanol content in fuel was mandated. The report predicts that an ethanol mandate could permanently push up the cost of grain resulting in a decrease in returns to beef producers.

"Cattle Council believes that this issue needs rigorous debate across all industries to ensure that all options are explored," said Mr Bray.

"Earlier this year, the Prime Minister established a Biofuels Task Force. We understand that the Task Force has already handed down its recommendations.

"Cattle Council urges the Government to publicly release the Biofuels Task Force report as soon as possible and enter into a full and detailed consultation process. Given this is an issue of national significance, the release of the report will facilitate a more robust and informed debate," Mr Bray concluded.

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