



## media release

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### **Cattle marketing levy review kicks off**

The process of reviewing the cattle marketing levy kicked off today with the first meeting of the independent committee that will make a recommendation on an appropriate level of funding for the beef industry's marketing activities from 2011.

The review will look into the funding requirements for Meat & Livestock Australia's domestic and international marketing programs and propose a per head transaction levy rate to meet these requirements.

On 1 January 2011 the cattle transaction levy is set to revert to \$3.50 per head of cattle sold, unless an alternative proposal is put to the Federal Minister for Agriculture before then.

The cattle marketing levy's 2011 "sunset clause" was one of the terms set by the Federal Government during the last change to the cattle marketing levy. The marketing levy increased by \$1.50 in 2006 after cattle producers voted in a nation-wide poll to increase the amount needed for beef marketing.

MLA's cattle producer members will have the ultimate say on what the marketing component of the cattle transaction levy should be, with any proposed change to be put to a vote at the MLA AGM in 2009.

A decision at the end of 2009 would also give the Federal Government time to make any administrative changes in relation to collecting the levy, as well as giving MLA certainty in developing programs and activities for the 2010-11 year and beyond.

The 14 member Beef Marketing Funding Committee is made up of 13 cattle producers: five are independent cattle producers, two are representatives from the Australian Meat Industry Council, two are representatives from the Cattle Council of Australia, two are representatives from the Australian Lot Feeders' Association and two are MLA Board members. There is also one live export industry representative. The committee will be chaired by Queensland cattle producer, Peter Hughes.

MLA Chairman Don Heatley said the committee includes members from a wide cross section of the beef cattle industry and their knowledge and expertise would allow for a thorough and comprehensive review.

"The committee has been set-up to review the future marketing funding needs of Australia's beef cattle industry, out of which will come a recommendation on what the amount of the cattle marketing levy should be," Mr Heatley said.

"The committee is also tasked with looking at the performance of MLA's marketing efforts following the \$1.50 increase in the levy in 2006."

Committee chairman Peter Hughes said the committee will also analyse the current funding available for marketing Australian beef in all markets.

“We will be making a recommendation on the adequate levy of beef marketing funding required to meet the challenges and opportunities ahead,” Mr Hughes said.

The committee’s findings, including a recommendation on the amount of levy, will be made public in mid 2009. The levy review process will also include a public consultation phase, whereby submissions can be made to the committee for their consideration. The committee’s recommendation will be submitted to the producer peak councils who will then put forward appropriate levy motions at the MLA AGM in 2009. All cattle transaction levy payers who are registered as MLA members can then vote to accept or reject the motions.

The Beef Marketing Funding Committee comprises:

- Peter Hughes (Committee Chair), cattle producer, Queensland
- Don McDonald, cattle producer, Queensland
- Jen Munro, cattle producer, NSW
- Mike Introvigne, cattle producer, WA
- Ian McCamley, cattle producer, Queensland
- Gary Tapscott, live export industry representative, SA
- Don Heatley, Meat & Livestock Australia representative, Queensland
- Michael Carroll, Meat & Livestock Australia representative, Victoria
- Bill Bray, Cattle Council of Australia representative, Victoria
- Peter Hall, Cattle Council of Australia representative, Queensland
- Warren Barnett, Australian Lot Feeders’ Association representative, NSW
- Jim Cudmore, Australian Lot Feeders’ Association representative, Queensland
- Terry Nolan, Australian Meat Industry Council representative, Queensland
- Brad Teys, Australian Meat Industry Council representative, Queensland

The terms of reference for the Beef Marketing Funding Committee are:

1. Provide a review of the current situation for marketing Australian beef, including an assessment of the challenges and opportunities facing the industry beyond 2010.
2. To oversee a review of the use of the MLA beef marketing levy since 1 January 2006, with particular reference to the additional \$1.50 received from this date.
3. To recommend the need for the current or a modified beef marketing levy to be allocated to the industry.
4. To indicate how much, and in what areas marketing funds should be allocated.
5. To develop and oversee the implementation and communication strategies for the adoption of the recommendations arising from the review.

Ends

**This media release was sent by MLA in association with the Cattle Council of Australia and the Australian Lot Feeders’ Association.**

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