

Consultation summary

Background

Industry consultation

The peak industry bodies (PIBs) for the cattle, sheep and goat industries are our industry representative organisations and play a critical role in providing direction and monitoring of industry marketing and research and development programs to Meat & Livestock Australia (MLA), to ensure these programs reflect the strategic framework of the red meat industry.

The PIBs are:

- ALFA Australian Lot Feeders' Association
- CA Cattle Australia
- GICA Goat Industry Council of Australia
- SPA Sheep Producers Australia.

MLA consults on how producer levies are invested

Decisions on levy investments across all levy streams are never made in isolation and MLA consults regularly with the PIBs on strategy, budget allocations and key performance indicators. The red meat industry provides MLA with advice on strategic direction for a wide range of programs including marketing, research and development.

Regular consultation is a priority for MLA. The red meat industry Memorandum of Understanding specifies MLA's responsibility to develop a five-year business plan and an Annual Investment Plan in consultation with the PIBs.

Industry consultation arrangements

Livestock producers influence the investment of their levies through several industry consultation mechanisms and can do so through their relevant state farm organisation or PIB.

The <u>Red Meat Advisory Council</u> (RMAC) is the peak body that represents the collective interests of the Australian red meat industry.

RMAC is responsible for the development of <u>Red Meat 2030</u> (formerly known as the Meat Industry Strategic Plan, or MISP) which provides the overarching strategic framework that enables the direction, measuring and reporting of overall industry progress for government and industry stakeholders. Levy payers were consulted by RMAC during the development of the 10-year *Red Meat 2030* and during the recent midterm review of the strategy.

MLA's five-year corporate planning is cascaded out of *Red Meat 2030*, industry strategic plans and the Commonwealth *National Agricultural Innovation Policy Statement*. MLA's five-year strategic plan is translated into annual investment plans that define MLA's marketing and research and development programs.

Examples of areas where consultation occurs include:

Planning and whole of red meat industry priority areas:

- Red Meat 2030
- MLA Strategic Plan 2030
- MLA Annual Investment Plan

Research and development:

- research, development and adoption investment priorities
- the regional consultation model North Australia Beef Research Council (NABRC), Southern Australia Livestock Research Council (SALRC) and Western Australian Livestock Research Council (WALRC)
- Sheep Genetics Advisory Committee
- MSA Pathways
- Supply Chain Taskforce
- National Livestock Genetics Consortium
- BREEDPLAN Advisory Committee
- Beef and Sheep Genetics Technical Committees
- Producer Adoption Reference Group.

Marketing and corporate affairs:

- Industry Corporate Affairs Taskforce
- Marketing and Market Access Taskforce.

Research and development (R&D) consultation

MLA has implemented a regional consultation framework for directing research, development and adoption (RD&A) investment for grassfed cattle and sheepmeat levies. Producers can be involved through the regional councils of NABRC, SALRC and WALRC.



Introduction

MLA remains committed to effective and extensive consultation with our broad ranging stakeholder base with particular emphasis on levy paying producers' input into R&D priorities and programs.

The red meat industry and supply chains have changed and evolved since several consultation channels were established, including significant increases in lot feeding.

Many of the consultative committees were established in response to specific program and project needs which have changed. In line with these changes, MLA has reviewed how best to progress our consultation model to address the multiple components and touchpoints that cover all producers and the whole supply chain.

As the lot feeding and goatmeat industries are more directly connected with their smaller number of constituents, the majority or our specific sector engagement is managed through those PIBs.

MLA Strategic Plan 2030

Consultation with stakeholders was a critical component in the development of the MLA *Strategic Plan 2030*. This included co-design workshops, a digital engagement survey, one-on-one meetings and discussions with representatives from across the cattle, sheep and goat industry supply chains to explore their priorities and gather input into the MLA strategy. MLA shared its development process with levy payers, producers and other stakeholders through its online communication channels and invited feedback on emerging themes. The priorities, issues and outcomes from this consultation were considered in relation to MLA's purpose and formed a key input into the development of the plan.

PIB engagement framework

(detail in appendices)

MLA has implemented an engagement framework with the four production PIBs – ALFA, CA, GICA and SPA. This framework provides the basis and support for PIBs to consult with levy payers on industry needs and priorities for the sector. This information, as provided to MLA in quarterly written reports and meetings, in addition to other channels, informs MLA's investments across research, development, adoption and marketing. PIBs are also asked to communicate MLA priorities and key activities back to their relevant sectors.

Communication is managed by the Industry Engagement Manager for all production PIBs.

Quarterly consultation updates with PIBs and Research and Development Corporations

(detail in appendices)

A quarterly meeting with the six red meat PIBs, AMPC and LiveCorp is held to present on MLA's quarterly performance, key activities and upcoming budgets. It provides a platform for PIBs to present updates on the priorities and emerging issues of their sector. PIB consultation meetings are held quarterly with each of the individual production PIBs. MLA's finance team also meets with each sector individually to discuss the budget for each levy stream.

To ensure regular communication and updates, weekly emails from MLA inform ALFA, CA, GICA and SPA as well as the Australian Meat Industry Council, Australian Meat Processors Corporation, Australian Livestock Exporters Council, LiveCorp and RMAC on MLA activities and outcomes and provide content to inform their members of MLA priorities.



Regional consultation model

(detail in appendices)

MLA's <u>Regional Consultation Framework</u> allows beef and sheepmeat producers to directly influence on-farm research, development and adoption activities their levies are invested in. The process starts with any grassroots producer, who is encouraged to communicate with one of the 19 regional committees throughout Australia. These independent, producer-driven committees operate under three umbrellas: NABRC, SALRC and WALRC.

The regional consultation is overseen by the Red Meat Panel. This panel includes:

- the independent Red Meat Panel chair
- the chairs from NABRC, SALRC and WALRC
- two producer members from each of NABRC, SALRC and WALRC
- two representatives from SPA
- two representatives from CA
- one representative from MLA.

Taskforce model

(detail in appendices)

The taskforce model MLA has transitioned to provides a key mechanism for engaging with both the representative organisations and broader industry stakeholders. It provides a more efficient way of dealing with strategy and policy issues for PIBs and an expanded scope for strategic input. Further, it better connects stakeholders to MLA programs and projects. The taskforces are aligned to the industry priorities outlined in *Red Meat 2030*.

Industry engagement

MLA runs and participates in numerous industry engagement activities each year which are now returning to face-to-face delivery. This comes after almost three years of virtual delivery. Examples include MLA-hosted stakeholder events such as BeefUp and MeatUp forums, Meat Standards Australia (MSA) Awards, MLA Updates and Annual General Meeting, beef industry breakfasts, and sheep and cattle projections webinars. Also included are meetings with the Northern Pastoral Group, Red Meat Updates in Tasmania, Northern Territory Cattleman's Association conference, and senior MLA staff attending a range of industry-led events through the course of the year speak to and engage with producers and industry.

Australian Beef Sustainability Framework and Australian Sheep Sustainability Framework

The <u>Australian Beef Sustainability Framework</u> (ABSF) defines what 'sustainable beef production' looks like in practice and annually tracks how the industry is performing over a series of indicators. MLA provides funding and secretariat services for the ABSF. A <u>Steering Committee</u> including Australian and overseas retailers, banks, investors, environment and welfare non-government organisations, agribusiness, researchers, government, policy organisations and industry groups, meets regularly and serves as a reference group for the Framework. The ABSF is overseen by an advisory Board consisting of membership from the PIBs with an independent chair. The advisory Board appoints the Steering Committee.

SPA and Wool Producers Australia (WPA) lead the <u>Sheep Sustainability Framework</u>, with Australian Wool Innovation and MLA provide funding, strategic advice, and secretariat support. SPA and WPA have appointed a Sustainability Steering Group to lead the process. The framework monitors and measures industry performance against priorities.



Appendices

1. PIB engagement framework

One of the guiding principles in MLA's *Strategic Plan 2030* is that our strategy and programs undergo a constant cycle of review, refresh and inform. This includes meaningful consultation with our stakeholders. MLA is committed to consultation with the PIBs as representative organisations of their sectors of the red meat industry.

MLA supports well-resourced and high performing PIBs and believes it is in everyone's best interests to do so as they bring value to the agricultural system. MLA applied the following framework as an approach to working with our PIBs towards this outcome.

Purpose

This framework outlines the proposed guiding principles and establishes shared expectations of how MLA engages with PIBs.

Duration

Envisioned to be an annual plan for FY 2023–24, with progress to be reviewed quarterly against agreed measures of success and completion of milestones. There will be an option to extend the agreement for a further 12 months (FY2024–25) if mutually agreed.

Principles of engagement

Role of MLA

To foster the long-term prosperity of the Australian red meat and livestock industry, by collaborating with stakeholders to invest in research, development and marketing initiatives that contribute to producer profitability, sustainability and global competitiveness.

Role of PIBs in engaging with MLA

- a. Consult with levy payers on industry needs and priorities for the sector.
- b. Provide guidance to ensure MLA strategy reflects industry needs and priorities.
- c. Communicate to and inform members and industry on MLA and industry priorities or outcomes.
- d. Fostering collaborative and consultative work practices across the red meat supply chain.
- e. PIBs have no statutory role or oversight of the day-to-day operations of MLA. As referenced in the consultation cycle, MLA is committed to continued and regular engagement.
- f. The PIBs role in the Memorandum of Understanding (MoU) is not statutory, it is to assess the performance of services delivered or arranged by MLA against Annual Investment Plans as captured in the consultation cycle and the statutory reporting structure.

Shared behaviours

- Clarity of purpose: Mutual understanding of required outcomes, resourcing and responsibilities.
- Transparent: Honest, direct, open communication flow both ways between MLA and PIBs.
- Empathetic: Seek first to understand, listen to, and gain input from all parties.
- Mutual respect: Of agreed roles, agreed processes, and of stakeholder funding and the need to ensure the best allocation of resources to achieve outcomes.
- Collaborative: Leverage expertise and insights of all parties to ensure maximum impact and outcomes for the industry.
- Joint accountability: On time and in full delivery, with appropriate governance, on agreed timelines, milestones and projects and commitments.
- Responsive: Mutual intent to respond swiftly to contact.
- Commercially focused: Focused on finding joint resolutions to matters that have positive outcomes for levy payers.

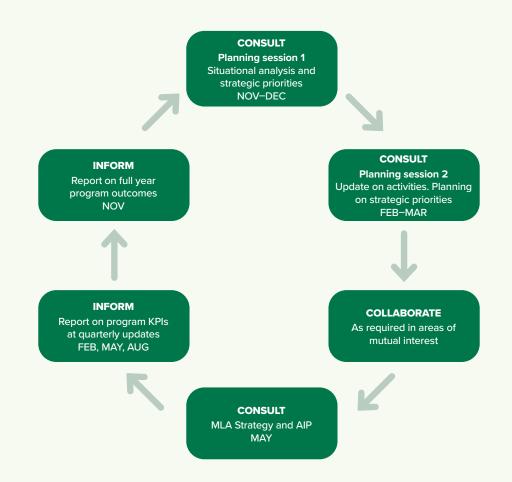


How we engage

The key MLA contact for PIBs is Brad Pfeffer, Corporate Affairs and Media Manager bpfeffer@mla.com.au

- All requests for information, papers, speakers, and funding to be centralised via Brad. Requests will be triaged across key MLA staff as appropriate.
- Formal correspondence to the MLA Managing Director, Chair or General Managers to be copied to Brad.
- Direct Communication with MLA Program or Project Managers or other staff to be copied to Brad.

MLA is committed to collaboration in a focused and structured way. An annual cycle is proposed and aims to include collaboration as required in areas of mutual interest.





Definitions

Consult	 MLA ROLE: Provide an outline for discussion and input: industry challenges and opportunities MLA strategic priorities. PIB ROLE: provide feedback on industry challenges and 	 OUTCOMES: MLA strategy and programs have been developed taking into account industry priorities. 		
	opportunities, and MLA strategic priorities.			
Collaborate	MLA & PIB ROLES:clarify/agree on the problem to be solved	OUTCOMES:direction of strategy and programs		
	 or addressed share data, insights to identify challenges and opportunities 	continue to meet industry priorities.		
	 agree on a course of action. 			
	 MLA ROLE: implement the course of action and inform on progress. 			
	PIB ROLE:provide feedback on implementation.			
Inform*	MLA ROLE:	OUTCOMES:		
	Updates provided on:	 stakeholders have a good 		
	 MLA Strategy, AIP and program progress KPIs including joint programs 	understanding of the market environment, industry challenges, MLA		
	 market insights 	program progress, KPIs and results		
	 macro trends 	 solid platform from which to develop strategic priorities. 		
	implications for industry	5 1		
	 draft or recommend communications to go to members. 			
	PIB ROLE:			
	ensure all members are informed			
	seek clarification where required.			

*'Inform' activities will generally be shared through written reports rather than face-to-face meetings.



Fee for service funding model – eligible activities

- All agreements are entered into directly with PIBs under a single annual agreement that details services to be provided, milestones, fees and a quarterly payment schedule for accountability and transparency.
- MLA and the PIBs conduct quarterly reviews of the annual service agreement to include:
 - progress against annual plans
 - successful achievement of service agreement milestones
 - proposed variations to plans or contracts.
- Fees for services provided replaced expenses and other payments previously paid across a range of programs, and with few exceptions are now the only payments to PIBs.
- MLA funds four key areas under the service agreement:
 - consultation with PIBs
 - animal health and welfare activities
 - industry leadership and capability building
 - adoption of research and development outcomes.
- Separately, MLA funds a Corporate Affairs Unit, located with the PIBs in Canberra which provides support in capacity building, and issues and crisis management.

Consultation with PIBs

MLA wishes to engage with PIBs so PIB representatives and their members are well informed and MLA has a forum to provide updates on MLA activities and industry priorities. Where necessary or appropriate, MLA will identify areas for consultation or collaboration.

The PIB role is to provide consolidated feedback, in line with the PIB calendar of meetings (e.g. quarterly).

PIB representation on additional (non-PIB) committees

MLA funds PIB attendance at other committee/taskforce meetings only in line with the engagement principles/Terms of Reference of each committee. Terms of Reference for each committee are consistent and align with MLA's policy of Payment of Expenses and Sitting Fees on MLA Committees.

MLA continually works with the PIBs to establish the most efficient and effective consultation process that allows communication of MLA information and constructive engagement with council/committees, nominees of the PIBs and PIB members.

Animal health and welfare

Activities to support animal health and welfare objectives as aligned with MLA animal health and welfare program, *Red Meat 2030* and industry strategic plans.

Industry leadership and capability building

Engagement in a corporate affairs unit which is focused on capacity building, communications and issues, and crisis response. The unit is directly connected with the PIBs on behalf of the red meat industry, funded by MLA with independent governance.

Training and capacity building of PIB staff and members is based on a prior agreed annual plan up to a maximum amount of funding defined in the agreement e.g. AICD, ARLP, Nuffield, formal or informal training or study and CA Rising Champions.

Participation in capacity building events e.g. TriLamb, Global Roundtable for Sustainable Beef, Five Nations Beef Alliance, BeefEx, Beef Australia and LambEx.

Adoption of research and development outcomes

Activities to increase adoption in line with outcomes connected to MLA's strategic plan, and in line with MLA research based on a prior agreed annual plan up to a maximum amount of funding.



Quarter 1	Quarter 2	Quarter 3	Quarter 4
What: Annual Service Agreement progress review	Annual Service Agreement progress review	Annual Service Agreement progress review	Annual Service Agreement progress review
Who: MLA and individual PIB CEOs	MLA and individual PIB CEOs	MLA and individual PIB CEOs	MLA and individual PIB CEOs
When: October	January	April	July
What: Quarterly update	What: Quarterly update	What: Quarterly update	What: Quarterly update
Who: (All PIBs and RDCs together) All PIB CEOs, PIBs, RDC CEOs, RDC Chairs, MLA MD and relevant General Managers	Who: (All PIBs and RDCs together) All PIB CEOs, PIBs, RDC CEOs, RDC Chairs, MLA MD and relevant General Managers	Who: (All PIBs and RDCs together) All PIB CEOs, PIBs, RDC CEOs, RDC Chairs, MLA MD and relevant General Managers	Who: All PIB CEOs, PIBs, RDC CEOs, RDC Chairs, MLA MD and relevant General Managers
When: November/December	When: Early February	When: May	When: August/September
Agenda:	Agenda:	Agenda:	Agenda:
 Report: MLA discusses results and the forward agenda of activity for the next quarter and year Inform: MLA GMs present updates on key program activities, plans for next quarter/ remainder of FY against MLA strategic plan. Post-meeting actions: PIB input considered for MLA AIP plans for next financial year PIBs disseminate information on key MLA program 	 Report: MLA discusses results and the forward agenda of activity for the next quarter and year FY22 AIP draft presented for all sectors Inform: MLA GMs present updates on key program activities, plans for next quarter/ remainder of FY against MLA strategic plan. Post-meeting actions: PIB input considered for MLA AIP PIBs disseminate information on key MLA program 	 Report: MLA discusses results and the forward agenda of activity for the next quarter and year Inform: MLA GMs present updates on key program activities, plans for next quarter/ remainder of FY against MLA strategic plan Inform: MLA presents final AIP. Post-meeting actions: PIBs disseminate information on key MLA program activities to key stakeholders and industry. 	 Report: MLA discusses results and the forward agenda of activity for the next quarter and year Inform: MLA GMs present updates on key program activities, plans for next quarter against MLA strategic plan. Post-meeting actions: PIBs disseminate information on key MLA program activities and annual outcomes to key stakeholders and industry.
activities to key stakeholders and industry.	activities to key stakeholders and industry.		
What: AIP planning meeting	What: AIP budget reviews	What: AIP budget finalised	What: AIP delivery review
Who: MLA Finance and individual PIB CEOs	Who: MLA Finance and individual PIB CEOs	Who: MLA Finance and individual PIB CEOs	Who: MLA Finance and individual PIB CEOs
When: November/December	When: Late February	When: May	When: July
Agenda: Levy projections and levy reserves and policy.	Agenda: Detailed AIP budgets presented for discussion specific to PIB sector for next financial year.	Agenda: Final AIP budget reviewed.	Agenda: AIP KPIs presented for discussion and review.
What: MLA-PIB consultation	What: MLA-PIB consultation	What: MLA-PIB consultation	What: MLA-PIB consultation
Who: MLA MD, COO, Chair and GM Communications, PIB CEO, Chair	Who: MLA MD, COO, Chair and GM Communications, PIB CEO, Chair	Who: MLA MD, COO, Chair and GM Communications, PIB CEO, Chair	Who: MLA MD, COO, Chair and GM Communications PIB CEO, Chair
When: November	When: February	When: May	When: August
What: PIB consultation on investment priorities and MLA programs.	What: PIB consultation on investment priorities and MLA programs.	What: PIB consultation on investment priorities and MLA programs.	What: PIB consultation on investment priorities and MLA programs.



2. MLA's Regional consultation

MLA's regional consultation gives producers a chance to have their say on how we invest in on-farm research. This research includes grassfed cattle and sheepmeat levies.

Our consultation network includes 19 regional committees (seven SALRC, 11 NABRC, one WALRC)

- WALRC is Western Australian livestock Research Council
- NABRC is North Australia Beef Research Council
- SALRC is Southern Australia Livestock Research Council.

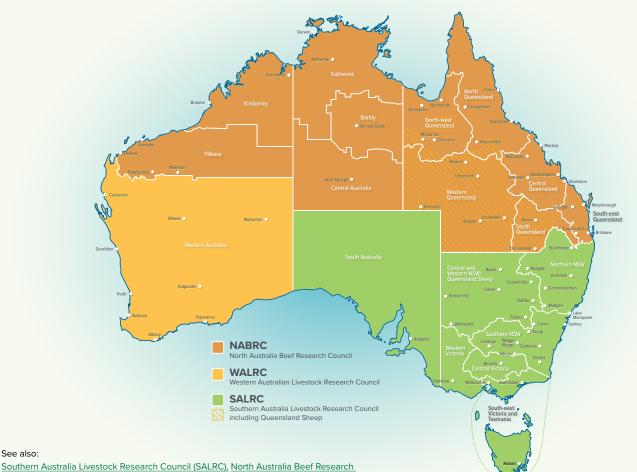
These producer committees help us invest in research, development and adoption. The committees get together two times a year to:

1. Identify the priorities for research, development and adoption in their regions

2. Keep updated on and have input into research relevant to their region and priorities.

This consultation is overseen by the red meat panel. The panel includes producers from each of the Research Councils who join the PIBs – CA and SPA. The red meat panel also has an independent chair.

The regional producer committees identify priorities which are consolidated by NABRC, SALRC and WALRC. MLA works with the Red Meat Panel and producer chairs of these committees to work out what research needs to be done to find solutions for these priorities.



Council (NABRC) and Western Australian Livestock Research Council (WALRC)

See also:



3. Taskforce model

PIB benefits:

- more efficient way of dealing with strategy and policy issues
- better use of representatives' time with less need for one rep to be across multiple committees
- cover more ground in one go with broader scope of the taskforces
- expanded scope for oversight and strategic input
- consolidates committees under simple taskforce structure proven effective for MSA and Integrity Systems Company (ISC)
- simpler, easier communication of outcomes
- clearer responsibility for actions and communication
- consistent application across R&D, ISC, marketing, communication and adoption
- avoids duplication of effort, ensures the taskforces are fit for purpose under the new strategy, better connected to the stakeholders
- supports the execution of the strategy.

