



Media Alert

1 May 2009

Media launch of Beef Marketing Funding Committee recommendations

Queensland cattle producer and Chairman of the Beef Marketing Funding Committee, Peter Hughes will announce his Committee's recommendations and launch the Report at Beef Australia, Rockhampton.

After an extensive and comprehensive review over six months from October last year, the 14 person Committee was unanimous in its three recommendations.

Peter Hughes will be joined at the launch by members of the Committee, together with Warwick Yates from Warwick Yates and Associates, who was one of the two independent consultancies providing the expert analyses on the beef marketing levy.

Details of the launch are as follows:

- Time: 8:30am – 9:30am, Wednesday 6 May, Beef Central Meeting Room
- Location: Beef Central Meeting Room; on the second floor of Beef Central building; access via stairs on the Centre Ring side of the building

NB Peter and Warwick will also be presenting Wednesday afternoon and Thursday morning at the MLA Beef Frontier Forum in the James Lawrence pavilion at the Rockhampton Showgrounds.

Media enquiries: Nigel Gosse, 0417 152 225



BACKGROUND

Beef Marketing Funding Committee members

Mr Peter Hughes (Chair), cattle producer, North Queensland
Mr Don Heatley, cattle producer, North Queensland and Chairman, Meat & Livestock Australia
Mr Jim Cudmore, cattle producer, South-East Queensland and President, Australian Lot Feeders' Association
Mr Peter Hall, cattle producer, North Queensland and member of Cattle Council of Australia
Mr Bill Bray, cattle producer, Victoria and Immediate Past President, Cattle Council of Australia
Mr Mike Introvigne, cattle producer, southern Western Australia
Ms Jen Munro, cattle producer, north-west New South Wales
Mr Ian McCamley, cattle producer, Central Queensland
Mr Warren Barnett, cattle producer, southern New South Wales and Vice President, Australian Lot Feeders' Association
Mr Brad Teys, CEO, Tey's Bros
Mr Terry Nolan, Director, Nolan Meats Pty Ltd and Chair, Australian Meat Industry Council
Mr Michael Carroll, cattle producer, western Victoria and Director, Meat & Livestock Australia
Mr Don McDonald AM OBE, cattle producer, North Queensland
Mr Gary Tapscott, Commercial Manager Sheep & Cattle Operations, Elders and Director, Australian Livestock Exporters Council and President, Australian Livestock & Property Agents

Why was the review conducted?

The review was conducted to evaluate the effectiveness of the increased marketing component of the cattle transaction levy since 2006, and also to determine the appropriate level of funding for beef marketing and trade development to ensure Australia's beef industry is competitively positioned.

[The cattle transaction levy last changed in 2005 after cattle producers voted in a nationwide poll to increase the amount available for beef marketing. Raised by \$1.50 from \$3.50 to \$5.00, then Federal Minister for Agriculture, Peter McGauran put in place a sunset clause stating that the levy would revert to \$3.50 by January 2010, unless the industry voted otherwise.]

What was the process of the 2009 Beef Marketing Levy review?

An independent committee was formed under the chairmanship of Queensland cattle producer Peter Hughes. The Committee sought submissions from the industry and MLA, and also commissioned independent analyses on the benefits to industry from previous marketing expenditure.

The Committee commissioned independent expert analyses from Warwick Yates and Associates and from the Centre for International Economics.



It also invited and received insightful submissions from levy payers, large and small and sought information from and challenged the staff of Meat & Livestock Australia.

How do producers have a say?

Any proposal regarding the cattle transaction levy will require broad industry and levy payer support.

As such, all cattle levy payers will have the opportunity to vote on the recommendation to maintain the cattle transaction levy at \$5 per head.

MLA members will be able to vote on a resolution regarding the cattle transaction levy at the 2009 MLA Annual General Meeting. In parallel to this vote, cattle transaction levy payers who are not members of MLA will have the opportunity to participate in a non-member poll.

How Meat & Livestock Australia (MLA) is funded

MLA is primarily funded by transaction levies paid on livestock sales by producers.

Transaction levies are levies charged on the sale of livestock (cattle, sheep and goats). The money raised is invested in the industry to assist in research and development, marketing and market access activities.

Who sets and collects the transaction levies?

Changes to levies are generally initiated by the industry peak bodies, following consultation with industry, and implemented and collected by federal government.

Who receives transaction levies?

Income from the levies is received by the Levies Revenue Service and distributed amongst Animal Health Australia (AAHC), Australian National Residue Survey (NRS), and Meat & Livestock Australia Limited (MLA).

The table below shows the split of beef levies:

Commodity	MLA (R&D)	MLA (Marketing)	Animal Health Australia	National Residue Survey	Total levies
Cattle	\$0.92	\$3.66	\$0.13	\$0.29	\$5.00
Grainfed cattle	\$1.17	\$3.41	\$0.13	\$0.29	\$5.00
Bobby calves	\$0.16	\$0.48	-	\$0.26	\$0.90

July 7, 2009

MEDIA RELEASE

MLA forums to explore beef market prospects for WA

A series of three producer forums convened by MLA will provide an insight into the prospects for future red meat demand and what this means to the WA beef industry.

Forums will be conducted in Dandaragan, Bunbury and Mount Barker on the mornings of July 21-23 respectively, concluding with lunch.

The presentations will be spearheaded by MLA director and principal of Hillside Meats, Peter Trefort, who is to be joined by MLA Managing Director David Palmer, general manager of marketing David Thomason and WA producer Mike Introvigne, the latter of whom has been a member of the independent Beef Marketing Funding committee.

The MLA forums are an important opportunity to gain a thorough understanding of the purchasing power of the levy that funds MLA activities.

"The opinion of the independent beef marketing funding committee and its recommendation on future marketing levy rates, is an important one for producers to hear," said MLA director Peter Trefort.

"I urge producers to take the time to understand what this levy has achieved in terms of promoting red meat both domestically and abroad and also, to consider how this links to future beef marketing strategies that must be developed in response to world consumer trends.

"An informed industry is a powerful industry – and we need our producers to be informed."

Mr Trefort added that the MLA forums were a source of quality market information that would offer a useful insight into the opportunities going forward for the WA beef industry.

Presentations get underway at 9.30am, with coffee and pre-event registration from 9.00am.

Registrations are essential and should be directed to Esther Price Promotions on 9525 9222 or by email to donna@estherprice.com.au



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Australia’s beef producers – your \$5, your beef, your vote

3/08/2009

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The \$5 cattle transaction levy is under review and all beef producers are being encouraged to have their say.

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An independent levy payer committee has undertaken a review of all aspects of the beef marketing levy and what it delivers to producers and the industry. The Committee unanimously [release](#) recommended retaining the levy at the current [\\$ level](#) of \$5 per head.

[Media resource](#) Meat & Livestock Australia (MLA) Chairman Don Heatley said that the final decision now rests with beef producers.

“The levy is contributing to a range of marketing programs in Australia and overseas to further grow demand for Australian beef by promoting its attributes in the face of fierce competition” said Mr Heatley.

Related Links

 **Images:**

“Australia has established a unique reputation as a safe and reliable supplier of high quality beef and it is imperative that we maintain this position in the face of critical challenges such as mounting attacks on our environmental integrity”.

[Beef Levy Review](#)

Members of MLA should recently have received

their levies notices in the mail with information on how to participate in the Beef Levy Review 2009.

The information members provide in the levies notice is the means by which members inform MLA about the amount of levies paid during the previous financial year. It is important to complete and return this notice by 6 October 2009 in order to receive full voting entitlements for 2009-10. This includes members' voting entitlements for MLA's annual general meeting in Darwin on 19 November 2009.

Cattle levy payers who are not members of MLA can also vote on the levy through a separate beef poll by registering with MLA no later than Friday 18 September.

Register to vote by calling 1800 675 717 or visit www.mla.com.au/beeflevyreview

A full copy of the Beef Marketing Funding Committee findings and recommendations is also available online.

Ends

Released by: Nigel Gosse, MLA Media Affairs
Manager – 02 9463 9360

26 August 2009

MEDIA RELEASE

Victorian beef producers get firsthand international marketing updates for red meat industry

Beef growing regions, Benalla, Hamilton and Leongatha will host a series of red meat producer forums convened by Meat & Livestock Australia (MLA) to provide an insight into the prospects for future red meat demand and what this means to the Victorian beef industry.

The free forums are open to all beef producers and will be held on the following dates:

Monday 31 August: **Hamilton** Showgrounds, Horner Street 10.00am.
Tuesday 1 Sept: **Benalla** Performing Arts & Convention Centre, 57 Samaria Road 10.00am
Wed 2 Sept: **Leongatha** Football Grounds, Grandstand Function Rooms, Roughhead St 10.00am.

The discussions will be spearheaded by MLA general manager of marketing David Thomason and Meat Standards Australia (MSA) representative Mark Inglis.

Victorian cattle producer, Bill Bray, and member of the Beef Marketing Levy Review Committee, encourages producers to attend the workshop.

"With the high standard of beef grown in and around these regions, it is important that producers have the updates on how their products are being marketed – both in Australia and overseas," said Mr Bray.

"As well as looking at what's been achieved in international markets, we are also discussing the recommendations of the independent beef marketing funding committee on future marketing levy rates."

The forums are a good opportunity for local producers to gain an understanding of the purchasing power of the levy that funds beef marketing activities.

"Victorian farmers take a great deal of time and pride in producing an exceptional product and I would urge them to take the time to understand what their levy has achieved and what it needs to keep achieving in coming years," said Mr Bray.

"An informed industry is a powerful industry – and we need our producers to be informed," he said.

"I would encourage people to read the Committee's report and make sure they participate in the review process and submit their vital vote."

In addition to the beef levy discussions, Mark Inglis will update attendees on the MSA program that sees producers paid a premium for guaranteed tenderness and eating quality of the beef.

"Producers participating in the MSA program from 2008-2009 are enjoying average premiums of up to 16 cents a kilogram paid in some categories and local producers are encouraged to see for themselves the gains to be made in this area of production," said Mr Inglis.

Presentations get underway at 10.00am with coffee and pre-event registration from 9.30am. Registrations are essential and can be made by calling 1800 675 717.

A full copy of the Beef Marketing Funding Committee findings, recommendations and related reports are available online at: www.mla.com.au/beeflevyreview or call MLA on **1800 675 717**.

Levy payers who are non-members of MLA can also vote but must register by 18 September by calling MLA on 1800 675 717 then selecting option 1 or visiting www.mla.com.au/beeflevyreview

Ends



For further information, please contact;
Heidi Smith/Annabelle Hillsdon
Sefton & Associates – ph. 02 6766 5222



3 September 2009

MEDIA RELEASE

Deloraine beef producers get firsthand international marketing updates for red meat industry

Deloraine will host a red meat producer forum convened by Meat & Livestock Australia (MLA) to provide an insight into the prospects for future red meat demand and what this means to the Victorian beef industry.

The free forum is open to all beef producers and will be held at **Deloraine Community Complex, Alveston Drive** on Thursday 17 September 2009 at 10.00am.

The discussions will be spearheaded by MLA managing director David Palmer and Meat Standards Australia (MSA) representative Mark Inglis.

Victorian cattle producer, **Bill Bray**, and member of the Beef Marketing Levy Review Committee, encourages producers to attend the workshop.

"With the high standard of beef grown in and around the region, it is important that producers have the updates on how their products are being marketed – both in Australia and overseas," said Mr Bray.

"As well as looking at what's been achieved in international markets, we are also discussing the recommendations of the independent beef marketing funding committee on future marketing levy rates."

The Deloraine forum is a good opportunity for local producers to gain an understanding of the purchasing power of the levy that funds beef marketing activities.

"Local farmers take a great deal of time and pride in producing an exceptional product and I would urge them to take the time to understand what their levy has achieved and what it needs to keep achieving in coming years," said Mr Bray.

"An informed industry is a powerful industry – and we need our producers to be informed," he said.

"I would encourage people to read the Committee's report and make sure they participate in the review process and submit their vital vote."

In addition to the beef levy discussions, Mark Inglis will update attendees on the MSA program that sees producers paid a premium for guaranteed tenderness and eating quality of the beef.

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Ends

For further information, please contact;

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Sefton & Associates – ph. 02 6766 5222





media release

07 September 2009

Beef levy review 2009 – don't leave it too late to have your say

Beef producers are being advised that time is running out to secure their voting entitlements and have their say in the beef levy review 2009.

Peter Hughes, Chairman of the Beef Marketing Funding Committee, has urged all beef producers to consider the findings of the Committee and to have their say in future marketing investment by exercising their vote.

"In the course of the 2009 beef levy review, the Committee considered the challenges and opportunities in Australia's beef markets and the future program and funding needs for the marketing of Australian beef. We found that current \$5 levy is a modest but appropriate investment in the future of our industry and recommend it be retained," said Mr Hughes.

"I encourage everyone to be properly informed by reading the Committee's report. It is easily accessible and covers all aspects of the review of the beef levy and what it delivers to the industry. After all, it's your \$5 – get involved and have your say by participating in the vote," said Mr Hughes.

Cattle producing members of MLA will already have received information on the voting process and should return their levies notice to MLA by 6 October to have the opportunity to vote on the proposal through the 2009 MLA Annual General Meeting.

All cattle producers are entitled to become a member of MLA for free and can vote on the \$5 cattle transaction levy through the 2009 MLA AGM. Register as a member by 18 September 2009 to have the chance to secure your full voting entitlements for the AGM.

If you are not a member of MLA, and do not wish to become one, you can still participate in the Beef Levy Ballot 2009 by calling MLA on 1800 675 717 (select option 1) or online at www.mla.com.au/beeflevyreview by 18 September.

A full copy of the Beef Marketing Funding Committee findings and recommendations, and related reports are available online at: www.mla.com.au/beeflevyreview.

Ends

Released by: Belinda Roseby, MLA – 02 9463 9269





Media release

23 October 2009

Beef levy review 2009 – TIME TO VOTE

It is time for Western Australia's beef producers to determine their industry's future marketing investment by voting on the \$5 cattle transaction levy.

Bridgetown cattle producer Mike Introvigne, WA's representative on the Beef Marketing Funding Committee, said WA cattle producers need to look at the opportunities in international markets when considering their vote on the \$5 beef levy.

"WA cattle producers need to think about the importance of investing in markets like Indonesia and the Middle East when we consider our votes on the beef levy, because the levy provides the marketing funds required to build and maintain market position, both domestically and overseas," said Mr Introvigne.

"A large percentage of the beef levy is spent on developing markets including the Indonesian export market, the Middle East and China. These countries have high populations and an increasing demand for fresh proteins including beef. In these highly competitive markets we need to boost our promotion efforts to build trade awareness and loyalty for our products. Not only are we competing with beef from other countries in these markets, but alternate proteins like chicken and fish."

"We also need to protect market share in established markets like Japan and Korea, continue to promote the nutritional benefits of red meat, and reinforce our environmental credentials to protect our industry from groups who threaten or challenge beef and beef production."

"During the levy review the committee looked at the effectiveness of the \$5 levy and found that it returned about five times the cost of the investment, therefore recommend that it be retained at its current level. I encourage all WA cattle producers to now have their say and vote."

All cattle producer members of MLA or levy payers that registered in the beef ballot must vote by proxy by 17 November or in person at the AGM on 19 November.

For more information call MLA on 1800 675 717 or visit www.mla.com.au/beeflevyreview.

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Ends

Released by: Belinda Roseby, MLA – 02 9463 9269





Media release

26 October 2009

Beef levy review 2009 – Our beef won't sell itself

It is time for beef producers to determine their industry's future marketing investment by voting on the \$5 cattle transaction levy.

Southern NSW feedlot operator and Beef Marketing Funding Committee member, Warren Barnett, believes the Australian beef industry is outperforming bigger and wealthier competitors in the global beef market and encourages all producers to participate in the beef levy vote.

"Marketing is the real key to the success of the Australian beef industry. We have good messages to sell but they won't sell themselves. We need to maintain the momentum and expand our share in our markets both domestically and overseas," said Mr Barnett.

"We also need to protect our industry from groups who threaten or challenge beef and beef production by reinforcing our environmental credentials and promoting the nutritional benefits of red meat."

The Barnett family operates a 5,000-head feedlot at 'Amaroo Park', Mathoura. When the feedlot is running at capacity they turn over 12,000-head per year and contribute \$60,000 in beef levies.

"It may sound like a big figure, but if you put it in terms of percentage per head, it's about 0.35% of an animal exiting the feedlot. It's not that big a figure when you consider it as an investment in marketing your own product," said Mr Barnett.

"During the review of the levy the committee looked at the effectiveness of the levy and found that it returned about five times the cost of the investment. We also found that reverting back to \$3.50 would cost us significantly, so we need to underwrite our industry's future by voting in favour of the \$5 beef levy."

All cattle producer members of MLA or levy payers that registered in the beef ballot must vote by proxy by 17 November or in person at the AGM in Darwin on 19 November.

For more information call MLA on 1800 675 717 or visit www.mla.com.au/beeflevyreview

Ends

Released by: Belinda Roseby, MLA – 02 9463 9269





Media release

26 October 2009

Up to \$1.5 million at stake for livestock export marketing

Queensland and Northern Territory cattle producers are being urged to vote on the \$5 cattle transaction levy before it is too late and valuable resources are put at risk.

Peter Hughes, Chairman of the Beef Marketing Funding Committee, said beef marketing levy funds are needed now more than ever to invest in enhancing and protecting our markets and building emerging markets such as Indonesia.

"Indonesia is a valuable and growing market for Australian cattle and beef. It is Australia's largest live export market, last year taking a record 704,000 head worth \$458 million – that's an increase of almost 30% on the year before. We also shipped about \$140 million of chilled and frozen boxed beef," said Mr Hughes.

"The population of Indonesia is around 240 million, they only eat about 2kg of beef per person per year at the moment, but their demand for beef is steadily growing and their economy is forecast to grow another 6% this year."

"Conditions are ideal for us to ramp up our trade marketing programs and capitalise on the opportunity to build and develop the profile and presence of Australian beef in their market, especially in the retail and foodservice sectors."

Beef from live Australian cattle exported to Indonesia are fed rations in local feedlots for about 100 days before they are processed and promoted locally at retail in traditional wet markets and a growing number of western-style supermarkets.

"If the \$5 beef levy is not supported it will revert to \$3.50 and the live export marketing fund is at risk of being reduced by \$1.5 million. This will threaten our position in this profitable sector and be felt across the whole Australian cattle industry, therefore all cattle producers should have their say and vote."

All cattle producing members of MLA or levy payers who registered in the beef ballot must vote by proxy on 17 November or in person at the AGM in Darwin on 19 November. For more information please contact MLA on 1800 675 717.

A full copy of the Beef Marketing Funding Committee findings and recommendations, and related reports are available online at: www.mla.com.au/beeflevyreview.

Ends

Released by: Belinda Roseby, MLA – 02 9463 9269





Media release

2 November 2009

Time to act as US stalks Australian market share

Australian beef remains dominant in Korea after the US return to the market, but it is now more important than ever to promote our product as the US pours marketing dollars into consumer campaigns to regain market share.

Australian Lot Feeders Association (ALFA) president and member of the Beef Marketing Funding Committee Jim Cudmore said Australian beef holds an enviable reputation among Korean consumers but to protect our market share we must remain proactive.

"We have made significant investment in marketing Australian beef in Korea to build our current high profile and market share," said Mr Cudmore.

"The reputation of Australian beef, which is sold under the Hoju Chungjung Woo (Australian beef, clean and safe) brand, is very well known among Korean consumers and regarded with a high level of trust."

"This has undoubtedly helped Australian beef producers since the return to the Korean market of lower cost US beef. The US is now aggressively pursuing us in this valuable market. We need to step up our own promotions and carry out more integrated marketing activities."

Australian market share has decreased slightly from 62% to 58% since the return of US beef to Korea, but remains well above the 20% share we held in 2004 prior to US exclusion. Volume of Australia's exports is increasing – up 5% so far this year compared to the same period last year.

"Korea's appetite for beef is growing so we need to continue to build consumer confidence in the safety and nutritional value of our beef with promotional activities such as the recent Kids Love (Australian) Beef campaign targeting families and highlighting the nutrients in beef such as omega 3."

"We also need to take aim at competitor proteins such as chicken and pork which have higher per-capita consumption rates than beef."

"The marketing levy funds have helped Australian beef producers establish strong positions in both domestic and overseas markets. It is critical we maintain the momentum and retain the \$5 levy."

Korea is a success story in the Australian export market, last year accounting for 15% of beef exports worth \$883 million, making it our third most valuable market.

Ends

Released by: Belinda Roseby, MLA Media Affairs Manager – ph. 02 9463 9269

[Click here](#) for an image of the latest Kids love beef campaign in Korea





Media release

06 May 2009

Beef Marketing Funding Committee recommends retention of \$5 levy

The Beef Marketing Funding Committee announced its recommendation to retain the current \$5 per head cattle transaction levy rate at Beef Australia in Rockhampton today.

Committee Chairman and Queensland beef producer Peter Hughes said the recommendations of the 14-person independent Committee were unanimous following an extensive and comprehensive review over six months from October last year.

“We have to invest in our future – the \$5 levy is a modest but appropriate investment in the future of our industry,” Mr Hughes said.

In its comprehensive Report released today at Beef Australia the Committee also made two additional recommendations:

- That a minimum return on investment to producers be set at three times the overall marketing levy as the performance yardstick in future reviews; and
- That future reviews of the levy be undertaken as a result of industry need, triggered by the peak councils, and not according to a pre-determined timeframe.

The independent review conducted for the Committee by Warwick Yates and Associates and The Centre for International Economics (CIE), concluded that the \$1.50 increase to the cattle transaction levy for beef marketing since 2006 has been invested wisely and is returning significant financial benefits to the Australian beef industry.

Specifically, the Committee concluded the increase in beef marketing investment has made important contributions towards:

- Helping Australia capitalise on the absence of our major beef competitor (the US) in Japan and Korea, and positioning us to compete with the US as they return;
- Helping maintain very high levels of consumer expenditure on beef within the domestic market in the face of calls to reduce red meat consumption on environmental and health grounds;
- Establishing offices and personnel in Russia and China to support and help position Australian beef within these emerging markets;



- Strengthening Australia's livestock export market position, particularly within Indonesia; and
- Enhancing the evolution of the Australian industry from the status of a commodity supplier to that of a trusted source of quality beef products.

These additional contributions were found to have delivered five times the investment back to producers.

The Committee also found that the major impacts on livestock prices since 2006 have been high exchange rates and high grain prices until late 2008, and now credit restrictions on global trade and the collapse in demand for co-products.

"Without these impacts, livestock prices would be at or near record levels," Mr Hughes said.

"In the Committee's view, based on the evidence we have accessed, cattle prices are stronger today than they would otherwise have been, and the marketing activities funded by the cattle transaction levy have been a significant contributor to this outcome.

"The industry must continue to invest in a broad range of programs to consolidate its position in beef markets and address the challenges and opportunities that lie before it."

Mr Hughes said that despite the many challenges faced by the Australian beef industry such as increased competition in Australia's major markets and mounting attacks on industry's environmental integrity, the Committee had decided not to recommend that the beef marketing levy be raised.

"The \$5 levy today holds roughly the same values as the original \$3.50 levy did in 1998, and assuming 2% inflation going forward, we'd need a levy of \$5.63 in 2015 to maintain current purchasing power," he said.

"The Committee believes that MLA, like the industry it serves, need to be constantly looking for efficiencies and savings to maintain the level of marketing activities into the future."

The details of the review and proposed beef marketing programs will be presented for discussion at producer forums across Australia over the next six months culminating in a vote of levy payers in conjunction with MLA's Annual General Meeting.

Details of the 2009 Beef Levy Review, as well as the full report of the Beef Marketing Funding Committee and related documents, are available at www.mla.com.au/beeflevyreview

Ends

Released by: Nigel Gosse, 02 9463 9360.



BACKGROUND

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