

A BETTER RED MEAT FUTURE

A WHITE PAPER FOR THE RED MEAT ADVISORY COUNCIL



The Australian red meat industry contributes significantly to Australia’s continued economic prosperity and growth, and plays an important role in the lives of consumers worldwide.



Employing 438,000 people, our industry is a major employer, especially in regional areas.



With \$65 billion in turnover + \$13 billion in exports, we earn billions of dollars every year to fund services for all Australians.



We manage a vast area of Australia’s land mass. The beef industry’s sustainability aims include being carbon neutral by 2030.



Eating 130g of lean and cooked red meat every other day in a healthy and balanced diet is in line with the Australian Dietary Guidelines.

The Red Meat Memorandum of Understanding (MoU) was created 20 years ago to define the roles, responsibilities and funding of the red meat bodies that manage this nationally significant industry. Given the enormous political, economic and cultural shifts since then, the MoU has been reviewed to ensure it is creating value for Australia’s 82,500 red meat businesses.

The MoU has been reviewed by an independent Taskforce commissioned by the Red Meat Advisory Council (RMAC) in September 2018. This White Paper and its recommendations is the result of the Review.

The MoU Review

Chair appointed	Taskforce appointed	Stakeholder discussions	National Green Paper consultation	Feedback assessed	White Paper released
Mr Jim Varghese AM	9 experts from across industry	Identify options for reform	57 formal submissions	35 responses for unified + streamlined structure	We are here

Clear consensus from industry

Two predominant themes emerged in the consultation process. These were:

1. The **need for reform** to ensure a stronger capacity for the industry to manage and **address current and future issues** that impact Australia’s 82,500 red meat businesses; and
2. The need to **build on the ongoing industry achievements**, including empowering the MoU and Meat Industry Strategic Plan (MISP).

Twelve principles created by the Taskforce were endorsed by all RMAC signatories and are backed by 19 recommendations. Central to the recommendations are to create:

A renewed **plain English red meat MOU** that is well understood by Australia’s 82,500 red meat businesses



Three new streamlined and unified industry bodies: **Red Meat Australia**, a single **Red Meat Service Provider** + an **Integrity Forum**.



Reduce bureaucracy + duplication, be more **cost-effective**, and **backed by a real accountability framework** back to business and government.

A better red meat future: The future MoU

The White Paper provides a road map to create three new streamlined and unified industry bodies guided by a clearer and more relevant MoU. It provides an unprecedented, clear line of sight between the priorities of levy-payers and industry strategy.

<p>DELIVER Red Meat Servicer Provider NewCo2</p> <ul style="list-style-type: none"> • Combining core functions from AMPC, LiveCorp + MLA • Delivery against MISP: <ul style="list-style-type: none"> – Research, development + extension – Industry development + advancement • Supply chain and skills based board 	<p>LEAD Red Meat Australia NewCo1</p> <ul style="list-style-type: none"> • Single industry voice • Whole of supply chain strategy + advocacy • Issues + policy leadership • Industry marketing function • Industry oversight and recommendation on statutory research funds: <ul style="list-style-type: none"> – Research, development + extension – Industry development + advancement – Insights + market research • Hybrid board (PICs + skills based) 	<p>ENSURE Integrity Forum NewCo3</p> <ul style="list-style-type: none"> • Mandatory integrity systems company • Coordinating core functions from Safe-Meat and Aus-Meat • MSA • ISC • Supported by commercial activity's • Enhanced communications functions to promote the core activities and stronger integrity output • Other functions as agreed
<p>Enjoy Community, customers + voters</p>	<p>Oversee Peak Industry Councils</p>	<p>Benefit Australia's 82,500 red meat businesses</p>

A better red meat future: Funding + accountability

The White Paper recommends the new Red Meat Australia receive all industry levy and matching Commonwealth funds and allocate funding to the single Red Meat Service Provider and the Integrity Forum based on MISP priorities.

The Taskforce recommends a thorough review of existing statutory funding arrangements in order to deliver a revised and more accountable funding framework.

External audits and annual scorecards aimed at driving continuous disclosure and continual improvement would be required for the three new bodies and Peak Industry Councils (PICs). A stand-alone company within Red Meat Australia would develop advocacy campaigns on behalf of industry; use of levy funds for activities construed as "agri-politics" would be strictly prohibited.

Suggested timelines

All signatories to the MoU are now considering the White Paper recommendations and have committed to work on how we may best transition our industry to a stronger, more unified position.

RMAC has undertaken to provide a report on White Paper progress by November 2019, with a view to then following the timeline provided in the White Paper.

July - September 2019	October 2019 - July 2020	12-24 Months 2020-2021	5 Years 2021-2025
<ul style="list-style-type: none"> • Launch of Red Meat MoU Review White Paper • Listening + engagement with industry + government signatories • Management response of RMAC developed 	<ul style="list-style-type: none"> • Creation of Transition Taskforce & Transition Planning • Red Meat Australia launched 1 July 2020 	<ul style="list-style-type: none"> • Mediated Dialogue Stream 1: Red Meat Service Provider meeting on options for unification • Mediated Dialogue Stream 2: Integrity Systems Arrangement meeting on unification of services/mandatory integrity forum. 	<ul style="list-style-type: none"> • 2023: Sunset on current levy arrangements • 2025: First 5-year review of Revised MoU & Industry Structure

