Public submission to ACCC Grocery Inquiry

by

Australian Beef Association

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Duopsony:
A market condition wherein two rival buyers exert a controlling influence on numerous sellers.

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Summary

Farm gate prices for Australian beef producers have been and remain too low to generate sustainable returns for producers.

Australian cattle prices are 25% lower than US cattle prices. At the same time, Australian retail beef prices are twice those in the US.

Australia's high retail beef prices and low cattle prices are the result of an inefficient marketing chain between farm gate and consumer.

There is a large body of evidence to show that the supermarket duopsony plays a key role in determining product flows and prices from farm gate to retail.

There is evidence to show that the supermarket duopsony has used its market power to limit competition and manipulate prices to their mutual advantage.

The results of this behaviour have been unsustainably low prices for producers and a technically inefficient beef processing and distribution chain.

Australian consumers will now pay the price. They will pay higher prices for meat and ultimately they will bear the cost to the environmental and rural decline that is the result of decades of neglect and poor market practices.

The ACCC has an opportunity to redress these matters, by supporting the call by Australian Beef Association for a review of business laws and a comprehensive enquiry into the meat industry.

Industry Overview

The Australian beef industry has a large number of professional and casual producers. Beef cattle are run in a range of environments including tropical, semi arid and temperate environments. About one third are finished in feedlots. (Meat and Livestock Australia. *fast facts* 2007).

The number of beef production units is not reliably known. MLA *fast facts* 2007 states there are 74,352 properties running cattle in Australia.

There are 160,000 Property Identification Codes (PIC) issued by MLA (a property needs a PIC to sell cattle). There were 85,000 properties running cattle in NSW in 1989 (NSW Meat Industry Authority levy)– subdivision since then will have increased this number.

The Australian beef industry has a history of low profitability. Returns are too low to attract significant investment capital. There is only one publicly listed specialist cattle production business. There are no publicly listed Australian processing companies.

Decades of poor returns have sapped the manpower and energy of the production industry. The average age of beef producers is well over 55 and increases almost one year, every year, as few young people chose a careen in agriculture.

Skill levels, experience and competence are declining as experienced farmers depart and are not replaced by qualified trainees and graduates.

Tertiary entry scores for agriculture are low. Entry scores for Melbourne University in 2008 were agriculture 70 and horticulture 50, compared to commerce 96, engineering 85 and veterinary science 99.

Market structure - international

About 64% of the beef produced in Australia is shipped overseas. 90% of this product goes to three destinations: Japan (43%), USA (33%) Korea (14%) and all other destinations (10%). (ABARE 2006/7)

Japanese importers control the trade into Japan. The average FOB price of beef shipped to Japan is A$5.50 per kilo. (ABARE 2007) Importers pay a tariff of 38%. The average retail price of Australian beef in Japan is about A$50.00/kg. This is a commercial mark-up in excess of A$40.00 per kilo.

The $2.2 billion of beef trade with Japan is totally controlled by Japanese importers. This massive trade has less than ten Australian executives based in Japan.

The relationship between Australian beef producers and Japanese consumers is similar to that of Asian sweatshop workers who manufacture running shoes for western consumers in Melbourne and New York.

US exporters compete successfully in Japan and South Korea. (Pre BSE, the US had a greater market share than Australia in Korea and a similar market share as Australia in Japan. In both these markets the US achieved greater unit prices ($/tonne) for its beef than Australia.

Market structure - domestic

“Roughly, 68% of beef used domestically is sold through retail.” (MLA, 2008). The major supermarket chains, Coles and Woolworths, jointly sell about 50% of all retail beef. (AMLC, Meat Marketing Trends, AC Nielsen, consumer surveys, mid 1990s).

Independent meat retailers account for the balance of retail sales. These are mainly family owned and operated business. The number of independent retail butchers has declined since the 1970s, along with their market share of sales. This decline has stabilised in recent time.

There are 3,275 independent retail butchers in Australia (authors estimate). (The *Australian Meat News* database has 2,978 independent meat retailers. Primesafe (Victoria) has 1,038 butchers on its schedule of licensed premises in Victoria (AMN has 931 in Victoria)).

There are in excess of 120 abattoirs and 236 boning rooms processing all species including poultry and game. (authors estimate, *Australian Meat News* database and Primesafe licenses are about the same)

There are 170 businesses that describe themselves as dedicated (industrial scale) smallgood makers. (*Australian Meat News* database. Comparison with Primesafe is difficult due to differences in definitions.)

There are few reliable published industry statistics. The industry does not have access to reliable and relevant commercial data. The official measure of beef consumption is annual per capita consumption. It is calculated by subtracting export tonnages from production tonnages and is reported in kilograms per person per annum carcase weight. This methodology dates back half a century and is a meaningless measure in a complex food market.

Low meat prices and grading

Strategies to increase returns have been a major issue for the beef producers, at least since the early 1980s.

AMLC and MRC commissioned a number of major research projects in the early 1990. The overwhelming view expressed by professional marketers, academics and international and local business consultants was that the industry must move away from the commodity culture and develop quality products and adopt a meaningful product description system (grading).

Grading systems are used in the major Pacific rim beef trading countries - USA, Canada, South Korea and Japan - to communicate quality to end users and price signals to producers.

The adoption of a national uniform and regulated grading system has been a formally agreed industry objective and is incorporated in the Meat Industry Strategic Plan, the official meat industry strategy.

The MISP is administered by the Red Meat Advisory Council. The Federal Minister for Agriculture constituted RMAC and it is responsible for overseeing and implementing the MISP. RMAC has consistently avoided and failed to pursue and deliver the grading objective.

A minority of participants in the domestic industry have resisted a national grading system. Product differentiation and accurate price signals are not in the interest of established merchants who have invested heavily in trading beef as a commodity.

An Australian grading system is not in the interest of Japanese importers. Importers pay a 38% tariff calculated on the value of the product. It is not in their interest to describe and potentially revalue product before it leaves Australia. It would reduce effective price-transfer, increase the tariff and reduce margins in Japan.

Australian beef imported by the Japanese has improved significantly in the past 15 years. Lot feeding, a small industry the early 1990s, has become a major industry producing cattle for Japan. Australia also produces “long fed” beef using selected Angus and Wagyu genetics to produce beef that can be substituted for premium Japanese Wagyu product. This product has ten-times the unit value of standard grain fed product.

Resistance to the introduction of grading has been a major impediment to the establishment of fair and balanced cattle and beef markets.

Australia has little power to influence Japanese trading companies, but it has the power to ensure fair and balanced domestic markets.

Inefficient beef chain

Australia has low cattle prices compared to most developed countries. Cattle prices (feeder and finished cattle) in the US are 30% to 50% higher even at recent exchange rates.

Comparisons with the United States show the Australian meat chain is:

• Very inefficient and

• Delivers a very low proportion of the retail value to producers

The US farm-gate cattle price for a US trade steer is currently about 25% higher than the Australian farm gate price for equivalent animal destined for the domestic retail market. In recent years the US cattle price has ranged between 25% and 50% more than the Australian price.

USA standard trade steer value at farm gate:	A$2.10/kg Live Weight	(US$90.00/cwt LW)*
Australian standard domestic trade steer:	A$1.68/kg Live Weight**	

* USDA March 2008, **MLA March 2008

Despite the fact US cattle prices are 25% higher at farm gate, the price of retail beef in the US is much lower.

Retail Meat Prices A$/kg

	USA* A$/kg	Australia** A$/kg	Difference %
Ground beef, 100% beef	5.57	14.00	+151
Steak, Sirloin USDA Choice boneless	13.82	28.00	+103

*USDA, BSL Retail price data, Feb 2008
Converted at A$1=US$0.94
**Retail Survey Melbourne

In summary US cattle are 25% above Australian prices and retail beef is half the Australian price.

Australia's excessive margin between farm gate and retail price is indicative of an inefficient marketing chain. The root cause is uncompetitive markets that have inhibited investment in modern processing and the adoption of progressive marketing practices.

Australian beef producers receive poor prices because of an under performing processing and distribution system. Australian consumers are paying too much for beef in relation to Australian cattle prices.

Beef prices and sustainability

Australian consumers have enjoyed cheap food and take cheap food for granted. Cheap food is also good politics and organisations and businesses that deliver cheap food have always enjoyed political support.

Now that the real cost of food is rising, consumer and government are showing concerns.

For the supermarket duopsony it has been useful marketing and good politics to keep beef and cattle cheap. The supermarket duopsony's market power has been a key tool in achieving this two-pronged objective.

The supermarket duopsony has used its buying power to pressure wholesaler/processors to lower their prices and in-turn processors have used their relative market power to lower the price of livestock.

Processors who do not supply supermarkets can not afford to pay more for cattle than processors who have a supermarket supply agreement, as eventually both have to sell into the same wholesale market. Processors who consistently pay more for cattle will have lower margins and risk their profitability and commercial survival.

The only marketing tool producers have to influence price is to withhold supply. Individual producers can not exercise this power. This is a poor tool for producers as cattle are a perishable commodity. When they grow to market specification they must be sold. Holding finished cattle is not an option. Age alone moves them off specification and the costs are prohibitive.

While the supermarket duopsony is allowed to exercise unrestrained market power, Australian farmers will not be able to negotiate prices that reflect the cost of production.

The supermarket duopsony has no biological, seasonal or climatic restraints and numerous marketing options. The supermarket duopsony can always out-manoeuvre producers who are captives of the natural world. Supermarkets can use their power to negotiate with consumers and suppliers. Producers have no such choices.

Lower cattle supply may increase market prices from time to time, but lower supply is usually associated with poor production conditions and increased costs that lower margins for producers. The present drought has increased costs but not increased farm gate prices.

Comparative technical and commercial performance of individual beef producers is a separate issue. As in all industries there is variation. The commodity culture favours casual, opportunistic and often irresponsible producers and inhibits innovation, diversity, efficiency, and the pursuit of quality and sustainability.

The need for competitive livestock and meat markets

Until something is done about the Coles and Woolworths duopsony, farm gate prices in this country will remain unsustainable. Very shortly food agriculture will need massive financial assistance from governments to alleviate already severe economic, environmental and social problems.

Agriculture has the potential to earn good farmers decent livings, make a massive contribution to the environment, support the nation in its response to climate change and increase export earnings. But to achieve any of this we have to get our own house (markets) in order.

Agricultural producers must receive sustainable prices. Competitive markets for agricultural produce must be restored.

The supermarket duopsony must be dismantled, at least as far as meats are concerned.

A truly competitive domestic market for livestock will go a long way towards increasing export returns. North Asian importers can and would pay more if they had to. And north Asian consumers would not necessarily need to pay more.

Australia is not a cheap place to grow food. It is an expensive place to grow food. We have poor soils. We have poor and erratic rainfall and water supplies. We have to import our nutrients and fossil fuels. We are undermanned with an aging and under skilled workforce. We have to pay first world wages.

Striving to be the cheapest is an unsustainable ambition. The Australian beef industry can only survive if it is allowed to adopt strategies that align with its natural strengths and weaknesses.

A balanced and truly competitive domestic market will go a long way to establish sustainable prices and a viable agriculture.

On any one day, someone, somewhere on earth, will have a food product on offer, at a lower price than the price on offer in Australia. The supermarket duopsony calculates it can source the cheaper product most of the time.

Laws that facilitate business and marketing practices that favour the price obsessed commodity trade must be changed.

New laws must encourage an innovative, quality driven culture that can deliver fair prices to consumers and fair margins to merchants and processors and sustainable prices to producers.

ACCC questions - Responses and comments

Perception of Price

Q 24 How important is price to consumers when they decide to buy (beef) groceries?

Q 27 How do customers gain information on the pricing of (beef) groceries?

Q 29 How do retailers compare their (beef) prices with other retailers?

The supermarket duopsony has turned beef into commodity. As a commodity there is little differentiation based on qualities.

Domestic beef has only two officially recognised categories "Budget" beef derived from cows and older animals and the "balance", that is, everything else.

The term Budget is the result of an agreement between meat industry organisations and retailers and is required to be used as a descriptor on beef packs where the product is derived from older animals.

Few consumers are aware of the meaning of the term "Budget". Product labelled "Budget" is usually cheaper. Most consumers assume it means, "special" in a sales sense, that is, normal quality but at a lower price.

The supermarket duopsony spends millions of dollars per year on ads in tabloid newspapers, junk mail and TV advertising to establish the "price" of beef, including "Budget" beef, in the minds of consumers. (*Sun Herald* Feb 29, "$Special, Coles Budget Beef Rump Steak" $8.97/kg")

The advertised price for beef is usually less than $10/kg.

More consumers see this price than any other beef price. The less than $10/kg benchmark price has established at great expense by the supermarket duopsony and it's what consumers now "expect".

All other beef prices are judged by this price. Consumers view similarly described steak in a butcher shop as expensive.

Beef is not expensive by any measure. Dietary guidelines suggest a serve of beef should be 125 gms. At $30/kg, a serve costs $3.75. At $10/kg, $1.25 per serve – less than a bottle of soft drink.

Unlike UK and European supermarkets, where home brands are premium products, home brands in Australia are discount products. Beef is the exemplar Australian supermarket duopsony home brand product.

The supermarket duopsony has adopted a strategy calculated to make beef a commodity. They heavily promote their low prices to position their price levels as the "going price" in the eyes of consumers.

Competition between the Supermarket duopsony

Q 33 To what degree do Coles and Woolworths compete against each other?

This brings us to the heart of the issue.

The major supermarket chains (Coles and Woolworths) sell about 50% of all retail beef. (AMLC, Meat Marketing Trends, AC Nielsen, consumer surveys, mid 1990s. The governments stopped the formal collection of this category of data (by ABS) in the late 1990s.)

The supermarket duopsony competes with each other, primarily on price. They use price to promote their respective supermarket brand. "Coles" is a brand as is "Safeway" and "Woolworths".

The supermarkets have been engaged in a price war for more than a quarter of a century. Their unique (by world standards) market power has allowed them to pass the cost of this price war back down their supply chains to their suppliers.

Beef is an important part of the Australian diet and eating culture. The supermarket duopsony has turned it into a commodity and they each aggressively promoted it on the basis of lower prices with no quality differentiation. This strategy is an essential weapon in their ongoing price war with each other. Both compete to buy and offer the cheapest in a never ending zero sum game between themselves.

This 30-year price war could not be sustained if the cost was carried by shareholders.

The cost is carried by their suppliers, who in turn pass it down to farmers who inturn absorb the cost through on going losses.

The entrenched buying power of the supermarket duopsony has become self-perpetuating. Collectively, directly and indirectly, the supermarket duopsony are major purchasers of cattle in Australia.

As major buyers and sellers of all meats they play-off one meat against the next and can withdraw from a meat market if their buying terms are not met. They can play-off one processor against the next to secure the best terms.

Processors who do not have a supermarket supply contract can not consistently out-bid a processor who has a supermarket contract. The processor without the contract knows he will have to compete on price in the same wholesale market. If he pays more for his cattle he will have a lower margin and undermine the viability of his business.

When processors fail to compete at cattle sales, prices move down and the supermarket duopsony achieves its objective at the expense of beef producers. Many saleyards often have as few as two buyers, buying for up to six different processors or feedlots each.

Recent media reports suggest the trading arrangements between Coles and its meat suppliers are not consistent with open and competitive markets.

The supermarkets duopsony's affect on cattle and meat prices is similar to the relationship between cigarettes and lung cancer. It is not a simple one-on-one cause and effect. It is a calculated strategy that is executed through thousands of commercial and marketing activities that add-up to a disaster for the victims – beef producers.

In the long run, there are no free lunches. Eventually the next generation of Australians will pay the price of social breakdown, a degraded environment and the escalating cost of local and imported food.

The vertically integrated Japanese controlled meat companies that operate in Australia use the same strategy. Australian owned independent exporters cannot outbid a Japanese controlled processor for cattle, as all meat product must be competitively prices at wholesale in Japan. Outbidding the Japanese controlled processor undermines the Australian processors margins and eventually the survival of the company. While not bidding up the cattle price achieves the Japanese controlled wholesalers objective - greater supply at lower cost, lower wholesale buy prices and greater wholesale margins. (Meat Research Corporation 1994, *Beef Improvement News* August 1996)

There is room for more participants

Q 37 Is the Australian grocery industry of sufficient size to sustain a third supermarket?

There are 3,275 independent retail butchers in Australia (*author's estimate*). Retailer numbers have been stable in recent years. The businesses range in operating format from kiosks that stock pre-packed meats to shops with extensive boning and smallgoods manufacturing facilities attached.

Value adding for convenience and variety are the major areas of opportunity for independent operators. Currently most of the value adding is carried out in small facilities associated with retail businesses. This may be commercially viable for individuals but is not particularly efficient.

The supermarket duopsony has inhibited investment in value adding and greater efficiency by processors. Value adding initiatives face enormous financial risks as they are at odds with the commodity culture practiced by the supermarket duopsony.

A balanced power relationship between retailers and producers would allow processors to invest in value-adding and other efficiencies that would lower the overall processing cost of beef.

The US has significantly lower processing and marketing costs. Cattle prices are higher and retail meat prices are lower than in Australia.

The current structure is grossly inefficient when the cost to consumers, processors, producers, rural communities and the environment is factored into the value calculation. The meat retailing industry can support many more supermarkets and independent retail butchers in a truly competitive environment.

Power of the supermarket duopsony and major wholesalers to import

Q 50 Is there evidence that large grocery wholesalers have market power as acquirers of product and what are its effects on the retail level?

Q 53 (part) Do major retailers threaten to import products in preference to local brands and how credible is the threat?

The current crisis in the pork industry is an example of the indiscriminate use of market power.

It is a classic example of the supermarket duopsony, importing product to pressure all Australian meat suppliers and independent retailers.

Australia had a viable pork production and processing industry that has a history of supplying pork and meeting demand and at affordable prices. (Pork fillets, the dearest cut, retailed for around $20/kg or $2.50 per 125gm serve).

Australia allows pork imports provided it is used for manufacturing. Imports were used to top-up supplies of pork for manufacture.

The availability of cheap pork from Canada, the US and Denmark has allowed the supermarket duopsony and their preferred large-scale suppliers to opportunistically import pork for manufacture. Australian Pork Limited reports about 60% of manufactured pork products are now made with imported products.

The combined North American and Danish pork industries are 40 times bigger than the Australian industry and are subsidised. Using a combination of pork price fluctuations, currency movements and storage, pork can be imported at very low prices.

Imported pork competes directly with locally produced pork. (Productivity Commission, November 2007) This subsidised product has significantly reduced the price of pigs in Australia and returns to producers and primary pork processors.

For consumers, manufactured pork products are now very cheap with little meaningful qualitative product differentiation and description. Terms such as, champagne, off the bone, leg ham, have a nice ring but little meaning. The degree of extension of manufactured pork products with water is not specified.

Deceptive labelling regulations are used to hide the foreign origin of imported pork products. “Made in Australia” is used for ham made from 100% imported pork. The higher standard, “Product of Australia” can not be used for a ham made with Australian pork if it is made with imported brines.

These labelling rules are calculated to deceive.

The net outcome is to position pork as a cheap meat and undermine manufacturers of quality premium products. The Australian pork production industry is being crushed. It also puts downward price pressure on other meats and generally limits diversity and competition.

This strategy is calculated to help the supermarket duopsony win market share from independent retailers. They use it to promote their own supermarket brand. It undermines the viability of pork abattoirs and boning rooms.

In the short term, this price war is funded by Australian pork producers and processors. Soon Australian consumers will pay the price of a failed industry and in the longer term they will pay with fewer and poorer food choices.

Slotting Fees

Q 51 Do slotting fees reflect the existence of market power?

Good retailers put their most profitable items in the most prominent positions. Positioning meat at the rear of the store suggests meat is the least profitable item on offer.

But meat is an important element in the human diet. And meat is heavily promoted by the supermarket duopsony. (The supermarket duopsony are also recipients of producers' funds through MLA)

Meat is used to drag consumers past everything else, including the slotted positions in the supermarket.

Meat and the meat industry are being sacrificed to promote the supermarket brand and generate sales of inherently more profitable products and to collect slotting fees.

Meat producers may not directly pay slotting fees, but the promotion of cheap meat and its positioning at the back of the store underpins the slotting fee system - at an enormous cost to beef producers.

In the end, this marketing strategy lowers the cost of cattle and allows the supermarket duopsony to increase the margin on thousands of other products. Why else would they do it?

This is only possible because of the market power of the supermarket duopsony and their ability to buy cheap meat and charge other suppliers fees, as consumers walk past their products to buy meat.

The pricing of meat at sustainable prices will save consumers money, by depriving the supermarket duopsony of this pernicious marketing tool they use to inflate the price of other groceries.

Delisting

Q 53 (a) How could (do) wholesalers retailers exercise market power? Could major retailers credibly 'delist' a product or brand?

Delisting suppliers of a commodity is inconsistent with objectives of a commodity trader. Delisting beef producers would mean the supermarket duopsony must impose standards. This would limit supply and could lead to product differentiation and possibly premiums and discounts.

The supermarket duopsony has in fact done the reverse. Federal and state legislation requires all beef producers to be "listed".

The cost of mandatory "listing" is enormous. Estimates suggest it costs the beef industry up to $500 million per annum.

The commodification of beef along with the trend to home brand products has some risks for the supermarket duopsony.

In the event of a product failure (say poisoning), the whole supermarket brand can be damaged. In the event of an animal disease outbreak cheap supply could be disrupted.

The supermarket duopsony has moved to manage this risk by transferring the risk down the chain to processors who in turn have transferred it to producers.

In a balanced market situation, when a retail business recognises a risk that could originate with its suppliers, it impose performance standards on its suppliers and negotiates a price to reflect the reduced risk to itself and the added cost to its suppliers.

Given the commodity culture and price competition between the supermarket duopsony, this course of risk management is not a useful option.

Using their market power, the supermarket duopsony has negotiated with processors and meat industry organisations to turn "food safety" into a commodity.

This has been achieved by making it mandatory for all producers to warrant that their cattle are safe using a National Vendor Declaration (NVD).

An NVD makes all cattle and all farms equally "safe".

An NVD transfers the risk from retailer/processor to producer. The law now says, when something goes wrong, it is 100% the fault of the producer (the vendor) and it is 0% the fault of the buyer – the supermarket duopsony.

Federal and state governments have also legislated for mandatory whole of life identification for cattle using radio frequency tags. (National Livestock Identification Scheme, NLIS. All cattle must have a tag when moved off the property of birth. (

The NVD make all cattle equally safe, at least on paper. And NLIS provides some evidence that the farm of origin of an animal (but not meat) can be traced.

The prime purpose of NLIS and NVDs is to provide legal and public relations protection for both the supermarket duopsony and processors in the event of an adverse event.

In effect, it lets the supermarket duopsony continue to deal with cattle as a commodity, while allowing the duopsony to take no practical action to protect the security of its supply lines and the safety of its customers.

Neither NLIS nor NVDs provide any practical protection for consumers.

A NVD is, in effect, a release for the processor that says the producer will accept 100% responsibility in the event a product is found to be defective. It does not require any on-farm action.

The NLIS database is hopelessly inaccurate and the correlation with reality is very low (possibly less than 0.3). The database has never been properly audited but individual producer records show more than half their information is wrong.

Processors do not have the capacity to track product forward through their plants and on to the retailer. Retailers and processors do not have the capacity trace meat products back to the animal of origin.

The cost of NLIS is unknown. Government and industry refuse to do a cost-benefit analysis.

NLIS is estimated to costs about $500 million per annum, when tags, labour, tag reading, database management and enforcement are counted. The market system has transferred the entire cost to beef producers.

The compulsory Transaction Levy, imposed by government used to fund MLA and other industry initiatives is $5.00 per transaction. NLIS costs in the order of ten times as much.

NLIS and LPA are an immense financial and administrative burden. The power to transfer its risk management costs to its suppliers, as much as anything else, demonstrates the power of the supermarket duopsony.

Action

To redress the entrenched trading problems in the meat market a range of laws/regulations must be introduced. We recommend a Royal Commission to fully investigate the meat industry chain and to make recommendations. The last inquiry was the Woodward Royal Commission in 1982.

The market regulations suggested below are already in use in many free-market economies. Phased introduction will allow markets to adjust to changed practices and respond to new market opportunities. Consumers will benefit from greater competition across all products and greater food security.

The following issue must be addresses:

- Grading and product description and labelling
- Promotion and advertised pricing. To investigate unit pricing per 100gm to put beef on an equal footing with similar foods and to match the product to serving size.
- Prices transparency and mandatory reporting of wholesale meat and livestock prices, including imported meats and forward contracts for these products. The US has a Stockyard and Packer Act to enforce price transparency and impede buyer collusion,
- Volume and price controls on imported product where they compete with domestic product
- Retail meat trading rules to ensure fair competition, including commercial arrangements between tenants and landlords
- Food safety regulation and the jurisdiction of responsible authorities
- Bio-security, particularly with respect to risks from imported foods and animal products
- Australia's on-farm and food chain food safety systems, specifically the cost of NLIS and its value in an exotic disease emergency or food contamination event.
- Compulsory levies and the structure and governance of meat industry organisations

Australian Beef Association, March 2008