



RED MEAT ADVISORY COUNCIL

**SUBMISSION TO SENATE RURAL AND REGIONAL AFFAIRS
AND TRANSPORT LEGISLATION COMMITTEE**

**INQUIRY INTO THE DEFINITIONS OF MEAT AND OTHER
ANIMAL PRODUCTS**

AUGUST 2021

Table of Contents

1. EXECUTIVE SUMMARY	3
Recommendations	3
2. LEGISLATIVE AND REGULATORY FRAMEWORK UNDERPINNING COMPULSORY LEVY INVESTMENT	4
Historical Context of Compulsory Levy Investment.....	4
Legislative Framework Regulating Australian Meat Category Brands Internationally	5
Legislative Framework Regulating Australian Meat Category Brands Domestically	6
3. APPROPRIATION OF AUSTRALIAN RED MEAT CATEGORY BRANDS.....	8
Motivation for the Appropriation of Red Meat Category Brands.....	8
Impairment of Red Meat Category Brands	9
4. HEALTH IMPLICATIONS FROM FAILING TO HAVE TRUTH IN LABELLING	13
5. SOCIAL AND ECONOMIC IMPACTS OF BRAND APPROPRIATION	15
6. IMPLICATIONS FOR OTHER ANIMAL PRODUCTS	16
7. RELATED MATTERS.....	17

1. EXECUTIVE SUMMARY

The Red Meat Advisory Council (RMAC) welcomes the opportunity to provide a submission to the Senate Rural and Regional Affairs and Transport Legislation Committee on the inquiry into the definitions of meat and other animal products.

RMAC is the national federation of red meat and livestock employer associations and commodity representative organisations. RMAC members are the prescribed industry representative bodies under the *Australian Meat and Live-stock Industry Act 1997*, including the:

- Australian Livestock Exporters' Association,
- Australian Lot Feeders' Association,
- Australian Meat Industry Council,
- Cattle Council of Australia,
- Sheep Producers Australia, and
- Goat Industry Council of Australia

This submission is made in partnership with submissions provided to the Committee from RMAC members. RMAC would welcome the opportunity to discuss this submission with the Senate Rural and Regional Affairs and Transport Legislation Committee.

Recommendations

RMAC recommends the Committee:

1. Recognises the significant compulsory levy investment made in the development of Australia's red meat category brands over the past eight decades.
2. Considers the long-term implications of the current market failure that allows non-levy paying vegan supply chains to benefit from the expenditure of compulsory levies collected from Australian red meat and livestock businesses.
3. Recommends that, given no consultation was undertaken with the meat industry on the Sanitarium amendment to Section 1.1.1 —13, the Food Code is revised to explicitly state this section is not applicable to named meat products.
4. Recommends FSANZ immediately develop a guideline to assist in the interpretation of Food Code standards relating to the labelling of “beef”, “lamb” and “goat”.
5. Recommends minimum regulated standards to prohibit:
 - a. the use of plant or synthetic protein descriptors that contain any reference to animal flesh or products made predominately from animal flesh, including but not limited to “meat”, “beef”, “lamb” and “goat”, and
 - b. the use of livestock images on plant or synthetic protein packaging or marketing materials.
6. Recommends the establishment of a national information standard to provide for the labelling and sale of products represented as “meat”, “beef”, “lamb”, and “goat” that are produced and sold in Australia.
7. Recognises the significantly higher levels of bioavailable nutrients and essential amino acids in red meat than manufactured plant-based protein products, noting the risk to vulnerable populations from substituting animal proteins for plant-based products.
8. Highlights the risk posed to rural and regional jobs from the appropriation of red meat category brands by plant-based proteins manufactured overseas or manufactured with imported ingredients.
9. Notes the underlying anti-livestock and anti-meat agenda of Food Frontier and its policy forum, the Alternative Proteins Council.

2. LEGISLATIVE AND REGULATORY FRAMEWORK

UNDERPINNING COMPULSORY LEVY INVESTMENT

Historical Context of Compulsory Levy Investment

The Commonwealth Government's regulated collectivism and compulsory levies of the nation's red meat and livestock industry dates to the 1930's. The first statutory board financed by meat levies, the Australian Meat Board, was established in the same year the Parliament of Australia legislated the *Income Tax Assessment Act 1936*. The establishment of a statutory authority funded by compulsory levies was in response to the adverse market conditions of the depression and to administer export quota arrangements¹. An important note to the development of the Australian red meat and livestock industry is that levies on industry were originally initiated at the request of industry. Subsequent changes in the level of levies have either been at the recommendation or with industry concurrence².

Under the *Australian Meat and Live-stock Industry Act 1997* and the associated levy and charges Acts, approximately \$5 billion of taxation revenue over 24 years has been raised primarily from industry levies³ (Attachment 1). Throughout every State and Territory in the nation, 77,000 red meat and livestock businesses pay compulsory levies across the supply chain, whether transacting livestock, exporting livestock, or processing livestock. These compulsory levies have been used to invest in our supply chain's collective development underpinning industry research, extension, marketing, and product integrity programs.

The 85 years of compulsory levy taxation and investment by the Commonwealth Government has underpinned the world leading brand and reputation of Australian red meat and livestock our industry has today. While the mechanism for investment delivery has evolved from statutory authorities such as the Australian Meat & Live-stock Corporation to the current industry owned companies, the underlying framework for revenue collection through Commonwealth Government taxation powers have stayed the same.

Recommendation 1: The Committee recognises the significant compulsory levy investment made in the development of Australia's red meat category brands over the past eight decades.

Our industry's levies are no different to income tax, in that once the taxation revenue is collected it belongs to the government. That is why our industry owned service delivery companies who receive levies are subject to the parliamentary scrutiny of Senate estimates. In the same way income tax legislation defines 'resident of Australia' or 'primary production business' for tax purposes, the legislative framework underpinning compulsory levy investment defines our industry's category brands of 'meat', 'beef', 'lamb' and 'goat'. Part 1 Section 3 of the *Australian Meat and Live-stock Industry Act 1997* provides an example of the following definition for meat:

meat means the fresh or preserved flesh of cattle, calves, sheep, lambs, goats or other animals prescribed for the purposes of this definition, and includes meat products, meat by-products and edible offal, but does not include meat of a kind declared by the regulations to be, for the purposes of this Act, unfit for human consumption⁴.

¹ Australian Meat Board. (1936). *Annual report of the Australian Meat Board*

² Meat and Livestock Industry Reform Steering Committee. & Meat and Livestock Industry Reform Task Force. (1996). Australian meat and livestock reform for the future : Steering Committee and Task Force report

³ Estimated prescribed research and development corporation expenditure from 1997

⁴ *Australian Meat and Live-stock Industry Act 1997*

Other legislative instruments governing industry's levy investment that contain category brand definitions include the Export Control (Meat and Meat Products) Rules 2021 and the Australia New Zealand Food Standards Code – Standard 2.2.1 – Meat and meat products.

Many of the same challenges Australia's taxation system face are also faced by the legislative and regulatory framework underpinning the compulsory levy investment into meat category brands. Similar to a multinational company unethically using transfer pricing to minimise Australian tax obligations while benefiting from access to our market, foreign-owned manufactured plant-based protein (MPBP) companies are exploiting the goodwill developed in red meat category brands through decades of compulsory levy investment.

The continued exploitation of Australian red meat category brands by companies who do not pay compulsory levies poses a risk to the long-term viability of the compulsory levy system. The value proposition for compulsory levies to invest in red meat category brands is quickly diminished if MPBP companies are able to use predatory piggyback marketing practices to sell non-animal protein products labelled as 'beef' or 'lamb'. The fact that non-levy paying supply chains are able to get a free ride off the Australian red meat and livestock industry's significant compulsory levy investment for commercial gain is a market failure that needs to be addressed.

Recommendation 2: The Committee considers the long-term implications of the current market failure that allows non-levy paying vegan supply chains to benefit from the expenditure of compulsory levies collected from Australian red meat and livestock businesses.

Legislative Framework Regulating Australian Meat Category Brands Internationally

The Commonwealth Government has precedent in enacting legislative reform to ensure truth in labelling and to protect consumers confidence in meat category brands. In 1982, the Commonwealth Government legislated the sweeping *Export Control Act 1982*. This Act introduced significant penal provisions (including gaol sentences) in relation to false trade descriptions. The legislative protection for meat category branding ensured both export and domestic market confidence in the integrity of meat exported from Australia.

The legislative protection of Australia's red meat category brands for international consumers is maintained to this day through the recently revised *Export Control Act 2020* and the underlying legislative instrument the Export Control (Meat and Meat Products) Rules 2021. The export control rules explicitly define red meat category brands with definitions including:

beef means meat derived from:

- (a) a female bovine animal; or
- (b) a castrated male bovine animal; or
- (c) an entire male bovine animal showing no evidence of secondary sexual characteristics.

goat, when used in a trade description, means meat derived from a caprine animal.

lamb means meat derived from an ovine animal that:

- (a) is under 12 months of age; or
- (b) does not have any permanent incisor teeth in wear.

meat means any part of an animal (including an animal carcase and offal) that is slaughtered other than in a wild state.

Legislative Framework Regulating Australian Meat Category Brands Domestically

The Australia New Zealand Food Standards Code (the Food Code) sets the labelling and compositional standards for meat and meat products sold in, or imported into, Australia and New Zealand. The combination of a recent amendment to the Food Code and a regulatory grey area in the standards has enabled the proliferation of deceitfully labelled MPBP products currently being retailed in the domestic market.

Some foods (e.g. sausage, meat pie, dried meat) are defined in the Code and can only be sold using a specific name or representation if they meet the definition and compositional requirements in the Code. However, an amendment introduced into the Code which came into effect on 1 March 2016, allows the name of the food to be further qualified so the context makes it clear the food is not a food as defined in the Code (Section 1.1.1, subsection 13).

This amendment originated from a submission made by Sanitarium in relation to plant-based juice products (analogue dairy). There is no evidence of consultation with the Australian red meat industry through the process that considered the amendment. Having reviewed the background to Section 1.1.1–13 and all the submissions made during the consultation process, it is clear that the wording was influenced by the submissions made in relation to analogue dairy products without consideration of the flow on effect such wording would have on analogue meat products. Importantly, the wording was influenced by the arguments of a company with a vested interest in selling plant-based beverages as “milk”, while the meat industry made no submissions.

Recommendation 3: The Committee recommends that, given no consultation was undertaken with the meat industry on the Sanitarium amendment to Section 1.1.1 —13, the Food Code is revised to explicitly state this section is not applicable to named meat products.

There also appears to be a reluctance to highlight non-compliance with existing standards by Food Standards Australia New Zealand (FSANZ). The FSANZ submission to this inquiry contains the following statement:

Section 1.1.1—13 of the Code does not apply to meat/meat products other than those listed above (e.g. minced beef, ribeye steak). For those foods, the requirement for the name of the food to indicate its true nature applies (subsection 1.2.2—2(1) of the Code). As for all foods, consumer protection legislation also applies⁵.

The statement by FSANZ confirms the 2016 amendment which allows alternate descriptors to be used when labelling the foods defined in Section 1.1.2—3 does not apply to all other non-defined products. This means red meat category brands such as “beef”, “lamb” and “goat” which are not defined in Section 1.1.2—3 must have a label that is “sufficient to indicate the true nature of the food” (Section 1.2.2—2 (1)). There is a litany of MPBP products currently retailed in Australia labelled as “beef” but contain no meat derived from a bovine animal.

⁵ Definitions of meat and other animal products Submission 15

This product's "beef" label does not indicate the true nature of the food:



While FSANZ's submission to this inquiry may state it "does not have a role in relation to the enforcement of the Code", the submission fails to reference the authority's legislated function "to develop guidelines to assist the interpretation of the Australia New Zealand Food Standards Code on its own initiative"⁶. The Australian red meat and livestock industry submits to the Committee the lack of developed guidelines on the use of non-defined red meat category brands such as "beef", "lamb" and "goat" is a failure of FSANZ to deliver upon the authority's legislated functions.

Recommendation 4: The Committee recommends FSANZ immediately develop a guideline to assist in the interpretation of Food Code standards relating to the labelling of "beef", "lamb" and "goat".

In addition to the Food Code, meat category brands retailed domestically are regulated under the Australian Consumer Law (ACL) contained in the *Competition and Consumer Act 2010* and state and territory Fair Trading Acts and Food Acts. Under the ACL, it is unlawful for a business to make statements in trade or commerce that are misleading or deceptive or are likely to mislead or deceive. The Australian Competition and Consumer Commission (ACCC) is the ACL regulator in respect to conduct engaged in by corporations. This submission contests certain MPBP companies have breached the ACL through their product marketing and there has been a failure of the regulator to act in the following section.

⁶ Food Standards Australia New Zealand Act 1991

3. APPROPRIATION OF AUSTRALIAN RED MEAT CATEGORY BRANDS

Motivation for the Appropriation of Red Meat Category Brands

The key motivation for MPBP companies to appropriate Australian red meat and livestock category brands was brazenly stated by the Animals Australia Activist and Food Frontier lobby group founder, Mr Thomas King in 2019. In an article titled ‘*Veganism becomes more mainstream — but don't mention the 'V' word*’, Mr King is quoted as saying:

One of the first things he told fake meat makers was to avoid the term "vegan" on their labelling, because it can isolate consumers.

Veganism is breaking outside of that very neat and old-school box where it's been labelled as sort of an extremist choice to something that everyday consumers want.

A lot of these food companies are avoiding using terms like vegetarian and vegan because it is restricting, it can come with certain connotations, so by dropping it they are opening up their products to the mainstream market⁷

This advice provides an insight into the marketing strategies used by MPBP companies. These companies are seeking to use piggyback marketing practices to trade on the good name of Australia's red meat category brands to sell their products into the ‘mainstream market’. This is because Australian consumers know that when they buy red meat they are getting one of the safest and most nutrient-dense foods available.

MPBP companies are clearly not including meat related text and imagery to appeal to non-meat eaters. Non-meat consumers want to disassociate from meat, not buy things that are reminiscent of it. It is clearly a marketing ploy to attract red meat eaters by creating impressions and allowing misleading and deceptive inferences to a significant proportion of consumers. That is why many of these hyper-processed vegan products choose not to develop their own category branding but purposely appropriate the goodwill associated with red meat category brands.

Underlying the commercial gain through piggyback marketing exploited by the MPBP industry, is a sinister anti-farmer and anti-meat agenda that seeks to end the livelihoods of Australia's 434,000 red meat and livestock workers. In 2017 Mr King delivered an extreme ideologically driven presentation where he professed that the one cause fuelling every issue he had worked to address was the production and consumption of meat⁸. Mr King's premise of this presentation was that synthetic and MPBPs could completely replace animal proteins.

The ideological agenda being pursued by Mr King and furthered by the misinformation perpetuated by his lobby group, Food Frontier, and its policy forum, the Alternative Protein Council, is for MPBPs to completely appropriate the category branding of animal products with the ultimate aim of ending all commercial livestock-production in Australia. This aim is openly championed by Food Frontier policy forum member, Impossible Foods, with the following mission statement:

Our mission is to make the global food system truly sustainable by eliminating the need to make food from animals⁹.

⁷ <https://www.abc.net.au/news/2019-03-11/dont-use-the-v-word-why-veganism-is-going-more-mainstream/10836504>

⁸ <https://www.youtube.com/watch?v=4UibloKfOoA>

⁹ <https://impossiblefoods.com/company>

Impairment of Red Meat Category Brands

The current damage being done by deceitfully marketed MPBPs to Australia's red meat category brands in the domestic retail market is unprecedented. The primary drivers of impairment are from:

1. misleading labelling resulting in consumer confusion between red meat category brands and inferior hyper-processed plant-based products; and
2. the denigration of red meat category brands by baseless credence claims designed to damage the reputation of red meat category brands.

A national survey of 1,000 Australians undertaken in July 2021 by ISO accredited market research agency, Pollinate, revealed six-in-10 consumers are being misled by the current packaging of MPBPs which is allowed to be disguised as meat (Attachment 2). Overall, nearly 75 per cent of all respondents believed MPBPs should not be able to be described as meat. In particular in regards to product category branding, the survey found:

- 54 per cent of consumers expect the product to contain animal protein if the packaging includes images of animals;
- 51 per cent of consumers expect the product to contain animal protein if the packaging includes descriptors such as "beef", "chicken" or "lamb"; and
- 51 per cent of consumers expect the product to contain animal protein if the packaging describes the product as 'meat'.

The reasons given by respondents of why MPBPs were confusing were because of the use of animal imagery, difficult to read font, and use of meat descriptors. The qualitative component of the research included the following insightful considerations from individual consumers:

Very confusing when images of animals are on packaging, when manufacturers try to make the product look like an animal product and when they name their products with VERY similar sounding names to meat products.

Having the "meat" words significantly larger and more prominent than the plant based words, especially as these products are often adjacent to their meat counterparts in supermarkets.

Sometimes the words plant based are very small or blend in. Also plant based is a bit ambiguous.

Because it's packaged and labeled as "chicken" then smaller under it says "like chicken". I've accidentally bought plant based before by accident.

Because it needs to be written larger that there is no meat at all. When you have 'meat products' written it sounds like there is meat included.

The independent ISO accredited market research agency has delivered the most comprehensive assessment of community understanding and attitudes to MPBP product packaging. This objective consumer research demonstrates that the packaging in fact causes confusion about the true nature of MPBPs and the absence of any meat content. The majority of Australian consumers are not only being misled by MPBPs packaging they also want clear labelling standards.

Recommendation 5: The Committee recommends minimum regulated standards to prohibit:

- a) the use of plant or synthetic protein descriptors that contain any reference to animal flesh or products made predominately from animal flesh, including but not limited to "meat", "beef", "lamb" and "goat", and***
- b) the use of livestock images on plant or synthetic protein packaging or marketing materials.***

Concerningly, consumer research cited by MPBP special interest groups and taxpayer funded Commonwealth agencies have significant shortcomings. The research commissioned by the anti-meat lobby group Food Frontier regularly cited as “Colmar Brunton (2019)” appears to have actually never been released publicly. Unlike the ISO Pollinate survey that was publicly released with full methodology and supporting data, the Colmar Brunton research has only been cited within a report published by Food Frontier. Regrettably, requests from industry to attain the primary research findings from Colmar Brunton have been refused by Food Frontier.

Another commonly cited report is Gleckel (2020)¹⁰. This paper is authored by a United States legal academic, Jareb Gleckel, with no apparent qualifications or accredited experience in market and social research. This ‘research’ was comprised of non-nationally representative survey of 155 participants, none of whom lived in Australia. Raising further questions of the report’s benefit is the fact the survey was undertaken using only text with no images shown of actual product packaging used in the market. It is extremely disappointing that this report has been cited as ‘scientific literature’ by what should be the eminent taxpayer funded scientific agency, CSIRO.

Consideration must be given as to whether CSIRO has purposely chosen to identify a non-representative study to cite as ‘scientific literature’ due to the agency’s \$19.5 million investment in MPBP manufacturer, v2food¹¹. Notably, even though CSIRO has assured the Senate Economics Legislation Committee that “research publications are conducted separately from any commercial interest that CSIRO holds”, v2food has cited the same obscure non-representative United States study that CSIRO has.

A University of Melbourne study into MPBPs identified the prevalence of unverified and unsubstantiated credence claims made on product packaging¹². University researchers found that in these claims, companies discuss their products in relation to conventional meat products, presenting them as simultaneously better than and similar to meat. This research exposes the extent to which MPBP companies use piggyback marketing practices while simultaneously denigrating red meat category brands for maximum reputation damage to meat products.

The overriding strong and intended false impression given by MPBPs packaging is to represent the product as meat without the downsides, which mischaracterises meat and ignores MPBPs' risks and deficiencies as a new plant-based food product with legitimate questions about its own fundamental characteristics.

It is disappointing that while the Australian Competition and Consumer Commission (ACCC) stated in its submission that any claimed health or environmental benefits should be substantiated, yet no action has been undertaken by the watchdog. As identified by the University of Melbourne, there is overwhelming evidence of unsubstantiated credence claims being made by MPBPs. An important principle in consumer law is that “credence” claims require extra care and support to be lawful. These are express or implied claims where the consumer cannot readily verify the claims independently and must trust the seller.

The ACCC’s unwillingness to investigate misleading MPBP labelling is at odds with its own Compliance and Enforcement Policy. This policy is concerned with conduct involving a significant new or emerging market issue or where their action is likely to have an educative or deterrent effect¹³. It is incumbent upon the ACCC to explain how this policy works in practice with respect to the rapidly emerging issue of misleading MPBP packaging and credence claims.

¹⁰ Gleckel (2020) Are Consumers Really Confused by Plant-Based Food Labels? An Empirical Study

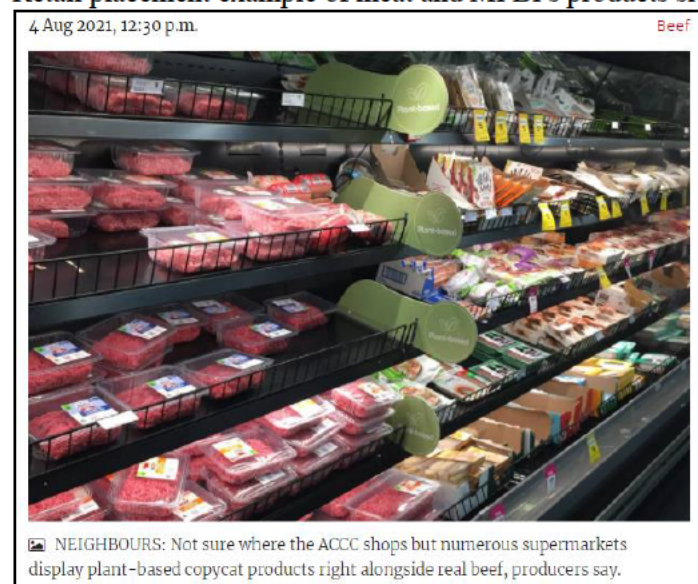
¹¹ Question on Notice BI-82, Economics Legislation Committee, 2021 -2022 Budget Estimates

¹² https://research.unimelb.edu.au/_data/assets/pdf_file/0038/179876/Report-The-Australian-Alternative-Protein-Industry-Lacy-Nichols.pdf

¹³ <https://www.accc.gov.au/about-us/australian-competition-consumer-commission/compliance-enforcement-policy-priorities>

The ACCC's submission to this inquiry has highlighted the fact that the regulator has undertaken no proactive investigation of this emerging issue. It has also demonstrated a complete lack of appreciation of the issue. The ACCC's statement that most retailers supply both animal derived food products and plant-based substitutes have these products located separately, rather than alongside each other is completely out of touch with the reality of the retail marketplace. The below image reported by Australian Community Media demonstrates the discontent between the reality of the marketplace and the regulator's perception.

Retail placement example of meat and MPBP products side-by-side¹⁴:



The ACCC's unwillingness to commence proceedings against MPBP companies for misleading labelling and unsubstantiated credence claims is in stark contrast to the number of proceedings brought against livestock production businesses by the regulator^{15 16 17 18}. In the absence of an active regulator enforcing ACL principles, this market failure can be addressed by establishing an information standard for red meat category branding under section 134 of Schedule 2 to the *Competition and Consumer Act 2010*.

An information standard to define the category brands of "meat", "beef", "lamb", and "goat" will deliver upon the intergovernmental agreement for the ACL to effectively protect and empower consumers, foster effective competition, and enable confident participation of consumers in markets by promoting fair trading. In the same way the Australian Consumer Law (Free Range Egg Labelling) Information Standard 2017 has addressed consumer confusion and misleading claims, a regulated information standard for meat category brands will provide clear guidance to prohibit MPBPs from making false or misleading representations or engaging in misleading or deceptive conduct about the origin of their products.

Recommendation 6: The Committee recommends the establishment of a national information standard to provide for the labelling and sale of products represented as "meat", "beef", "lamb", and "goat" that are produced and sold in Australia.

¹⁴ <https://www.farmonline.com.au/story/7370853/beef-producers-urged-to-speak-up-on-vegan-labels/>

¹⁵ <https://voiceless.org.au/case-note-accv-luv-a-duck/>

¹⁶ <https://voiceless.org.au/case-note-accv-pepes-ducks-ltd/>

¹⁷ <https://voiceless.org.au/case-note-accv-turi-foods/>

¹⁸ <https://www.accc.gov.au/media-release/egg-producer-penalised-750000-for-misleading-free-range-claims>

Importantly, the information standard is proposed to the existing red meat category brands and not product utility terms. In contrast to the straw man arguments put forward by MPBP industry of vegetable discs and other obscure descriptors, the Australian red meat and livestock industry is not seeking to prescribe additional definitions for utility terms such as burger, patty or mince.

Contrary to arguments put forward by vegan special interest groups, providing regulatory protection to red meat category brands will not impair MPBP products using utility terms to describe how their products should be cooked. “Meat”, “beef”, “lamb” or “goat” are collectively owned category brands by our industry and are not necessary to use when describing how a product is cooked or consumed. Veggie burgers, vegan mince or soy patties provide sufficient consumer guidance to product utility.

Aside from the deliberate piggyback marketing benefits enjoyed by MPBP companies, there is no additional consumer utility derived from describing a product as a “plant based beef burger” than simply a “plant based burger”. Red meat category brands in themselves do not describe how a product is consumed or cooked. As margarine did with butter, MPBP products should establish their own product categories and brands to relay specific sensory experiences rather than appropriating red meat category brands.

Allowing MPBP companies to appropriate red meat category brands as a way to describe ‘sensory experiences’ infringes upon the unique intellectual property developed by our industry. Hundreds of millions of dollars invested through compulsory levies and private expenditure in red meat-eating quality programs are severely devalued if any type of vegetable product can benefit from our industry’s category brands. Infringing a trademarked brand to sell another product is unlawful in Australia and so should be the use of our industry’s collective owned meat category brands if a product is not from the flesh of an animal.

In addition to protecting the unique intellectual property of red meat category brands created through socialised levy and private investment, implementing regulated minimum standards will also protect against adverse product associations. The hepatitis outbreaks in Australia linked to imported Chinese berries are an example of the collateral damage caused by adverse product associations¹⁹. From no fault of their own, Australian berry producers experienced significant damage to their category brands from a product that had not originated from their supply chain.

The hepatitis outbreak became the driver for the introduction of the country of origin labelling Australian consumers enjoy today²⁰. Country of origin labelling was introduced through the same ACL information standard legislative instrument as proposed in recommendation six. The introduction of this information standard was a significant win for Australian consumers against the vested interests of opposition from the Australian Food and Grocery Council (AFGC). AFGC’s opposition to truth in labelling for red meat products is reminiscent of the council’s opposition to country of origin labelling. During the parliamentary inquiry into country of origin food labelling, AFGC submitted it “does not believe there is sufficient evidence to warrant radical change to existing labelling regulation”²¹.

¹⁹ <https://www.bbc.com/news/world-australia-31498998>

²⁰ <https://www.smh.com.au/politics/federal/abbott-government-to-move-on-country-of-origin-food-labels-after-hepatitis-a-outbreak-linked-to-imported-frozen-berries-20150226-13p7ho.html>

²¹ <https://www.aph.gov.au/DocumentStore.ashx?id=bbff0513-7f2c-4c43-9658-cccd1a70e2ee&subId=252350>

4. HEALTH IMPLICATIONS FROM FAILING TO HAVE TRUTH IN LABELLING

Healthy diets require a foundation of animal protein. Meat and dairy products provide nutrient dense, highly bioavailable protein and critical macro and micronutrients. They allow essential amino-acids and nutrients such as B12, calcium, iron, vitamin D, and zinc to efficiently absorb essential nutrition for healthy bodies. This is particularly important for at risk groups such as the very young, pregnant and lactating women, the obese and the aged.

This year, Duke University Medical Centre researchers published an article revealing significant nutritional differences between plant-based meats and grass-fed beef²². Despite the apparent similarities based on nutrition facts panels, the metabolomics analysis found that metabolite abundance between the plant-based alternative and grass-fed ground beef differed by 90 per cent. In the scientific paper, researchers cautioned categorising foods as equivalent for consumers based on their protein content, which is the same categorisation put forward by many MPBP companies. Alarmingly, researchers also cautioned vulnerable populations such as children, women of childbearing age, and older individuals for being at increased risk of suboptimal nutritional status from replacing animal foods with plant-based alternatives.

Vulnerable populations are at increased risk from substituting animal proteins for MPBPs due to the much poorer bioavailability of nutrients from ultra-processed products. Animal proteins are proven to have considerably higher bioavailability of nutrients and essential amino-acids than plant-based proteins^{23 24}. Animal proteins are also the only natural source of vitamin B12, the deficiency of which is associated with developmental disorders, anaemia, poorer cognitive function, and lower motor development. Research has found that due to the compositional differences, animal proteins are more effective at reducing stunting than single nutrient supplements that may be used to fortify MPBPs.

It is clear the significant composition differences between animal protein and plant-based sources further reinforce the importance of truth in labelling. This is undoubtedly why the packaging of some plant-based dairy analogue drinks provide a written warning that the product is not suitable as a complete milk replacement for children under five years. Concerningly, new research has revealed vulnerable populations like children on vegan diets are shorter and have lower bone mineral content²⁵. These significant differences warrant minimum regulated labelling standards that address the current consumer confusion to ensure consumer protection, particularly for vulnerable populations.

Recommendation 7: The Committee recognises the significantly higher levels of bioavailable nutrients and essential amino acids in red meat than manufactured plant-based protein products, noting the risk to vulnerable populations from substituting animal proteins for plant-based products.

In response to sensationalist health claims against red meat, an independent scientific body composed of 15 international scientists, experts, and professors has found no convincing scientific evidence for assertions about the harmful health effects of unprocessed red meat intake. Overall, the scientific body found any of the statistical associations of up to 100 grams of red meat consumption per capita per day are so weak that they should be considered neutral²⁶. The largest and most representative

²² van Vliet, S., Bain, J.R., Muehlbauer, M.J. et al. A metabolomics comparison of plant-based meat and grass-fed meat indicates large nutritional differences despite comparable Nutrition Facts panels. *Sci Rep* 11, 13828 (2021)

²³ The Nutritional Need for Animal products in diets: Wu 2016, Food Function

²⁴ Adesogan et al., 2019, Global Food Security

²⁵ Desmond et al. Growth, body composition, and cardiovascular and nutritional risk of 5- to 10-y-old children consuming vegetarian, vegan, or omnivore diets, *The American Journal of Clinical Nutrition*, Volume 113, Issue 6, June 2021

²⁶ https://www.wfo-oma.org/wfo_news/consumption-of-unprocessed-red-meat-is-not-a-health-risk/

epidemiological study worldwide, with a cohort of 134,297 individuals enrolled from 21 low-, middle-, and high-income countries followed over 9.5 years, conducted by the global PURE consortium and published in March 2021, concludes that neither mortality nor cardiovascular disease risks was associated with unprocessed red meat consumption up to 100 grams per person per day.

While red meat has been consumed for centuries and has extensive well-established science supporting its nutritional value, the same cannot be said about MPBP products. These ultra-processed products have been found to contain extremely high levels of additives that may pose as a health risk to consumers²⁷. Concerns have also been raised from a reported study commissioned by MPBP manufacturer Impossible Foods, which found that rats fed a key ingredient from their product developed unexplained weight gain changes in the blood that can indicate the onset of inflammation or kidney disease and possible signs of anemia²⁸. The primary ingredient for many MPBP products, soy protein isolate, has also been linked to decreased testosterone levels in men²⁹ and rats³⁰.

²⁷ <https://www.abc.net.au/news/2019-09-11/researchers-warn-of-health-dangers-of-fake-meats/11498310>

²⁸ <https://www.gmoscience.org/2019/06/25/rat-feeding-studies-suggest-the-impossible-burger-may-not-be-safe-to-eat/>

²⁹ Dillingham BL, McVeigh BL, Lampe JW, Duncan AM. Soy protein isolates of varying isoflavone content exert minor effects on serum reproductive hormones in healthy young men. *J Nutr.* 2005

³⁰ Weber KS, Setchell KD, Stocco DM, Lephart ED. Dietary soy-phytoestrogens decrease testosterone levels and prostate weight without altering LH, prostate 5alpha-reductase or testicular steroidogenic acute regulatory peptide levels in adult male Sprague-Dawley rats. *J Endocrinol.* 2001

5. SOCIAL AND ECONOMIC IMPACTS OF BRAND APPROPRIATION

Australia's red meat industry is comprised of more than 77,000 businesses operating across the supply chain, including producers, lot feeders, manufacturers, retailers and livestock exporters. The red meat and livestock industry collectively services 25 million Australians and over 100 export destinations every day with safe, high quality and nutritious red meat.

With combined annual sales of \$28.5 billion, red meat production is also an industry in growth. In the last recorded year, annual industry turnover grew at 7 per cent, supporting an Australian workforce of more than 434,000 people. As the economic backbone of regional Australia, 90 per cent of meat and livestock industry employees live in rural and regional areas. The 434,000 strong Australian meat livestock industry workforce is at the forefront of the nation's regional economic recovery from the COVID-19 recession.

The Australian red meat and livestock industry is incredibly proud of being 100% Australian produced and manufactured. Not only are there more livestock producers than any other type of primary producer in the nation, our industry is also a major supporter of other Australian agricultural supply chains. Over 40 per cent of Australia's total annual grain production is used within domestic livestock supply chains³¹. Our industry's commitment to regional employment, domestic manufacturing capability and food security is in stark contrast to the MPBP sector.

There appears to not be a single nationally retailed MPBP product that is 100% Australian produced and manufactured. The overwhelming majority of MPBP products are wholly manufactured overseas and imported into our supermarkets, providing no income to Australian farmers and no jobs to Australian manufacturing workers. While the rare few MPBP companies that do manufacture in Australia shamefully choose to rely upon imported ingredients that support foreign farmers over our own.

As a country, we should be ashamed that the current legislative framework allows foreign MPBP companies, who provide no support to our manufacturing workers or farmers, the free reign to baselessly denigrate red meat products that are 100% Australian produced and manufactured. Continuing to permit MPBP companies to simultaneously use Australian red meat category brands and unsubstantiated credence claims to denigrate meat products is effectively using compulsory levies paid for by domestic businesses to subsidise foreign companies offshoring Australian jobs.

Our red meat category brands built on billions of dollars of compulsory levy investment also provide drought resilience support to Australian graziers. Decades of compulsory levy investment in marketing, eating quality and nutritional research contribute to underpinning Australian red meat as a premium product. The premium associated with red meat category brands has been developed over consecutive lifetimes and helps underpin prices in times of drought induced financial stress. Allowing these premium category brands to be devalued by deceitful MPBP product marketing tactics will further worsen the impact of future droughts on our nation's graziers.

Recommendation 8: The Committee highlights the risk posed to rural and regional jobs from the appropriation of red meat category brands by plant-based proteins manufactured overseas or manufactured with imported ingredients.

³¹ <https://www.graincentral.com/markets/the-rise-and-rise-of-feed-grain/>

6. IMPLICATIONS FOR OTHER ANIMAL PRODUCTS

The misrepresentation of labelling claims about the composition and characteristics of imitation wool and leather products also warrants further investigation by the Committee. For example, Weganool is a 100% plant-based fabric but uses the term "vegan wool"³². If there was truth in labelling for these products, a product that is not from a sheep would not be called wool. Likewise, vegan leather is a material that mimics leather, but is created from artificial or plant products instead of animal skin. Meat & Livestock Australia has previously found that the increase of synthetic leather had contributed to significant declines in the hide market, impacting the sector's profitability³³.

³² <https://www.abc.net.au/news/rural/2021-03-12/vegan-wool-weganool-marketing-angers-woolgrowers/13237436>

³³ <https://www.mla.com.au/prices-markets/market-news/2019/hide-prices-reflect-oversupply/>

7. RELATED MATTERS

RMAC participated in an industry working group earlier this year titled “the labelling and marketing of plant-based alternatives to meat and meat-based and dairy products”. It is important to note this working group did not include consideration of meat category brand impairment from deceitful MPBP marketing tactics as this inquiry does and nor did it include any representatives from the chicken, pork and seafood industries. The comprehensive national Pollinate survey results finding wide-spread MPBP product labelling confusion were also not considered by the working group due to the survey publication in July 2021.

This working group was convened before revelations exposing the extreme anti-livestock and anti-meat agenda of MPBP lobby group Food Frontier. As previously referenced, Food Frontier founder, Mr Thomas King, has a recorded history working for the extremist animal activist group, Animals Australia^{34 35}. In addition to Mr King’s history as an extreme anti-livestock activist, he has publicly stated that the “one cause fuelling every issue [he] had worked to address [is] the large-scale production and consumption of meat³⁶”.

Unfortunately, Mr King’s Food Frontier lobby group’s underlying anti-livestock agenda and his close association with extreme animal activist groups were not known at the time of the working group. From no fault of any other working group members not knowing this association, misinformation with an anti-livestock agenda was provided by Food Frontier and incorporated as part of the working group report.

Since the working group’s conclusion, Food Frontier has had to dramatically alter its website to remove misinformation and retract research it had previously published^{37 38}. In a scathing assessment of Food Frontier research, Monash University Adjunct Professor in Biotechnology and Fellow of the Australian Academy of Technological Sciences and Engineering, Professor Paul Wood AO stated:

Food Frontier have quoted selectively from sources to draw conclusions that present a negative view of livestock production systems, but which don’t reflect the actual data or conclusions of the papers they reference³⁹.

In keeping with its modus operandi of perpetuating misinformation, Food Frontier publicly misrepresented factually incorrect findings from the unpublished working group report. In response to the public misrepresentation, RMAC understands the chair of the working group took the considerable measure of requesting Food Frontier retract the factually incorrect statement. The actions of Food Frontier are both disappointing and disrespectful, particularly when all working group members endorsed decision making based on consensus and no consensus was reached.

Recommendation 9: The Committee notes the underlying anti-livestock and anti-meat agenda of Food Frontier and its policy forum, the Alternative Proteins Council.

³⁴ <https://www.smh.com.au/business/workplace/headline-20151116-gkzret.html>

³⁵ <https://www.theguardian.com/commentisfree/2016/mar/22/duck-shooting-is-not-a-sport-its-government-sanctioned-slaughter>

³⁶ <https://www.youtube.com/watch?v=4UibloKfOoA>

³⁷ <https://www.beefcentral.com/news/biotechnology-professor-challenges-alternative-protein-claims/>

³⁸ <https://www.farmonline.com.au/story/7278041/we-are-not-anti-meat-activists-alternative-protein-group-answers-critics/>

³⁹ <https://www.beefcentral.com/news/biotechnology-professor-challenges-alternative-protein-claims/>

ATTACHMENT 1 - RMAC SUBMISSION

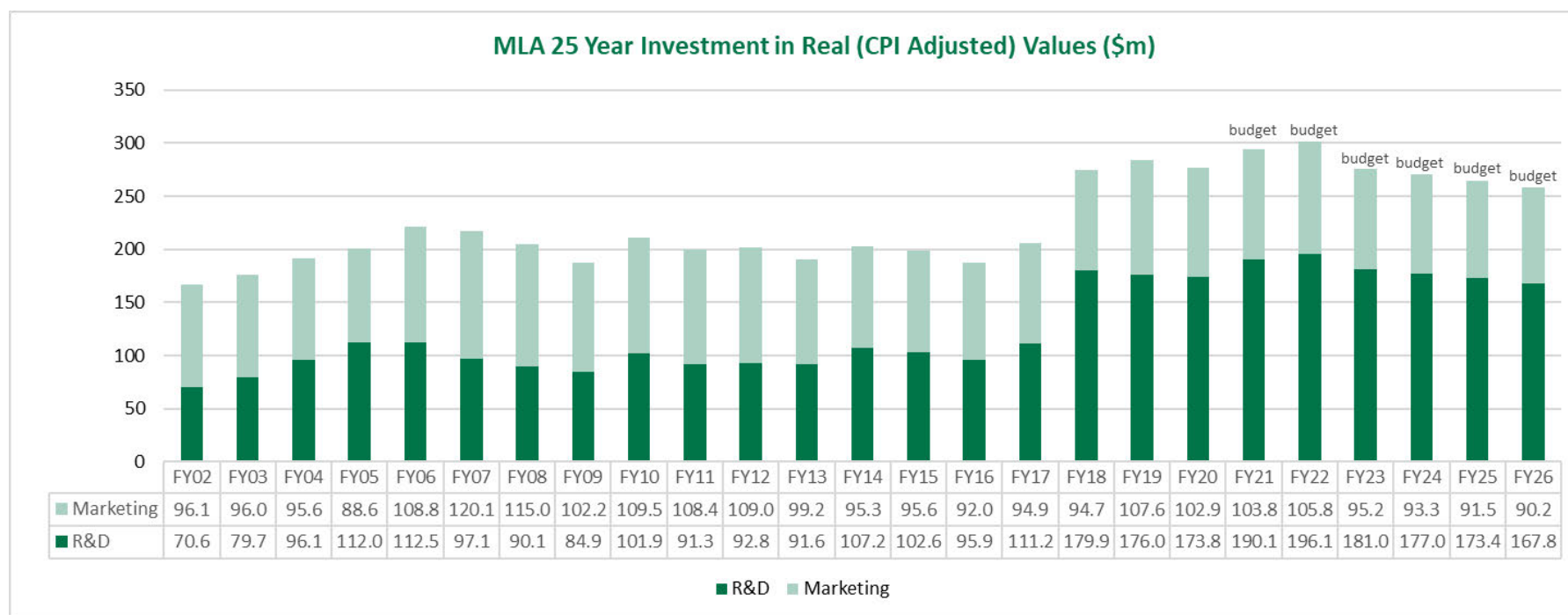
14 July 2021



MLA Investment in Research, Development and Marketing Activities and related matters

1. Total investment (CPI adjusted numbers)

- The Australian red meat and livestock industry has invested heavily in research and marketing activities to protect and promote its reputation for producing clean, green and safe meat products
- In 2020–21 MLA is budgeted to invest \$293 million in research, development and marketing activities
- Over the last two decades MLA has invested around \$4 billion in research and marketing to support the cattle, sheep and goat meat sectors (\$2 billion in R&D and \$2 billion in marketing)
- Over the next six years MLA is planning to invest a further \$1.7 billion (\$1.1 billion in R&D and \$580 million in marketing)
- This represents a **\$5.7 billion investment** in Australia's red meat category brands over a 25-year period



Source: MLA

2. Investment by funding sources

- MLA is primarily [funded](#) by transaction levies paid on livestock sales by producers which are used to support marketing, research and development activities. The Australian Government also contributes up to a dollar for each levy dollar MLA invests in eligible research and development
- MLA generates additional investment through MLA Donor Company (MDC), which attracts commercial investment from individual enterprises and others that share a mutual interest to co-invest in innovation that will benefit the industry
- Regulated definitions of meat and livestock underpin the compulsory levy investment into red meat category brands

MLA Investment by Funding Sources in Nominal terms (\$m)

	FY17 Actual	FY18 Actual	FY19 Actual	FY20 Actual	FY21 Bud	FY22 Bud	FY23 Bud	FY24 Bud	FY25 Bud	FY26 Bud	10 Yrs to FY26	
											Total	Average
Grass-fed Cattle levies	64.7	68.2	72.7	71.3	74.1	74.7	69.8	69.7	69.7	69.7	704.7	70.5
Grain-fed Cattle levies	12.4	14.1	16.7	19.9	18.4	17.9	16.8	16.6	16.4	16.4	165.6	16.6
Lamb levies	38.9	40.2	46.9	50.5	54.7	49.2	46.0	46.0	45.9	45.9	464.2	46.4
Mutton levies	3.3	3.2	3.6	4.1	4.0	3.6	3.5	3.7	4.0	4.0	36.8	3.7
Goat levies	1.1	1.1	1.7	1.6	1.1	0.8	0.9	0.9	0.9	0.9	11.0	1.1
MDC (excluding levies)	35.9	87.6	88.7	78.3	90.8	105.2	102.0	101.6	100.6	97.8	888.4	88.8
Grant	4.4	10.9	8.4	13.0	13.3	0.0	0.0	0.0	0.0	0.0	50.0	5.0
Other	32.4	36.9	35.5	35.0	37.5	53.6	44.2	42.8	42.3	41.9	402.1	40.2
Total Investment	193.0	262.2	274.4	273.7	293.8	304.9	283.1	281.2	279.8	276.6	2,722.7	272.3
Grass-fed Cattle R	23.8	26.8	23.9	23.2	23.0	23.5	23.1	23.1	23.1	23.1	236.7	23.7
Grain-fed Cattle R	7.1	7.7	8.1	9.8	8.9	8.6	8.1	8.1	8.1	8.1	82.5	8.3
Lamb R	17.5	19.8	21.8	22.6	24.0	22.1	20.5	20.5	20.5	20.5	209.7	21.0
Mutton R	2.0	2.0	2.4	2.4	2.4	2.3	2.2	2.3	2.6	2.6	23.2	2.3
Goat R	0.8	0.8	1.4	1.2	0.7	0.6	0.7	0.7	0.7	0.7	8.2	0.8
MDC (excluding levies)	35.9	87.6	88.7	77.8	90.8	105.2	102.0	101.6	100.6	97.8	887.9	88.8
Grant	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	17.2	27.1	23.9	33.0	36.3	27.8	26.9	26.8	26.7	26.2	271.8	27.2
Total Research \$ by Funding Sources¹	104.2	171.8	170.3	169.9	186.2	190.1	183.4	183.1	182.2	178.9	1,720.0	172.0
Grass-fed Cattle M	40.9	41.4	48.8	48.1	51.0	51.2	46.6	46.6	46.6	46.6	468.0	46.8
Grain-fed Cattle M	5.4	6.4	8.6	10.1	9.4	9.2	8.7	8.5	8.3	8.3	83.1	8.3
Lamb M	21.4	20.4	25.1	27.9	30.7	27.2	25.5	25.5	25.5	25.5	254.5	25.5
Mutton M	1.2	1.2	1.2	1.7	1.6	1.2	1.3	1.4	1.4	1.4	13.5	1.4
Goat M	0.3	0.3	0.3	0.4	0.3	0.2	0.2	0.2	0.2	0.2	2.8	0.3
MDC (excluding levies)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Grant	4.4	10.9	8.4	13.0	13.3	0.0	0.0	0.0	0.0	0.0	50.0	5.0
Other	15.2	9.8	11.6	2.6	1.2	25.8	17.3	15.9	15.6	15.7	130.8	13.1
Total Marketing \$ by Funding Sources	88.8	90.4	104.1	103.8	107.7	114.9	99.6	98.1	97.6	97.7	1,002.7	100.3

Note:

¹ Total Research \$ by Funding Sources from FY20 to FY26 will not match back to Total R&D investment mainly due to external unmatched contributions and grants.

Source: MLA

3. Investment Category

- The red meat and livestock industry is investing across a number of areas that support product branding, including:
 - \$70 million in eating quality
 - \$656 million in market growth and diversification
 - \$223 million in environmental sustainability
 - \$243 million in integrity systems
 - \$981 million in productivity (on-farm)
 - \$88 million in animal health and welfare; and
 - \$460 million in other initiatives including industry capability building

MLA Investment Category in Nominal terms (\$m)

	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	10 Yrs to FY26	
	Actual	Actual	Actual	Actual	Bud	Bud	Bud	Bud	Bud	Bud	Total	Average
Eating Quality	6.4	7.6	6.3	5.7	7.5	5.5	7.6	7.9	7.9	7.8	70.2	7.0
Market Growth and Diversification	59.7	65.6	74.5	65.9	68.1	69.7	63.4	63.4	62.9	63.0	656.2	65.6
Environmental Sustainability	14.5	14.4	13.0	15.2	21.8	39.1	28.6	25.1	25.8	25.5	223.1	22.3
Integrity Systems	11.8	14.7	15.6	18.3	31.1	31.4	30.0	30.3	30.3	30.2	243.7	24.4
Productivity	60.6	96.2	99.9	106.2	108.0	106.0	100.5	102.9	101.8	99.4	981.3	98.1
Animal Health and Welfare	10.3	15.0	13.0	12.8	9.2	5.3	6.1	5.8	5.3	5.1	88.0	8.8
Other (inc Stakeholder Engagement & Capacity Building)	29.7	48.6	52.1	49.5	48.1	48.1	46.9	45.8	45.9	45.7	460.3	46.0
	193.0	262.2	274.4	273.7	293.8	304.9	283.1	281.2	279.8	276.6	2,722.7	272.3

Source: MLA

4. Red meat sector net income

- Total red meat sector net income is forecast at \$7.1 billion in 2021–22 and is projected to increase to \$11.2 billion by 2029-30
- The scale of the net income generated by the sector demonstrates its capacity to generate tax revenue

Red Meat Industry Net Income in Nominal terms (\$m)

	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25	FY26	FY27	FY28	FY29	FY30
Northern Beef	793.0	1,481.0	2,436.0	2,035.0	1,729.0	1,575.0	1,613.0	1,548.0	1,748.0	1,896.0	2,000.0	2,099.0	2,200.0	2,315.0	2,428.0	2,555.0	2,730.0
Souther Beef	893.0	1,327.0	1,545.0	1,896.0	1,786.0	1,179.0	1,892.0	1,799.0	2,016.0	2,140.0	2,243.0	2,337.0	2,428.0	2,531.0	2,627.0	2,733.0	2,876.0
Feedlots	79.0	84.0	85.0	83.0	85.0	94.0	91.0	92.0	162.0	270.0	349.0	437.0	528.0	661.0	780.0	911.0	1,010.0
Sheep	1,144.0	1,355.0	1,368.0	1,582.0	1,709.0	1,762.0	1,993.0	1,952.0	1,912.0	1,655.0	1,663.0	1,666.0	1,668.0	1,668.0	1,665.0	1,661.0	1,653.0
Goats	33.0	51.0	70.0	87.0	59.0	51.0	65.0	66.0	69.0	73.0	77.0	81.0	85.0	90.0	94.0	98.0	101.0
Grassfed Processing	326.0	355.0	293.0	233.0	259.0	288.0	299.0	307.0	324.0	349.0	356.0	363.0	370.0	377.0	385.0	393.0	404.0
Grainfed Processing	151.0	162.0	166.0	164.0	172.0	195.0	193.0	193.0	205.0	214.0	218.0	221.0	223.0	225.0	227.0	228.0	229.0
Lamb Processing	108.0	115.0	118.0	116.0	124.0	119.0	111.0	188.0	447.0	888.0	984.0	1,084.0	1,189.0	1,302.0	1,414.0	1,535.0	1,648.0
Sheep Processing	50.0	45.0	41.0	34.0	44.0	52.0	45.0	75.0	170.0	320.0	351.0	383.0	415.0	450.0	483.0	518.0	551.0
Goat Processing	11.0	11.0	11.0	11.0	10.0	8.0	7.0	7.0	8.0	9.0	10.0	11.0	13.0	14.0	16.0	18.0	20.0
Cattle Exports	3.0	5.0	4.0	3.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0
Sheep Exports	2.0	2.0	2.0	2.0	2.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Goat Exports	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Net Income	3,593.0	4,993.0	6,139.0	6,246.0	5,982.0	5,327.0	6,313.0	6,231.0	7,066.0	7,819.0	8,256.0	8,687.0	9,124.0	9,638.0	10,125.0	10,656.0	11,228.0
Grass fed	1,686.0	2,808.0	3,981.0	3,931.0	3,515.0	2,754.0	3,505.0	3,347.0	3,764.0	4,036.0	4,243.0	4,436.0	4,628.0	4,846.0	5,055.0	5,288.0	5,606.0
Grain fed	79.0	84.0	85.0	83.0	85.0	94.0	91.0	92.0	162.0	270.0	349.0	437.0	528.0	661.0	780.0	911.0	1,010.0
Lamb and mutton	1,144.0	1,355.0	1,368.0	1,582.0	1,709.0	1,762.0	1,993.0	1,952.0	1,912.0	1,655.0	1,663.0	1,666.0	1,668.0	1,668.0	1,665.0	1,661.0	1,653.0
Goats	33.0	51.0	70.0	87.0	59.0	51.0	65.0	66.0	69.0	73.0	77.0	81.0	85.0	90.0	94.0	98.0	101.0
Processing	646.0	688.0	629.0	558.0	609.0	662.0	655.0	770.0	1,154.0	1,780.0	1,919.0	2,062.0	2,210.0	2,368.0	2,525.0	2,692.0	2,852.0
Live Export	5.0	7.0	6.0	5.0	5.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	6.0	6.0	6.0
Total Red Meat Sector	3,593.0	4,993.0	6,139.0	6,246.0	5,982.0	5,327.0	6,313.0	6,231.0	7,066.0	7,819.0	8,256.0	8,687.0	9,124.0	9,638.0	10,125.0	10,656.0	11,228.0

Note:

Net income is the red meat related return to producers from their capital and land after all costs i.e. profit before tax

Source: MLA & The Centre for International Economics (CIE)

Consumer Attitudes around Plant-based Meat

July 2021

KEY FINDINGS

1 Product packaging is a key driver of consumer confusion

- At the start of the survey, respondents underwent a packaging association task to directly test whether product packaging contributes to consumer confusion around differentiating animal vs plant-based meat (see research methodology for task description)
- Net misattribution for each plant-based meat product ranged from 13% to 33% (average misattribution per product being 25%). Misattribution for all plant-based meats tested was higher than the animal meat control (Woolworths beef mince)
- Most (61%) mistook at least one plant-based meat product as containing animal meat
- Those who mistook at least one plant-based meat as containing animal meat were more likely to be:

Elderly (aged 65+)

Speak a language other than English with family / friends

Have a household income of \$40k or below

- Half of Australians (51%) find packaging for the products tested in the survey to be confusing
- Reflecting on their own personal experiences, 1 in 3 consumers (32%) think they've mistaken plant-based meat for animal meat due to its packaging in the past, and almost 2 in 3 (62%) believe that other people may have also made the same mistake

2 Specific packaging features that cause this confusion mainly revolve around the use of animal imagery and minimising 'plant-based' references in favour of meat descriptors

- Among the 51% Australians who find the packaging tested in-survey at least somewhat confusing, 1 in 3 (36%) mention animal imagery as a driver of confusion. A combination of small or hard to read font for 'plant-based' references (19%) and the use of meat descriptors (14%) also contribute to consumer confusion
- Almost 2 in 3 (64%) say they expect plant-based meat to contain animal meat if its packaging does at least one of the following:

Describes the product as 'meat'

Uses images / icons of animals (e.g. cows, chickens, and pigs)

Uses words like 'beef', 'chicken', and 'lamb'

3 There is strong community support for clearer packaging for plant-based meat

- Most consumers think that plant-based meat packaging should not be allowed to...

Describe the product as 'meat' (73%)

Use images / icons of animals (e.g. cows, chickens, and pigs) (70%),

Use words like 'beef', 'chicken', and 'lamb' (63%)

- Just over half of Australians (56%) feel plant-based meat packaging should not be allowed to use any of the three features above



Attitudes to Plant-based Meat

Consumer Research Report

July 2021

Research approach

Why

To understand community understanding and attitudes to plant-based meat and their product packaging

What

10min online survey among a robust, nationally representative sample of n=1000 Australians, where age, gender and location have been weighted to reflect ABS 2020 population data

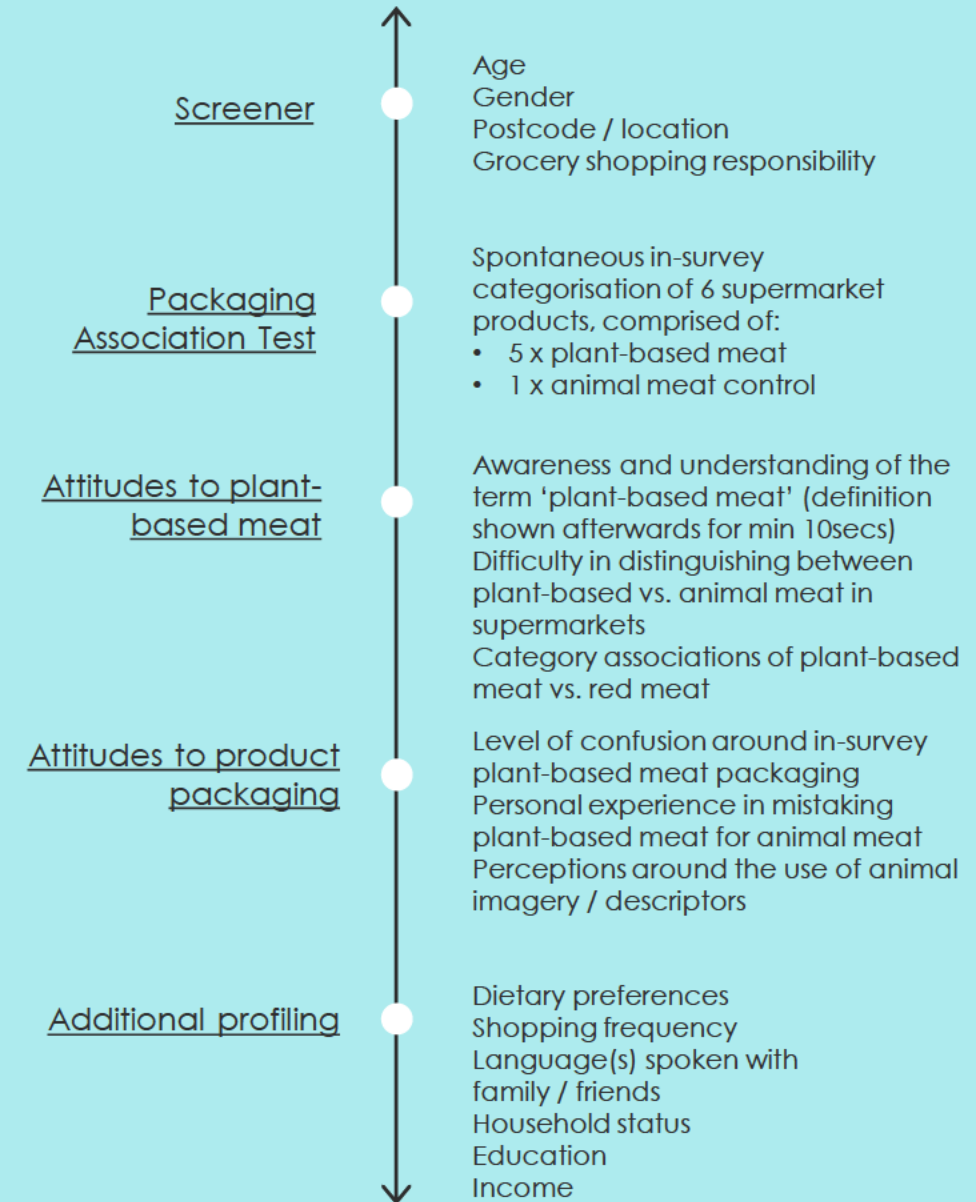
Fieldwork was conducted from 9 -14 July. Respondents were sourced from a preferred ISO 20252 accredited panel supplier, Pureprofile

How

A multi-pronged approach was used to investigate potential consumer confusion in differentiating between plant-based vs. animal meat. The level of consumer confusion was measured in a number of ways via:

- A spontaneous packaging association test at the start of the survey (measuring perceptions and misattribution)
- Personal experience among shoppers who have previously seen plant-based meat in-situ in supermarkets and among all respondents given in-survey packaging examples
- Personal expectations regarding whether a product contains plant-based meat if it contains the following features:
 - Images / icons of animals(e.g. cows, chickens, and pigs)
 - Words like 'beef', 'chicken', and 'lamb'
 - Described the product as ' meat '

Plant-based products shown in-survey ranged across a mix of meat descriptors (e.g. beef, chicken, pork), product types (e.g. burger patties, sausages), and brands (e.g. Beyond Meat, Sunfed). An animal meat product (Woolworths beef mince) was also used as a control in the spontaneous packaging association.



Who we spoke to

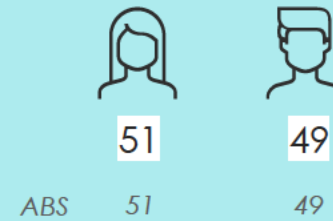
10min online survey

Nationally representative sample

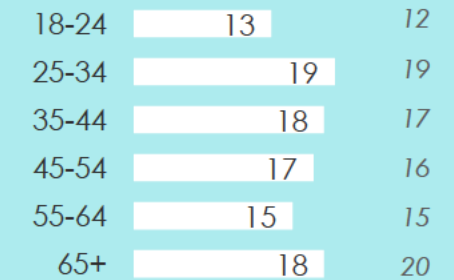
n=1000 Australians aged 18+

Fieldwork was conducted in 9-14 July 2021

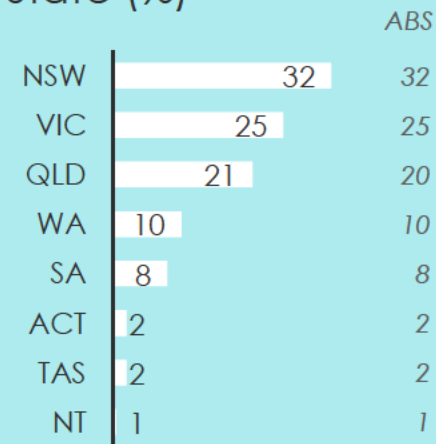
Gender (%)



Age (%)



State (%)



Metro



68

ABS

66

Regional



32

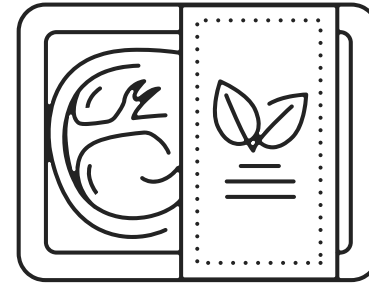
33

Looking at packaging specifically...

At the start of the survey, respondents underwent a packaging association task

Respondents were shown a product for 3 seconds and then asked to choose what category they believed the product belonged to (see right for full question)

This process was repeated for all 6 products tested in the survey



What best applies to the product you just saw?

- *Only contains animal meat*
- *Contains a mix of animal meat and plant-based ingredients*
- *Only contains plant-based ingredients*

6 products currently available in Australian supermarkets were used

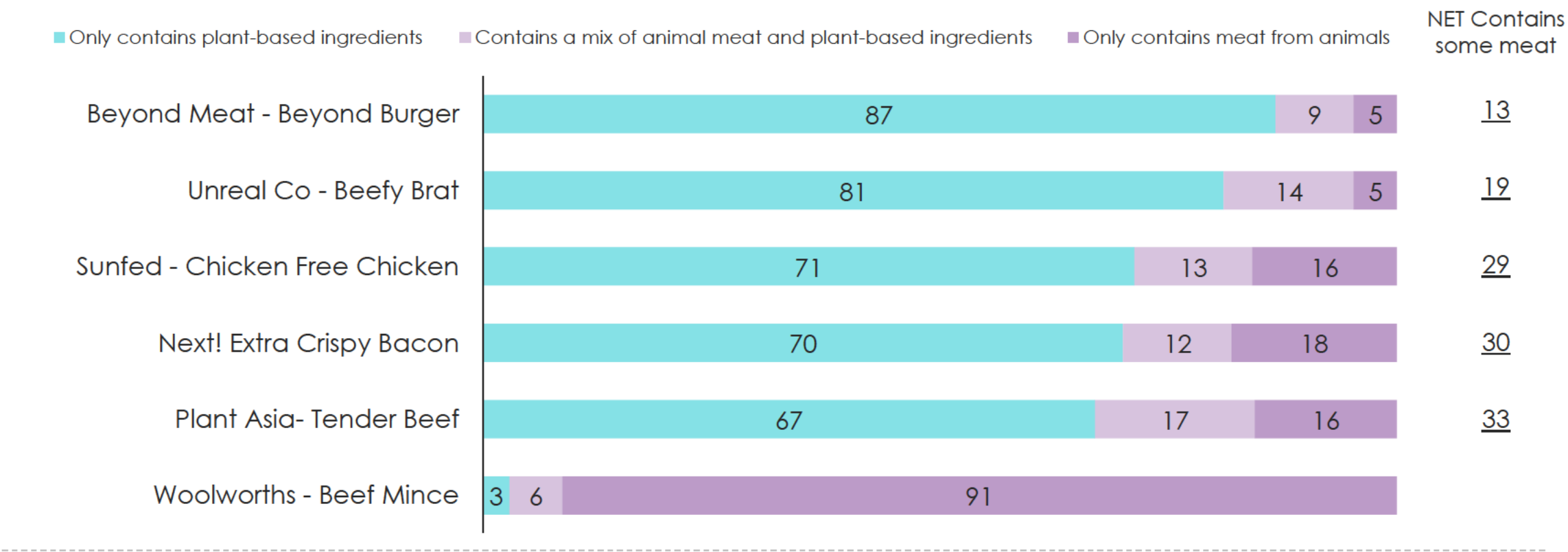
5 x plant-based meats



1 x animal meat (control)

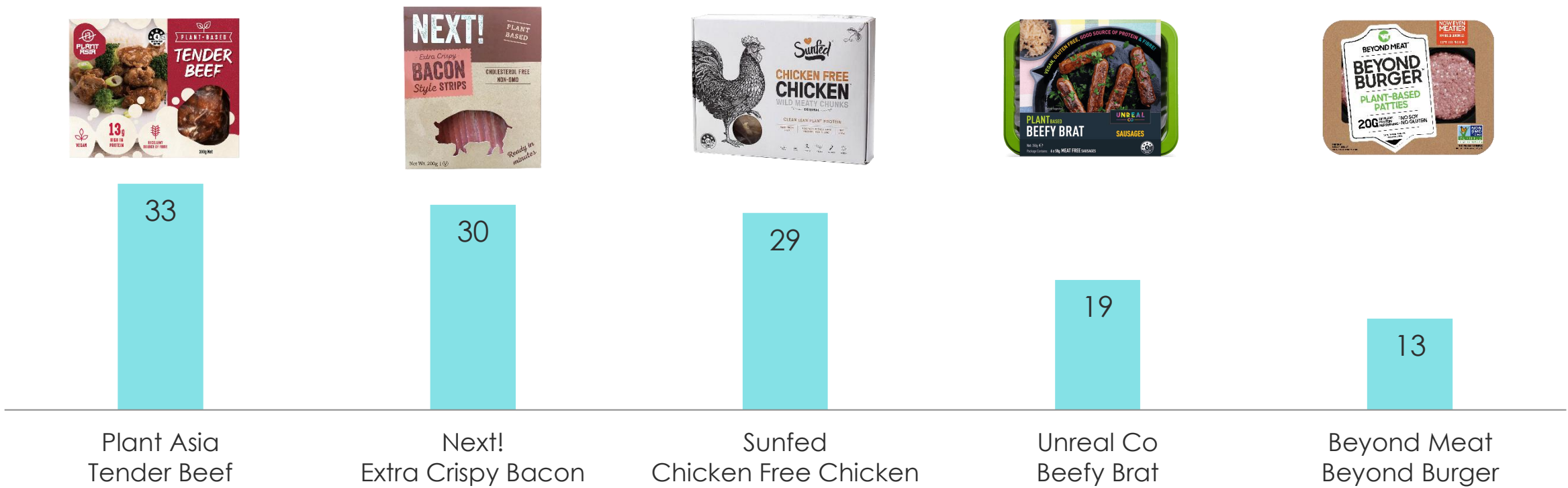


Product ingredients (%)



NET Misattribution (%)

Average misattribution: 25%





Most mistook at least one plant-based product as containing animal meat

61%

Were incorrect on at least 1 of the 5 plant-based meats tested

ie selected either

- 'Only contains animal meat', or
- 'Contains a mix of animal meat and plant-based ingredients'

Those who
mistake at least
one plant-based
meat as
containing
animal meat
are more likely
to be...



Male

Aged 65+

Empty nesters



Speak a language other than
English with family / friends



Have a household income
of \$40k or below

Confusion is driven by packaging and placement in supermarkets

*Among those who have
seen plant-based meat
instore/online*

*Have a hard time figuring out whether a product is
made of plant-based vs. animal meat when looking at...*

...where the products are
placed in the supermarket **47%**

...product packaging **45%**

...how the product is
categorised online **42%**

The vast majority of
Australians are
aware of the term
'plant-based meat'

*Have you ever heard the term
'plant-based meat' before today? (%)*

88%

Australians have heard
of the term 'plant-based
meat' before

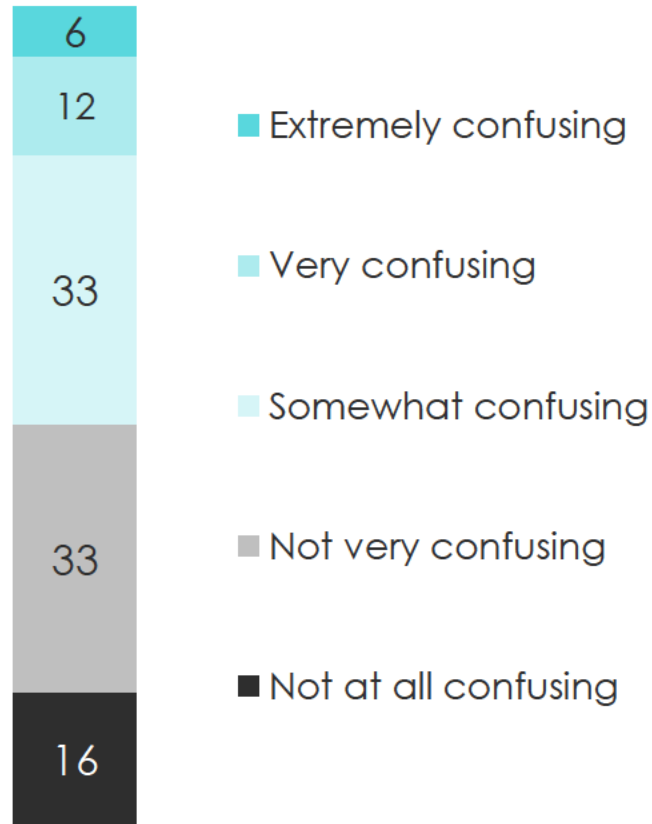


Half of Australians find packaging for the products tested in the survey to be confusing

Level of confusion when determining animal vs plant-based meat based on packaging (%)

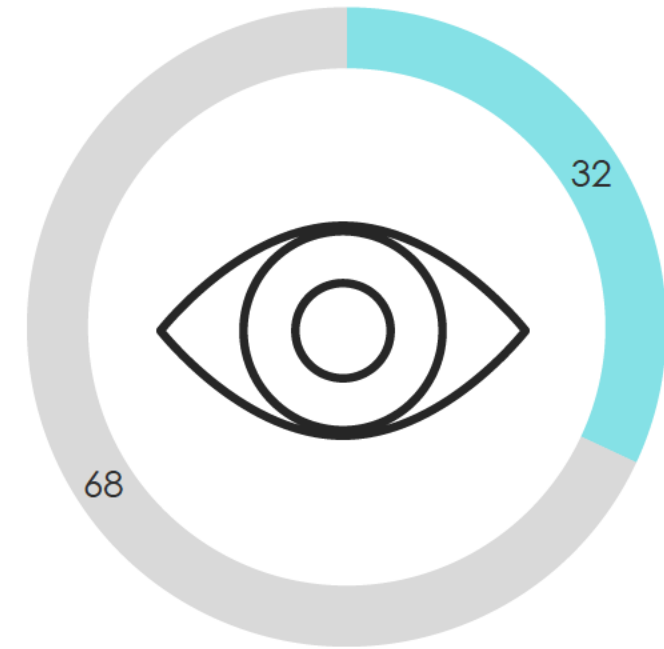
Top 3 box

51



Reflecting on their own experiences, many (1 in 3) Australians think they've mistaken plant-based meat for animal meat

Do you think you have ever mistaken plant-based meat for animal meat due to its packaging? (%)

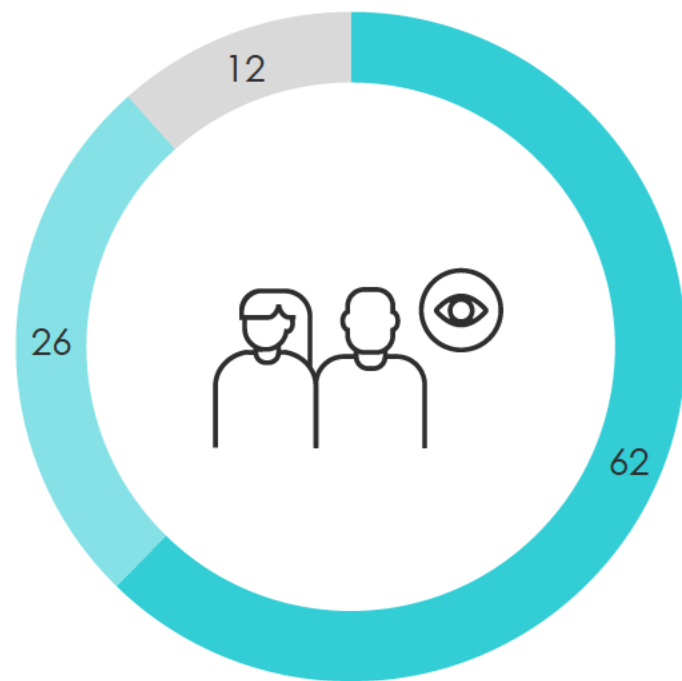


■ Yes

■ No

Almost 2 in 3 think
other people could
make the same
mistake

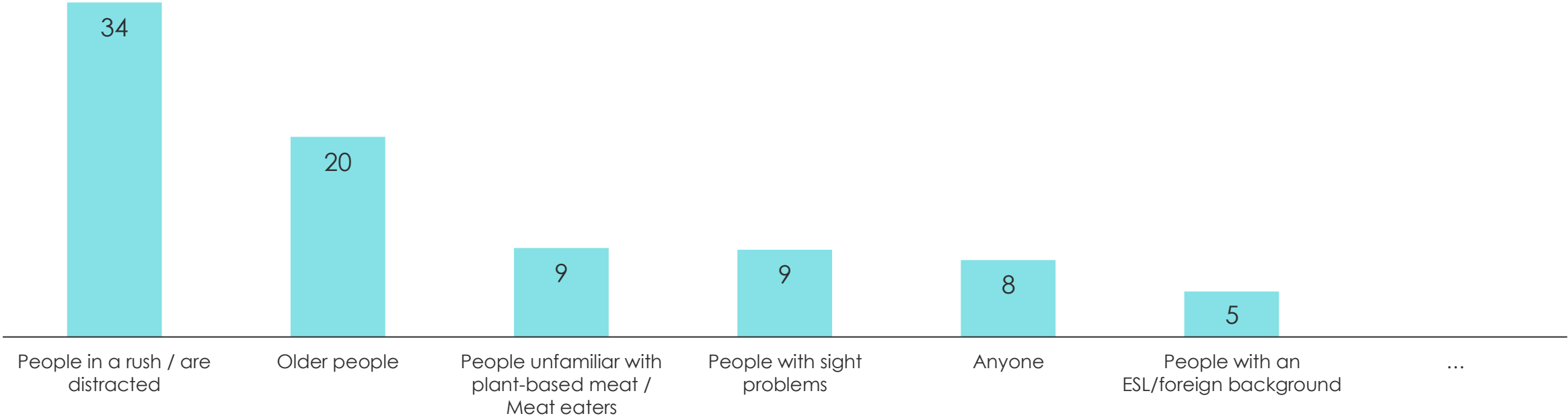
*Do you think other people could
mistake plant-based meat for animal
meat? (%)*



■ Yes ■ Unsure ■ No

Australians believe consumers who are in a rush and those who are 'older' are the most likely to make mistakes

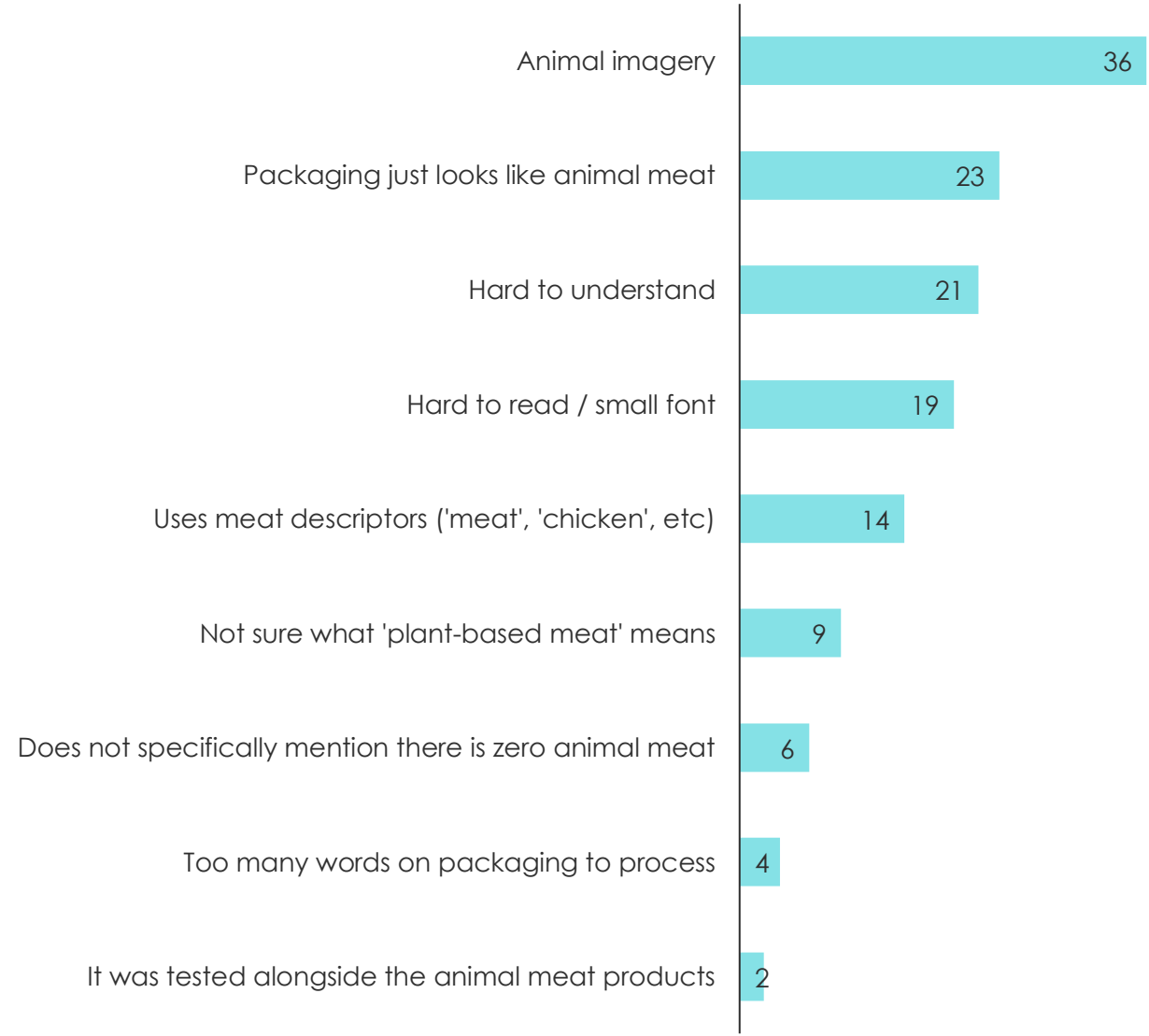
Who do you think are most likely to mistake plant-based meat for animal meat due to packaging (Coded OE%) - Among those who think other people could mistake plant-based meat for animal meat



Animal imagery
was the main
source of confusion
for plant-based
meat packaging

Reasons why plant-based meat packaging is confusing (Coded OE%)

- Among those who think plant-based meat packaging is at least somewhat confusing (Top 3 box)





Looking into the specifics, animal imagery and minimising ‘plant-based’ labelling in favour of meat descriptors are the top areas of confusion

Reasons why plant-based meat packaging is confusing

Animal imagery – 36%

The issue is (like myself) they may mistake these items for actual meat products have shown a photo of the animals clearly which brought to my attention instead of the wordings "plant-based"

Very confusing when images of animals are on packaging, when manufacturers try to make the product look like an animal product and when they name their products with VERY similar sounding names to meat products

They have animal pictures on the packs implying they contain meat If they are plant-based they should NOT have animals on the pack.

A lot of them show images of animals. For someone who may have vision issues (like myself) they may mistake these items for actual meat products

Hard to read / small font – 19%

Because the printing is very small and an older person would find it difficult to read

Even though they are plant-based meat, there are still significant size of wording such as Pork, Beef, Chicken, etc

Sometimes the words plant based are very small or blend in. Also plant based is a bit ambiguous

Any relation to plant based is in smaller writing

The plant based tag is quite small on some of the packages

Having the "meat" words significantly larger and more prominent than the plant based words, especially as these products are often adjacent to their meat counterparts in supermarkets

Use of meat descriptors – 14%

It says chicken but isn't chicken. Could say chicken substitute. It could be misleading

Using the words meat, or chicken or bacon

Because it's packaged and labeled as "chicken" then smaller under it says "like chicken". I've accidentally bought plant based before by accident

Why put the word meat if [there is] no meat

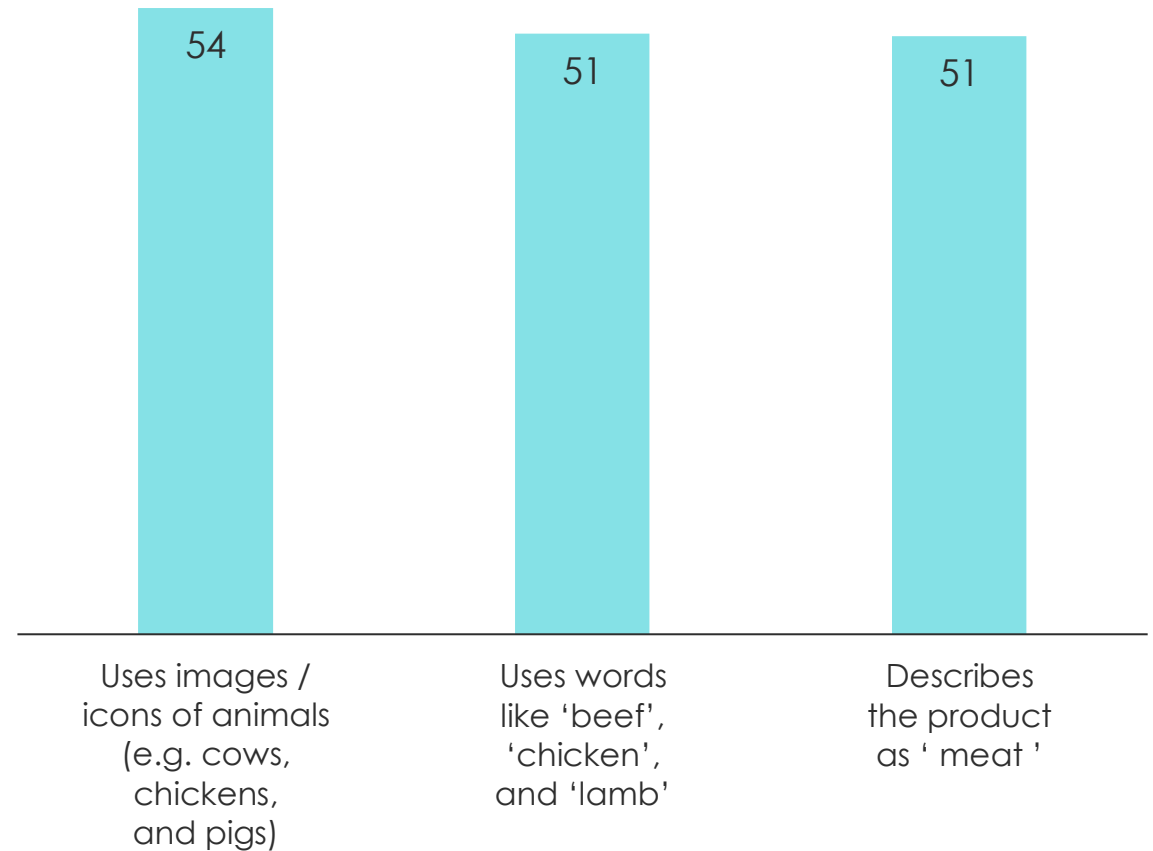
Because it needs to be written larger that there is no meat at all. When you have 'meat products' written it sounds like there is meat included.

They emphasise the meat component

They still highlight words like Beefy, patties. At first glance I think it is a meat product

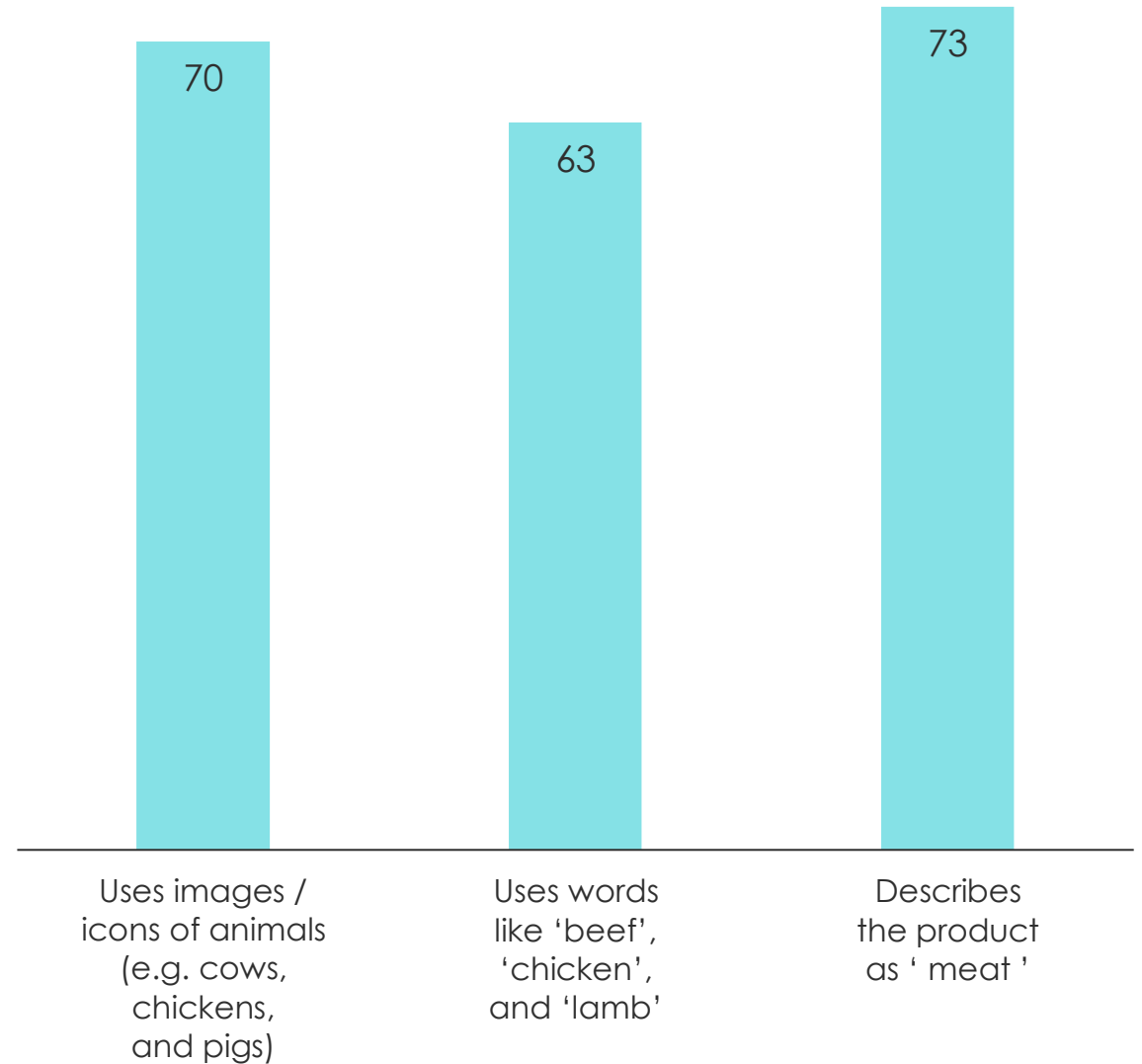
Around half of consumers expect the product to contain animal meat if meat descriptors or imagery is used

Do you expect the product to contain animal meat if the packaging...(Yes %)



And most do not think plant-based meat should be able to use meat descriptors or imagery

Do you think plant-based meat should be allowed to... (No %)



Packaging for plant-based vs. animal meat is seen as confusing by the majority...

64%

Say they expect the product to contain meat if it has at least one of the following...

- Images / icons of animals (e.g. cows, chickens, and pigs)
- Words like 'beef', 'chicken', and 'lamb'
- Described the product as 'meat'

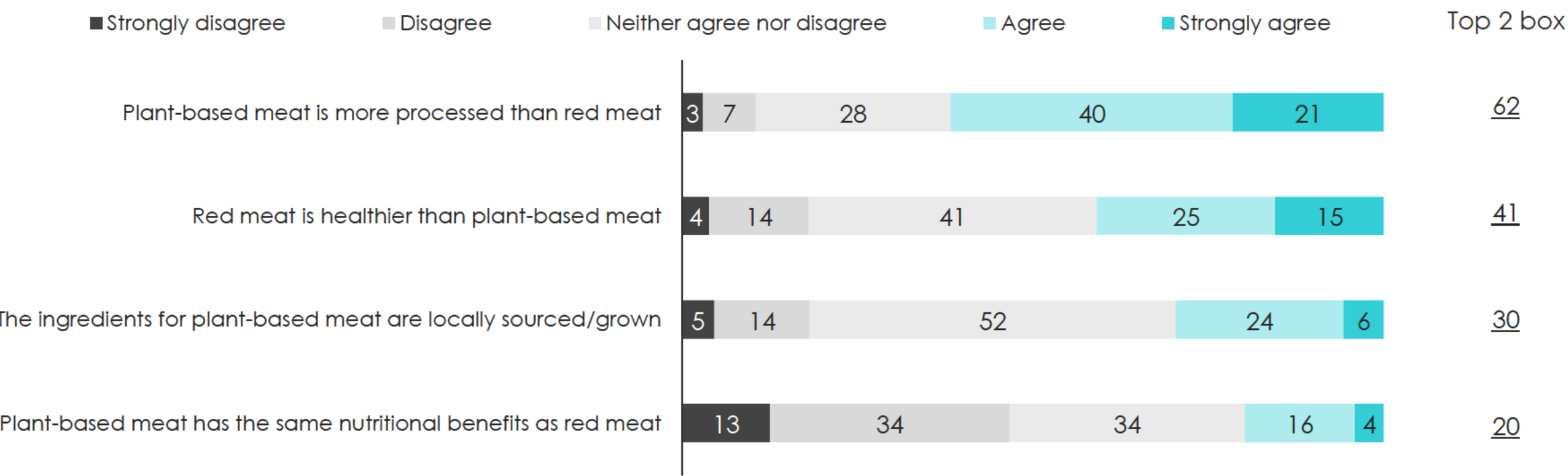
...and half support clearer packaging for plant-based meat

56%

Say plant-based meat should not be allowed to use any of the 3 packaging features

When it comes to comparing red vs. plant-based meat, many are still on the fence

Agreement with statement (%) – Among those aware of plant-based meat



Pollinate is an ISO accredited market research agency

Pollinate is member of the Australian Market and Social Research Society (AMSRS) and is bound by the Code of Professional Behaviour, which covers ethical requirements and standard conditions of conducting and reporting market and social research. Pollinate also complies with state and federal legislation regarding privacy and data management.

Pollinate is ISO 20252 accredited, the international quality process management standard for the operation of market research agencies.

