

# Appendix 3

## Questions on Notice

*Australian Branded Beef Association*

*Michael Pointer, President*

*1 April 2009*

We refer to the Committee's hearings in Melbourne on 26th March, and would like to respond to various matters raised by the Committee that were unable to be addressed because of time constraints.

However before addressing those issues we would like to acknowledge that the Committee has extended its Inquiry into Meat Marketing beyond the original focus on Lamb and Hogget to cover issues that are pertinent to the Beef Industry, and we thank the Committee for dealing with these matters.

We also thank the Committee for the detailed discussions on the three main points in our original submission:-

- Misrepresentation
- Use of Breed Names in describing beef products
- Certification Statements/

The additional items raised with us by the Committee were:-

1. Regional Claims
2. Budget Beef Descriptor
3. Labelling
4. Use of Regulations.

We would like to respond to each of these items as follows.

### 1. Regional Claims.

We assert that regional claims should refer to the origin of the cattle whose product is being ascribed a regional name.

However we have considerable sympathy with the King Island position that the regional name should apply to both the origin of the cattle and place of production of the product. However King Island is unique in that it is an island and has an abattoir on the island. Consequently in the case of King Island we would support their position.

Unfortunately on the mainland there is not always a processing plant in a region that produces cattle for a branded beef product that ascribes the region to its brand.

An example is OBE Beef's "Channel Country" beef. The cattle are bred and raised in the Channel Country of Queensland; however there is no abattoir in the Channel Country to process the product.

Therefore we would assert that for a branded beef product to make a Regional Claim the cattle being used to produce that product should be bred and raised in the region. It is not difficult to verify regional claims because every animal is now identified with a National Livestock Identification System (NLIS) electronic tag that identifies the origin of the cattle, and therefore the region of origin is readily determined.

It would not be difficult for King Island to be treated as an exception.

## 2. Budget Beef Descriptor

Various contributors commented on the use of the term "Budget Beef" to describe either old cow beef or beef derived from bulls.

In our original submission we asserted that there is nothing intrinsically wrong with either cow or bull beef; however it is not the same as prime eating quality beef, and consumers are entitled to know exactly what they are buying.

Therefore we think that these products should be described as "Old Cow Beef" or "Bull Beef" as the case may be and not have product hiding behind euphemisms.

## 3. Labelling

In our original submission we stated:-

### *Quote*

Australia is a producer of healthy, safe, disease free meat and consumers are entitled to be unequivocally fully informed about the content of meat and meat products they are buying.

There should not be any room to avoid the facts by using terms such as "Made from Australian and Imported etc etc.....".

If products are made from a mixture of Australian and imported raw materials the consumer is entitled to know the facts and it should be mandatory for labelling to state the relevant percentages of domestic and imported raw material and country or countries of origin of imported raw material.

### *Unquote*

We continue to strongly support that position.

Furthermore labelling claims such as "Tender" should not be allowed unless there is

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scientific evidence to back up the claim. The MSA grading technology specifically identifies beef for tenderness, and therefore only beef that has passed the MSA grading process should be allowed to be labelled with the word “Tender”.

Non MSA graded beef may be tender, and certainly some will not be tender; however there is no technical or scientific basis on which to support a claim for tenderness.

#### 4. Use of Regulations.

Having stated that the implementation of the Raising Claims in our submission was possible by regulation, Senator O’Brien asked us if this was available in writing.

We understand that it is included in regulations for Approved Arrangement Guidelines in respect of raising claims and that AQIS is responsible for these trade arrangements.

#### General

In addition to the forgoing issues, a National Beef Grading System was raised by Mr. Norman Hunt representing Bindaree Beef.

We assert that in Australia we have the world’s leading grading system in Meat Standards Australia (MSA); however nothing is perfect and MSA only describes the product that meets its requirements. We believe that we need a system that accounts for and describes the entire product.

It is also important to reinforce the fact that MSA is NOT a Brand. It is the grading system that ascribes a tenderness/ eating quality grade that underpins brands like Certified Australian Angus Beef, Hereford Prime, Coorong Angus Beef, Riverine Prime Beef etc.

Therefore we would support the Bindaree position on a National Grading System provided that it incorporated the current MSA system/ technology for the product that meets the MSA specifications and then ascribed grades/ descriptions to the product that does not meet MSA requirements.

The cost of grading was raised during discussion. Grading is, or should be an integral part of the production system and therefore the cost of grading should accrue to the processor as part of the production process.

*Department of Agriculture, Fisheries and Forestry  
Division/Agency: Food and Product Safety and Integrity  
Public hearing Hansard 17 March 2009 (p.43)*

**Senator Nash asked:**

Senator NASH - Have the people been appointed yet? Will it be an independent panel, or who will do that?

Ms Sriram-Prasad - No, not as yet.

Senator NASH - Do you know when they will be appointed?

Ms Sriram-Prasad - The Food Regulation Ministerial Council will be considering the terms of reference for the review at its meeting in May.

Senator NASH - At that stage would you mind coming back to the committee and providing us with a timeline, if there is one, and would you inform us whether a decision has been made about who will be appointed to the independent panel? It might be quite useful for the committee to have that information at that point in time.

Ms Sriram-Prasad - Yes.

**Answer:**

At 22 April 2009, no appointments have been made to the independent panel for the Review of Food Labelling Law and Policy. The Australia New Zealand Food Regulation Ministerial Council (ANZFRMC) will be considering the terms of reference for the review at its May 2009 meeting. ANZFRMC is required to provide a progress report to the Council of Australian Governments (COAG) by July 2009. The final report on the review findings is due to COAG by July 2010.

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*Department of Agriculture, Fisheries and Forestry  
Division/Agency: Livestock Industries  
Public hearing Hansard 17 March 2009 (p.46)*

**Senator Sterle (Chair) asked:**

CHAIR—I have a couple of questions. I refer to page 5 of your submission on which you talk about AUS-MEAT developed language and you refer to how Meat Standards Australia provides a non-mandatory grading system. The committee will be visiting a butcher in Melbourne who applies the Meat Standards Australia system. I would like to pursue this issue a bit further. Your submission talks about calls from the mandatory beef quality grading system, in particular, for low-value cuts to be instituted in Australia. You also state that the beef industry was consulted on the issue in 2003. I take it that you have consulted with the beef industry. Is that right?

Mr Murnane—This was before my time. My understanding is that the beef industry led consultations within the industry about what might be appropriate standards, descriptors and those sorts of things.

CHAIR—I would appreciate your assistance. If it was before your time—

Mr Murnane—I am happy to take the question on notice.

CHAIR—Take that question on notice. I would rather be able to talk about it now if we could, but I understand that. You state in your submission that the industry concluded that a legislative approach was not necessary as private company labelling initiatives would provide the necessary market incentive to maintain truth in labelling. Would you be able to inform this committee whether the industry is still the same now?

Mr Murnane—It might be easier for me to get back to you with details of that consultation process, who led it, and who was consulted.

**Answer:**

The previous consultation process for a mandatory beef quality grading system was led by the Red Meat Advisory Council (RMAC). Industry groups consulted in the process include supermarkets, butchers, processors, producers, consumer organisations and peak industry bodies.

The consultation was instigated following concerns from sections of the beef industry that retailers were not adhering to appropriate truth in labelling laws, particularly lower quality beef from older animals.

The Hon. Warren Truss MP, then Minister for Agriculture, Fisheries and Forestry, wrote to RMAC in May 2001 seeking its advice on truth in labelling for beef and associated product descriptions.

In May 2003, RMAC responded by convening a beef industry roundtable forum in Sydney to consider the issue. The forum identified the major issues as being at the pre-retail and retail sections of the beef supply chain. The roundtable resulted in the formation of three taskforces in June 2003 investigating beef language, legislation and research and development.

From July 2003 to February 2004, members of the legislation taskforce met with all state ministers and Food Standards Australia and New Zealand.

In November 2003, RMAC advised Minister Truss of the three taskforces and their progress. In its letter, RMAC suggested that any scheme related to meat labelling should cover all areas of the meat supply chain with an element of compulsion.

In March 2004, RMAC forwarded the findings of the taskforces to the peak industry bodies for their consideration. The findings recommended the formation of voluntary beef grading language and that state and territory governments underpin this scheme with legislation requiring adherence to the language to hold a beef handling licence.

The Australian Meat Industry Council replied to RMAC stating that it did not support the recommendation.

RMAC itself did not accept the recommendations of the taskforces, and holds the position that a national legislative approach to mandatory uptake is unnecessary, as the current voluntary system based on AUS-MEAT language encourages truth-in-labelling, while allowing some flexibility.

*Department of Agriculture, Fisheries and Forestry  
Division/Agency: Livestock Industries  
Public hearing Hansard 17 March 2009 (p.48)*

**Senator Milne asked:**

Have you looked at the effectiveness of the United States meat grading system?

**Answer:**

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In 2004, the department developed an informal comparative analysis of the United States (US) beef grading system in response to arguments from sections of the beef industry that Australian beef consumption had fallen due to the absence of a national beef grading scheme.

The US beef grading scheme is voluntary. After meat undergoes a compulsory food safety inspection, producers and processors may request to have the products graded for quality by a licensed federal grader. Those who request grading must pay for the service. Grades are based on nationally uniform federal standards of quality.

The department found that the decline in beef consumption was not dramatic, and that overall domestic beef consumption by value and volume had remained steady during the 1990's. The analysis concluded that there was no evidence to support the proposition that any difference between Australian and US domestic per capita beef consumption is the result of the US having a beef-grading scheme.

*Department of Agriculture, Fisheries and Forestry*  
*Division/Agency: Food*  
*Public hearing Hansard 17 March 2009 (p.51)*

**Senator Nash asked:**

Mr Williamson, could you find out for the committee whether or not drenched sheep can still be classed as organic?

**Answer:**

The National Standard for Organic and Biodynamic Produce applies to organic exports and does not allow organic certification of sheep drenched in conventional pest and disease control substances. However, livestock treated with permitted pest and disease control materials as specified in the standard (refer attached) are permitted to be certified as organic for export purposes.

The proposed new Australian Standard for Organic and Biodynamic Produce, expected to be released by Standards Australia in mid-2009, is broadly based on the National Standard for Organic and Biodynamic Produce.

**Permitted materials for livestock pest and disease control**

Where wetting agents are required, caution needs to be exercised with commercial formulations as these may contain substances prohibited under this Standard. Acceptable wetting agents include some seaweed products, plant products (including oils) and natural soaps.

**Livestock pest control**

<b>Substances</b>	<b>Specific conditions/restrictions</b>
Ayurvedic preparations	None
Biological controls	Naturally occurring organisms and cultured organisms
Boric Acid	None
Clay	None
Diatomaceous earth	None
Essential oils, plant oils and extracts	None
Garlic oil, garlic extract or crushed garlic	None
Homeopathic preparations	None
Hydrogen Peroxide	None
Natural plant extracts obtained by infusion	Excluding tobacco
Magnesium Sulphate (Epsom salts)	None
Methylated spirits	None
Monosodium fluorosilicate	None
Potassium permanganate	None