



HUNT PARTNERS LAWYERS PTY LTD

Solicitors & Barristers

Level 6, 114 Castlereagh Street, Sydney NSW 2000

Tel: (02) 9235 2966 Fax: (02) 9284 9487

E-mail: huntpartners@bigpond.com

A.C.N 000 344 983



HUNT BLOG Newsletter

10 July 2019

‘INDEPENDENT’

RED MEAT MOU REVIEW TASKFORCE

WHITE PAPER

CALLS FOR

RED MEAT INDUSTRY

TAXATION WITHOUT REPRESENTATION

Last week Huntblog published an allegorical newsletter under a *Red Meat Animal Farm (RMAF)* banner pointing out the comparison between the Red Meat MOU Review Taskforce White Paper recommended troika of new corporations to replace the existing red meat industry organisational structure and novelist George Orwell’s 1945 classic fable *Animal Farm* allegory about the disintegration of the Russian Revolution into Moscow directed Stalinism.

This week, after further review of the White Paper, Huntblog becomes a little more focussed and down to earth and even more astounded by the audacity of the White Paper recommendations.

The Red Meat MOU Review Taskforce issued a Green Paper on 14 February 2019 and received 57 submissions on that Green Paper before their 15 April 2019 submission closing date and conducted no public hearings during that time.

The RMAC July 2019 publication entitled *White Paper for the Red Meat Advisory Council* advises its readers no less than five times that the White Paper recommendations were made by an *independent* Taskforce and on two further occasions the White Paper refers to *independent* White Paper recommendations.

Thursday, 1 August 2019

The Red Meat MOU Review Terms of Reference stated that the Taskforce members would be appointed by RMAC and be chaired by lead reviewer Mr Jim Varghese AO. So where is the independence?

The push to merge the 6 separate sector red meat industry Peak Industry Councils into one mega RMAF:-

- was first promulgated by RMAC chairman Don Mackay in the middle of last year before the Red Meat MOU Review was announced, and
- the bulk of the 57 submissions to the Red Meat MOU Review Taskforce called for financially stronger sector Peak Industry Councils who would oversee and direct a reformed RMAC that would deal with specified common commercial interest whole of red meat industry issues.

Consequently, there are many that think that the *independent* Red Meat MOU Review Taskforce has done little more than rubber stamp Don Mackay's proposed new mega Red Meat Australia call.

A conclusion that reinforces the *perhaps mistaken* perception that the White Paper repetitious *independence* claims are little more than an attempt to mask the reality that the RMAC appointed Taskforce reached a conclusion that endorsed the pre-Red Meat MOU Review period opinion of the RMAC chair.

The *White Paper: Findings at a glance* – set out on page 5 of the White Paper proudly announced the proposed formation of 3 new streamlined and unified mega red meat industry corporations:-

- Red Meat Australia – amalgamating the current policy development roles of the red meat industry Peak Industry Councils;
- A single Red Meat Research Body – amalgamating the functions AMPC, Livecorp and MLA;
- A single Industry Standards Body – amalgamating the functions of Safe Meat, Aus-Meat, MSA and the Integrity Systems Company.

Under this proposed brave new world proposal:-

- Red Meat Australia would:-
 - be the single voice for the Australian red meat and livestock industry,
 - be the single recipient of red meat industry levies,
 - assume the industry public policy social license and marketing roles of the red meat industry,
 - conduct policy leadership on behalf of the red meat industry through a distinct advocacy company within Red Meat Australia that would be funded from the Red Meat Industry Fund (RMIF), industry reserves and *other sources*.
- Peak industry Councils would agree to a list of 'whole of supply chain' issues to be prosecuted by Red Meat Australia and agree on the sector-specific issues that the Peak Industry Councils would then carry forward for their sector.
- over a transitional period of two years, the current RMIF dividend allocations to Peak Industry Councils would be reduced by an 'agreed' amount year on year to manage the shift to new *presumably reduced* advocacy arrangements, and

Thursday, 1 August 2019

- Peak Industry Council would be funded *presumably* at the discretion of Red Meat Australia on the basis of new *presumably* reduced responsibilities.

So much therefore for the recommendations of:-

- extensive Senate Inquiry after extensive Senate Inquiry as well as ACCC Inquiries and Productivity Inquiries who collectively received hundreds of submissions and conducted multiple public hearings over the last decade or two, and
- a number of Australian Farm Institute Reports and learned papers from respected red meat industry figures that all called for well financed truly representative producer Peak Industry Councils to represent their sector of the red meat industry.

So much for the principle of no taxation without representation.

Please visit www.huntpartners.blogspot.com/ for further information and commentary on Australian rural reform issues.