

## **MEDIA RELEASE** 20 November 2018

Cattle Producers Australia (CPA) Committee Members attended the Cattle Council of Australia (CCA) AGM to seek insight on CCA's new draft model of its organisation's restructure.

CCA, CEO Margo Andrae explained the new organisation as a direct elect model in which individual levy payers will vote for a traditional fiduciary board of directors who will have an oversight role, but policy will be developed and delivered by a series of consultative committees. There was no confirmation that the members of these policy committees were to be democratically elected.

Chair of CPA, Dr Paul Wright said, "the draft CCA proposal does not appear to satisfy the requirements of a truly democratic model for representation for grass-fed cattle levy payers. The CPA model does satisfy this criteria."

In response to being asked about the uneven representation between State Farm Organisations (SFOs) and Independents, CCA Chair Howard Smith commented that CCA relies heavily on SFOs and their membership fees so they have a right to have members on the consultative committees.

Dr Wright noted that SFO contribution represents a relatively small proportion of the total CCA budget, the main contributors being Red Meat Advisory Council (RMAC) and Meat and Livestock Australia (MLA).

Dr Wright sees democratic discrepancies in the new CCA draft model as the direct elect board that comes from a levy payer vote do not actually appear to develop or deliver policy, they only oversee and endorse the policy created by the committees.

"This is a real concern for the industry, after all the senate inquiries and industry studies that have provided recommendations for reform we are still being dealt a false sense of democracy by industry leaders," he said.

In response to the 2014 Senate Inquiry the Implementation Committee (including members of CCA) was established and tasked with developing a new democratic model to replace CCA as the Peak Council as part of the reform process for the industry.

<u>Recommendations 4 &5</u> of the 2017 Senate inquiry into the <u>Effect of Market Consolidation on the Red Meat Processing Sector</u> stated that the Australian Government should support Cattle Producers Australia and ensure that adequate funding was made available to the new organisation to achieve this objective.

In October 2017, funding of \$500,000 from the Leadership in Agriculture Fund was approved to fund the Implementation process. This funding stream has been held in abeyance by the Department of Agriculture owing to the untimely withdrawal by the CCA from the reform process in January 2018.

Ms Andrae commented on the matter saying, "yes we did walk away from the Implementation Committee and the Implementation Committee as a whole did dissolve."

Despite Ms Andrae's assertion above the Implementation Committee did not dissolve when the CCA members of that committee withdrew at the behest of the SFO's on 17 January 2018. Upon CCA's withdrawal the IC advised the CCA that they remained committed to the establishment of CPA and the remaining members of the IC have continued to work on this ever since and furthermore the CCA agreed to meet with CPA and the Department of Agriculture to discuss the approved grant. CCA did not follow through on their commitment.

Given CPA's recent meeting with the Minister for Agriculture the Hon. David Littleproud and his commitment to advance the reform agenda, CPA expresses disappointment at Ms Andrae's comments at the CCA AGM saying "We don't need another Minister telling our industry what we should be doing!"

Dr Wright emphasised the need for the democratic model already fit for purpose and designed after whole of industry agreement was reached back in 2015.

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## **About Cattle Producers Australia**

Cattle Producers Australia Ltd (CPA) is the new voice on issues that affect grass-fed cattle production businesses. We offer a new era of leadership in advocacy and governance for the grass-fed cattle industry. As a democratically elected organisation, all grass-fed cattle producer members have voting rights and equal opportunity to stand for election. Policy Advisory Councilors will be elected from 15 regions across Australia. Control of CPA will be directly in the hands of grass-fed levy paying cattle producers.

For more information or to become a free member of CPA, please visit: https://cattleproducers.com.au/