

24 August 2022

Mr Lloyd Hick
President
Cattle Council Australia
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Email: lloydhick@bigpond.com

Dear Lloyd,

Thank you for your attached 15 August 2022 response to CPA's 10 August 2022 email to you.

The difference between the terms of your 15 August 2022 letter and the intentions stated by you in our telephone conversations 18 August 2022 are noted with acute disappointment.

The Grass-fed Cattle Industry Restructure Steering Committee (RSC) was convened late last year following agreement reached between Cattle Producers Australia (CPA) and Cattle Council Australia (CCA) at a series of Federal Government facilitated round table meetings to undertake the structural grass-fed cattle producer organisational reforms that significant sections of Australia's grass-fed cattle producing industry have been calling for over a decade. Structural grass-fed cattle producer organisational reforms that CCA and the SFO's had previously resisted and/or walked away from.

The obligation of the RSC to carry out its designated activities under the Terms of Reference in accord with the best interests of Australia's grass-fed cattle producer transaction levy payers was fundamental to its charter.

In CPA's view, the actions of the CCA and the SFOs in withdrawing from that obligation and purporting to wind up the RSC is in breach of the clear terms of the [Terms of Reference](#) and assume independent responsibility for implementation of the proposed restructure are reprehensible.

The failure of the CCA and the departed RSC independent chair to properly account to the RSC members despite numerous requests to the Chair from various RSC members with respect to the expenditure of the Federal Government seed funding and Australian grass-fed cattle producer donations for the establishment of Cattle Australia is also, in CPA's view, reprehensible and inexcusable. Contrary to your assertions that a formal approach had not been made requesting financial reports we attach a copy of an email sent to the CCA requesting details of the RSC Expenditure.

Your attached 15 August 2022 letter has not responded in any meaningful or satisfactory way to the claims in our 10 August 2022 email to you that:

- the legally binding Auspice Agreement and its Terms of Reference setting out the operational terms of the Restructure Steering Committee have not been adhered to by the CCA and;
- that in effect the terms of this Auspice Agreement have been breached by the CCA and;

- neither the content of the current CCA draft of the Cattle Australia Constitution nor the determination to hand the implementation process over to the CCA was approved by the RSC.

The recent actions of the past Independent Chair of the RSC (with the apparent support of the SFOs and CCA) publicly declaring that the RSC was wound up on 30 June 2022 are contrary to:

- the decision taken by the RSC in Brisbane on 10 June 2020, that the RSC would not be wound up until the board of the new grass-fed cattle producers Peak Industry Council was installed; and
- the conditions in the attached Restructure Steering Committee's Terms of Reference that was prepared in good faith following an ILF in September last year states that: The Steering Committee *will convene on and from October 2021 and will cease to exist when the New Peak Body Board is installed.*

As we say in our 10 August 2022 letter to you, the legally binding Auspice Agreement between CCA and the RSC states that:

- the RSC is the party receiving the benefit of the Funding under the terms of the Auspice Agreement and the Services Procurement Agreement between DAWE and CCA acting on behalf of the RSC, and
- attaches the RSC Terms of Reference, and
- defines the Auspice Agreement collective Project as the collective set of goals and objectives identified as the "Purpose and Objectives" in clause 2.2 of the RSC Terms of Reference, and
- clause 2.2 of the RSC Terms of Reference states that the purpose and objective of the RSC was to:
 - (a) realise the funding and formation for the New Peak Body by 1 July 2022,
 - (b) direct various stages and activities required to realise the New Peak Body that can deliver on the outcomes sought by the industry through this restructure process,
 - (c) work through any unresolved restructure issues to provide objective, timely, solutions-focused positions to ensure the restructure process continues to progress,
 - (d) keep the Represented Groups, Minister, levy payers and other stakeholders informed and engaged through a comprehensive communications and engagement plan,
 - (e) ensure a seamless transition of grass-fed cattle industry peak body responsibilities from Cattle Council of Australia (CCA) to the New Peak Body,
 - (f) report back and consult regularly with the Represented Groups (and where possible industry),
 - (g) to minimise any disruption to the day-to-day operations of CCA during the transition process; and
 - (h) transition and eventually wind up CCA and CPA to the New Peak Body as required.

The RSC did not give permission to the Chair or CCA to cancel King and Wood Mallesons (KWM) who were given the role of developing the Cattle Australia Constitution and moreover the Chair ignored the RSC recommendation to forward our Brief to KWM and also failed to forward our suggested

changes to the constitution to KWM that were in line with the agreed position of the ILF and the Plan on a Page, which we believe breaches the collective and co-operative approach that was intended.

In the absence of any meaningful explanation or refutation by CCA It appears to be axiomatic that the provisions of clause 2.2 of the RSC Terms of reference have not been complied with and that the actions of CCA and the SFO over the last 2 months have been contrary to those provisions. .

There are 6 steps needed to get the reform process back on track:

- 1) CCA must provide financial accountability details to the RSC of funds expended by CCA on behalf of RSC – both Government and Industry contributions.
- 2) An RSC meeting must be convened; the RSC would then resume its tasks of:
- 3) Developing and ratifying the Cattle Australia Constitution;
- 4) Developing Cattle Australia funding streams;
- 5) Overseeing the election of elected Cattle Australia Board;
- 6) Overseeing transition of the Peak Industry Council status from CCA to Cattle Australia.

CPA correspondence with the RSC and RSC meeting notes transcripts which validate CPA's statements in this letter and our 10 August 2022 letter can be found on the CPA Website link [HERE](#).

We also provide the following link to the recent article in Farmonline where [Hon. David Littleproud lashes out at the Floundering Cattle Australia Reform](#).

We await your advice on when the proper reform process may be resumed in this manner.

Yours sincerely,



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