

23 November 2016



Australian Competition and Consumer Commission (ACCC)
Cattle and Beef Market Study
Via email: marketstudy@acc.gov.au

Re: Cattle and Beef Market Study – Interim Report

The National Farmers' Federation (NFF) welcomes the opportunity to make a submission to the interim report of the ACCC's *Cattle and Beef Market Study*. The NFF is the peak national body representing farmers and the agriculture sector across Australia. The NFF's membership comprises all Australia's major agricultural commodities. Operating under a federated structure, individual farmers join their respective state farm organisation and/or national commodity council. These organisations form the NFF.

It is crucial that anti-competitive behaviours of beef market participants are addressed to ensure that the beef sector is able to grow without being hampered by unfair pricing of produce. The NFF supports open, transparent marketplaces and endorses the ACCC's efforts to facilitate high levels of competition within agricultural supply chain.

The NFF concurs with the ACCC's broad theme in the *Cattle and Beef Market Study*, namely to ensure that competition policy prevents players in beef and cattle markets from obtaining unhealthy levels of market power.

However, before finalising the current interim report, the NFF recommends the ACCC consult further with Meat and Livestock Australia (MLA), the Cattle Council of Australia (CCA) and the Australian Livestock and Property Agents Association (ALPA). While many of the recommendations seem reasonable, upon further investigation, they appear to be unworkable or do not take into account current industry practices. These are outlined in more detail in the submissions by CCA, MLA and ALPA.

The NFF also suggests that the ACCC broaden the scope of the current study to include Australia's sheepmeat industry. The beef and sheepmeat industries have many synergies and the supply chains are very similar. Through the implementation of sole cattle and beef specific recommendations, the ACCC risks severely distorting and fragmenting Australia's red meat industry. These concerns are outlined in further detail in the submission by the Sheepmeat Council of Australia.

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