Cattle Transaction Levy Review FAQ

About the Consultation

Q: How many producers took part in the consultation, and how were they reached?
A: More than 1,000 responses and attendances were recorded across two discussion papers, a producer survey, 34 regional face-to-face sessions, and additional online sessions, company and group engagement, covering all states and territories.

Q: How was the consultation run?
A: The Committee published two discussion papers, in May and June 2026, each inviting written responses. Alongside this, a producer survey was distributed, 34 regional face-to-face sessions were held nationally, and additional online sessions, company and producer-group engagement took place.

Q: What was the single clearest message from consultation?
A: Levy payers want to see exactly how their levy dollars are being spent, they want investment to keep pace with the risks and priorities the industry faces today, and they want a levy system that works harder for them. Greater focus and funding on pre-emptive biosecurity, greater investment in industry representation and industry activity and dedicated funding for Integrity Systems. Greater transparency and accountability for what the levy delivers, prior to any change in the levy, was the most consistent theme raised across every consultation session.

Accountability and Transparency

Q: Is this a commitment to transparency?
A: The message from producers was not a request for a further commitment, but for a different starting point. Levy payers indicated that levy funded programs should be required to demonstrate clear and measurable returns on investment. This reflects the standard requested by producers.

Q: How will decisions be made about what is funded?
A: The message from consultation was that Cattle Australia needs to take a stronger position in informing LRBs on which investments are genuinely priorities at present, and determine the appropriate funding model for each, rather than LRBs simply carrying forward historical allocations by default.

Q: What happens to a program that cannot demonstrate its value?
A: The consensus from Levy payers was unambiguous: such a program should not continue to be funded by default. Mature programs should face the market failure test at regular intervals, on the basis that tenure alone is not sufficient reason for continued funding.

Q: What is the 'market failure' test, and why does it matter for funding decisions?
A: Market failure is the underlying justification for levy funding generally: it applies to activities where the benefit is not achievable by an individual business to fund it alone, such as collective marketing or biosecurity preparedness.

Consultation found agreement that an assessment of mature programs should be undertaken to test whether each one still meets that threshold, rather than assuming it still applies simply because a program has always been funded, or it has worked well in the past.

This is the basis for the closer scrutiny applied to older, long-running programs: continued funding depends on demonstrating the market failure case still holds, not on how long a program has existed.

Q: Do producers want more oversight of levy investments generally?
A: Yes. Consultation raised uncertainty about what the levy funds and requested that Cattle Australia provide greater consultation and extension activities around the levy investment. Having an even greater focus on levy investment oversight by Cattle Australia on behalf of levy payers was identified as one of the consistent themes raised.

This desire from levy payers sits alongside the broader call for transparency: levy payers want not just to see where the money goes, but a stronger involvement of their peak industry body for overseeing how it is spent.

The Five Reform Principles

Q: Principle 1: What did consultation find about existing value within the $5 levy?
A: There was general agreement that levy investment has built lasting capability and infrastructure for the industry that would not otherwise exist, helped it keep pace with a changing global market and remain competitive internationally, and been effective in leveraging additional investment for research and development and marketing that has supported the enviable position Australian beef now enjoys globally.

However, levy payers raised, overwhelmingly, a desire for a more transparent levy investment program that focuses on how the industry is represented and resourced and that clearly shows the value being returned from every dollar invested on their behalf.

Q: Principle 2: What did consultation find about flexibility between levy streams?
A: There was strong support for a transparent mechanism allowing limited, defined movements between levy streams under defined circumstances, so the system can respond to genuine pressures, such as the current funding challenge facing the National Residue Survey, without duplicating a full review process.

Survey results showed 89 per cent of respondents supported flexibility between levy streams. There was clear agreement that a mechanism to enable this should be built, for prescribed purposes and any changes implemented be for a limited time period, rather than open-ended flexibility.

Q: Principle 3: What did consultation find about new or enhanced areas for funding?
A: Biosecurity emerged as the clear, shared priority for expanded industry investment, with 77 per cent of survey respondents nominating it as the clear priority for additional investment.

There was also support for increased funding for the National Residue Survey, meaningful additional funding for industry representation and funding of industry activities and prioritised dedicated funding for Integrity Systems.

On the current split of the $5 levy, essentially half of survey respondents said it is not divided appropriately.

Q: Principle 4: What did consultation find about fixed review periods?
A: Feedback was strongly aligned behind a review cycle no longer than 10 years, with a five-year mid-term check, so that levy settings are tested regularly rather than left unexamined for decades.

Survey results showed 60 per cent of respondents favoured a five-year cycle and 29 per cent favoured ten years.

Consistent with that feedback, a full review of the levy system is proposed no later than the end of 2030 linked directly to the undertaking of the red meat industry strategic plan.

Q: Principle 5: What did consultation find about industry representation?
A: Levy payers were clear that they want a stronger focus on increasing their capacity to engage in industry processes with Cattle Australia, and on strengthening industry representation, capability and activity.

They were equally clear that levy investment oversight needs to be prioritised, and that the body representing them on levy matters (Cattle Australia) should be properly resourced to do so, and open about how that funding is used.
There was strong interest in returning the system closer to its original intent, with more direct levy payer oversight, by its peak industry body, of levy investments and a stronger, better-resourced representative body.

This connects to a broader theme raised in consultation: ongoing public challenges in creating and defending industry integrity and community perceptions of it are having a negative effect on industry confidence and the operating environment, even though the industry is performing better than at the time of the last review in a production sense.

A properly resourced representative body is required to undertake this task and this was identified as a clear ‘market failure’ as this is currently only partially funded from the non R&D component of the levy.

A consistent structural concern raised was the sustainability of the current, largely volunteer-based representative system: an ageing volunteer base, the same small pool of people cycling through dozens of committees, and declining participation over several decades.

Levy payers called for structured training pathways to prepare future representatives, and appropriate remuneration for representative roles as part of an industry that has a gross value of production in excess of $20bn.

The Resolution

Q: What exactly is being voted on?
A: A single package of reforms, undertaken together, with a conditional $1.00 increase attached. The reforms increase focus on and investment in:

- accountability of levy investments to grassfed levy payers
- strategic biosecurity investments
- sustainable funding for the National Residue Survey

- industry representation and capacity building
- dedicated funding for integrity systems

Only if the reforms are introduced in full by 1 July 2027 would the levy rise by $1.00 to $6.00 per transaction, by 1 July 2028.

Q: Isn't the levy just another government tax?
A: No. The levy is producers' money, invested back into their own industry. The Government collects it under legislation so that everyone who benefits contributes, but it does not go into general government revenue. It is passed to the bodies that deliver services for producers, such as MLA, the National Residue Survey and Animal Health Australia.

- Industry sets the rate, not the Government. The levy only changes on industry's recommendation, and Cattle Australia, as the Prescribed Industry Body, advises the Minister on behalf of grassfed producers.
- Producers decide. Nothing changes unless levy payers support the resolution.
- Eligible levy-funded R&D attracts matching Commonwealth funding, which increases the value of what producers put in.

Q: What will producers get out of this?
A: A levy that works harder for the people paying it, with more of their money going to the services they prioritise:

- greater accountability and producer oversight of strategic priorities
- more flexibility to manage risks to the industry
- more funding for critical services, and services that are easier to use
- a leading posture against disease and pest outbreaks
- better engagement with the community on grassfed beef production, for a more profitable and sustainable industry

Q: What are the roles of the Review Committee and the Cattle Australia Board?
A: The independent Review Committee ran the review and made its recommendations based on consultation and evidence. The Cattle Australia Board has endorsed them and put them forward as the resolution. The decision belongs to levy payers, through the vote. If the resolution passes, Cattle Australia leads delivery of the reforms.

The Case for a Levy Increase

Levy payers expressed a clear desire to get more from the levy. There is a case for an increase, but accountability and structural changes have to come first.

The strongest message was the desire for a levy system that works harder, responds faster and remains accountable to the levy payers who fund it.

Levy payers want the levy to do more, with greater accountability, and there is a case for change: to increase the levy to deliver greater benefit, but only after accountability is demonstrated.

The proposed $1.00 increase is deliberately modest and conservative. It is an interim step, not the full amount the independent analysis potentially suggests would be needed to restore the levy's historical real value, and the increase is only proposed if the accountability and prioritisation reforms are delivered first, with a further review to occur by no later than 2030.

Q: When does the levy increase take effect, and is it guaranteed?
A: No, it is not automatic. The increase does not happen unless the accountability reforms are delivered by the current levy recipient bodies.

Specifically: only if the reforms as outlined are introduced in full by 1 July 2027 will the grassfed cattle transaction levy be increased, by $1.00, to $6.00, by 1 July 2028.

If the reforms are not delivered by that date, the increase does not proceed. The accountability and restructure measures come first, and only then does the levy amount change.

Q: What is the basis for the $1.00 increase overall?
A: The $1.00 figure comes from the extensive consultation and economic analysis commissioned by the Committee.

The economic analysis found the real value of the $5.00 levy has eroded since it was last set, and calculated that fully restoring that lost purchasing power would require an increase of around 74 per cent, or roughly $8.68.

Rather than propose that level of increase, the Committee has recommended a deliberately conservative $1.00 (20 per cent) interim step, focused on the components with the most complete case for change.

The increased levy is estimated to raise approximately $12.7 million a year, and is targeted to support the key priorities identified – increased funding of NRS, increasing investment in pre-emptive biosecurity activities and research, greater investment from the levy in industry representation and activities, dedicated prioritised funding of integrity systems – proposed only if the accountability and reform measures are delivered first.

Q: Why is the $1.00 increase conservative rather than the full amount the analysis suggests is needed to restore the decline in value?
A: The report indicated the full restoration of the value of the $5.00 levy in today's terms would require an increase of around 74 per cent, or to about $8.68.

The Committee found that a case for an increase of that size could only be considered once the full value of the existing $5.00 has been clearly demonstrated, and only after the scheduled review in 2030.

The next review is proposed to take place first, in 2030, to determine requirements linked to the red meat 2040 industry strategic plan before any further increase toward that fuller figure would be considered.

The $1.00 increase is a deliberately conservative, interim step, not the full figure the analysis identified as the scale of the real-terms decline.

Q: How do the $0.84 (Integrity Systems and biosecurity) and $0.60 (industry capability) figures fit with the $1.00 total increase?
A: The $1.00 increase is fully accounted for by the three component increases: NRS (+$0.11), R&D (+$0.20) and Marketing (non-R&D) (+$0.69).

The recommendations specify that part of the total R&D and Marketing levy, not just the proposed increase, is to be specifically invested in the following key areas:

- $0.84 directed to integrity systems, biosecurity programs, with funds from both R&D and non-R&D components of the levy
- $0.60 to industry capability building programs, with levy funds from both R&D and non-R&D components of the levy

They are not additional amounts, rather a direction on how the total levy investment must be prioritised and allocated.

The Vote and What Happens Next

Q: Why is this happening now, after 20 years without a review?
A: The $5.00 rate has stood for twenty years without a mechanism requiring anyone to ask whether it still reflected the industry's needs. That gap is what allowed pressures like the NRS funding shortfall to build up largely unseen. This review, and the fixed review cycle it recommends going forward, is designed to stop that happening again.

Q: Why is this being decided by a vote, rather than by Cattle Australia?
A: This is a decision for levy payers to make directly. The resolution goes to a separate ballot of grassfed levy payers, with the result announced at the MLA AGM in Townsville on 24 November 2026.

Q: Who can vote?
A: Anyone who paid the grassfed cattle transaction levy in the past financial year. You do not need to be an MLA member to vote.

Q: How do I vote, and by when?
A: Ballots have been sent by email or post, with instructions on how to vote. Ballots, advance votes and proxies close 3.30pm (Qld time), Sunday 22 November 2026.

- **Not an MLA member**: vote now, online or via post, using the ballot form sent to you.
- **MLA members who pay the levy**: vote now, online or via post; vote by proxy using the form in your AGM pack or at computershare.com.au/mlavoting; or vote live at the AGM on 24 November, in person in Townsville or online.

Q: Do I need to be in Townsville to vote?
A: No. The AGM is a hybrid event, and levy payers can vote online or via post from wherever they are.

Q: What if I haven’t received a ballot?
A: Contact MLA on 1800 023 100 or membership@mla.com.au. This is open to all grassfed levy payers, not just MLA members.

Q: What happens if the resolution is passed?
A: The reforms and accountability measures proceed first, on the timeline set out in the resolution. No increase takes effect until those reforms are introduced in full. Only if that is achieved by 1 July 2027 will the grassfed cattle transaction levy increase, by $1.00, to $6.00, by 1 July 2028. The levy amount does not change ahead of, or independently of, full delivery of the reforms.

Q: What happens if the resolution is not passed?
A: The Committee will report back to levy payers on the outcome and work through next steps. The consultation findings and accountability themes remain valid regardless of the vote result, and will continue to inform Cattle Australia's approach.

Q: Is this the last time the levy settings will be reviewed?
A: No. A five-year mid-term check and a full review by the end of 2030 are already built into the recommendation. Any move toward a larger increase, such as the increase of around 74 per cent needed to fully restore the levy's historical real value, is contingent on that 2030 review taking place first and confirming the value of this initial package has been demonstrated. This is not intended to be the last conversation.

Q: Where can I find out more or ask questions?
A: The Final Report, summary and consultation summary are available at cattleaustralia.com.au/the-cattle-transaction-levy. Email questions to levy@cattleaustralia.com.au.