CATTLE TRANSACTION LEVY REVIEW 2026

Consultation Outcomes Summary

September 2026

Executive Summary

Levy reviews are informed by two main forms of analysis — being an analytical review of what is needed for the system to improve coupled with a broader engagement around the expectations of levy payers regarding these systems. This document articulates a summary of what was heard through the consultation phase of the levy review and where common themes have emerged.

The 2026 review of the grassfed cattle transaction levy has confirmed some of the theories of the Committee in the design stage of the review. The first is a reflection on industry itself, in that by not having a review of the levy for 20 years, a disconnect between the payers of the levy and their understanding of where funds are being invested has significantly diminished. Not through a lack of interest or desire — but substantially through a lack of opportunity.

Reviews serve as one of the only mechanisms by which levy payers are given a direct voice over the investments made on their behalf and the performance of the institutions that receive these funds. This is not to say the levy does not invest in services and extension in the region in which these businesses operate - it does.

However, producer events targeted at extension of resource outputs, are not a setting where deeper questions are asked of levy payers about the broader systems architecture supporting the grassfed cattle levy. The kind of forums that do ask these questions have not been run, or rather have not been invested in by industry, for some time.

The second confirmation has been there is a general feeling that the system has value but that today it needs to do more to address growing areas of producer need and expanding areas of market failure (i.e. biosecurity). There is also a desire amongst levy payers generally for the levy to address a broader array of program areas than have been previously considered.

There was also a general feeling of frustration that while the industry is performing better than in the period of the last review in a production sense, ongoing public challenges to the integrity of the industry and community perceptions of it appear to be having a negative effect on both the confidence of the industry and the operating environment in which it exists.

This report is a summary of what we have heard from grassfed cattle producers over the course of the consultation period.

Introduction

Consultation regarding the grassfed cattle Levy Review Committee (the Committee) began in late June and concluded in August 2026 and was centred around the two discussion papers issued by the Committee and the producer survey prior to and during the consultation period.

These consultations focused on the five areas for reform identified by the Committee in early 2026 as being the primary areas of focus for the review term. The following is an articulation of the themes that emerged for each of these principal areas, as well as some of the areas for further work that were received through consultation that the Committee considers of value, and although out of scope for the current review, are still worthy of further investigation.

This report forms the final stage of feedback to industry on the consultation process. On 6 October 2026 all grassfed levy payers will be provided with the final recommendations of the Levy Review Committee and the Cattle Australia Board. The recommendations will be accompanied by a Companion Paper and economic analysis explaining the case for the recommendations made therein. A levy payer vote will be held at the MLA AGM in late November in Townsville. All levy payers will be able to participate in this vote.

Background

The Cattle Transaction Levy is a $5 per head statutory levy applied to all cattle transactions in Australia. It is collected at the point of sale by the Department of Agriculture, Fisheries and Forestry and distributed to the following for their associated purposes:

Component	Rate ($/head)	Recipient
Marketing	3.66	Meat and Livestock Australia
Research and development	0.92	Meat and Livestock Australia
National Residue Survey	0.29	Department of Agriculture (NRS)
Animal Health Australia	0.13	Animal Health Australia
Emergency Animal Disease Response Agreement	0.00	(activated when a response is required)

Over $61.9m on average is collected each year from the grassfed cattle industry. The grassfed component of the levy represents the largest of the red meat levy system today, reflecting the size and importance of Australia's grassfed cattle industry to this system. This is compared to the grainfed industry at ~$18m, the processing sector at ~$23m and the live export industry at $3.1m.

1. Consultation Overview

Different from the levy reviews of 2006 and 2009, this review undertook to make a broad assessment of the health of the levy and levy system as a whole and has sought to provide a report to industry that reflected the broader operating environment which the levy supports and influences.

Channel	Coverage
Discussion papers	Two papers published in May and June 2026, with written responses invited at each stage
Producer survey	More than 470 completed responses; up to 454 respondents per question

Channel	Coverage
Regional face-to-face sessions	34 sessions across Australia with 641 producers
Online, company and group engagement	Additional online sessions and direct engagement with companies and producer groups
Written submissions	State and regional producer bodies, businesses and individual producers

Formal written input was also received from cattle producers, industry organisations and industry stakeholders. Across the survey and face-to-face consultation program there were more than 1,000 recorded responses and attendances, covering all states and territories. Not every levy payer took part, and the Committee does not suggest otherwise. Similar issues were raised across different regions, production systems and consultation channels.

2. What Industry Told the Review: Five Principles

Consultation sessions on the review of the Grassfed Cattle Transaction Levy were held nationally, across New South Wales, Queensland, South Australia, Victoria and Tasmania, Northern Territory, and Western Australia.

Across every region, discussion consistently centred on levy transparency, the need for better return on investment indicators, flexibility of levy allocation, biosecurity preparedness, and the resourcing and structure of industry representation.

There was general agreement that industry levy investments have built lasting capability and infrastructure for the industry that would not otherwise exist. That levy investments have helped the industry keep pace and remain competitive in a changing global market , and that levy funded research and development continues to attract meaningful additional investment from the private sector, extending the reach of every dollar contributed.

However, the clear feedback was that 20 years without a review has gradually reduced levy payers' ability to be involved in considered discussions about their levy investments and the returns they provide as well as the ability of LRBs to articulate performance consistently over this same period. Levy payers expressed a desire for a clear articulation how their levy investments are appropriately focused on the priorities of today, and how they can be assured they are fit for purpose to deliver maximum value.

The feedback on this was clear:

- Levy payers want to see exactly how their levy dollars are being spent and rationale as to what these investments are intended to achieve,
- Levy payers want investment to keep pace with the risks and priorities the industry faces today; and,
- Levy Payers want a levy system that works harder for them.

Principle 1: Existing Value within the $5 Levy

There was general agreement that as a collective the $5 levy investment has been effective in building value, particularly through the funding it has helped leverage for research and development and the marketing investments that have supported the position Australian beef now enjoys globally. Producers also wanted stronger links between research, regional priorities, extension and adoption.

Producers raised, overwhelmingly, a desire now for a more transparent levy investment program that clearly shows the value being returned from every dollar invested on their behalf.

Transparency and accountability for what the levy delivers, together with better use of existing levy revenue and available co-investment before any additional funding is sought was the most consistent theme raised across all consultation.

- Producers want clearer accountability for how levies are spent and a stronger ability to direct levy investment decisions.
- Participants questioned the evidence base for marketing expenditure, including whether there is reliable data on returns to industry and a program-level breakdown of spend.
- Uncertainty about who is ultimately responsible for levy decisions and system oversight.
- Considerable interest in understanding how marketing funds are allocated and whether expenditure is delivering measurable returns, with calls for clearer evidence of outcomes and more detailed reporting. These questions were directed at mature marketing expenditure and its return, rather than market access functions such as the NRS and integrity systems, which were separately identified as core industry infrastructure.
- Agreed an assessment for mature programs should be undertaken to test whether each one still meets the market failure threshold.
- Increased focus on levy investment in industry representation and community engagement.
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- Increased focus on levy investment oversight.

This points to a need for an increased focus on assessment and reporting on programs funded by the levy and better engagement with industry to disseminate these results. Close scrutiny was reserved for older, long-running programs, with continued funding dependent on demonstrated value.

Principle 2: Flexibility between Levy Streams

Survey result — *89% supported flexibility between levy streams — 55% outright support, 24% conditional support.*

Currently there is no mechanism to move levy funds between existing levy recipient bodies (LRBs) — Meat & Livestock Australia, National Residue Survey and Animal Health Australia — without expensive, time consuming consultation and reporting.

Consultation sessions discussed scenarios when funds might need to move between levy streams, so the levy systems keep running and service companies aren't held back by budget shortfalls in delivering core programs.

Producers were largely unaware of the current restrictions on how levy funds can be moved between levy streams and questioned why levy funds cannot be more easily reallocated to priorities identified by industry today, and whether those rigid allocations are preventing better use of funds.

There was a strong sentiment that the ability for flexible levy allocation should be an obvious outcome of the review.

There was general support for development of a transparent mechanism for limited movements between levy streams, under defined circumstances, for prescribed purposes, and for a limited time period.

Principle 3: New or Enhanced Areas for Funding

Survey result — *Do you think the $5 levy is divided appropriately? — 49% no, 37% neutral, 13% yes.*

Survey result — *77% nominated biosecurity as the clear priority for other areas for investment.*

In terms of whether additional areas for investment, outside of the four current investment streams, should be considered, the feedback received by the Committee was overwhelmingly consistent that biosecurity is today front and centre for producers when considering risk to their businesses.

Suggestions included that levy funds could support biosecurity preparedness and response capability, and questions about whether the current reserves are sufficient.

Throughout the consultation process, industry-led biosecurity preparedness and defence programs repeatedly emerged as the clear shared priority for expanded industry investment.

There was some discussion as to what function or role industry should play, with the consensus that while additional levy funds for biosecurity would be supported for research into preventative measures, this would be under the provision that these investments were guided by producers toward activities agreed to by producers.

There remains an expectation that the Commonwealth, State and Territory Governments must continue to grow investments in biosecurity programs at the same time.

Any additional investment by industry is intended to be an additional investment in protecting industry from potential future challenges.

NRS — Sustainable Funding for the National Residue Survey

The National Residue Survey underpins producers' access to export and domestic markets by keeping Australian beef's residue-testing credentials intact. Feedback supported ensuring funding at a guaranteed minimum, so this market-access safeguard isn't left exposed when other budgets are under pressure.

Integrity systems were the other area consistently raised when producers were asked where levy investment could be extended or strengthened. Traceability, the National Livestock Identification System, Livestock Production Assurance and the National Vendor Declaration were discussed in most regions, particularly in the context of the national transition to electronic identification for cattle.

There was strong support for the integrity system as core industry infrastructure underpinning market access, with little appetite to see it weakened.

There were questions about how the Integrity Systems Company is governed and funded, and whether its costs, programs and performance are visible enough to levy payers.A focus of interest was whether the ISC should operate with clearer separation and its own accountable identity, rather than being seen as an internal cost centre within a larger service delivery structure.

There were also questions about whether the ISC's funding base keeps pace with growing compliance, data and traceability demands, including eID.

The consultation did not produce a settled view on how integrity systems should be funded or structured; it produced a clear expectation that the Review would examine the question.

Principle 4: Fixed Review Periods

> ***Survey result —*** *60% favoured five years, 29% favoured ten years.*

There was consistent agreement that 20 years since the last review is too long, given the inherent risk that a levy structure set in 2009 may no longer reflect the pace of industry change. Since that time, the industry continues to face many of the same challenges, though with a substantially different operating environment. This translated into a strong desire for more frequent, more flexible reviews going forward.

The Review, and the related discussions about levy investment priorities and setting up levy structures for the future, was broadly welcomed as a valuable engagement opportunity.

Consultation feedback supported a fixed review period that should be set and aligned to existing industry planning cycles: a period no longer than 10 years, with a five-year mid-term review.

Principle 5: Industry Representation

> ***Survey result —*** *Should industry representation be funded by the levy? — 49% yes, 30% neutral, 20% no.*

Feedback pointed to a case for increasing the capacity of producers to engage in industry processes, strengthening industry representation and capability. This includes stronger promotion of grassfed production systems, better pathways into agricultural education and resourcing to defend the industry's reputation when it's challenged. This reflects a broader desire among producers for a stronger, better-resourced voice in the conversations that affect them.

There was strong interest in returning the system closer to its original intent, with more direct producer oversight of levy investments and a stronger, better-resourced representative body.

A consistent structural concern 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. Producers called for structured training pathways to prepare future representatives and proper remuneration for representative roles.

Producers were clear that levy oversight was critical and that the body representing them on levy matters should be properly resourced to do so, and open about how that funding is used.

Consultation identified consistent concern about the resourcing of industry representation and levy oversight, but views were more mixed on whether representation itself should be funded directly from the levy. The question therefore requires further work on purpose, governance and accountability.

3. Where the Consultation Converged

Across the different consultation channels, there was greater agreement on improving the levy system than there was on any single future funding model. Producers and industry bodies consistently sought the following:

- Clearer information on how levy funds are invested and what they return to levy payers.
- Better use of existing and matched funds.
- Stronger links between research, regional priorities and adoption.
- Greater capacity to respond to emerging needs.
- Stronger biosecurity preparedness.
- More regular review.

Views were more mixed on how those objectives should be funded and delivered. This was most evident in industry representation, integrity systems, the balance of marketing expenditure and alternative levy structures. The written submissions from industry organisations generally reinforced the need for system improvement, while applying stronger tests around governance, market failure, existing expenditure and the role of compulsory funding.

Areas for further work

Consultation also identified several matters requiring further work rather than a settled recommendation:

- Alternative levy models and structures, including how greater flexibility could be achieved while retaining clear accountability.

- More place-based approaches to research, development, extension and adoption that better connect national investment with regional priorities.
- Consistent methods for measuring and reporting program performance, outcomes and return on levy investment

Summary

Taken together, the consultation points to a clear expectation that the levy system should now evolve with the industry it serves. Levy payers recognise the value built through collective investment, but they also want greater transparency over what their money delivers, stronger producer oversight of priorities, better use of existing funds, greater capacity to respond to emerging risks and opportunities, and a regular process for testing whether levy settings remain fit for purpose.

The strongest message was not simply a call for more or less investment, but for a levy system that works harder, responds faster and remains accountable to the producers who fund it. Consultation did not produce a settled view on whether the levy should increase, it suggested producers were not opposed in principle to an increase in the levy, provided a clear, evidence-based case for it was presented alongside the accountability measures already sought.

The opportunity now is not simply to adjust a levy designed for the industry of 20 years ago, but to build a more transparent, responsive and producer-led system capable of supporting the industry Australia wants to have over the next twenty years.