CATTLE COUNCIL OF AUSTRALIA

SUBMISSION

13 August 2021

Committee Secretary
Senate Standing Committees on Rural and Regional Affairs and Transport
PO Box 6100
Parliament House
Canberra ACT 2600
Via email: rrat.sen@aph.gov.au

Dear Committee Secretary

Re: Inquiry into definitions of meat and other animal products

Cattle Council of Australia (CCA) is the peak industry organisation representing Australia's grass-fed cattle producers. Established in 1979, CCA brings together all state-based farming organisations representing cattle producers in their jurisdiction, associate member organisations with close connections to the cattle industry, and individual cattle producers.

CCA welcomes the opportunity to provide this submission to the Senate Rural and Regional Affairs and Transport Legislation Committee (the Committee) to inform the inquiry into definitions of meat and other animal products, addressing the current state of meat category branding in Australia. As CCA represents cattle producers, we limit our comments to products related to beef and provide this submission without prejudice to any additional submissions from our members or individual producers.

CCA supports efforts to improve truth in labelling through the Inquiry and agrees that Australian consumers should be provided with accurate labelling information to enable them to make informed choices about the food they purchase and consume. CCA considers truth in labelling to be essential to ensure Australian production systems are acknowledged and protected.

Australian beef producers have an enviable reputation for producing clean, green, high quality produce. This is the result of substantial ongoing investment in research and development, and in world class food safety and product integrity systems. CCA asserts that Australian beef producers should be able to capitalise on their sound reputation by generating premiums for their products. Labelling is a significant part of that equation, as it enables differentiation of products made with genuine Australian beef from those manufactured using plant-based or synthetic proteins.

While CCA support voluntary measures to provide information about provenance related attributes in labelling, we also acknowledge that this issue is very complex. CCA's guiding principles are that labelling laws:

1. Must be practical to implement;
2. Use consistent language;
3. Should not impose unreasonable costs;

4. Must be clear and concise, monitored, and enforceable; and
5. Do not lead to adverse trade implications.

CCA acknowledges that alternative protein products (defined as proteins which do not come from animals), particularly those derived from plants, are not new to the market. Recent food manufacturing, and protein manipulation technological advances have meant that proteins that have not traditionally been associated as food, such as insects, algae, fungi (mycoprotein) as well as cell-based or cultured meat are now available on the domestic market. The legislation and regulation regarding the labelling and marketing of these products has not kept pace with the advancements in technology and currently provides a disservice to Australian consumers. This has been recognised by the Australian and New Zealand Ministerial Forum on Food Regulation meeting in 2019[1].

The communique from that meeting states:

> *"Ministers discussed the issue of 'synthetic' or laboratory-based products including animal cells grown in a culture rather than products from animals raised on a farm. Ministers noted claims that manmade and synthetic foods are trading on the intellectual properties of primary producers and appealing to the unconscious values consumers attach to natural products like dairy and meat products."*

The demand in Australia for alternative proteins has been largely driven by significant domestic and international investment, well-funded lobbying organisations and research partnerships[2]. Rising consumer demand has seen a significant increase in the use of meat related terminology and animal imagery as marketing tools for these products. CCA supports the development of language that allows total differentiation of natural Australian beef from blended products, alternative proteins, and cultured meat. CCA asserts that there is an urgent need for labelling reform to legislatively recognise definitions of meat proteins including beef.

CCA considers that all foods must have descriptors and labels that accurately and fully inform consumers about the products they purchase and consume. We therefore support reform that ensures accurate labelling of alternative proteins, blended products and lab cultured meat, including the percentage of individual ingredients being clearly indicated.

We make the following points for the Committee's consideration:

1. Reform of labelling policy to ensure accurate labelling claims for alternative proteins, with the percentage of beef clearly indicated in blended products.

2. Alternative proteins cannot use descriptors or names that could mislead consumers.

3. Labelling of lab cultured meats, alternative proteins, and cultured meat products ensures clear differentiation from naturally grown meat products.

4. Development of language that allows total differentiation of natural Australian beef from blended products.

[1] Food Regulation Secretariat. Australia and New Zealand Ministerial Forum on Food Regulation Communiqué 15 November 20192019 17 January. Available from: https://foodregulation.gov.au/internet/fr/publishing.nsf/Content/forum-communique-2019-November.

[2] Lacy-Nichols, J., Scrinis, G. & Moodie, R. (2020). The Australian Alternative Protein Industry. [Report]. Future Food Hallmark Research Initiative. Melbourne, Australia.

CCA submission response to topics posed within the terms of reference:

The management by the Department of Agriculture, Water and the Environment of the legislative and regulatory framework underpinning the compulsory levy investment into meat category brands as declared through the Australian Meat and Live-stock Industry Act 1997, taking specific account of:

a. The potential impairment of Australian meat category brand investment from the appropriation of product labelling by manufactured plant-based or synthetic protein brands, including:
   i. the use of manufactured plant-based or synthetic protein descriptors containing reference to animal flesh or products made predominately from animal flesh, including but not limited to "meat", "beef", "lamb", and "goat"; and
   ii. the use of livestock images on manufactured plant-based or synthetic protein packaging or marketing materials.

In addition to its traditional advocacy role, CCA has a prescribed function under the red meat industry structure which is set out under the *Australian Meat and Live-stock Industry Act 1997*. A Memorandum of Understanding (MOU), signed by all organisations involved in the red meat industry - including the Australian Government - underpins these arrangements. Under the MOU, CCA like the other Red Meat Industry Peak Councils, has an oversight role of its service providers, i.e. Levy Expenditure. Through these arrangements, CCA is intrinsically linked to the levy collection and distribution process.

There is significant potential for the Australian beef brand to be denigrated using beef related imagery and terminology on products that contain little or no beef. Current legislation allows alternative protein products that contain no beef to be branded with beef imagery and descriptors.

Substantial producer investment[3] through the cattle transaction levy has contributed to the development of positive community sentiment and experience of Australian beef. The Covid pandemic demonstrated that Australian beef is a nutritional staple in most Australian households and rightly deemed trustworthy, healthy and of a high quality[4]. Deceptive use of terminology or imagery on products with little to no beef implies that these products provide the same nutritional benefits as consuming real beef, potentially undermining confidence in traditional beef products and Australian labelling regulations.

There is significant academic literature[5] [6] to testify to the benefits of consuming red meat. The same lens of scrutiny and longitudinal research has not been conducted on alternative proteins. A 2020 University of Melbourne report[7] into the alternative protein industry in Australia identified 16 alternative protein companies in Australia making a range of claims for their products. The report identified that "*Few companies provided evidence or data to support their claims,"* Table 1 identifies the claims made by these companies.

[3] A$2.7 Billion in the 10 years to FY26 – Meat and Livestock Australia 25 Years Investment modelling
[4] State of the Industry Report, The Australian red meat and livestock industry, 2020, Meat and Livestock Australia. https://www.mla.com.au/globalassets/mla-corporate/prices--markets/documents/trends--analysis/soti-report/mla-state-of-industry-report-2020.pdf
[5] David M Klurfeld, What is the role of meat in a healthy diet? Animal Frontiers, Volume 8, Issue 3, July 2018, Pages 5–10, https://doi.org/10.1093/af/vfy009
[6] Wyness, L. (2016). The role of red meat in the diet: Nutrition and health benefits. Proceedings of the Nutrition Society, 75(3), 227-232. doi:10.1017/S0029665115004267
[7] Lacy-Nichols, J., Scrinis, G. & Moodie, R. (2020). The Australian Alternative Protein Industry. [Report]. Future Food Hallmark Research Initiative. Melbourne, Australia.

Table 1: Claimed Benefits of Alternative Protein (companies)

Themes	Conventional Meat	Environment	Nutrition	Animal welfare	Food security	Taste	Economic	Natural	Disruption
Coco & Lucas Kitchen	X		X#	X			X	X%	X
Fable Food	X	X	X	X		X		X	X
Farm Foods Australia		X		X		X	X$	X	X
Harvest Gourmet			X			X	X	X	X
Herb and Sons			X#				X		
Heuros							X	X	
Made With Plants		X*	X	X		X	X	X	X
Next!			X			X			
PlantAsia		X*	X	X		X	X	X	X
Qponics	X	X	X		X		X		
Soulfresh		X	X	X		X	X	X	
The Alternative Meat Co	X	X	X	X		X	X		X
Unreal Co.		X	X	X			X	X	X
v2food	X	X	X		X	X		X	X
Veef				X		X	X	X	
Vow	X	X	X	X	X	X	X	X	X

These companies made comparative claims about their product as being both superior or comparable to conventional meat. Twelve of the 16 companies made claims of being natural, despite the product undergoing a significant transformation process. With the majority unverified, these value claims are deceptive and would likely clearly mislead consumers. Unchecked and unsubstantiated claims made in comparison to beef are misleading and do not reflect consumer expectations or common understanding of terminology.

It is reasonable that Australian consumers expect products labelled with the term 'beef' or imagery associated with 'beef', are derived from the whole or part of the carcass of cattle. It is unreasonable that beef producers, having paid (through statutory levies) for research that supports the quality and health claims for the beef industry, then have to pay for work to disprove or distance their product from the claims of alternative protein products. The alternative protein industry must undertake its own research to establish quality and health claims.

The red meat industry has invested heavily in the development of common language which uses objective descriptions to describe meat products accurately to meet market requirements both nationally and internationally through the establishment of AUS-MEAT Limited. The AUS-MEAT Language objective descriptions are for use by livestock producers, meat processors, boning rooms, wholesalers and food service organisations. The Language has been adopted throughout the Australian Meat Industry and provides customers with an accurate way of ordering meat products including the Australian Beef Carcase Evaluation scheme which (chiller assessment) has been integrated within the Meat Standards Australia (MSA) grading system where common measurements/assessments are used.

The industry beef language is managed and administered by AUS-MEAT. Any amendments made to this Language are progressed and approved through a consultative process with industry stakeholders and final approval and implementation comes from the Australian Meat Industry Language and Standards Committee (AMILSC). Membership of the AMILSC consists of Peak Industry Councils representing each sector of the industry. MLA is an observer participant in this committee.

The AMILSC is responsible for setting the standards for the Australian Meat Industry. The standards are designed to protect the reputation of AUS-MEAT, the integrity of the AUS-MEAT Language and the interests of the Australian industry in relation to the sale, distribution and export of Australian Meat and Livestock.

Under the auspices of The United Nations Economic Commission for Europe (UNECE) Specialised Section on the Standardisation of Meat, the AUS-MEAT language has been internationalised as the global trading language. This involves 55 member countries.

UNECE provides a forum for governments to develop internationally harmonized standards that:

- Facilitate fair international trade and prevent technical barriers to trade.
- Define a common trading language for sellers and buyers.
- Promote a high quality, sustainable production.
- Create market transparency for buyers and consumers.

The purpose of UNECE standards for meat products is to facilitate trade by recommending an international language for use between buyer and seller. The language describes meat items commonly traded internationally and defines a coding system for communication and electronic trade.

b. The health implications of consuming heavily manufactured protein products which are currently being retailed with red meat descriptors or livestock images, including:
   i. consideration of unnatural additives used in the manufacturing process; and
   ii. consideration of chemicals used in the production of these manufactured protein products.

The rise of modern novel alternative proteins differs from many of the alternative products of the past in that they have largely benefited from the use of complex flavour enhancers, additives (including colours, flavours, buffers, preservatives, and crosslinking agents), added complex fats, and often high levels of sodium[8] [9]. Many of the health claims made on these products, when they are substantiated, are extrapolated from studies involving plant-based diets and not the actual nutritional profile of the alternative protein in question[10].

As Klurfeld[11] points out in his article *What is the role of meat in a healthy diet:*

> *"Red meat is a nutrient dense food that is an important source of complete protein with all essential amino acids, highly bioavailable iron, zinc, selenium, and B vitamins, especially vitamin B12 in the diet. Several of these nutrients are the most common shortfall nutrients in the world that could be alleviated by the consumption of only a few ounces of beef per week."*

[8] McClements, D.J., Grossmann, L. A brief review of the science behind the design of healthy and sustainable plant-based foods. npj Sci Food 5, 17 (2021). https://doi.org/10.1038/s41538-021-00099-y

[9] The pros and cons of alternative proteins, sourced 1/7/2021 https://www.eitfood.eu/blog/post/are-alternative-proteins-good-for-you

[10] Tso R, Lim AJ, Forde CG. A Critical Appraisal of the Evidence Supporting Consumer Motivations for Alternative Proteins. *Foods*. 2020;10(1):24. Published 2020 Dec 23. doi:10.3390/foods10010024 https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7823589/

[11] David M Klurfeld, What is the role of meat in a healthy diet?, Animal Frontiers, Volume 8, Issue 3, July 2018, Pages 5–10, https://doi.org/10.1093/af/vfy009

Beef contains high levels of protein, as well as essential micronutrients[12], such as zinc, iron, and vitamin B. Moreover, these micronutrients are present in a highly bioavailable form. It has been acknowledged by scientists that this is not the case with alternative proteins. When an animal or plant cell is broken down (which is the case in alternative proteins), the cell's fundamental biological structures are altered[13], and the cell no longer responds in the same way in our bodies.

There is little question that there is a lack of longitudinal research on the impacts to human health of eating alternative proteins[14]. There are significant research gaps on the nutritional, safety and acceptance of alternative proteins and there is a dire need for robust evidence to verify and substantiate the claims being made by alternative protein products and the long-term impact on those consuming them. Several short-term trials that are ongoing that have already raised some concerns around changes in bone mineral density[15]. As Tso and his colleagues point out:

> "*More evidence is required to identify the nutrient gaps that are likely to emerge on plant-based diets that have reduced the consumption of animal products, to formulate meaningful recommendations that can provide both healthful and sustainable dietary behaviour in the future. In addition, while consumption of these novel proteins in small quantities pose little to no risk, it remains to be seen what impact a wholesale increase in intake will have on human health".*

There is a clear lack of standardised methods to analyse, evaluate, and compare the new structures and foods that have been created[16]. Misrepresenting these foods as beef products attempts to capitalise on the nutritional reputation and profile of beef. However, research has shown that regardless of identical nutritional panel information, the nutritional profile of a conventional piece of beef is very different from an alternative protein and can differ by 90 per cent[17]. In his research, Hu and his colleagues state:

> *""The plant-based meat alternative and grass-fed beef studied in our work, have largely similar Nutrition Facts panels and may appear nutritionally interchangeable to consumers. Despite these apparent similarities based on Nutrition Facts panels, our metabolomics analysis found that metabolite abundance between the plant-based meat alternative and grass-fed beef differed by 90% (171 out of 190 profiled metabolites: p>0.05). Substantial differences in metabolites within various classes (e.g., amino acids, dipeptides, vitamins, phenols, tocopherols, odd-chain saturated and unsaturated fatty acids, antioxidants) indicate that these products should not be viewed as nutritionally interchangeable".*

c. The immediate and long-term social and economic impacts of the appropriation of Australian meat category branding on businesses, livestock producers and individuals across regional, rural and remote Australia, including:
   i. the reliance upon imported ingredients;
   ii. the support of regional employment; and

[12] McClements, D.J., Grossmann, L. A brief review of the science behind the design of healthy and sustainable plant-based foods. npj Sci Food 5, 17 (2021). https://doi.org/10.1038/s41538-021-00099-y
[13] Bharti B. Vegan Beyond Meat burgers are just ultra-processed patties that can be bad for our health. National Post [Internet]. 2019 20 May 2020. Available from: https://nationalpost.com/news/canada/beyond-meat-health-vegan-burger-plant-based.
[14] Tso R, Lim AJ, Forde CG. A Critical Appraisal of the Evidence Supporting Consumer Motivations for Alternative Proteins. Foods. 2020;10(1):24. Published 2020 Dec 23. doi:10.3390/foods10010024 https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7823589/
[15] Partial Replacement of Animal Proteins with Plant Proteins for 12 Weeks Accelerates Bone Turnover Among Healthy Adults: A Randomized Clinical Trial. Itkonen ST, Päivärinta E, Pellinen T, Viitakangas H, Risteli J, Erkkola M, Lamberg-Allardt C, Pajari AM
J Nutr. 2021 Jan 4; 151(1):11-19.
[16] McClements DJ, Weiss J, Kinchla AJ, Nolden AA, Grossmann L. Methods for Testing the Quality Attributes of Plant-Based Foods: Meat- and Processed-Meat Analogs. Foods. 2021;10(2):260. Published 2021 Jan 27. doi:10.3390/foods10020260 https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7911933/
[17] Hu, F. B., Otis, B. O. & McCarthy, G. Can plant-based meat alternatives be part of a healthy and sustainable diet?. JAMA 322, p5 1547–1548. https://doi.org/10.1001/jama.2019.13187 (2019).

iii. the state and commonwealth taxation contribution from the Australian red meat and livestock sector.

The Australian beef industry is strongly export focused with on average over two thirds of production destined for export markets. Over the past 10 years imported beef as a percentage of domestic consumption has fluctuated between 0.1 per cent and 0.8 per cent[18] of consumption. This low level of imported product provides limited potential for retailers to differentiate beef based on country of origin, as over 99 per cent of beef sold in Australia is produced domestically[19].

Australian consumers would correctly assume that the beef products they are consuming originate in Australia, with less than 0.1 per cent of beef consumed in Australia originating from overseas[20]. Origin is critical in marketing the value of Australian beef. Generally, across the board, consumers are more focused on where their food comes from and how it was produced. The animal welfare, nutritional and sustainability credentials of Australian beef are world renowned.

However, this is not the case for the majority of the alternative protein products on the Australian market. Most alternative proteins sold in Australia contain imported soy product[21]. The reliance of alternative proteins on imported products is well known.

The cattle industry involves 45,712 businesses in Australia[22], with the majority of these being family owned and operated. These businesses employed 189,000 people directly, with a further 245,000 people employed in businesses servicing the industry indirectly[23]. The industry continues to provide the largest employment levels in the red meat and livestock industry, and contributes directly to the prosperity of regional, rural and remote Australia.

The cattle industry also makes an important contribution to the Australian economy. In 2018-19, it accounted for around 21 per cent of the total gross value of farm production and around 22 per cent of the total value of farm export income[24]. As the most common and widely dispersed agricultural activity in Australia, beef cattle businesses manage more than 77 per cent of the total area of agricultural land in Australia and provide critical environmental and biodiversity services.

In stark contrast to the cattle industry, the plant-based alternative protein sector generated only around $185[25] million in Australian retail sales and supported only 265 jobs in 2018-19[26]. As these figures suggest, the future prosperity of rural, regional and remote Australian communities is directly related to the success of the beef cattle industry.

d. The implications for other Australian animal products impaired from the appropriation of product labelling by manufactured plant-based or synthetic proteins.

CCA understands that several other livestock industries representative bodies intend to participate in this inquiry and will defer to these groups for comments on the implications for other Australian animal products.

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[18] MLA industry statistic based on consumption data and Australian Bureau of Statistics import data
[19] MLA industry statistics
[20] MLA industry statistics
[21] Alternative proteins in Australian agriculture, AgriFutures Australia Publication No. 20-001 AgriFutures Australia Project No. PRJ-012063, https://www.agrifutures.com.au/wp-content/uploads/2020/02/20-001.pdf
[22] Meat and Livestock Australia, State of the Industry report 2020
[23] ABS Agricultural commodities 2018-19, MLA industry statistics
[24] Thompson, T & Litchfield, F, 2020, *Australian beef: financial performance of beef farms, 2017–18 to 2019–20*, ABARES, Canberra, September, CC BY 4.0.
[25] Food Frontiers, Media Release (March 2021) - https://www.foodfrontier.org/wp-content/uploads/2021/03/Media-Release_Alternative-Proteins-Council_310321.pdf
[26] Lawrence S, King T. Meat the Alternative: Australia's $3 Billion Dollar Opportunity. Melbourne: Food Frontier; 2019.

CCA thanks the Committee for the opportunity to provide this information from our position as the Peak Industry Council representing the Australian Grass-Fed beef industry. CCA looks forward to further consultation with the Committee on the definitions of meat and other animal products to ensure labelling laws provide accurate and reliable information to Australian consumers.

If you wish to discuss any elements of this submission, please contact my office on 1300 653 038 or email cca@cattlecouncil.com.au.

Yours sincerely

Travis Tobin
Chief Executive Officer