

Submission to the ACCC

Certified Trade Mark No. 1784876

Pastured PROOF – Pasture Raised On Open Fields

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Cattle Council of Australia
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Barton ACT 2600

Cattle Council Background

CCA is the Peak Industry Body representing grassfed beef producers in Australia. Cattle Council's member are representative of all states and territories and comprises producers, RD&A providers and various stakeholders from across the supply chain.

Executive Summary

Cattle Council of Australia (CCA) is the peak industry body representing grassfed beef producers in Australia. The role of CCA is to provide strategic direction and oversight of expenditure of producer levies by industry service providers, and to liaison with government and industry bodies to advance the interests of Australia's beef producers.

Cattle Council of Australia (CCA) would like to take this opportunity to thank the Australia Competition and Consumer Commission for inviting comment on the proposed Certified Trade Mark (CTM) No. 1784876. Though industry consultation is not a requirement for CTM applications, the ACCC's consultation with industry to hear and understand the views of CCA and other stakeholders is welcomed.

CCA wishes to express concern regarding some elements of the application CTM No. 1784876 ('the application'), and to illustrate the current work that is being undertaken by the beef industry to define key raising claims. The beef industry through the Australian Meat Industry Language and Standards Committee has been proactively working to develop definitions, agreed to by the whole supply chain. The purpose of these definitions is to ensure that consumers' expectations are being met and to give clarity on the meaning of marketing terms.

CCA is concerned that the terminology and core values in the application are not consistent with some areas of the industry's work. The application utilises the terminology 'pastured', which seeks to define a production system where grain forms an undefined percentage of an animal's diet, though stock may graze pasture as well. Industry is currently working on defining the correct terminology for this production system with a focus on ensuring that it can be marketed to consumers without conflicting with established terminology and ensuring that it meets consumer's expectations. CCA is concerned that this term and definition is not aligned to current industry discussion seeking to define this production method and that the use of the term 'pasture' does not adequately notify consumers of the grain supplementation within the system. CCA wants to ensure that consumers expectations are met and that trust is not lost by products being labeled 'pasture' to the detriment of grassfed producers.

1. Current Industry Development of Terminology

The current mechanism for determining industry definitions is through the Australian Meat Industry Language and Standards Committee (AMILSC, here after the 'Committee'). The Committee has representatives from across the red meat and pork supply chain industry bodies, the federal Government and the retail sector. The AMILSC's provenance and responsibilities in this regard are outlined in the 1997 Commonwealth "Meat Industry and Livestock Act" effective from 1st July 1998. The Committee, under the auspices of AUSMEAT Limited, the principal body responsible for the maintenance of standards and meat industry language convenes several times a year and is tasked with gaining industry and government consensus on terminology and standards to describe meat, principally for export but also for domestic purposes.

A key focus of the Committee recently has been on developing clear definitions for key marketing terms to describe general beef production methods. This initiative has been driven by a desire to ensure that consumer' expectations in relation to raising claims for beef products are being met. Additionally, the process has been motivated by a desire by the beef industry to ensure that Australia's industry definitions are consistent with international standards and that the terms are relevant to export markets.

These definitions are complimentary to existing Programs/Standards and where desired may be used by brand owners to further develop marketing claims/provenance claims/individual brands. The importance of allowing brand development without hindering innovation and creativity is acknowledged by the Committee in the development of these definitions.

In seeking to develop the definitions, the Committee formed a working group comprised of a small number of its representatives. The working group identified the terms requiring definition and subsequently, undertook desktop research of international standards, protocols and export requirements that related to each of the claims. The claims investigated were; grassfed/pasturefed, free range, natural/naturally raised, HGP free, antibiotic free and organic. In addition to these terms the working group also developed a term which was suitable to production systems which utilised both grain and pasture feeding operations, which our industry previously recognised as grassfed. Collectively the Committee resolved that it was vital that industry all agree on single terms for these raising claims.

The strength of the agreed definitions is built through industry wide acceptance of the developed terminology and their applicability to consumer and beef industry customers' expectations. However due to the rigorous nature of the development of these standards, the process can be time consuming and outcomes take time to be delivered. However, CCA in conjunction with Committee is pleased to report that the definitions for grassfed/pasturefed, free range, natural/naturally raised, HGP free, antibiotic free and organic have been accepted into the beef language and with the inclusion of the raising claim fodder fed, to describe hybrid production systems (both grain and grass consumption) .

2. Applicability to CTM application 1784876

The ACCC have previously been provided with a copy of the most recently endorsed animal raising claims through the Committee and which provides an indication the similarities between the Pastured PROOF standards.

2.1 Similarity to others industry certification programs

CCA is supportive of Quality Assurance (QA) programs which allow producers to differentiate their production systems, allowing them to demonstrate best management practices and capitalise upon slaughter. However, CCA holds concerns that the 'Pastured PROOF' standards may duplicate and dilute preexisting industry programs.

The Pastured PROOF have noticeably similar standards and rules as those of the GAP program (Global Animal Partnership). The GAP program is designed to provide industry recognized certification to producers whose production system comply with the Global Animal Partnership 5-Step Animal Welfare Rating Standards. GAP is recognised both domestically and internationally authenticating its recognition from consumers.

The standards outlined in the PROOF application are;

1. All animals are able to range freely in open fields or paddocks
2. All animals are kept at stocking densities that will ensure access to forage and grazing
3. Densely confined production systems and lot feeding are not permitted
4. All animals are able to interact with their herd or flock and to carry out natural behaviors
5. Animals will not be kept in changes, stalls or crates
6. All animals will be protected from predation
7. Animals will be free to meet their welfare needs as well and production requirements
8. Surgical treatments that inflict unnecessary pain are not permitted
9. All animals will be inspected by the producer on a daily basis
10. Pastured product should be environmentally, economically and socially sustainable

The Global Animal Partnership standards are;

1. Ranch/ farm Plan and documentation
2. Breeding and Source of Animals
3. Animal Health
4. Animal Handling
5. Animal Management
6. Feed and Water
7. Range/Pasture and Outdoor Requirements
8. Housing Conditions
9. Insect, Rodent and Predator Control
10. Movement and Transport of Animals

CCA considers the standard or ‘core values’ outlined in the programs beneficial to industry and recognises that these outcomes are consumer driven, however we consider that the duplication of values, which is evident above, would lead to the dilution of the standards resulting in a reduction of the effectiveness of the program.

Below is a table which outline the similarities between the ‘Pastured PROOF’ and Global Animal Partnership.

Standard or Element	GAP	PROOF
Disbudding	If calves are to be disbudded, the procedure must occur prior to 6 weeks of age. Short-term pain relief must be used when disbudding calves with a hot iron. If disbudding is practiced, the ranch/farm must demonstrate a breeding program designed to select for polled cattle.	When calves are disbudded, the procedure must be performed prior to the horn bud attaching to the skull and in conjunction with pain relief.
Feed Stuffs	Feed must not become moldy, mildewed, or otherwise compromised in quality, Feed must not be contaminated by rodents, Feeders must be clean and free of foreign objects.	feed storage must be covered and sealed sufficiently to keep it dry and to reduce risk of contamination by vermin and wild birds.
Free range	Cattle must live continuously on range or pasture.	Animals will have permanent access to paddocks and pasture
HGPs	The use of HGPs is prohibited	The use of HGPs is prohibited
Documentation	A written ranch/farm plan must exist. It must be current and updated as needed to reflect any changes. It must address all relevant areas covered by these standards. The ranch/farm plan must reflect actual practices on the ranch/farm.	A Farm Diary with dated entries or equivalent record keeping system must be available to the auditor during inspection.
Protection from elements	All animals must be protected from heat or cold stress and from extreme weather. Producer Guidance: The producer must be able to demonstrate protocols for protecting animals from heat and cold stress and extreme weather.	Shade and shelter will be available at all times that will; provide protection from the elements; be constructed of materials that will not pose any contamination risk: and be free of protrusions that could cause harm and/or trauma.

2.2 Industry Equivalent

Animal Health and Welfare Standards and Guidelines have always been an important part of the Australian Beef Industry and have allowed us to continue operating and evolving our industry as consumer demands change. Cattle Council is supportive of Animal Health and Welfare standards and consider it a priority to maintain our license to operate. As such CCA has been heavily involved in the inclusion of Biosecurity and Animal Health and Welfare Standards into the Livestock Production Assurance (LPA) program. LPA is a QA program which is a voluntary program which has approximately 217,692 property's fully accredited. The LPA AH&W module refers explicitly to producers meeting the requirements of the Australian Animal Welfare Standards and Guidelines for Cattle which was endorsed in January 2016.

The 'PROOF' Standards likewise encompass the Australian Animal Welfare Standards and Guidelines for Cattle as recognising the 'Pastured PROOF' standards as 'complementary and additional to other health, agricultural, environmental, food and production related regulatory requirements at federal, state, territory and other relevant levels.

2.3 Capability to audit

In addition to representing industry as a peak industry council CCA also created and runs the Pastured Cattle Assurance System (PCAS). PCAS is a grassfed industry owned quality assurance program. The program is third party audited every 12 months; in the development of PCAS the standards we have ensured that the standards have been written to allow for a measurable attribute to be assessable from producers to ensure a producer is compliant with the rules and standards.

CCA consider that the requirements within the 'Core Values' of PROOF will not effectively communicate to producers how they can demonstrate compliance. Statements and open ended questions will allow producers to alter the 'Core values' to suit the needs of their production systems. The PROOF 'Core Values' also contain contradictions within themselves which result in further confusion as to what producers are required to do to demonstrate compliance. For example, 'Core Value' 8. Surgical treatments that inflict unnecessary pain are not permitted;

8.1 The following procedures are not permitted

8.1.3 Disbudding use caustic chemicals,

8.7 then continues to state that when calves are disbudded, the procedure must be performed prior to the horn bud attaching to the skull and in conjunction with pain relief.

There is no explanation throughout the Core Values if element 8.7 cancels out 8.1.3, resulting in confusion for producers.

As a result, it is CCA's belief that producers will be unable to demonstrate compliance in a consistent manner which will result in the misperception of consumers.

2.4 Restricted Market

As stated above CCA is supportive of QA programs which allow producers to differentiate their produce allowing them to capitalise on their production methods. However, in the Handling & Transport requirements of the 'PROOF' program it states that 'cattle destined for slaughter are consigned to the nearest available abattoir.' As a producer, representative body CCA cannot support this element as it is not conducive to a free market and, restricts where producers can sell cattle, limiting the capacity to receive a premium for participating in the PROOF QA program. The Australian beef industry continues to develop and promote best practice animal health and welfare standards. This has resulted in the development of the 'Land Transport of Livestock' standards and guidelines which 'PROOF' recognised as a prerequisite of complying with their own standards. This standard and guideline ensures that animal health and welfare is maintained and monitored throughout the transportation phase of the supply chain. Industry continues to progress research which directly links stress levels through transportation to the Ph levels recorded during carcass testing. Industry therefore continues to promote best Animal Health and Welfare practices to ensure eating quality is maintained by reducing stress and advertently the Ph of cattle.

2.5 Grassfed / Pasturefed and Pastured PROOF

The 'Pastured PROOF' application appears to have utilised the terminology 'pastured' to suggest to consumers that the product they are marketing is in fact pasturefed.

The use of the term 'pastured' is an area of concern for CCA. As highlighted above the beef industry through the Committee is working to define this production system, with formal consensus reached on May 10, 2017. Clearly defining this production system will enable products to be effectively marketed which is the primary driver of the Committee. CCA believes that it is essential that there is a clear definition for consumers about the 'Pastured PROOF' system. If clear terms are not provided then there is a great risk that ambiguity is created, as brands create many terms to market the same system.

The industry has currently agreed to a definition for 'pasturefed/grassfed'. This definition specifically precludes the consumption of cereal grain at any point in an animal's lifetime. This strict definition is to ensure that there is a clear differentiation for consumers between grain and grass production systems.

Cattle Council is concerned that the use of 'pastured' within the proposed 'Pastured PROOF' CTM application will not align with the industry agreed term. The definition only referring to 'pasture' is not clear in identifying the other aspect of the animal's diet as outlined in the Pastured PROOF core value 7 (Animals will be fed to meet their welfare need as well as production requirements) which outline that grain supplementation is allowed to make up nutritional deficits. As evident in Animals Raising Claims table provided by AUSMEAT the use of pasture and grain diet is now referred to as Fodder Fed diet under the Australian Meat Industry Language and Standards Committee. CCA considers the application will therefore not align with industry agreed terminology.

3. Conclusion

Cattle Council supports the beef industry creating brands and quality assurance systems which add value to the industry. To ensure effectiveness we strongly advocate for a single definition for each of the common raising claims being used in the sector. This will protect the long-term integrity of raising claims made on beef products and ensure that consumers are not confused or misled.

Cattle Council has a number of concerns with the current 'PROOF' application. Namely the Committee continues working to on clear industry definitions and the definitions within the PROOF application are not consistent with current discussions. Additionally, the use of 'pasture' within the application has the potential to confuse consumers.

Cattle Council has worked with our other industry partners to develop a definition for the production system contained in the PROOF application. We are concerned that the definition is not consistent with that agreed to by the Committee and this would create the undesirable situation that PROOF trademark is inconsistent with agreed industry definitions.