Australian Food Sovereignty, Regional Processing and Fair Market Access Policy 2026 — AFS-P 2026/01

Processing access is food security. A plant that stays open but will not kill for an independent producer has already failed as national infrastructure.

Companion instruments: Australian Food Sovereignty, Regional Processing and Fair Market Access Bill 2026 and Explanatory Memorandum EM-AFS 2026/01. 21 September 2026.

1 Determination

This paper is Australian Government policy on sovereign food-processing capacity, independent access to that capacity, and the terms on which public money and concessional resources may be applied to it. Meat processing is the largest and most urgent case. The same rules apply to poultry, pork, dairy, horticultural packing where prescribed, cold storage, rendering, feed manufacture and fertiliser plants.

Australia can grow cattle, sheep, pigs, poultry, grain and milk and still lose food sovereignty if the plants that turn that production into food are owned, rationed or closed by a handful of firms. Ownership of the paddock is not sovereignty if the kill floor, the vat, the cold room and the gas contract sit somewhere else.

This paper is the single parent of the Australian Food Sovereignty, Regional Processing and Fair Market Access Bill 2026. That Bill is a principal Act. Departments administering the Competition and Consumer Act 2010, the Foreign Acquisitions and Takeovers Act 1975, export accreditation and Commonwealth financial-assistance programs are to apply this paper until the companion Act commences and, after commencement, consistently with it.

Operative rule

A processing facility that remains physically open but becomes unavailable to independent producers may cease to perform an effective competitive or food-security function. Access is assessed as a separate fact from ownership and from whether the plant is still running.

2 Human rights this policy treats as engaged

2.1 Why the rights chapter is here

A food-sovereignty instrument that speaks only in competition language will be read as an industry bill. A food-sovereignty instrument that names the farmer rights the present system already limits will be read as a rights bill that happens to use processing infrastructure as the means. That is how it should be read. Parliamentary scrutiny under the Human Rights (Parliamentary Scrutiny) Act 2011 will ask the question in any event. This paper answers it in the same form the companion Explanatory Memorandum must answer it: treaty written out, right engaged, how the present system limits it, how the Bill answers it, and the two limits the Bill itself imposes that still clear.

Australia has not enacted a federal Human Rights Act. That does not make the covenants decorative. They are binding international obligations and the scrutiny standard the Commonwealth itself recites in compatibility statements.

2.2 Treaties written out

International Covenant on Economic, Social and Cultural Rights, opened for signature 16 December 1966, [1976] ATS 5 (entered into force for Australia 10 March 1976) (ICESCR).

International Covenant on Civil and Political Rights, opened for signature 16 December 1966, [1980] ATS 23 (entered into force for Australia 13 November 1980) (ICCPR).

International Convention on the Elimination of All Forms of Racial Discrimination, opened for signature 21 December 1965, [1975] ATS 40 (entered into force for Australia 30 October 1975) (CERD).

United Nations Declaration on the Rights of Indigenous Peoples, GA Res 61/295, 13 September 2007. Australia formally endorsed the Declaration on 3 April 2009. It is not a treaty. It is a scrutiny and administrative standard the Commonwealth has accepted.

United Nations Declaration on the Rights of Peasants and Other People Working in Rural Areas, GA Res 73/165, 17 December 2018 (UNDROP). Australia voted in favour. It is not a treaty and creates no free-standing federal cause of action. It is used here only as an interpretive aid to ICESCR article 11 as it applies to small and family producers.

2.3 Rights of farmers and independent producers the present system already limits

ICESCR article 11(1): The States Parties to the present Covenant recognize the right of everyone to an adequate standard of living for himself and his family, including adequate food, clothing and housing, and to the continuous improvement of living conditions. The States Parties will take appropriate steps to ensure the realization of this right, recognizing to this effect the essential importance of international co-operation based on free consent.

ICESCR article 11(2) requires States Parties to take measures to improve methods of production, conservation and distribution of food and to ensure an equitable distribution of world food supplies in relation to need. A producer who can grow the animal and cannot get it killed at a workable distance, on published terms, without selling the beast to the only buyer in the catchment, does not have an effective article 11 production system. Concentration of export-accredited floors is not a private inconvenience. It is a limitation on the means by which article 11 is realised in a livestock district.

ICESCR article 6(1): The States Parties to the present Covenant recognize the right to work, which includes the right of everyone to the opportunity to gain his living by work which he freely chooses or accepts. Article 7 requires just and favourable conditions of work. A regional closure that strands a joining cycle, a feed contract and a skilled slaughter hall is not only a competition event. It ends the work of the plant and it degrades the work of every farm that depended on that floor. Captive-market pricing and unpublished deductions are a condition-of-work question for people whose work is farming.

ICCPR article 22(1): Everyone shall have the right to freedom of association with others. Collective bargaining by independent producers is how article 22 is exercised in a supply chain where one buyer faces many sellers. Treating that bargaining as a competition-law problem, rather than as the associational right of people who cannot individually move the grid, is the present default. Clause 26 of the companion Bill reverses it.

ICCPR article 26: All persons are equal before the law and are entitled without any discrimination to the equal protection of the law. Fixed compliance cost that closes a two-day service kill and leaves a multinational floor untouched is formal equality with a disparate result. Principle 6 exists because article 26 is engaged by the way safety law is administered, not by the safety standard itself.

ICCPR article 17(1): No one shall be subjected to arbitrary or unlawful interference with his privacy, family, home or correspondence. Forced sale of livestock to the only buyer because the service kill was withdrawn, or because the slot was delayed until the animal was out of spec, is interference with a going concern. It is not labelled a property taking. It operates as one.

CERD article 5 and UNDRIP articles 20, 21 and 26 are engaged where an Indigenous agricultural enterprise depends on a regional floor, a service kill or a cold room that a dominant buyer can shut. The Fund preference for Indigenous agricultural enterprises is a rights measure, not a grant flourish.

2.4 How the companion Bill answers those limits

Register, six-month notice and impact assessment (Parts 3 and 4) make a silent closure or a silent withdrawal of service-kill a public fact before the cattle are already on the truck. That is an article 11 and article 6 measure.

Non-discrimination at the service-kill door, fair access orders and the rule that a plant open to the owner and closed to everyone else has already failed (Part 5 and Schedule 1 Principle 2) restore the practical means of production. That is article 11(2).

Price grids, no retrospective rewriting of the bargain, grading rights, volume-notice damages and the retaliation ban (Part 6) are article 7 and article 17 measures for people whose pay is the grid.

Collective bargaining without that fact alone being a competition contravention (clause 26) is article 22.

Proportionate compliance pathways (Part 10) are the article 26 answer to fixed-cost monopoly. The Fund, confined to Australian persons, and reserved-gas priority for Australian-operated essential plants (Parts 8 and 11) are article 11 capability measures. They are not a nationality penalty on existing foreign owners. They are a decision about who public money and concessional resources follow.

2.5 Limits this instrument itself imposes — and why they clear

The Bill limits the freedom of a dominant processor or strategic-facility operator to refuse independent access, to withdraw a service kill without notice, to close a designated floor on a Friday afternoon, and to take public money. Those are limitations on the freedom to contract and, where a continuity order issues, potentially on property.

ICCPR article 22(2) and ICESCR article 4 permit restrictions provided by law, directed to a legitimate aim and necessary and proportionate. The aim is article 11 food production and article 6 regional work. The means are notice, access, time-limited continuity and a Fund. They are not a general power to set livestock prices or to confiscate a plant.

Paragraph 51(xxxi) of the Constitution requires that an acquisition of property by the Commonwealth be on just terms. Clause 38 of the Bill states the same rule for Part 9. Emergency continuity is capped at 12 months, renewable once, and directed at capacity that would otherwise disappear.

ICCPR article 17 is engaged by the Register. Ownership, ultimate control, species, independent access, service-kill status, foreign control and Commonwealth money are not trade secrets in a strategic floor. Genuine trade secrets stay off the Register. That is not arbitrary.

The Bill does not create a new human-rights cause of action. It uses the covenants as the test the Parliament already applies to its own legislation. On that test the present concentrated system is the rights problem. The Bill is the narrower, time-bounded answer.

3 Purpose

3.1 Protect Australia’s capacity to produce, process and distribute essential food and agricultural products within Australia.

3.2 Prevent excessive concentration of ownership or control over strategically important food-processing infrastructure.

3.3 Preserve practical processing access for small and medium-sized farmers, growers, livestock producers and independent food businesses, including service-kill, private-kill and toll-processing.

3.4 Prevent dominant corporations from using control of processing, purchasing, distribution or retail infrastructure to weaken independent competitors.

3.5 Improve pricing transparency and prohibit unfair, arbitrary or retaliatory conduct against farmers and independent suppliers.

3.6 Ensure Commonwealth financial assistance is not provided to a foreign person for food-processing or essential agricultural manufacturing, and that any assistance provided to an Australian person produces measurable public benefit.

3.7 Ensure Australian energy resources support strategically important Australian-operated food and agricultural manufacturing.

3.8 Treat food security, sovereign capability, regional resilience and independent market access as matters of national economic security.

4 The problem this policy treats as established

4.1 Concentration is not a theory

Red-meat processing in Australia is highly concentrated at national and regional level. A small number of corporate groups control a disproportionate share of export-accredited kill capacity, box-beef programs and supermarket contracts. In many catchments a producer has one realistic buyer. That is not a market. It is a queue.

The same pattern appears in poultry growing contracts, pig processing, dairy intake in thinner regions, and cold-chain logistics feeding the two major grocery chains. Vertical integration — feedlot, plant, brand, retail program — is not illegal. Unchecked, it lets the firm that owns the plant decide who remains an independent producer.

4.2 Closures destroy more than a building

When a regional plant closes, the loss is not confined to the payroll inside the fence. Breeders change joining dates. Feed contracts crystallise as losses. Livestock travel further. Animal-welfare risk rises. Local butchers and farm-gate brands lose a kill slot. Skilled slaughtermen, boners and QA staff leave town. Specialist equipment is sold offshore or cut up. Rebuilding later costs a multiple of what preservation would have cost.

4.3 Service-kill is the competitive safety valve

Service-kill, private-kill and toll-processing are how an independent producer stays in the branded or direct-to-consumer trade without selling the animal to the plant that competes with that brand. Withdrawal of service-kill can finish a competitor while the plant itself stays open and the corporate kill continues. That is a food-security event. This policy treats it as one.

4.4 Public money without an Australian-person test

Commonwealth and State grants, concessional finance and crisis support have gone to major processors, including foreign-owned processors, without durable conditions on continued operation, independent access or repayment on early closure. A grant that funds a boning room which is then mothballed, or a line reserved for the recipient’s own cattle, is a transfer, not an investment. A grant that re-equips a foreign-owned floor that already holds the catchment is an advantage Australian plants do not get.

4.5 Regulation as a barrier to entry

Food safety, worker safety, environment and animal welfare are not optional. Fixed compliance cost that does not scale will still close a micro-abattoir or a two-day-a-week service kill while leaving a multinational plant comparatively untouched. That is how regulation manufactures monopoly without anyone voting for monopoly.

4.6 Inputs sit upstream of the kill floor

Fertiliser, agricultural chemicals, feed manufacture and process heat depend on domestic gas and on plants that can disappear as fast as an abattoir. A food-sovereignty policy that stops at the slaughterhouse and ignores urea, MAP, DAP and process gas is a half-policy.

5 Working terms

Unless a contrary intention appears, terms have the meaning used in the companion Bill. Foreign person has the same meaning as in the Foreign Acquisitions and Takeovers Act 1975. Australian person means a person who is not a foreign person.

Food-security infrastructure includes abattoirs, slaughterhouses, poultry and pork plants, livestock and dairy plants, service-kill facilities, cold storage, distribution centres, fertiliser and strategically important feed plants, regional refrigerated logistics, rendering where its loss would affect processing, and other infrastructure prescribed by regulation.

Service kill means any arrangement under which a farmer or other producer retains ownership of livestock or the resulting product and pays another person to slaughter, process, butcher, package or otherwise prepare that product, including private-kill and toll-processing.

Withdrawal of service includes permanent cessation, indefinite suspension, substantial restriction, refusal of independent producers, reduction of slots to a level that materially impairs access, or alteration of terms that makes access commercially impossible.

A dominant processor is a processor designated by the ACCC as having substantial market power in a national, State, regional, species-specific or product-specific processing market. A strategic processing facility is a facility designated by the National Food Security Commissioner because closure, material capacity reduction or withdrawal of independent access would materially affect food security, competition, service-kill availability, transport distances, regional employment, SME producer viability, emergency capacity or sovereign capability.

An independent producer is an agricultural producer not owned or controlled by a dominant processor, major retailer or vertically integrated food corporation. A major buyer is a dominant processor, major food retailer, wholesaler or other purchaser prescribed by the regulations. Reasonable processing distance is a distance prescribed by regulation having regard to animal welfare, transport cost, species, road and sea transport, regional geography, climate, consignment size, processing frequency and the economic viability of independent production.

6 National Food Processing Security Register

5.1 The Minister must establish and maintain a publicly accessible National Food Processing Security Register. Commercial-confidentiality protections apply to genuine trade secrets. They do not apply to the fact of ownership, ultimate beneficial ownership, species processed, whether independent producers are accepted, whether service-kill is offered, foreign control, receipt of Commonwealth money, or an announced closure.

5.2 The Register must identify, for each relevant facility: ownership and ultimate beneficial ownership; species and product categories; estimated annual capacity and approximate utilisation; service-kill and private-kill availability; whether independent producers are accepted; regional catchment; changes in ownership; material reductions in capacity; announced closures or mothballing; withdrawal or restriction of service kills; Commonwealth financial assistance; foreign ownership or control; strategic-facility designation; and identified food-security risks.

5.3 A prescribed processor must notify the Commissioner within 14 days of a decision to close or mothball; a material reduction in capacity; withdrawal or material restriction of service-kill access; a proposed sale or change of control; termination of a contract representing 15 per cent or more of annual facility throughput; circumstances reasonably expected to threaten continued operation; or another prescribed food-security event.

5.4 The Commissioner must publish an annual assessment that identifies inadequate processing competition, single-facility regions, regions without practical service-kill, excessive transport distances, ownership concentration, foreign control of strategic assets, fertiliser and essential-manufacturing vulnerabilities, and infrastructure requiring urgent investment. The assessment must identify problems and proposed action. It must not consist solely of recommendations for further review.

7 National Food Security Commissioner

There is to be a National Food Security Commissioner responsible for the Register, strategic-facility designation, closure-notice administration, food-security impact assessments, emergency continuity orders under Part 9 of the companion Act, and cooperation with the ACCC, the Treasurer, the Minister for Agriculture and State authorities.

In performing statutory risk-assessment and enforcement functions the Commissioner is not subject to direction concerning the outcome of an individual assessment. Policy settings remain with the Minister. Outcomes of a particular plant assessment do not.

6.1 The Commissioner may designate a facility as strategic where its closure, material reduction in capacity or withdrawal of independent access would materially affect food security, competition, regional processing availability, service-kill availability, animal transport distances, regional employment, SME producer viability, emergency food-production capacity or national sovereign capability.

6.2 A strategic processing facility must give at least six months written notice before permanent closure, mothballing, a reduction of processing capacity of 25 per cent or more, or a material withdrawal of independent processing access. The Commissioner may approve a shorter period only where circumstances genuinely outside the operator’s control make compliance impossible.

6.3 Before a strategic facility may close or materially reduce services, the Commissioner must assess alternative capacity, distance, availability to independent producers, transport cost, animal-welfare consequences, market concentration, regional employment, impact on direct-to-consumer producers, viability of local agricultural businesses, and whether temporary intervention is required.

8 Service-kill and independent processing access

Parliament is to recognise that service-kill and independent processing access are essential components of competitive agricultural markets. The withdrawal of service-kill capacity may constitute a food-security event whether or not the processing facility itself closes.

7.1 A dominant processor or strategic processing facility offering service-kill or contract-processing must not discriminate against an independent producer because the producer competes with a related corporate brand;

give unreasonable preference to livestock owned by an associated entity; deliberately allocate capacity so as to eliminate an independent competitor; charge discriminatory processing fees without legitimate cost justification; impose commercially unreasonable minimum-volume requirements; impose unnecessary exclusivity requirements; delay independent producers for the purpose of forcing livestock sales to the processor; or use control of processing infrastructure to compel a producer to surrender ownership of livestock or downstream product.

7.2 A strategic processing facility must not withdraw an existing service-kill operation without six months' notice, notification to the Commissioner, reasons, identification of affected producers, participation in a food-security impact assessment, and compliance with any temporary access order.

7.3 The ACCC may designate a dominant processor having regard to national, State and regional share; control of export-accredited plants and of service-kill capacity; ownership of livestock or feedlots; vertical integration; the ability of producers to use alternatives; transport distances; barriers to entry; and the cumulative effect of previous acquisitions. Where control of processing infrastructure is materially restricting competition, the ACCC may make a fair access order requiring reasonable access, transparent capacity allocation, publication of terms, non-discriminatory pricing, a minimum independent-service capacity, information ring-fencing, independent arbitration of access disputes, or other measures reasonably necessary to restore workable competition.

9 Farmer and supplier market protections

8.1 A prescribed processor purchasing livestock or agricultural products must publish or provide a clear price grid identifying base prices, weight categories, grading standards, premiums, discounts, deductions, transport adjustments, rejection criteria, payment periods and all material conditions affecting the final amount paid.

8.2 A processor or major buyer must not retrospectively alter an agreed price, grading methodology, deduction, specification or payment term unless required by law or agreed in writing by the supplier after full disclosure.

8.3 Where payment depends on grading, classification, yield, weight or quality assessment, the producer is entitled to the assessment, the supporting data, a right to challenge manifest errors, independent reassessment where reasonably practicable, and reasons for material deductions.

8.4 A major processor, wholesaler or retailer must not materially reduce an agreed purchasing volume without reasonable notice, measured against production cycles, livestock growth, breeding decisions, feed commitments, labour, facility utilisation, perishability, the supplier's dependence on the contract, and the availability of alternative buyers. Where a dominant purchaser terminates or substantially reduces a committed volume without reasonable commercial justification or sufficient notice, the affected supplier may recover reasonably foreseeable losses.

8.5 Retaliation against a supplier who complained to a regulator, gave evidence to Parliament, bargained collectively, challenged a grade or price, reported anti-competitive conduct, participated in an investigation or exercised a right under the Act is prohibited.

8.6 Independent agricultural producers may collectively negotiate with processors, wholesalers and major retailers on pricing, processing fees, contract terms, delivery, service-kill access, freight, grading, minimum volumes and other supply conditions without contravening competition law merely because they bargain collectively in accordance with the Act.

10 Food-security test for acquisitions

An acquisition involving a strategic food-processing asset must not be approved solely because it satisfies general competition requirements. It must also satisfy the National Food Security and Independent Access Test.

9.1 Matters the ACCC must consider include concentration of processing capacity; regional alternatives; service-kill access; impact on independent producers; vertical integration; foreign ownership; previous acquisitions by the acquiring group; ability and incentive to restrict competitors' access; concentration of export accreditation; regional employment; food-security consequences; emergency processing capacity; likely effects over not less than ten years; and whether enforceable structural conditions are required.

9.2 An acquisition must not be approved on the basis that the acquiring corporation is merely expected to retain an existing service because continued access is presently commercially advantageous. Where continued access is material to approval, that access must be secured through an enforceable condition.

9.3 Where a foreign person proposes to acquire a strategic processing facility, the Treasurer must expressly consider national food security, sovereign processing capability, foreign concentration of Australian agricultural infrastructure, continuity of regional operation, Australian producer access, supply-chain resilience, and the capacity of Australia to maintain food production during international disruption. This is additional to, not a substitute for, the Foreign Acquisitions and Takeovers Act 1975.

9.4 Regulators must consider the cumulative effect of acquisitions undertaken during the preceding ten years and must not assess each acquisition as though previous acquisitions had not occurred.

11 Regional Processing and Sovereign Food Infrastructure Fund

There is to be a Regional Processing and Sovereign Food Infrastructure Fund. No amount from the Fund may be paid to a foreign person, or used to acquire or expand an asset that a foreign person would own or control, even if no Australian person has applied. Funding may support regional, cooperative, producer-owned and micro-abattoirs; mobile slaughter and processing; poultry plants; regional cold storage; meat-cutting and packaging; refrigerated freight; fertiliser and essential agricultural manufacturing in Australian hands; infrastructure necessary to restore service-kill capacity; and acquisition or rehabilitation of strategically important facilities at risk of permanent loss.

10.1 Fund money may go only to an Australian person. Within that limit, preference must be given where practicable to farmer cooperatives, Australian-owned small and medium businesses, local or regional ownership, community enterprises, Indigenous agricultural enterprises, producer-owned infrastructure, and projects that introduce genuine competition into highly concentrated markets.

10.2 The Commonwealth must not provide a grant, concessional loan, guarantee, entity-specific tax concession or Fund amount to a foreign person for food-security infrastructure or essential agricultural manufacturing. An Australian person who is a major processor and who still receives assistance above a prescribed amount must take enforceable conditions on continued operation, employment, capacity, independent access, service-kill where applicable, repayment on breach, a ban on removing funded equipment from Australia without approval, and disclosure of material change.

10.3 Where a strategic facility that received Commonwealth financial assistance closes within ten years of that assistance, the responsible Minister must table a closure accountability statement: amount provided, conditions, compliance, money recovered, reason for closure, impact on regional capacity, and action taken to replace lost capacity.

12 Emergency food-security intervention

The Minister may declare a regional or national food-processing emergency where the loss or withdrawal of a facility creates a substantial risk to food supply, livestock welfare, agricultural production, independent producer viability, national processing capability or regional economic security.

Following a declaration the Commissioner may, where reasonably practicable, require a strategic facility to continue specified operations for a period not exceeding 12 months. An order may require continued processing or service-kill access, preservation of essential equipment, reasonable maintenance, participation in transition arrangements, access by an alternative operator, or cooperation with a sale, lease, cooperative transfer or government-supported restructuring.

Where the operation of this Part results in an acquisition of property within the meaning of paragraph 51(xxxi) of the Constitution, compensation must be provided on just terms. Where a strategic processing facility would otherwise permanently close, the Commonwealth may facilitate temporary public operation, purchase by a producer cooperative, lease to another operator, community or employee ownership, Australian private acquisition, or another arrangement that preserves essential processing capacity.

13 Regulatory proportionality

A Commonwealth department or regulator proposing a new requirement that materially affects food processors must assess fixed compliance costs, cost per unit, capital expenditure, administrative burden, effect on regional processors and on service-kill capacity, impact upon competition, and whether the requirement could unintentionally advantage dominant corporations.

Nothing in this Part permits reduction of substantive standards relating to food safety, worker safety, environmental protection or animal welfare. Regulators must, where practicable, permit proportionate methods of demonstrating the same standard. A regulator must not impose a mechanism that materially entrenches dominant processors where an equally effective and less anti-competitive mechanism is reasonably available.

14 Domestic energy and agricultural manufacturing

Domestic gas-security arrangements must take account of the requirements of essential Australian food and agricultural manufacturing. The Minister may designate fertiliser plants, food-processing facilities, agricultural-input manufacturers and other prescribed facilities as essential domestic manufacturing facilities.

In developing or administering a Commonwealth domestic gas reservation or security mechanism, priority must be given to essential domestic manufacturing facilities operated by Australian persons. A facility operated by a foreign person must not be given priority over a facility operated by an Australian person.

The Minister must maintain an assessment of Australia's domestic capacity to manufacture strategically important fertilisers and agricultural inputs. Where Australia becomes critically dependent upon imports of an essential agricultural input, the Minister must prepare and implement a sovereign-capability restoration plan.

15 Structural market power

The ACCC may investigate whether vertical integration or accumulated ownership within a food-supply chain enables a corporation to materially control livestock or agricultural production, feedlots, processing, wholesale distribution, logistics, retail access, or competing producers' access to essential infrastructure.

Where a court is satisfied that structural concentration has produced a substantial and enduring restriction upon competition or independent access, it may, on application by the ACCC, order divestiture, separation of business units, access obligations, prohibition of specified exclusive arrangements, restrictions upon future acquisitions, or other structural relief necessary to restore effective competition.

16 Enforcement and parliamentary oversight

Civil penalties for a body corporate are to be the greater of $50 million, three times the value of the benefit obtained, or 30 per cent of adjusted turnover during the relevant breach period. Officers knowingly involved in serious or repeated contraventions may face civil penalties, disqualification from managing corporations, and other orders available under Commonwealth law.

The Federal Court may grant injunctions preventing closure, withdrawal of processing access, implementation of an acquisition, retaliatory action, destruction or disposal of essential processing equipment, or other conduct reasonably likely to defeat the Act. Compensation orders may be made for farmers, processors, wholesalers, independent food businesses and other persons who suffer loss. A person must not cause commercial, employment or contractual detriment to another person because that person provided information concerning a possible breach of the Act.

The Minister must table an annual Australian Food Sovereignty Statement covering national processing capacity, regional gaps, ownership changes, service-kill availability, concentration, fertiliser security, foreign ownership of strategic assets, major closures and new capacity, government interventions, regional resilience, and progress in reducing strategic import dependence. A review of the Act must begin within five years after commencement. The review does not pause enforcement, intervention or investment.

17 Constitutional basis

The companion Act is to apply to the fullest extent of Commonwealth power, including constitutional corporations, interstate and overseas trade and commerce, foreign corporations, Commonwealth financial assistance, Territories, taxation, telecommunications and data reporting, external affairs where relevant, and matters incidental to those heads.

The Act operates in addition to the Competition and Consumer Act 2010, the Foreign Acquisitions and Takeovers Act 1975, applicable industry codes, and State and Territory food-safety, environmental, workplace and animal-welfare legislation. Where another Commonwealth law provides stronger protection against anti-competitive conduct, retaliation, unfair dealing or loss of strategic infrastructure, the stronger protection applies to the extent legally permissible. Just-terms compensation under paragraph 51(xxxi) is expressly preserved.

18 Schedule 1 Principles

Every person exercising a power or performing a function under the companion Act must have regard to the following principles.

Principle 1 — Processing is strategic infrastructure. Australia’s capacity to process its own agricultural production is a component of national economic security.

Principle 2 — Access matters as much as ownership. A plant that stays open but is closed to independent producers has already failed as competitive and food-security infrastructure.

Principle 3 — Competition must be practical. Another processor hundreds of kilometres away, full, unwilling to take independent livestock, commonly owned, or commercially inaccessible is not a competitive alternative.

Principle 4 — Concentration creates systemic risk. A closure is assessed across farms, transport, animal welfare, workers, towns, independent brands, downstream businesses, consumers and national food security.

Principle 5 — Public money purchases public benefit, and is not paid to a foreign person. Assistance justified by continued operation, employment or market access must carry enforceable obligations. No grant, concessional loan, guarantee, Fund amount or reserved-gas preference is paid to a foreign person for this infrastructure.

Principle 6 — Regulation must not manufacture monopoly. Substantive standards stay. Administration must not impose fixed costs that eliminate smaller competitors while leaving multinational operators comparatively unaffected.

Principle 7 — Australian resources support Australian capability. Gas, minerals and sovereign economic policy are administered with regard to the continuing ability of Australian persons to produce essential food and inputs domestically.

Principle 8 — Prevention is cheaper than reconstruction. Intervention occurs before essential capacity disappears.

Principle 9 — Farmer rights are not a side note. Decisions under the companion Act are made having regard to ICESCR articles 6, 7 and 11 and ICCPR articles 17, 22 and 26 as they apply to farmers and independent agricultural producers.

19 What this policy will not do

It will not lower food-safety, worker-safety, environmental or animal-welfare standards.

It will not ban foreign investment in food processing. It requires the Treasurer to apply an express food-security and independent-access test to strategic assets. It will not pay those investors to stay.

It will not force every plant to offer a service kill. It regulates withdrawal of an existing service kill at a strategic facility, and it authorises fair access orders where control of infrastructure is restricting competition.

It will not set livestock prices. It requires transparent grids, forbids retrospective rewriting of the bargain, and opens a damages path for unjustified cancellation of committed volume.

It will not nationalise the meat industry. Emergency continuity is time-limited, compensable on just terms, and directed at preserving capacity that would otherwise disappear.

It will not replace the ACCC. It adds a food-security test and a Commissioner whose register and designation functions the ACCC does not presently perform.

20 Implementation

19.1 The companion Bill is the principal Act. EM-AFS 2026/01 is the accompanying memorandum.

19.2 Regulations are to prescribe prescribed processors; major food retailers and major buyers; reasonable processing distances by species; the assistance threshold that triggers enforceable conditions on Australian-person recipients; designated essential manufacturing facilities; and additional food-security infrastructure.

19.3 The Register is to be populated from existing departmental, State and industry data in the first 90 days, then from mandatory notifications. The first annual capacity assessment is due within 12 months of the Commissioner’s appointment.

19.4 Treasury is to issue guidance aligning clause 31 with FIRB assessment practice so the food-security test is applied, not recited. The ACCC is to publish designation criteria for dominant processors within six months of commencement of the operational provisions.

19.5 From Royal Assent, no new Commonwealth grant, concessional loan or guarantee for food-security infrastructure is to be offered to a foreign person. Existing deeds are to be reviewed against section 35.

21 Decision recorded

The companion Bill is the legislative expression of this policy. Meat processing is the central worked example. The instrument is a national food-sovereignty, regional-processing and fair-market-access regime. Control of infrastructure is the mischief. Public money does not follow the foreign owner.

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