2026

Australian Meat Industry Competition And Sovereignty Bill 2026

Explanatory Memorandum

Prepared By Alecomm

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General Outline

The Bill establishes a national competition, integrity and industry-sovereignty framework for Australia's livestock processing sector. Its central purpose is to ensure that Australian producers have genuine buyer competition, transparent payment systems and a fair share of the value created from livestock, while preserving regional processing capacity and employment.

The Bill addresses the cumulative effect of processor concentration, vertical integration, foreign control, opaque livestock pricing and public funding arrangements that can give dominant processors advantages unavailable to independent and producer-owned competitors.

It creates an independent Livestock Markets Commissioner within the ACCC, a public ownership and capacity register, mandatory notification of all processing-sector acquisitions, enforceable market-share limits, an acquisition freeze for dominant processors and a court-supervised pathway for structural separation where excessive holdings prevent effective competition.

The Bill applies a country-neutral corporate integrity test to access to Commonwealth assistance, procurement, strategic asset acquisitions and relevant licences. Proven bribery, corruption, food-safety fraud, cartel conduct, serious environmental offending, workplace abuse and obstruction of regulators can result in ineligibility, remediation conditions and enhanced monitoring.

Public and producer-levy funding is tied to measurable producer benefit. Corporate project participation must be disclosed, dominant processors are excluded from plant-specific subsidies, no corporate group may capture more than 5 per cent of annual Commonwealth-supported red-meat research funding, and publicly funded technology must be made available to eligible Australian-owned small and medium processors.

A mandatory Australian Livestock Fair Trading Code requires published price grids, disclosed deductions, written supply terms, prompt payment, producer access to grading evidence and independent dispute resolution. Independent carcase grading and compensation rules address errors that directly affect producer payments.

The Bill also establishes the Australian Regional Processing Fund, subject to parliamentary appropriations, to support Australian-owned abattoirs, cold stores, regional manufacturing, by-product recovery, workforce housing and training. Closure protection, an Australian Jobs Test and automation safeguards prevent public money from financing avoidable regional job losses.

Live exports are not abruptly prohibited. The finished-product export strategy requires domestic alternatives to be built before producers lose an existing buyer. The objective is more buyers and more Australian value-adding, not a government-created local monopsony.

Main Measures

- An independent Livestock Markets Commissioner and public ownership, capacity and funding register.
- National and regional processor concentration limits, mandatory acquisition notification and court-supervised divestment.
- Australian-control requirements and limits on foreign-controlled processing capacity.
- A Fit and Proper Corporation Test covering parent companies, related entities, beneficial owners and senior decision-makers.
- Transparent conditions on Commonwealth and producer-levy funding, including open access to publicly funded technology.
- A mandatory Livestock Fair Trading Code, published price grids, independent grading and producer compensation.
- A $1.5 billion Australian Regional Processing Fund over 10 years, subject to parliamentary appropriations.

- Regional closure protections, an Australian Jobs Test and enforceable automation safeguards.
- Commonwealth procurement preferences and a strategy to export more finished Australian products.

Financial Impact Statement

The Bill authorises assistance through the Australian Regional Processing Fund of up to $1.5 billion over the first 10 financial years. Expenditure remains subject to annual appropriations by the Parliament.

Additional administrative costs will arise from the Livestock Markets Commissioner, ACCC market reviews, the public register, independent grading oversight, funding audits and dispute resolution. Those costs will be determined through the ordinary budget process and partly offset by existing regulatory, levy-administration and industry-program resources.

Funding-recovery provisions, corporate funding caps and the exclusion of ineligible recipients are expected to reduce leakage of public money into projects that do not deliver measurable producer or regional benefits.

Statement Of Compatibility With Human Rights

Prepared in accordance with Part 3 of the Human Rights (Parliamentary Scrutiny) Act 2011.

Overview

The Bill promotes transparent markets, fair working conditions, regional employment, producer access to remedies and accountable use of public funds. It also engages privacy, fair-hearing, property and equality interests through information-gathering powers, public registers, integrity determinations, acquisition restrictions and court-ordered divestment.

Privacy

The register and information powers engage privacy under Article 17 of the International Covenant on Civil and Political Rights. The measures pursue the legitimate objectives of preventing corruption, anti-competitive conduct and misuse of public funds. Publication is focused on corporate ownership, capacity, assistance and market power. Personal information and genuinely confidential information must be protected except where disclosure is necessary for a statutory purpose.

Fair Hearing And Review

Adverse designations and integrity determinations require notice of the material relied upon and a reasonable opportunity to respond. Prescribed decisions are reviewable by the Administrative Review Tribunal. Civil penalties, injunctions, compensation and divestment are ordered by courts. Legal professional privilege is preserved and compelled information from individuals receives a use and derivative-use immunity for ordinary criminal proceedings.

Property

Acquisition and divestment controls pursue legitimate competition and food-security objectives. Court-supervised divestment procedures provide reasonable sale periods and independent processes. Section 8 preserves the constitutional requirement for just terms if an acquisition of property occurs.

Equality And Foreign Control

Foreign ownership rules distinguish corporate control rather than personal status. They apply by reference to strategic capacity, competition, food security and national interest. Conditional approval remains available for genuinely new capacity that increases producer choice and passes integrity, employment and public-interest tests.

Work And Just Conditions

Regional capacity funding, plant-closure safeguards, employment guarantees, redeployment and accredited retraining promote the right to work and just and favourable conditions of work recognised by Articles 6 and 7 of the International Covenant on Economic, Social and Cultural Rights.

Conclusion

The Bill is compatible with human rights because any limitations are directed to legitimate public purposes, contain procedural safeguards and are proportionate to the market, integrity, food-security and regional-employment risks addressed.

Notes On Clauses

Part 1 Preliminary

Clause 1 Short title

Provides the short title of the proposed Act.

Clause 2 Commencement

Commences the formal provisions on Royal Assent and gives government up to 6 months to establish the regulator, rules and administrative systems for the remaining Parts.

Clause 3 Objects

States the producer, competition, integrity, employment, value-adding and food-sovereignty objects that guide interpretation and administration.

Clause 4 Simplified outline of this Act

Provides a non-operative overview of the scheme so readers can understand how the Parts work together.

Clause 5 Definitions

Defines the principal concepts. Corporate-group aggregation and control by substance prevent acquisitions, ownership and funding limits from being defeated through subsidiaries, nominees or contractual arrangements.

Clause 6 Act binds the Crown

Binds governments while preserving the ordinary protection of the Crown from criminal prosecution.

Clause 7 Extraterritorial operation

Extends the scheme to overseas conduct that affects Australian livestock markets or Australian regulatory decisions.

Clause 8 Constitutional operation and just terms

Identifies the principal constitutional bases and includes an express just-terms safeguard for any acquisition of property.

Clause 9 Concurrent operation of other laws

Allows existing competition, foreign-investment, meat-industry and State or Territory laws to operate concurrently.

Part 2 Livestock Markets Commissioner And Public Register

Clause 10 Livestock Markets Commissioner

Creates the statutory office of Livestock Markets Commissioner within the ACCC.

Clause 11 Appointment and term

Provides for appointment, tenure and a 5-year industry conflict-of-interest exclusion.

Clause 12 Functions of Commissioner

Sets out the Commissioner's market-monitoring, complaint, funding, grading, reporting and advisory functions.

Clause 13 Independence and resources

Protects decisional independence and requires adequate ACCC staffing and resources.

Clause 14 National livestock markets register

Creates a public register covering ownership, capacity, purchases, assistance, closures and integrity outcomes.

Clause 15 Annual competition and producer outcomes report

Requires annual reporting to Parliament on measurable competition, producer, capacity, ownership and employment outcomes.

Clause 16 Information gathering notices

Provides compulsory information powers, clear notice requirements, legal professional privilege and individual use and derivative-use immunity.

Clause 17 Protection of confidential information

Balances legitimate confidentiality with the public right to know who owns strategic capacity and who receives public support.

Part 3 Processor Concentration And Acquisitions

Clause 18 Dominant livestock processor designation

Requires designation of processors above the statutory thresholds and permits designation where durable regional market power exists below a numerical threshold.

Clause 19 Dominance thresholds

Sets national and regional dominance thresholds and aggregates related interests.

Clause 20 Notice and review of designation

Provides procedural fairness, publication, periodic review and merits review of designations.

Clause 21 Acquisition freeze for dominant processors

Stops a dominant processor from expanding through further strategic acquisitions.

Clause 22 Mandatory notification of processing acquisitions

Introduces transaction-value-independent notification because a low-value regional plant can still be strategically decisive for farmers.

Clause 23 Competition and producer access test

Requires the ACCC to assess practical buyer choice, transport, capacity, potential competition and farm-gate bargaining power, rather than transaction value alone.

Clause 24 Conditions on clearance

Allows enforceable clearance conditions designed to preserve capacity, access, employment and independent competition.

Clause 25 National processing concentration review

Requires a national baseline review within 12 months.

Clause 26 Structural separation plans

Provides for structural separation plans where holdings exceed limits or substantially lessen competition.

Clause 27 Federal Court divestment orders

Confers divestment jurisdiction on the Federal Court and requires an orderly, independent sale process.

Clause 28 Anti-avoidance

Prevents control and capacity limits from being defeated by corporate or contractual devices.

Part 4 Australian Control And Foreign Ownership

Clause 29 Australian control of new strategic assets

Establishes Australian majority ownership and control as the default for new strategic assets.

Clause 30 Foreign-controlled capacity limits

Caps foreign-controlled capacity nationally and within regional procurement markets.

Clause 31 Managed transition for existing holdings

Gives existing foreign-controlled operators a managed 7-year transition and Australian bidders a protected first opportunity.

Clause 32 Conditional approval for genuinely new capacity

Permits carefully conditioned foreign investment that creates genuinely additional capacity and competition.

Clause 33 Advice on foreign investment decisions

Requires transparent competition and producer-impact advice in foreign-investment decisions.

Clause 34 Australian opportunity period for strategic sales

Prevents strategic assets from being sold offshore before Australian bidders receive equivalent information and a genuine commercial opportunity.

Clause 35 Foreign ownership anti-avoidance

Directs regulators to assess effective control rather than nominal shareholding alone.

Part 5 Corporate Integrity And Public Funding

Clause 36 Fit and proper corporation test

Applies the Fit and Proper Corporation Test across the corporate group and to decisions involving money, contracts, acquisitions and licences.

Clause 37 Serious corporate misconduct

Defines relevant serious misconduct and permits reliance on proven Australian and overseas outcomes while excluding untested allegations as a sufficient basis by themselves.

Clause 38 Integrity determination and consequences

Sets procedural fairness and the consequences of failing the integrity test.

Clause 39 Duration and review of integrity determination

Establishes a usual 10-year period, a verified remediation pathway and merits review.

Clause 40 Public-benefit assessment

Makes independent producer and public-benefit assessment a condition of red-meat public assistance.

Clause 41 Disclosure of publicly supported projects

Requires project participants, money, intellectual property and promised outcomes to be disclosed before approval and reported afterwards.

Clause 42 Corporate funding cap

Limits corporate capture of annual research support and excludes dominant or ineligible groups from plant-specific assistance.

Clause 43 Open access to publicly funded technology

Prevents publicly supported technology from becoming the exclusive long-term property of a dominant processor.

Clause 44 Funding recovery and operating conditions

Requires enforceable clawbacks where promised outcomes are not delivered or a funded plant closes.

Clause 45 Producer control of levy expenditure

Gives active levy-paying producers majority control of levy expenditure and reserves at least 70 per cent for direct producer priorities.

Clause 46 Funding integrity audit

Requires the Auditor-General to expose who received support, who owns the resulting technology and whether producers or regional workers benefited.

Part 6 Livestock Fair Trading And Independent Grading

Clause 47 Australian Livestock Fair Trading Code

Requires a mandatory Livestock Fair Trading Code within 6 months.

Clause 48 Minimum requirements of Code

Sets the minimum transparency, contracting, payment, evidence and record requirements for the Code.

Clause 49 Prohibited livestock trading conduct

Prohibits retrospective reductions, concealed deductions, retaliation, collusion, misleading grading and contracting away statutory rights.

Clause 50 Independent carcase grading scheme

Creates nationally consistent independent grading and prevents processor ownership or funding from being mistaken for independence.

Clause 51 Producer access and reassessment

Gives producers access to evidence, reassessment and reimbursement when grading is wrong.

Clause 52 Systemic grading errors

Provides retrospective auditing and compensation where grading errors are systemic.

Clause 53 Independent dispute resolution

Creates accessible dispute resolution without removing ordinary court rights before settlement.

Clause 54 Collective bargaining protection

Protects legitimate producer collective bargaining while allowing safeguards against coercion and manipulation.

Part 7 Regional Processing Capacity And Australian Jobs

Clause 55 Australian Regional Processing Fund

Establishes the Regional Processing Fund with a 10-year ceiling of $1.5 billion, subject to parliamentary appropriations.

Clause 56 Eligible projects

Lists eligible processing, manufacturing, by-product, workforce and enabling-infrastructure projects.

Clause 57 Eligibility and priority

Prioritises Australian-owned projects that add buyers, replace lost capacity, create jobs and export finished products.

Clause 58 Regional plant closure notice

Requires 12 months' closure notice while allowing limited exceptions for genuine insolvency or immediate safety risks.

Clause 59 Viability assessment and operating sale

Requires independent viability testing, an operating-sale process and preservation of essential plant and accreditation.

Clause 60 Australian Jobs Test

Stops public support where the primary outcome is job destruction, offshoring or unjustified concentration.

Clause 61 Automation safeguards

Makes worker consultation, employment assessment, redeployment, training and reporting mandatory for supported automation.

Clause 62 Commonwealth procurement preference

Introduces an Australian meat procurement preference within existing law and binding international obligations.

Clause 63 Finished-product export strategy

Requires a recurring strategy for high-value finished exports while protecting producers from premature loss of live-export competition.

Part 8 Compliance Enforcement And Remedies

Clause 64 Civil penalty provisions

Applies the standard Commonwealth civil-penalty framework to the principal obligations.

Clause 65 Maximum pecuniary penalties

Sets strong corporate penalties based on the greatest of a fixed amount, benefit obtained or Australian turnover, together with an individual maximum.

Clause 66 Injunctions enforceable undertakings and disqualification

Provides injunctions, undertakings, director disqualification, acquisition suspension and compliance conditions.

Clause 67 Compensation and redress

Allows courts to repair loss through producer and worker compensation, funding recovery, interest, regrading and corrective publication.

Clause 68 False information destruction of records and obstruction

Creates offences for deliberate deception, record destruction, intimidation and obstruction. Knowledge is required.

Clause 69 Accessorial and executive liability

Applies ordinary accessorial liability and confines executive liability to knowing authorisation, direction or material assistance.

Clause 70 Whistleblower protection

Protects people who disclose contraventions by applying established Corporations Act whistleblower safeguards.

Clause 71 Enforcement responsibility

Makes the ACCC the principal enforcer and allows specialist referrals.

Part 9 Review Reporting And Miscellaneous

Clause 72 Administrative review

Provides merits review for prescribed decisions affecting rights and commercial interests.

Clause 73 Independent statutory review

Requires an early review after 3 years and recurring 5-year reviews against measurable producer, competition, ownership and employment outcomes.

Clause 74 Delegation

Permits limited delegation while reserving the most consequential decisions to the Commissioner.

Clause 75 Rules

Provides a standard rule-making power and expressly prevents rules from creating serious substantive powers reserved to Parliament.

Sources And References

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