Australian Farmers First Meat Industry Sovereignty Policy 2026

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Executive Summary

Australia's livestock industry must operate for the benefit of Australian farmers, workers, consumers and regional communities - not as an acquisition platform for foreign multinational processors.

This policy prevents dominant processors from using market power, public funding and industry levies to strengthen their control over Australian agriculture without delivering measurable benefits to producers. It establishes enforceable limits on market concentration and foreign control, redirects Commonwealth assistance towards producers and Australian-owned processing, requires transparent livestock pricing and independent grading, protects regional abattoirs and jobs, and creates a pathway for retaining more of the livestock value chain in Australia.

The policy does not remove live-export competition before domestic alternatives exist. Its immediate objective is to give farmers more effective buyers, stronger bargaining power and a fairer share of the value created from the animals they raise.

Policy Framework At A Glance

Problem	Policy Response
Processor concentration	National and regional market caps, acquisition freezes and orderly divestment
Foreign control	Australian control of new strategic assets and limits on foreign-controlled capacity
Corporate misconduct	A mandatory fit and proper corporation test covering parent and related entities
Public funding capture	Ineligibility rules, project disclosure, funding caps and open access to funded technology
Weak farm-gate bargaining	A mandatory fair trading code, transparent price grids and enforceable payment rules
Processor-controlled grading	Independent carcase grading, producer access to evidence and compensation for errors
Regional plant closures	Advance notice, viability testing, operating-sale requirements and funding clawbacks
Loss of regional jobs	An Australian Jobs Test, employment guarantees, redeployment and retraining
Insufficient domestic capacity	$1.5 billion over ten years for Australian-owned regional processing
Exported downstream value	Expansion of Australian finishing, processing, manufacturing and finished-product exports

Policy Purpose

This policy will:

- Stop further concentration of livestock processing.

- Restrict foreign control of strategic processing capacity.
- Prevent corporations with serious criminal or regulatory histories from receiving public assistance.
- Redirect Commonwealth funding towards farmers and Australian-owned processors.
- Establish transparent livestock pricing and independent carcase grading.
- Rebuild regional abattoirs and domestic manufacturing.
- Protect regional employment.
- Give producers more competing buyers.
- Require dominant processors to divest excessive market holdings.
- Keep a substantially greater share of Australia's livestock value chain in Australia.

Policy Position

Australia welcomes investment that builds new capacity, creates genuine competition, employs Australians and operates with integrity.

Australia will no longer subsidise multinational dominance, allow serial acquisitions to eliminate independent competitors or permit companies with serious corruption, competition, environmental or food-safety records to obtain privileged access to public money.

Australian farmers will no longer be forced to fund systems that strengthen the corporations buying their cattle.

The Problem

Australian cattle producers carry the financial and physical risks of livestock production. They purchase and maintain land, breed cattle, manage animal health, survive droughts and floods, pay rising energy and transport costs, comply with biosecurity requirements and absorb volatile livestock prices.

Despite carrying these risks, producers sell into a processing market increasingly controlled by a small number of large corporations.

JBS describes itself as Australia's largest meat and food-processing company. Its operations include abattoirs, feedlots, value-adding facilities, smallgoods manufacturing and meat distribution.

Government-supported organisations have simultaneously conducted research and technology projects with JBS, including:

- Automation trials.
- Robotic meat-packing systems.
- Carcase-measurement technology.
- Data integration.
- Food-safety research.
- Processing-efficiency projects.
- An innovation centre established at a JBS processing facility.

These projects are presented as benefiting the entire industry. However, a multinational processor operating an extensive network of facilities can commercialise publicly supported technology on a scale unavailable to independent regional processors.

There is no enforceable requirement that resulting savings be passed to farmers through higher livestock prices. Nor is there a guarantee that automation will protect regional employment or that publicly assisted facilities will remain operational.

Core Policy Principles

Farmers Must Benefit

Every government-funded red-meat project must demonstrate a measurable benefit to Australian livestock producers. General statements about competitiveness, sustainability or market access will no longer be sufficient.

Public Money Requires Public Value

A business receiving public or government-matched funding must provide identifiable benefits in return, including:

- Increased competition for livestock.
- Better farm-gate prices.
- Transparent grading.
- Additional regional employment.
- New domestic processing capacity.
- Australian manufacturing.
- Open industry access to funded technology.

Corporate Integrity Is Mandatory

Corporations connected to serious bribery, corruption, food-safety fraud, environmental offending, cartel conduct or other major corporate misconduct will not receive Australian public assistance merely because they operate through an Australian subsidiary.

Food Processing Is Strategic Infrastructure

Abattoirs, feedlots, rendering facilities, cold stores and meat-manufacturing plants are essential components of Australia's food security and regional economy. They must be assessed accordingly under competition and foreign-investment laws.

Farmers Require More Buyers

Government policy must increase the number of independent livestock buyers available to farmers. It must not strengthen dominant processors while smaller competitors disappear.

Measure 1 Immediate Funding Integrity Audit

The Auditor-General will conduct a complete audit of Commonwealth funding provided during the previous ten years through:

- Meat & Livestock Australia.
- Australian Meat Processor Corporation.
- LiveCorp.
- MLA Donor Company.
- Department of Agriculture programs.
- Industry research and development grants.
- Sustainability and emissions programs.
- Regional development programs.

The audit will identify:

- Every project involving a processor with more than 10 per cent of national or regional processing capacity.

- The amount of levy and Commonwealth funding involved.
- The participating corporations and related entities.
- The location of each trial.
- Ownership of resulting intellectual property.
- Commercial savings obtained by participating processors.
- Whether farmers received any measurable financial benefit.
- Whether technology reduced or created employment.
- Whether the recipient subsequently closed, sold or reduced operations at the facility.
- Whether a participating corporation received a first-mover commercial advantage.

All findings will be published in a searchable public register. Commercial confidentiality will not be permitted to conceal the recipient, value, purpose or measurable outcome of public funding.

Measure 2 Corporate Integrity And Eligibility Test

A mandatory **Fit And Proper Corporation Test** will apply to every company seeking:

- Commonwealth grants.
- Government-matched research funding.
- Industry research partnerships.
- Government procurement contracts.
- Foreign-investment approval.
- Approval to acquire an Australian processor.
- A strategic meat-processing licence.

The test will examine the conduct of:

- The Australian applicant.
- Its ultimate holding company.
- Related corporate entities.
- Controlling shareholders.
- Beneficial owners.
- Directors and senior executives.

Relevant conduct during the previous 15 years will include:

- Bribery or corruption.
- Fraud and false accounting.
- Food-safety offences.
- Falsification of inspection or export documents.
- Price fixing, cartel conduct or bid rigging.
- Serious environmental offending.
- Deliberate or repeated workplace-safety violations.
- Wage theft, forced labour or child-labour violations.
- Obstruction of regulators.
- Misleading government agencies.
- Repeated breaches of funding conditions.

Foreign convictions, guilty pleas, enforceable undertakings, admissions and regulatory settlements will be recognised.

A corporation failing the test will be:

- Barred from public and government-matched funding.
- Barred from acquiring additional Australian livestock assets.
- Ineligible for government food-procurement contracts.
- Subject to enhanced regulatory monitoring.
- Required to complete an independently supervised remediation program.
- Subject to licence suspension or ordered divestment for serious or repeated misconduct.

Ineligibility will ordinarily apply for ten years. Companies will retain procedural fairness and review rights, but corporate restructuring or the use of subsidiaries will not erase the record of the controlling group.

Measure 3 Freeze On Further Processor Concentration

Any processor controlling more than:

- **20 per cent of national cattle-processing capacity.**
- **20 per cent of national livestock purchases in a species.**
- **30 per cent of effective processing capacity within a regional procurement market.**

will be designated a **Dominant Livestock Processor**.

A designated processor will be prohibited from acquiring:

- Another abattoir.
- A feedlot.
- A livestock-buying business.
- A rendering facility.
- A cold-storage business.
- A wholesale meat business.
- A competing processing brand.
- Land containing a closed or operating abattoir.
- An indirect interest obtained through a related company.

Related corporate entities will be treated as a single economic group.

The ACCC will examine control over effective capacity, actual livestock purchases, feedlot ownership, vertical integration and the distance farmers must transport animals to alternative buyers. Nominal ownership structures will not be allowed to conceal effective control.

Measure 4 Foreign Ownership Limits

New strategic meat-processing assets must be at least **51 per cent Australian-owned and Australian-controlled**.

A foreign-controlled corporate group will be prohibited from controlling more than:

- **15 per cent of national cattle-processing capacity.**
- **15 per cent of national sheep-processing capacity.**
- **25 per cent of effective capacity in any regional livestock-procurement market.**

Existing foreign-controlled operators exceeding these limits will enter a managed seven-year divestment period.

Divested facilities must be offered first to:

1. Australian producer cooperatives.
2. Australian-owned independent processors.

3. Employee ownership groups.
4. Regional investment funds.
5. State or Commonwealth development corporations.

A corporation will not be permitted to avoid divestment by closing, demolishing, stripping or permanently mothballing a facility.

Foreign investment that constructs genuinely new capacity without acquiring or eliminating an existing competitor may be considered, provided it passes the integrity, competition, employment and national-interest tests.

Measure 5 Sector Specific Merger Rules

All proposed acquisitions involving Australian abattoirs, feedlots, livestock-buying businesses and rendering facilities will require mandatory ACCC notification regardless of their purchase price.

The ACCC must consider:

- The cumulative effect of acquisitions during the previous ten years.
- Loss of livestock buyers.
- Regional transport distances.
- Existing processor capacity.
- Vertical integration.
- Access to export accreditation.
- Effects on farm-gate bargaining power.
- The likelihood of future plant closures.
- The buyer's overseas corporate conduct.
- Whether the acquisition removes a potential independent competitor.

An acquisition will be refused if it materially increases buyer concentration or reduces farmers' practical access to competing processors.

Claims of efficiency will not override the destruction of competition unless the claimed benefits are independently verified, enforceable and substantially shared with producers and regional communities.

Measure 6 Structural Separation And Divestment

The ACCC will conduct a national red-meat processing market review within twelve months.

Where a corporate group exceeds the prescribed market limits, the ACCC will prepare a structural separation plan requiring the orderly sale of excess assets.

Divestment must:

- Create viable independent competitors.
- Preserve operating abattoirs.
- Retain export accreditation where possible.
- Protect existing employees.
- Prevent assets being sold to related entities.
- Prevent another dominant processor purchasing the assets.
- Give Australian producers and investors a genuine opportunity to purchase.

Any compulsory government acquisition required to preserve a strategically essential facility will occur on constitutionally just terms.

Measure 7 Reform Of MLA AMPC And LiveCorp Funding

Government contributions will no longer be automatically matched and distributed without a public-benefit assessment.

Future Commonwealth funding agreements must require:

- Full disclosure of every corporate project participant.
- Publication of project expenditure.
- Independent cost-benefit analysis.
- Producer representation in funding decisions.
- Assessment of regional employment consequences.
- Open publication of research results.
- Non-exclusive access to funded technology.
- Enforceable delivery and reporting requirements.
- Recovery of funds where promised benefits are not delivered.

No dominant processor or corporation failing the integrity test may receive plant-specific funding.

A single corporate group may not receive more than **5 per cent of annual Commonwealth-supported red-meat research funding**, whether directly or through related entities.

Technology developed with Commonwealth or producer-levy funding must be made available to Australian-owned small and medium processors through royalty-free or cost-recovery licensing. Publicly funded technology must not become the exclusive commercial property of a multinational processor.

Measure 8 Producer Control Of Producer Levies

Producer levies must be controlled by producers.

Active levy-paying cattle, sheep and goat producers will directly elect a majority of representatives responsible for approving the use of producer-levy funds.

Current employees, directors or paid advisers of dominant processors will be prohibited from sitting in producer-designated positions.

At least 70 per cent of producer-levy expenditure must directly support:

- On-farm productivity.
- Animal health.
- Biosecurity.
- Drought resilience.
- Producer-controlled market information.
- Independent carcase assessment.
- Producer bargaining and marketing cooperatives.
- Australian-owned processing alternatives.

Producer levies will not be used to subsidise plant-specific technology for dominant processors.

Measure 9 Commonwealth Funding Reallocation

The Commonwealth component of the current red-meat funding system will be redirected under the following framework:

- **40 per cent for producer-directed research and farm productivity.**

- **35 per cent for Australian-owned regional processing infrastructure.**
- **15 per cent for independent pricing, grading and market transparency.**
- **10 per cent for regional workforce development and skilled employment.**

No producer levy will be diverted into general government revenue.

Legislative amendments and a dedicated appropriation will permit the infrastructure component to finance domestic processing capacity rather than merely produce further research reports.

Measure 10 Mandatory Livestock Fair Trading Code

A mandatory **Australian Livestock Fair Trading Code** will be established under the Competition and Consumer Act 2010.

It will require processors to:

- Publish complete livestock price grids.
- Record the time and date of every grid change.
- Publish all discounts and premiums.
- Provide clear written supply terms before delivery.
- Disclose payment calculations.
- Provide carcase images and grading data to the producer.
- Explain every downgrade.
- Pay producers within 14 days.
- Provide access to independent dispute resolution.
- Preserve transaction records for seven years.

The code will prohibit:

- Retrospective price reductions.
- Undisclosed deductions.
- Unilateral contract changes.
- Retaliation against producers.
- Collusive buyer conduct.
- Misleading grading.
- Discriminatory treatment of producers.
- Contract terms preventing farmers from comparing prices.
- Requirements forcing farmers to surrender legal rights.

Measure 11 Independent Carcase Grading

Processors will no longer be permitted to exercise final, unreviewable control over the grading that determines what farmers are paid.

A national independent grading system will provide:

- Accredited independent graders.
- Objective measurement technology.
- Permanent photographic records.
- Producer access to all grading information.
- A right to request reassessment.
- Independent audits.
- Published processor accuracy statistics.

- Penalties for systematic undergrading.

Where a processor's grading error rate exceeds the prescribed threshold, past payments must be reviewed and affected producers compensated.

Processor-funded grading technology will not be treated as independent merely because it has received industry accreditation.

Measure 12 Livestock Market Transparency

A **Livestock Markets Commissioner** will be established within the ACCC.

The Commissioner will publish:

- Regional processor market shares.
- Effective slaughter capacity.
- Livestock purchase volumes.
- Average prices paid.
- Price-grid changes.
- Processing margins.
- Plant closures and capacity reductions.
- Foreign ownership levels.
- Government assistance received.
- Farmer complaints and dispute outcomes.

Transaction information will be anonymised where necessary, but corporate market power will not be concealed behind commercial confidentiality.

The Commissioner will possess compulsory information-gathering powers and may refer cartel, fraud or corruption matters for prosecution.

Measure 13 Australian Regional Processing Fund

A **$1.5 billion Australian Regional Processing Fund** will operate over ten years.

It will provide grants, equity investment and concessional loans for:

- Reopening viable regional abattoirs.
- Constructing independent facilities.
- Producer-owned processing cooperatives.
- Mobile and modular abattoirs.
- Regional cold storage.
- Rendering and by-product manufacturing.
- Offal processing.
- Hide and leather processing.
- Pet-food manufacturing.
- Export-accredited boning and packaging.
- Worker accommodation and training.
- Energy and water infrastructure.

Applicants must ordinarily be at least **75 per cent Australian-owned**.

Funding priority will be given to projects that:

- Create additional livestock buyers.
- Operate in regions with insufficient competition.

- Are owned by producers, workers or regional investors.
- Replace processing capacity previously closed.
- Retain substantial value in Australia.
- Produce long-term regional employment.
- Export finished products rather than raw animals.

Dominant processors and corporations failing the integrity test will be ineligible.

Measure 14 Regional Plant Closure Protection

A strategic processing facility may not be closed without at least twelve months' notice to employees, producers, local government and the Commonwealth.

Before closure, the owner must:

- Publish its operational reasons.
- Permit an independent viability assessment.
- Offer the facility for sale as an operating concern.
- Preserve essential plant and export accreditation.
- Allow producer, employee and Australian investor groups to make offers.
- Repay public assistance received during the previous ten years unless otherwise justified.

The owner must not demolish, strip or render the plant unusable during the sale period.

Where a viable buyer exists, a dominant corporation will not be permitted to close a facility merely to remove competing processing capacity.

Measure 15 Australian Jobs Test

Every publicly supported processing project must undergo an Australian Jobs Test.

Funding will be refused where the primary effect is to:

- Eliminate Australian employment.
- Transfer work offshore.
- Close another regional facility.
- Replace workers without redeployment.
- Concentrate production in fewer corporate-controlled plants.

Automation projects must include:

- Net employment-impact assessments.
- Worker consultation.
- Redeployment plans.
- Accredited retraining.
- Regional employment guarantees.
- Public reporting of jobs created and eliminated.

A recipient closing a funded plant or materially reducing employment within ten years must repay the assistance with interest.

Measure 16 Australian Government Procurement

Commonwealth purchasing policies will preference meat that is:

- Raised in Australia.
- Processed in Australia.

- Manufactured in Australia.
- Supplied by an Australian-controlled business.
- Purchased under transparent and fair producer arrangements.

Corporations failing the integrity test will be excluded from Commonwealth supply contracts.

Government-funded hospitals, defence establishments, detention facilities and institutional catering programs will progressively source from eligible Australian processors wherever practical.

Measure 17 Retaining More Value In Australia

Australia will pursue a gradual transition from exporting raw livestock towards exporting more:

- Chilled and frozen boxed beef.
- Premium grass-fed products.
- Regionally branded meat.
- Offal and edible by-products.
- Hides and leather.
- Rendered products.
- Pet-food ingredients.
- Pharmaceutical and industrial inputs.
- Fully manufactured Australian food products.

Live-export access will remain available during the construction of replacement domestic capacity.

Farmers will not be financially sacrificed by removing an existing buyer before a competitive Australian alternative is operating.

The objective is to provide producers with **more buyers and better prices**, not replace one restricted market with another.

Enforcement And Penalties

Serious breaches will attract the greater of:

- **$50 million.**
- **Three times the financial benefit obtained.**
- **10 per cent of the corporate group's Australian annual turnover.**

Additional orders may include:

- Recovery of public funding.
- Producer compensation.
- Director disqualification.
- Suspension of acquisition rights.
- Suspension of government contracts.
- Licence conditions.
- Structural separation.
- Court-ordered divestment.
- Criminal prosecution for deliberate fraud, bribery or destruction of records.

Executives who knowingly provide false information will be personally accountable.

Required Legislative Action

Implementation will require a new **Australian Meat Industry Competition And Sovereignty Act 2026** and amendments to:

- Competition and Consumer Act 2010.
- Foreign Acquisitions and Takeovers Act 1975.
- Australian Meat and Live-stock Industry Act 1997.
- Primary industries levies legislation.
- Commonwealth Procurement Rules.
- Relevant research and development funding agreements.

States and territories will be asked to adopt complementary laws covering smaller intrastate facilities, licensing, planning and regional infrastructure.

Implementation Timetable

First 100 Days

- Freeze new plant-specific funding to dominant processors.
- Commence the Auditor-General funding audit.
- Establish the Livestock Markets Commissioner.
- Begin the national processing concentration review.
- Publish all current MLA, AMPC and LiveCorp corporate projects.
- Introduce the mandatory corporate integrity test.
- Commence drafting the Livestock Fair Trading Code.

Within Twelve Months

- Enact the competition and sovereignty legislation.
- Introduce mandatory price-grid publication.
- Establish independent grading and dispute resolution.
- Apply zero-threshold notification to processing acquisitions.
- Begin the Australian Regional Processing Fund.
- Publish the first national processor ownership and concentration register.

Within Three Years

- Finance new, reopened and producer-owned abattoirs.
- Complete structural separation plans for processors exceeding market limits.
- Establish additional regional cold storage and manufacturing.
- Increase the number of effective livestock buyers.
- Publish measurable farm-gate outcomes from every funded project.

Within Seven Years

- Complete required foreign ownership and market-share divestments.
- Substantially increase Australian-owned processing capacity.
- Retain significantly more finishing and downstream manufacturing value.
- Create thousands of regional processing and supply-chain jobs.

Measures Of Success

The policy will be measured against:

- Reduced processor concentration.
- Increased numbers of independent livestock buyers.
- Increased Australian ownership of processing capacity.
- Higher regional slaughter capacity.
- Transparent price grids across all major processors.
- Independent grading coverage.
- Faster payment to farmers.
- Increased producer share of final meat value.
- New and reopened regional facilities.
- Net regional employment growth.
- Increased exports of finished Australian products.
- Reduced public funding flowing to dominant foreign processors.
- Complete disclosure of corporate recipients and project outcomes.

Policy Outcome

This policy does not attack successful processing businesses merely because they are large.

It prevents size, foreign ownership, public assistance and vertical integration from being combined into unaccountable control over Australian farmers and strategic food infrastructure.

No corporation has an automatic right to buy Australian competitors, dominate regional livestock markets, receive publicly supported technology and then dictate the terms upon which farmers sell.

Australia will continue trading with the world. It will stop handing control of its agricultural value chain to the world.

Australian farmers will produce the cattle. Australian workers will process them. Australian businesses will manufacture the finished products. Australian regional communities will retain the jobs.

Public money collected in the name of agriculture will finally be required to benefit the people who actually farm.

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