

CATTLE TRANSACTION REVIEW COMMITTEE

DISCUSSION PAPER 1.

Principles guiding the review of the grassfed Cattle Transaction Levy

CTL REVIEW SUMMARY

Discussion Paper #1 is the first formal industry-facing document of the grass-fed Cattle Transaction Levy (CTL) Review. Its purpose is to share the rationale for the review and seek feedback on the five guiding principles the independent Review Committee has recommended — and which the Cattle Australia Board has ratified — to anchor the work.

The grassfed Cattle Transaction Levy (CTL) has not had a comprehensive review since 2006, despite major changes in production systems, market conditions, biosecurity risks and industry expectations. Cattle Australia announced the review in 2025 and established an independent CTL Review Committee to assess whether the levy settings and the broader operating framework remain fit for purpose

THE REVIEW

The Committee has been tasked with engaging across industry and collecting views on the current cattle transaction levy system and identifying the challenges and opportunities for maximising value and impact into the future.

The first key task for the Committee is to undertake an assessment of how well industry is capturing available value from the current levy arrangements, and any functional challenges due to limitations of funding or other systemic issues.

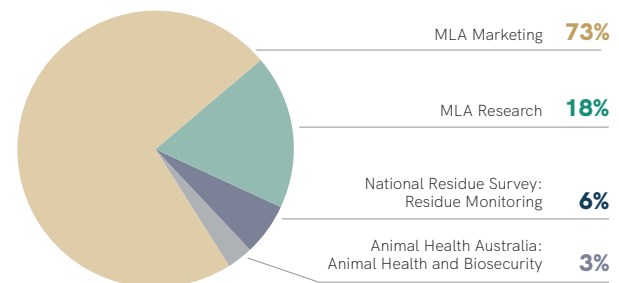
An independent analysis of the economic performance of the levy over time, and an assessment of functional challenges, is currently underway and is expected to be completed in early June.

Discussion paper one – Principles of the CTL review, can be found [here](#).

The Paper sets out:

- Principles guiding the CTL review and the associated challenges to be considered
- An overview of the current levy structure
- Review timeline and key milestones
- Pathways for stakeholders to provide input during the process

The Committee is seeking feedback on the Principles, the effectiveness of the levy and areas for improvement, and suggestions for further consideration ctl.secretariat@cattleaustralia.com.au



KEY ITEMS FOR FEEDBACK INCLUDE:

- **Maximising the value of levy investments** – particularly by improving how levy funds are allocated/invested and ensuring available government matched R&D funding is fully leveraged.
- **Increasing flexibility of levy investments** – so needs-based reallocations between levy recipient bodies (LRBs) can occur without protracted and costly processes
- **Additional streams for potential levy investment** – consider whether additional levy streams are needed to fund industry-good functions not historically funded
- **Setting a fixed period for future levy reviews** – so levy settings and funding adequacy are assessed more routinely.
- **How industry representation functions could be funded**

REVIEW PRINCIPLES

- **Unrealised value exists within the current system**
The R&D portion of the levy attracts a 1:1 Commonwealth match, but the sector rarely reaches the top-line cap (~0.5% of GDP, ~\$70-\$80m). The MLA Donor Company (MDC) — currently matching at 50:50 — has filled the gap, but MLA non-levy income has grown from 38% of revenue in FY12 to 58% today, raising governance and dependency questions. The priority is unlocking value already available, not necessarily collecting more.

- The system lacks flexibility for needs-based change**
 Moving funds between existing LRBs — even without changing the \$5 total — requires expensive, time-consuming consultation. When LSD and FMD were detected in Indonesia, an additional \$0.10 shifted to AHA would have generated ~\$1.3m for preparedness, but the regulatory regime made that impractical. Greater flexibility within the existing envelope is worth exploring.
- Additional levy streams may be warranted**
 Two examples are offered for industry consideration (not as recommendations): a separate biosecurity stream, and a stand-alone stream for Integrity Systems (ISC). Both have strengths and risks. The Committee wants industry views on whether either passes the market-failure test and would deliver sufficient additional value.
- Fixed review periods should be embedded in industry practice**
 A fixed cycle — potentially aligned with Red Meat 2030 and the LRB five-year mid-term reviews — would let the industry health-check investment and reallocate as priorities shift. 28 years without a review of the AHA/NRS components is too long
- Industry representation capability must be adequately funded**
 The volunteer model that has historically supported producer input into program design, biosecurity response, integrity systems and standards is under increasing stress. Roles are more complex, more technical and more time-intensive. For a \$17b sector, the current inequity — that only those who can step away from their own businesses can participate — is a structural risk. This is distinct from agri-political activity, which remains out of scope.

TIMELINE

Once feedback has been provided, further consultation will be undertaken, including in person and online events, prior to finalising recommendations for any resolutions to be considered at the MLA Annual General Meeting in November.

PHASE ONE: ANALYSIS AND EVALUATION

May 2026

Discussion paper – Principles of the CTL review
 Stakeholder survey – Perspectives on CTL performance

June 2026

Discussion paper 2 – Draft economic report on CTL
 Stakeholder survey – Perspectives on the CTL economic report

PHASE TWO: CONSULTATION

July - August 2026

Consultation – in-person and online events

August 2026

Recommendations finalised by CTL review committee

16 November 2026

MLA Annual General Meeting

KEY NUMBERS AT A GLANCE			
\$5/head CTL rate, unchanged since 2006 (MLA) and 1998 (AHA/NRS)	~\$75m Annual levy collected from the grass-fed sector	\$17-\$19b Gross value of production of the beef industry	38% → 58% MLA non-levy income share of revenue, FY12 to FY25
0.5% Of GVP available as matched R&D funding (~\$70-\$80m)	50:50 Current MDC matched-funding rate (variable)	Nov 2026 MLA AGM — levy-payer vote on recommendations	Jun-Aug Window for industry consultation in 2026



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