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## Fletcher calls for MLA split



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”

Prominent sheepmeat  
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DEMANDS from within the beef industry for radical surgery to Meat and Livestock Australia (MLA) have prompted an influential call for the sheepmeat sector to quit the peak red meat outfit altogether.

Australia's most prominent sheepmeat processor and exporter Roger Fletcher says sheep and lamb industry interests are ineffectively represented by MLA's approximately \$180 million-a-year structure and may be better served by a united sheepmeat and wool promotion body.

*“They're disjointed with varying agendas and nobody is willing to look at the big picture”*

He has asked Agriculture Minister Barnaby Joyce to seriously consider splitting MLA and aligning the lamb and mutton sector's marketing interests with Australian Wool Innovation (AWI).

Such a merger would bring the sheep production and live export chain under one umbrella body which might be more efficiently run by a dedicated management team with practical local and offshore experience.

He said marketing and processing environments for meat, wool and most other agricultural commodities had changed significantly in the past decade and it was time to re-vamp and streamline the way grazing industries were serviced by peak organisations.

Mr Fletcher, a former AWI director and past Australian Meat Industry Council chairman, runs abattoirs at Dubbo in NSW and near Albany in Western Australia and more than 50,000 sheep in NSW and southern Queensland.



# AWGA - News Update

"I am gravely concerned about the direction our industry is heading - we seem to be on the path to nowhere," he said.

He believed too many people were making a career of being part of, or aligned with, industry organisations without actively achieving anything new, particularly in the fast evolving export trade.

"Our industry bodies are in a shemozzle," he said - although conceding some, including Australian Pork Limited, appeared to work more effectively than others.

"They're disjointed with varying agendas and nobody is willing to look at the big picture."

At the same time sheepmeat sector clout within MLA was outnumbered by beef interests, with 37 per cent of members running sheep compared to 84pc being beef producers (although a good number of sheep members also run cattle).

*"If you're doing things one way for more than a decade, you're probably now doing it wrong"*

Some vocal beef producers and processors have already used the current debate on grassfed beef industry levy reform as a catalyst to advocate slashing MLA's service and marketing management role, and its operational cost to producers.

Mr Fletcher tends to agree with some of the sentiments, saying MLA's structure and operational agenda had been largely unchanged for almost 15 years and needed re-thinking.

"If you're doing things one way for more than a decade, you're probably now doing it wrong," he said.

His gripes about current ag industry research and marketing bodies include too much bureaucratic management activity in Australia and not enough practical experience and initiative being deployed overseas to build markets for the future.

"There's also too much money in the bank and too many snouts in the trough breeding laziness and making bad decisions for industry," he said.

His "back of the envelope" calculations suggested up to \$250 million was parked in industry funded bank accounts and growing, including MLA's \$60m, AWI's \$80m, and \$40m each belonging to the Australian Meat Processor Corporation and the Red Meat Advisory Council.

Board directors were losing focus on the real industry issues while they "concentrate on how to manage the money lying about in the bank".

The farm sector world had changed, he said.

Farmers had less need for networks of governing boards and committees, but more than ever they needed active, responsive practical industry management taking full advantage of improved communications and global trade, travel and shipping efficiencies.



# AWGA - News Update

*"Nothing happens - they just complain"*

He said progressive thinking was invariably being frustrated by a broad range of fringe advisory groups and state committees involved in industry matters.

"Nothing happens - they just complain," he said.

"World markets have matured - more than half our lamb is now exported.

"Butcher shops are dwindling with supermarket growth accounting for 80pc of meat sales, and wool manufacturing in Australia is finished, so that industry's marketing requirements have changed, too."

Mr Joyce said he had received, and was appreciative of, Mr Fletcher's thoughts and correspondence with regard to having specific commodity organisations for the sheep and cattle industries, and intended to reply shortly.

Mr Fletcher was invited to take part in a hastily convened December roundtable forum with Mr Joyce to discuss livestock industry levies, but was unable attend.

"Having been on leave there is a large volume of correspondence to work through and Mr Fletcher's patience is appreciated," said Mr Joyce, who was also currently considering all seven recommendations from the Senate Inquiry into the grassfed beef transaction levy.

He said the federal government's response would be delivered "in due course".

<http://www.farmonline.com.au/news/agriculture/sheep/general-news/fletcher-calls-for-mla-split/2722726.aspx?storypage=0>