

# CONSULTATION PROCESS TO DEVELOP NEW MEAT INDUSTRY REGULATORY CONCEPTS

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## SUMMARY

An essential element of any change process is extensive consultation from the outset involving all organisations and individuals who are likely to be affected by the outcome. Properly designed, such processes are extremely powerful. They build collective ownership, acceptance and commitment to the new concepts. They build goodwill.

Such a consultation process was used by the Livestock and Meat Authority of Queensland, on behalf of the government of Queensland, Australia, to review the law regulating all meat processing activity in that State and to restructure the meat industry institutional arrangements, including the Authority itself. The main result was to move from a compliance base to a self regulatory quality assurance approach, as well as to give industry greater flexibility. The success of the participatory process can be gauged by the fact that during the final stages of the preparation of the actual legislation, industry representatives were piqued when government continued to amend what they regarded as "their legislation". Such a situation was even more extraordinary, given that the natural political persuasion of most industry representatives was in opposition to that of the government of the day. In our paper we outline and critique the consultation process.

## Introduction

Government provides the legislative framework within which industry operates. If both are in harmony, both can succeed. The Meat Industry Act of Queensland 1965 (hereafter called the 1965 Act and which operates principally within that state of Australia) imposed prohibitions and restrictions on the production and movement of meat and related products. It hindered the development of the meat industry; focussed on premises and equipment rather than the product, procedures and personnel; and lacked the capacity to provide for the food safety expectations of today's society.

As part of the review of all state legislation, in April 1992 the Queensland Government initiated a complete review of the 1965 Act. It implemented its decision to restructure the Livestock and Meat Authority of Queensland (LMAQ) into the Queensland Abattoir Corporation (QAC) with responsibility for operating the state's five public abattoirs and Queensland Livestock and Meat Authority (QLMA) with responsibility for domestic meat inspection, accreditation, research and marketing. The consultation process to review the meaning and relevance of the regulatory arrangements in the 1965 Act became the prime responsibility, albeit by default, of LMAQ. This followed the transfer of the state's veterinary public health personnel, and so expertise, from the Department of Primary Industries (QDPI) to LMAQ in August 1992.

On 1 January 1994, the Queensland Government repealed the Meat Industry Act 1965, replacing it with new legislation, the Meat Industry Act 1993. The main result was to move from a compliance base to a self regulatory quality assurance (QA) approach, as well as to give industry greater flexibility (see Palmer 1994). A three year transitional period is scheduled to give those processing meat (from slaughter to point of retail sale) time to achieve QA accreditation or alternatively to operate with full-time inspection on a full cost recovery basis.

An essential element of any change process is extensive consultation involving all organisations and individuals who are likely to be affected by the outcome. Properly designed, participatory processes can be extremely powerful. They build collective ownership, acceptance and commitment to the new concepts. They build goodwill. Consultation can be considered to have been successful when there is continuing majority long term support for the products of that consultation.

In this paper we outline and critique the consultation process which we used on behalf of the government of Queensland to restructure LMAQ and to develop the new regulatory framework. This process has application for others wishing to review and develop new legislative concepts, as well as to manage change on an industry basis.

## Methodology

The livestock and meat industry embraces, principally, beef, sheep, pig and chicken meats, as well as game meats and petfood, with executive officers and other specialist personnel of industry and agro-political organisations from each section being consulted. They represented production; processing (from small local country slaughter-houses to domestic and large export abattoirs, including the processing employees' union); and wholesale and retail outlets (butchershops, supermarkets, specialist poultry shops, corner stores and delicatessens). Government agency involvement included QDPI, other state government (such as Premiers, Health, Trade, Treasury, Regional Development and Business Regulation Review); and local government health officials (metropolitan and rural).

The stages in the consultation process were:

- Step 1 (September - November 1992)

All the various sections of industry were consulted **separately** in both metropolitan, provincial and rural areas of the state in a workshop environment, so that each section could freely and openly discuss matters without having to defend their industry position.

A working paper was prepared by QDPI and circulated before each workshop to initiate the process, challenge the present legislation, and float new ideas and concepts. At each initial workshop the participants determined in both group and plenary sessions:

- \* the key outcomes, and their priorities, required for the new legislation, including who benefits and in what way, and who should deliver;
- \* the most important principles in drafting the legislation; and
- \* the scope of the legislation (what it should be about and not about).

- Step 2 (late November - early December 1992)

A summary paper was compiled after the initial round of workshops and discussed with the responsible government Minister (Primary Industries) and other key government personnel. It was then sent for comment to the participants from the various organisations.

A two-day workshop was held involving industry representatives and government agencies who had participated previously, in both group and plenary sessions, to:

- \* determine the issues, principles and concepts which were generally accepted;
- \* consider unresolved matters; and
- \* where disagreement persisted, to record who disagreed, their reasons, under what conditions they may agree, and other options.

A summary of the workshop outcomes was forwarded to participants for comment to ensure that their views had been reported correctly.

- Step 3 (mid December 1992)

The final workshop results were communicated to the responsible Minister in an overview form, discussed and ministerial decisions obtained on government policy.

- Step 4 (December 1992 -February 1993)

QDPI officers now resumed principal responsibility for developing the legislation. In collaboration with LMAQ, they prepared a draft position paper, which was circulated for comment among key government personnel and forwarded by the Minister to the Queensland Cabinet. After approval, the position paper was printed and distributed publicly, as well as to all those involved in the consultation process.

- Step 5 (February 1993-October 1993)

After receiving public comment, QDPI officials forwarded the drafting instructions to Parliamentary Counsel who prepared the legislation.

LMAQ members and staff, as well as other key industry personnel, provided detailed comments on various drafts of the Meat Industry Bill. LMAQ continued to provide input via comment to the Minister and his staff, briefings to other government agencies and industry consultation until the final reading of the Bill in Parliament.

- Step 6 (November 1993 - present)

The same consultation model and range of participants were consulted to develop draft standards for meat wholesomeness (see Palmer 1994). These standards are to be administered by QLMA after approval by the Minister and Parliament.

Obviously throughout the entire consultation period, political deputations and submissions from industry organisations and others occurred directly to the Minister and to government generally. There was also regular formal and informal liaison between the authors and key industry personnel, as well as with industry "rank and file". Feedback and update reports were provided after each step to clarify and/or validate group and workshop decisions, report progress and so allay uncertainty, and to reinforce the openness of the process.

## Results

There was surprising consistency across the various workshops in developing the underlying philosophies

which were:

- \* Ensure that the product was wholesome and fit for human consumption; and, similarly, with petfood for animals.
- \* Ensure the integrity of the product, eg. mutton was mutton, not goat.
- \* Move from a compliance base to a self-regulatory Quality Assurance approach.
- \* Give industry flexibility to develop a QA program suitable for their individual needs, yet have that program of production meet strict standards with severe penalties for non-compliance.

Agreement was not reached, across all industry, on only four items. These were:

- \* the availability of pre-packed fresh meats from corner stores;
- \* the sale of game meats from butchershops;
- \* the right of QAC to trade in live animals and carcasses; and
- \* the composition and qualifications of board members of QLMA and QAC.

## Discussion

The success of the participatory process can be gauged by the fact that during the final stages of preparation of the actual legislation, industry representatives and LMAQ (non-government) members were piqued when government continued to amend what they regarded as "their legislation". Such a situation was even more extraordinary, given that the natural political persuasion of most industry representatives was in opposition to that of the government of the day. Informal comment from production, processing and some retail traders indicates continuing support for the Act, its concepts and principles. To date, there has been no employee action in opposition to the QA arrangements.

The success of the consultative process is attributed to:

- \* its openness, as illustrated by the impartial workshop agenda and process; the seeking of feedback on decisions; and regular formal and informal liaison with actions and words indicating no hidden agenda;
- \* the inclusion of all industry and government agency interests from the outset;
- \* a process that generated a willingness of most to participate constructively;
- \* establishing areas of agreement and progressing to debate, fully, and if necessary repeatedly, any unresolved issues until agreement could not be reached without compromising an organisation's basic policy or principles;
- \* attendance by the same participants throughout and generally good communications within most organisations;
- \* insisting initially on developing the regulatory concepts at the first workshops before discussing institutional (QLMA and QAC) structures (and so power issues), often to the frustration of participants;
- \* continuing access for industry to the Minister and his staff to discuss contentious issues, especially institutional arrangements.

The major opposition to change during the consultation process and since 1 January 1994 has come, naturally enough, from those who consider that they have lost, or will lose, real or perceived power and business revenue. This was associated mainly with those who were reluctant to participate in the consultative process and relied instead on established political networks and traditional power games. Opposition also existed where there were poor internal communications (whether deliberate or otherwise is unknown) within several organisations. The poor linkages were between workshop participants and/or from head office staff and general members.

The opposition came particularly from the processing employees' union and a faction of the wholesale and retail traders, who are generally very conservative in their attitudes. The reality of power and politics is recognised. However, the major lessons are the need for the process planners and facilitators to work closely with organisations; if necessary, to take deliberate steps to communicate with "rank and file" members; and to ensure that all "power factions" are adequately represented and consulted during the process. That is, manage the potential outrage before it can happen.

We consider that this consultation model is applicable to others intending to effect legislative, industry or organisational change that challenges established values, attitudes and behaviour, as well as industry or corporate cultures. The strength of the participatory process is its synergy of ideas, frank discussion and inherent openness. Its potency is its capacity to build acceptance and ownership of, and commitment to, the new values and attitudes from which will emerge new behaviours and, in time, a new culture.

The extent of the success of the consultation process to develop the Meat Industry Act 1993 can only be assessed at earliest after the transition period and more realistically when QA accreditation has operated for some time. We believe that this will be achieved.

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### References

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