

Cracks emerge in egg plan

By RODERICK MAKIM

Woolies' cage-free pledge under fire

WOOLWORTHS has come under fire for failing to consult with producers before making its decision to phase out all caged eggs by 2018.

The supermarket giant made the announcement last week sparking outrage from farmers and industry representatives.

This decision by Woolworths follows Coles' lead in 2010 to withdraw cage eggs from its house brand range,

as well as cap its free-range egg price.

Tamworth egg producer Bede Burke said with about 12 million chickens in cages across Australia, the five-year timeframe provided by Woolworths to remove all caged eggs in its stores was unrealistic.

"It's a big ask - I don't think it's going to happen," Mr Burke said.

Mr Burke, chairman of NSW Farmers' Egg Producer Committee, suggested Woolworths might have

known this timeframe was unworkable had they spoken with producers beforehand.

"The big problem is Woolworths announced it without any consultation with the farming base," he said. "It seems it was all done by consultants and marketing people."

A spokesperson for Woolworths said the company was committed to working with its suppliers to support them through the transition period, "so they can have the confidence to invest in infrastructure changes and reducing the cost of production to keep prices affordable."

However, for Ken and Pam Howard from "Mariposa", Wards River, their investment in infrastructure changes has already happened, and now looks like it might not pay off.

The Howards run 43,000 free-range chickens, which produce about 11.4 million eggs per year.

In 2005 they also built a \$1.4 million shed to house 60,000 caged birds, which produce more than 17 million eggs per year.

The welfare of the birds was paramount for the Howards, and Mrs Howard said one of the reasons they chose free range when they started in 1996 was that she didn't like the idea of putting the chickens in cages.

Being able to provide cages that met world animal welfare standards and seeing some of the problems for the birds in the free-range system softened that opinion.

The caged shed is climate controlled with temperatures between 22 and 26 degrees all year, and there have not been any of the problems with cannibalism, diseases or attacks by predators that have occurred with the free-range birds, Mrs Howard said.

The cage system also produced more eggs at a more consistent quality, she said.

Unfortunately, with Woolworths moving away from all caged eggs, and Coles deciding to discontinue its own brands for caged eggs earlier this year, farmers like the Howards who have invested heavily in caged systems that meet animal welfare standards are running out of places to sell their produce.

"We spent over \$1.4m in 2005 to build a pre-enriched cage system. We need 25 years to pay for this investment," Mrs Howard said.

"If Woolworths were to pay us an extra 50c per dozen over the next five years we would be able to look at changing to all free-range."

Mr Burke agreed with this assessment.

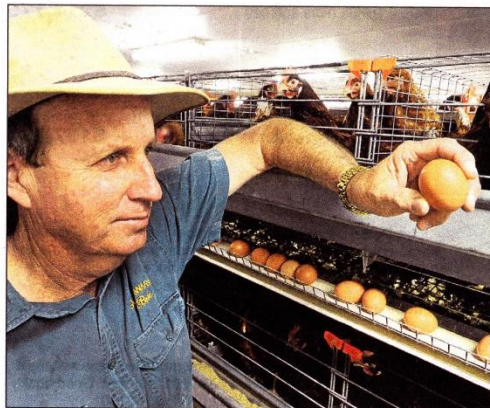
"Farmers could pay off their assets in five years with higher prices," he said.

"Woolworths need to re-engage with farmers and ask if five years is long enough."

The Woolworths spokesperson said there was already a trend among consumers away from eggs.



Photo: Nigel Wolcott



Free range egg producer Bede Burke, "Glenwarrie", Tamworth.

away from caged eggs, but said it was not enough to justify Woolworth's decision.

"The free range segment is growing, but it won't be enough (to meet demand of eggs)," Mr Burke said.

He said during the past seven or eight years, the percentage of caged chickens had dropped by about 25 per cent, but they still accounted

for more than half the egg-producing chickens across Australia.

The Woolworths spokesperson said the company would work closely with the industry during the next five years to improve efficiencies and minimise cost which should see the price of barn-laid eggs reduce by the time this change is introduced.

'Free range' needs reining in

FREE range eggs are the way of the future, but will require careful monitoring to make sure standards are kept, according to Ann and Chris Eggert, from Oxhill Organic Eggs near Wauchope.

The couple have about 2000 laying hens producing about 365,000 eggs per year.

The Eggerts decided to run free-range chickens for organic eggs since they had already been running an organic dairy when they started to think about diversifying their business in 2010.

Mrs Eggert said with major supermarkets like Woolworths and Coles moving away from caged eggs it was more important than ever to have an enforceable, national standard for what constituted the term "free range".

"Some farmers run up to 20,000 birds per hectare, and call it free range," Mrs Eggert said.

"With Woolies making the transition... it's a move in the right direction, I

suppose," she said. "But it's important to know what sort of free range it is."

"People should know where their eggs come from."

Consumer advocacy group Choice agreed, and earlier this month lodged a complaint with the NSW Office of Fair Trading over eggs labelled free range despite laying hens being kept at densities of more than 20,000 per hectare.

"The national Model Code of Practice defines free-range egg production as having a maximum outdoor stocking density of 1500 chickens per hectare," a spokesperson for Choice said.

However, it noted this was only a voluntary limit.

"Despite the price premium, consumers can't be confident they are getting what they pay for because there is no consistency in the standards used by companies claiming their products are free range," said the spokesperson.

"Choice believes people paying the free range price

"Over the past 10 years, we have seen the price gap between caged and barn laid eggs begin to close," she said.

The spokesperson said it was hoped by the final transition in 2018, this trend will have continued enough for the phasing out of caged eggs to have no economic impact.

Mr Burke agreed there was a trend

premium should have confidence they are getting what they pay for."

NSW Farmers' Egg Producer Committee also called for national consistency regarding free-range egg farm stocking density.

The committee said a limit of one bird per one square metre should be set as a sustainable outdoor free range stocking density.

A committee spokesperson said the Model Code of Practice also indicated it was permissible to have more than 1500 birds per hectare if management of the range areas occurred.

The Eggerts are already carefully managing the areas their birds can roam. Every three days, the chickens are moved into a new paddock with fresh grass.

They are able to do this thanks to the Chicken Caravan, a movable coop invented by Daniel and Evan O'Brien, that won the *The Land* and NSW Farmers Farm Inventor of the Year competition in 2012.