



Draft Australian Animal Welfare  
Standards and Guidelines  
Poultry  
February 2018

Victorian Farmers Federation

## **The Victorian Farmers Federation**

The Victorian Farmers Federation (VFF), Australia's largest state farmer organisation and only recognised consistent voice on issues affecting rural Victoria, is pleased to respond to the Draft Animal Welfare Standards and Guidelines – Poultry (the draft Standards & Guidelines).

Victoria is home to 25 per cent of the nation's farms. They attract neither government export subsidies nor tariff support. Despite farming on only three per cent of Australia's available agricultural land, Victorians produce 30 per cent of the nation's agricultural product. The VFF represents the interests of our State's dairy, livestock, grains, horticulture, flowers, chicken meat, pigs and egg producers.

The VFF consists of a nine person board of directors, with seven elected members and two appointed directors, a member representative General Council to set policy and eight commodity groups representing dairy, grains, livestock, horticulture, chicken meat, pigs, flowers and egg industries.

Farmers are elected by their peers to direct each of the commodity groups and are supported by Melbourne and Bendigo based staff.

Each VFF member is represented locally by one of the 230 VFF branches across the state and through their commodity representatives at local, district, state and national levels. The VFF also represents farmers' views on hundreds of industry and government forums.

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## Background

The VFF welcomes the opportunity to make a submission on the draft Australian Animal Welfare Standards and Guidelines for Poultry, which was released for public comment in November 2017.

Farmers care for their animals and are strong advocates of good animal health and welfare outcomes. Healthy animals and excellence in animal care promotes farming that underpins the production of high quality agricultural products. Such high standards in animal welfare are vital to the livelihood of Victorian farmers.

The VFF represents 85% of the egg production in Victoria, with members who farm across all three egg production systems – cage, barn laid and free range. Our egg farmers are small to medium sized family businesses.

An initiative of the VFF Egg Group HenCare is a quality assurance program supported by a certified trade mark and endorsed by supermarkets. The certification scheme is for egg producers of all production systems, which is audited by a third party auditor with no stake in the egg industry. HenCare audits food safety, animal welfare, biosecurity and environmental requirements which apply to the particular production system on a particular farm each year. Under the program HenCare farmers must comply with legislative requirements, regulations, codes of practice and standards for industry practices in the state or territory in which they farm.

## Animal Welfare

Animal welfare is important to both the community and farmers, and bird welfare is critical for an efficient and sustainable egg farming business. As poultry farmers, improving hen health and welfare represents a vital opportunity for productivity gains in each egg production system, and it ensures that management practices are in alignment with consumer expectations. The egg industry prioritises animal welfare gains, productivity improvements and the continued sustainability of our country's egg industry.

As one of the production systems, caged eggs have a low incidence of disease and mortality; clean hens producing clean eggs; low risk of predators; along with no requirement of antibiotics. Therefore the key is balancing the requirements of community/consumer demand, animal welfare and economic efficiencies.

Positive animal welfare equals positive business outcomes. Healthy hens lay more eggs. Whilst farmers are producing an affordable egg with caged systems, at no time is the welfare of their birds compromised. For example hens are required to be attended to every day of the year, regardless of weather or public holidays. Keeping them free from disease with bio-

security measures, protected from predators, cooler in summer and warm and dry in winter are factors that get maximum benefit from the bird and translate into true animal welfare outcomes.

Research undertaken by Widowski T. et al (2016) 'Laying Hen Welfare I Social Environment 3 and Space Worlds Poultry Science Journal' Vol 72, June 2016, outlines that apart from the positive effect of perching on bone strength in caged birds, there is little physiological evidence to indicate that bird welfare is compromised if these resources are not provided. There is substantial behavioural evidence that hens are motivated to perform those behaviours if given the opportunity, however the welfare implications of depriving hens of those behavioural opportunities remain largely unknown.

As an industry, we consider the welfare of the bird a higher consideration over unproven behavioural needs for hens to perch, have scratch pads and dust baths. To accommodate these behaviours by banning cages is extreme and unnecessary.

## Market Forces & Choice

More than 15 million eggs are produced in Australia every day to meet the demands of Australian consumers. More than fifty percent of all eggs sold in supermarkets are caged eggs. Whilst we are seeing some changes in consumer expectation for free range eggs over the last decade, caged eggs remain an important and affordable option for many Australians.

Based on market forces alone, consumers still want choice. For many families and individuals this is an economical source of quality protein, a financial and personal choice. The 'Poverty in Australia' 2016 Report by the Australian Council Social Service has found despite 20 years of economic growth, there are close to 3 million people living in poverty in Australia. There are also 1.8 million workers in Australia living on the national minimum wage. They make chose to pay extra for free range eggs however they may still need a choice for a more affordable egg, dictated by their circumstances.

The reality is if consumers want to buy free range eggs they can, however there is still a significant demand for purchasing caged eggs in the market and this fact can't be ignored.

## Regulatory Burden

As poultry farming has demonstrated over time, egg farming began with free range. As a result of the now defunct Australian Egg Board decision all farmers were required to remove chickens from the ground and be placed into cages with the intention to improve the welfare of the birds. Industry complied with this requirement, and many years later

complied with changes under the current model Code of Practice for Welfare of Animals - Domestic Poultry (2002) in upgrading caged infrastructure.

Industry are still paying off their upgraded infrastructure to meet their compliance requirements from the 2002 Code of Practice. To increase the regulatory burden so farmers would be required to convert to a whole new egg farming system would be financially excessive.

Whilst positive animal welfare is a priority for business, any increase in regulatory burden on poultry farmers also needs to be acknowledged. Industry supports the draft Standards & Guidelines being made mandatory, where not only is animal welfare a priority but it is a feasible balance with business interests and community expectations.

## Public Misconceptions

Unfortunately there is misinformation in the media from animal welfare groups who believe that hens are being mistreated. This is not helped when old footage gets prime time national media coverage skewing the perception of the industry for the public. This is not a representation of the industry, and is definitely the exception. It is important to note VFF does not support these rogue farmers. All farmers should be accountable for their farming practices and their compliance requirements.

Egg producer Andrew Postregna from Tamarix Poultry Farms in Dandenong South, Victoria farms around 70,000 barn chooks. His cages are stacked eight high with six hens in each. Eggs roll from the cage onto a conveyor belt, which takes them through to the grading and packing room. The temperature is controlled around 20c degrees and the lighting follows a spring weather pattern with 16 hours of light and eight hours of darkness.

*"I think there is a perception out there that the cage system is [an] antique, old system," Mr Postregna said when speaking to ABN Rural in December 2016. "But when you look at the new facilities, we've really advanced from what the systems were say 10, 15 years ago.*

According to an extract from the 2016 Productivity Commission (Regulation of Australian Agriculture) Report no.79 as outlined in the Regulatory Impact Statement (RIS) 'Australians generally accept that it is appropriate to rear animals for commercial purposes. They also place a value on the welfare of farm animals and expect, and benefit from knowing, that farm animals are being treated humanely (both from an animal wellbeing and animal health perspective). This is a fair expectation and if the welfare of the bird is not being compromised then this should be the focus - that the birds are being well looked after, not a focus on the system of farming.'

Whilst many consumers are aware that it's not so much the production system that is used which determines the welfare of birds, but instead the management of it, there is still so much misinformation amongst the general public.

## Regulatory Impact Statement (RIS) Options

VFF supports option C in the draft RIS, which is to adopt the proposed Standards and Guidelines as currently drafted. This would enshrine the Standards and Guidelines in legislation, supporting all egg farming systems.

As the research in the RIS for option C indicates, this option is effective in promoting industry wide standards, which would have a positive effect on the economy by reducing transaction costs of compliance. This option would also facilitate improved consistency of poultry welfare outcomes across the country.

As indicated in the RIS page 63 – this option would see improvements in the welfare of animals with respect to protection from injury, fear and distress as a result of increased compliance from explicitly stating implied standards of care.

Farmers have invested approximately half a billion dollars throughout the last decade in upgrading cages to make them better for our hens. Under Option C poultry welfare benefits can be maintained with net compliance costs of \$709.72 million. This is estimated to be the least expensive option and feasible for industry.

VFF does not support Option D in the RIS which considers a ten year phase out of cages. This option is not only very costly with an estimation of \$1,531.89 million net compliance costs but also doesn't prove any extra welfare poultry benefits. A phase out of cages to accommodate a mandatory ban of cage systems is an unnecessary and exceptionally drastic measure. More so in particular after an industry investment upgrade of cage infrastructure, where well managed caged systems that have high levels of hen health and bio-security already meet national standards.

As outlined in the RIS on page 65 to phase out cages over a 10 or 20 year period may also lead to negative animal welfare outcomes. This includes a higher incidence of disease, cannibalism, predation risks and feather pecking. Other associated risks include weather, temperature, ventilation and biosecurity for the prevention of disease along with less reliable access to feed and water.

Serious consideration needs to be given to the impracticalities of banning cages and the enormous loss of production that would result. This in turn would significantly increase the

price of eggs, increasing the financial burden of industry change on government and consumers.

## Business Story

L.T's Egg Farm in Werribee South has been farming since the 1960s when all farms were free range. In response to the now defunct Australian Egg Board where all poultry were to be caged to improve the welfare of the birds, and making the eggs safer and more affordable to the consumer. As a result there are many generation egg farmers who use the caged system to farm. L.T.s Egg Farm has spent more than \$3 million upgrading their farm to meet all their legal obligations. They are still paying off the loan.

In practical terms what would the implementation of option D (phasing out cages) mean to L.T's Egg Farm? As a farm on the outer suburbs of Melbourne, there would be not enough room to convert to free range egg farming. To farm intensively, caged is the best way for them to farm. The business would simply need to close down – creating devastating financial impacts for both the family and the employees of the business.

## Recommendation

That Option C in the RIS is pursued and the draft Standard and Guideline be adopted in its current form.