



LEGISLATIVE COUNCIL

SELECT COMMITTEE ON THE USE OF BATTERY CAGES FOR HENS IN THE
EGG PRODUCTION INDUSTRY

Use of Battery Cages for Hens in the Egg Production Industry

October 2019



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Terms of reference

1. That a select committee be established to inquire into and report on the use of battery cages for hens in the egg production industry, and in particular:
 - (a) whether or not the use of battery cages to contain or accommodate hens in the egg production industry is:
 - (i) associated with poor animal welfare outcomes or is accompanied by poor animal welfare practices,
 - (ii) justified by any other consideration,
 - (iii) consistent with community standards and supported by the public,
 - (b) what legislative measures should be taken to:
 - (i) prevent poor animal welfare outcomes to hens in the egg production industry of New South Wales,
 - (ii) set appropriate minimum standards of accommodation for the accommodation and treatment of hens in the egg production industry,
 - (c) the impact of egg producing commercial operations that use battery cages, on:
 - (i) the environment,
 - (ii) health of workers,
 - (d) trends in relative consumer demand for egg and egg-containing products derived from commercial operations that use battery cages and commercial operations that do not,
 - (e) the protection of consumer interests, including the rights of consumers to be fully informed of the sources of eggs in egg-containing products,
 - (f) the economic and social effects on New South Wales of:
 - (i) banning, or not banning, the use of battery cages to contain or accommodate hens in the egg production industry,
 - (ii) legislating, or not legislating, to prevent poor animal welfare outcomes to hens in the egg production industry of New South Wales and/or to set appropriate minimum standards of accommodation for the accommodation and treatment of hens in the egg production industry,
 - (g) the advantages, disadvantages and issues of different egg farming production methods,
 - (h) what measures should be taken to assist businesses that may be adversely affected by any proposed changes to the law,
 - (i) what scientific literature says about the above matters, and

(j) any other related matter.

6. That the committee report by 31 October 2019.

The terms of reference were referred to the committee by the Legislative Council on Thursday, 6 June 2019.¹

¹ *Minutes*, NSW Legislative Council, Thursday, 6 June 2019, pp 198-201.

Committee details

Committee members

The Hon Emma Hurst MLC	Animal Justice Party	<i>Chair</i>
The Hon Courtney Houssos MLC	Australian Labor Party	<i>Deputy Chair</i>
The Hon Lou Amato MLC	Liberal Party	
Ms Abigail Boyd MLC	The Greens	
The Hon Ben Franklin MLC	The Nationals	
The Hon Rose Jackson MLC	Australian Labor Party	
The Hon Taylor Martin MLC	Liberal Party	
The Hon Mark Pearson MLC*	Animal Justice Party	
The Hon Rod Roberts MLC	Pauline Hanson's One Nation	

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*Mr Pearson was a participating member for the duration of the inquiry

Chair's foreword

This inquiry was established to examine whether the use of cages for hens in the egg production industry is associated with poor animal welfare outcomes, and if the use of cages is consistent with community expectations concerning animal welfare standards. It also examined whether there should be a phase out of cages within the industry.

It is important to note the high level of engagement with this inquiry by members of the community, the overwhelming majority of which expressed concern with the use of cages in egg production. The committee received over 14,000 submissions and responses to pro formas, most of which called for an end to caged egg production. The committee also received submissions from a wide range of stakeholders, along with numerous scientific studies and reports on hen welfare and issues within each egg production system.

After reviewing the evidence, the committee accepted that cages restrict a hen's ability to express their natural behaviours. There were, however, differing opinions among committee members as to whether there were poorer outcomes for hens when comparing a variety of factors across the different production systems. Ultimately, the committee agreed that all egg systems had welfare issues for hens, although it acknowledged that there is more limited scope for improving welfare outcomes for hens in cage systems.

In terms of potentially phasing out caged eggs, the committee was not convinced that the market is an appropriate regulator of animal welfare, despite the pressure placed on egg producers by the major supermarkets to move away from cage production methods. In principle, the committee supported a legislated phase out of conventional cages in egg production.

The committee was in full agreement in regards to the need for clear labelling of products that contain egg as an ingredient. The committee heard evidence that caged eggs were not labelled on packaged foods and that this as a consumer awareness issue. Consequently, the committee have recommended that the Minister for Innovation and Better Regulation advocate to the Consumer Affairs Forum for the development of a national information standard to ensure the egg production system used is clearly identifiable to consumers.

The inquiry also examined the use of furnished cages as a measure to improve welfare outcomes, given industry's preferred model for change. Discussions in this regard highlighted that industry and animal welfare organisations have two differing views on the minimum standards and critically, that there is a regulatory gap concerning furnished cages.

Personally, I am of the view that the scientific evidence and community views presented to this committee clearly demonstrated that action should be taken to phase out the use of all cages for hens in the egg production industry. I also hold deep concerns regarding the proposals put forward by industry regarding the use of cages into the future.

On behalf of the committee, I would like to thank all participants for their contribution to this important inquiry, including the large number of individuals who took the time to contribute. I also extend my thanks to my fellow committee members for their contributions, as well as to the committee secretariat and Hansard for their professional support during this inquiry.



Hon Emma Hurst MLC
Committee Chair

Recommendations

Recommendation 1

38

That the NSW Government establish an independent office of animal welfare, as a distinct authority, separate and independent from the NSW Department of Primary Industries, to be responsible for animal protection issues.

Recommendation 2

58

That the Minister for Agriculture and Western New South Wales establish a Working Party on the Transition of the Egg Production Industry to advise on the future of the egg production industry and engagement in the national Agriculture Minister's Forum (AGMIN) process, with the Working Party:

- to advise the Minister for Agriculture and Western New South Wales on the appropriate time-frames for the transition away from conventional cages and the industry assistance necessary to support that transition
- to include representatives of the Australian egg production industry, animal welfare groups, veterinarians and consumer advocates.

Recommendation 3

58

That the Working Party on the Transition of the Egg Production Industry establish a definition of a furnished cage, to be pursued through the national Agriculture Minister's Forum (AGMIN) process. The definition should include spatial allowance, stocking density, nest areas, perches and scratch pads.

Recommendation 4

59

That the Minister for Innovation and Better Regulation New South Wales advocate to the Consumer Affairs Forum and express the NSW Government's support for the development of a national information standard (in consultation with the Australian Competition and Consumer Commission and Food Standards Australia New Zealand) regarding the labelling of products containing eggs, to ensure that the egg-production system (e.g. cage, barn or free range) is clearly identifiable to consumers.

Recommendation 5

72

That the NSW Government undertake further consultation and evaluation to determine whether support, financial or other assistance (such as resources for training, research and development) is required to support producers during any future industry transition in the egg production industry.

Conduct of inquiry

The select committee was established on 6 June 2019 to inquire into and report on the use of battery cages for hens in the egg production industry.

The committee received a significantly high volume of submissions to the inquiry. In total, there were 3,149 submissions, 3,116 from individuals and 33 from organisations.

Of these, 513 submissions were published on the inquiry webpage. Due to the administration involved in processing and reviewing submissions, and the limited timeframe for the inquiry, 2,627 submissions were unable to be processed or published.

The committee also received 10,910 responses to three pro formas, based on pro forma campaigns arranged by the RSPCA Australia (8,539 responses), Animal Liberation (103 responses) and Humane Society International Australia (2,268 responses).

In addition to having two public hearings on 13 and 14 August 2019, the committee also visited a facility where hens were housed in cages to produce eggs.

Inquiry related documents are available on the committee's website, including submissions, hearing transcripts, tabled documents and answers to questions on notice.

Chapter 1 An overview of the egg production industry

This chapter provides background information relating to egg production in New South Wales. It starts by providing an overview of the industry, followed by an outline of the various egg production methods. The chapter also sets out the regulatory framework, particularly in terms of animal welfare, labelling and food safety.

A snapshot of the industry

- 1.1 New South Wales is Australia's largest egg producer,² with approximately 33 per cent of Australia's 21.8 million layer hens kept on farms in New South Wales.³
- 1.2 In 2017-2018, New South Wales produced 1.41 billion eggs,⁴ with a gross value of production of \$263.1 million.⁵ Nationally, this accounted for 34 per cent of total egg production⁶ and 32 per cent of the gross value of egg production.⁷
- 1.3 Currently, there are 310 egg businesses in New South Wales, including 146 commercial egg producers, as well as other egg businesses engaged in egg grading, packing and pulping.⁸
- 1.4 In New South Wales, businesses that produce more than 20 dozen, or 240 individual eggs, per week must be licensed with the NSW Food Authority.⁹ As at August 2019, there were 287 licensed egg production businesses, with 75 facilities engaged in production or crack detection of between 20 and 100 dozen eggs per week and 212 facilities engaged in production or crack detection of over 100 dozen eggs per week.¹⁰
- 1.5 There are also 476 small egg farms in New South Wales who produce fewer than 20 dozen eggs per week. These businesses do not require a licence but must notify the NSW Food Authority of their business details and their food activities.¹¹
- 1.6 Eggs are primarily differentiated in the market by their production method, with eggs produced in a variety of systems including cage, barn, free-range and specialty farming systems. Egg businesses are able to run more than one type of production system, and in some cases more than one system is in operation on the same farm.¹²

² Submission 419, NSW Department of Primary Industries, pp 3 and 11.

³ Submission 419, NSW Department of Primary Industries, p 3.

⁴ Submission 419, NSW Department of Primary Industries, p 4.

⁵ Submission 419, NSW Department of Primary Industries, pp 4 and 11.

⁶ Submission 404, NSW Farmers, p 8.

⁷ Submission 419, NSW Department of Primary Industries, pp 4 and 11.

⁸ Submission 419, NSW Department of Primary Industries, p 11.

⁹ Correspondence from NSW Food Authority to the committee, 16 September 2019, p 3.

¹⁰ Correspondence from NSW Food Authority to the committee, 16 September 2019, p 2.

¹¹ Correspondence from NSW Food Authority to the committee, 16 September 2019, p 2.

¹² Submission 419, NSW Department of Primary Industries, p 3.

- 1.7 The market for Australian eggs is predominately domestic. Approximately half of all eggs are 'purchased by consumers as whole shell eggs' in supermarkets and other retail outlets, with the other being sold directly to food manufacturers and food services, such as restaurants and cafes.¹³
- 1.8 In the retail market nationally in 2017-2018, while eggs from cage systems accounted for the largest volume of eggs produced, 'free-range eggs accounted for more than half of the national industry's value'.¹⁴
- 1.9 Over the last decade national demand from the retail market has shifted away from cage eggs towards free-range eggs, both in terms of consumer buying behaviour and commitments of major supermarkets and food manufacturing companies to phase out cage eggs. The shift in the market is discussed further in chapter 3.

Egg production methods

- 1.10 This section outlines the key features of the three main types of egg production systems - cage, barn and free range - although it is noted that in practice 'there is significant variation within each type of system, especially free-range systems'.¹⁵
- 1.11 The committee notes that there are also a range of specialty eggs, such as organic eggs, produced by the industry. Specialty eggs were not a specific focus of the inquiry.

Cage systems

- 1.12 The terms of reference for this inquiry focus on the use of 'battery cages' for hens in the egg production industry. The term 'battery cage' was originally coined by animal welfare groups, and is derived from the visual similarity between stacked rows of hen cages and the cells of a battery.¹⁶
- 1.13 Throughout the inquiry, participants used various terms to discuss different cage systems, including 'battery cages', 'conventional cages', 'colony cages', 'furnished cages' and 'pre-enriched cages'.¹⁷ Before discussing these, it is important to outline the general features of a cage system.
- 1.14 In cage systems 'hens are continuously housed in cages within a shed'.¹⁸ Modern automated systems include climate control, feeding, watering, ventilation, lighting, and manure and egg collection. Typically cage systems have several tiers with a belt between each level to remove and prevent manure from falling on the birds below.¹⁹

¹³ Submission 404, NSW Farmers, p 8.

¹⁴ Submission 419, NSW Department of Primary Industries, pp 4 and 10.

¹⁵ Submission 419, NSW Department of Primary Industries, p 3.

¹⁶ Evidence, Dr Jed Goodfellow, Senior Policy Officer, RSPCA, 14 August 2019, p 47.

¹⁷ See Answers to supplementary questions , RSPCA, p 4 and Answers to questions on notice, Egg Farmers of Australia and NSW Farmers, p 2.

¹⁸ Submission 404, NSW Farmers, p 8.

¹⁹ Submission 419, NSW Department of Primary Industries, p 4.

- 1.15** 'Conventional' or 'battery' cages house hens 'in groups of four to twenty, with each bird having a minimum space allowance that is prescribed in animal welfare regulations'.²⁰ Stocking density is prescribed in regulation, with the current minimum space allowance in New South Wales being 550 square centimetres per hen, as well as space to stand at a normal height.²¹ While the industry prefers the term 'conventional cages', welfare groups use the term 'battery cages' to describe this system.
- 1.16** Colony cages are larger than conventional cages containing 'a greater number of hens (up to 100), and may include a perch'.²²
- 1.17** Furnished cages differ from conventional cages in that there are 'enrichments such as perches, nesting boxes, scratch areas or dust bathing areas'.²³
- 1.18** Sometimes cages systems are described as 'pre-enriched', 'enriched' vs 'non-enriched' or 'furnished' vs 'non-furnished'.
- 1.19** This report generally refers to cage systems collectively (as opposed to non-cage systems), although it uses the terms conventional, colony or furnished when discussing a specific issue raised during the inquiry.

Barn systems

- 1.20** Another type of system is a barn system. In barns, hens are continuously housed indoors in a shed which may have one or more levels and may include simple barriers to subdivide colonies and aid in hen management.²⁴
- 1.21** Barn systems vary in their features, design and level of technology, but generally hens are not in cages, but rather inside a shed that may be equipped with furnishings such as nesting boxes and perches as well as systems for climate and environment control, flooring, egg collection, manure, water provision and feeding.²⁵
- 1.22** The number of birds inside a shed varies depending upon the size of the structure but may be up to 30,000 hens.²⁶

Free range systems

- 1.23** In free range systems, hens are not kept in cages. Instead, there is shed housing for hens 'with the additional ability to access an outdoor range area during daylight hours'.²⁷

²⁰ Submission 419, NSW Department of Primary Industries, p 4.

²¹ Submission 404, NSW Farmers, p 10.

²² Submission 419, NSW Department of Primary Industries, p 4.

²³ Submission 419, NSW Department of Primary Industries, p 4.

²⁴ Department of Economic Development, Jobs, Transport and Resources, Victoria, *Farmed Bird Welfare Science Review*, October 2017, p 23.

²⁵ Department of Economic Development, Jobs, Transport and Resources, Victoria, *Farmed Bird Welfare Science Review*, October 2017, p 23.

²⁶ Submission 419, NSW Department of Primary Industries, p 4.

- 1.24 Small free range systems may utilise mobile sheds with access to different range areas.²⁸ Larger systems may have a fixed shed with larger flocks and access to permanent ranges.²⁹

Animal welfare regulations

- 1.25 This section outlines the legal and regulatory framework for animal welfare which applies to the egg production industry. It then discusses two key initiatives – development of the *Australian Animal Welfare Standards and Guidelines for Poultry*, and the NSW *Animal Welfare Action Plan*.

The prevention of cruelty to animals

- 1.26 In New South Wales, welfare standards for animals, including livestock, are set out in the *Prevention of Cruelty to Animals Act 1979* (POCTA). The objectives of POCTA are to prevent cruelty to animals, and to promote the welfare of animals by requiring a person in charge of an animal to provide care for the animal, treat the animal in a humane manner, and ensure the welfare of the animal.³⁰

- 1.27 The provisions of POCTA allow for additional regulations and guidelines to be adopted, including for laying hens in the egg production industry.³¹

- 1.28 In 2005, following a national review process, the *Model Code of Practice for the Welfare of Animals: Domestic Poultry* was adopted in New South Wales under section 34A of POCTA.³² In 2007, 'specific requirements from the Code relating to confinement of hens for egg production' were mandated via the *Prevention of Cruelty to Animals (General) Amendment (Laying Fowl) Regulation 2007*, which amended the *Prevention of Cruelty to Animals (General) Regulation 2006*.³³

- 1.29 The *Model Code of Practice* seeks to 'help people involved in the care and management of poultry to adopt standards of husbandry that are acceptable' and includes guidance on housing design and standards, stocking density, management practices, housing conditions, animal health and protection, food and water, transport and slaughter.³⁴ While the full *Model Code of Practice* is not mandated (that is, it is not a law or regulation that can be legally enforced against an egg-producer if they fail to comply) it 'can be used as evidence in proceedings under the Act or Regulation'.³⁵

²⁷ Submission 419, NSW Department of Primary Industries, p 4.

²⁸ Submission 419, NSW Department of Primary Industries, p 4 and Department of Economic Development, Jobs, Transport and Resources, Victoria, *Farmed Bird Welfare Science Review*, October 2017, p 24.

²⁹ Submission 419, NSW Department of Primary Industries, p 4.

³⁰ Submission 419, NSW Department of Primary Industries, p 5.

³¹ *Prevention of Cruelty to Animals Act 1979*, s. 35 and s. 34a.

³² Submission 419, NSW Department of Primary Industries, p 5.

³³ Submission 419, NSW Department of Primary Industries, p 5.

³⁴ Primary Industries Standing Committee, *Model Code of Practice for the Welfare of Animals: Domestic Poultry 4th Edition*, 2002, p 1 <http://www.publish.csiro.au/ebook/download/pdf/3451> (accessed 3 September 2019).

³⁵ Submission 419, NSW Department of Primary Industries, p 5.

- 1.30** In 2012, the *Prevention of Cruelty to Animals (General) Regulation 2006* was replaced by the *Prevention of Cruelty to Animals Regulation 2012*. The *Prevention of Cruelty to Animals Regulation 2012* sets out requirements relating to access to food and water, stock density and housing infrastructure (such as cage floors and doors, accommodation heights, nests, and multi-deck or level arrangements). It also sets out transitional arrangements for pre-2001 cages.³⁶
- 1.31** These standards and guidelines apply to all egg producers in New South Wales, with RSPCA NSW, Animal Welfare League NSW and the NSW Police Force being enforcement agencies for the POCTA framework.³⁷

Australian Animal Welfare Standards and Guidelines for Poultry

- 1.32** In order to introduce nationally consistent and enforceable standards and guidelines the Animal Welfare Task Group was appointed to develop the *Australian Animal Welfare Standards and Guidelines for Poultry* (referred to as the *Standards and Guidelines* throughout this report).³⁸
- 1.33** The new *Standards and Guidelines* are being developed by all Australian Governments, in consultation with industry, animal welfare groups, other stakeholders and the general public, and seek to reflect 'current scientific knowledge, recommended industry practice and community expectations'.³⁹
- 1.34** The Victorian Department of Economic Development, Jobs, Transport and Resources commissioned the *Farmed Bird Welfare Science Review*, an independent peer-reviewed report which 'examines contemporary scientific evidence on the care, management and slaughter practices used in the farming of poultry', including layer hens.⁴⁰
- 1.35** Draft *Standards and Guidelines* and an associated *Regulatory Impact Statement* was published by the Animal Welfare Task Group in 2017 and comment was sought from stakeholders and the community by way of submissions.⁴¹
- 1.36** The draft *Standards and Guidelines* consist of Part A which outlines general standards and guidelines for all poultry species, and Part B which outlines specific standards for each species, including specific standards and guidelines for laying chickens.⁴²

³⁶ *Prevention of Cruelty to Animals Regulation 2012, Part 2 Confinement of fowl for egg production.*

³⁷ Submission 419, NSW Department of Primary Industries, p 5.

³⁸ Submission 419, NSW Department of Primary Industries, p 6.

³⁹ Submission 419, NSW Department of Primary Industries, p 5.

⁴⁰ Agriculture Victoria, *Farmed Bird Welfare Science Review*, <http://agriculture.vic.gov.au/agriculture/animal-health-and-welfare/animal-welfare/farmed-bird-welfare-science-review> (accessed 2 October 2019).

⁴¹ Australian Animal Welfare Standards and Guidelines, *Poultry Public Consultation*, <http://www.animalwelfarestandards.net.au/poultry/poultry-public-consultation/> (accessed 2 October 2019).

⁴² Submission 419, NSW Department of Primary Industries, p 6.

- 1.37 Part A of the *Standards and Guidelines* contains proposed regulations and recommendations for a range of aspects of all poultry industries including:
- responsibilities
 - feed and water
 - risk management of extreme weather, natural disasters, disease, injury
 - facilities and equipment
 - management of outdoor systems
 - lighting
 - temperature and ventilation
 - litter management
 - handling and husbandry
 - humane killing
 - poultry at slaughter houses.⁴³
- 1.38 Part B1 of the *Standards and Guidelines* propose specific regulations to minimise risks to the welfare of laying chickens including excreta management, standards for cages including height, standards for the design of usable areas on one or more levels, lighting, and stocking densities.⁴⁴
- 1.39 Additionally, Part B1 of the *Standards and Guidelines* provide guideline recommendations for laying chickens which include cage design, lighting, litter, nest boxes, perches, veranda, outdoor area and colony cages.⁴⁵
- 1.40 NSW Department of Primary Industries advised that the standards will 'outline clear minimum requirements for people responsible for the care and management of poultry welfare that will be used for developing consistent legislation and enforcement across Australia'. By contrast, while the guidelines are recommended practices which should be considered and incorporated by industry in order 'to achieve desirable animal welfare outcomes', they are not intended to be mandated.⁴⁶
- 1.41 Although the development of the *Standards and Guidelines* is a national process, they will only become legally enforceable if and when each state and territory chooses to adopt the final *Standards and Guidelines* through legislation or regulation. This process of adopting the *Standards and Guidelines* may vary between states, as discussed further in chapter 3.

⁴³ Animal Health Australia, *Proposed draft Australian Animal Welfare Standards and Guidelines for Poultry - Version: Public Consultation*, November 2017, pp 3-5.

⁴⁴ Animal Health Australia, *Proposed draft Australian Animal Welfare Standards and Guidelines for Poultry - Version: Public Consultation*, November 2017, p 39.

⁴⁵ Animal Health Australia, *Proposed draft Australian Animal Welfare Standards and Guidelines for Poultry - Version: Public Consultation*, November 2017, pp 39-40.

⁴⁶ Submission 419, NSW Department of Primary Industries, p 7.

- 1.42** In addition to seeking public comments on the *Standards and Guidelines*, the Animal Welfare Task Group also sought feedback on a range of options relating to both the adoption of the *Standards and Guidelines* and certain poultry farming practices which were published in the accompanying *Regulatory Impact Statement*.⁴⁷
- 1.43** Options A to C in the *Regulatory Impact Statement* provided alternatives relating to the potential status of the *Standards and Guidelines*, and Options D to G discussed possible variations to farming practices, including an option to phase out conventional cages. These were the options outlined:
- Option A: Maintain the status quo (i.e. the base case, or the way things currently are)
 - Option B: convert the proposed national standards into national voluntary guidelines (the minimum intervention option)
 - Option C: adopt the proposed standards as currently drafted
 - Variations of Option C:
 - Option D – vary the proposed standards to phase out conventional cages for chicken layers over 10 or 20 years in favour of alternative systems such as free range/barn/aviary or furnished cages (with nests, perches, additional space and room to scratch/forage)
 - Option E – vary the proposed standards to reduce maximum stocking densities in barns or sheds for non-cage layer hens to 9 birds per m² and meat chickens 30kg/m²
 - Option F – vary the proposed standards to require the availability of nests, perches and litter for all chicken layers in cage and non-cage systems
 - Option G – vary the proposed standards to ban castration, pinioning and devoicing, and hot blade beak trimming at hatcheries and routine second beak trimming unless exceptional circumstances.⁴⁸
- 1.44** It is expected that the *Standards and Guidelines* will be finalised and provided to the Agricultural Ministers' Forum for consideration soon, after which each state and territory will make decisions on the implementation of the standards in legislation.⁴⁹

NSW Animal Welfare Action Plan

- 1.45** In May 2018, the NSW Government introduced the NSW Animal Welfare Action Plan.⁵⁰ The plan seeks to 'deliver an animal welfare system that is focused on outcomes and reflects evolving animal welfare science and community expectations' by working on six key goals over the next four years:
- Modernise the policy and legislative framework

⁴⁷ Animal Health Australia, *Guide to the Regulatory Impact Statement on the Proposed draft Australian Animal Welfare Standards and Guidelines – Poultry*, November 2017, p 3.

⁴⁸ Animal Health Australia, *Guide to the Regulatory Impact Statement on the Proposed draft Australian Animal Welfare Standards and Guidelines – Poultry*, November 2017, pp 3-4.

⁴⁹ Submission 419, NSW Department of Primary Industries, p 7.

⁵⁰ Submission 419, NSW Department of Primary Industries, p 5.

- Implement companion animal breeding practices reforms
- Improve the effectiveness of compliance and enforcement efforts
- Ensure sound research and scientific practices are used to develop policy and legislation
- Engage with key stakeholders and ensure all views are respected and considered in developing policy and legislation
- Invest in our systems and processes.⁵¹

1.46 The NSW Animal Welfare Action Plan is intended to drive the reform of New South Wales' animal welfare legislative framework. This includes a review of all pieces of legislation in New South Wales that deal with animal welfare, to include an increased focus on promoting welfare as well as preventing cruelty. This is a stated priority for the Minister for Agriculture and Western New South Wales.

Animal welfare frameworks

1.47 Throughout this inquiry, stakeholders referred to various frameworks used to assess animal welfare. This section briefly describes these frameworks.

1.48 The *Proposed Australian Animal Welfare Standards and Guidelines: Poultry - Consultation Regulatory Impact Statement* discusses three frameworks which may be used for considering animal welfare, focusing on:

- biological functioning and the ability of an animal to adapt to their environment
- the affective or emotional state of an animal in an environment
- the extent to which an animal experiences natural living and can express their normal patterns of behaviour.⁵²

1.49 The *Farmed Bird Welfare Science Review* further emphasises that animal welfare is influenced by a range of factors which need to be considered together in order to gain a 'holistic picture of overall welfare'. Positive and negative experiences should be considered, as should the time and intensity of animal welfare challenges.⁵³

1.50 Other animal welfare frameworks which stakeholders highlighted included the 'Five Freedoms' and 'Five Domains'. The Five Freedoms is a highly influential model of assessing animal welfare which was developed in the United Kingdom in 1979, and focuses on the following factors:

- freedom from hunger and thirst – by ready access to fresh water and a diet to maintain full health and vigour.

⁵¹ NSW Department of Primary Industries, *Animal Welfare Action Plan*, p 1, https://www.dpi.nsw.gov.au/__data/assets/pdf_file/0003/815322/animal-welfare-action-plan.pdf (accessed 3 September 2019).

⁵² Submission 392, Australian Eggs, Attachment J, p 9.

⁵³ Department of Economic Development, Jobs, Transport and Resources, Victoria, *Farmed Bird Welfare Science Review*, October 2017, p 18.

- freedom from discomfort – by providing an appropriate environment including shelter and a comfortable resting area.
- freedom from pain, injury or disease – by prevention or rapid diagnosis and treatment.
- freedom from fear and distress – by ensuring conditions and treatment which avoid mental suffering.
- freedom to express normal behaviour – by providing sufficient space, proper facilities and company of the animal's own kind.⁵⁴

- 1.51** By contrast, the 'Five Domains' is a newer framework that first emerged in 1994. It incorporates physical considerations, such as nutrition, environment, health, behavior, as well as mental state or 'affective experiences' of the animal. This focus on the mental wellbeing of the animal reflects a 'shift in welfare science' which has 'led to the understanding that good animal welfare cannot be achieved without the experience of positive affective states', not just avoiding negative affective states like disease, hunger and thirst.⁵⁵ The Five Domains model also highlights the ability of an animal to perform natural behaviours is 'essential for positive affective states'.⁵⁶
- 1.52** Application of these frameworks, as tools to assess welfare outcomes for layer hens in cages, is discussed in the next chapter.

Food safety and labelling regulations

- 1.53** Egg producers must comply with a number of regulations that govern food safety and product labelling. This section outlines these frameworks.

Food safety

- 1.54** The *Food Act 2003*, the *Food Regulation 2015* and the *Food Standards Code* impose legal obligations and standards on egg producers and other egg business in New South Wales in relation to safe food production and handling.⁵⁷
- 1.55** The *Food Act 2003* aims to ensure the safety and suitability of foods for human consumption, prevent misleading conduct during the sale of food and ensure compliance with the *Australia New Zealand Food Standards Code* in New South Wales.⁵⁸
- 1.56** Part 13 of the *Food Regulation 2015* provides for the Egg Food Safety Scheme which regulates the production, handling and sale of eggs and other egg products, as well as providing for egg sampling and analysis, record keeping, and licensing arrangements.⁵⁹

⁵⁴ RSPCA Australia, *The welfare of layer hens in cage and cage-free housing systems*, August 2016, p 15.

⁵⁵ RSPCA Australia, *The welfare of layer hens in cage and cage-free housing systems*, August 2016, p 16.

⁵⁶ RSPCA Australia, *The welfare of layer hens in cage and cage-free housing systems*, August 2016, p 16.

⁵⁷ Submission 419, NSW Department of Primary Industries, p 5.

⁵⁸ *Food Act 2003, Part 1*.

⁵⁹ *Food Regulation 2015, Part 13*.

- 1.57 The *Food Standards Code* was developed by Food Standards Australia New Zealand and sets standards for food safety and primary production.⁶⁰ The *Primary Production and Processing Standard for Eggs and Egg Product* is a key standard for the egg industry and includes a wide range of provisions relating to food safety management, biosecurity, bird health, worker skills and knowledge, and egg processing and sale.⁶¹
- 1.58 The NSW Food Authority undertakes audits and inspections of egg businesses for compliance with food safety standards, using a 'risk based compliance model'.⁶²
- 1.59 The key aspects of the food safety compliance model used in New South Wales include:
- requirements on egg business who produce more than 20 dozen eggs (240 eggs) per week to be licensed and 'implement a documented food safety management program'
 - audits and inspections of licensed egg businesses undertaken by the NSW Food Authority
 - audits focusing on 'food safety systems and record keeping'
 - inspections to check 'production facilities with regard to things like hygiene and pest control'
 - small egg producers of less than 20 dozen eggs (240 eggs) per week are not subject to routine audits or inspections but 'may be inspected in response to an incident or complaint'.⁶³
- 1.60 NSW Food Authority Inspectors can alert an enforcement agency for POCTA should they notice 'a potential animal welfare concern during a food safety audit or inspection'.⁶⁴

Product labelling

- 1.61 The *Australian Consumer Law* and a *National Information Standard* set requirements for packaging and promotional material in the advertising or selling of eggs.⁶⁵
- 1.62 The *Australian Consumer Law* obligates egg producers to ensure any 'claims they make when advertising or selling their eggs are accurate and truthful', and prohibits 'false, misleading or deceptive conduct', including in the words and pictures used on egg packaging and in promotional material.⁶⁶

⁶⁰ Food Standards Australia New Zealand (FSANZ), *About FSANZ*, <http://www.foodstandards.gov.au/about/Pages/default.aspx> (accessed 3 September 2019).

⁶¹ Food Standards Australia New Zealand (FSANZ), *Food Standards Code*, <http://www.foodstandards.gov.au/about/Pages/default.aspx> (accessed 3 September 2019).

⁶² Submission 419, NSW Department of Primary Industries, p 5 and Correspondence from NSW Food Authority to the committee, 16 September 2019, pp 1 - 2.

⁶³ Correspondence from NSW Food Authority to the committee, 16 September 2019, pp 1-2.

⁶⁴ Answers to questions on notice, NSW Department of Primary Industries, p 2.

⁶⁵ Submission 419, NSW Department of Primary Industries, p 5.

⁶⁶ Australian Competition and Consumer Commission, *A guide for egg producers*, October 2018, pp 1 and 3, https://www.accc.gov.au/system/files/1484_Guide%20for%20egg%20producers_FA.pdf (accessed 3 September 2019).

- 1.63** The *National Information Standard* was introduced in 2018, following a series of high-profile cases brought by the Australian Competition and Consumer Commission which found that egg producers had made misleading or deceptive claims in the labelling of their eggs.⁶⁷ The *National Information Standard* defines the circumstances in which eggs can be labelled 'free-range'. It also includes requirements for the disclosure of stocking density on both packaged and unpackaged eggs.⁶⁸
- 1.64** Under the *Standard*, egg producers may only use the words 'free range' where the eggs (whether packaged or unpackaged) were laid by hens that:
- had meaningful and regular access to an outdoor range during the daylight hours of the laying cycle
 - were able to roam and forage on the outdoor range, and
 - were subject to a stocking density of 10,000 hens or less per hectare.⁶⁹
- 1.65** Further, if the words 'free range' are used on the packaging of eggs, the packaging must prominently state the stocking density. In relation to unpackaged eggs, businesses must prominently display a sign containing the words 'free range', which also states the stocking density.⁷⁰
- 1.66** However, the *National Information Standard* does not apply where eggs are used as an ingredient in a manufactured food product. There are currently no obligations on food manufacturers to identify whether the eggs they use are 'cage', 'barn' or 'free range'. This will be discussed further in chapter 3.

⁶⁷ Submission 439, Animal Defenders Office, pp 9-10.

⁶⁸ Submission 419, NSW Department of Primary Industries, p 5.

⁶⁹ Australian Competition and Consumer Commission, *A guide for egg producers*, October 2018, p 1 https://www.accc.gov.au/system/files/1484_Guide%20for%20egg%20producers_FA.pdf (accessed 3 September 2019).

⁷⁰ Australian Competition and Consumer Commission, *A guide for egg producers*, October 2018, p 1 https://www.accc.gov.au/system/files/1484_Guide%20for%20egg%20producers_FA.pdf (accessed 3 September 2019).

Chapter 2 The welfare of layer hens

This chapter focuses on the health and welfare of hens kept in cages in the egg production industry. It examines community views on the use of cages before focusing primarily on two key welfare issues - the need for hens to express certain behaviours, and disease and mortality. The chapter then discusses whether welfare outcomes can be improved for hens in cages or whether there is a 'welfare ceiling'⁷¹. It also discusses the importance of good management in promoting positive animal welfare practices and outcomes.

Finally, the chapter will briefly explore concerns related to compliance and enforcement with the regulatory regime for food safety and animal cruelty.

Community views on the use of cages

- 2.1** From the outset, it is important to note the high level of interest from individual community members in this inquiry. The committee received 3,116 submissions from individuals, the overwhelming majority of whom raised animal welfare concerns in relation to the use of cages for hens in the egg industry.⁷²
- 2.2** In addition to a high volume of written submissions, the committee received 10,910 responses to three proformas:
- 8,539 responses to a pro forma campaign arranged by the RSPCA Australia, calling for battery cages in the egg industry to be phased out due to animal welfare concerns⁷³
 - 103 responses to a pro forma campaign arranged by Animal Liberation, opposing the use of battery cages in the egg industry on the basis of animal welfare concerns⁷⁴
 - 2,268 responses to a pro forma campaign arranged by Humane Society International Australia, supporting a ban on the use of battery cages in the egg production industry on the basis that cages prevent hens from carrying out their natural behaviours.⁷⁵
- 2.3** Most individual participants in this inquiry called for the end of cage egg production, largely on the basis of animal welfare concerns. While specific proposals regarding the use of cages by the egg industry are discussed in the next chapter, some of the comments made by individual community members are documented in the box below.

⁷¹ For use of the term 'welfare ceiling' see Evidence, Dr Rosemary Elliott, President, Sentient, 14 August 2019, p 10.

⁷² Of the submissions received, 489 are acknowledged on the committee webpage and a further 2,627 could not be published within the limited timeframe of the inquiry. The committee notes that the views expressed in the unpublished submissions are similar to those contained in the submissions from individuals which were published.

⁷³ Pro forma A, RSPCA Australia

⁷⁴ Pro forma B, Animal Liberation

⁷⁵ Pro forma C, Humane Society International Australia

Community concerns regarding the use of cage

'Keeping hens in battery cages is unconscionable...These are sentient, smart, curious animals and keeping them in battery cages is torture'⁷⁶

'I am very concerned about chickens that are kept in cages...they are confined to cages, never see the sunlight, can never scratch and roam like chickens can and basically have a life of misery'⁷⁷

'Chickens need real daylight and real space to spread their wings. Chickens are social beings and deserve their right to be free'⁷⁸

'All animals deserve their right to live, and live well – without fear, without being exploited...'⁷⁹

'Our society is ethically and technologically advanced enough to ensure that the treatment of farm and farmed animals is of a standard that ensures the animals are treated humanely and do not suffer throughout the farming process'⁸⁰

"The greatness of a nation and its moral progress can be judged by the way its animals are treated."—Mahatma Gandhi. Please advocate on behalf of all hens and end this cruel farming method right now⁸¹

'As a first world country, as Australians, as individuals with empathy - we know we can do better. We must do better. Cheap eggs isn't an excuse for the wilful harm that awaits caged hens'⁸²

"The Australian people care about where their food comes from and how it is brought to their table"⁸³

'I have kept hens in the past. They are foragers that live in a flock. They cleanse themselves with dust baths. Being locked in cages robs them of the right to be animals they were born to be. They are slaves to a cruel industry'⁸⁴

"There should not be a major discrepancy between animal cruelty legislation for domestic pets [and] farm animals. It makes no sense in modern Australia that inflicting undue suffering on a pet carries a jail sentence, while doing so to a farm animal is endorsed by government"⁸⁵

'Larger cages are still cages. Enriched cages [are] still cages. No cage should be acceptable for any living being'⁸⁶

'Hens should not be cruelly confined in battery cages. They are living beasts like you and me. They have feelings, they feel pain, loneliness, heat and cold. It's inhumane and in this day and age there is no need for it... There are other alternatives'⁸⁷

⁷⁶ Submission 8, Ms Katrina Fox, p 1.

⁷⁷ Submission 40, Miss Nicole Luhrs, p 1.

⁷⁸ Submission 76, Name suppressed, p 1.

⁷⁹ Submission 104, Ms Charlotte Lim, p 1.

⁸⁰ Submission 136, Mr Matthew Leigh-Jones, p 1.

⁸¹ Submission 160, Ms Laura Bowden, p 1.

⁸² Submission 204, Name suppressed, p 1.

⁸³ Submission 218, Ms Marilyn Mills, p 1.

⁸⁴ Submission 259, Mr Justin Morgan, p 1.

⁸⁵ Submission 342, Ms Suzanne Jeremy, p 1.

⁸⁶ Submission 358, Mr Bryan McGrath, p 1.

⁸⁷ Submission 417, Mrs Leanne South, p 1.

2.4 Some submissions noted animal welfare concerns in other types of production methods, which led them to support the continued use of cages for egg production. Comments made by individuals included:

- 'I am against the banning of cages as having farmed free range poultry I understand the problems with bird welfare in free range. These include diseased birds and the high use of antibiotics, worms and trick treatments and protection from wild bird population'⁸⁸
- 'I...oppose the banning of caged egg production. There are multiple reasons why I believe this – from cost, biosecurity and the impact on Australian families....I strongly oppose banning cages, animal welfare is the top most priority for all farmers. If their animals were in distress they would not produce'.⁸⁹

The shift in community values and expectations

2.5 The welfare of hens in the egg production industry is an important community issue. In recent years public and consumer awareness of, and concern about, animal welfare issues has increased, with hen welfare in the egg production industry being the focus of much of the debate.⁹⁰

2.6 Dr Bidda Jones, Acting Chief Executive Officer and Chief Science and Strategy Officer, RSPCA, drew the committees attention to recent research regarding the level of concern the community has with regard to animal welfare, highlighting that cage egg production was of specific and significant concern for the community:

We have had recent research commissioned by the Federal Department of Agriculture, Australia's Shifting Mindset on Farm Animal Welfare and it shows quite alarming findings relating to community's growing concern around farm animal welfare issues. 95 per cent of the community were reported as having a concern about farm animal welfare. 91 per cent indicated that they wanted to see some reform to address the issues they were concerned about. Indeed, in that report, battery cages in particular were singled out as one of the systems that caused a significant degree of concern!⁹¹

2.7 Animal welfare groups argued that the majority of the community do not support cage egg production, given concerns about hens being confined to cages. Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc, suggested that the community want to see laws reflect this sentiment:

...the community believes that kindness and compassion is something they would like to see reflected by their representatives—that is, the Parliament putting in laws to actually put in place what the community now feels. We have seen over and over again

⁸⁸ Submission 453, Name suppressed, p 1.

⁸⁹ Submission 456, Name suppressed, p 1.

⁹⁰ Submission 440, RSPCA, p 7.

⁹¹ Evidence, Dr Bidda Jones, Acting Chief Executive Officer and Chief Science and Strategy Officer, RSPCA, 14 August 2019, p 42.

the polls indicating that over 80 per cent of the community believes that keeping hens in wire cages is not something that can be supported.⁹²

- 2.8 The RSPCA drew the committee's attention to the high level of community engagement with the inquiry, as well as through the public consultation process for the national *Standards and Guidelines*. It suggested that the high volume of submissions to both of these processes illustrates the scale of community sentiment on animal welfare issues.⁹³
- 2.9 The RSPCA also highlighted a 2017 survey which highlighted that '84% of the Australian public are concerned about the welfare of hens in conventional cages, and that 8 in 10 want to see battery cages phased out'.⁹⁴
- 2.10 Inquiry participants informed the committee that the hen welfare concerns held by Australians were shared in other jurisdictions. The NSW Young Lawyers Animal Welfare Committee noted that internationally a number of jurisdictions have taken action to restrict or ban cage egg production including in the European Union, Switzerland, New Zealand, Canada and some states in the United States including California, Michigan, Ohio, Rhode Island, Washington, Oregon, and Massachusetts.⁹⁵
- 2.11 Industry representatives advised the committee that they are conscious of community concerns regarding hen welfare and were endeavouring to be responsive to community expectations.⁹⁶ The committee heard that the *Australian Eggs Industry Sustainability Framework* is an industry initiative which seeks to better understand public views and engage with the community, so that eggs are produced in a 'socially, environmentally, and economically responsible' manner.⁹⁷
- 2.12 Egg Farmers of Australia and NSW Farmers explained that under this framework, a three year research program was commissioned with the CSIRO, commencing in 2018 to examine the relationship between the egg industry and the Australian community. The program involved a community survey which focuses 'on the impacts and contributions of the egg industry across areas such as the environment, animal welfare, food security, and livelihoods'.⁹⁸
- 2.13 The CSIRO *Australian Egg Industry Community Research – 2018 Report* found that the 'egg farming system (e.g. cage, free range, barn, organic) was ranked number one' in terms of issues that are important to consumers when purchasing eggs.⁹⁹ Market trends are discussed further in chapter 3.

⁹² Evidence, Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc, 13 August 2019, p 35.

⁹³ Submission 440, RSPCA, p 2.

⁹⁴ Submission 440, RSPCA, p 7.

⁹⁵ See Submission 412, NSW Young Lawyers Animal Welfare Committee, p 6 and Submission 440, RSPCA, p 2.

⁹⁶ Submission 408, Egg Farmers of Australia, p 2 and Submission 404, NSW Farmers, p 12.

⁹⁷ Submission 392, Australian Eggs, Attachment F3, p 5.

⁹⁸ Answers to supplementary questions, Egg Farmers of Australia and NSW Farmers, 15 September 2019, p 4

⁹⁹ Submission 392, Australian Eggs, Attachment F1, p 12.

- 2.14** Egg Farmers of Australia told the committee that the 'key findings of the research made it clear that Australians have a positive image of the industry and understand that eggs are an affordable, nutritious staple in diets and that the industry creates jobs'. It also noted that 'participants were keen to ensure that hen welfare is important'.¹⁰⁰
- 2.15** The RSPCA suggested there was a disconnect between government and industry responsiveness to public concerns about animal welfare. Citing research by Futureye (2018) it said that there is a 'perceived lack of responsiveness by industry and government to the concerns of the public, who also believe that government and industry actions are insufficient to ensure good animal welfare standards'. It further stated:

The current regulatory environment has the potential to provoke significant public outrage if it is unable to effectively regulate farm animal welfare issues. A potential consequence of this is a loss of confidence in the government's ability to protect animal welfare, and may result in increased pressure on producers and industries. Quantitative research shows that the public has high concern for the welfare of egg-producing hens in particular (Futureye, 2018).

- 2.16** Arguing that industry cannot maintain its social licence if animal welfare concerns are not addressed, the RSPCA said:

Since surveys have found that the vast majority of Australians are concerned about farm animal welfare, governments, industry, and food companies need to ensure that their policies encompass good animal welfare in order to maintain social licence. The use of conventional cages to house layer hens is not a sustainable housing system and will not be accepted by the public going forward.¹⁰¹

- 2.17** Egg Farmers of Australia and NSW Farmers had a different view, stating that continued demand for caged eggs and the results of the CSIRO research demonstrates that a 'social license exists for egg production'.¹⁰²

- 2.18** At the same time, some animal welfare groups argued that consumers are currently making uninformed purchases due to insufficient labelling of cage eggs in manufactured food products and restaurants, an issue which is discussed further in chapter 3.

- 2.19** During the inquiry, evidence was presented by a member of the committee which criticised an animal welfare group for using imagery that misrepresents the current standards in Australia. Animals Australia Inc was questioned on using a cropped photograph of a commercial egg farm from the USA, to encourage people to sign a petition calling for the end of 'battery cages' in Australia.¹⁰³ As of 21 October 2019, the image was continuing to be used by Animals Australia Inc.¹⁰⁴

¹⁰⁰ Submission 408, Egg Farmers of Australia, p 2.

¹⁰¹ Submission 440, RSPCA, p 8. See also Answers to supplementary questions , RSPCA, 17 September 2019, p 9.

¹⁰² Answers to supplementary questions , Egg Farmers of Australia and NSW Farmers, 15 September 2019, p 4.

¹⁰³ See Evidence, the Hon Taylor Martin MLC and Ms Oogjes, 13 August 2019, p 37.

¹⁰⁴ Animals Australia Inc, *Will you free her?*, https://secure.animalsaustralia.org/take_action/battery-cage/(accessed 21 October 2019).

- 2.20** Ms Oogjes, responded to this issue by stating: 'Look, if as you say it is from a different place I regret that. However, I do not resile from the fact that the condition for the hens will not be any different'. Further, in response to questions regarding Animal Australia Inc's ability to obtain an Australian photo, Ms Oogjes advised 'I would not be able to'.¹⁰⁵

Assessing animal welfare outcomes

- 2.21** As outlined in chapter 1 there are a number of frameworks that can be used to assess animal welfare. Some frameworks focus on the biological functioning and ability of an animal to adapt to their environment or the affective or emotional state of an animal in an environment. Others focus on the extent to which an animal experiences natural living and can express its normal behaviors. The types of frameworks are outlined in paragraph 1.47.
- 2.22** This section will explore stakeholders views about how these frameworks should be applied to the assessment of the welfare of hens in the egg production industry. This is relevant as it can influence policy decisions in relation to egg production in both cage and non-cage systems.
- 2.23** For Australian Eggs, welfare outcomes for layer hens should be assessed through a combination of the biological and affective state welfare frameworks, arguing that 'where emphasis is given to only one framework we can arrive at totally opposite conclusions' regarding animal welfare in the egg production industry.¹⁰⁶
- 2.24** Australian Eggs did not support a focus on the natural living framework or the ability of the animal to express 'natural behaviours'. It said that this type of framework is not overly helpful for domesticated animals managed in agricultural animal husbandry systems, and that instead of measuring 'natural behaviours' there is now more of a focus on measuring 'highly motivated behaviours'.¹⁰⁷
- 2.25** Dr Rosemary Elliott, President, Sentient, stated that 'contemporary understanding of animal welfare extends beyond biological functioning to consider the interests and experience of the animals themselves' and critically questions 'whether the way we keep animals allows them to enjoy positive mental states and a life worth living'.¹⁰⁸
- 2.26** In this regard, Dr Elliott referred the committee to the Five Domains model and emphasised how mental state is the overriding consideration for assessing animal welfare:

Animal welfare assessments really are now based on what we call the five domains model ... With this model, we look at the functional and biological domains. We will look at the animals' nutrition, their environment; we will also look at their health in terms of their injury, pain, disease and we look at their behaviour. All of those things are essential. But the overriding assessment of welfare is based on mental state.¹⁰⁹

¹⁰⁵ Evidence, Ms Oogjes, 13 August 2019, p 37.

¹⁰⁶ Submission 392, Australian Eggs, Attachment C, p 4.

¹⁰⁷ Submission 392, Australian Eggs, Attachment A, pp 5-6.

¹⁰⁸ Evidence, Dr Rosemary Elliott, President, Sentient, 14 August 2019, p 7.

¹⁰⁹ Evidence, Dr Elliott, 14 August 2019, p 10.

- 2.27** The committee heard that some stakeholder groups, even those who may be more well informed about the various egg production methods, were at times unable to reach consensus regarding aspects of hen welfare, including whether cage egg production should continue.
- 2.28** For example, the Australasian Veterinary Poultry Association acknowledged that in considering each of the production systems their members were divided over the use of cage, informing the committee that their members 'have well informed yet divergent views as to whether hens should continue to be housed in cages'. Explaining that for some members the 'level and duration of behavior restriction for hens housed in conventional cages cannot be justified... For others the known advantages ... principally improved mortality and superior disease control, justifies their continued use at the present time'.¹¹⁰
- 2.29** In this context, the Australasian Veterinary Poultry Association suggested that 'no single housing system is ideal from a hen welfare perspective'.¹¹¹ Further, it noted that there:
- ...have been a number of scientific reviews as well as primary research conducted in order to evaluate the welfare outcomes for hens across different housing systems. The research is in many cases conflicting and is not easily resolved.¹¹²
- 2.30** Dr George Arzey, a poultry veterinarian, remarked that choosing between imperfect systems, and balancing high levels of disease and mortality against severe spatial restriction, was 'a conundrum' for some people:
- Solely from an animal welfare perspective, the higher disease incidence and mortality in non-cage systems may present a conundrum to some and ultimately with a choice of preferring a system that severely restricts the movements and the natural behavioural repertoire of sentient animals or systems that mitigate these deficiencies but currently result in higher mortality and disease incidence.¹¹³

Key welfare issues in egg production

- 2.31** The welfare of layer hens while confined to cages for the purpose of egg production was a critical animal welfare issue examined in the inquiry. Generally, all stakeholders recognised that cage egg production restricts the ability of hens to express a range of behaviours, and that 'no single housing system is ideal from a hen welfare perspective'.¹¹⁴ However, inquiry participants from the egg industry and animal welfare groups were divided as to whether cage systems are associated with poorer animal welfare outcomes overall when compared with barn and free-range systems.

¹¹⁰ Submission 413, Australasian Veterinary Poultry Association, p 3.

¹¹¹ Submission 413, Australasian Veterinary Poultry Association, p 10.

¹¹² Submission 413, Australasian Veterinary Poultry Association, p 9.

¹¹³ Submission 398, Dr George Arzey, p 17.

¹¹⁴ Submission 413, Australasian Veterinary Poultry Association, p 10.

- 2.32 The committee heard of a wide range of advantages and disadvantages for each type of production system covering aspects of animal health, behaviour and mortality, biosecurity, work health and safety, environmental impacts, and productivity.¹¹⁵
- 2.33 In broad terms, NSW Farmers explained that a cage system 'protects hens from adverse welfare outcomes such as pecking, disease and predators but 'reduce[s] a hen's ability to express innate behaviors'.¹¹⁶ Additionally, the Australasian Veterinary Poultry Association explained while barn and free-range systems increase opportunities for hens to express behavior, these systems are more complex, introducing 'difficulties in terms of disease and pest control' and 'can create opportunities for hens to express behaviors that may be detrimental to their welfare'.¹¹⁷
- 2.34 By contrast, Sentient and the RSPCA highlighted that there is a 'welfare ceiling' in respect of hens kept in cages beyond which their welfare cannot be improved, while in other systems (such as barns and free range), there is capacity to improve hen welfare through further research and good management practices. This issue of a 'welfare ceiling' is discussed further at paragraph 2.112.¹¹⁸
- 2.35 Before discussing the key welfare concerns related to hen confinement and disease and mortality, it is worth noting that there is diversity of practice within each production method which impacts on animal welfare outcomes. In fact, the the Australasian Veterinary Poultry Association noted there is great diversity in production methods within both cage and non-cage systems which can vary the generalised advantages and disadvantages afforded to each system.¹¹⁹
- 2.36 The sections below will focus on discussion of two key aspects of hen health and welfare—confinement and the resulting behavioural restriction of hens, as well as incidence of disease and mortality—across the range of egg production systems. The importance of good management is also discussed in this section.

Hen confinement

- 2.37 Confinement in cages restricts a hens ability to express natural behaviours, such as nesting, perching, dustbathing, foraging, walking, running and flapping their wings. Stakeholders discussed a wide range of issues relating to hen confinement including spatial allowances, behavioural needs, hen health, levels of hen stress, hen adaptation and the ethics of confinement.

¹¹⁵ For example see Submission 398, Dr George Arzey, p 19, Submission 402, Animal Liberation, p 8, Submission 404, NSW Farmers, p 11 and 13, Submission 408, Egg Farmers of Australia, p 2, Submission 413, Australasian Veterinary Poultry Association, pp 3-8, Submission 439, Animal Defenders Office, pp 5-6, Evidence, Mr Robert Peffer, Sales, Packing and Distribution Manager, Canobolas Eggs, 14 August 2019, p 36.

¹¹⁶ Submission 404, NSW Farmers, p 10.

¹¹⁷ Submission 413, Australasian Veterinary Poultry Association, p 10.

¹¹⁸ For use of the term 'welfare ceiling' see Evidence, Dr Elliott, 14 August 2019, p 10.

¹¹⁹ Submission 413, Australasian Veterinary Poultry Association, Attachment 1, p 2.

Spatial allowances and behavioural needs

- 2.38 Under the current regulatory framework, as well as the draft *Standards and Guidelines*, hens may be confined in cages provided certain conditions are met, including a minimum spatial allowance of 550 square centimetres per hen.¹²⁰
- 2.39 The spatial allowance required for hens to express natural behaviours was discussed by a range of stakeholders. Humane Society International Australia compared battery cages to A4 pieces of paper, stating that 'they do not allow room for hens to stretch their wings, let alone exhibit their natural behaviours' such as nesting, perching, foraging and comfort behaviours like preening and stretching.¹²¹
- 2.40 Dr George Arzey, poultry veterinarian, advised the committee that research has established the spatial allowances required for cage-housed hens to undertake a range of behaviours, noting that they require:
- 475 cm² for standing
 - 540-1005 cm² for scratching
 - 771-1377 cm² for turning
 - 652-1118 cm² for wing stretching
 - 860-1980 cm² for wing flapping
 - 676-1604 cm² for feather ruffling, and
 - 814-1270 cm² for preening.¹²²
- 2.41 Dr Arzey noted the disparity between these measurements and the current mandated spatial allowance for caged hens of 550 square centimetres, which does not allow birds to exhibit basic behaviours such as turning, stretching or flapping their wings, ruffling their feathers or preening. Further, he drew the committees attention to the conclusions of the *Farmed Bird Welfare Science Review* (outlined at paragraph 1.34) which asserted 'that at the high stocking rates and small cage sizes typical of a conventional cage ... hens are effectively prevented from performing even simple locomotor and comfort movements'.¹²³
- 2.42 The NSW Department of Primary Industries informed the committee that in 2007 spatial allowances increased from 450 to 550 square centimetres, based on a decision in the 2002 *Model Code of Practice*.¹²⁴

¹²⁰ See *Prevention of Cruelty to Animals Regulation 2012*, s10 and Animal Health Australia, *Proposed draft Australian Animal Welfare Standards and Guidelines for Poultry - Version: Public Consultation*, November 2017, p 39,

¹²¹ Submission 426, Humane Society International Australia, p 2.

¹²² Submission 398, Dr George Arzey, p 5., referring to Dawkins et al 1989.

¹²³ Submission 398, Dr George Arzey, p 5.

¹²⁴ Answers to questions on notice, NSW Department of Primary Industries, p 1.

- 2.43** Due to the limited space when being confined, many inquiry participants commented on how cages restrict the behaviour of hens. Some stakeholders also outlined various scientific studies and reports concerning the nature of hen behaviour.
- 2.44** The behavioural need of hens to nest and perch were discussed by a number of stakeholders. The RSPCA report *Welfare of Layer Hens in Cage and Cage-Free Housing Systems* outlined that the need for hens to nest is as a 'high priority' and that hens 'have a strong motivation to use perches and most birds will perch at night if given the option'. It said that hens experience frustration and reduced welfare if unable to perform these behaviours.¹²⁵
- 2.45** The RSPCA referred to research which has shown that nesting is a priority behaviour for layer hens. It explained that the inability to nest can affect behaviour, causing frustration, egg retention and anti-social behaviour:
- The need for layer hens to utilise a nest has been assessed by motivation tests, which have consistently demonstrated that it is a high priority (Widowski et al., 2013). Cooper and Appleby (2003) concluded that hens' work-rate to access a nest 20 minutes prior to egg-laying, as measured by the extent to which they were willing to work by pushing a push-door for resources, was twice the work-rate to access food after four hours of confinement without feed. If denied a nest, birds can become frustrated, pace, and retain their eggs beyond the expected time of lay (Yue and Duncan 2003; Widowski et al. 2013). In addition, the absence of a nest can contribute to cloacal cannibalism, due to the lack of an enclosed nesting area and the visibility of the cloaca during egg-laying (Newberry et al. 2004; Lay et al. 2011)¹²⁶.
- 2.46** Several animal welfare groups involved in the inquiry highlighted the limited space and impact of confinement on a hen's ability to express natural behaviours.
- 2.47** Animal Liberation argued that cages are 'inherently cruel' and cause 'substantial and unnecessary suffering'. Noting that cages are unnatural, small and artificial environments, it said that these restrictions prevent normal behaviour and development, cause frustration and restrict movement, thereby leading to significant physical health impacts.¹²⁷
- 2.48** Animal Liberation also referred to a hens ability to exhibit natural behaviour such as the 'capacity to stretch and flap their wings, forage, perch, nest, dust bathe, preen and exercise' as 'non-negotiable necessities'. Further highlighting the duration of hen confinement, it stated that 'no animal should be confined for the entirety of their severely truncated lives in barren cages'.¹²⁸
- 2.49** Additionally, Animal Liberation raised concerns over the treatment of hens in a manner which 'fails to recognise their sentience' and defines 'acceptable treatment of animals according to their use rather than their capacity to suffer'. In this regard, it noted the difference between rules allowing the confinement of hens and rules restricting confinement of companion animals.¹²⁹

¹²⁵ RSPCA, *Welfare of Layer Hens in Cage and Cage-Free Housing Systems*, August 2016, p 8.

¹²⁶ Submission 440, RSPCA, p 6.

¹²⁷ Submission 402, Animal Liberation, p 8

¹²⁸ Submission 402, Animal Liberation, p 7 and 11.

¹²⁹ Submission 402, Animal Liberation, p 11.

- 2.50** This was supported by Sentient who stated that 'cages have the worst welfare outcomes for laying hens', as they do not allow hens the 'opportunity to express natural behaviours which is a basic freedom essential for mental and physical wellbeing'.¹³⁰
- 2.51** According to, Mr Farnham Seyed, Volunteer Lawyer, Animal Defenders Office, hen confinement would amount to animal cruelty in New South Wales if not for regulatory exemptions. He argued that the 'permanent confinement of hens in battery cages would constitute animal cruelty under the Prevention of Cruelty to Animals Act 1979 but for exemptions and other statutory mechanisms that function to exclude caged hens from the protections under the Act'.¹³¹
- 2.52** Indeed, the committee heard that spatial allowances and behavioural restrictions had health and mortality implications for hens. For example, the Humane Society International Australia noted that the inability for hens move and express natural behaviours led to higher incidence of metabolic and reproductive disorders and broken bones.¹³²
- 2.53** Additionally, Dr George Arzey, poultry veterinarian, advised the committee of a correlation between spatial allowance and mortality, stating that 'as cage floor size decreases, within the range of 650 to 300 cm² per hen, bird welfare generally decreases and mortality increases'.¹³³ Health impacts, including disease and mortality rates are discussed at paragraph 2.60.

Hen stress and adaptation

- 2.54** The committee heard that studies have sought to measure levels of hen stress, as an indicator of animal welfare, by comparing concentrations of corticosterone from hens across production systems. It notes that such research is an area of scientific contention.¹³⁴
- 2.55** In relation to studies which seek to assess the relationship between spatial allowances and levels of hen stress, Australian Eggs argued that 'research suggests that while behaviour of birds does change depending on space allowance this does not necessarily correlate to biological or physiological indication of stress'.¹³⁵
- 2.56** Australian Eggs noted other research into the impacts of restricting access to nests and perches, which indicated that behaviour may differ depending on whether or not the hen has previously been provided access to a nest or perch. It explained the findings of studies which looked at nesting and perching and the resulting levels of hen stress:

Motivation to lay in a nest is very high in birds used to utilising a nest and the subsequent removal of the nest will lead to an increase in measures of stress. Perching is another behaviour for which hens which have previously been provided with perches will work hard to reach. It appears that the desire for perching on higher perches at night-time is greater than that to perch during the day.

¹³⁰ Submission 420, Sentient, p 1.

¹³¹ Evidence, Mr Farnham Seyed, Volunteer Lawyer, Animal Defenders Office, 14 August 2019, p 17.

¹³² Submission 426, Humane Society International Australia, p 2.

¹³³ Submission 398, Dr George Arzey, poultry veterinarian, p 23, citing Widowski et al., 2016.

¹³⁴ Submission 413, Australasian Veterinary Poultry Association, p 10.

¹³⁵ Submission 392, Australian Eggs, Attachment C, pp 10 and 12.

Evidence that birds which have not had access to perches previously are stressed or "miss" the opportunity to perch is equivocal. No different levels in stress hormones have been observed between birds not provided with perches and those with perches. There have also been mixed findings on measures of stress in birds with access or without access to nest-boxes, even in birds used to having access to nest-boxes.¹³⁶

- 2.57 However, Dr Caulfield and Dr Padula, academics, University of Technology Sydney, presented a study to the committee which refuted the use of corticosterone as an effective measure of hen stress. In his evidence, Dr Caulfield, was highly critical of biological measures of hen welfare based on stress hormone studies, highlighted that there are serious and insurmountable problems with studies concerning the stress hormone corticosterone. He argued that stress levels 'cannot be used to assess chicken welfare in different housing systems', noting international scientific consensus against such an approach to further refute its applicability.¹³⁷
- 2.58 In her evidence, Dr Sheridan Alfirevich, poultry veterinarian and President, Australasian Veterinary Poultry Association, acknowledged the view of Dr Caulfield but stated while measuring stress is difficult, in the 'absence of something that is more reliable than corticosterone ... we have got to use all the tools that we have available to try make an assumption about stress differences'.¹³⁸
- 2.59 Relevant to the issue of stress, and the restriction of behavioural needs, is also the issue of whether caged hens can adapt to their confinement. Taking into account research into behavioural restriction and animal welfare outcomes, Australian Eggs concluded:

Even though it is hard to define any negative measurable biological impact of the lack of most of those behaviours, hens are highly motivated to perform some of those behaviours (nesting and perching) when they have been accustomed to them previously and this is a relevant factor.¹³⁹

Disease and mortality

- 2.60 The Australasian Veterinary Poultry Association highlighted two benefits of caged hen systems to hen welfare, namely lower mortality rates and a reduced incidence of disease.¹⁴⁰ This section considers stakeholder opinion on these two benefits.

Disease

- 2.61 A range of issues related to hen health were examined throughout the inquiry. In particular stakeholders discussed biosecurity risks and the incidence, prevention and management of disease among the different egg production systems.

¹³⁶ Submission 392, Australian Eggs, Attachment C, p 9.

¹³⁷ Submission 370, Dr Malcolm Caulfield, p 4. See also Submission 205, Dr Malcolm Caulfield and Dr Matthew Padula.

¹³⁸ Evidence, Dr Sheridan Alfirevich, poultry veterinarian and President, Australasian Veterinary Poultry Association, 13 August 2019, p 41.

¹³⁹ Submission 392, Australian Eggs, Attachment C, pp 10 and 12.

¹⁴⁰ Submission 413, Australasian Veterinary Poultry Association, p 2.

- 2.62** Disease prevention and management was seen by all stakeholders as a critical concern in egg production. The committee heard that breaches of biosecurity resulting in disease outbreak can be devastating for hens and farmers alike. For example, Mr Brett Langfield, Chair of the NSW Farmers Egg Committee, NSW Farmers, described to the committee his experience with a catastrophic outbreak of avian influenza in 2013, in which his farm culled approximately 400,000 birds:

I was the one that got avian influenza in 2013 and had to cull out our entire 400,000-odd birds at our facility. That commenced in a free-range operation. ... from wild duck access to the birds in the range. Whilst there was no water in the range, there was green grass and therefore there was an overlap at that point. It blew across to my cage facility and then got in my cage facility and wiped it out too. Because of the rules of what goes on with avian influenza, the entire site had to be de-stocked at that point. So my biosecurity concerns are genuinely, with passion, about what I have actually been through—about the fact being that the risk to the bird is greater, whilst ever you put them outside.¹⁴¹

- 2.63** At the same time, Animals Australia Inc submitted that 'there is no evidence that free range poultry facilities have been disproportionately implicated in past disease events in Australia' and that, in fact, 'the evidence indicates the opposite, despite the number of free range facilities increasing'.¹⁴² Animals Australia Inc went on to cite evidence that 'all but one Newcastle disease outbreak in Australia between 1998 and 2002 were in indoor flocks, and all of the avian influenza outbreaks until 2012 were flocks housed indoors. The single Newcastle Disease outbreak in a free range farm (Rhylstone) originated from an intensive farm in Sydney that delivered live infected birds to the farm'.¹⁴³

- 2.64** The Australasian Veterinary Poultry Association provided further information to the committee regarding disease in egg production systems, explaining that while free-range systems have higher levels of biosecurity risks and higher levels of disease, the 'diseases present are different between systems', with bacterial diseases such as spotty liver disease and fowl cholera more prominent in non-cage systems:

Free-range systems are listed as having the "highest level of disease because of the lowest level of biosecurity". However, the levels of disease are unlikely to be related only to biosecurity. Furthermore, it is not only the level of disease but the diseases present that are different between systems and may have different consequences for welfare and production. A study from Sweden (Fossum et al., 2009) assessed common causes of hen mortality in different housing systems. This study demonstrated a higher occurrence of bacterial and parasitic diseases and cannibalism in laying hens housed in indoor litter-based housing systems than those kept in cages. This study only captured mortality in different systems in Sweden at one point in time and there is considered to be a lack of Australian research to substantiate that causes of mortality are the same. In Australia, there are bacterial diseases that are considered to present a much greater issue for bird health and welfare in non-caged housing systems compared to caged systems. For example, Spotty Liver Disease and Fowl Cholera

¹⁴¹ Evidence, Mr Brett Langfield, Chair of the NSW Farmers Egg Committee, NSW Farmers, 13 August 2019, p 26.

¹⁴² Submission 422, Animals Australia Inc, p 13.

¹⁴³ Submission 422, Animals Australia Inc, p 13.

occur more prominently in non-caged systems. Both diseases frequently result in very high mortality and considerable production losses.¹⁴⁴

2.65 Dr Elliott, President, Sentient, contended that while some diseases are more prevalent in non-cage systems, they can be managed and treated. Dr Elliott said 'there are some infectious diseases that pretty much only occur in non-cage systems, such as spotty liver disease. What I will say about infectious diseases is they are preventable with good management and they can be treated'.¹⁴⁵

2.66 The committee heard that due to higher rates of bacterial disease in barn and free-range systems the use of antibiotics is usually higher.¹⁴⁶ Dr Karen Gao, poultry veterinarian and Secretary, Australasian Veterinary Poultry Association, noted that antibiotic use can be problematic, given the limited number of antibiotics which can be used for hens, antibiotic resistance, and any implications that may flow in terms of human medicine. Dr Gao stated:

Just going back to antimicrobial [antibiotic] use in laying hens, we have very limited antimicrobials that are available for us to use in food-producing animals, especially for layers. With the spotty liver disease, it is a topical disease that is re-emerging with more birds being put on the floor. We are seeing the return of this disease as well. The mainstay of treatment or management is antimicrobial therapy. Unfortunately, it is the case. We are seeing the development of bug resistance to the antimicrobials, which is becoming an issue. We are running out of antimicrobials to treat birds for the disease. We need to move to the next line of antimicrobial therapy, which is encroaching on antimicrobial resistance and crossover resistance to human medicine as well.¹⁴⁷

2.67 With regard to the prevalence of disease in cage systems, the Australasian Veterinary Poultry Association advised the committee that 'cages are well recognised to have the lowest levels of disease and mortality' but higher rates of metabolic diseases, such as osteoporosis, cage layer fatigue and fatty liver haemorrhagic syndrome.¹⁴⁸ Osteoporosis, in particular, is associated with bone fragility, calcium depletion and lack of movement, causing higher rates of fracture, most often during depopulation at end of lay.¹⁴⁹

2.68 Australian Eggs suggested that disease in cage systems can be managed through improvements in the management of nutrition and hen handling practices, stating:

...the 'two main biological issues with conventional cage use (Fatty Liver Haemorrhagic Syndrome and osteoporosis) can be addressed by changes in management. That includes nutritional management to avoid the former and a change in end of life bird pick up management to address the latter'.¹⁵⁰

¹⁴⁴ Submission 413, Australasian Veterinary Poultry Association, Attachment 1, pp 8-9.

¹⁴⁵ Evidence, Dr Elliott, 14 August 2019, pp 8-10.

¹⁴⁶ Submission 413, Australasian Veterinary Poultry Association, p 8.

¹⁴⁷ Evidence, Dr Karen Gao, poultry veterinarian and Secretary, Australasian Veterinary Poultry Association, 13 August 2019, p 42.

¹⁴⁸ Submission 413, Australasian Veterinary Poultry Association, p 7.

¹⁴⁹ Evidence, Dr Elliott, 14 August 2019, p 8 and Evidence, Ms Oogjes, 13 August 2019, p 31.

¹⁵⁰ Submission 392, Australian Eggs, Attachment C, p 14.

- 2.69** Animals Australia Inc noted that international studies by major bodies have 'consistently' warned that 'industrialised, high density farming methods increase the issues caused by viral diseases'.¹⁵¹
- 2.70** The RSPCA argued that 'extreme behavioural restrictions' for caged hens made combating non-infectious disease difficult and a health issue which 'cannot be remedied by management'. It stated:

...it is generally accepted that a lack of movement is the main cause of bone fragility in hens (EFSA 2005). In conventional cages, hens are not able to exercise or perch, and their movement is severely restricted. This severe behavioural restriction, including the inability to walk or fly, contributes to bone weakness (LayWel 2006). When birds from conventional cages are handled, it results in a very high rate of bone fractures. Typically, furnished cages allow hens to perch, which contributes to improved bone strength (Lay et al. 2011). However, they are still unable to perform their full behavioural repertoire, including foraging, ground-scratching, and dustbathing.

...Non-infectious diseases, including fatty litter and osteoporosis, are more prevalent in conventional cages compared with systems that allow a greater opportunity for behavioural expression and movement (Kaufman-Bart 2009; Lay et al. 2011; Widowski et al. 2013). ... Non-infectious diseases which are mainly attributed to, or exacerbated by, the lack of movement in conventional cages cannot be remedied by management..¹⁵²

Mortality rates

- 2.71** The Australasian Veterinary Poultry Association, NSW Farmers and Australian Eggs advised the committee that one of the benefits of cage production systems were lower mortality rates for hens when compared with barn and free-range systems.¹⁵³
- 2.72** Dr Malcolm Caulfield, academic, told the committee that the *Farmed Bird Welfare Science Review* 'emphasises the importance of mortality levels ... as indicative of welfare problems' in production systems.¹⁵⁴ The *Farmed Bird Welfare Science Review* analysed more recent data from over 20 studies, and found that 'while mortality was often higher in free range systems, this was not necessarily always the case' and some free range systems had 'mortality levels as low as conventional cages'.¹⁵⁵
- 2.73** However, the exact mortality rates between systems in Australia was a point of disagreement with inquiry participants. Australian Eggs provided evidence to the committee which stated that in 'Australia the typical 65-week mortality rates for hens in conventional cages range around a mean of approximately 3% from 2 to 5%, a mean of 5.55% from 4-7% in barn systems and a mean of around 12% for free-range hens (range of 8-30%)'.¹⁵⁶

¹⁵¹ Submission 422, Animals Australia Inc, p 13.

¹⁵² Submission 440, RSPCA, p 4.

¹⁵³ Submission 413, Australasian Veterinary Poultry Association, p 6, Submission 404, NSW Farmers, p 9 and Submission 392, Australian Eggs, Attachment C, p 13.

¹⁵⁴ Submission 370, Dr Malcolm Caulfield, p 4.

¹⁵⁵ Submission 370, Dr Malcolm Caulfield, p 4.

¹⁵⁶ Submission 392, Australian Eggs, Attachment C, p 13.

- 2.74 Whereas, Dr Arzey drew the committees attention to a 2008 Australian study of large-scale comparative trials on 46 flocks and 1,000,000 hens which indicated a comparative difference in mortality figures of less than 1 per cent between free-range and cage hens.¹⁵⁷
- 2.75 Ms Oogjes similarly referred the committee to a 2018 study at three Queensland farms conducted by Shini et al, which reported comparable overall mortality rates between the cage, barn and free-range farms it studied, with rates 'between 5 and 6 per cent across all three' farms.¹⁵⁸
- 2.76 Dr Arzey urged the committee to be 'cautious when comparing the mortality data of different housing systems without due attention to specific circumstances' such as the quality of management and farm infrastructure, hen nutrition, genetics and beak trimming status.¹⁵⁹ He noted that while 'the total mortality provides a useful welfare indicator, the causes of mortality serve to refine this indicator'.¹⁶⁰
- 2.77 The committee heard that while mortality issues occur in all production systems, the most prevalent conditions which caused hen mortality differed between production systems. For example, fatty liver haemorrhagic syndrome is a key concern in cage systems, while parasites, and smothering, are key concerns in non-cage systems.¹⁶¹
- 2.78 Some inquiry participants argued that comparable mortality rates could be achieved between cage and non-cage systems. For example, Dr Jones, RSPCA, commented that 'similar levels of mortality across different production systems' are already occurring in Australia and contended that 'science shows that ... well-managed non-cage systems can achieve the same levels of lowering morality as cage systems'.¹⁶²
- 2.79 Improving management practices was seen by a number of stakeholders as being critical to reducing mortality in non-cage systems. Dr Kate Hartcher, academic, provided information to the committee which argued that through the adoption of specific management practices and genetic selection, feather pecking and cannibalism could be mitigated.¹⁶³

Management practices and mortality

- 2.80 Sentient argued that feather pecking could be better managed through improved practices, genetic selection and the provision of foraging materials and environmental stimulation, rather than through beak trimming, which it described as an 'invasive surgical procedure'.¹⁶⁴

¹⁵⁷ Submission 398, Dr George Arzey, p 13.

¹⁵⁸ A. Shini, S. Shini and W. L. Bryden Fatty liver haemorrhagic syndrome occurrence in laying hens: impact of production system in *Avian Pathology* 2019, Vol. 48, No. 1, pp 25–34, as discussed in Evidence, Ms Oogjes, 13 August 2019, p 31.

¹⁵⁹ Submission 398, Dr George Arzey, p13.

¹⁶⁰ Submission 398, Dr George Arzey, p 14.

¹⁶¹ Submission 413, Australasian Veterinary Poultry Association, pp 6-9.

¹⁶² Evidence, Dr Jones, 14 August 2019, p 50. See also Evidence, Dr Malcolm Caulfield, academic, 13 August 2019, p 44.

¹⁶³ Submission 509, Dr Kate Hartcher, Attachment A, p 6.

¹⁶⁴ Submission 420, Sentient, p 1.

- 2.81** Ms Annabel Johnson, Policy Director – Livestock, NSW Farmers, informed the committee that from a farmers perspective, it is looking at welfare throughout the animal's life. In this regard, she acknowledged that beak trimming 'might be an intervention, but it is to produce positive animal welfare outcomes throughout the life of the animal, rather than looking at a single point in time'.¹⁶⁵
- 2.82** As previously noted, perching is considered a key behaviour for hens. A number of inquiry participants remarked on the benefits of perches for hen health, flock management, and reduced mortality provided they are well designed.
- 2.83** The RSPCA noted that the use of perches can reduce fearfulness and aggression, bird density and the risks of piling and smothering. They can also improve motor activity, provide resting locations and places of refuge from aggressors and reduce the risk of cannibalism.¹⁶⁶
- 2.84** Perches are generally not in standard conventional cages unless the cages are enriched. Perches are also not mandatory in barn systems.¹⁶⁷ The committee notes that the draft *Standards and Guidelines* includes a standard requiring the provision of nest boxes in non-cage systems with associated guidelines, but that there is no standard for perches, only guidelines stating 'perches should be provided at all times' with recommendations relating to perch allowances and design.¹⁶⁸
- 2.85** Dr Elliott also gave evidence which noted the current issues with perch use, emphasising the importance of bird training in the rearing environment to mitigate hen injury. She stated:
- One of the problems in the barn-laid systems is that those are the birds that have the highest keel bone fractures ... They land off a perch and they crack their sternum. The reason this happens is that in many cases the perching is not appropriately placed or you have not got the correct stocking densities. One of the key issues in poultry production is to make sure that where the birds are reared is where they learn.¹⁶⁹
- 2.86** In addition to discussion of the causes and rates of mortality in production systems, the use of mortality rates to justify the ongoing use of cages was also questioned, with inquiry participants divided on whether or not higher rates of mortality in barn and free-range systems were an acceptable trade-off for hen confinement in cage systems. For example, Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc noted that the complex question is whether 'there needs to be a trade-off' between overall quality of life and mortality even if a small number of hens will have a shorter life.¹⁷⁰
- 2.87** Whereas Canobolas Eggs argued that cage systems were introduced in order to 'mitigate harm to hens' and insisted that it was important to consider the high mortality rates of barn and

¹⁶⁵ Evidence, Ms Annabel Johnson, Policy Director – Livestock, NSW Farmers, 13 August 2019, p 23.

¹⁶⁶ Submission 440, RSPCA, p 6.

¹⁶⁷ Submission 413, Australasian Veterinary Poultry Association, Attachment 1, p 4.

¹⁶⁸ Animal Health Australia, *Proposed draft Australian Animal Welfare Standards and Guidelines for Poultry - Version: Public Consultation*, November 2017, p 41.

¹⁶⁹ Evidence, Dr Elliott, 14 August 2019, p 9.

¹⁷⁰ Evidence, Ms Oogjes, 13 August 2019, p 34. See also Submission 412, NSW Young Lawyers Animal Law Committee, p 9.

free-range systems as negative welfare outcomes, remarking that some hens which died in these systems 'would otherwise be alive if they were housed in a cage'.¹⁷¹

- 2.88** At the same time, Dr Rosemary Elliott, President, Sentient, highlighted that the latest animal welfare science is asking 'uncomfortable questions, such as whether the way we keep animals allows them to enjoy positive mental states and a life worth living'. Dr Elliott emphasised that hens are 'socially, emotionally and cognitively complex', but confinement to a battery cage prevents them from 'behaving in ways that characterise them as birds and consequently these restrictions debilitate their physical health'. Dr Elliott observed that 'the human equivalent of this confinement is too horrifying to contemplate'.¹⁷²
- 2.89** Dr Sheridan Alfirevich, poultry veterinarian and President, Australasian Veterinary Poultry Association, noted that mortality rates in cage systems were already world class and while there were variables across producers, and nutrition and management were factors for further improvement, she did not think that in cage systems there was 'one thing that you could really do across all caged housing to improve mortality or welfare outcomes' for hens.¹⁷³

The importance of good management

- 2.90** Many stakeholders emphasised how critically important good management was to reducing mortality rates and disease. Stakeholders noted management was especially critical in barn and free-range systems due to their complexity, which is relevant given the shift in the industry.
- 2.91** The NSW Department of Primary Industries informed the committee that the greatest determinant of hen welfare is good stockmanship undertaken by well trained, experienced staff:

While the terms of reference for this inquiry focus on layer hen housing systems, it is ultimately the care and skill of the farmer and employees that is the greatest determinant of the hen's health and wellbeing. The importance of good stockmanship is emphasised in the Model Code of Practice for the Welfare of Animals – Domestic Poultry. This includes that persons responsible for the care of poultry should be well trained, experienced and dedicated, with appropriate training undertaken in poultry management and husbandry.¹⁷⁴

- 2.92** NSW Farmers similarly highlighted the link between good management and animal welfare, stating, 'the critical relationship between the management of the hens and welfare outcomes must be recognised. Good welfare is underpinned by the quality of the management from farmers'.¹⁷⁵
- 2.93** The Australasian Veterinary Poultry Association expressed the view that good management was particularly critical in alternative systems and can be more important for animal welfare than the type of production system, stating:

¹⁷¹ Submission 424, Canobolas Eggs, pp 3-4

¹⁷² Evidence, Dr Elliott, 14 August 2019, p 7.

¹⁷³ Evidence, Dr Alfirevich, 13 August 2019, p 45.

¹⁷⁴ Submission 419, NSW Department of Primary Industries, p 8.

¹⁷⁵ Submission 404, NSW Farmers, p 6.

It is well recognised that management plays a critical role with respect to animal welfare outcomes and in many cases can be more important than the housing system or infrastructure. Good management and stockmanship are considered critical to achieve optimal welfare outcomes, more so for hens housed in non-caged systems.¹⁷⁶

- 2.94** Dr Elliott also emphasised the importance of good management, referring to 'studies that prove that with good management, preventative practice and flock health, loose-housed systems can achieve low levels of mortality comparable with the cage systems'.¹⁷⁷
- 2.95** This view is also supported by Dr Caulfield, who, in his submission, endorsed the 'crucial conclusion' of the *Farmed Bird Welfare Science Review* that 'well-managed and designed free-range systems can produce low-mortality outcomes'.¹⁷⁸
- 2.96** Some stakeholders advised the committee of aspects of barn and free-range system management which could be focused on in order to achieve improved animal welfare outcomes. For example, Dr Arzey pointed to flock size, range design and range management practices as areas of research which could result in improvements in disease, biosecurity risk and anti-social behaviours.¹⁷⁹
- 2.97** Indeed, the committee heard that research and development was seen as integral to animal welfare improvements in barn and free-range systems, with the Australasian Veterinary Poultry Association informing the committee that 'ongoing research is being undertaken to understand causes and mitigation strategies that may improve welfare in alternative systems'.¹⁸⁰ Industry development is further discussed in chapter 4.
- 2.98** Dr Jed Goodfellow, Senior Policy Officer, RSPCA, noted that the potential for improvements through research and development was much greater in barn and free range systems than in cage systems:

If you look at the level of R&D going into addressing the challenges of non-cage systems—feather pecking mortality—there is a significant amount of R&D being invested around the world in that. When it comes to the welfare impacts of the battery cage system, particularly around the extreme behavioural deprivation, there is zero R&D going into that because it is impossible to change that outcome and be in that system, you have to change the system itself to deal with those impacts. I think that is another way to look at it as well, that we have opportunities for improving those risks in the non cage; there is really no opportunity to improve the impacts in the battery cage system.¹⁸¹

Improving animal welfare outcomes

- 2.99** This section will explore stakeholders views regarding how animal welfare outcomes could be improved in egg production. It will firstly focus on furnished cage systems and whether they

¹⁷⁶ Submission 413, Australasian Veterinary Poultry Association, p 2.

¹⁷⁷ Evidence, Dr Elliott, 14 August 2019, p 8.

¹⁷⁸ Submission 370, Dr Malcolm Caulfield, p 4.

¹⁷⁹ Submission 398, Dr George Arzey, p 17.

¹⁸⁰ Submission 413, Australasian Veterinary Poultry Association, p 10.

¹⁸¹ Evidence, Dr Jed Goodfellow, Senior Policy Officer, RSPCA, 14 August 2019, p 36.

improve welfare outcomes for hens. After this it will examine whether there is a 'welfare ceiling'¹⁸² in cage systems.

Can furnished cages improve welfare outcomes?

- 2.100** Inquiry participants discussed whether furnished cages can offer positive animal welfare outcomes for laying hens. This section will explore views regarding the spatial allowances afforded to hens in furnished cages, which was a key area of discussion by inquiry participants. The industry proposal to transition to furnished cages is discussed further in chapter 3.
- 2.101** Cages enriched through the inclusion of 'perches, nesting boxes, scratch areas or dust bathing areas' are referred to as furnished cages.¹⁸³ The committee heard that while common overseas,¹⁸⁴ furnished cages are not commonly used in the industry,¹⁸⁵ and that furnished cages have not been subjected to Australian evaluation. Dr Alfirevich, advised the committee that 'we have limited experience in evaluating welfare outcomes of hens in furnished cages in Australia at the moment'.¹⁸⁶
- 2.102** In the absence of Australian research, the Australasian Veterinary Poultry Association drew the committees attention to a 2010 UK study which assessed welfare across egg production systems and concluded that the 'lowest prevalence of problems occurred in hens housed in furnished cages'.¹⁸⁷
- 2.103** The RSPCA report *Welfare of Layer Hens in Cage and Cage-Free Housing Systems* stated that while furnished cages offer benefits, they still prevent the full range of behavioural expression:

Furnished cages offer the benefits of battery cages in terms of hygiene and disease control, whilst offering some benefits of cage-free systems in terms of increased behavioural expression and improved musculoskeletal health.

Hens in furnished cages have increased opportunities for behavioural expression with the inclusion of perches, substrate, claw-shortening devices, and nest boxes, but the full range of behaviours is not able to be expressed satisfactorily.¹⁸⁸

- 2.104** Dr Jones, Acting Chief Executive Officer and Chief Science and Strategy Officer, RSPCA, emphasised the importance of adequate stocking density in order to realise any benefits of furnished cage systems, stating:

There is one important point to make, though: Furnished cages only offer those benefits over barren battery cages if enough space is given to every bird and if the

¹⁸² For use of the term 'welfare ceiling' see Evidence, Dr Elliott, 14 August 2019, p 10.

¹⁸³ Submission 419, NSW Department of Primary Industries, p 4.

¹⁸⁴ See submission 440, RSPCA, p 5.

¹⁸⁵ Evidence, Mrs Melinda Hashimoto, Chief Executive Officer, Egg Farmers of Australia, 13 August 2019, p 29.

¹⁸⁶ Evidence, Dr Alfirevich, 13 August 2019, p 39.

¹⁸⁷ Submission 413, Australasian Veterinary Poultry Association, p 10.

¹⁸⁸ RSPCA, *Welfare of Layer Hens in Cage and Cage-Free Housing Systems*, August 2016, p 11.

number of birds in a colony cage is not too high. So if you do not have adequate stocking densities, you do not get those benefits.¹⁸⁹

- 2.105** As discussed earlier, the spatial allowances afforded to hens was a critical concern for many inquiry participants. In evidence received by the committee there were two differing expectations regarding the spatial allowances of furnished cages.
- 2.106** In keeping with their proposal to transition to furnished cages, Egg Farmers of Australia and NSW Farmers, provided the committee with an industry definition of furnished cages, which included the following features: 550 cm sq per bird, a scratch rail, perch and nest area.¹⁹⁰
- 2.107** By contrast, the RSPCA classified furnished cages as having: 750cm² per bird, plus nest boxes, perches and scratch-pads.¹⁹¹
- 2.108** The Australasian Veterinary Poultry Association advised the committee that in considering spatial allowances for hens, 'internationally, hens are afforded a minimum of 750cm² per hen when housed in furnished or enriched cages' in order to accommodate 'the space occupied by cage furnishings and enrichments'.¹⁹²
- 2.109** The RSPCA noted the standards which applied to furnished cages in the European Union, advising cages must provide at least:
- 750 cm² of floor space per hen, of which 600 cm² is at least 45 cm high
 - a nest
 - a littered area for scratching and pecking
 - 15 cm of perch per hen
 - 12 cm of food trough per hen
 - and a claw-shortening device.¹⁹³
- 2.110** In this regard, Dr Alfirevich stated that converting current cages to furnished cages cage was difficult due to the impact of current height allowances on the provision of a perch, noting the height of current 'cages often does not allow for that perch to be at a level where it would be considered a perch and still allow enough vertical height for the hen to perch properly'.¹⁹⁴
- 2.111** It is noted that, similar to current regulatory provisions, there are no specific provisions for furnished cages in the draft *Standards and Guidelines*. Further the draft *Standards and Guidelines* calculate stocking density inclusive of 'the area under the egg/waste baffle and the area under

¹⁸⁹ Evidence, Dr Jones, 14 August 2019, p 44.

¹⁹⁰ Answers to supplementary questions , Egg Farmers of Australia and NSW Farmers, 15 September 2019, p 2.

¹⁹¹ Answers to supplementary questions , RSPCA, pp 3-4.

¹⁹² Answers to questions on notice, Australasian Veterinary Poultry Association, p 1.

¹⁹³ Submission 440, RSPCA, p 5.

¹⁹⁴ Evidence, Dr Alfirevich, 13 August 2019, p 40.

the drinking nipples and vee-trough for water' and the provisions for colony cages do not afford hens with additional spatial allowances to accommodate any furnishings.¹⁹⁵

Is there a 'welfare ceiling' in cage systems?

- 2.112 One of the issues stakeholders discussed was whether welfare outcomes, including health issues and mortality rates, could be improved in cage systems or whether there was a 'welfare ceiling'.¹⁹⁶
- 2.113 Animal welfare groups contended that improvements to cage systems have been minimal and welfare outcomes would not improve while cage production continued. For example, Ms Oogjes acknowledged that there had been some improvements to cage systems but insisted that the increased spatial allowance from 450 to 550 square centimetres 'is not sufficient' and further contended that the 'everyday life' of hens had not improved and would not improve 'until we get rid of the wire cages'.¹⁹⁷
- 2.114 Like Ms Oogjes, Dr Goodfellow, RSPCA, emphasised the inherent welfare limit of cages, arguing continual 'behavioural deprivation' cannot be overcome by improved management or further research and development:

...the fundamental point of distinction, which cannot be overlooked, is that there is an inherent limit on the level of welfare that can be reached in a battery cage. The impacts of behavioural deprivation in the battery cage system affect every single hen, every single day of their productive lives. This cannot be overcome by good stockmanship. It cannot be overcome by further research and development. It is an unchanging and inevitable feature of the system itself.¹⁹⁸

- 2.115 Dr Elliott, Sentient, argued that debate on production systems should not focus on weighing advantages and disadvantages but instead discuss welfare potential and the 'welfare ceiling' of cage systems:

A welfare ceiling is what the cage systems, including the enriched cages, represent. It is a welfare ceiling. You cannot get beyond. If birds cannot express normal behaviours and because of the metabolic diseases they still get in those systems, which are painful and not able to be managed in those systems,....¹⁹⁹

- 2.116 In considering the additional complexity and welfare issues of non-cage systems, Dr Elliott cautioned that the additional variables should not be considered as too hard to manage, stating management of alternative systems 'is complex, and I am not saying it is not, but we are managing with other species: Why can we not manage hens?'²⁰⁰

¹⁹⁵ Animal Health Australia, *Proposed draft Australian Animal Welfare Standards and Guidelines for Poultry - Version: Public Consultation*, November 2017, pp 40-42.

¹⁹⁶ For use of the term 'welfare ceiling' see Evidence, Dr Elliott, 14 August 2019, p 10.

¹⁹⁷ Evidence, Ms Oogjes, 13 August 2019, p 32.

¹⁹⁸ Evidence, Dr Goodfellow, 14 August 2019, p 42.

¹⁹⁹ Evidence, Dr Elliott, 14 August 2019, p 10.

²⁰⁰ Evidence, Dr Elliott, 14 August 2019, pp 11-12.

- 2.117** For Dr Bidda Jones, Acting Chief Executive Officer and Chief Science and Strategy Officer, RSPCA, improvements will be made in non-cage systems once they are the investment focus of the industry, arguing 'the sky is the limit' for welfare outcomes, stating:

... once we get to the point where ... non-cage systems are the focus of the industry—then the investment in research and development to improve those systems, to improve the level of stockmanship across Australia and to improve the minimum standards, those will only lead to improvements because, if you like, the sky is the limit when it comes to non-cage systems but we have this ceiling on welfare when it comes to battery cages'.²⁰¹

Compliance and enforcement

- 2.118** Critical to positive animal welfare outcomes is also an effective regulatory regime. As outlined in chapter 1, the egg industry is obligated to comply with both food and animal welfare regulations. Food related regulations are enforced by NSW Food Authority, whereas animal cruelty laws are enforced by the NSW Police Force, RSPCA NSW and Animal Welfare League NSW under the *Prevention of Cruelty to Animals Act 1979* (POCTA).

- 2.119** Inquiry participants raised specific concerns relating to the current licencing and enforcement framework including:

- the NSW Police Force primarily deferring the enforcement of POCTA to the RSPCA, a private charitable organisation²⁰²
- limitations in terms of private prosecutions²⁰³
- limitations of the licensing system combined with the growth of small scale free-range enterprises which has introduced what one stakeholder referred to as a 'phantom flock' with 'unaccounted eggs' in the industry.²⁰⁴

- 2.120** The role of the NSW Department of Primary Industries was also questioned, in terms of its dual responsibilities in supporting industry as well as administering prevention of cruelty to animals legislation. In this regard Mr Scott Hansen, Director General, NSW Department of Primary Industries, said that the department has 'a vested interest, not a conflict of interest'. Reflecting on the department's role, Mr Hansen said that the 'dual task' of assisting industry to meet animal welfare expectations and optimising use of resources is 'ultimately what we are there to do':

One only has to see the evolution of the animal welfare systems over the years to know that they are quite often led by industry initiatives and reinforced by government regulations years after those industry initiatives have led down the path. So, continually supporting through research, through development, through extension, the continual improvement of production systems that lead to not only better animal welfare outcomes but to better meeting of customer's and society's expectations, is critical to future successes of any primary industry. The primary

²⁰¹ Evidence, Dr Jones, 14 August 2019, p 50.

²⁰² Submission 402a, Animal Liberation, p 8.

²⁰³ Submission 402a, Animal Liberation, p 8.

²⁰⁴ Evidence, Ms Johnson, 13 August 2019, p 20.

industries that have failed to adapt and adopt new customer requirements, new customer demands, are the ones that no longer exist. So we see the dual task of helping industries to continue to meet their customers' needs and to do so with the most efficient use of resources that they have at their disposal, including the best welfare for the animals in their care, is part and parcel of a successful industry going forward and ultimately what we are there to do, which is to build stronger primary industries.²⁰⁵

- 2.121** Limitations in the licensing and food safety compliance framework were also of concern to stakeholders. Australian Eggs informed the committee that while the NSW Food Authority utilises the industry Eggs Standards of Australia quality assurance scheme in ensuring food safety compliance, as a voluntary scheme which has only certified approximately 80 per cent of the New South Wales flock, there remains a role for regulatory activity:

... the greatest threat to hen welfare in New South Wales is farmer that fail to care for hens properly. It is through poor management that we see incidents of animal cruelty involving either incompetence, indifference or malice...

Australian Eggs tries to address this dynamic through the development of quality assurance programs that provide for independent auditing of egg rearing and laying farms and egg grading facilities. The New South Wales Food Authority has recognised Egg Standards of Australia (ESA) as a useful tool in focusing most of its' finite enforcement resources on egg farming businesses that are not subject to independent auditing under ESA. However, ESA operates on a voluntary basis only. While approximately 80% of the New South Wales flock is covered by the scheme, participation is generally driven by retailer customer requirements. As there remains a significant proportion of retailer customers in New South Wales that do not require ESA accreditation, there is limited incentive for all egg farms to participate. As a result, there remains a role for standards and regulatory activity to ensure appropriate minimum standards are met.²⁰⁶

- 2.122** Professor Christine Parker, academic, expressed concern about the current relationship between government, industry and consumer oversight, asserting that a framework which seeks to ensure animal welfare via voluntary industry accreditation and consumer labelling schemes was 'not sufficient' without 'independent monitoring'. Professor Parker explained:

Our research shows that state agencies currently rely largely on industry quality assurance and labelling schemes to ensure appropriate standards of animal welfare. However this is not sufficient to satisfy public concerns with the conditions for battery hens as there is no public interest oriented independent monitoring of conditions on farm.²⁰⁷

- 2.123** Animal Liberation suggested that an Animal Welfare Commission is required with the power to investigate alleged crimes, as well as undertake research and education, and the development and review of minimum standards.²⁰⁸

²⁰⁵ Evidence, Mr Scott Hansen, Director General, NSW Department of Primary Industries, 13 August 2019, p 4.

²⁰⁶ Submission 392, Australian Eggs, pp 5-6; Answers to questions taken on notice, Australian Eggs, p 1.

²⁰⁷ Submission 366, Professor Christine Parker, p 2.

²⁰⁸ Submission 402a, Animal Liberation, p 8.

- 2.124** Other initiatives such as mandatory closed circuit television monitoring or an independent egg certification authority were also suggested by stakeholders as a way to ensure industry transparency and compliance with animal welfare standards.²⁰⁹

Committee comment

- 2.125** It is clear that there are significant community concerns about the welfare of hens being kept in cages, as evidenced by the high level of interest in this inquiry. The committee recognises that many individuals and animal welfare groups feel very passionately about these issues and want to see positive welfare outcomes for hens in the egg production industry. We also acknowledge that industry groups are cognisant of public concerns in this area.
- 2.126** The committee accepts that there are real and significant impacts as a result of hens being confined to cages. Not only are hens limited in terms of expressing their natural behaviours, they also have high rates of non-infectious diseases, including fatty litter syndrome and osteoporosis.
- 2.127** Equally, the committee acknowledges that there are valid concerns raised by stakeholders regarding animal welfare outcomes for hens in barn and free-range production systems. Indeed, we note that there are challenges with biosecurity, disease and mortality rates. In this respect, the committee acknowledges that there are animal welfare issues in all systems of egg production.
- 2.128** While there was some evidence presented that furnished cages can improve welfare outcomes for layer hens, the committee is not satisfied that furnished cages are sufficient in alleviating the serious restriction of natural behaviours that all caged hens experience. Further, since the egg industry has acknowledged that there is no specific market for furnished cage eggs—particularly in light of major supermarkets like Coles, Woolworths and Aldi committing to go 'cage-free' by 2023 or 2025—we are not satisfied that moving to furnished cages is the best way forward, particularly given the substantial financial investment required. This is discussed further in the next chapter.
- 2.129** Ultimately, the committee agrees that all egg production systems have some degree of limitation. Although we understand that there are number of contentious research areas related to the assessment of hen welfare in the various egg production systems, the evidence shows that through further research and industry development the welfare challenges presented in barn and free-range systems can be reduced—but caged hen facilities have more limited scope for improvement. Given this, in the next chapter, we look at the prospect of phasing out cages in the industry and make some recommendations in this regard.

²⁰⁹ Submission 426, Humane Society International Australia, p 7 and Submission 439, Animal Defenders Office, p 10.

- 2.130** The committee also acknowledges the significant deviation between views on hen welfare, and the treatment of animals more broadly, between participants from industry and animal welfare groups. In light of this, the committee recommends that the NSW Government establish an independent office of animal welfare, as a distinct authority, separate and independent from the NSW Department of Primary Industries, to be responsible for animal protection issues.
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Recommendation 1

That the NSW Government establish an independent office of animal welfare, as a distinct authority, separate and independent from the NSW Department of Primary Industries, to be responsible for animal protection issues.

Chapter 3 Should cages be phased out?

The key question for the inquiry was whether or not cages should be phased out in the egg production industry. This chapter explores the views of stakeholders who supported a legislative phase out of cages, as well as those who advocated for the continuation of cage egg production. The views of inquiry participants regarding a national or state based approach to a phase out are also outlined.

This chapter then looks at current market demand for cage eggs, including the shift in demand towards non-cage eggs, drivers of consumer demand, labelling, and cage-free commitments by major supermarkets. Whether or not the market is an appropriate regulator is also discussed.

Phasing out cages in the egg industry

- 3.1** Almost all community submissions received, and all animal welfare advocates who participated in the inquiry, called for an end to cage egg production. Different groups presented arguments for a phase out period of either five or ten years. Industry representatives, however, expressed their opposition to a legislative phase out of conventional cages.
- 3.2** In the context of industry regulation, and whether the government should legislate a phase-out of cage production, a diverse range of views were put forward as to whether action should be taken at the national or state level. This section will focus on each of these views.

Support for a phase out

- 3.3** All animal welfare groups called for cages to be phased out. Humane Society International Australia said that the 'use of battery cages for layer hens needs to be phased out because they fail to meet the physiological and behavioural requirements of layer hens'.²¹⁰ It also noted that 'battery cages are becoming increasingly unsupported by the public'.²¹¹
- 3.4** Animals Australia Inc stated it 'is time the archaic battery cage which deprives hens of the opportunity of 'lives worth living' is consigned to history'.²¹² Several other stakeholders also noted that they oppose cage egg production in the industry and called for it to end.²¹³
- 3.5** As discussed in chapter 2, many inquiry participants contended that the use of cages in egg production was unacceptable and should end.
- 3.6** There were different views put forward about when cages should be phased out, with some stakeholders proposing a five or ten year phase out period.

²¹⁰ Submission 426, Humane Society International Australia, p 3. See also, Submission 440, RSPCA, p 3, Submission 439, Animal Defenders Office, p 1.

²¹¹ Submission 426, Humane Society International Australia, p 3.

²¹² Submission 422, Animals Australia Inc, p 2.

²¹³ See Evidence, Dr Rosemary Elliott, President, Sentient, 14 August 2019, p7, Submission 402a, Animal Liberation, p 5, Submission 403, Vegan Australia, p 3. Submission 426, Humane Society International Australia, p 3, Submission 439, Animal Defenders Office, p 1, Submission 440, RSPCA, p 3.

- 3.7 Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc suggested a five year timeframe for cages to be phased out. She reflected on the experience in New Zealand where a phase out is expected by 2022. She noted that this was based on an economic approach, which factored in an 18 year life for the cages. Applying this type of approach to New South Wales, Ms Oogjes added that if they applied the same 18 year cage life to the new cages installed in 2007-8, a phase out could commence in 2025. Noting the 'economic disruption and market forces', she supported a five year phase out period.²¹⁴
- 3.8 The RSPCA suggested a 10 year phase out could be appropriate. It noted that while its 'supporters would like the timeframe to be much shorter', it believed that 'based on the age of current cage infrastructure, a 10-year timeframe would be entirely feasible'.²¹⁵
- 3.9 The RSPCA also reflected on the New Zealand phase out and observed that if the 18 year cage 'lifespan is applied to Australia, all current cage infrastructure would require replacement before 2029, which is within a 10-year phase out period if applied from 2020 onwards'.²¹⁶
- 3.10 Dr Rosemary Elliott, President, Sentient, also supported a 10 year phase out period, noting that this time would be a good 'period to help people change their infrastructure, learn about what is involved in managing birds cage free ...'.²¹⁷
- 3.11 In the event of a phase out, the potential for interim standards which varied the spatial allowance of hens was raised with the committee. Ms Oogjes suggested that during the transition period hens in cages be afforded an increased spatial allowance of 750 square centimetres, achieved through a reduction in the number of hens in the existing cages, rather than a change in infrastructure.²¹⁸

The continuation of cage

- 3.12 NSW Farmers argued that a legislative phase-out would have negative consequences for industry, explaining it would make 'the egg industry internationally uncompetitive' and 'would threaten industry stability, create egg shortages, and increase the price of protein'.²¹⁹ These potential impacts will be explored in the next chapter.
- 3.13 Instead of a complete phase out of cages, industry representatives put forward a different proposal. Egg Farmers of Australia, NSW Farmers and the National Farmers' Federation all agreed that there should be continued use of conventional cages, with any new cage system required to be furnished.²²⁰

²¹⁴ Evidence, Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc, 13 August 2019 p 32.

²¹⁵ Submission 440, RSPCA, p 3.

²¹⁶ Submission 440, RSPCA, p 10.

²¹⁷ Evidence, Dr Elliott, 14 August 2019, p 13.

²¹⁸ Evidence, Ms Oogjes, 13 August 2019 p 32.

²¹⁹ Submission 404, NSW Farmers, p 16.

²²⁰ Submission 408, Egg Farmers of Australia, p 5, Submission 404, NSW Farmers, pp 4-5, and Submission 423, National Farmers' Federation, p 2.

- 3.14** Egg Farmers of Australia stated that the proposal includes:
- continual use of conventional cages at 550 square centimetres
 - a commitment that there would be no new additional conventional cages, and
 - that any new caged production system be a minimum of a furnished cage at 550 sq cm per bird and require perches, a scratch rail and nesting area included in the 550 sq cm spatial allowance.²²¹
- 3.15** NSW Farmers said that this proposal includes 'a regulatory cap on current conventional cage egg production capacity, restricting additional conventional cage infrastructure from being developed'.²²²
- 3.16** Mrs Melinda Hashimoto, Chief Executive Officer, Egg Farmers of Australia, explained the cap would mean that 'anybody that has a greenfield site, or is going to look at having a new shed built on their property, that they would not build conventional cages but they would move to furnished cages'.²²³
- 3.17** Furthermore, Egg Farmers of Australia noted that these 'new cages would need to meet the minimum standard for furnished cages'.²²⁴ Standards for furnished cages are discussed further at paragraph 2.100.
- 3.18** Ms Annabel Johnson, Policy Director – Livestock, NSW Farmers, remarked that this proposal 'has been made in recognition that there is the need for further discussion with the community and there are real concerns around conventional cages'.²²⁵
- 3.19** The proposal must be considered in context with other submissions made by NSW Farmers which indicate that there is 'simply no market' for furnished eggs in New South Wales, discussed further at paragraph 3.23.
- 3.20** Relevant to this proposal is the life span of existing conventional cages, given it would involve continued use of these cages. Mrs Hashimoto observed that the industry does not 'have a set timeframe' for the life of cage, stating:
- ...we do not have a set timeframe on the length of the life of the cage. Certainly, I would imagine that those conventional cages would be repaired and would continue to be used for the life of the cage, until essentially it was unusable.²²⁶
- 3.21** One farmer, Mr Bede Burke, a partner at Glenwarrie Eggs, advised the committee that his modern cage system was eight to nine years old and as they are well built and maintained, he expected the system to have a total of 30 to 35 years of life.²²⁷

²²¹ Submission 408, Egg Farmers of Australia, p 5.

²²² Submission 404, NSW Farmers, p 4.

²²³ Evidence, Mrs Melinda Hashimoto, Chief Executive Officer, Egg Farmers of Australia, 13 August 2019, p 15.

²²⁴ Submission 408, Egg Farmers of Australia, p 6.

²²⁵ Evidence, Ms Annabel Johnson, Policy Director – Livestock, NSW Farmers, 13 August 2019, p 25.

²²⁶ Evidence, Mrs Hashimoto, 13 August 2019, p 16.

²²⁷ Evidence, Mr Bede Burke, Partner, Glenwarrie Eggs, 14 August 2019, p 34.

3.22 By contrast, there was evidence put forward by animal welfare groups such as Ms Oogjes who highlighted that the New Zealand phase out of battery cages assumed a much shorter life of a cage of 18 years.²²⁸

3.23 Another issue raised was whether there was any market for eggs from hens in furnished cages. In particular, NSW Farmers raised the following concerns:

There is no evidence of demand for eggs farmed using furnished cages and no basis to suggest that this demand would exist in the future. Each of the major retailers in Australia has now announced an intention to phase out cages (including furnished cages) by either 2023 or 2025. Regardless as to whether consumer demand prevents these intentions from being realised, this move makes it impossible for egg farmers to contemplate investment in new furnished cage infrastructure on anything other than a niche/specialty product basis.

Experience in New Zealand also demonstrates a strong disincentive for Australian egg farmers to invest in furnished cages. Having been encouraged to invest in furnished/colony cage systems, many New Zealand farmers made long term investments in these systems only to find a few years later that they would be phased out. This option would have the same effect as a ban on all cage production systems and mandating a move to alternative egg production systems.²²⁹

3.24 Dr Elliott also questioned whether there would be a market for eggs from furnished cages, stating 'to a consumer, a cage is a cage'.²³⁰

3.25 A number of animal welfare groups opposed a transition to furnished cages, largely on the basis that furnished cages do not significantly improve the health and welfare of layer hens. Comments made by inquiry participants included:

- the transition to furnished cages in Europe and elsewhere has 'not produced significantly better animal welfare outcomes'²³¹
- furnished cages continue to 'inhibit a lot of hens' ability to express their natural behaviours²³²
- in furnished cages 'birds cannot run, they cannot stretch their wings properly, they cannot flap their wings'.²³³

3.26 Animals Australia Inc did not consider furnished cages to be 'an acceptable option',²³⁴ and nor did Humane Society International Australia. The latter argued that furnished cages should not be considered as they 'fail to provide an adequate level of welfare':

²²⁸ Evidence, Ms Oogjes, 13 August 2019, p 34.

²²⁹ Submission 404, NSW Farmers, p 17.

²³⁰ Evidence, Dr Elliott, 14 August 2019, p 13.

²³¹ Evidence, Dr Elliott, 14 August 2019, p 13.

²³² Evidence, Mr Farnham Seyed, Animal Defenders Office, 14 August 2019, p 21.

²³³ Evidence, Ms Oogjes, 13 August 2019, p 29. See also Submission 426, Humane Society International Australia, p 7.

²³⁴ Submission 422, Animals Australia Inc, p 3.

HSI is opposed to the use of furnished cages which are equipped with a nest box, perch, and dustbathing which have been developed as a better welfare option than the controversial battery cage. Despite the additional provisions, furnished cages provide an unacceptably limited amount of space per bird which, much like the battery cage, has dire health implications. Enriched cages fail to provide an adequate level of welfare for the hens and therefore should not be considered.²³⁵

- 3.27** Ms Oogjes said that the industry's proposal 'is not going to assist the 10 million birds that are in battery cages today and for a very long time'. In terms of the life span of existing conventional cages, she remarked that farmers 'will keep them until, essentially, the cages break down or rust away', adding that she does 'not think the hens can wait'.²³⁶
- 3.28** Dr George Arzey, poultry veterinarian, commented that while 'still cages' and 'unpalatable to many', himself included, furnished systems 'provides the hen with more than what it has now'. He stated that while cage systems are 'far from ideal', they 'undoubtedly provide the hens with a greater behavioural repertoire than the battery cages'. He said:

While furnished cages are still cages and a system that does not enable a full behavioural repertoire, nevertheless, it provides the hen with a greater behavioural scope than battery cages, with no reported other adverse welfare aspects. It enables a compromise that although unpalatable to many members of the community (including myself), nevertheless, provides the hen with more than what it has now.²³⁷

Arguments for a national approach to regulation

- 3.29** Throughout the inquiry the committee canvassed the views of stakeholders regarding the national project underway to convert the existing *Model Codes of Practice for the Welfare of Animals: Domestic Poultry* into nationally consistent *Australian Animal Welfare Standards and Guidelines for Poultry*. A range of stakeholders expressed support, either in full or with qualifications, for a national approach to regulation of the egg industry, including a national phase out of cage egg production.
- 3.30** The NSW Department of Primary Industries noted that the *Standards and Guidelines* will provide a basis for each state to develop and implement consistent legislation and enforcement across Australia.²³⁸
- 3.31** The NSW Department of Primary Industries also noted that the *Standards and Guidelines* are being developed in consultation with stakeholders and the general public under the auspices of the Animal Welfare Task Group.²³⁹ The *Standards and Guidelines* are anticipated to be finalised and available for consideration by governments later this year or early next year.²⁴⁰

²³⁵ Submission 426, Humane Society International Australia, p 7.

²³⁶ Evidence, Ms Oogjes, 13 August 2019, p 28.

²³⁷ Submission 398, Dr George Arzey, pp 6-7.

²³⁸ Submission 419, NSW Department of Primary Industries, pp 6-7.

²³⁹ Submission 419, NSW Department of Primary Industries, p 6.

²⁴⁰ Submission 419, NSW Department of Primary Industries, p 7.

3.32 As discussed in chapter 1, it is not yet known whether the final *Standards and Guidelines* will include a phase out of conventional cages as canvassed in Option D of the accompanying *Regulatory Impact Statement*.²⁴¹

3.33 In terms of supporting a national approach to regulation of the industry generally, the NSW Department of Primary Industries said that it viewed national consistency as critical for animal welfare and for industry viability, stating:

The NSW Government supports a national approach to ensure consistency in policy and legislative frameworks to protect animal welfare, as changes to the regulatory environment affect all Australian states and territories.

A national approach is critical to not only ensure appropriate welfare outcomes for all poultry irrespective of location, but ensure industry viability in New South Wales.²⁴²

3.34 Mr Scott Hansen, Director General, NSW Department of Primary Industries, emphasised the importance of getting the decisions facing the industry right as New South Wales is the 'major egg producing state'. Noting that the discussions have focused on whether conventional cages should continue to be used to house layer hens, Mr Hansen stressed:

...the decision on future standards and guidelines will impact far more farmers, more families, more producers, more communities and more hens than any other state. So whilst national agreement around standards and guidelines are important, it is vitally important for New South Wales that we get this decision right.²⁴³

3.35 Ms Oogjes remarked that 'the best approach is a national approach' and drew the committees attention to a report by the Productivity Commission which expressed criticism of the 'patchwork' nature of the current system where standards vary in each state and territory.²⁴⁴ Ms Oogjes expressed her hope that the state government who would 'agree with a national move to phase out battery cages' - because 'clearly we want all of the hens in Australia to be free from cages'.²⁴⁵

3.36 Dr Bidda Jones, Acting Chief Executive Officer and Chief Science and Strategy Officer, RSPCA, argued that the government faces an 'erosion of trust' should they not 'respond to community expectations' and ensure there is an end date for conventional cages in the national *Standards and Guidelines*. Highlighting the community's growing concerns about animal welfare, as posited in research commissioned by the Federal Department of Agriculture, Dr Bidda noted that 'battery cages in particular were singled out as one of the systems that caused a significant degree of concern'. She suggested that there is a need for the government to respond to community expectations and 'act on the scientific evidence base'.²⁴⁶

²⁴¹ Animal Health Australia *Guide to the Regulatory Impact Statement on the Proposed draft Australian Animal Welfare Standards and Guidelines – Poultry*, November 2017, pp 3-4.

²⁴² Submission 419, NSW Department of Primary Industries, p 2.

²⁴³ Evidence, Mr Scott Hansen, Director General, NSW Department of Primary Industries, 13 August 2019, p 2.

²⁴⁴ Evidence, Ms Oogjes, 13 August 2019, p 32.

²⁴⁵ Evidence, Ms Oogjes, 13 August 2019, pp 32-33.

²⁴⁶ Evidence, Dr Bidda Jones, Acting Chief Executive Officer and Chief Science and Strategy Officer, RSPCA, pp 42-43.

3.37 Dr Sheridan Alfirevich, poultry veterinarian and President, Australasian Veterinary Poultry Association, also expressed support for a national approach, pointing to the national review of standards and guidelines process underway. Dr Alfirevich said national consistency and certainty is important for producers and 'instrumental' in moving forward. She added:

That is not to say that the role of New South Wales and state government legislation is not also important, because it is. But I see this as a great opportunity to be able to get that consistency in animal welfare legislation for the benefit of all animals, not just within one state.²⁴⁷

3.38 The committee also heard that representatives of the egg industry supported the adoption of a national approach. As discussed earlier, NSW Farmers explained that the industry strongly supports the adoption of the draft *Standards and Guidelines*, with an additional cap on conventional cages and a transition to furnished cages.²⁴⁸

3.39 Egg Farmers of Australia explained that the industry anticipates that the national standards and guidelines process will result in 'mandatory national standards and future stability for the industry'. It said that the industry 'envisages that moving from voluntary to mandatory standards will allow for improved welfare outcomes'.²⁴⁹

3.40 NSW Farmers also noted that the industry was willing to incur the costs associated with implementing the changes: 'Implementing the [*Standards and Guidelines*] will come at significant cost, but the industry is prepared to incur this because of the enhanced animal welfare benefits that will be achieved'.²⁵⁰

3.41 However, the committee heard that even with a national approach, there is the potential for variations in each jurisdiction. As noted by Mr Hansen even if the draft *Standards and Guidelines* are adopted, including a phase out of cages, they will not become mandatory, that is, legally enforceable automatically, as animal welfare is a state legislative issue. Mr Scott Hansen explained:

Upon agreeing to a set of standards, and then the accompanying guidelines which are designed to help guide people to meet those standards, each state will have an opportunity to work out whether it embeds those standards and guidelines as either part of their mandatory legislative requirements within the State.²⁵¹

3.42 When asked about the risk of 'different implementation' of the national *Standards and Guidelines* between states, Mr Hansen responded:

I think that that is always a risk with the different pieces of legislation within each of the States and jurisdictions and how even to date with most the conversion of model codes to national standards and guidelines there has been a piecemeal adaptation of those standards and

²⁴⁷ Evidence, Dr Sheridan Alfirevich, Poultry veterinarian and President, Australasian Veterinary Poultry Association, 13 August 2019, p 41.

²⁴⁸ Submission 404, NSW Farmers, p 15.

²⁴⁹ Submission 408, Egg Farmers of Australia, pp 3-4.

²⁵⁰ Submission 404, NSW Farmers, p 16.

²⁵¹ Evidence, Mr Hansen, 13 August 2019, p 4.

guidelines into either mandatory requirements or purely referred to under Acts across each jurisdiction.²⁵²

- 3.43 Ms Tara Ward, Volunteer Lawyer and Executive Director, Animal Defenders Office, agreed with Mr Hansen, observing that:

Even the national standards and guidelines—it was the same with the model codes of practice—are done at a national level but the national standards and guidelines will not have legal force in each jurisdiction until each jurisdiction makes a separate decision to incorporate it, somehow, into its own legislation. That is another process that can take a long time, and you will end up with variations between jurisdictions.²⁵³

Arguments for a state based approach

- 3.44 While some stakeholders expressed support for a national approach to regulating the industry, some participants argued that if the national process did not include a phase out of cage production then the state government should consider implementing additional requirements to improve the welfare of layer hens.

- 3.45 Further, as noted above, even a 'national approach' involving the *Standards and Guidelines* will require each state to individually make a decision about how it legislatively implements and enforces a phase out of cages. This is because animal welfare is a state legislative issue. As such, it is relevant to consider how New South Wales would implement a legislative phase out of battery cages.

- 3.46 A number of inquiry participants asked New South Wales to take action, arguing that as the nation's biggest producer it is incumbent on the state to show leadership and commence a phase out. Indeed, action by the NSW Government to commence a phase-out of cage production was a feature of the pro formas received by the committee. For example, the RSPCA Australia pro forma urged the NSW Government to 'act on the scientific evidence and the community's expectations on animal welfare, and commence a phase out'.²⁵⁴

- 3.47 Sentient suggested that the national review process has been a missed opportunity, such that it would support any alternative moves to ban cage egg production: 'We therefore support any move towards banning battery cages, as this would be aligned with best practice in animal welfare, international standards, community values and the responses to these by supermarkets and other retailers'.²⁵⁵

- 3.48 The Animal Defenders Office noted that New South Wales could adopt a state based approach to ending cage egg production even if the national approach does not include a

²⁵² Evidence, Mr Hansen, 13 August 2019, pp 3-4.

²⁵³ Evidence, Ms Tara Ward, Executive Director, Animal Defenders Office, 14 August 2019, pp 14-15.

²⁵⁴ See Pro forma A (RSPCA Australia) – 8,539 responses received, Pro forma B (Animal Liberation) - 103 responses received, Pro forma C (Humane Society International Australia) – 2,268 responses received, Submission 125, Who Gives A Cluck Incorporated, p 2, Submission 331, Ms Polly Watkins, p 1, Submission 422, Animals Australia Inc, p 11, Submission 401, World Animal Protection, p 1, Submission 426, Humane Society International Australia, p 6, Submission 472, Ms Lisa Ryan, pp 4-5, Submission 475, Ms Sarina Damen, p 1.

²⁵⁵ Submission 420, Sentient, p 2.

phase out. The benefit of taking a state approach is that New South Wales would not need to wait for the national process before starting to implement a phase out. As Ms Ward noted 'where there are attempts to get a co-ordinated national approach it can take a very long time' and 'when you have animals suffering on a daily basis that is not ideal'.²⁵⁶

- 3.49** The Animal Defenders Office also discussed the phase-out experience in the Australian Capital Territory in order to argue that a state base approach was both legal and practical. Mr Farnham Seyed, Volunteer Lawyer, Animal Defenders Office, told the committee that in 2014 the Australian Capital Territory assisted their one cage egg production facility to transition to a barn system in order to implement a ban on the production of eggs using cage methods.²⁵⁷ Ms Ward argued that this is evidence that in the absence of a national approach 'jurisdictions can go it alone'.²⁵⁸
- 3.50** The committee noted that other jurisdictions have also acted to phase-out, ban or restrict cage egg production. In Australia, in addition to the Australian Capital Territory, Tasmania has also taken action to end the use of conventional cage systems.²⁵⁹
- 3.51** In terms of what can be taken from the Australian Capital Territory experience, given it involved one cage facility whereas New South Wales is the largest egg producer, Ms Ward argued it is an Australian precedent which provides an example 'that can be explored and examined and analysed and worked out as to how this one example could be applied to the largest jurisdiction in Australia'.²⁶⁰
- 3.52** The Animal Defenders Office also contended that the Australian Capital Territory example demonstrated that with government support it is economically viable for existing producers to transition away from cage production. Ms Ward noted that the facility was provided with financial support to transition to a barn-laid facility.²⁶¹
- 3.53** However, there were some concerns expressed about a state based approach to these issues. The NSW Department of Primary Industries cautioned against a state based approach, noting that there is a risk of reducing animal welfare outcomes and detrimentally impacting industry if a national approach is not reached. It said:

Without a coordinated approach to the regulation of egg production systems, there are significant risks. Not only could this lead to differential welfare standards between jurisdictions, an ad-hoc State-by-state approach could lead to production shifts across state borders. This could be detrimental to animal welfare, which could lead to increased movement of eggs from states and the importation of eggs from countries with lower animal welfare or food safety standards than NSW.²⁶²

²⁵⁶ Evidence, Ms Ward, 14 August 2019, p 14.

²⁵⁷ Evidence, Mr Farnham Seyed, Volunteer Lawyer, Animal Defenders Office, 14 August 2019, p 14.

²⁵⁸ Evidence, Ms Ward, 14 August 2019, p 14.

²⁵⁹ Submission 412, NSW Young Lawyers Animal Welfare Committee, p 6 and Submission 440, RSPCA, p. 2.

²⁶⁰ Evidence, Ms Ward, 14 August 2019, p 16.

²⁶¹ Submission 439, Animal Defenders Office pp 10-11.

²⁶² Submission 419, NSW Department of Primary Industries, p 6.

- 3.54 Reflecting on the phase out in the Australian Capital Territory, Mr Alexander Russell, Manager Intensive Livestock Industries, NSW Department of Primary Industries, noted that under the current system there is 'nothing to stop eggs from conventional caged systems being sold across the border from New South Wales'.²⁶³

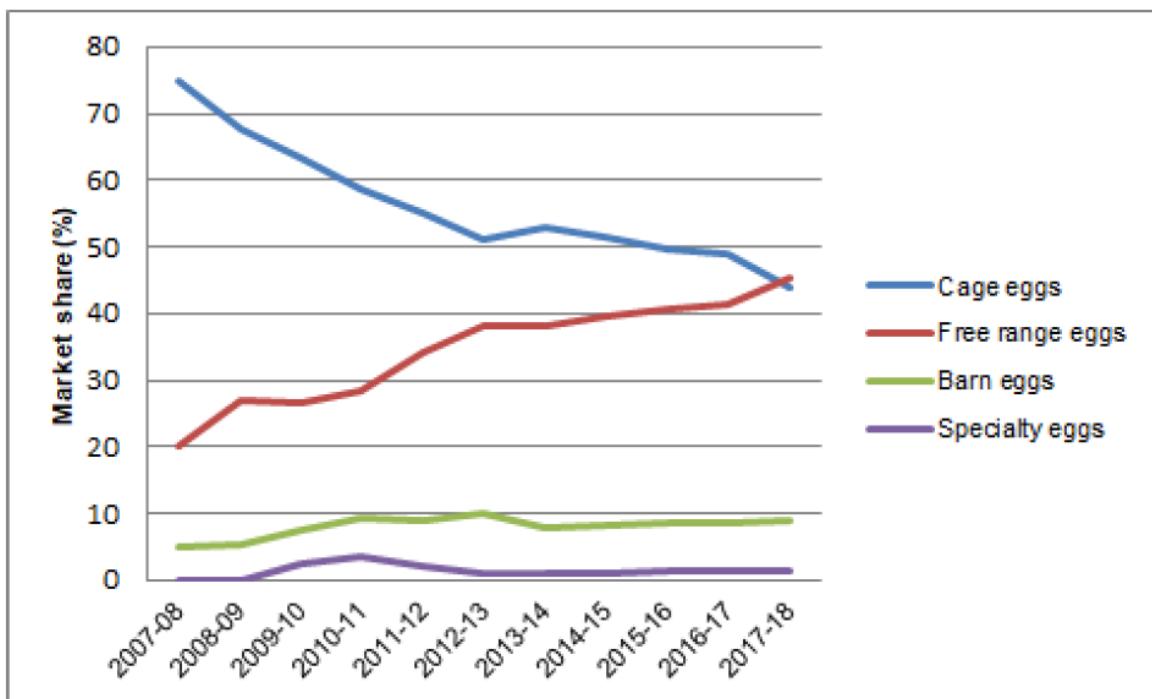
Shift in the market towards non-cage eggs

- 3.55 Throughout the inquiry there was discussion of the significant shift that has taken place in the consumer and retail market towards non-cage eggs. This section examines the market trend towards cage free egg production, including changing consumer demand, the commitments of major supermarkets to go cage-free by 2023 or 2025, and the increasing number of food manufacturing and service companies that are also making cage-free commitments, as well as the issue of product labelling and how this can influence demand for certain egg products.

Trends towards non-cage eggs

- 3.56 The committee heard that there has been an overall shift in consumer demand towards free-range eggs (see Figure 1 below), although demand is higher in the retail sector than in the food manufacture and services sector.

Figure 1 Market share of eggs over time in Australia based on production system



Submission 419, NSW Department of Primary Industries, p 10.

²⁶³ Evidence, Mr Alexander Russell, Manager Intensive Livestock Industries, NSW Department of Primary Industries, 13 August 2019, p 3.

- 3.57** Unfortunately though, the committee did not receive comprehensive data regarding the market share that each production system held in each sector either nationally or specific to New South Wales. Australian Eggs advised the committee that this data is not regularly available, although it provided national estimates for the overall and retail market shares for each production system, including recent trends.²⁶⁴
- 3.58** According to Australian Eggs, cage production has seen a decline in market share from 68 per cent to 49 per cent over the last nine years. By comparison, free range production has increased its market share from 25 per cent to 39 percent in the same period. See Figure 2 below.

Figure 2 Market share estimates by farming system

	2010	2016	2019
Cage eggs	68%	55%	49%
Barn eggs	7%	9%	12%
Free range	25%	36%	39%

Source: Australian Eggs surveys and estimates

Submission 392, Australian Eggs, p 7.

- 3.59** Turning to the national retail grocery market, the data provided by Australian Eggs showed that cage eggs have declined in retail sales from 49 per cent to 40 per cent in the last two years, whereas free range production has increased retail sales from 41 per cent to 47 percent. See Figure 3 below.

Figure 3 Retail sales share by farming system

	2017	2018	2019
Cage eggs	49%	44%	40%
Barn eggs	8%	9%	11%
Free range	41%	45%	47%

Source: IRI Aztec May 2019

Submission 392, Australian Eggs, p 7.

- 3.60** Australian Eggs reflected on this data and suggested that there will be continued growth in demand for free range eggs, although it also commented that there 'remains a substantial consumer demand [for] cage egg farming'. In terms of barn eggs, it noted that this they have 'struggled to establish a substantial share' of sales.²⁶⁵

- 3.61** However, Dr Jed Goodfellow, Senior Policy Officer, RSPCA, noted that while 'we do see that the barn category has not seen a lot of growth in recent times', the *Regulatory Impact Statement* for the *Standards and Guidelines* predicts that 'if there was to be a phase-out of the battery system, the barn category would be a category of high growth.' Dr Goodfellow was therefore of the opinion that once we see more 'retailer commitments to go cage free, then we will probably see quite a bit more investment in the barn system'.²⁶⁶

²⁶⁴ Submission 392, Australian Eggs, p 7.²⁶⁵ Submission 392, Australian Eggs, p 7.²⁶⁶ Evidence, Dr Jed Goodfellow, Senior Policy Officer, RSPCA, 14 August 2019, p 47.

- 3.62 NSW Farmers and Egg Farmers of Australia noted that in the retail market, 'approximately 50% of eggs sold in retail channels are sold through major supermarket chains'.²⁶⁷
- 3.63 One large retailer, Woolworths Ltd, said that sales of eggs by production systems in their stores was 38 per cent cage, 13 per cent barn laid and 49 per cent free range, including organic,²⁶⁸ which is comparable to the data provided by Australian Eggs.
- 3.64 The committee heard that demand for cage eggs in the food manufacture and services sector of the market was higher than that in the retail sales sector.
- 3.65 For example, the NSW Department of Primary Industries advised that a 'significant proportion of eggs used in food manufacturing come from conventional cage systems'.²⁶⁹ The RSPCA estimated that 67 per cent of cage production went to the food manufacture and services sector and 33 per cent went to the retail sector.²⁷⁰
- 3.66 Some participants pointed out that there is no requirement in these sectors to label egg products as coming from a certain production system (e.g. cage, barn or free range) as occurs with retail eggs. This issue is discussed further in the next section.

Product labelling

- 3.67 Relevant to consumer demand and debate about whether people are actively buying free range eggs due to animal welfare issues are concerns with labelling. Issues relating to labelling raised throughout the inquiry centred around whether consumers had the capacity, in the current labelling framework, to ascertain the source and welfare conditions of the eggs they were purchasing, as well as the eggs they were consuming in products.
- 3.68 The NSW Department of Primary Industries stated that to 'inform their buying decisions, consumers require accurate labelling on egg packaging and advertising'.²⁷¹
- 3.69 However, some inquiry participants expressed concern that the claims and information published on labelling continues to be confusing and simplified.
- 3.70 For example, Dr Goodfellow remarked that 'most consumers are overwhelmed when they reach the egg aisle in a supermarket' as 'the range of labels and the range of claims that are made on egg cartons are vast and it is extremely confusing'.²⁷²
- 3.71 Additionally, Professor Christine Parker, academic, raised concerns over the 'simplistic and reductionist nature of labelling':

²⁶⁷ Submission 404, NSW Farmers p 8 and Answers to supplementary questions, Egg Farmers of Australia and NSW Farmers, 17 September 2019, pp 3-4.

²⁶⁸ Correspondence from Woolworths Ltd to the committee, 16 September 2019, p 2.

²⁶⁹ Submission 419, NSW Department of Primary Industries, p 9. See also Evidence Ms Annabel Johnson, Policy Director – Livestock, NSW Farmers, 13 August 2019, p 13.

²⁷⁰ Answers to questions, RSPCA, Attachment 1, p 12.

²⁷¹ Submission 419, NSW Department of Primary Industries, p 10.

²⁷² Evidence, Dr Goodfellow, 14 August 2019, p 43. See also Submission 411, Australian Ethical Investment, p 7.

The current definition of free range eggs is very broad and continues to cause consumer confusion and distrust because it includes everything from large scale barn-based production to small scale mixed farming systems using agro ecological methods. There is typically little to differentiate these different scales of production in the labelling and marketing material, nor to understand other dimensions of animal welfare, including the actual health and welfare of the birds. Our research shows that the current division of free range, cage and barn is simplistic and reductionist and not capable of ensuring consumers are fully informed as to the sources of eggs and the animal welfare involved.²⁷³

- 3.72** Stakeholders also advised the committee that labelling rules only apply to whole eggs sold in cartons and there were no requirements for the disclosure of production information on products containing eggs as an ingredient.
- 3.73** Ms Oogjes asserted that this situation is 'absolutely wrong', noting that it is voluntary for food producers to note when their products contain cage eggs or not.²⁷⁴
- 3.74** The Animal Defenders Office contended that the omission of information in products limits consumer choices. It said that consumer should be able to make 'informed purchasing choices about the eggs they consume, including retail eggs, eggs consumed in hospitality, and foods containing egg products'.²⁷⁵
- 3.75** Mr Seyedi discussed the legislative disparity between the labelling of whole eggs and products containing eggs when he appeared before the committee. He noted that under the Australian Consumer Law retail eggs are required to disclose the method of production [cage, barn or free-range] but there is no similar requirements in hospitality or food products or processed food. Mr Seyedi suggested that consumers 'are not really able to control the consumption of other products that have egg ingredients in them'. He argued that this is more than a consumer rights issue, and is 'an animal welfare issue as well', as consumers need to be able to make choices consistent with better animal welfare outcomes.²⁷⁶
- 3.76** However, Ms Johnson stated that 'consumers have different values with the different products they purchase' and suggested that consumers are more focused on the main product or food experience rather than the production method of the ingredients. Discussing the example of a consumer that buys a cake, she suggested that they would be less concerned with knowing where the milk was from or what type of eggs were used.²⁷⁷
- 3.77** In its submission to the inquiry, Australian Eggs explained that the rationale of labelling laws to date has focused on protecting consumers from misleading claims. It noted this has not been a great concern in terms of products containing eggs:

A number of food manufacturers also use eggs produced by alternative systems in products such as baked goods and may market this to provide a point of difference and consumer choice. Cage eggs are regularly used in manufactured food products without reference to the egg farming system. There is no evidence that consumers

²⁷³ Submission 366, Professor Christine Parker, pp 2-3.

²⁷⁴ Evidence, Ms Oogjes, 13 August 2019, p 33.

²⁷⁵ Submission 439, Animal Defenders Office, p 9.

²⁷⁶ Evidence, Mr Seyedi, 14 August 2019 p 16.

²⁷⁷ Evidence, Ms Johnson, 13 August 2019, p 13.

may have been misled or held a reasonable expectation that eggs from alternative systems may have been used in these circumstances.²⁷⁸

- 3.78 Professor Parker emphasised that where eggs are used in 'processed goods and in catering', consumers 'do not see a label and may not even think about the fact that that is an egg and they could think about what they want to buy.' Despite this, Professor Parker noted that, 'globally, hundreds of big food service companies, fast food companies, processed food companies and hotel chains, all of these companies have committed to going cage-free by 2025'.²⁷⁹

Drivers of consumer demand

- 3.79 Pricing and animal welfare concerns were discussed by inquiry participants as the key factors which influence consumer purchasing decisions, thereby driving demand for either cage or non-cage eggs in the retail sector.
- 3.80 Professor Parker advised the committee that animal welfare was a significant concern for consumers which influences their purchasing decisions. She stated: 'About two-thirds of consumers have bought free-range or cage free because they are worried about animal welfare. About half of them are regularly buying cage-free'.²⁸⁰
- 3.81 Dr Goodfellow also said that 'people purchase eggs on different parameters, different values, and price of course', which he said is one of the most significant factors. He also suggested that if conventional cages were phased out consumers would purchase the 'next cheapest option'.²⁸¹
- 3.82 However, Mr Robert Peffer, Sales, Packing and Distribution Manager, Canobolas Eggs, questioned whether cage egg purchases were always about price, observing that they sell cage eggs despite not always being the cheapest option, stating:
-It is not always about price. As I said, we sell our caged eggs, they still sell. Some of the people do select them in supermarkets for factors that must be other than price because our caged eggs are not cheaper than the generic in some instances.²⁸²
- 3.83 Reflecting on consumer purchasing and pricing, Mr Rowan McMonnies, Australian Eggs, drew the committees attention to a study by the University of Adelaide which showed that supermarket pricing structures influence consumers perceptions of product quality, which in turn influences consumer purchasing decisions.²⁸³

²⁷⁸ Submission 392, Australian Eggs, p 8.

²⁷⁹ Evidence, Professor Christine Parker, academic, 14 August 2019, p 2.

²⁸⁰ Evidence, Professor Parker, 14 August 2019, p 1.

²⁸¹ Evidence, Dr Goodfellow 14 August 2019, p 43.

²⁸² Evidence, Mr Robert Peffer, Sales, Packing and Distribution Manager, Canobolas Eggs, 14 August 2019, pp 36-37.

²⁸³ Evidence, Mr Rowan McMonnies, Australian Eggs, 14 August 2019, p 27. See also Submission 392, Australian Eggs, Attachment I.

- 3.84** In the evidence received by the committee from individuals, the majority of inquiry participants advised there is a consumer preference to buy non-cage eggs. Speaking for the 60 per cent of consumers who buy non-cage eggs, these submission authors highlighted that their concern for hen welfare determined purchasing decisions.²⁸⁴
- 3.85** The committee also received some submissions from authors who supported the continued use of cages. Affordability, food safety and freedom of choice were raised by these individuals as key concerns which determined their preference for cage eggs.²⁸⁵

Cage-free commitments

- 3.86** In addition to changes in consumer demand, which the previous sections have outlined, it is also important to note that major supermarkets and large food manufacturers and services are making commitments to stop selling or using cage eggs.
- 3.87** The NSW Department of Primary Industries said that the shift in consumer preferences away from cage eggs was driving supermarkets and food manufacturers and services to undertake commitments to become 'cage free'. The department noted that 'three major supermarkets have already voluntarily committed to phasing out the sale of caged eggs in their stores'. This included Coles phasing out cage eggs by 2023 and Woolworths and Aldi phasing them out by 2025. It also noted that a number of major food retail chains and food manufacturers are also only using cage free eggs or are phasing to only using cage free eggs.²⁸⁶
- 3.88** Indeed, both Woolworths and Coles advised the committee that concern for hen welfare and the demands of their customers had driven their cage free commitments. For Woolworths the 'main factor was the need to remove hens from confined living conditions', which it noted was a decision supported by a growing number of its customers who are changing their purchasing behaviour and increasingly choosing cage free options. In addition, Woolworths noted that its animal welfare policy is aligned with the 'Five Freedoms of Animal Welfare' developed by the Farm Animal Welfare Council, meaning 'hens in cage free environments better meet the requirements of that policy'.²⁸⁷
- 3.89** Additionally, Woolworths advised the committee they have already undertaken action to implement their commitment to be cage free in both sales of whole eggs and as an ingredient in all their own brand products by 2025.²⁸⁸

²⁸⁴ See Submission 32, Name suppressed, p 1, Submission 57, Name suppressed, p 1, Submission 484, Ms Sally Ryan, p 1, Submission 157, Mrs Michelle Richards, p 1.

²⁸⁵ See Submission 399, Name suppressed, p 4, Submission 449, Name suppressed, p 1, Submission 453, Name suppressed, p 1, Submission 456, Name suppressed, p 1 and Submission 458, Name suppressed, p 1.

²⁸⁶ Submission 419, NSW Department of Primary Industries, p 9.

²⁸⁷ Correspondence from Woolworths Ltd to the committee, 16 September 2019, pp 1-2.

²⁸⁸ Correspondence from Woolworths Ltd to the committee, 16 September 2019, p 1.

- 3.90 Similarly, Coles noted that it is committed 'to sourcing products that have a standard of animal welfare that meets our customers' expectations'. Noting that its consumers want to buy cage free eggs, its phase out is influenced by the importance of animal welfare and trends in the market.²⁸⁹
- 3.91 Coles also advised the committee that its own brand 'shell eggs have been cage free since 2013' and that by 2023 it has 'committed to only sell cage free shell eggs' in its supermarkets and additionally, that 'in 2023 all own brand products with eggs as an ingredient will be sourced from cage free systems'.²⁹⁰
- 3.92 Woolworths and Coles both advised the committee of the support they are providing producers in order to meet their current cage free commitments. However, it is noted that since the inquiry hearings concluded, it was reported that Coles had suddenly stopped selling caged eggs in Western Australia (ahead of its 2023 commitment) due to supply shortages.²⁹¹
- 3.93 Woolworths stated they were currently 'in negotiations with key suppliers in relation to new, long-term supply agreements' that would 'help us deliver our commitment to be cage free by 2025'²⁹² and Coles noted they are working with 'our proprietary egg suppliers to increase production of cage free eggs at a sustainable pace, allowing our farmers time to adapt'.²⁹³ This is notable given comments from Mr Brett Langfield, Chair of the NSW Farmers Egg Committee, NSW Farmers, that the industry had 'no real ability to handle a rapid shift' given current levels of investment.²⁹⁴
- 3.94 In addition to retail commitments, stakeholders advised the committee that a number of large food manufacturers and services have also announced cage free commitments.
- 3.95 The RSPCA provided the committee with the names of several businesses that had made this commitment, including Arnott's, McDonalds, Hungry Jacks, Subway, Nando's, Oporto, Ikea, Kellogg's, Compass Group, Mars, Nestle, PepsiCo and Unilever.²⁹⁵
- 3.96 However, in Ms Johnson's view, the demand for cage eggs is higher in the food service sector than in the retail sector, with the food service sector continuing 'to rely on cage egg production'.²⁹⁶
- 3.97 While the RSPCA acknowledged the continued use of cage eggs by this sector, they contended that 'increasingly, companies are being held to account for their practices' through public ranking and reporting on animal welfare practices. It said that cage free commitments in the

²⁸⁹ Correspondence from Coles to the committee, 16 September 2019, p 1.

²⁹⁰ Correspondence from Coles to the committee, 16 September 2019, p 1.

²⁹¹ Jenne Brammer, 'Supermarket giant Coles cans caged eggs ahead of schedule amid WA supply shortages', *The West Australian*, 14 August 2019, <https://thewest.com.au/business/retail/coles-cans-caged-eggs-amid-supply-shortages-ng-b881290344z> (accessed 17 October 2019).

²⁹² Correspondence from Woolworths Ltd to the committee, 16 September 2019, p 2.

²⁹³ Correspondence from Coles to the committee, 16 September 2019, p 1.

²⁹⁴ Evidence, Mr Brett Langfield, Chair of the NSW Farmers Egg Committee, NSW Farmers, 13 August 2019, p 17.

²⁹⁵ Submission 440, RSPCA, p 9.

²⁹⁶ Evidence, Ms Johnson, 13 August 2019, p 13.

sector are marginalising cage production. It also noted that initiatives such as *the Business Benchmark on Farm Animal Welfare*, which annually ranks the world's leading food companies on their farm animal welfare policies, practices and performance, is influencing the shift towards cage free eggs.²⁹⁷

The market as the regulator

- 3.98** Although some stakeholders called for a legislative phase out of cages in the industry, other participants suggested the market is already regulating the industry, given the shifts in consumer demand and cage-free commitments by some food retailers and major supermarkets. This section will discuss whether a phase out via the market is sufficient or whether the government needs to play a greater role.
- 3.99** NSW Farmers advocated for a transition away from conventional cage egg production 'in a manner that is market driven in terms of outcomes and timing'. It argued that market led change is the most viable for industry.²⁹⁸
- 3.100** The NSW Department of Primary Industries noted the recent increase in free-range production and said that as consumer choice is 'already the key driver for industry change'.²⁹⁹
- 3.101** Mr Langfield gave evidence about the importance of consumers being able to make a choice about what products they want to buy.³⁰⁰
- 3.102** There were significant concerns expressed about leaving it to the market to regulate the industry or phase out cage eggs.
- 3.103** Ms Oogjes said she did not think it was appropriate to rely on the market to phase out battery cages:

I do not think we should wait and allow just market forces... That is because each and every day the birds, and in this country about 10 million birds, in New South Wales the calculation would be something like three million, each day they are in all wire cages. They are denied natural behaviours and, indeed, behaviours that are good for their physical and psychological welfare. I do not think we should wait for that trend to take its natural course. I do think... that there is benefit for the hens and the industry for there to be an orderly transition. That is a line in the sand, an indication of how long they will be allowed to use the current system and some assistance even to make it to that point. I do think that would be better all around rather than waiting for the stop-go of commercial pressures.³⁰¹

²⁹⁷ Submission 440, RSPCA, p 9.

²⁹⁸ Submission 404, NSW Farmers, p 16.

²⁹⁹ Submission 419, NSW Department of Primary Industries, p 6.

³⁰⁰ Evidence, Mr Langfield, 13 August 2019, p 23.

³⁰¹ Evidence, Ms Oogjes, p 30

- 3.104** Dr Goodfellow said that the market has failed to ensure hen welfare as 'animal suffering is being externalised from the price' of cage eggs. He advocated for legislative change, stating that the government must act to prevent 'a market in animal suffering'.³⁰²
- 3.105** Additionally, Dr Goodfellow, stated that he believed consumers had an expectation that regulations would ensure that products available for purchase are cruelty free, stating: 'I think consumers also expect that legislation will protect animals from cruelty. They think that if they can buy a product on the shelf of a supermarket, then the animals involved must have been protected from cruelty'.³⁰³
- 3.106** The RSPCA noted that 'if animal welfare standards fail to reflect the expectations and values of the Australian public, the sustainability of the production system may be threatened in the face of increasing concern about the way farm animals are treated' which could present a significant risk to the egg industry's 'social licence'.³⁰⁴
- 3.107** Mr Seyedi argued that it is immoral to consider the grave degree of suffering experienced by hens as a consumer and market issue only:

We certainly welcome steps taken in the market and suppliers that do elect to respond to consumer demand by removing negative animal welfare outcomes. What we would simply say to that is the issue with considering animal welfare, and specifically the infliction of animal cruelty as merely a market issue and a consumer issue, to us would suggest that the infliction of cruelty to animals, that is the pain and suffering on a sentient being that feels that pain and suffering and that would normally be a criminal offence not simply a difference of opinion or policy concern, to then link that to consumer demand, and indeed the market, to us we would see as immoral.³⁰⁵

- 3.108** There were also concerns about the limited ability of consumers act as effective regulators of animal welfare. Professor Parker noted that:

Essentially, if we have to rely on consumers to be the regulators, they can send the signal that they want something other than battery cages, but they cannot set what the exact conditions of animal welfare are, and they cannot check whether the labels that they are looking at and the marketing that they are looking at is actually true or not. I think we need to listen to what the consumers or the citizens are saying, that they want to move out of battery cages. Then we need some support from Government to actually say what animal welfare conditions there should be for the cage-free system.³⁰⁶

- 3.109** Professor Parker contended that as both sectors of the market are pushing for cage free production the best way for the Australian egg industry to 'catch up' would be in a 'managed way' and with higher welfare standards from Australia.³⁰⁷
- 3.110** The committee also heard from Animals Australia Inc that campaigning for an end to cage production would increase if the government takes no action.

³⁰² Evidence, Dr Goodfellow, 14 August 2019, p 49.

³⁰³ Evidence, Dr Goodfellow, 14 August 2019, p 43.

³⁰⁴ Submission 440, RSPCA, p 7.

³⁰⁵ Evidence, Mr Seyedi, 14 August 2019, p 22.

³⁰⁶ Evidence, Professor Parker, 14 August 2019 p 1.

³⁰⁷ Evidence, Professor Parker, 14 August 2019, p 2.

- 3.111** Ms Oogjes said that they would 'ramp up' their efforts to raise community awareness about welfare issues for hens in battery cages. She added that 'there is benefit for the hens and the industry for there to be an orderly transition'.³⁰⁸

Committee comment

- 3.112** As discussed in chapter 2, the committee understands that there are many community members who feel strongly that the use of cages in egg production is unacceptable and should end. This view is supported by animal welfare organisations and the vast majority of community members who recommended a legislative phase out of cage production due to concern about the conditions of hens in cages.
- 3.113** The committee acknowledges that industry does not support a legislative phase out of cage production. At the same time, there is significant uncertainty for caged egg producers in the market with consumers increasingly shifting away from caged eggs, all major supermarkets publically committing to phase out caged eggs by 2023 or 2025 and major food manufacturers and food service companies are increasingly making similar commitments. The committee acknowledges that industry recognises that changes are and will have to occur.
- 3.114** The committee notes this strong market trend away from cage egg production, which is due to welfare concerns for hens, is expected to continue.
- 3.115** Reflecting on the evidence received regarding the labelling of products that contain caged eggs and inherent limitations of consumer-led improvements to animal welfare, the committee is not convinced that the market is an appropriate regulator of animal welfare. It should not simply be left to consumers to regulate the industry, nor major supermarkets. Ensuring positive animal welfare outcomes is a matter for government.
- 3.116** In this regard, the committee notes that this inquiry was undertaken at the same time as a national review of animal welfare standards, including standards relevant to layer hens in the egg production industry. The committee acknowledges the work of the national Animal Welfare Task Group and the consultation process that the national review has undertaken. We understand that the *Standards and Guidelines* will be finalised and provided to governments for consideration later this year or early next year.
- 3.117** The committee recognises that stakeholders generally supported a national mandated approach to regulation, although we note that this support is somewhat contingent on the content of the final *Standards and Guidelines* and in particular, if a phase out of cage egg production is included.
- 3.118** The committee in principle supports the phase out of conventional cages in egg production and recommends the Minister for Agriculture and Western New South Wales establish a Working Party on the Transition of the Egg Production Industry to advise on the future of the egg production industry and engagement in the national Agriculture Minister's Forum (AGMIN) process.

³⁰⁸ Evidence, Ms Oogjes, 13 August 2019, pp 28 and 37.

- 3.119** The Working Party will advise the Minister for Agriculture and Western New South Wales on the appropriate time-frames for the transition away from conventional cages and the industry assistance necessary to support that transition.
- 3.120** Representatives on the Working Party will include the Australian egg production industry, animal welfare groups, veterinarians and consumer advocates.
-

Recommendation 2

That the Minister for Agriculture and Western New South Wales establish a Working Party on the Transition of the Egg Production Industry to advise on the future of the egg production industry and engagement in the national Agriculture Minister's Forum (AGMIN) process, with the Working Party:

- to advise the Minister for Agriculture and Western New South Wales on the appropriate time-frames for the transition away from conventional cages and the industry assistance necessary to support that transition
 - to include representatives of the Australian egg production industry, animal welfare groups, veterinarians and consumer advocates.
-

- 3.121** The committee notes evidence received regarding furnished cages. The committee believes there is a need for a definition of furnished cages and that this should be a primary task for the Working Party on the Transition of the Egg Production Industry, given more detailed work in this area is required.
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Recommendation 3

That the Working Party on the Transition of the Egg Production Industry establish a definition of a furnished cage, to be pursued through the national Agriculture Minister's Forum (AGMIN) process. The definition should include spatial allowance, stocking density, nest areas, perches and scratch pads.

- 3.122** Labelling was another area of concern for some inquiry participants. It seems labelling on whole egg cartons continues to be confusing for consumers. There was also concern that there is no requirement to disclose the egg production system used (that is, whether eggs came from a cage, barn or free range system) on food products containing eggs as an ingredient. This is particularly concerning given that approximately half of all eggs are being sold directly to food manufacturers and the food service industry, where consumers may not be aware they are consuming cage egg products that they otherwise would not buy at the supermarket.
- 3.123** The committee believes that more could be done to provide clarity for consumers. The committee therefore recommends that the Minister for Innovation and Better Regulation New South Wales advocate to the Consumer Affairs Forum and express the NSW Government's support for the development of a national information standard (in consultation with the Australian Competition and Consumer Commission and Food Standards Australia New Zealand) regarding the labelling of products containing eggs, to ensure that the egg-production system (e.g. cage, barn or free range) is clearly identifiable to consumers.
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Recommendation 4

That the Minister for Innovation and Better Regulation New South Wales advocate to the Consumer Affairs Forum and express the NSW Government's support for the development of a national information standard (in consultation with the Australian Competition and Consumer Commission and Food Standards Australia New Zealand) regarding the labelling of products containing eggs, to ensure that the egg-production system (e.g. cage, barn or free range) is clearly identifiable to consumers.

Chapter 4 Potential impacts of a phase out

This chapter considers the potential impacts of a phase out of cages in the industry and the likely cost to consumers. It also explores the capacity of industry to meet the financial and welfare challenges of a phase out, as well as the support and assistance required during an industry transition to cage-free production.

The impact on industry

- 4.1 The committee heard that the key considerations for industry in a phase out of conventional cages are cost, timeframe and supply.
- 4.2 The costs associated with a potential phase out of cages within the industry was a key issue. Relevant to this are the estimated costs in the *Proposed Australian Animal Welfare Standards and Guidelines: Poultry - Consultation Regulatory Impact Statement*.
- 4.3 The NSW Department of Primary Industries referred the committee to Table A5.7 of the *Regulatory Impact Statement*, which calculated the costs relating to implementation of the various options of the *Standards and Guidelines* (see below).³⁰⁹

Table A5.7: Summary of estimated costs of Options B, C, D (10-year and 20-year phase out of conventional cages), E, F and G by layer farm size and grouping of states – present value dollars (\$m)

Option	Description	Additional cost of option	SA6.3 6.4 6.5	SA9.4 9.5 9.6	SA9.15	Total cost
B	Convert the proposed national standards into national voluntary guidelines (the minimum intervention option)	N/A	\$0	\$0	\$0	\$0
C	Adopt the proposed standards as currently drafted]	N/A	\$5.21	\$61.97	\$449.83	\$517.01
D (10-year phase out of cages)	Vary the proposed standards to phase out conventional cages for chicken layers over 10 years in favour of alternative systems 'typical' free range/barn/aviary or furnished cages.	\$655.03	\$5.21	\$69.97	\$608.97	\$1,339.18
D (20-year phase out of cages)	Vary the proposed standards to phase out conventional cages for chicken layers over 20 years in favour of alternative systems 'typical' free range/barn/aviary or furnished cages.	\$332.06	\$5.21	\$65.97	\$529.40	\$932.64
E	Vary the proposed standards to reduce maximum stocking densities for layer hens to 9 birds per m ²	\$182.33	\$5.21	\$61.97	\$449.83	\$699.34
F	Vary the proposed standards to require the availability of nests, perches and litter for all chicken layers in cage and non-cage systems	\$418.39	\$5.21	\$61.97	\$449.83	\$935.41
G	Vary the proposed standards to ban castration, pinioning and devoicing. And no hot blade beak trimming at hatcheries, no routine 2nd beak trim – unless exceptional circumstances (hot blade permitted in this circumstance)	\$120.11	\$5.21	\$61.97	\$449.83	\$637.12

³⁰⁹ Animal Health Australia *Proposed Australian Animal Welfare Standards and Guidelines: Poultry - Consultation Regulatory Impact Statement*, November 2017, p 164.

4.4 The NSW Department of Primary Industries noted that this table showed that the specific cost of a phase out would vary depending on the length of the phase out period, with a 10 year phase out costing \$655.03 million and a 20 year phase out costing \$332.06 million. It said that this included 'replacement of production infrastructure before it has finished its productive lifecycle', and increasing the quantity of hens, given hens are less productive in non-cage systems.³¹⁰

4.5 The department also explained that the various figures included implementation costs for all poultry or for a combination of options. It clarified that the cost of implementing the draft standards and guidelines specific to layer hens was \$517.01 million and the separate cost specific to phasing out cages over 10 years was \$655.03 million. Explaining this distinction, it said:

The \$1.5 billion cost quoted by DPI at the inquiry was the total cost of implementing the standards and guidelines as drafted, as well as a phase out of cages over 10 years for the poultry industry as per Table 30 of the national consultation Regulatory Impact Statement (RIS) (ie. including meat chickens, ducks, turkeys and layer hens).

The DPI submission considered the cost of implementing the draft national standards and guidelines for layer hens only (\$517.01 million), as well as identifying the estimated additional costs of implementing a phase out of cages over a 10 year period for the layer hen industry (\$655.03 million) as per Table A5.7 of the national consultation RIS. This table of the RIS also shows that a 10 year phase out of cages was estimated to incur \$167.14 million of additional costs in implementing the proposed standards and guidelines on top of the additional cage phase out costs, and a total cost of \$1,339 million to the layer hen industry.³¹¹

4.6 Additionally, the department advised that these estimates were calculated against a 'base case which assumed "existing standards plus market forces..." continued to apply to the industry', including an adjustment based on 'assumptions about the likely impact from changing demand preferences for conventional cage eggs from both consumers and retailers/food service'.³¹²

4.7 Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc, questioned the figures stated in the *Regulatory Impact Statement*, raising a range of concerns including that:

- the cost of other proposed changes in the *Regulatory Impact Statement*, such as beak trimming, are included in estimates which discuss the cost of a phase out of conventional cages
- 'there is misleading or inadequate assessment of the current inevitable trends toward higher welfare products and thus also little consideration of the likely voluntary commercial decisions that will be made in coming years, leading to an over estimation of the purported cost of any "enforced" changes ...'
- 'no assessment of consumers' "willingness to pay" higher prices...'

³¹⁰ Submission 419, NSW Department of Primary Industries, p 12.

³¹¹ Answers to questions on notice, NSW Department of Primary Industries, p 1.

³¹² Answers to questions on notice, NSW Department of Primary Industries, p 1.

- no costing of the age/depreciation status of current cage stock or other infrastructure ... i.e .how many cages or sheds would be being replaced anyway'³¹³

4.8 The RSPCA provided the committee with a report that modelled the financial impact of a phase out of conventional cages over ten years. The report noted that the estimated costs of phasing out (conventional) cage eggs includes factors such as existing facility conversion and downtime costs, new facility land and infrastructure costs, plus a cost for business fragmentation,. It also was adjusted to account for 'net market force of reduced demand' and a discount value.³¹⁴

4.9 The RSPCA report expressed concerns over the assumptions used in the Regulatory Impact Statement to calculate the economic modelling. In particular, the report questioned assumptions behind the 'impact of net market forces on battery cages' over the ten year phase out period, arguing that the -13.3% estimate was 'extremely conservative' and did not account for the cage-free commitments of major supermarkets and food manufacturers/services. It alternatively estimated that a 'net market effect of -26.6% is more realistic'.³¹⁵

4.10 Further, the RSPCA noted that the report combined the revised net market effect estimate 'with an assessment of the need to replace aging cage infrastructure over the next 10 years, such that the proportion of the \$137 million that can be attributed to the proposed regulation is likely to fall significantly below \$100 million over 10 years, with much of these costs passed on to consumers.'³¹⁶

4.11 In response to questions concerning potential differences in cost impact for a market based or legislative phase out, Mr Scott Hansen, Director General, NSW Department of Primary Industries, informed the committee that the Department was undertaking its own modelling in order to more accurately assess the impact for New South Wales. He said it was difficult to assess the cost for the state through the application of the national calculations:

We are not comfortable just relying on a national total and trying to extrapolate from that how it might impact New South Wales. We want to get the best figure we can for New South Wales so we are aware of the impacts. That work is out in the field at the moment in terms of some survey work, trying to get that information and some data back in. Hopefully we will be able to share that with the committee before you arrive at your final report.³¹⁷

4.12 The department noted that as of September 2019, this 'economic modelling is ongoing'.³¹⁸

4.13 The timeframe for change was a concern for egg producers who advised the committee they had no capacity for rapid change as a long lead time is required to establish a production system. For example, Mr Brett Langfield, Chair of the NSW Farmers Egg Committee, NSW Farmers, stated it is 'just not possible' to undertake change quickly, advising the committee

³¹³ Answers to questions on notice, Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc, p 1.

³¹⁴ Answers to questions on notice, RSPCA, Attachment 1, p 9.

³¹⁵ Answers to questions on notice, RSPCA, p 1.

³¹⁶ Answers to questions on notice, RSPCA, p 1.

³¹⁷ Evidence, Mr Scott Hansen, Director General, NSW Department of Primary Industries, p 8.

³¹⁸ Answers to supplementary questions on notice, NSW Department of Primary Industries, p 1.

that his family business decided to further expand their free range system in 2016 but that it took three years, just to get 'birds on the ground' and they expect to 'be finished in a four and a half year window'.³¹⁹

- 4.14 Egg Farmers of Australia and NSW Farmers advised the committee that as egg farmers are still carrying debt from the introduction of the Model Code of Practice a 'fast transition would create large financial distress to the industry and it is highly likely that farmers would exit the industry'.³²⁰
- 4.15 Woolworths told the committee that lead time was a consideration in their commitment to phasing out cage eggs: 'When making the decision to phase out of caged eggs, we were also conscious of the impact on our suppliers. Having a longer lead time on our commitment has given suppliers the certainty they need to plan for the transition as we move towards 2025'.³²¹
- 4.16 Mr Rowan McMonnies, Managing Director, Australian Eggs, also highlighted how critical timeframes are when implementing change, particularly in terms of managing supply. He noted that due to the inflexible nature of production supply 'oscillates around a point' in terms of over or under supply. He said that there have been periods of time in which there have been shortages of different production types, with one of the reasons being the inflexibility associated with egg production. He said it 'takes a lot of planning, including getting permits et cetera to get a new shed up and to add capacity'.³²²
- 4.17 Some stakeholders discussed the risk of egg being imported should cage egg production be phased out.
- 4.18 Mr Hansen advised the committee that due to biosecurity risks they 'actually do not allow importation of eggs at the moment'. Mr Hansen also did not accept that phasing out caged eggs would actually lead to any need to import additional eggs, noting that it is 'not just about whether we move away' from caged eggs but 'it is how fast we move away, what we move to and what additional science and additional knowledge and management practices can be brought to the table and how fast we can do that to reduce the risk'.³²³

Consumer considerations

- 4.19 The potential impact of a phase out on egg prices was a concern expressed by stakeholders.
- 4.20 According to NSW Farmers, in order to fund the necessary infrastructure upgrades, the price of a carton of eggs would increase by 'up to \$1', and the prices of other products containing eggs were also likely to rise:

The requisite investments in replacement infrastructure through a phase out would only be made if supported by higher prices paid by consumers. The price of eggs

³¹⁹ Evidence, Mr Brett Langfield, Chair of the NSW Farmers Egg Committee, NSW Farmers, 13 August 2019, p 20.

³²⁰ Answers to supplementary questions, Egg Farmers of Australia and NSW Farmers, p 6.

³²¹ Correspondence from Woolworths Ltd to the committee, 16 September 2019, p 2.

³²² Evidence, Mr Rowan McMonnies, Managing Director, Australian Eggs, 14 August 2019, p 32.

³²³ Evidence, Mr Hansen, 13 August 2019, pp 5 and 7.

would have to rise by up to \$1 per carton, hitting Australian households with an extra \$200 million for eggs each year. ...

Higher prices are likely to extend to other products. Caged eggs are used extensively as an input in the food service industry and egg-containing products, such as bakery products. A range of other businesses would need to increase the price of their products.³²⁴

- 4.21** The RSPCA provided the committee with a report they commissioned which sought to assess the financial impact of phasing out conventional cages over ten years. The report used the information contained in the *Regulatory Impact Statement* for the national *Standards and Guidelines* as a basis from which to assess the financial impact of phasing out cage eggs. In estimating potential price impact, the report made the following observations:

- free range eggs have variable pricing depending on stocking density, with the average shelf price for eggs with a 10,000 hen per hectare density more likely to be closer to \$0.40 per egg rather than \$0.45 per egg as quoted in the *Regulatory Impact Statement*
- 'barn laid eggs and densely stocked free range hens (10,000 birds/ha), although not likely to go as low as current cage egg prices, will be only marginally higher as economies of scale, competition and innovation are realised over the 10-year phase out period and regulatory certainty is introduced thereby stimulating new investment, new technologies and improved farming practices'
- 'a reasonable assumption is that a 10 per cent decrease in shelf price for consumers is likely to be achievable due to future economies of scale, innovation and competition in the industry'.³²⁵

- 4.22** The report concluded that consumers will incur a cost increase of 8 cents per egg (an additional \$0.96 per dozen) should they purchase barn eggs instead of cage, and barn and free-range consumers will experience a decrease of 4 cents per egg (a saving of \$0.48 per dozen) (see Figure 4 below).³²⁶

Figure 4 Estimated consumer surplus due to future economies of scale, etc. (10%)

Egg Consumers	Barn laid	Free range
Current cage egg consumers, \$0.27/egg	(-) \$0.08	(-) \$0.14
Current barn laid egg consumers, \$0.39/egg	(+) \$0.04	(-) \$0.02
Current free range egg consumers, \$0.45/egg	(+) \$0.10	(+) \$0.04

Source: BG Economics

Answers to questions on notice, RSPCA, Attachment 1, p 15.

³²⁴ Submission 404, NSW Farmers, p 19.

³²⁵ Answers to questions on notice, RSPCA, Attachment 1, p 15.

³²⁶ Answers to questions on notice, RSPCA, Attachment 1, p 15.

- 4.23** The report also said that should producers pass on the cost of phasing out conventional cages, an additional premium may apply, which is estimated at 1.4 cents per egg for the cost of a phase out. The cost of other financial impacts included in the proposed standards and guidelines was also noted to be estimated at 1 cent per egg. Consequently, should producers pass on the full cost of implementing the standards and guidelines to consumers, including a phase out of conventional cages, the additional cost would equal 2.4 cents per egg (28.8 cents per dozen).³²⁷
- 4.24** Woolworths advised the committee that it is unable to speculate on future pricing of eggs as this 'could be considered as price signalling'. Likewise, Coles advised 'information about future pricing ... is commercial in confidence'.³²⁸
- 4.25** Woolworths did however highlight the importance of price for some of their customers, stating they 'serve many customers who shop on tight budgets and process are absolutely key to them'.³²⁹
- 4.26** NSW Farmers expressed concern that increased prices will affect 'those with the least capacity to pay the hardest'.³³⁰
- 4.27** In terms of other forms of protein, Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc, commented that 'there is a real move, as people will know, to plant-based diets'. She provided the committee with details of a range of high-protein and low-cost plant-based egg alternatives and replacements which 'can be incorporated into people's diets to ensure they consume the recommended daily intake of protein', such as tofu, soy products, lentils, kidney beans and sunflower seeds.³³¹
- 4.28** Ms Annabel Johnson, Policy Director – Livestock, NSW Farmers, remarked that these options do not reflect the preferences of consumers, stating culturally Australia is a meat eating society and eggs serve as a cheaper alternative to meat.³³²
- 4.29** Ms Oogjes, expressed the view that currently 'it is the animals that are paying the price'. In her opinion, the changes in price are 'sadly the price of change and improving our animal welfare standards'. She added:

I do think we have to at some stage take a stand from an animal welfare perspective and understand that we cannot go on treating animals that come into this world for our use, if you like, but into our care in a way that I believe—and science shows—provides a very poor environment for them physically, mentally, psychologically and behaviourally.³³³

³²⁷ Answers to questions on notice, RSPCA, Attachment 1, p 16.

³²⁸ Correspondence from Woolworths Ltd to the committee, 16 September 2019, p 2 and Correspondence from Coles to the committee, 16 September 2019, p 1.

³²⁹ Correspondence from Woolworths Ltd to the committee, 16 September 2019, p 2.

³³⁰ Submission 404, NSW Farmers, p 19 and Submission 408, Egg Farmers of Australia, p 4.

³³¹ Answers to supplementary questions, Animals Australia, p 3.

³³² Evidence, Ms Annabel Johnson, Policy Director – Livestock, NSW Farmers, 13 August 2019, p 21.

³³³ Evidence, Ms Oogjes, 13 August 2019 p 29, Evidence, Professor Christine Parker, academic, 14 August 2019, p 2.

- 4.30** Furthermore, Ms Oogjes, and some other stakeholders, were optimistic that through economies of scale, increased demand, industry investment, and improved farming practices the price of non-cage eggs would come down in the long term.³³⁴
- 4.31** This view was supported by Mr Hansen who noted that 'as you get more production outside of traditional or conventional cage systems, as it becomes less of a niche and more of a mainstream, you will expect to see prices decrease in that category—prices for consumers as well as prices through the supply chain—because it no longer is the differentiated product, but becomes more and more mainstream'.³³⁵

Support for industry

- 4.32** Industry capacity to meet the financial and welfare challenges of a transition from conventional cage production to barn or free-range production were discussed throughout the inquiry. This section will examine the range of views expressed by stakeholders regarding the financial support and industry development egg producers may require to ensure a successful transition for both farmers and hens.

Financial adjustment

- 4.33** Industry representatives advised the committee that given the current financial status of the industry, further industry change initiated by a phase out of cages should come with financial support from government.
- 4.34** Egg Farmers of Australia said that the industry currently carries a significant amount of debt, having financed millions of dollars in 'high standard infrastructure' over the last fifteen years:

In the last 15 years, farmers have financed millions and millions of dollars in high standard Infrastructure. Millions of dollars has been financed over a 20-30 year period and the poultry industry has also experienced a number of past restructures committing producers to still be paying off bank loans for previously installed infrastructure, whilst at the same time financing the current infrastructure.³³⁶

- 4.35** As a consequence of this long term debt, Egg Farmers of Australia and NSW Farmers advised that a regulatory phase out 'would have a highly detrimental impact on the profitability of many farmers, as they have not been able to write their current debt levels from the recent investment in infrastructure upgrades'.³³⁷
- 4.36** Mr Bede Burke, Partner, Glenwarrie Eggs, described his own experience with managing the impact of past industry changes, stating that consequently he could not 'consider voluntarily moving away from the cages'. Reflecting on the costs associated with updating his infrastructure in response to industry changes, he noted:

³³⁴ Evidence, Ms Oogjes, 13 August 2019 p 29, Evidence, Professor Christine Parker, academic, 14 August 2019, p 2.

³³⁵ Evidence, Mr Hansen, 13 August 2019, pp 5-6.

³³⁶ Submission 408, Egg Farmers of Australia, pp 5-6.

³³⁷ Answers to questions on notice, Egg Farmers of Australia and NSW Farmers, pp 5-6.

In 2007 and 2008 we pulled out and trashed 30,000-cage capacity and those cages had a lot of life left in them. We have 106,000 birds in our new layer facilities and we have had no assistance or help in terms of firstly getting rid of the old cages and secondly in offsetting the costs of the new ones. The new ones cost us in excess of \$50 per bird so that is a \$5 million investment, as I said. We are probably 25 per cent through the debt repayment on that. It is very similar to the length of term of a house loan so for us to consider voluntarily moving away from the cages, there is no way that could ever happen until those cages obviously run out of their functional life.³³⁸

4.37 Mr Burke explained to the committee that there was a fixed cost of cage production which cage egg farmers would continue to incur even if they stopped production. Drawing on his own situation, he explained that there are also other considerations like interest payable prior to any debt reduction, taxation, budgeted paybacks being over 30 years and the residual value of the asset.³³⁹

4.38 Mr Burke told the committee that due to current regulatory uncertainty, caused by the national standards and guidelines, he worries about a 'hiatus of investment'.³⁴⁰

4.39 Egg Farmers of Australia emphasised to the committee that the national standards and guidelines will impact the financial position of egg producers and that investment confidence is important to ensuring industry can continue to meet consumer demand:

The introduction of Standards and Guidelines will have an impact on both current finance and future financing. The conclusion of this process will allow producers to understand any further liability and consider if they can afford future investment in the industry. With an increasing population resulting in a demand for egg production to increase 3% per year, it is important that egg producers are confident to invest in increased production.³⁴¹

4.40 Reflecting on what would be required to phase out cages, Mr Bede Burke, Partner, Glenwarrie Eggs, suggested that a period of nil production would be required to transition his infrastructure from cage to barn production. He said that to 'pull those cages out without any significant structural adjustment would really terminate our position in the industry'.³⁴²

4.41 Australian Eggs said that the 'obvious measure' required to mitigate the impact of a phase out of conventional cages would be 'financial compensation', which it noted was not a feature of the standards and guidelines process. It noted though that compensation was provided in Tasmania and the Australian Capital Territory when cages were phased out in those jurisdictions.³⁴³

4.42 Indeed, the committee heard that support for egg producers to transition is a consideration for supermarkets in their phase out commitments. Woolworths advised that as part of the

³³⁸ Evidence, Mr Bede Burke, Partner, Glenwarrie Eggs, 14 August 2019, p 34.

³³⁹ Answers to questions on notice, Mr Bede Burke, Partner, Glenwarrie Eggs, p 1.

³⁴⁰ Evidence, Mr Burke, 14 August 2019, p 34.

³⁴¹ Submission 408, Egg Farmers of Australia, pp 5-6.

³⁴² Evidence, Mr Burke, 14 August 2019, p 35.

³⁴³ Submission 392, Australian Eggs, p 9.

supply renegotiation process they 'are discussing appropriate support measures with each such supplier on a case-by-case basis'.³⁴⁴

- 4.43** A number of inquiry participants expressed support for financial assistance to be provided to egg producers to assist them in transitioning away from cage egg production.³⁴⁵
- 4.44** Ms Oogjes said that she thought 'government assistance would be reasonable depending on the' length of a phase out.³⁴⁶
- 4.45** The RSPCA provided the committee with estimates on the potential number of businesses in New South Wales which may be affected by a phase out, advising that 'approximately 28 businesses' may be affected. Explaining this figure, it said:

The RIS states that there are approximately 88 cage egg farms in Australia ... As NSW accounts for 32% of egg businesses this equates to approximately 28 businesses in the state using cage production systems (again, this is not an accurate figure as the production system mix in each state is different). Many egg businesses run multiple systems and therefore only a portion of these businesses would be affected by the phase out of battery cages.³⁴⁷

- 4.46** The RSPCA also noted that 'adjustment packages in agriculture were not uncommon'.³⁴⁸ In this regard, Mr Burke advised that the industry received government structural adjustment to assist with the regulatory changes which occurred in 2001.³⁴⁹
- 4.47** The RSPCA drew the committee's attention to a range of prior government adjustment packages for various agricultural sectors.³⁵⁰
- 4.48** While acknowledging that assistance 'can take many forms and require detailed economic modelling', the RSPCA noted the 'massive quantity of eggs consumed' annually and suggested a 'minor levy per egg unit has the potential to generate a significant source of funding'.³⁵¹ It referred the committee to the economic modelling it had commissioned which estimated that the cost impact to consumers may be 'approximately 1.4 cents per egg'.³⁵²
- 4.49** Dr Rosemary Elliott, President, Sentient, suggested that the nature of a phase out was 'really an inquiry in itself', emphasising the importance of transitional arrangements which ensured animal welfare. She said:

If we make a transition there has to be a very well-thought-out inquiry about how to do it to support the people on the ground. I do not want to see people suffering, and I

³⁴⁴ Correspondence from Woolworths Ltd to the committee, 16 September 2019, p 3.

³⁴⁵ See Submission 366, Professor Christine Parker, p 2, Submission 398, Dr George Arzey, p 22, and Submission 402a, Animal Liberation, p 11.

³⁴⁶ Evidence, Ms Oogjes, 13 August 2014, p 34.

³⁴⁷ Answers to questions on notice, RSPCA, p 2.

³⁴⁸ Answers to questions on notice, RSPCA, p 1.

³⁴⁹ Evidence, Mr Burke, 14 August 2019, p 35.

³⁵⁰ Answers to questions on notice, RSPCA, p 1.

³⁵¹ Answers to questions on notice, RSPCA, p 1.

³⁵² Answers to questions on notice, RSPCA, p 1. See also Submission 398, Dr George Arzey, p 22.

certainly do not want to see more animals suffering. I do not want to hear that farmers have had to have all of their birds euthanized. As much as people in the animal movement hate to hear something like a 10-year phase-out, it does not mean that you have to wait 10 years. People could be ready. There will be different stages of readiness along the way, and I think you will get it right if you do it thoughtfully.³⁵³

Research, training and development

4.50 In terms of a potential phase out of cage eggs, the committee also heard that there will need to be further industry research, training and development, particularly to improve animal welfare outcomes in barn and free range systems. Some stakeholders viewed a phase-out as an opportunity for industry development and innovation.³⁵⁴

4.51 Some stakeholders argued that the disparity in welfare outcomes between systems is due to the fact that the focus of investment in research and development has been on improving cage production. Dr Bidda Jones, Acting Chief Executive Officer and Chief Science and Strategy Officer, RSPCA, argued that there has been 'no proper investment' in non-cage systems and a refocusing of the industry 'will only lead to investments':

What we have had over the past 20 years with no proper investment in Australia into improving management in non-cage systems, we have not progressed as much in that area as we should have done, I think. That is an area that once we get to the point where that is the focus—non-cage systems are the focus of the industry—then the investment in research and development to improve those systems, to improve the level of stockmanship across Australia and to improve the minimum standards, those will only lead to improvements.³⁵⁵

4.52 Professor Christine Parker, academic, argued that there had been uneven progress across industry due in part to continued uncertainty and also to cultural opposition to change:

... the continuing uncertainty and unrest among consumers about what is there has meant that we are sitting there with outdated technologies. Some of the big egg producers have put money into new ways of doing farming—new barns and so on—but my understanding is that some of the other ones have not. That may just be cultural—"That's the way we've always done it so we are not going to change"—but I think it may also be because they are not sure whether they are going to be rewarded in the market for going to a new system.³⁵⁶

4.53 Professor Parker also argued that phasing out the cage system was likely to lead to greater innovation within the industry:

It is expected that if battery cages were banned then this would encourage innovation and investment to find new higher welfare ways of producing eggs and non-cruel alternatives to eggs—which would result in the cost of alternatives decreasing and becoming more affordable and available. Currently because cruel cage practices are

³⁵³ Evidence, Dr Rosemary Elliott, President, Sentient, 14 August 2019, p 13.

³⁵⁴ See Answers to questions on notice, RSPCA, p 13.

³⁵⁵ Evidence, Dr Bidda Jones, Acting Chief Executive Officer and Chief Science and Strategy Officer, RSPCA, 14 August 2019, p 50.

³⁵⁶ Evidence, Professor Christine Parker, academic, 14 August 2019, p 3.

still allowed, there is not a level playing field for those seeking to do better to meet consumer concerns and little incentive for innovation.³⁵⁷

- 4.54 Throughout the inquiry the committee received suggestions as to where research, development and/or training should focus. In particular, the committee heard that infrastructure technology, hen handling and smothering were examples of areas which would benefit from further investment.
- 4.55 Hen handling was discussed by the Australasian Veterinary Poultry Association, who questioned the handling standards in the proposed national *Standards and Guidelines* and made recommendations for more appropriate guidance in this area.³⁵⁸
- 4.56 Stakeholders also discussed the different skills required between cage and non-cage systems. Ms Oogjes commented that the husbandry skills required in barn and free range differed as 'staff are dealing directly with the birds as opposed to just going along and having a look at them in the cage'.³⁵⁹
- 4.57 Dr Elliott commented on the cultural and professional impact of a transition and suggested that the government had a role in supporting training in terms of stockmanship and overseeing the introduction of necessary supports as egg producers transition from cage systems.³⁶⁰
- 4.58 Another area which requires further research and development is smothering, according to Dr Caulfield.³⁶¹ Australian Eggs also noted that this area needs consideration, and that research into the causes of smothering is one of a number of projects currently being undertaken. Australian Eggs said that there are other projects into spotty liver disease, resilient plants, and UV light and ranging.³⁶²
- 4.59 In addition to the work undertaken by Australian Eggs, Mr Hansen explained to the committee that the department currently has 'two industry development officers' and that 'big industry players' are increasingly providing 'support to farmers who supply them':

the concentration of the supply chains, we have really reached a point where the big industry players have moved more and more to providing their own infield support to farmers who supply them, moving away from requiring taxpayer-funded assistance in that space. We see more and more company extension officers and experts out in the field, extending the knowledge that maybe one farm or one supplier has achieved across to multiple farmers to try to get faster uptake.³⁶³

³⁵⁷ Submission 366, Professor Christine Parker, p 2.

³⁵⁸ Submission 413, Australasian Veterinary Poultry Association, Attachment 1, p 1.

³⁵⁹ Evidence, Ms Oogjes, 13 August 219, p 31.

³⁶⁰ Evidence, Dr Elliott, 14 August 2019, p 13.

³⁶¹ Evidence, Dr Malcolm Caulfield, academic, 13 August 2019, p 45.

³⁶² Answers to questions on notice, Australian Eggs, p 3

³⁶³ Evidence, Mr Hansen, p 8.

- 4.60 However, Mr Hansen acknowledged that 'there is still a lot more to be done' in terms of 'growing the knowledge around the management' and treatment of animals in non-cage systems.³⁶⁴
- 4.61 Dr Rosemary Elliott, President, Sentient, suggested that a focused phase out 'will align our practices with current scientific knowledge, consumer choice and international standards'.³⁶⁵

Committee comment

- 4.62 The committee acknowledges that a phase out of cage egg production will have implications for industry, both in terms of the cost and level of development required to transition.
- 4.63 The committee also acknowledges that there is some uncertainty as to the actual costs that will be incurred in New South Wales if a legislative phase out is implemented, particularly in light of the market shift away from cage eggs which is already rapidly occurring. We understand that some cost estimates were provided as part of the development of the *Standards and Guidelines*, although we note that these estimates included other factors, not all of which will be relevant to a phase out of cages in this state.
- 4.64 Reflecting on the evidence received concerning industry debt and the length of time required to establish new production systems, the committee acknowledges that successful transition may be assisted by financial or other kinds of support for industry, including research, training and development programs to assist farmers in transitioning out of cage egg production systems.
- 4.65 Therefore, the committee recommends that the NSW Government undertake further consultation and evaluation to determine whether financial or other assistance (such as resources for training, research and development) is required to support producers during a phase out of cages in the egg production industry.

Recommendation 5

That the NSW Government undertake further consultation and evaluation to determine whether support, financial or other assistance (such as resources for training, research and development) is required to support producers during any future industry transition in the egg production industry.

³⁶⁴ Evidence, Mr Hansen, 13 August 2019, p 9.

³⁶⁵ Evidence, Dr Rosemary Elliott, President, Sentient, 14 August 2019, p 7. See also Submission 398, Dr George Arzey, poultry veterinarian.

Appendix 1 Submissions

No.	Author
1	Name suppressed
2	Name suppressed
3	Mr Karl Augustine
4	Mrs Katie Bradshaw
5	Ms Sabrina Nizeti
6	Ms Maria Bradley
7	Name suppressed
8	Katrina Fox
9	Confidential
10	Miss Nichola Carberry
11	Name suppressed
12	Mrs Peta-Julie Akester
13	Mrs Maike Coates
14	Name suppressed
15	Name suppressed
16	Australian Vegans
17	Ms Anne-Marie Dineen
18	Name suppressed
19	Miss Em Blake
20	Dr Wendy Ducat
21	Linda Graham
22	Name suppressed
23	Mr Ro Laxman
24	Ms Dianne Becker
25	Name suppressed
26	Ms Danni Sudiarma
27	Lyn Cappella
28	Name suppressed
29	Confidential
30	Name suppressed
31	Name suppressed
32	Name suppressed

No.	Author
33	Name suppressed
34	Ms Kathryn Coombe
35	Name suppressed
36	Mrs Martine Porret
37	Name suppressed
38	Miss Renee Stewart
39	Name suppressed
40	Miss Nicole Luhrs
41	Mrs Amanda Brewer
42	Name suppressed
43	Mrs Margaret Watson
44	Mr Greg Hansen
45	Elizabeth Hedley
46	Name suppressed
47	Confidential
48	Mr Ashok Jain
49	Name suppressed
50	Name suppressed
51	Name suppressed
52	Mr James Kerr
53	Ms Judith Clark
54	Miss Tarni Hollis
55	Name suppressed
56	Name suppressed
57	Name suppressed
58	Name suppressed
59	Miss Hannah Robertson-Sas
60	Name suppressed
61	Ms Tanya Aitkens
62	Name suppressed
63	Name suppressed
64	Ms Kristine Edwards
65	Ms Tracy Hedges
66	Name suppressed
67	Confidential

No.	Author
68	Name suppressed
69	Ms Juliet Green
70	Ms Wendy Miller
71	Miss Natasha McDonald
72	Ms Kathryn Dahm
73	Name suppressed
74	Miss Shannen Mahoney
75	Miss Dorlene Haidar
76	Name suppressed
77	Mrs Johanna Tunks
78	Name suppressed
79	Name suppressed
80	Name suppressed
81	Name suppressed
82	Name suppressed
83	Name suppressed
84	Name suppressed
85	Mr Harry Bolman
86	Mr Andre Bergmann
87	Mrs Darlene Watkins
88	Ms Tanya Mantle
89	Miss Sitara Ramakrishnan
90	Mr Bryce Whelan
91	Mr Jack Mellick
92	Ms Nicole McGregor
93	Nicki Freeman
94	Name suppressed
95	Name suppressed
96	Miss Lindsay Mantle
97	Talia Frick
98	Name suppressed
99	Ms Megan James
100	Name suppressed
100a	Confidential
101	Miss Emma Underwood

No.	Author
102	Name suppressed
103	Ms Asha Singham
104	Ms Charlotte Lim
105	Ms Jane Cameron
106	Mr Allan Chapman
107	Miss Michaela Bishop
108	Mrs Jessica Cuneo
109	Name suppressed
110	Confidential
111	Ms Susanne Briggs
112	Name suppressed
113	Name suppressed
114	Name suppressed
115	Mrs Sandra Wolf
116	Mr Sam Van Vliet
117	Mrs Linda Phillips
118	Name suppressed
119	Marguerite Morgan
120	Dr Margot Phillips
121	Ms Patricia Ludgate
122	Mr Wayne Erickson
123	Mrs Kelsie Pirini
124	Mr Ted Hume
125	Who Gives A Cluck Incorporated
126	Name suppressed
127	Ms Catherine Blasonato
128	Ms Christine Swan
129	The Hon Richard Jones
130	Miss Emily Walsh
131	Mrs Melissa Rubilar
132	Natalie Earl
133	Mr Ralph Graham
134	Mr Jonathan Ersser
135	Mr Geoff Lotton
136	Mr Matthew Leigh-Jones

No.	Author
137	Mrs Sarah Kirkwood
138	Mrs Cherie Coleman
139	Name suppressed
140	Name suppressed
141	Ms Jo Warner
142	Claire Robertson
143	Mrs Baiba Thomas
144	Olivia Yde-Andersen
145	Name suppressed
146	Ms Sarah Davis
147	Name suppressed
148	Name suppressed
149	Julie Parker
150	Emma Bennett
151	Professor Anne Keogh
152	Mrs Sandra Ferns
153	Name suppressed
154	Ms Tracey Gleeson
155	Mrs Penny Woods
156	Name suppressed
157	Mrs Michelle Richards
158	Ms Trudy der-Kinderen
158a	Ms Trudy der-Kinderen
159	Dr Shao Dong Yap
160	Ms Laura Bowden
161	Ms Rhonda Ivanisevic
162	Name suppressed
163	Name suppressed
164	Name suppressed
165	Ms Pauline McCarthy
166	Ms Sharon Church
167	Ms Tersem Kaur
168	Ms Teresa Romanovsky
169	Ms Carol Welsh
170	Name suppressed

No.	Author
171	Name suppressed
172	Dr Sarah Toole
173	Mr Lucas Verhelst
174	Mrs Patricia Daykin
174a	Mrs Patricia Daykin
174b	Mrs Patricia Daykin
174c	Mrs Patricia Daykin
175	Name suppressed
176	Name suppressed
177	Mrs Lisa Roberts-Daintree
178	Name suppressed
179	Name suppressed
180	Name suppressed
181	Confidential
182	Confidential
183	Let the ladies go pty Ltd.
184	Confidential
185	Ms Rhonda Russom
186	Name suppressed
187	Ms Jennifer Kinsela
188	Name suppressed
189	Miss Stephanie Daykin
190	Miss Skye Frost
191	Name suppressed
192	Ms Mem Davis
192a	Ms Mem Davis
193	Mrs Emma Cook
194	Name suppressed
195	Mr Robert O'Donnell
196	Mrs Nadine Beglinger
197	Ms Michelle Gable
198	Rachel Sussman
199	Mrs Nicole Ferrara
200	Name suppressed
200a	Name suppressed

No.	Author
201	Ms Neena Love
202	Miss Sylvia Chiu
203	Mr Karl Augustine
204	Name suppressed
205	Dr Malcolm Caulfield and Dr Matthew Padula
206	Mr Temple Eyre
207	Mr Mark Hansen
208	Name suppressed
209	Mrs Christine Lawther
210	Ms Anthea Huntly
211	Miss Gaylene Young
212	Mr James Arnold
213	Mrs Natasha Harley
214	Animal Protectors Alliance
215	Dr Michael Dallwitz
216	Mrs Jacqueline Glyde
217	Mr Ben George
218	Ms Marilyn Mills
219	Kerry Rieve
220	Ms Rosemary Biggins
221	Jan Kendall
222	Ms Robyn G. Henriksen
223	Name suppressed
224	Ms Christine Kelly
225	Name suppressed
226	Name suppressed
227	Name suppressed
228	Name suppressed
229	Ms Sue Vetma
230	Name suppressed
231	Dr Christine Townend
232	Name suppressed
233	Mrs Bev Woodburn
234	Name suppressed
235	Name suppressed

No.	Author
236	Name suppressed
237	Name suppressed
238	Ms Stella Savvas
239	Mrs Lisa Spencer
240	Name suppressed
241	Ms Marta Kaczmarek
242	Mr Charles Davis
243	Name suppressed
244	Mrs Lois Katz
245	Name suppressed
246	Ms Kamilla Borzeta
247	Mr Joseph Pellone
248	Mr Chris Parker
249	Name suppressed
250	Ms Heather Edwards
251	Ms Alice Shore
252	Name suppressed
253	Name suppressed
254	Name suppressed
255	Mr Alex Ferrara
256	Ms Gabrielle McIntosh
257	Mr Joel Newman
258	Name suppressed
259	Mr Justin Morgan
260	Name suppressed
261	Name suppressed
262	Name suppressed
263	Name suppressed
264	Mrs Sharon Bell
265	Name suppressed
266	Ms Christine Boyd
267	Name suppressed
268	Ms Fiona Threlfo
269	Ms Monica O'Leary
270	Mrs Vickie Lee

No.	Author
271	Name suppressed
272	Ms Heather Barnes
273	Confidential
274	Mr Ben Croll
275	Dr George and Ms Helen Manos
276	Ms Kathryn Moore
277	Ms Sarah Lyons
278	Ms Jenny Barnes
279	Mrs Claire Bridgman
280	Mr Mike O'Shaughnessy
281	Mrs Merri-Lyn Burton
282	Ms Carole Attard
283	Alex Hodges and Ray Linkevics
284	Ms Anne Leeson
285	Mr Joe Palmer
286	Ms Helen Cootes
287	Ms Jacqueline O'Neill
288	Ms Annabel Mazzotti
289	Ms Sigrid Engel Robson
290	Ms Trudi Ellen
291	Ms Holly Norton
292	Ms Kathryn Benham
293	Ms Helen Guy
294	Ms Trish Tabone
295	Ms Paula Loxton
296	Mr Michael Moss
297	Name suppressed
298	Ms Amanda Franco
299	Mr Mark Andre
300	Ms Georgina Hedges
301	Ms Teresa Kiernan
302	Ms Jackie Clark
303	Ms Amanda Visani
304	Ms Pauline White
305	Mr Paul Ledger

No.	Author
306	Confidential
307	S.M. Garland
308	A Bartley
309	J McLan
310	Ms Lorellie Bow
311	Ms Maisie Statham
312	Mr Bryan Buchanan
313	Ms Barbara McPhee
314	Ms Lena Martens
315	Ms Debbie Gillman
316	Ms Jane Foy
317	Ms Susan Cutler
318	Ms Heather King
319	Ms Rachel Kennedy
320	Ms Jo Hobson
321	Ms Pam Lewington
322	Ms Kathleen Weekley
323	Ms Wendy Parsons
324	Mr Rowley Goonan
325	Name suppressed
326	Ms Lynda Gordon-Squire
327	Mr Andrew Massie
328	Ms Angie Grigg
329	Ms Michele Henry
330	Ms Diane Kastel
331	Ms Polly Watkins
332	Mr Louis Gauci
333	Ms Brenda Merten
334	Ms Heather White
335	Ms Amanda Robbemond
336	Ms Belinda Henry
337	Ms Delphine Troughear
338	Ms Lily Hass
339	Ms Natalie Newton
340	Ms Harmony Steel

No.	Author
341	Ms Judith Robertson
342	Ms Suzanne Jeremy
343	Ms Melanie Brennan
344	Mr Phil Khoury
345	Ms Sarah Coyle
346	Mr Patrick Daley
347	Ms Janine Burdeu
348	Siobhan Paget
349	Ms Marianna Kositsin
350	Name suppressed
351	Hayley Magrath
352	Name suppressed
353	Ms Katrina Love
354	Simone Bird
355	Ms Catherine Ward
356	Miss Amanda Barnes
357	Ms Amy Johnson
358	Mr Bryan McGrath
359	Ms Louise Johnson
360	Ms Glenda Sladen
361	Ms Tracie McGregor
362	Confidential
363	Ms Gae Constable
364	Ms Cheryl Forrest-Smith
365	Mr Rod Tetlow
366	Professor Christine Parker
367	Ms Katerina Duarte
368	Ms Nicole Ford
369	Name suppressed
370	Dr Malcolm Caulfield
371	Dr Richard Lauder
372	Mr Patrick Murphy
373	Sue Daniels
374	Ms Marie Crilley
375	Ms Lee Morgan-Kellow

No.	Author
376	Mr Norman Cincotta
377	Ms Jo Butterfield
378	Name suppressed
379	Name suppressed
380	Ms Alyssa Wormald
381	Name suppressed
382	Miss Cindy Klinger
383	Animal Welfare Lawyers
384	Voiceless, The Animal Protection Institute
385	Mr Leon Gross
386	Name suppressed
387	Ms Sharon Way
388	Mr David Morton
389	Name suppressed
390	Name suppressed
391	Mr Darren Brollo
392	Australian Eggs
393	Dr Miranda Coulson
394	Ms Sita Parsons
395	Mr Laird Shaw
396	Mrs Ilnaz Roomiani
397	Mr Liam Milton-McGurk
398	Dr George Arzey
398a	Dr George Arzey
399	Name suppressed
400	Ms Michelle Buckmaster
401	World Animal Protection
402	Animal Liberation
402a	Animal Liberation
403	Vegan Australia
404	NSW Farmers
405	Chris Burton
406	Confidential
407	Confidential
408	Egg Farmers of Australia

No.	Author
409	Animal Liberation S.A.
410	Animal Justice Party Southern Highlands Regional Group
411	Australian Ethical Investment
412	NSW Young Lawyers Animal Law Committee
413	Australasian Veterinary Poultry Association
414	Mrs Karen Tomlin
415	Name suppressed
416	Mr Peter Grullemans
417	Mrs Leanne South
418	Ms Szun Tay
419	NSW Department of Primary Industries
420	Sentient, The Veterinary Institute for Animal Ethics
421	Animal Justice Party
422	Animals Australia Inc.
423	National Farmers' Federation
424	Canobolas Eggs
425	Edgar's Mission
426	Humane Society International Australia
427	Mrs Emily Brollo
428	Ms Mary Tyndale
429	Mrs Sonia Parker
430	Name suppressed
431	Name suppressed
432	Maria Dunnr
433	Roslyn Richardson
434	Ms Julie Power
435	Mrs Sue Moran
436	Name suppressed
437	Mrs Paula Gilbard
438	Name suppressed
439	Animal Defenders Office
440	RSPCA
441	Ms Jenny Ankin
442	Wendy Maxl
443	Mr Daniele Benedetti

No.	Author
444	Name suppressed
445	Name suppressed
446	Name suppressed
447	Dr Finola McConaghy
448	Dr Zachary Lederhose
449	Name suppressed
450	Name suppressed
451	Ms Alexis Cross
452	Mr Eugene Lubarsky
453	Name suppressed
454	Name suppressed
455	Ms Corinne Feldmann
456	Name suppressed
457	Name suppressed
458	Name suppressed
459	Name suppressed
460	Name suppressed
461	Name suppressed
462	Name suppressed
463	Name suppressed
464	Mr Ben Campbell
465	Ms Elissa Walsh
466	Ms Karen Vigar
467	Mr Jamie Parker - Member for Balmain
468	Name suppressed
469	Mrs Lesley Davis
470	Mrs Lou Christie
471	Ms Mary Ann Gourlay
472	Ms Lisa Ryan
473	Mr Matthew Goldman
474	Ms Claire Fraser
475	Ms Sarina Damen
476	Ms Caitlin Emmerich
477	Macquarie-Blue Mountains Animal Justice Regional Group.
478	Ms Linda Brandon

No.	Author
479	Ms Anne Gates
480	Ms Abigail Watkins
481	Mr Derek Turnbull
482	Ms Janita Thurston
483	Ms Julie Fink
484	Ms Sally Ryan
485	Ms Maria Lagos
486	Ms Delfina Manor
487	Ms Sue Pickering
488	Ms Vivienne Lipke
489	Ms Di Burns
490	Ms Suzanne de Carheil
491	Dr Denise Russell
492	Ms Alison Gibberd
493	Ms Gabrielle OGrady
494	K McInerney
495	Mr Jeremy Richman
496	Mr Craig Kristo
497	Ms Tania Vigar
498	Mr Richard Eddy
499	Mr Duncan Smith
500	Ms Wendy Phelps
501	Rob and Lesley McCormick
502	Ms Janelle Mullaly Johnstone
503	Lesley Bain
504	Mr Gregory Maddox
505	Ms Carol James
506	Ms Elizabeth Gentle
507	Name suppressed
508	Nadis S
509	Dr Kate Hartcher
510	Ms Rachel Bekessy
511	Carolyn Drew and Sinem Ketenci
512	Name suppressed
513	Dr Ian Doherty

Appendix 2 Witnesses at hearings

Date	Name	Position and Organisation
Tuesday, 13 August 2019 Jubilee Room, Parliament House, Sydney	Mr Scott Hansen	Director General, NSW Department of Primary Industries
	Mr Alexander Russell	Manager Intensive Livestock Industries, NSW Department of Primary Industries
	Ms Joanna Blunden	Development Officer Poultry Eggs, NSW Department of Primary Industries
	Ms Annabel Johnson	Policy Director – Livestock, NSW Farmers
	Mr Brett Langfield	Chair of the NSW Farmers Egg Committee, NSW Farmers
	Mrs Melinda Hashimoto	Chief Executive Officer, Egg Farmers of Australia
	Ms Glenys Oogjes	Chief Executive Officer, Animals Australia Inc
	Dr Sheridan Alfirevich	Poultry veterinarian and President, Australasian Veterinary Poultry Association
	Dr Karen Gao	Poultry veterinarian and Secretary, Australasian Veterinary Poultry Association
	Mr David Sherwood	Treasurer, Australasian Veterinary Poultry Association
	Dr Malcolm Caulfield	Academic
Wednesday, 14 August 2019 Jubilee Room, Parliament House, Sydney	Professor Christine Parker	Academic
	Dr Rosemary Elliott	President, Sentient, the Veterinary Institute for Animal Ethics
	Ms Tara Ward	Volunteer Lawyer and Executive Director, Animal Defenders Office
	Mr Farnham Seyedi	Volunteer Lawyer, Animal Defenders Office
	Mr Rowan McMonnies	Managing Director, Australian Eggs
	Mr Robert Peffer	Sales, Packing and Distribution Manager, Canobolas Eggs
	Mr Bede Burke	Partner, Glenwarrie Eggs
	Dr Bidda Jones	Acting Chief Executive Officer and Chief Science and Strategy Officer, RSPCA
	Dr Jed Goodfellow	Senior Policy Officer, RSPCA

Appendix 3 Minutes

Minutes no. 1

Tuesday, 18 June 2019

Select Committee on the Use of Battery Cages for Hens in the Egg Production Industry
McKell Room, Parliament House, 1:43 pm

1. Members present

Ms Hurst, *Chair*

Mrs Houssos, *Deputy Chair*

Mr Amato

Ms Boyd

Mr Franklin

Ms Jackson

Mr Martin

Mr Roberts

2. Inquiry into the use of battery cages for hens in the egg production industry

2.1 Terms of reference

The committee noted the referral on 6 June 2019 of the following terms of reference:

1. That a select committee be established to inquire into and report on the use of battery cages for hens in the egg production industry, and in particular:
 - (a) whether or not the use of battery cages to contain or accommodate hens in the egg production industry is:
 - (i) associated with poor animal welfare outcomes or is accompanied by poor animal welfare practices,
 - (ii) justified by any other consideration, and
 - (iii) consistent with community standards and supported by the public,
 - (b) what legislative measures should be taken to:
 - (i) prevent poor animal welfare outcomes to hens in the egg production industry of New South Wales, and
 - (ii) set appropriate minimum standards of accommodation for the accommodation and treatment of hens in the egg production industry,
 - (c) the impact of egg producing commercial operations that use battery cages, on:
 - (i) the environment, and
 - (ii) health of workers,
 - (d) trends in relative consumer demand for egg and egg-containing products derived from commercial operations that use battery cages and commercial operations that do not,
 - (e) the protection of consumer interests, including the rights of consumers to be fully informed of the sources of eggs in egg-containing products,
 - (f) the economic and social effects on New South Wales of:
 - (i) banning, or not banning, the use of battery cages to contain or accommodate hens in the egg production industry, and
 - (ii) legislating, or not legislating, to prevent poor animal welfare outcomes to hens in the egg production industry of New South Wales and/or to set appropriate minimum standards of

accommodation for the accommodation and treatment of hens in the egg production industry,

- (g) the advantages, disadvantages and issues of different egg farming production methods,
 - (h) what measures should be taken to assist businesses that may be adversely affected by any proposed changes to the law,
 - (i) what scientific literature says about the above matters, and
 - (j) any other related matter.
2. That, notwithstanding anything to the contrary in the standing orders, the committee consist of eight members comprising:
 - (a) three government members,
 - (b) two opposition members, and
 - (c) three crossbench members, being Ms Hurst, Ms Boyd and Mr Roberts.
 3. That the Chair of the committee be Ms Hurst and the Deputy Chair be an opposition member.
 4. That, notwithstanding anything to the contrary in the standing orders, at any meeting of the committee, any four members of the committee will constitute a quorum.
 5. That, unless the committee decides otherwise:
 - (a) submissions to inquiries are to be published, subject to the Committee Clerk checking for confidentiality and adverse mention and, where those issues arise, bringing them to the attention of the committee for consideration,
 - (b) the Chair's proposed witness list is to be circulated to provide members with an opportunity to amend the list, with the witness list agreed to by email, unless a member requests the Chair to convene a meeting to resolve any disagreement,
 - (c) the sequence of questions to be asked at hearings is to alternate between government, opposition and crossbench members, in order determined by the committee, with equal time allocated to each,
 - (d) transcripts of evidence taken at public hearings are to be published,
 - (e) supplementary questions are to be lodged with the Committee Clerk within two days, excluding Saturday and Sunday, following the receipt of the hearing transcript, with witnesses requested to return answers to questions on notice and supplementary questions within 21 calendar days of the date on which questions are forwarded to the witness, and
 - (f) answers to questions on notice and supplementary questions are to be published, subject to the Committee Clerk checking for confidentiality and adverse mention and, where those issues arise, bringing them to the attention of the committee for consideration.
 6. That the committee report by 31 October 2019.

2.2 Conduct of committee proceedings – Media

Resolved, on the motion of Mr Franklin: That unless the committee decides otherwise, the following procedures are to apply for the life of the committee:

- the committee authorise the filming, broadcasting, webcasting and still photography of its public proceedings, in accordance with the resolution of the Legislative Council of 18 October 2007
- the committee webcast its public proceedings via the Parliament's website, where technically possible
- committee members use social media and electronic devices during committee proceedings unobtrusively, to avoid distraction to other committee members and witnesses
- media statements on behalf of the committee be made only by the Chair.

2.3 Proposed timeline

Resolved, on the motion of Mr Amato: That the committee adopt the following inquiry timeline:

- submission closing date – 25 July 2019
- hearing dates – first hearing in week of 29 July, two further hearings in weeks of 5 and 12 August
- half day site visit – week of 12 August.

2.4 Stakeholder list

Resolved, on the motion of Mrs Houssos: That the secretariat email members with a list of stakeholders to be invited to make written submissions, and that members have two days from the email being circulated to nominate additional stakeholders.

3. Adjournment

The committee adjourned at 1.48 pm, *sine die*.

Tina Higgins
Clerk to the Committee

Minutes no. 2

Monday, 29 July 2019

Select Committee on the Use of Battery Cages for Hens in the Egg Production Industry
Room 1046, Parliament House, 11.01 am

1. Members present

Ms Hurst, *Chair*
Mrs Houssos, *Deputy Chair*
Mr Amato
Ms Boyd
Mr Franklin (*via teleconference*)
Ms Jackson (until 11.30 am)
Mr Martin (*via teleconference*)
Mr Roberts
Mr Pearson (participating)

2. Draft minutes

Resolved, on the motion of Mrs Houssos: That draft minutes no. 1 be confirmed.

3. Correspondence

The committee noted the following items of correspondence:

Received:

- 21 June 2019 – Email from Hon Mark Pearson MLC, to the chair, requesting to participate in the inquiry.

- 17 July 2019 – Email from NSW Farmers, to the secretariat, advising of intention to make a submission and requesting to appear.
- 19 July 2019 – Email from an inquiry participant to secretariat in response to the committee request to tour an egg production facility.
- 19 July 2019 – Email from NSW Farmers, to the secretariat, regarding touring an egg production facility.
- 22 July 2019 – Email from the Veterinary Practitioners Board declining the invitation to make a submission.
- 25 July 2019 – Correspondence from the Australian Competition & Consumer Commission, to the Chair, advising the Commission does not propose to make a submission at this time.

Sent:

- 18 July 2019 – Email from secretariat to an inquiry participant, requesting to tour an egg production facility on Monday 29 July 2019.
- 22 July 2019 – Email from secretariat to NSW Farmers, regarding touring an egg production facility.
- 24 July 2019 – Email from secretariat to Manning Valley Eggs, requesting to tour a Manning Valley Eggs production facility on Monday, 29 July 2019.

4. Provision of documents to participating member

Resolved, on the motion of Mrs Housos: That Mr Pearson be provided with copies of all inquiry-related documents, including meeting papers and unpublished submissions.

5. Submissions

5.1 Public submissions

The committee noted that the following submissions were published by the committee clerk under the authorisation of the resolution appointing the committee: submission nos. 3-6, 8, 10, 12-13, 16-17, 19-21, 23-24, 26-27, 34, 36, 38, 40-41, 43-45, 48, 52-54, 59, 61, 64-65, 69-72, 74-75, 77, 85-93, 96-97, 99, 101, 103-108, 111, 115-117, 119-138, 141-144, 146, 149-152, 154-155, 157-161, 165-169, 172-174b, 177, 183, 185, 187, 189-190, 192-193, 195-199, 201-203, 205-207, 209-222, 224, 229, 231, 233, 238-239, 241-242, 244, 246-248, 250-251, 255-257, 259, 264, 266, 268-270, 272, 274-296, 298-305, 307-324, 326-349, 351, and 353-360.

5.2 Partially confidential submissions

Resolved, on the motion of Mr Amato: That the committee keep the following information confidential, as per the request of the author: names and/or identifying and sensitive information in submissions nos. 1-2, 7, 11, 14-15, 18, 22, 25, 28, 30-33, 35, 37, 39, 42, 46, 49-51, 55-58, 60, 62-63, 66, 68, 73, 76, 78-84, 94-95, 98, 100, 102, 109, 112-114, 118, 139-140, 145, 147-148, 153, 156, 162-164, 170-171, 175-176, 178-180, 186, 188, 191, 194, 200-200a, 204, 208, 223, 225-228, 230, 232, 234-237, 240, 243, 245, 249, 252-254, 258, 260-263, 265, 267, 271, 297, 325, 350, and 352.

5.3 Confidential submissions

Resolved, on the motion of Mr Roberts: That the committee keep submission nos 9, 29, 47, 67, 110, 181, 182, 184, 273 and 306 confidential, as per the request of the author, as they contain identifying and/or sensitive information.

5.4 Unprocessed submissions

Resolved, on the motion of Ms Boyd: That unprocessed submissions by individuals responding to a third party campaign received between 16 July to 25 July 2019 not be processed by the secretariat, be kept confidential, and be distributed confidentially to members via USB.

Resolved, on the motion of Ms Boyd: That the following statement be published on the inquiry webpage: 'Due to the high volume of material received by the committee, not all submissions will be published. The range of views raised in submissions, regardless of whether they are published, will be considered by the committee in its report'.

Resolved, on the motion of Mrs Houssos: That in processing remaining submissions, priority be given to processing those from organisations.

6. Pro formas

Resolved, on the motion of Ms Boyd: That a copy of pro forma A (RSPCA), pro forma B (Animal Liberation) and Pro forma C (Humane Society International) be published on the inquiry webpage, noting the number of responses.

Resolved, on the motion of Mr Amato: That responses to each pro forma be distributed to members via USB, on a confidential basis.

Resolved, on the motion of Mrs Houssos: That all responses to pro formas be kept confidential.

7. Site visit options

Resolved, on the motion of Ms Jackson: That the committee visit on Monday 12 August 2019 either:

- an egg farm potentially in the Southern Highlands (the details of which are to be provided by Mr Amato), or
- an inquiry participant's egg production facility, or
- Mr Bede Bourke's farm near Tamworth.

8. Report deliberative meeting

Resolved, on the motion of Mrs Houssos: That the report deliberative be held on Monday 21 October 2019.

9. Witnesses

Resolved, on the motion of Mr Amato: That charitable food organisations and supermarkets be included in the chair's proposed witness list.

10. Adjournment

The committee adjourned at 11.33 am until Monday 12 August 2019 (site visit).

Tina Higgins
Clerk to the Committee

Minutes no. 3

Monday 5 August 2019

Select Committee on the Use of Battery Cages for Hens in the Egg Production Industry
Meeting room 1136, Parliament House, 1.00 pm

1. Members present

Ms Hurst, *Chair*
Mrs Houssos, *Deputy Chair*
Mr Amato
Ms Boyd (*by teleconference*)
Mr Franklin (from 1:08 pm)
Ms Jackson
Mr Martin (*by teleconference*)
Mr Roberts

2. Apologies

Mr Pearson

3. Site visit to a farm

Resolved, on the motion Mr Amato: That the committee undertake a site visit to Mr Bede Burke's farm near Tamworth, instead of an inquiry participant's egg production facility, preferably still on 12 August or on a later date if 12 August is not viable.

Resolved, on the motion of Mr Roberts: That the secretariat advise the inquiry participant that the committee will no longer be visiting their farm as it would be unusual for a committee to travel where one member was not invited to attend.

Resolved, on the motion of Ms Jackson: That the committee keep all correspondence and all references in the minutes to the visit to inquiry participant's farm confidential, including any committee resolutions.

Resolved, on the motion of Mrs Houssos: That the committee cover the travel costs associated with Mr Pearson's attendance on the site visit.

4. Adjournment

The committee adjourned at 1.09 pm until Monday 12 August 2019 (site visit).

Tina Higgins
Clerk to the Committee

Minutes no. 4

Monday, 12 August 2019

Select Committee on the Use of Battery Cages for Hens in the Egg Production Industry
Glenwarrie Eggs, Tamworth at 10.15 am

1. Members present

Ms Hurst, *Chair*
Ms Boyd
Ms Jackson
Mr Martin
Mr Pearson
Mr Roberts

2. Apologies

Mrs Houssos, *Deputy Chair*
Mr Amato
Mr Franklin

3. Site visit to Glenwarrie Eggs

The committee visited Glenwarrie Eggs, Tamworth and met with Mr Bede and Mrs Narelle Burke, partners of Glenwarrie Eggs, and some of their staff.

4. Adjournment

The committee adjourned at 2.15 pm until Tuesday, 13 August 2019 (public hearing).

Allison Stowe
Committee Clerk

Minutes no. 5

Tuesday, 13 August 2019

Select Committee on the Use of Battery Cages for Hens in the Egg Production Industry
Jubilee Room, Parliament House, 9.40 am

1. Members present

Ms Hurst, *Chair*

Mrs Houssos, *Deputy Chair* (via teleconference until 9.47 am)

Mr Amato

Ms Boyd

Mr Franklin

Ms Jackson (from 1:48 pm)

Mr Martin

Mr Pearson

Mr Roberts

2. Apologies

Ms Jackson (until 1:48 pm)

3. Previous minutes

Resolved, on the motion Ms Boyd: That draft minutes nos 2 and 3 be confirmed.

4. Correspondence

The committee noted the following items of correspondence:

Received

- 26 July 2019 – Email from Ms Lisa Ryan, to the secretariat, concerning the scheduled inquiry hearings and rural participation.
- 2 August 2019 – Email from an inquiry participant to the secretariat, regarding a site visit to their egg production facility.
- 6 August 2019 – Email from Professor Christine Nicol to the secretariat, advising of her unavailability to appear as a witness.
- 6 August 2019 – Email from Coles to the secretariat, advising they are unable to send a representative to appear as a witness.
- 7 August 2019 – Email from Woolworths to the secretariat, advising Woolworths will not be contributing a formal written submission.
- 7 August 2019 – Email from FoodBank NSW & ACT Limited to the secretariat, declining the invitation to appear as a witness.
- 7 August 2019 – Email from SecondBite to the secretariat, declining the invitation to appear as a witness.
- 7 August 2019 – Email from NSW Young Lawyers Animal Welfare Committee to the secretariat, declining the invitation to appear as a witness.
- 7 August 2019 – Email from Humane Society International Australia to the secretariat, advising of their unavailability to appear as a witness.
- 7 August 2019 – Email from Dr George Arzey to the secretariat, declining the invitation to appear as a witness.

Sent

- 31 July 2019 – Email from the Director, to Ms Lisa Ryan, in reply to her email concerning the scheduled inquiry hearings and rural participation.
- 5 August 2019 – Email from the secretariat to an inquiry participant, relation to the visit to their egg production facility.

- 5 August 2019 – Email from the secretariat to Glenwarrie Farms, regarding a site visit to their egg production facility at Tamworth.

5. Submissions

5.1 Public submissions

The committee noted that the following submissions were published by the committee clerk under the authorisation of the resolution appointing the committee: submission nos 174c, 361, 363-368, 370-377, 380, 382-385, 387-388, 391-397, 400-405, 408-414, 416-429, 432-435, 437, 439-443, 447-448, 451-452, 455, 464-467, 469-508, and 510-511.

5.2 Partially confidential submissions

The committee noted that the following submissions were partially published by the committee clerk under the authorisation of the resolution appointing the committee: submission nos 369, 378-379, 381, 386, 389-390, 399, 415, 430-431, 436, 444-445, 449-450, 453-454, 456-463, 468, and 512.

Resolved, on the motion of Ms Boyd: That the committee keep the following information confidential, as per the request of the author: names and/or identifying and sensitive information in submissions nos. 369, 378-379, 381, 386, 389-390, 399, 415, 430-431, 436, 444-445, 449-450, 453-454, 456-463, 468, and 512.

Resolved, on the motion of Mr Amato: That the committee authorise the publication of submission nos 398, 438, 446 and 509 with the exception of the author's name and/or other identifying or sensitive information, which is to remain confidential, as per the requests of the authors.

5.3 Confidential submissions

Resolved, on the motion of Mr Franklin: That the committee keep submission nos 100a, 362, 406 and 407 confidential, as per the request of the author, as they contain identifying and/or sensitive information.

6. Allocation of questions at public hearings

Resolved, on the motion of Mrs Housos: That the timing of questioning for the hearings on Tuesday 13 and Wednesday 14 August 2019 be left in the hands of the Chair.

7. Public hearing

Witnesses, the public and the media were admitted.

The Chair made an opening statement regarding the broadcasting of proceedings and other matters.

The following witnesses were sworn and examined:

- Mr Scott Hansen, Director General, NSW Department of Primary Industries
- Mr Alexander Russell, Manager Intensive Livestock Industries, NSW Department of Primary Industries
- Ms Joanna Blunden, Development Officer Poultry Eggs, NSW Department of Primary Industries.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Ms Annabel Johnson, Policy Director – Livestock, NSW Farmers
- Mr Brett Langfield, Chair of the NSW Farmers Egg Committee, NSW Farmers
- Mrs Melinda Hashimoto, Chief Executive Officer, Egg Farmers of Australia.

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc.

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Dr Sheridan Alfirevich, Poultry veterinarian and President, Australasian Veterinary Poultry Association
- Dr Karen Gao, Poultry veterinarian and Secretary, Australasian Veterinary Poultry Association
- Mr David Sherwood, Treasurer, Australasian Veterinary Poultry Association.

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Dr Malcolm Caulfield, Academic (via teleconference).

The evidence concluded and the witness withdrew.

The public hearing concluded at 3.45 pm.

The public and media withdrew.

8. Adjournment

The committee adjourned at 3.45 pm until 10:15 am, Wednesday 14 August 2019 (public hearing).

Allison Stowe
Committee Clerk

Minutes no. 6

Wednesday, 14 August 2019

Select Committee on the Use of Battery Cages for Hens in the Egg Production Industry
Jubilee Room, Parliament House, 10.25 am

1. Members present

Ms Hurst, *Chair*
Mrs Houssos, *Deputy Chair*
Mr Amato
Mr Shoebridge (substituting for Ms Boyd)
Mr Franklin
Mr Moselmane (substituting for Ms Jackson until 12.30 pm)
Mr Pearson
Mr Roberts

2. Apologies

Mr Martin
Ms Jackson (from 1:30 pm)

3. Public hearing

Witnesses, the public and the media were admitted.

The Chair made an opening statement regarding the broadcasting of proceedings and other matters.

The following witness was sworn and examined via teleconference:

- Professor Christine Parker, Academic.

The evidence concluded and the witness withdrew.

The following witness was sworn and examined:

- Dr Rosemary Elliott, President, Sentient, the Veterinary Institute for Animal Ethics.

Dr Elliott, tendered the following document:

- Document entitled 'Recommendations for the on-farm welfare of laying hens: Submission to the OIE by the International Coalition for Animal Welfare', dated January 2017.

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Ms Tara Ward, Volunteer Lawyer and Executive Director, Animal Defenders Office
- Mr Farnham Seyed, Volunteer Lawyer, Animal Defenders Office.

The evidence concluded and the witnesses withdrew.

The following witness was sworn and examined:

- Mr Rowan McMonnies, Managing Director, Australian Eggs.

The evidence concluded and the witness withdrew.

The following witnesses were sworn and examined:

- Mr Bede Burke, Partner, Glenwarrie Eggs
- Mr Robert Peffer, Sales, Packing and Distribution Manager, Canobolas Eggs.

The evidence concluded and the witnesses withdrew.

The following witnesses were sworn and examined:

- Dr Bidda Jones, Chief Executive Officer (A/g) and Chief Science and Strategy Officer, RSPCA Australia
- Dr Jed Goodfellow, Senior Policy Officer, RSPCA Australia.

The evidence concluded and the witnesses withdrew.

The public hearing concluded at 4:00 pm.

The public and media withdrew.

4. Tendered documents

Resolved on the motion of Mr Amato: That the committee accept and publish the following document tendered during the public hearing:

- Document entitled 'Recommendations for the on-farm welfare of laying hens: Submission to the OIE by the International Coalition for Animal Welfare', dated January 2017.

5. Requesting written information from other organisations

Resolved on the motion of Mrs Houssos: That the Chair write to the following organisations, with draft letters to be circulated to the committee:

- the Food Authority, regarding the number of existing and new licences granted to egg production facilities, including a breakdown by category and size of the facility
- Coles and Woolworths, seeking information relating to announcements, policies and pilot trials concerning the phase out or de-stocking of cage eggs.

6. Adjournment

The committee adjourned at 4:05pm, *sine die*.

Allison Stowe
Committee Clerk

Draft minutes no. 7

Monday, 21 October 2019

Select Committee on the Use of Battery Cages for Hens in the Egg Production Industry
Room 1136, Parliament House, Sydney at 10.00 am

1. Members present

Ms Hurst, *Chair*

Mrs Houssos, *Deputy Chair*

Mr Amato

Ms Boyd

Mr Franklin

Ms Jackson

Mr Martin

Mr Pearson (*participating, from 11.15 am*)

Mr Roberts

2. Previous minutes

Resolved, on the motion of Ms Boyd: That draft minutes nos 4, 5 and 6 be confirmed.

3. Correspondence

The Committee noted the following items of correspondence:

Received

- 16 September 2019 – Correspondence from NSW Food Authority to the committee, providing answers to written questions.
- 16 September 2019 – Correspondence from Woolworths Ltd to the committee, providing answers to written questions.
- 16 September 2019 – Correspondence from Coles to the committee, providing answers to written questions.

Sent

- 22 August 2019 – Correspondence from the Chair to Mr Bede and Mrs Narelle Burke, Glenwarrie Eggs, expressing appreciation for the opportunity to tour their farm.
- 26 August 2019 – Correspondence from the Chair to Dr Lisa Szabo, NSW Food Authority seeking a response to written questions.
- 26 August 2019 – Correspondence from the Chair to Ms Hollie Baillieu, Woolworths Ltd, seeking a response to written questions.
- 26 August 2019 – Correspondence from the Chair to Ms Vittoria Bon, Coles, seeking a response to written questions.

Resolved on the motion of Mr Franklin: That the committee authorise the publication of the following items of correspondence:

- Correspondence from Dr Lisa Szabo, NSW Food Authority, received 16 September 2019

- Correspondence from Ms Hollie Baillieu, Woolworths Ltd, received 16 September 2019
- Correspondence from Ms Vittoria Bon, Coles, received 16 September 2019.

4. Submissions

4.1 Public Submissions

The committee noted that the following submissions were published by the committee clerk under the authorisation of the resolution appointing the committee: submission nos 398a and 513.

4.2 Partially confidential

Resolved on the motion of Mr Amato: That the committee authorise the publication of submission no. 507 with the exception of the author's name, which is to remain confidential, as per the request of the author.

5. Answers to questions on notice and supplementary questions

The committee noted that the following answers to questions on notice and supplementary questions were published under the authorisation of the resolution appointing the committee:

- Dr Malcolm Caulfield, academic, received 28 August 2019
- Professor Christine Parker, academic, received 29 August 2019
- Mr Rowan McMonnies, Australian Eggs, received 4 September 2019
- Ms Glenys Oogjes, Animals Australia Inc, received 11 September 2019
- Ms Annabel Johnson, NSW Farmers, and also on behalf of Mrs Melinda Hashimoto, Egg Farmers of Australia, received 15 September 2019
- Dr Sheridan Alfrevich, Australasian Veterinary Poultry Association, received 16 September 2019
- Mr Scott Hansen, NSW Department of Primary Industries, received 16 September 2019
- Dr Rosemary Elliott, Sentient, received 16 September 2019
- Dr Jed Goodfellow, RSPCA, received 17 September 2019
- Mr Bede Burke, Glenwarrie Eggs, received 18 September 2019.

Resolved on the motion of Ms Boyd: That the committee authorise the publication of answers to questions on notice from Ms Tara Ward, Animals Defenders Office, received on 18 September 2019.

6. Attachments to submissions

Resolved on the motion of Ms Boyd: That the committee authorise the publication of the following attachments to submissions and answers to questions on notice:

- Submission no. 392, Australian Eggs, Attachment A (Welfare Assessment Frameworks Report)
- Submission no. 392, Australian Eggs, Attachment C (Welfare Science Review)
- Submission no. 392, Australian Eggs, Attachment F1 (CSIRO Community Research Report)
- Submission no. 392, Australian Eggs, Attachment F3 (Australian Eggs Industry Sustainability Framework Report)
- Submission no. 392, Australian Eggs, Attachment I (Motivations for Buying Free Range Eggs)
- Submission no. 392, Australian Eggs, Attachment J (Regulatory Impact Statement to the national Standards and Guidelines)
- Submission no. 413, Australasian Veterinary Poultry Association, Attachment 1 (Public Consultation for Australian Welfare Standards and Guidelines, RIS Questions)
- Submission no. 509, Dr Kate Hartcher, Attachment A (Welfare of layer hens in cages and cage free systems)
- Answers to questions on notice, RSPCA, Attachment 1 (Phasing out conventional 'cage egg' production in Australia: a 10 year analysis).

7. Consideration of chair's draft report

The Chair submitted her draft report entitled *Use of Battery Cages for Hens in the Egg Production Industry*, which, having been previously circulated, was taken as being read.

Chapter 1

Mr Franklin moved: That paragraph 1.34 be omitted.

Resolved on the motion of Ms Boyd: That the motion of Mr Franklin be amended by omitting the word 'omitted' and inserting the following words instead: 'amended by omitting the words "To complement the work undertaken in the *Standards and Guidelines*" process'.

Original question of Mr Franklin, as amended, put and passed.

Resolved on the motion of Mr Franklin: That the following new paragraph be inserted after paragraph 1.45:

'The NSW Animal Welfare Action Plan is intended to drive the reform New South Wales' animal welfare legislative framework. This includes a review of all pieces of legislation in New South Wales that deal with animal welfare, to include an increased focus on promoting welfare as well as preventing cruelty. This is a stated priority for the Minister for Agriculture and Western New South Wales.'

Chapter 2

Resolved on the motion of Mrs Houssos: That paragraph 2.4 be amended by omitting 'A handful of submissions' and inserting instead 'Some submissions'.

Resolved on the motion of Mr Martin: That the following new paragraph be inserted after paragraph 2.18:

'During the inquiry, evidence was presented by a member of the committee which criticised an animal welfare group for using imagery that misrepresents the current standards in Australia. Animals Australia Inc, was questioned on using a cropped photograph of a commercial egg farm from the USA, to encourage people to sign a petition calling for the end of 'battery cages' in Australia. [FOOTNOTE: See Evidence, the Hon Taylor Martin MLC and Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc, 13 August 2019, p 37] As of 21 October 2019, the image is continuing to be used by Animals Australia Inc. [FOOTNOTE: Animals Australia Inc, *Will you free her?*, https://secure.animalsaustralia.org/take_action/battery-cage/ (accessed 21 October 2019)]'

Resolved on the motion of Ms Boyd: That following the new paragraph be inserted after paragraph 2.18:

'Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc, responded to this issue by stating: 'Look, if as you say it is from a different place I regret that. However, I do not resile from the fact that the condition for the hens will not be any different'. Further, in response to questions regarding Animal Australia Inc's ability to obtain an Australian photo, Ms Oogjes advised 'I would not be able to'. [FOOTNOTE: Evidence, Ms Glenys Oogjes, Chief Executive Officer, Animals Australia Inc, 13 August 2019, p 37.]'

Resolved on the motion of Mr Franklin: That paragraph 2.35 be amended by omitting 'normal or instinctive behaviours' and inserting instead 'natural behaviours'.

Resolved on the motion of Mr Franklin: That, wherever occurring, the term 'welfare ceiling' be attributed to Dr Rosemary Elliott, President, Sentient, via footnote.

Resolved on the motion of Mr Franklin: That paragraph 2.40 be amended by omitting the words: 'which had been informed by the Victorian Government's Regulatory Impact Statement. This statement concluded that 'increasing cage floor space/stocking density could promote a greater expression of normal behaviour ... thus improving layer hen welfare'.

Resolved on the motion of Mr Franklin: That paragraph 2.42 be omitted:

'According to the Farmed Bird Welfare Science Review, hens have certain behavioural needs which if not performed, lead to negative welfare outcomes:

Hens have behavioural needs to perform comfort movements, foraging and nesting behaviour, and there are negative welfare impacts if these behaviours cannot be performed. Hens also appear to have a need to perch at night, but further research is needed to establish whether this need is satisfied by providing elevated resting areas rather than graspable perches. Evidence of a behavioural need to dust-bathe is less clear [FOOTNOTE: Department of Economic Development, Jobs, Transport and Resources, Victoria, *Farmed Bird Welfare Science Review*, October 2017, p 41].'

Resolved on the motion of Mr Franklin: That paragraph 2.59 be omitted:

'The *Farmed Bird Welfare Science Review* offered a more definitive statement concerning adaptation to confinement, noting research which concluded that 'hens do not adapt to spatial restriction, their motivation to do the restricted behaviours shows a compensatory rebound which increases with duration of confinement (Nicol, 1987)'

Resolved on the motion of Mr Franklin: That paragraph 2.60 be amended as follows:

- (a) paragraph 2.60 be omitted: 'The Australasian Veterinary Poultry Association highlighted two animal welfare considerations—lower mortality rates and reduced incidence of disease—as being among various reasons which could justify the ongoing use of conventional cages. This section will discuss views on these two considerations'
- (b) and the following new paragraph be inserted instead:

'The Australasian Veterinary Poultry Association highlighted two benefits of caged hen systems to hen welfare, namely lower mortality rates and a reduced incidence of disease. This section considers stakeholder opinion on these two benefits.'

Resolved on the motion of Mr Franklin: That in consultation with the Chair if necessary, the secretariat insert an additional sub heading before paragraph 2.80, or alternatively relocate paragraphs 2.80 to 2.90 to another section of the report as appropriate.

Resolved on the motion of Mr Franklin: That paragraph 2.88 be omitted:

'Canobolas Eggs further contended that comments such as 'at least they will die happy' were 'a glib and ultimately superficial sentiment', concluding that higher mortality is 'as an experience felt by individual chickens as a consequence of human choices where people may legitimately come to different conclusions in their own consciences'.

Resolved on the motion of Mrs Houssos: That paragraph 2.129 be amended as follows:

- (a) by inserting the word 'specific' before the words 'market for furnished cage eggs'
- (b) by inserting the following words at the end: 'particularly given the substantial financial investment required. This is discussed further in the next chapter'.

Resolved on the motion of Mr Franklin: That paragraph 2.130 be amended by omitting the words 'there is an inherent welfare limit to cage systems' and inserting instead 'all egg production systems have some degree of limitation'.

Mr Franklin moved: That paragraph 2.130 be further amended by omitting the words 'but the inherent welfare issues associated with caged hens cannot be overcome' and inserting instead 'Caged hen facilities have a more limited scope for improvement in some regards, but more can be done to improve welfare outcomes in this system'.

Resolved on the motion of Ms Boyd: That the motion of Mr Franklin be amended by omitting the words 'Caged hen facilities have a more limited scope for improvement in some regards, but more can be done to improve welfare outcomes in this system' and inserting instead 'but cage hen facilities have more limited scope for improvement'.

Original question of Mr Franklin, as amended, put and passed.

Mr Franklin moved: That paragraph 2.131 and recommendation 1 be omitted:

'The committee also acknowledges the significant deviation between views on hen welfare, and the treatment of animals more broadly, between participants from industry and animal welfare groups. The committee notes that this puts the NSW Department of Primary Industries in a difficult position, given it has the responsibility of simultaneously promoting the growth of primary industries and improving animal welfare. In light of this, the committee recommends that the NSW Government establish an independent office of animal welfare, as a distinct authority, separate and independent from the NSW Department of Primary Industries, to be responsible for animal protection issues.'

Recommendation 6

That the NSW Government establish an independent office of animal welfare, as a distinct authority, separate and independent from the NSW Department of Primary Industries, to be responsible for animal protection issues.'

Question put.

The committee divided.

Ayes: Mr Amato, Mr Franklin, Mr Martin, Mr Roberts.

Noes: Ms Boyd, Mrs Houssos, Ms Hurst, Ms Jackson.

There being an equality of votes, question resolved in the negative on the casting vote of the Chair.

Resolved on the motion of Mr Franklin: That paragraph 2.131 be amended by omitting the words: 'The committee notes that this puts the NSW Department of Primary Industries in a difficult position, given it has the responsibility of simultaneously promoting the growth of primary industries and improving animal welfare'.

Chapter 3

Resolved on the motion of Mr Franklin: That paragraph 3.1 be amended by omitting the word 'Certain industry representatives' and inserting instead 'Industry representatives'.

Resolved on the motion of Mr Franklin: That paragraph 3.14 be amended by omitting the word 'said' and inserting instead 'stated'.

Resolved on the motion of Mr Franklin: That paragraph 3.46 be amended by omitting the word 'implored' and inserting instead 'asked'.

Resolved on the motion of Mr Franklin: That paragraph 3.46 be further amended by inserting the word 'Australia' after the word 'RSPCA'.

Resolved on the motion of Mr Franklin: That paragraph 3.85 be amended by omitting the words 'only received a handful of submissions' and inserting instead 'also received some submissions'.

Resolved on the motion of Mr Franklin: That paragraph 3.92 be amended by omitting the words: 'This is notable given comments from Mr Brett Langfield, Chair of the NSW Farmers Egg Committee, NSW Farmers, that the industry had 'no real ability to handle a rapid shift' given current levels of investment'.

Resolved on the motion of Mrs Houssos: That paragraph 3.93 be amended by inserting the following words at the end:

'This is notable given comments from Mr Brett Langfield, Chair of the NSW Farmers Egg Committee, NSW Farmers, that the industry had 'no real ability to handle a rapid shift' given current levels of investment [FOOTNOTE: Evidence, Mr Brett Langfield, Chair of the NSW Farmers Egg Committee, NSW Farmers, 13 August 2019, p 17]'.

Mr Franklin moved: That recommendation 2 be amended by omitting 'the phasing out all cage systems over a maximum ten year period as part of the proposed *Australian Animal Welfare Standards and Guidelines – Poultry*' and inserting instead 'continued use of conventional cages, with any new cage systems required to be furnished'.

Question put.

The Committee divided.

Ayes: Mr Amato, Mr Franklin, Mr Martin, Mr Roberts.

Noes: Ms Boyd, Mrs Houssos, Ms Hurst, Ms Jackson.

There being an equality of votes, question resolved in the negative on the casting vote of the Chair.

Mr Amato, Mr Martin and Mr Franklin left the meeting.

Ms Jackson moved: That paragraph 3.118 and recommendation 2 be amended as follows:

(a) paragraph 3.118 and recommendation 2 be omitted:

"The committee believes that in light of significant community concerns about the welfare of hens kept in cages, the Minister for Agricultural and Western NSW should advocate for and support a national phase out of cage egg production over a maximum ten year period. We believe that this option is consistent with community views on the use of cages for hens in the industry, and the significant welfare concerns that arise from hen confinement. Therefore, we make the following recommendation.

Recommendation 2

That the Minister for Agriculture and Western New South Wales advocate to the Agriculture Minister's Forum (AGMIN) and express the NSW Government's support for the phasing out all cage systems over a maximum ten year period as part of the proposed *Australian Animal Welfare Standards and Guidelines – Poultry*'

(b) and the following new paragraphs and recommendation be inserted instead:

"The Committee in principle supports the phase out of conventional cages in egg production and recommends the Minister for Agriculture and Western New South Wales establish a Working Party on the Transition of the Egg Production Industry to advise on the future of the egg production industry and engagement in the national Agriculture Minister's Forum (AGMIN) process.

The Working Party will advise the Minister for Agriculture and Western New South Wales on the appropriate time-frames for the transition away from conventional cages and any industry assistance necessary to support that transition.

Representatives on the Working Party will include the Australian egg production industry, animal welfare groups, poultry veterinarians and consumer advocates.

Recommendation 2

That the Minister for Agriculture and Western New South Wales establish a Working Party on the Transition of the Egg Production Industry to advise on the future of the egg production industry and engagement in the national Agriculture Minister's Forum (AGMIN) process, with the Working Party:

- to advise the Minister for Agriculture and Western New South Wales on the appropriate time-frames for the transition away from conventional cages and any industry assistance necessary to support that transition.
- to include representatives of the Australian egg production industry, animal welfare groups, poultry veterinarians and consumer advocates'.

Ms Boyd moved: That the motion of Ms Jackson be amended by inserting the words 'over a ten year period' after the words 'the phase out of conventional cages in egg production'.

Question put and negated.

Resolved on the motion of Ms Boyd: That the motion of Ms Jackson be amended by omitting 'any industry assistance necessary' and inserting instead 'the industry assistance necessary'.

Resolved on the motion of Mr Roberts: That the motion of Ms Jackson be amended by omitting the word 'poultry veterinarians' and inserting instead 'veterinarians'.

Original question of Ms Jackson, as amended, put.

The Committee divided.

Ayes: Mrs Houssos, Ms Jackson, Mr Roberts

Noes: Ms Boyd, Ms Hurst.

Original question of Ms Jackson, as amended, resolved in the affirmative.

Mr Amato, Mr Martin and Mr Franklin re-joined the meeting.

Ms Jackson moved: That recommendation 3 be omitted: "That, regardless of the outcome of the proposed *Australian Animal Welfare Standards and Guidelines – Poultry* process, the NSW Government implement a legislative phase out of all cage systems in the egg production industry over a maximum ten year period".

Question put.

The Committee divided.

Ayes: Mr Amato, Mr Franklin, Mrs Houssos, Ms Jackson, Mr Martin, Mr Roberts

Noes: Ms Boyd, Ms Hurst.

Question resolved in the affirmative.

Mr Franklin moved: That paragraphs 3.119 to 3.121 be omitted:

"The committee understands that while it is intended that the Standards and Guidelines will introduce national consistency for the egg industry, there is capacity for variation to occur between states and territories because jurisdictions will be free to adopt the Standards and Guidelines as they see fit. We note that it is likely there will be variation for instance in the Australian Capital Territory and Tasmania, given restrictions on cage egg production already exist in those jurisdictions.

Given this, the committee notes that a state based approach is also required. Therefore, it recommends that regardless of the outcome of the proposed Australian Animal Welfare Standards and Guidelines – Poultry process, the NSW Government implement a legislative phase out of all cage systems in the egg production industry over a maximum ten year period.

A ten year phase out period is reasonable as it will ensure the industry is able to transition. The committee acknowledges the challenges for industry regarding a phase out, including potential costs, industry instability and supply. Hence, we explore the nature of these impacts and what support industry would require to phase out cages in chapter 4!.

Question put.

The Committee divided.

Ayes: Mr Amato, Mr Franklin, Mrs Houssos, Ms Jackson, Mr Martin, Mr Roberts

Noes: Ms Boyd, Ms Hurst.

Question resolved in the affirmative.

Mr Franklin moved: That paragraphs 3.122 to 3.125 and recommendation 4 be omitted:

'The committee notes evidence given that increasing the minimum spatial allowance for each hen from 550 square centimetres to 750 square centimetres would increase their ability to perform natural behaviours. The committee also notes that this increase in spatial allowance could be facilitated without industry being required to make any structural changes to existing conventional caged, by slightly reducing the number of birds kept in each cage. In light of this, the committee recommends that the Prevention of Cruelty to Animals Regulation 2012 be amended to the minimum spatial requirement for each laying hen to 750 square centimetres for the duration of the phase-out period'

In terms of the industry option to move towards furnished cages, the committee expresses concern over the 550 square centimetre spatial allowance included in the proposal. Noting the evidence discussed in chapter 2 regarding the space required for furnishings, as well as the rationale for the spatial gains made by hens in the 2002 Model Code of Practice, the committee is of the view that the industry proposal would result in a significant step back for hen welfare.

In this regard, and until a phase out of cages occurs, the committee recommends that the current regulations concerning stocking density and definitions of floor area be amended to ensure furnished cages are 750 square centimetres per hen, and include nest boxes, perches and scratch-pads.

Further, the committee recommends that the NSW Government oppose any national proposal, standards or guidelines which would allow the introduction of furnished cages without a spatial allowance of less than 750 square centimetres per hen.

Recommendation 4

That, during the phase-out period, the NSW Government increase, through regulation or legislation, the stocking density for all cages to 750 square centimetres per hen'.

Question put.

The Committee divided.

Ayes: Mr Amato, Mr Franklin, Mrs Houssos, Ms Jackson, Mr Martin, Mr Roberts

Noes: Ms Boyd, Ms Hurst.

Question resolved in the affirmative.

Ms Jackson moved: That recommendation 5 be amended as follows:

- (a) that recommendation 5 be omitted: "That the NSW Government amend the *Prevention of Cruelty to Animals Regulation 2012* to include a definition of furnished cages and a specific stocking density for furnished cages that includes nest boxes, perches and scratch-pads, with a spatial allowance of 750 square centimetres per bird, and oppose any national proposal, standards or guidelines which would allow the introduction of furnished cages with a spatial allowance of less than 750 square centimetres per hen"
- (b) and the following new recommendation be inserted instead:

'Recommendation X

That the Working Party on the Transition of the Egg Production Industry establish a definition of a furnished cage, to be pursued through the national Agriculture Minister's Forum (AGMIN) process. The definition should include spatial allowance, stocking density, nest areas, perches and scratch pads'.

Question put.

The Committee divided.

Ayes: Mr Amato, Mr Franklin, Mrs Houssos, Ms Jackson, Mr Martin, Mr Roberts

Noes: Ms Boyd, Ms Hurst.

Question resolved in the affirmative.

Mrs Houssos moved: That the following new paragraph be inserted after paragraph 3.125:

"The committee notes evidence received regarding furnished cages. The committee believes there is a need for a definition of furnished cages and that this should be a task for the Working Party on the Transition of the Egg Production Industry, given more detailed work in this area is required".

Question put.

The Committee divided.

Ayes: Mr Amato, Mr Franklin, Mrs Houssos, Ms Jackson, Mr Martin, Mr Roberts

Noes: Ms Boyd, Ms Hurst.

Question resolved in the affirmative.

Chapter 4

Resolved on the motion of Mr Franklin: That recommendation 7 be amended as follows:

- (a) by inserting the word 'support' after the words 'to determine whether'
- (b) by omitting the words 'a phase out of cages in the egg production industry' and inserting instead 'any future industry transition in the egg production industry'.

Ms Jackson moved: That:

- (a) the draft report, as amended, be the report of the committee and that the committee present the report to the House,
- (b) the transcripts of evidence, submissions, tabled documents, answers to questions on notice and supplementary questions, and correspondence relating to the inquiry be tabled in the House with the report,
- (c) upon tabling, all unpublished attachments to submissions be kept confidential by the committee,
- (d) upon tabling, all unpublished transcripts of evidence, submissions, tabled documents, answers to questions on notice and supplementary questions, and correspondence relating to the inquiry, be published by the committee, except for those documents kept confidential by resolution of the committee,
- (e) the committee secretariat correct any typographical, grammatical and formatting errors prior to tabling,
- (f) the committee secretariat be authorised to update any committee comments where necessary to reflect changes to recommendations or new recommendations resolved by the committee,
- (g) dissenting statements be provided to the secretariat within 24 hours after receipt of the draft minutes of the meeting,
- (h) the report be tabled by Wednesday 30 October 2019, and
- (i) the Chair hold a press conference on Wednesday 30 October 2019.

Question put.

The Committee divided.

Ayes: Mr Amato, Mr Franklin, Mrs Houssos, Ms Jackson, Mr Martin, Mr Roberts

Noes: Ms Boyd, Ms Hurst.

Question resolved in the affirmative.

8. Adjournment

The committee adjourned at 12.20 pm *sine die*.

Tina Higgins
Clerk to the Committee

Appendix 4 Dissenting statements

Ms Abigail Boyd MLC, The Greens

Much of this report and a number of the recommendations represent a compromise position between very different viewpoints. It was not possible to reach compromise in all areas, and there were significant areas of disagreement.

Given the evidence provided in submissions and at the hearings, The Greens are disappointed to see the inclusion of only luke-warm recommendations regarding phasing out caged egg-production systems, defining ‘furnished cages’ and providing producers with the support required for a just transition out of a declining mode of production. Although there was disagreement over whether the market or regulation should dictate when caged eggs should be phased out, it was clear from industry representatives that demand for caged eggs was declining. The inclusions of the following recommendations would have provided more certainty for industry while striking a better balance between industry profitability and animal rights concerns:

Recommendation 2 (replacement)

That the Minister for Agriculture and Western New South Wales advocate to the Agriculture Ministers’ Forum (AGMIN) and express the NSW Government’s support for phasing out all cage systems over a maximum ten year period as part of the proposed Australian Animal Welfare Standards and Guidelines – Poultry.

Recommendation 3 (new)

That, regardless of the outcome of the proposed Australian Animal Welfare Standards and Guidelines – Poultry process, the NSW Government implement a legislative phase-out of all cage systems in the egg production industry over a maximum ten year period.

Recommendation 4 (new)

That, during the phase-out period, the NSW Government reduce, through regulation or legislation, the stocking density for all cages to 750 square centimetres per hen.

Further, to ensure that the definition of furnished cage follows that ordinarily understood internationally and throughout the animal welfare community, it should have been made clear that a cage will not be considered ‘furnished’ where birds, despite having more stuff in their cages, still have the same limited space to move around in. Furnished cages should clearly be only those where the quality of life of the hen is materially improved beyond the current unfurnished cage experience, which cannot be the case while hens are confined in areas of less than 750 square centimetres.

Recommendation 5 (replacing Recommendation 3)

That the NSW Government amend the Prevention of Cruelty to Animals Regulation 2012 to include a definition of furnished cages and a specific stocking density for furnished cages that includes nest boxes, perches and scratch-pads, with a spatial allowance of 750 square centimetres per bird, and oppose any national proposal, standards or guidelines which would allow the introduction of furnished cages with a spatial allowance of less than 750 square centimetres per hen.

Regardless of the outcome in the committee, the Greens will continue to campaign for an end to caged egg production systems with a just transition package for producers.

Despite these areas of disagreement, I would like to thank the other members of the committee and the secretariat for the work and collaboration that underpins this important report.

The Hon Emma Hurst MLC, Animal Justice Party

As Chair, I am disgusted by the failure of this report to recommend a legislative phase out of cages, at either the national or state level.

The need for a legislated phase out of all cages was supported by evidence from thousands of community members, animal welfare groups, academics and scientists who highlighted the serious welfare issues faced by hens confined to cages, and lack of public support for this cruel practice to continue. It is clear that this is an issue the community is very passionate about, and something that many in the community and animal welfare sector feel is long overdue. This evidence within the inquiry was clearly not taken seriously by Government or Opposition committee members.

The development of the National Standards & Guidelines for Poultry is a unique opportunity for the New South Wales Government to indicate its support for a national phase out of cages, and to ensure this phase out is implemented in all states and territories consistently. This national process has been ongoing since 2015 and has involved consultation with state government representatives, industry and animal welfare groups to determine what the new National Standards & Guidelines will be, including whether these standards should include a phase out of cages.

Accordingly, it is not clear what Recommendation 2 – which seeks to establish a "Working Party on the Transition of the Egg Production Industry", consisting of the same group of stakeholders that have already been consulted throughout the national process (and, indeed, the same stakeholders we heard from over the course of this inquiry) to advise the Minister for Agriculture "on the future of the egg production industry" – will achieve. The process will be entirely duplicative of the national process without adding any value. The people of New South Wales have made it clear that they want cruel, outdated battery cages to go, and we should be listening to them.

I am also concerned by Recommendation 3, which provides that this "working group" should be responsible for advising the Minister on the definition of a furnished cage. There is no need for such a working group. The definition of a furnished cage is well understood internationally, and involves a minimum space requirement of 750cm per hen, plus enrichments such as nest areas, perches and scratch pads.

Furnished cages are not supported by the Animal Justice Party. However, given a small number of operators currently identify with this marketing term, and may be able to continue to do so until a full phase out of cages occurs in Australia, we should ensure that the legal definition of 'furnished cages' in Australia matches this international standard , which is already used in countries such as New Zealand and the European Union.

I am very concerned that the 'working group', as proposed by the Opposition, will be dominated by industry participants who, throughout the course of this inquiry, gave evidence that they would like to see furnished cages defined so they only provide 550cm of space per bird. This is the exact same size per bird as the existing battery cage, and would provide no increased space for hens to exhibit natural behaviours.

If this industry proposal was to succeed, it would allow egg producers to rebrand their battery cage eggs as 'furnished cage' eggs, without actually making any substantive changes to the conditions in which the hens are held, and mislead consumers into thinking that welfare standards have improved.

Both of these recommendations are bad for animals and bad for consumers, and I wholeheartedly do not support them.

It with huge regret that I recognise both Government and the Opposition continue to support the caging of hens indefinitely in the egg industry, despite evidence heard that hens in cages will never see sunshine, never feel wind, never dust bath, will never scratch the ground, and never protect a nest. She will never walk, stretch, flap, ruffle, or preen. She will never be given enough room to have the ability to simply turn around. To add to insult, Opposition amendments could see consumers duped into buying so-called 'higher welfare' eggs, when the reality is very different.

The lack of consideration for truth in labelling, consumer rights, and very basic animal welfare by the Opposition is unconscionable.