

Submission
No 454

**INQUIRY INTO USE OF BATTERY CAGES FOR HENS IN
THE EGG PRODUCTION INDUSTRY**

Name: Name suppressed

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Partially
Confidential

My family started farming in egg production in the 1950s. Egg production was exclusively cage-free, as this was the cheapest and easiest way to get into egg production. The industry moved gradually into cage systems mainly to improve animal welfare by reducing disease, mortalities, predation and exposure to the elements. They had the added benefits of improving employee work environment, cleaner eggs and better feed conversion.

As the industry has moved back towards cage-free systems over the last decade, the move has not come out of necessity for animal welfare reasons. It has instead been driven by immense pressure, mainly from Coles and Woolworths, as their high-level management positions have been filled with applicants out of chains like Sainsbury's the UK – who banned battery cages in 2012.

ANIMAL WELFARE

It is hard to argue that cage-free systems are superior in terms of animal welfare when compared to cage systems, and certainly there is far less need for invasive animal welfare practises in cage systems.

DISEASE: Disease is significantly higher in cage free systems, due to the birds being in contact with and eating their faeces, as well as access to wild birds and vermin. The industry is now seeing a resurgence of diseases barely seen for decades in cage systems such as worm infections, blackhead, coryza, *Pasteurella multocida*, *E. coli* and Avian influenza. Unfortunately, vaccines are not available for all these diseases.

MORTALITY: Mortality is consistently higher in cage free systems than in cage systems, with 1-3% generally considered average for cage systems and 9-12% considered average for free range systems.

BEHAVIOURAL PROBLEMS: Any form of aggression in cages is very low, as the small group size in the cages allows the hens to establish a stable dominance hierarchy quite quickly. Mortality, production and behavioural problems are all worse in large groups of hens, due to the formation of unstable social groups. This is particularly a problem in cage free systems, which often display feather pecking and cannibalism, and require supplementary break trimming or extremely low lighting to reduce the incidence of injury. In comparison, beak trimming is rarely- if ever -done in climate-controlled cage systems.

COMMUNITY STANDARDS

I believe the public has a much worse image of cage egg production in Australia than is currently the case. This is likely due to the continual supply of pictures and footage that are not even Australian farms or are Australian farms from 30-40 years ago, published by groups such as Voiceless, Animals Australia and Peta. Note – if the picture or footage has white hens, there is a low chance it is from an Australian production system in this millennium. As a general rule, Aussies like brown-shelled eggs, and white hens lay white-shelled eggs.

Even the NSW Food Authority sampler that was on our farm a few months ago told me that he couldn't believe how good the climate-controlled cage systems were, as he had only ever been in the old, low-rise deep litter cage systems. How can we expect that public or community standards & expectations are in line with the current systems if not even our departmental compliance specialists are.

ENVIRONMENTAL CONSIDERATIONS

Cage systems have less impact on the environment in all areas. They require less land area than free range systems, they are more efficient in cooling and therefore require less energy to do this, and

feed and water consumption are both lower in cage systems, meaning less inputs are required to produce eggs.

HEALTH OF WORKERS

Health of workers is also superior in cage systems compared to cage free systems. Climate-controlled systems are cooler and have less dust than cage-free systems. Disease rates in cage-free systems are higher which increases the risk of transmission to workers, and higher disease and mortalities in these systems may adversely affect the mental health of workers. In addition, the incidence of floor eggs and having to collect these increases risk of injury to workers. Anecdotally, we had an employee resign to go and work on a free-range farm. One week later she called up asking for her job back as she spent most of her day down in the dust picking up floor eggs.

CONSUMER DEMAND

There is an assumption that consumers overwhelmingly want to purchase cage free eggs, when it is more likely that supermarkets want to increase cage free sales, as a higher priced product has a larger mark up. In 2016/2017 48.9% of supermarket sale were caged eggs, when only 10% or less of shelf space (bottom shelf at that) is allocated to caged eggs lines. Compounding this is that supermarkets do not restock caged eggs as soon as the shelves are empty, forcing customers to purchase cage free eggs instead, and increasing overall cage free egg sales. In at least one central coast store, caged eggs have even been moved to a different section in the supermarket.

I encourage you to take a close look at the egg section of your supermarket next time you are in there, and see what space is allocated to cage eggs, and also check the restocking of cage eggs vs cage free eggs.

In 2013, Woolworths promised a complete phase out of caged eggs by 2018 yet here we are in 2019 with caged eggs still being stocked on the shelves, and still maintaining close to 50% of shell egg sales. The only explanation for this is that consumers still want to purchase caged eggs. It has been reported that when Woolworths took cage eggs off their shelves in 2014 in the ACT, they lost nearly 30% of their customer base to Coles & ALDI. It would be interesting for you to speak to Coles and Woolworths about this, as another egg producer reported that they were talking to the egg buyer for Coles who told them that they took cage eggs off the shelf in a store as a trial and lost 27% of their customer base.

PUBLIC HEALTH

In addition to health and welfare of birds, there are also health and welfare considerations for consumers and the public as we move towards a higher percentage of cage-free production. In cage systems, antibiotic use is practically non-existent. In cage free systems however, routine antibiotic use is common to deal with the ongoing pathogen exposure in faeces. As humans and avians are both monogastric, we must question the potential risk of antibiotic resistance in our population.

Almost all the Avian Influenza outbreaks in Australia in the last decade have originated on free range farms, due to the ranging areas and access to the wild duck population. A disease that has the capacity to be transferred to humans.

ECONOMIC AND SOCIAL EFFECTS

Nearly 50% of consumers still purchase cage shell eggs, not only because of the price, but also because they want better welfare outcomes for birds, or they are worried about health risks with antibiotic use or risk of spread of disease. I don't see the need to push the agenda of a loud few onto the silent majority that want to be able to have the choice to buy cage eggs if they want to. If consumers no longer want to buy cage eggs, then they will stop buying them.

Any move to ban cage eggs would need to carefully consider the time required to replace over 50% of the current production, so as to not throw Australia into a severe egg shortage, which could result in eggs being imported.

It is estimated that the industry has spent approximately \$500 billion upgrading to new climate-controlled cage sheds since 2002. 98% of these are family owned business who have taken on huge debt to put in these systems, which has been difficult to repay with a couple of extended drought periods pushing grain prices to nearly \$600/t. If there was a decision to ban these systems then I think it's only fair to compensate producers not only for some of the capital cost, but also the value of any hens housed in those systems at the date of effect.