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29 April 2008

The Secretary
Senate Standing Committee on Rural and Regional Affairs and Transport
Parliament House
Canberra ACT 2600

Dear Secretary,

Submission by Animals Australia
to the
Senate Rural and Regional Affairs and Transport Committee

Inquiry into Meat Marketing

Animals Australia is a peak animal protection organisation, representing forty member societies and thousands of individual members and supporters. We appreciate the opportunity to provide our input to this inquiry.

Consumer demand for increased welfare for factory-farmed animals

Increasing numbers of people are becoming concerned about cruel practices inflicted on the large numbers of animals which are “factory-farmed”¹. In Australia in 2005 there were about 63 million meat chickens and 2.5 million pigs.² The majority of these animals are kept in intensive indoor conditions. It is beyond doubt that intensively-reared meat chickens and pigs endure suffering as a result of their greatly confined housing conditions.³

Worldwide, there is a developing momentum of consumer demand for meat products derived from animals which have not been reared in intensive facilities. Thus, in the United States companies such as McDonalds and Burger King have spearheaded a move away from the use of meat (and eggs) from intensively-farmed animals, solely in response to consumer demand. Reflecting this, Smithfield Foods, the world's largest pig producer, will completely phase out sow stalls by 2017. In Europe several countries⁴ have banned the housing of pregnant pigs in small cages (sow stalls) and a Europe-wide restriction on sow stall use will come into effect in 2013.⁵ In the USA several States (Florida Arizona and Oregon) have now passed citizen-initiated ballots to ban such confinement.

¹ There is recent evidence too that overseas buyers of wool will shun products from ‘mulesed’ sheep.

² Australian Bureau of Statistics (2007) *Year Book Australia*

³ European Union Scientific Panel on Animal Health and Welfare (2004) The welfare aspects of various systems for keeping laying hens *The EFSA Journal* 197, 1; report of the European Union Scientific Veterinary Committee (1997) The welfare of intensively kept pigs (http://europa.eu.int/comm/food/fs/sc/oldcomm4/ou17_en.html)

⁴ The United Kingdom, Sweden and Switzerland

⁵ Restricting the use of sow stalls to 4 weeks in any single pregnancy (which lasts about 16 weeks)

Reduced animal cruelty – will the consumer pay?

Increasing animal welfare for meat chickens and pigs which in Australia are predominantly factory-farmed may involve some increase in cost to the operator, which if it occurs may be passed on to the consumer. However, the widely-held assumption that there will be a significant increase in cost has been challenged. For pig meat, for example, it may be that the additional cost imposed by changing from sow stalls to free range may be as little as about 5 cents per kg.⁶ Indeed European Commissioner Markos Kyprianou has said that “all evidence shows that price increase for better animal welfare is minimal” and “even when animal welfare standards lead to an increase of cost for producers, this can easily be mitigated by a return from the higher price that EU consumers are obviously willing to pay.”⁷

There is emerging evidence that the Australian consumer is also willing to pay more for “cruelty-free” meat products.⁸

The meat industry in Australia takes the view that Australian consumers will not pay for reduced animal cruelty resulting from a move away from factory-farmed to free range animals. The Regulatory Impact Statement produced as part of the revision of the relevant animal welfare Code of Practice for pigs stated “there remains no effective market demand or willingness to pay...by consumers for “animal welfare” as such”.⁹ This is not what recent large European surveys found; in one study, 62% of respondents said that they would change their shopping habits in order to access more animal welfare friendly goods (seen as healthier and of higher quality).¹⁰

Perhaps a truer indicator of consumer “willingness to pay” is the fact that some sellers of animal food products are prepared to mislabel their products as “free range” or “organic” (and thereby break the law), in order to be able to charge the higher prices commanded by those products.¹¹

The way forward – animal welfare labelling of meat products

It is only fair that producers which seek to improve animal welfare by moving away from intensive animal farming methods should be able to get a fair return for any increased costs involved in that move. Animal welfare labelling is a necessary first step. Clear labelling to indicate the housing system and husbandry methods used is required to enable consumers to make an informed choice on their product purchases and to ensure that producers of animal welfare friendly products get any price premium benefit associated with the change.

For this to work, it is necessary that the improvements in animal welfare be based on properly assessed and monitored standards (and this must be done by an independent body). In Europe, this approach has been adopted by the Council of Ministers of the European Union. The Council has also directed that production of meat chickens should be the subject of a report on a mandatory labelling scheme based on compliance with animal welfare standards.¹²

6 Compassion in World Farming (2002) *The Economics of Factory Farming*

7 Kyprianou, M (2007) Prospects for an EU animal welfare labelling scheme *Proceedings of the Conference – Animal Welfare – Improving by Labelling*

8 See the summary of survey results in Voiceless (2007) *From Label to Liable: Scams, Scandals and Secrecy*

9 Primary Industries Standing Committee (2006) *Proposed Model Code of Practice for the Welfare of Animals – Pigs; Regulatory Impact Statement Consultation Draft*

10 Gavinelli, A et al (2007) European policies on animal welfare and their effects on global trade *Farm Policy Journal* 4, 11

11 See for example *ACCC v GO Drew Pty Ltd* [2007] FCA 1246

12 Council Directive 2007/43/EC, 28 June 2007

At the moment in Australia there is a confusing range of terms which have been introduced by producers seeking to gain the commercial advantage of convincing the buyer of meat products that the products they are buying are “cruelty free”. The term most frequently used is “free range”. This term has no enforceable definition, although several industry bodies have purported to set “free range” standards.

Note: The example of the labelling of egg cartons in Australia with the three recognized housing systems – cage eggs, barn laid eggs and free range eggs – whilst welcomed in principle and in the main, is not a good model because of several deficiencies in its introduction and use. There is currently no consistent ‘point of sale’ consumer information about the elements of each system, and confusing ‘logos’ or descriptors such as ‘farm fresh’ or ‘natural grain fed’ and farm scene designs on battery cage egg cartons mislead customers. Further, consumer confidence has been dented due to the absence of credible independent assurance systems to protect the integrity of the product (i.e. fears of battery cage eggs in free range cartons).

Conclusion and recommendation

Clearly, a first step in establishing a workable animal welfare food labelling system is to establish a definition for terms such as “free range”. The absence of nationally-applicable terms based on legislation which defines the animal welfare status of meat products impairs the ability of consumers to make informed choices. It also leaves genuine “cruelty-free” producers open to unfair competition from competitors who mis-label their products in order to get a price advantage.

Animals Australia submits that the Committee should consider recommending:

1. the establishment of a uniform nation-wide system of “cruelty-free” or “animal welfare friendly” labelling for meat products;
2. the labelling system be based on quantifiable standards;
3. the labelling system be established and administered by a body which is independent of industry;
4. the labelling body be established and empowered by statute, and
5. meat producers seeking to use the labelling system would be able to apply for accreditation and be audited regularly by an independent body.

Please contact us if further information or clarification of this submission would be of assistance.

Yours sincerely,



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