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Manager
Consumer Policy Unit
Small Business, Competition and Consumer Policy Division
The Treasury
Langton Crescent
PARKES ACT 2600

Dear Treasury,

Re: Free range egg labelling consultation.

Firstly, I am very pleased and appreciative for the opportunity present our opinion and comments on this topic of FREE RANGE labelling to the Treasury.

Paul Kos and myself (Julie Kos) own and operate KOSSIES FREE RANGE EGGS in Geelong. Kossies run on a farm of 36 acres and maximum capacity is 6,000 chickens at any one time. I, together with Garry Bowkett (owner of Buckleberry Farm, Winchelsea), own *Free To Roam Australia*, (an egg wholesaling company).

We both pride ourselves on running and further developing an extremely environmentally sustainable farming system. We use a mobile shedding system and move our sheds to ensure that our birds are always on pasture. Our birds are let out every day regardless of weather or factors such as medical treatments. We let out our birds early in the morning by walking our farm every day, usually before 7.30 am and manually opening all the pop holes.



This is the most gratifying time of the day to see my birds; flocking out in huge numbers immediately after the doors are open. Our birds have feed and water inside the shed so they are free to roam outside in the pasture all day long or go into their home for whatever reason they wish. Our chickens run at a density of 750 birds per hectare and I will tell you our hardest job is keeping our range pastured even at this low density. In reverse, we walk the farm every night at dusk to manually lock up the chickens from predators. This is quintessentially 'free range' in its truest form.

But to have the best means we are financially disadvantaged as this industry is success by a numbers game. The fact that we let out our birds every day, regardless of the weather elements means that we lose production rates (Windy days mean less eggs per shed). In addition to this we have to manually visit each shed at least four times a day to:

1. manually open pop holes in the morning (7.30 am);
2. collect eggs (10.00 am);
3. close nesting boxes (4 pm); and
4. open nesting boxes and close pop holes (6-8 pm), depending on varying dusk times.

If we need to feed or treat birds medically there are more visits to the sheds.

That fact that we have sheds of 500 birds means we have a lot more in infrastructure costs as well as extra labour costs. This cannot be compared to an automated in-line system that the market leaders use.

It was for these reasons that we were absolutely delighted when the ACCC took up this labelling issue because we believe that the current labelling tells a very dishonest story and doesn't differentiate our beliefs and farming practices which we believe is the vision of our customers.

When Paul and I started in egg production, we both read through all the standards and in the end became totally disheartened with this totally unregulated industry.



We decided to run our business to be in line with what we felt our customer's expectations and visions would be. That was fine until we started to sell our eggs and came to the realisation that we were always being questioned by shop owners as to why our prices were so high. After some confusion we came to the understanding that other companies are selling their product less than it costs us to produce.

So we were being financially penalised for delivering a product which the term "free range" implies whilst most of our competition only allude to. And one may ask "who is the fool?"; we the producer who has the conscience, or the poor customers sold this product under false pretenses? The shop owners are well aware that the other product is not genuine free range yet compound the problem by adding the same percentage rate onto both products. Our eggs are more expensive to produce and similar mark up it makes our product even more expensive to the consumer. I personally would love to see the shop owners held accountable, for they are playing a big part in deceiving their customers just for personal gain and greed.

I thank the ACCC for seeing things as they are; attached are photos of our system and I hope that you can see the difference. Please feel free to call if you would like to ask anything about our system.

We believe that at the moment people who are providing an ultimate free range egg are being pigeonholed into the same category as the people who are deliberately duping the consumer. Buyers have the right to make an educated decision and then the decision can be made from a financial position and the chicken-welfare point of view.

On behalf of ourselves and our farmer network, we totally support that free range should remain our category and that there should be a new standard for those who don't comply.

In my opinion, it is the correct labelling of our product which can truly make a statement and also tell the correct story. I hope that the customers will now be able to purchase a product bearing the words "FREE RANGE" with true confidence. I would also love to see a free range label marked as "Pastured" for those farmers who move the sheds on a regular basis so as the chickens are always on grass and maybe also low density mentioned as well.



I have always felt that maybe a colour coding system could be good on all labels, for example:

- eggs produced from birds ranging in static sheds with high population of 10,000 birds per hectare, no pasture and allowed access to the range for less than 5 hours per day should be colour coded with a red egg on the packaging;
- maybe a yellow egg symbol for midway free range say - static shed, bales of greens thrown to chickens, out for at least 5 hours per day and stocking density of no more than 5,000 birds per hectare; and
- a green egg symbol for birds producing eggs from a pastured site, ranging minimum of 8 hours per day and stocking density at or less than 1500 per hectare.

So for me the correct labelling should be "PASTURED FREE RANGE LOW DENSITY" as the ultimate egg.

Honesty is not only the only policy – it what the consumer expects. Do what you say and say what you do!

In my opinion my customers deserve the truth in labelling.

Yours truly

Julie Kos

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