

AUSTRALIAN ANIMAL WELFARE STANDARDS AND GUIDELINES - POULTRY

REPORT FOR NSW GOVERNMENT FOLLOWING THE INDEPENDENT NSW CONSULTATION PROCESS

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SUMMARY

This consultation process covered all types of poultry, all aspects of the Consultation Regulation Impact Statement and the draft Australian Animal Welfare Standards and Guidelines - Poultry.

The issue that dominated all meetings related to whether conventional cages should continue to be used to house laying hens. Views were often expressed with passion and at times there was conflict between opposing sides. Animal welfare and some community attendees considered that conventional cages do not meet the basic behavioural needs of hens and this happens to every hen for their full laying life. Industry attendees consider conventional cages have fewer problems such as predation, smothering and reduced mortality than alternative systems.

Welfare groups point to European Union countries, Canada and New Zealand which have banned conventional cages following detailed investigations. Industry groups point out that these countries may have different structural arrangements such as a regulated market to those in Australia and that the bans are not necessarily working. Some suggested that investigating the current situation in these countries is important.

Option C (adopting the proposed national standards and guidelines as drafted), received broad support across industry groups. Options A (status quo) and B (implementing the proposed standard voluntarily) were widely rejected. Some industry organisations however indicated that some small changes will be needed to Option C before they can be accepted. Welfare representatives wanted conventional cages banned as soon as possible.

There was a lack of understanding about the poultry industry from some community attendees. Some community members did not appreciate that there are advantages and disadvantages in all production methods.

The importance of uniform adoption of the Australian Welfare Standards and Guidelines – Poultry across all states was seen as very important.

There is recognition that the social licence for conventional cage egg production has been significantly eroded. This is reflected in the fact that 165,000 people across Australia responded to Animal Health Australia and 99% reportedly opposed conventional cages. Some indicated that animal welfare organisations ran an effective campaign to help achieve this result.

It was noted that there is wide variability in the welfare standards of both barn and free range facilities. This is resulting in a range of welfare outcomes in these systems from poor to good. The need for more Australian

research into improved barn and free range systems was seen as a priority. In addition, it was recognised that management is more difficult in both barn and free range production facilities. Due to this, enhanced training in management of these alternate systems was recommended.

As well as the conventional cage debate, this consultation process elicited a broad range of issues which are outlined on page 3.

Note: The term conventional cage is used to describe cages which meet the new national 2008 Regulations and to differentiate them from colony and furnished cages.

METHODOLOGY

Three stakeholder and four community consultation meetings were held in Sydney, Tamworth, Orange and Wagga Wagga. Three focus group meetings were also held in Sydney and Wagga Wagga. In addition, attendees who requested further contact were followed up by phone and several attendees provided written information. In addition, a poultry farm was visited to observe different methods of egg production.

Participants at the stakeholder meetings included key industry representatives (egg and poultry meat producers, farmers, industry representative groups, agricultural consultants, etc.), animal welfare groups (RSPCA NSW, RSPCA Australia, Animals Australia, etc.) and academic experts (university, veterinary scientists, etc.).

The community meetings were open to the general public and attendees included a wider group of industry stakeholders, animal welfare groups and academics, as well as interested members of the community. Many attendees from the stakeholder meetings also attended the community meeting for the relevant location.

Participants in the focus group were randomly selected from the Wagga Wagga and Greater Sydney regions by Jetty Research. The participants represented a wide geographical and socio-economic cross-section of the Wagga Wagga Local Government Area and the Greater Sydney region. The first Sydney focus group only included participants with an income of less than \$80,000 and the second focus group only included those with an income greater than \$80,000.

These focus groups were designed to elicit the opinions of members of the community who had not “self-selected” to be involved in a community meeting. In this way, the focus groups provided the NSW Government with a perspective that could be considered more representative of the “average person on the street”.

Prior to the meetings, a number of key documents were examined in order to inform the consultation process.

All meetings were facilitated by Elton Consulting.

The independent consultant’s role was to accurately report back on the issues which arose from this consultation process. It should be noted that feedback provided by participants and included in the report has not always been validated.

ISSUES

The following issues were identified during the above processes:

1. Conventional cages – laying hens

Discussion around conventional cages for laying hens was the dominant issue at all stakeholder and community meetings. Representatives from animal welfare groups strongly indicated that they want conventional cages phased out in less than 10 years and indicated that the community no longer accepts conventional cages. Animal welfare organisations ran campaigns during the Animal Health Australia consultation period to encourage the community to make submissions opposing conventional cages. Of the 1200 responses to the NSW DPI survey and the 165,000 submissions to Animal Health Australia, 99% of respondents are reportedly opposed to conventional cages. The community social licence for conventional caged egg production appears to be continuing to erode.

Industry members responded that another measure is to look at which table eggs consumers are purchasing and explain that around 50% of table eggs come from conventional cages.

The main argument raised against conventional cages is that they do not meet the basic behavioural needs of hens such as wing flapping, nesting, dust bathing, roosting and scratching. Animal welfare advocates cite the Farmed Bird Welfare Science Review (Nicol CJ et al Oct 2017) prepared for the Victorian Government to support their argument. This is a review of peer reviewed scientific literature on the care, management and slaughter of poultry. In the overview of this document it concludes that “The conventional cage prevents birds from performing basic movements essential for good health (walking, wing stretching) and denies birds the possibility of expressing their behavioural needs to roost, nest and forage, or their motivation to dust bathe due to an inherent lack of resources”.

Animal welfare organisations also cite reports from European Union (EU) countries, New Zealand and Canada that led to these nations phasing out conventional cage system in favour of alternative systems. The three reports referred to are the EU Scientific Veterinary Commission Report 1996, the NZ National Animal Welfare Advisory Committee Report 2012 and the Canadian National Farm Animal Care Council Report 2013.

These reports recognise the advantages and disadvantages of the various systems but on balance conclude that the conventional cage cannot meet the basic welfare needs of hens. Welfare groups acknowledge that feather pecking, mortality and cannibalism are very serious animal welfare problems in alternate systems however they consider that these issues are variable and affected by management. Conversely they consider that behavioural deprivation is inherent to the conventional cage system, experienced by every bird for the length of the laying period and cannot be managed.

In 2012, new legislation in New Zealand required farmers to move to furnished cages within 6 years. After this process had commenced, major supermarkets announced that they would cease the sale of eggs from any cage system which left these farmers unable to sell eggs for a premium from furnished cages. In Canada no new conventional cages have been allowed since April 2017 with a 15 year deadline for removal.

Representatives from industry indicate that the phase out of conventional cages in the above countries is not necessarily working and some countries that banned cages are now importing caged eggs from countries with minimal welfare standards. Industry also indicated that egg gluts and supply shortages resulted in some of these countries. They also said that structural arrangements such as the regulated market and quotas that occurs in

Canada make comparisons with other countries difficult. Some suggested that more information is needed as to the current situation in these countries. Welfare groups indicated that authorities should obtain this directly from the countries involved.

Whilst some major Western countries are phasing out conventional cages it was stated that some developing countries are rapidly expanding egg cage facilities. One farm in Thailand has 10 million laying hens in cages. Australia has in total about 10 million birds in conventional cages.

Industry groups consider that bird comfort, disease, reduced smothering, predation and mortality are important welfare considerations when comparing production systems. They indicate that conventional cage systems perform better in these areas than alternative systems. Smothering occurs when birds flock and mass together with the result that suffocation occurs. Smothering is unpredictable and difficult to manage but does not occur in conventional cages. Welfare groups also acknowledge that there are disadvantages in alternate systems and the advantages and disadvantages of each system are also included in the Consultation Regulation Impact Statement.

Industry indicated that they want recognition and acknowledgement for the millions of dollars that they spent upgrading cages to meet the 2008 Regulations requiring specific standards for conventional cages. One estimate was that industry spent \$500m on this upgrade. They also consider that they have been very responsible in providing choice for the consumer in all production types e.g. conventional cage, barn, free range etc. and also point to how the price of eggs has remained relatively inexpensive compared to other proteins such as red meat

Industry representatives also indicated that most sheds that have conventional cages are now climate controlled and have manure belt removal systems in place. This greatly improves air quality and maintains a comfortable temperature zone for the birds. These improvements were not mandated in the regulations. It was explained that it can be difficult to provide climate controlled conditions in free range housing due to the need for pop holes which allow birds to access the land outside the shed. Extreme weather events can lead to major mortality if climate control facilities are not available. Some of the better free range sheds may be able to control the climate inside sheds.

The current policy deliberations and community sentiment are creating industry and investment uncertainty for the egg industry. Some sectors of the egg industry recognise that the only certainty for industry is to phase out conventional cages however even these people consider that conventional cages are an acceptable and possibly preferable method of production.

There was support for barn systems because they allow many of the behavioural needs of hens to be met. Another advantage of the barn system is that it has a low biosecurity risk of the entry of Avian Influenza (AI) as does the conventional cage system. Barn systems can also be air conditioned which maintains a comfortable temperature zone for the birds. Barn systems currently supply around 5% of the egg market.

There was little support for furnished or colony cages amongst welfare representatives, with the common view being that "a cage is a cage is a cage". Representatives with technical knowledge indicated that furnished or colony cages could meet some of the behavioural needs of poultry.

It was stated that there is currently wide variability in both barn and free range systems and that animal welfare outcomes can vary from poor to good. It was reported that some of the sheds used in free range systems to house birds at night until they are released in the morning can have very high stocking densities and that there

should be further consideration of this issue. It was indicated that ensuring barn and free range systems have high welfare standards is a priority.

A farm with an aviary barn rearing, a flat deck barn egg production shed, an aviary egg production shed, a conventional cage production shed and a soon to be completed free range production systems was visited. On this farm, cage rearing of birds resulted in 0.8% mortality to 16 weeks and aviary rearing resulted in 2% mortality to 14 weeks. A flat deck barn egg laying system resulted in 10% mortality to 74 weeks and cage laying systems resulted in 3.5% mortality to 80 weeks. This is in keeping with information provided at meetings which indicated that the approximate mortality rates with cage, barn and free range systems were 2% - 3%, 10% - 15% and 15% to 18% respectively.

Industry representatives indicated that there has been little consideration of Work Health Safety, environmental or food safety issues. It was indicated that whilst these are not part of this review they are very significant issues and can be much greater problems in barn and free range production systems than conventional cage systems.

There was concern that if the new Standards and Guidelines resulted in egg production not being viable then this could lead to imports of table eggs from overseas countries with poor welfare systems. This was considered the worst of all outcomes. It was mentioned that some pasteurized egg product is already being imported into Australia from countries where welfare standards may not meet Australian regulations.

2. Suggested ways forward for the egg production

a. Proposed Option C (adopt the proposed National Animal Welfare Standards and Guidelines).

Key egg industry representatives initially recommended Option C and did not want to see conventional cage production systems banned. They preferred the additional regulations resulting from Option C rather than Options A or B.

b. Adopt Option D (adopt the proposed national standards, but with a phasing out of conventional cages for egg layers (over a period of 10 or 20 years) in favor of alternative systems

Whilst animal welfare groups strongly recommended that conventional cages be banned, there was no support from industry for this to occur. Industry did indicate that if conventional cages are to be banned, there was a strong view that government should provide support for producers. The need for support was also recommended by community attendees. It was stated that a 10 year ban would require significant support especially in light of the 2008 Regulations which required large cost outlays usually involving millions of dollars. Producers indicated that they are still carrying very large debts as a result of the upgrades that were required to meet these regulations. One producer commented that the general public don't like "bans" and mentioned the greyhound ban. The issue of enforcement and how this would occur after 10 or 20 years was also raised.

The Draft Standards and Guidelines estimate that the net compliance costs associated with a 10 year ban are \$1.531b and for a 20 year ban are \$1.125b.

c. Moratorium on the building of any new conventional cage facilities but with pre enriched cages allowed

The national egg industry recently announced that they will agree to a moratorium on the building of new conventional cage facilities. They consider that under exceptional circumstances or if there is a major change in community sentiment then this moratorium may need to be lifted. Whilst no decision was made as to how the moratorium would be lifted, it was indicated that it would be difficult and would need to involve both industry and government. Part of this announcement is that industry would be able to build pre-enriched cages which have a perch, an excluded area separated by a dropper drape for egg laying and maybe a scratch pad. The space allowance would be 550 square cms as currently allowed under legislation in Australia which is different to furnished cages in Europe which require a space allowance of 750 square cms. There appears to be little support from welfare organisations for pre-enriched cages.

d. Moratorium on the building of any new conventional cage facilities

Two egg producers speculated that as a way forward, the 20 year ban should not be imposed and that a moratorium, requiring that no new conventional cage systems are built be put in place. These producers indicated that this would most likely achieve the same result as a 20 year ban as supermarkets are moving away from conventional caged eggs and that producers are unlikely to build conventional cage systems anyway. Given that conventional cage systems are now between 7 and 12 years old, (having been updated to meet the 2008 Regulations) it is expected that they should be at the end of their operational life in 20 years time. Another key industry person disagreed and said that industry may want to build new conventional cage systems.

One of the above producers suggested that incentives could apply to encourage producers to reduce stocking densities and to move out of conventional cages before the end of their normal life. Concern was raised that if a scheme brought new alternative housing facilities into production but still allowed the existing conventional cage facilities to remain operational then this could lead to massive egg oversupply issues which would be very damaging to industry. Any incentive scheme would need to take conventional cage systems permanently out of production. This proposal has not been discussed with the national egg industry.

e. Ban conventional cage egg production in 10 years or preferably sooner

Representatives from animal welfare groups strongly indicated that they want conventional cages phased out in less than 10 years and indicated that the community no longer accepts conventional cages. A key animal welfare representative suggested that 10 years may be reasonable.

3. Options within the Consultation Regulation Impact Statement

The Consultation Regulation Impact Statement outlines 3 options with 4 possible modifications to Option C. The 3 options (A, B, C) and 4 modifications (D, E, F and G) are:

- A. Maintain the status quo
- B. Implement the proposed national standards in a voluntary way
- C. Adopt the proposed national standards as drafted
- D. Adopt the proposed national standards, but with a phasing out of conventional cages for egg layers (over a period of 10 or 20 years) in favor of alternative systems
- E. Adopt the proposed national standards, but with a reduction of maximum stocking densities in barns or sheds for non-cage layer hens (to 9 birds per square metre) and meat chickens (to 30kg per square metre)
- F. Adopt proposed national standards, but with a requirement for nests, perches and litter for all chicken layers in cage and non-cage systems
- G. Adopt proposed national standards, but with banning of (castration, pinioning and devoicing), no hot blade beak trimming at hatcheries, no routine second beak trim (unless exceptional circumstances, in which case hot blade trimming would be permitted)

The following comments were provided in relation to Options A to G.

A number of industry organisations indicated that they support Option C. There was comment from industry that it would be easier to go with either Option A or B however industry values the credibility that would come from regulations and the fact that poor operators would be removed from the industry.

The meat chicken industry indicated that whilst they support Option C, they do want some changes to some standards which will improve welfare outcomes and make it workable. Their support for Option C is dependent on these minor modifications being made otherwise they prefer Option B.

When attendees at the Sydney community meeting were asked if they wanted modifications D, E, F and G most very strongly said yes. It should however be noted that a number of these people did not appear to fully understand these options. At all meetings, there was a significant group of people who had little knowledge or understanding of the options other than the phasing out of conventional egg cages.

With regard to beak trimming in Option G, there was little understanding amongst attendees of the process or reason for beak trimming beyond industry and informed animal welfare representatives. Amongst industry people, there was support for the direction beak trimming is heading with most hatcheries now using Infra Red technology in hatcheries. Several industry people did express support for Option G. The chicken meat industry indicated that they believe that there may be benefits in adopting Option G, as long as its wording in respect to second beak trimming does not preclude a preventative second trim in situations which the risk of outbreak of serious pecking is assessed to be unacceptably high.

4. Stocking densities

A representative from the turkey industry indicated that they are supportive of Option C however they would like modifications to be made. The main area of concern is the proposed maximum stocking densities. They consider that these are overly restrictive and are not supported by conclusive scientific evidence and are inconsistent with internationally applied standards.

A representative from the NSW Chicken Meat industry indicated that they are strongly opposed to Option E (reducing stocking densities to 30 kgs/square metre). They consider that there are no welfare benefits at this reduced level and that it would require enormous extra cost provisions as extra housing would be needed. They do however support the stocking densities proposed in Option C provided a buffer of 2 kgs/square metre is allowed for when a grower does an exceptional job in growing birds or the killing of birds is delayed.

Concern was also expressed that the stocking densities in sheds on some free range facilities is too high. An animal welfare representative indicated that the area of stocking densities had received inadequate consideration under the Standard and Guidelines development process.

5. Free range production

There was concern that an increase in free range systems could result in more outbreaks of Avian Influenza (AI) due to the difficulties in excluding wild birds. There was also concern about more disease in general as a result of diseases spreading via the faeco-oral route of transmission. The increased risk of AI in free range was disputed by one stakeholder who indicated that there is some research indicating that the risks of AI in free range are no greater than in conventional cage and barn facilities. One egg producer indicated that he did not build a free range production farm due to the risk associated with AI. Another producer who currently has a free range facility said he would go back to conventional cages if the market was assured. It was also indicated that there is an increased risk to egg supply associated with large AI eradication campaigns. When 500,000 birds were killed on a farm near Young as a result of AI eradication it resulted in a significant egg shortage.

The difficulty in keeping predators such as crows, foxes and eagles from attacking poultry was raised as a concern. The point was also made that increasingly the industry has less access to antibiotics and vaccines and this could compound increased disease occurrence. Increased mortality in free range production facilities results from additional disease outbreaks, smothering and increased antisocial behavior such as pecking. A researcher at one meeting however indicated that with higher standards of management, mortality levels in free range systems can be similar to conventional cage systems.

6. Need for low cost, high quality eggs

The point was made in both community and focus group meetings that a significant portion of the community are financially disadvantaged and need access to low cost protein foods and eggs from conventional cages meet this need. Currently around 50% of table eggs consumed are from conventional cages. The issue of cost was a particular concern during all three focus group meetings. For many people, particularly those in lower socio-economic classes, the type of egg they choose to buy is determined by price. Even for some families who care deeply about animal welfare and believe that free range eggs are the most ethical option, the need to provide a healthy and affordable meal is considered more important.

The egg industry indicated that any phase out of conventional cages would increase the price of a carton of a dozen eggs by approximately one dollar. Animal Health Australia reported that the average retail price for a

dozen eggs in June 2016 was \$3.24 for conventional cage eggs, \$4.68 for barn eggs and \$5.40 for free range eggs.

The issue of supermarkets manipulating prices between different egg categories was raised. We were told that the margins on free range eggs can be lowered and the margins on conventional cage eggs increased.

Several animal welfare attendees however indicated that this is not about the cost of eggs but rather an ethical issue about hen welfare.

7. Australian research

One of the arguments against conventional cages is that nothing can be done to allow basic behavioural needs of hens to be met. Alternate systems such as barn and free range systems on the other hand can potentially be improved. More research of these systems under Australian conditions is needed to continue to allow improvements to be made. Managing heat in sheds and genetic selection of birds which are better suited to the housing system in which they will be located were two examples.

It was also indicated that there needs to be more research into what is good animal welfare and how it can be measured.

8. Management training

It was pointed out on several occasions that barn and free range systems are more difficult to manage than conventional cage systems and require a higher level of expertise. For this reason, it was suggested that there should be increased training opportunities for people involved in these alternate systems. High level management is considered essential in developing good animal welfare in alternate systems.

9. Show and exhibition poultry

Several people with an interest in show and exhibition poultry attended community meetings. They were interested in understanding the impact of the Standards & Guidelines on their industry. It was noted that many people are involved in these aspects of poultry production. Part A of the General Standards & Guidelines do apply to show and exhibition poultry. Dubbing (removal of the comb) was one particular area of concern. The draft Standards indicate that dubbing can only be done on day old birds. Representatives considered it needed to be done on adult birds such as roosters when combs become excessively large.

10. Other Issues

Community representatives expressed the need for clear and consistent descriptors (labels on egg cartons) for all of the various production systems so that consumers know exactly what they are purchasing.

There was strong agreement that any new system including legislation must be uniformly adopted across all states to reflect the fact that poultry companies operate nationally. One attendee said it would be a very bad outcome if two states (Victoria and Western Australia) banned conventional cage systems and the other states did not. It was noted that the ACT has banned conventional cages however allows conventional cage eggs from NSW to be sold in the ACT.

Many community and animal welfare representatives attending the meetings had little understanding of the poultry industry and its practices. There was recognition that industry needs to be more transparent with the broader community. The egg industry indicated that they are now engaging with the community to increase this broader understanding. In an effort to do this, they have been inviting community members on to farms to see how modern poultry farms operate.

Some concern was expressed that the Standard and Guideline development process has not been robust enough and mentioned that even though slaughter standards are now included they have not been adequately discussed.

Concern was expressed about the role of RSPCA Australia and whether this organisation had a conflict of interest. It was questioned why RSPCA Australia had such a major role in activism when they are also involved in enforcement of regulations and marketing of poultry products through approved farming schemes.

Representatives from the turkey industry whilst supporting Option C have proposed changes to when turkeys can be toe trimmed and how turkeys can be physically carried under different circumstances. As indicated above they also are opposed to the stocking density allowances in Option C. Their preferred modifications have been provided to Animal Health Australia.

It was agreed that once the final Standards & Guidelines are finalized that a clear and effective implementation process is needed. This should include time frames and enforcement procedures.