

## **SECOND READING SPEECH**

### **Egg Labelling and Sale Bill 2013**

Mr Speaker, I move that the *Egg Labelling and Sale Bill 2013* be read a second time.

The philosophy behind this Bill is that consumers are entitled to accurate information about the products they buy, in order to make informed choices.

This Bill aims to achieve this through two complementary changes, namely;

- Display requirements for whole eggs at the point of sale, and
- Consistent labelling of egg packaging.

Many Tasmanian consumers choose to buy free range eggs in preference to eggs produced by hens living in cages or barns. The demand for free-range eggs across Australia has increased steadily over the last decade. Free-range eggs now comprise about 27% of the national market; a significant increase from around 15% in 2005.

This increase in demand has occurred even though the cost of 'free-range' eggs is generally higher than the cost of cage or barn laid eggs.

Much of the increased demand is attributed to consumer concerns about animal welfare, however there remains a degree of uncertainty for consumers about the definition of free-range. This is compounded by the labelling and marketing of eggs, which has the potential to mislead consumers.

While general consumer laws deal with misleading and deceptive representations, the lack of clear, authoritative definitions of terms, such as free-range, makes successful prosecution of these matters difficult.

This Bill aims to reduce the confusion experienced by consumers when purchasing eggs by separating the different types of eggs displayed for sale in retail outlets, as well as by clearly labelling each different category of eggs. This is the approach adopted in comparable legislation in the ACT, and in practice this appears to assist consumers to make informed decisions as to which eggs to buy.

Under the Bill, retailers will be required to separate each of the egg production systems and to display a sign that clearly describes the types of eggs sold on that shelf or in that section of shelf. The signs would have to be placed in a prominent position next to the relevant eggs and would be required to contain the following information:

- 'These eggs are produced by birds which are continuously housed in cages within a shed.'
- 'These eggs are produced by birds which are housed within a shed that may have more than one level. The floor may be based on litter and/or other material such as slats or wire mesh.' or
- 'These eggs are produced by birds which are housed in sheds but have access to an outdoor range.'

This terminology is consistent with *The Primary Industries Standing Committee's Model Code of Practice for the Welfare of Animals (Domestic Poultry) 4<sup>th</sup> Edition, SCARM Report 83* (the Model Code), which is the principal reference document for the egg industry, and indeed the Bill is drafted so as to remain consistent with this key document.

The lettering on the signs would have to be a minimum of 30mm high (approximately 85 pt font) and the text would be required to contrast with the background of the sign so that it could be easily read.

As is the case in the ACT, this retail signage would only be required in outlets where the length of the display is over two

metres in total. This would therefore exempt a large proportion of small grocers and corner shops from the display requirements.

The second key element of the Bill is the labelling requirement. Under the Bill, the egg carton must be labelled with the words, 'Cage', 'Barn' or 'Free-range' eggs. The labelling requirement is in line with the voluntary standard contained in the *Egg Labelling Guide*, a key industry guide produced by the Australian Egg Corporation. Most reputable egg producers already comply with this requirement.

In particular, the framework set out in the Bill does not impose any requirements on Tasmanian egg producers that would place them at a disadvantage when compared to their interstate competitors. The Bill has also been drafted so as not to conflict with mutual recognition laws, which prevent the Tasmanian government applying additional regulatory requirements to products that comply with all applicable laws in the jurisdiction where they are produced.

Further, the Bill makes specific provision for small producers to ensure they are not inadvertently subject to an unnecessary level of regulation. In particular, both Associations within the meaning of the *Associations Incorporation Act 1964*, and producers with a maximum of 20 hens, are exempt from the carton labelling requirements. While the retail signage obligations only apply to retailers if the total length of their display surface for the eggs is two metres or more.

The Bill also has the capacity to be amended in response to future needs. Such enhancements might include:

- the development of a voluntary accreditation scheme, which could provide a marketing advantage for producers who signed up to the scheme;

- the inclusion of requirements relating to stocking density for free-range hens;
- detailed definitions of cage and barn production systems; and
- any other revisions necessary to reflect changes to the Model Code and/or other relevant legislation.

In conclusion, this Bill is intended to be a light touch regulatory framework that harnesses existing voluntary standards and industry definitions. The Bill seeks to provide consumers with clear and accurate information about the goods they purchase without imposing unreasonable burden on businesses.

Mr Speaker, I commend the *Egg Labelling and Sale Bill 2013* to the House.