THE HIDDEN HAND OF THE MARKET: The limits of animal welfare policy under a labelling for consumer choice approach

Prof Christine Parker (Monash University)
Rachel Carey, Josephine DeCosta, Gyorgy Scrinis
LABELLING FOR CONSUMER CHOICE AS A RESPONSE TO ANIMAL WELFARE IN EGG PRODUCTION
Shoppers are entitled to know what they are buying and how it was produced. ... Shoppers who don’t wish to support unethical egg production systems should vote with their dollars, as this is one instance where supply is definitely driven by demand.

(Loughnan 2012, p?)
Imagine a world without factory farming...

Make it Possible

STEP 1  Vote with your trolley

WHAT TO DO: When doing your food shopping, make kind choices. Avoid factory farmed, buy fewer animal products, or even go meat-free.

WHY THIS WORKS: This is the most effective way you can end animal abuse. Factory farming is the only way to meet the current demand for these animals products. A demand that would never have occurred had consumers known how animals were treated. If you refuse to buy factory farmed products, the businesses which provide them will quickly get the message that there is no future in cruelty. The choices you make at the supermarket can ensure a kinder world for these animals.
CHOOSE CAGE-FREE EGGS

More than 11 million hens are confined to cages in Australia.

But you can change this.

By simply choosing cage-free eggs next time you are at the supermarket, you can help Set a Sister Free.

SetASisterFree.com
% of retail eggs sold that are free range

2001: 8%
2005: 14.5%
2014: 40%
THE “HIDDEN” HAND OF THE MARKET:
The limits of animal welfare policy under a labelling for consumer choice approach
Outline of paper

• Approach:
  – Regulatory network analysis
  – Major newspaper articles 1990-2014 and all official policy documents

• Results:
  – Regulatory policy options: from bans to labels
  – Stakeholders: from animal advocacy to consumer advocacy
  – Discourses: consumer choice vs ban to different meanings of free range within consumer choice

• Conclusion
Approach

Data: articles in major Australian newspapers 1990-2014 and all official policy documents related to ethical governance of layer hen welfare

Discourse analysis: Which actors? Whose interests? What policy options?

What regulatory network?
What implications does this have for which options we can use to improve animal welfare for layer hens?
Results

Flashpoint 1
2000 – Decision not to ban conventional cages

Flashpoint 2
2011 – Mandatory food labelling standards for animal welfare rejected

Flashpoint 3
2014 – Consumer regulators regulate free range


SCARM review recommends labelling for consumer choice

Attention turns to animal welfare claims on egg labels

Increasing framing of the debate as a consumer issue
Timeline of regulatory events in egg labelling

1990
- 1996: First animal welfare accreditation for hens introduced by the RSPCA

1995
- 2000: Australian federal and state governments decide not to legislate to ban battery cages

2000
- 2001: ACT government introduces mandatory labelling of cage, barn and free range eggs
- 2008: CHOICE gives a 'shonky' award to the AECL for their definition of free range

2005
- 2011: Federal government review of food labelling regulation and policy determines that animal welfare issues do not warrant mandatory labelling
- 2012: ACCC refuses AECL definition of free range at 20,000 hens/ha

2010
- 2012: Stocking density of 20,000 hens/ha proposed by the AECL
- 2010: Woolworths and Coles announce phase out of caged eggs and stocking density of 10,000 hens/ha for own brand free range eggs

2015
- 2014: ACCC takes action against egg producers for misleading and deceptive conduct
- 2014: Consumer Affairs Ministers announce the development of a mandatory information standard

2011
- 2008: CHOICE gives a 'shonky' award to the AECL for their definition of free range
No. of mentions of different regulatory options in major Australian newspapers 1990-2014

- Enriched Cages
- Prohibition of Cages
- Egg Labelling Laws
- Misleading & Deceptive Conduct Cases
No. of times "cage", "barn" and "free range" mentioned in major Australian newspapers 1990-2014
2000
Australian Federal Gov’t ‘Standing Committee on Agriculture and Resource Management’ decides not to ban conventional cages
2000: Proportion of newspaper articles mentioning different stakeholders

*no = 86*

- **Animal Advocacy**
- **Retailers**
- **Industry Bodies**
- **Hospitality**
- **Producers**
- **Consumer Advocacy Group**
- **Consumer Regulators**
- **Other Government**
The free-rangers and the corporation have wrapped up the storm in the egg-cup

Ms Townend, Mr Ken Baxter and one of the labelled cartons.

Free-range eggs sold in NSW will be identified in future by distinctive wrap-around labels on cartons.

The new wrappers will be issued to producers who meet strict guidelines worked out between the NSW Egg Corporation and the Animal Liberation organisation.

In an unprecedented marriage, officers from the two organisations will jointly inspect farms applying to sell free-range eggs.

In recent times the corporation's predecessor, the NSW Egg Board, strongly opposed labelling, and it would turn in its grave at the idea of joint inspections.

"I can't quite believe it myself," says Ms Christine Townend, the president of Animal Liberation. "It shows that we can be recognised as something more than wild extremists."

"I believe this is the first time anywhere that an animal welfare group is working with a statutory body."

Free-range eggs will be more expensive. The minimum wholesale prices per dozen are: 61g $2.40 (market-produced $1.59), 55g $2.30 ($1.55) and 49g $1.70 ($1.40).

Producers issued with the wrappers have to ensure that hens are not exposed to artificial light, do not have their beaks trimmed and have access to green feed and open spaces.

"We take the view that as a marketing organisation we have to meet consumer demand," says Mr Ken Baxter, the corporation's managing director.

— GREG ROBERTS

Liberated eggs doubted

The free-range eggs that cost more in your supermarket may not be as free after all, animal welfare groups have claimed.

One group, Animal Liberation, has withdrawn its logo and endorsement from the specially packaged eggs, while another group, Fund for Animals, is considering legal action against the NSW Egg Corporation which could halt sales of the eggs.

The dispute surrounds the minimum standards for the production of the eggs as originally set by the corporation and Animal Liberation in 1984. It is claimed that those standards are not being met.

Fund For Animals has alleged numerous infractions.

The secretary of the Egg Corporation, Mr James Grainger, said yesterday that Animal Liberation had withdrawn its endorsement within the past month.

"The corporation's position is that the Animal Liberation standards that were worked out are being adhered to," he said.

The National Director of Fund For Animals, Ms Sally Wilson, said the group was about to demand that the standards be adhered to within 14 days. If they are not, the group will consider taking action in the Supreme Court.

— PAUL CHAMBERLIN

Modern farming techniques save you money

Today's method of producing chickens and eggs under intensive farming conditions.

The purpose of this article is to present two schools of thought on a controversial subject — one that is receiving its share of exposure in the media.

After rain birds and their eggs get filthy. Health problems abound and are the reason why free range birds have
Animal advocacy groups

A director of the Animal Action Rescue Team, Ms Mark said battery egg producers still dominated the industry. “We’ve found overwhelming evidence of cruelty and suffering ... and still nothing happens,” she said. “But battery cages will be banned in Australia – it’s only a matter of time. Its days are numbered.” (Farrant 1999)
Egg Industry

“[t]he general consensus... and this is the view of the industry and the view of scientists, is that in an overall sense the cage system best meets the welfare needs of laying hens” (Alcorn 1999). A ban would mean consumers were “denied the freedom to choose to purchase caged eggs” despite the fact the vast majority of eggs consumed were currently produced via cages (Alcorn 1999).

Egg industry was reported as saying a ban on battery hen production “would increase production costs by about $100 million a year”
In 2000 SCARM determined not to ban conventional cages. SCARM stated that its objective was the “quality assured health and welfare of fowls in a commercially viable, competitive and environmentally friendly egg industry producing a regular, reliable and affordable supply of eggs allowing for informed choice by consumers and according to contemporary standards for food safety and occupational health” (pp3-4).
2011
Fed Gov’t rejects mandatory animal welfare food labelling standards
2011: Proportion of newspaper articles mentioning different stakeholders

No = 74

- Animal Advocacy
- Retailers
- Industry Bodies
- Hospitality
- Producers
- Consumer Advocacy Group
- Consumer Regulators
- Other Government
Timeline of accreditation systems

Small scale free range?

Phil Westwood, a member of the Free Range Farmers Association, says “the reality is that intensive free-range farms de-beak their birds as a matter of course because they want to run large numbers and they choose to use high-producing hens developed for the cage industry”. Westwood says hens must be able to express their natural behaviour, including the urge to peck, as well as having places to forage and dust-bathe. ... the Westwood's 1000 chooks run in flocks of 250 and are never locked up. Their sheds are on skids, which are intermittently moved with a tractor ... They're protected 24/7 by eight Maremmas and one Breton mastiff.
Hens Of Hallora

Free Range Eggs
brought straight to you from the farm

Tania 0423 027 932
Greens MPs, consumer groups

“Consumers’ intention to do the right thing is being exploited. Their belief in the integrity of labelling is being destroyed. And their faith in the ability of consumers to effect ethical change is being shattered.” (NSW Greens MP John Kaye)
Dear Minister,

As a consumer I feel I am being exploited because the term ‘free range’ is not protected by law.

Some egg producers are mislabelling their eggs as free range when hens are kept in overcrowded and unsustainable conditions.

Please ensure the consumer’s right to truth in labelling.

Please enforce stocking densities for free range layer hens at 1,500 birds per hectare.

Name: ________________________________

Address: ______________________________

_____________________________________

Email: ________________________________

Minister for Agriculture
Reply Paid 43
Avalon NSW 2107

Humane Society International
PO Box 439, Avalon NSW 2107 Website: www.hsi.org.au Phone: (02) 9973 1728 Fax: (02) 9973 1729
Competing accreditation systems

[A] lack of mandatory and legislated labelling for free-range eggs had led to a ‘suite of voluntary terms, standards and third-party certification schemes’.” Ms Simpson said a definition of free-range was necessary but only if done appropriately. “Stocking densities as high as this will mean the intensification of the free-range industry and do not meet consumer expectations for how free-range eggs are produced,” she said. The Greens MP John Kaye has introduced a bill into Parliament to create a mandatory standard which he says would stop the "widespread exploitation of ethical consumers". (Smith 2011)
2014: Consumer regulators take misleading labelling action

ACCC court action brings to the boil free-range egg debate

SONIA KOLBACHER AND MEREDITH BOOTH  THE AUSTRALIAN  APRIL 16, 2015 12:00AM
2014: Proportion of newspaper articles mentioning different stakeholders

No = 74
Egg Industry

... to produce the quantity needed to feed the Australian community, free-range egg farmers would need to run between 10 and 20,000 birds per hectare,” [Victorian Farmers Federation egg producer group President Brian Ahmed] says. “People who think all the farms will be 100 chooks running around an open paddock need to know it will not happen, there is just not enough land...” “farmers had moved to caged eggs in the 60s because of consumer demand for a cheaper, cleaner product.” He goes on to argue that “there is still a place for cage... to meet the needs of consumers and their budgets... there is a room for a range of different farming systems when they are managed properly.” (Davey 2014)
Egg Corp Proposes 20,000 per hectare outdoor stocking density

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Coles MR (2012): We have issued a standard that sets out a maximum stocking density of 10,000 birds a hectare. … We came to this figure after consulting with industry and welfare groups, and we believe it strikes the appropriate balance between animal welfare and keeping free-range egg prices within reach of most Australians.
Free Range Eggs

700g NET

From hens free to roam

FREE RANGE EGGS

THAT'S A MAXIMUM OF 10,000 HENS PER HECTARE OUTDOORS

EXTRA LARGE
Free Range
Egg Industry

Victorian Farmers Federation egg producer group President Brian Ahmed points out that “farmers had moved to caged eggs in the 60s because of consumer demand for a cheaper, cleaner product.” He goes on to argue that “there is still a place for cage... to meet the needs of consumers and their budgets... there is a room for a range of different farming systems when they are managed properly.”
"The ACCC is concerned about the redefinition of what is meant by free range by industry to suit itself, and the fact that the redefinition has the very real potential of misleading consumers," ACCC commissioner Sarah Court said. (March, 2014)

“Some (farmers) have expressed concern there is no government standard that producers need to meet to be a free-range egg producer, (but) we see no need for any standard. “The court has ruled that free range means the birds can — and do — go outside on most days; it is up to producers to determine if they meet this common-sense definition.” (ACCC Chair, Rod Sims, Nov 2014)
Free-range eggs: Ministers hatch a plan to develop a binding, national standard

For the first time, Australia's consumer affairs ministers have agreed to stop the growing confusion over free-range egg labelling by developing a national, enforceable standard.

On Friday, NSW Minister for Innovation and Better Regulation Victor Dominello announced he would spearhead the creation of a draft standard with a legal definition and have it ready by the end of the year.

"Today we have agreed on a vehicle upon which we will drive reform. We also agreed on a timeline. That's never been done before," he said.

Inside an open range chicken farm

With free range egg labelling in the limelight, we take a look at an open range chicken farm where the chooks really do seem happier.
Proportion of newspaper articles mentioning different stakeholders - 2000, 2011, and 2014
Conclusion: Forgotten options

- Banning conventional cages and mandating better cages as has been done in the EU, California and New Zealand?
- Banning cages altogether and mandating barn or free range production? Improving basic regulation of farm animal welfare?
- Animal welfare issues in barn and free range systems beyond outdoor stocking density?
- Reducing consumption?
Figure 1 - Schematic representation of the furnished cages used in the experiment.
Still need to address animal welfare in eggs produced for hospitality, catering and processed foods.
Mandating barn or free range?
Improving regulation?
Beyond stocking density?

FREE RANGE EGGS: ARE YOU GETTING WHAT YOU PAY FOR?

STOCKING DENSITY PER HECTARE

- Less than or equal to Model Code (1,500 hens per hectare)
- Greater than Model Code (1,500 hens per hectare)

Tharwa ACT: 150
Long Paddock Eggs: 185
Mulloon Creek Biodynamic Free Range: 350
Family Homestead Free Range Eggs: 750
Southern Highlands Organic Free Range Eggs: 800
Macro Organic Free Range Eggs: 1,000
Country CRF Organic Free Range: 1,500
Fraser Coast Organic Free Range Eggs: 1,500
Kangaroo Island Free Range Eggs: 1,500
McLean Run Free Range: 1,500
Modra’s Kangaroo Island Free Range Eggs: 1,500
Rohde’s Clare Valley Free Range Eggs: 1,500
Sunny Queen Free Range: 1,500
Sunny Queen Organic Free Range: 1,500
Wild Hen Farm: 1,500
Country Pride Natural Free Range Eggs: 1,800
Organic Egg Farmers Organic Free Range: 2,500
Pace Farm Eco Organic Free Range: 2,500
Pinovic Organic Free Range Eggs: 2,500
Valley Park Farm Free Range Eggs: 2,500
Bickley Valley Free Range: 2,500
Aldi Lodge Farm Free Range Eggs: 2,500
Coles Free Range Eggs: 2,500
Country Fresh Free Range: 2,500
Eco Eggs: 2,500
Eggs Pride Free Range Eggs: 2,500
Foodland Free Range Eggs: 2,500
Golden Eggs Free Range: 2,500
Hens On The Range Free Range: 5,500
Manning Valley Free Range Eggs: 8,333
Muggles Farm Free Range Eggs: 10,000
Pace Farm Free Range Eggs: 10,000
Pace Omega 3 Free Range Eggs: 10,000
South Gippsland Eggs Free Range: 10,000
Woolworths Select Free Range Eggs: 10,000

DO YOU GIVE A CLUCK?
CHOICE.GOOD.DO/FREERANGE
Mention of stocking density versus other animal welfare issues 1990-2014
Reducing consumption