

AUSTRALIAN EGG CORPORATION LIMITED



MEDIA STATEMENT - Woolworths and cage eggs

4 Oct 2013

Based on scientific research, the Australian Egg Corporation Ltd believes all egg production systems have their own advantages and disadvantages in relation to hen welfare

Recent scientific research undertaken by the University of Sydney demonstrated that hen stress levels are similar across cage, barn and free range environments, with the key determinants on hen welfare being hen husbandry not the system used.

(<http://sydney.edu.au/news/84.html?newsstoryid=8876>). The industry has invested more than \$10 million over 10 years in research and development into better welfare for hens and this investment will continue.

On average, Australians eat 214 eggs per year - 50% are caged eggs. Recent consumer research undertaken by AECL revealed that 73% of people make their egg purchases according to the price. The retail market share of free range eggs has increased from 10% in 2000 to 38% in 2012.

2012/13	market share retail	\$ per dozen retail
Cage eggs	50% (68%)	\$3.35
Free Range eggs	38% (25%)	\$5.38
Barn-Laid eggs	10% (7%)	\$4.76

Source: Aztec Australia

The retail market for all eggs in Australia represents about 60% of the total market with the remaining markets including foodservice (restaurants, pubs, clubs, cafes, etc.), institutional catering (hospitals, etc.) and food manufacturing (biscuit and cake manufacturers, etc.). When these other non-retail markets are included, the percentage share of cage eggs increases to approximately 60% of the total market. In other words, non-retail markets purchase more cage eggs than the retail market.

Cage eggs prices are, on average \$3.35 per dozen for cage versus \$5.38 per dozen for free range. At retail and since 2000, cage eggs have increased by 51 cents on average per dozen while free range eggs have increased by 99 cents on average per dozen. The marginal difference in free range eggs has increased from \$1.51 per dozen to \$1.99 per dozen in 2012.

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