

The Victorian Egg Marketing Board

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Jean Kipadi

6th June, 1983

ATH/JV
Ref:24/818

Mr. K. Fitzgibbon,
Secretary,
Commercial Egg Producers Association,
STRATHFIELDSAYE 3551

Dear Sir,

re: Dockage Review

The attached Discussion Paper will be circulated to all producers on Wednesday 8th June.

While submissions have been invited from any interested parties, the Board believes that it would be appropriate if specific submissions were made by the Producer Organizations and the major grading floors.

Yours faithfully,
THE VICTORIAN EGG MARKETING BOARD

Alan T. Harrison

ALAN T. HARRISON
GENERAL MANAGER

Copy:
Producer Organizations
Grading Floors

DOCKAGE DISCUSSION PAPER

Dockage is the term used in the Industry to identify the cost of transporting eggs, packing material and egg products between official receiving and/or selling depots, grading floors and the Board's Keysborough packing floor and manufacturing plant.

In addition to grading floors at Mildura, Bendigo and Thomastown, the following towns are currently official selling and/or receiving depots:-

VICTORIAN EGG DEPOTS

Average weekly dozens
expected to be covered
by dockage in
1982/83

	<u>Sales</u>	<u>Receipts</u>
Euroa	-	20,000
Morwell	4,500	
Geelong		25,000
Warrnambool		16,000
Portland	1,100	
Hamilton	1,680	
Ballarat	4,500	3,730
Stawell		550
Horsham	800	370
Dimboola	100	950
Charlton	300	1,500
Mansfield	1,000	
Casterton	200	
Colleraine	100	
Castlemaine	800	
Kerang	800	
Swan Hill	2,220	
Echuca	2,000	
Benalla		170
Wangaratta		12,500
Shepparton		6,500
Warragul		10,000
Moe		1,685
Maryborough		300
Total	20,100	99,256

COST OF DOCKAGE

The financial position to 5th March 1983 indicates that dockage costs for 1982/83 as a whole will be around \$500,000. This approximate figure will be made up of the following major items:-

- (a) Cartage of eggs and packing material between Bendigo and Melbourne (mainly graded eggs from Bendigo to Melbourne) \$250,000
- (b) Cartage of eggs and packing material between the Wimmera depots and Ballarat and Bendigo and Melbourne (basically ungraded eggs to Bendigo, pack-to-order eggs to Melbourne). \$ 57,000
- (c) Cartage of eggs and packing material between Geelong and Melbourne (basically graded eggs to Melbourne) \$ 50,000
- (d) Cartage of eggs and packing material between Euroa and Melbourne (basically graded eggs to Melbourne) \$ 35,000
- (e) Cartage of eggs and packing material between Gippsland depots and Melbourne \$ 30,000
- (f) Cartage of eggs and packing material between Thomastown and Keysborough \$ 30,000
- (g) Cartage of eggs and packing material between Melbourne and Mildura \$ 15,000
- (h) Cartage between the Western District depots and Ballarat \$ 25,000

(i) Cartage of egg products to country depots for sale		\$ 8,000
	Total	\$500,000 =====

As advised to producers on 27th April 1983, recent transfer of hen quotas or of egg farms has sometimes resulted in egg production being moved from areas where the eggs are required by the market to areas where they are not required - this has added to Industry dockage costs.

For this reason, the Board announced on the 27th April that hen quotas or egg production units moved into areas where egg production is surplus to market needs, would not, in future, be eligible for Industry transport subsidy.

In addition, the Board has decided to review the present Industry transport subsidies to ensure that they are efficient and in tune with the future requirements of consumers and producers.

To assist the Board with this review, written submissions are requested from Industry organizations and individuals interested in this subject to reach the Board before 14th July 1983.

The factors which the Board considers will be important in determining the future policy for transport subsidies are:-

- (a) The need to encourage egg production close to markets for maximum quality retention before sale to the consumer and to minimize egg handling costs.

- (b) The need to maintain an effective equalization price structure.
- (c) The length of time that production units have been in their present location.
- (d) As far as possible costs incurred in the Industry should be paid by the eggs or egg products incurring the cost.

If Industry organizations or individuals interested in Industry transport costs require more details before making a written submission, the Board's Operations Manager, Mr. Gordon Hudson would be pleased to assist.

ALAN HARRISON
GENERAL MANAGER

3.6.83