

Submission for Protest Meeting, 27th April, 1988.

Victorian Egg Producers are in financial difficulties, we are receiving 50c a dozen for all eggs under 56 grams.

The egg industry has become a political football. For the last 2 years we have been under investigation from the Public Bodies Review Committee. We are having new legislation drafted for Parliament at the moment.

We have had 2 reports from the Prices Commissioner, Pro. Fels, over the last 20 months. In August '86 producers took a 12c a dozen drop in the price of eggs. In July '87, the Victorian Egg Board changed the grades of eggs from 5 gram steps to 7 gram steps. This reduced producer returns further, in this February '88, the Egg Board increased prices by 6c a dozen across the board to cover increased feed costs.

In March, Pro. Fels released his second report claiming egg prices were too dear and prices should drop by 5c a dozen this year.

He demands a high degree of efficiency setting the base figures from the National Farm Management study, using the top 10% standard for setting egg prices for Victoria. The model farm has 20,000 hens. Pro. Fels claims that producers with 5,000 hens or less are not commercial.

Our complaint with both Pro. Fels reports is that the figures are compiled over the previous 12 months and are not accurate.

The biggest error in the last report is that producer price at present is \$1.14 c per dozen, where the producers we have surveyed are only averaging a dollar a dozen.

Another glaring mistake is in the comparison between controlled environment and conventional shedding. He shows the hens in the controlled shed to have eaten over 50 tonne of feed more than the conventional shed.

P.T.O.

Only I/2 the capital invested is receiving interest at 8.225% rate.

He also claims that any profit after expenses is above normal profit.

There is no way the model farm is viable as there is no provision to pay off mortgage and no mention of income tax.

The Commercial egg Producers Association supports the Western Australian cost of production, a committee of 4 people, which has been operating successfully since 1973. The Victorian Egg Board has operated successfully for 50 years, while the Commonwealth hen quota system has controlled unprofitable surpluses of eggs for about 15 years. We believe both systems should continue.

The Commercial Egg Producers Association.