



Chairman's Message

Victorian Egg Industry Legislation

Producers will be pleased to hear that the Minister for Agriculture and Rural Affairs Mr. B. Rowe, M.L.A. has announced that the proposed legislation for the egg industry will be put before Parliament during the current Autumn Session.

The Board expects to receive a briefing on the contents of the new legislation in the near future.

NSW Legislation

Information from industry sources in NSW indicate that proposed legislation in NSW will be introduced into the NSW Parliament later in the year, possibly during the spring Session.

Submissions from Industry in NSW are calling for deregulation in

the marketing of eggs but not in the area of hen quotas.

Good Food product company may have a role to play in marketing shell eggs in NSW on behalf of Producers not wishing to grade and pack on farm.

Information to Producers

The Board will be making more information available to Producers commencing in this issue. Papers will be published on options available to the Board in many areas such as quota payments, financial arrangements etc. etc.

The Board met in a special meeting on March 1st to deal with the financial position of the Board resulting from the carry over of products from 1987/88. The higher than expected production during the spring of 1988 and lower shell egg

sales for the financial year has meant that the Board must aggressively control finances from all aspects, spending, stock, debtors and not least of all surplus eggs.

The meeting was a success, 'hammering home' the importance of avoiding the producing of any eggs for the export market which is a total loss on current prices.

The bulk of losses incurred by the Board in this financial year are due to losses in the export areas resulting in the collection of charges to offset those losses.

The Board believes that the action it has put in place will improve this position quickly and coupled with the April Seasonal quota cut of 5% will ensure that the new 1989/90 financial year should see the Board's financial position back on track.

Don Foster

Hen Quota Pool No. 11

The 11th Hen Quota Pool resulted in 41862 of the 59636 available quota being sold and 17774 were passed in when the reserve exceed the average tender price. The average price of the successful tenders was \$11.58 per hen quota.

There were 65 tender applications of which 59 were fully successful, 2 were successful in part, and 4 were unsuccessful.

The range of the prices offered in the tenders received is shown on the following table:

Distribution of Tenders			
No. of Hen Quota			
Tender Price	Successful	Unsuccessful	Total
\$0.00 to \$ 2.00	-	-	-
\$2.01 to \$ 4.00	-	-	-
\$ 4.01 to \$ 6.00	-	2,700	2,700
\$ 6.01 to \$ 8.00	1,535	-	1,535
\$ 8.01 to \$10.00	1,400	-	1,400
\$10.01 to \$12.00	18,600	-	18,600
\$12.01 to \$14.00	19,177	-	19,177
\$14.01 to \$16.00	1,150	-	1,150
Total	41,862	2,700	44,562

It's Time To Lower Your Cholesterol

by Rosemary Stanton, Nutritionist

Many people think that the way to lower blood cholesterol levels is to abandon bacon and eggs in favour of muesli. It isn't. The good old Aussie greasy breakfast certainly has the potential to increase cholesterol. But you need to do more than that to reduce your risk of clogged arteries.

High blood cholesterol levels arise not from eating foods such as eggs, but from eating a diet which is rich in saturated fats. And, contrary to popular belief, it isn't only animal fats which are highly saturated. Many of the vegetable fats in our foods are also high in saturated fats and can raise cholesterol levels just as easily as bacon and eggs.

Cholesterol is not a bad substance in itself. In fact, it is essential to the body and is used to make certain hormones and vitamin D, is a vital part of nerve and brain cells, and cell membranes. Cholesterol only takes on the role of villain when excessive amounts accumulate in the blood and settle out in fatty deposits in the arteries.

There are different types of cholesterol in the body. The two major types are:

- High Density Lipoprotein known as HDL cholesterol,
- Low Density Lipoprotein known as LDL cholesterol.

HDL cholesterol runs a 'scavenger' operation, picking up cholesterol for excretion from the body. It is a 'good guy'.

LDL cholesterol is the 'bad guy' and contributes to the artery-blocking deposits which increase the risk of heart disease.

When you have your cholesterol reading measured, you will either be given a reading for the total cholesterol (HDL + LDL), or the two will be separated and a ratio recorded.

If your total cholesterol reading is high, you will almost certainly have too much of the nasty LDL cholesterol. People from long-lived families, young women and endurance athletes often have high levels of the protective HDL cholesterol.

Let's get back to the diet and your

level of cholesterol. Too much cholesterol in your blood can arise from two sources:

1. From fats, especially saturated fats in your diet.
2. From foods which contain 'ready-made' or 'dietary' cholesterol.

Most of the excess cholesterol comes from the first source. Most of the emphasis has been placed on the second.

Dietary cholesterol has been blamed mainly because of its association with animal foods. There is no dietary cholesterol in any vegetable products but it is found in all animal foods. Brains, liver, egg yolk, meats, dairy products and seafoods (especially prawns) all contain cholesterol.

In spite of the emphasis which the public places on dietary cholesterol, the medical research clearly shows that saturated fats are the major culprits in raising levels of cholesterol in the blood. Some of the foods which contain the dietary cholesterol are also rich in saturated fats. For this reason, products such as fatty meats, sausages and many types of smallgoods and some dairy products deserve to be damned.

However, many vegetable foods also contain large quantities of saturated fats and these do not deserve to escape the damnation. The 'vegetable oils' which go into biscuits, pastries, toasted muesli, many frozen products, some margarines and are used for commercial frying are highly saturated and are just as bad—if not worse—than the animal products which are so commonly condemned.

Those people who have been religiously choosing 'vegetable fats' in place of 'animal fats' may have been wasting their time—if the vegetable fats were highly saturated.

And those who have been treating eggs like poison and avoiding all contact with prawns may also have been barking up the wrong tree.

Before you rush out to fry up some bacon and eggs, however, remember that the combination of dietary cholesterol and fat is most

likely to raise blood cholesterol levels.

Battered fish or crumbed fried prawns, fried eggs, fried liver and bacon or deep fried chicken can easily cause problems. As part of a low fat diet the basic foods such as prawns, liver or eggs do not present a problem, even though they are sources of dietary cholesterol.

So grill, bake or barbecue your fish and prawns, poach or boil an egg (rather than 'eggs'), and cook liver or chicken without fat and they are perfectly acceptable in the daily diet. Just avoid the fats since they are the guilty party.

Fats basically come in three types.

1. Saturated fats (fatty meats, some dairy products, most margarines, coconut and palm oil, chocolate, and processed foods such as most pastries, pies, biscuits, cakes, prepared meals, some frozen foods, fast foods, chips and most fried foods).
2. Monounsaturated fats (olive oil, peanut oil, avocado, salmon, chicken).
3. Polyunsaturated fats (fish, vegetable oils such as safflower, sunflower, maize, grapeseed, seeds, most nuts).

The saturated fats reduce the 'good' HDL cholesterol and increase the 'bad' LDL cholesterol so they should be kept to an absolute minimum.

The polyunsaturated fats reduce the 'bad' LDL cholesterol but also reduce the 'good' HDL cholesterol so they have some advantage.

The monounsaturated fats reduce the 'bad' LDL cholesterol and increase the good HDL cholesterol. They are the most desirable.

Until recently, the effect of different types of fats on blood cholesterol simply measured the total cholesterol level. This is why polyunsaturated vegetable oils were once favoured over olive oil. More recent studies have shown olive oil has the best effect on the different types of cholesterol in the body.

Looking at their effect on the whole body, large quantities of any kind of fat are undesirable. All fats

have the same high kilojoule level and can increase body fat content. Overweight is also a risk factor for heart disease.

So how do we alter the diet to reduce excess cholesterol in the blood?

The Dietary Guidelines for Australians make it simple. They advise us 'to avoid eating too much fat' and to 'eat more breads and cereals (preferably wholegrain) and more fruits and vegetables.

Our Healthy Diet Pyramid also tells us to

- EAT MOST of breads and cereals, fruits and vegetables.
- EAT MODERATELY of fish and other seafoods, chicken and turkey, lean meat, eggs, dairy products.
- EAT LEAST of sugar and fats.

By following these guidelines, and filling our stomachs with more of the

low fat breads, cereals, fruits and vegetables, we will achieve the greatest chances of reducing the amount of cholesterol in the blood.

When fats are unavoidable, try to choose monounsaturated or polyunsaturated in preference to saturated. Whether they are of animal or vegetable origin is unimportant.

There are also some other factors which can help reduce cholesterol in the body. The type of fibre in some foods can be important. Oats, for example, contain soluble fibre which increases the excretion of cholesterol. Oats also seem to contain some other factor (currently being researched), which helps rid the body of some cholesterol.

Barley, legumes (dried beans and peas) and some fruits and vegetables also contain particular types of dietary fibre which remove cholesterol from the body. These are

all foods which our dietary guidelines are encouraging us to eat.

Fish also has a role to play in giving protection against heart disease. This seems unlikely to be a direct method of getting rid of cholesterol. It seems more likely that the omega 3 fatty acids in fish will help prevent a blood clot blocking a clogged artery.

There is no doubt that diet definitely affects blood cholesterol levels. The basic message is simple: avoid fats. The reality is that so many fats are hidden in our foods that such a simple instruction is difficult to put into practice. We really do need to understand more about our food supply. Perhaps our plea should be for much more informative labelling so that we know whether our fats are saturated or not. The current labelling of saturated vegetable fats as 'vegetable oils' is not doing a thing for the national cholesterol level.

Quotas In 1989

As advised to producers on 20th February 1989, improved industry productivity and an apparent decline in shell egg sales have resulted in unexpected surplus production over the Summer period this year.

To eliminate this problem, the Board had to impose a quota cut of 5% from 10th April 1989.

After taking this decision into account, current estimates for the balance of the year show that production surplus to local market requirements could still occur in May and June 1989 if industry productivity gains continue and sales trends are not improved.

The Board is planning on a major marketing initiative immediately after Easter in an endeavour to lift sales.

Producers are reminded however that the Board, and the Poultry Farmer Licensing Committee is committed to a nil surplus for 1988/89 and further quota cuts may be necessary in May or June this year.

While a firm decision has not yet been made about the size of the Spring quota cut to apply in August 1989, surplus production in the Spring in recent years has been very

small indicating that the Spring quota cuts were about right.

Surplus production has been more of a problem in January, and in May and June which are the months when additional quota cuts may be needed in the future.

Alan Harrison

Chaucer's

190 Canterbury Road,
Canterbury.

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Quota Contract Charges 1988/89

The Quota Contract charge is the major source of funds for Marketing, Administration and Equalisation costs.

Marketing and Administration costs can be predicted fairly accurately. For 1988/89, total Marketing expenses are expected to be \$2.63 million and total Administration cost \$3.20 million—a total of \$5.83 million. The quota levy required to cover this cost is \$2.53 per quota hen or 9.8¢/fortnight. The actual levy rate of 12.5¢/fortnight for the first half of the year and 14.0¢/fortnight for the balance of the year (13.25¢ average) is higher because it has to cover the following equalisation costs.

1. Exports

In 1987/88, Victoria produced 1.938 million dozen eggs surplus to local market requirements. Most of this surplus was held as local egg product stocks on the 30th June 1988 on the basis that we would achieve a negative surplus through additional quota cuts in 1988/89.

This objective was not achieved and the Board has been forced to export a major part of the additional egg products stock carried forward at the start of 1988/89. This has cost over \$1.0 million in equalisation costs so far this year. For each dozen first quality eggs which has to be exported, the equalisation cost is around \$1.30 per dozen. Depending on production and sales for the balance of the year, additional exports may be necessary before 30th June 1989 which will require further equalisation.

2. Local Products

Good Food Products Australia has been formed as a joint venture with the New South Wales Egg Corporation to manufacture and market egg products on a profitable basis.

While the Board is confident that this objective will be achieved by 1990, there have been some 'start up' costs and equalisation costs which have to be covered this year.

These include:

- (a) A change in the method of valuing stock from valuation at selling

price to the more commercially acceptable 'direct cost' method where only the direct manufacturing costs are reflected in the value of stock on hand.

This decision reduced the value of stock on hand by \$250,000.

- (b) Start up costs associated with the formation of Good Food Products Australia including information services, standardisation of product lines, rationalisation of distribution and production, etc, are estimated to cost Victoria up to \$500,000 this year.

- (c) A continuing equalisation cost where relatively high priced first quality eggs are used for local egg products.

In the second half of 1987/88 small eggs were in surplus and the nett producer price was low. Only small grade first quality eggs were used for egg products and there were no equalisation costs. So far this year (to the 14th January 1989), the price of eggs used for egg products has been higher than for the last half of 1987/88 and the local product trading account has a deficit of \$360,000.

For 1989/90, the quota contract charge required to cover Marketing and Administration costs will be at \$3 per quota hen/year (11.5¢ per hen per fortnight). Any equalisation which occur will be reviewed each month and added to the quota contract charge required for Marketing and Administration.

When equalisation costs do occur the reasons will be explained and the action taken to eliminate the problem will also be spelt out.

Alternative 1

For 1989/90, the Board is also looking at a two tier quota contract charge plan which will be discussed with producers over the next few weeks. This proposal would provide for:

- (a) A basic contract charge to cover Marketing & Administration costs at approximately 12.5¢ per hen per fortnight to apply on 90% of the issued quota. (equivalent to 11.5¢ on 100% of quota).
- (b) An additional charge to apply to the remaining 10% of quota—the

rate to be reviewed monthly relating to current equalisation costs.

Any producer would have the right on a voluntary basis not to use 10% of his quota and avoid payment of the additional levy.

Alternative 2

A further alternative would be to change to a two tier quota contract payment plan which would relate equalisation costs more directly to their source (or cause). It is hoped that this proposal will be discussed with producers over the next few weeks.

The proposal would provide for:

- (a) A monthly review by the Board of the current and future amounts of quota on issue together with the existing production and sales position which would enable a determination to be made as to the percentage of quota needed to satisfy shell egg requirements for the following month. (This figure may vary between 90% and 95%).
- (b) The standard quota payments to apply to this percentage of producers' quotas.
- (c) An additional or higher quota payment to apply for whatever portion of the balance of quota that a producer actually uses.
- (d) The amount of the additional or higher quota payment to relate to the price obtainable for this additional or 'surplus' egg production, and
- (e) A producer not using more than the percentage of quota to which the standard quota payment applies, to not pay any higher rates. (The present minimum reduction of 15% for a month, could be modified).
- (f) The additional or higher quota payment to apply in respect of any hens kept in excess of a producer's current entitlement.

Summary

The Board is anxious to improve the administration of the quota scheme and quota contracts and would welcome written comments on these alternatives or any other proposals for producers.

Alan Harrison