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WHY CONSUMERS AND EGG BUYERS NEED TO PAY MORE

- **Egg farmers face enormous pressure from rising input costs in 2022**
- **Farmers also face huge expenses in the transition to cage-free egg systems**
- **2022 farm gate egg prices remain at 1990 levels**
- **As a result consumers and wholesale buyers are urged to pay more for eggs**

Aussie consumers are being warned they will need to pay more if they want their food, such as eggs, to be grown in Australia - as farmers struggle to cover skyrocketing input costs.

At the same time, wholesale buyers (supermarkets, manufacturers and hospitality) are urged to review their contracts to ensure farmers get a fairer return for their product, to stay afloat.

The warning comes from Egg Farmers of Australia – which advocates for Australia’s peak cage, free range and barn laid egg farmers – most of whom are from family-run farms.

Egg Farmers of Australia CEO Melinda Hashimoto said in recent times on many egg farms: the cost of started pullets (young laying hens) had increased 20%, fuel prices jumped 25%, feed grain costs rose by 45%, and the cost of canola oil had climbed 141% per tonne.

“The speed of rising farm input costs, that are required to raise hens and produce quality eggs, is so alarming that some long-term egg farmers are genuinely fearing for the future of our industry,” Mrs Hashimoto said.

“It is a reality that Australians are going to have to get used to paying more if they want their eggs and other food grown in Australia, or they’ll see Aussie farmers go out of business.

“Likewise, wholesalers (such as supermarkets, bakers, food manufacturers, hotels, cruise ships and hospitality sectors) are urged to review the price they pay for Aussie eggs, to ensure our farmers get a fair and profitable return on their product.”

Some of the factors that have caused egg farmers to carry increasing input costs over the past four years include:

- The impact of severe drought for the two years leading into COVID – which disrupted supply chains and dramatically reduced egg consumption
- Recent floods – which destroyed feed crops
- A seven-year delay by state and federal governments to re-write Australia’s Standards & Guidelines that govern animal welfare in the egg and poultry sector
- New government levies on farms to pay for the control of Avian Influenza outbreaks
- Devastating mice plagues in some states.

Mrs Hashimoto said despite these impacts, in 2022, the farm gate price of eggs still remained at 1990 levels.

The CEO said on the average egg farm in 2022: the price of wheat jumped from \$280 to \$360 a tonne, finished rations (hen feed) rose from \$400 to \$580 a tonne, and the price of started pullets increased from \$10 to \$12. Meanwhile, farmers also face a 12% hike in the cost of packaging, boxes and egg cartons.

Some farmers were also carrying huge debt as they prepared to transition from caged eggs and invest in free range egg production systems.

“It’s a serious problem - if we want to continue to enjoy fresh food grown in Australia, such as Aussie eggs, then retailers, wholesalers and consumers must consider paying more to our farmers, so that they can stay afloat and maintain a future supply,” Mrs Hashimoto said.

Graphic: *An example of rising input costs hitting Aussie egg farmers.*

RISING INPUT COSTS HITTING AUSSIE EGG FARMERS		
INPUT EXPENSE	2021	2022
Started Pullets	\$10	\$12
Wheat	\$280/tonne	\$370/tonne
Soy Meal	\$600/tonne	\$1000/tonne
Canola Oil	\$1,200/tonne	\$2,900/tonne
Meat meal	\$680/tonne	\$880/tonne
Finished rations (hen feed)	\$400/tonne	\$580/tonne



Photo: *Egg Farmers of Australia CEO Melinda Hashimoto (R) and Engagement Officer Kylie Jackson (L)....consumers and wholesalers must get used to the idea of paying more for their eggs to keep farmers in business, as input costs continue to rise.*

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