

March 2008

## Contact Us

### Contract Poultry Committee

Gary Ekert  
Chair  
Hunter  
T 02 4983 1572  
F 02 4987 6237

Lorraine Wilson  
Central Coast  
T 02 4376 1218  
F 02 4376 1453

Brian McKelvey  
Central Coast  
T 02 4374 1133  
F 02 4374 1133

Joe Vella  
Sydney  
T 02 4653 1293  
F 02 4653 1130

James Mifsud  
Wollondilly  
T 02 4829 8252  
F 02 4829 8252

Paul Kauter  
Hunter  
T 02 4998 6142  
F 02 4998 6142

Mal Hicks  
Far North Coast  
T 07 5592 0623  
F 07 5592 3573

Ted Hebblewhite  
Tamworth  
T 02 6767 0242  
F 02 6767 0244

Daniel Galea  
Sydney  
T 02 4651 2386  
F 02 4651 2386

Level 25  
66 Goulburn Street  
Sydney NSW 2000  
www.nswfarmers.org.au

Peter Cashman, the Poultry Meat Manger (PMM) has hit the ground running, having made 109 contacts with members in the last 3 weeks. The majority of these are phone calls and include repeat contacts, however, this is a phenomenal achievement. The intent of these phone calls is to introduce himself and set up collective negotiation or branch meetings. He has already met with some Wollondilly, Far North Coast, Tamworth and Hunter Turkey growers and has arranged Hunter, Central Coast and Sydney Branch meetings with the branch officials. He has also made contact with 14 non members.

Peter has been collecting concerns from each contact which he has summarised as follows:

- OH&S legal issues when processor third party contractors visit farms
  - The Association has supplied, in a previous newsletter and on the website, advice from our Industrial Relations department on how to minimise your exposure to negligence by acting in a way that might convince a magistrate that you had done all you could to inform people entering your farm.
  - The Association lobbied against the Fatalities Bill which enabled a prosecution for industrial manslaughter if a risk was identified on the farmer's property. The Association achieved 5 defences which have to be proved absent before that judgement can be made.
  - The Association brought the issue of deficiencies in handling OH&S responsibility between growers and processors in contracts to the Poultry Meat Industry Committee (PMIC) suggesting that a process be included in contracts, for making processors third parties aware of the grower's OH&S induction. The PMIC acknowledged the need but was disinclined to put it in contracts, rather has signalled a need for a standardised induction manual that can be used by processors for all their contracted parties that go onto farms.
- the need for processors to thin out on animal welfare grounds
  - This issue has been debated by the Committee who do not wish to lobby publicly given that would focus animal rights groups onto the industry
  - The Association has advised growers, that under the Prevention of Cruelty to Animals Act, if they do not notify the processor that birds are "suffering unnecessary pain and discomfort" because of stocking densities, then they can be prosecuted along with the processor. The growers should fax or email (ie written evidence) a notification of the state of the processor's birds. All growers should know what kg/m2 are legal.
- growers' dissatisfaction with NSW Farmers Association
  - the PMM has been funded by the growers themselves to address this resourcing deficiency
  - the Association is managing this position on behalf of the growers
- growers' lack of interest in paying the staff levy
  - the average invoiced amount for the staff levy is \$1000 annually to date members have paid \$43,000.
  - the current PMM contract lasts for 3 months costing approximately \$33,000. At the end of this time the Committee will review the position and determine if the contract should be extended
  - only members have been invoiced

- December pro rate levy; 128 invoices sent totalling \$26,881. \$6,766 was received.
  - Annual levy for January renewals; 94 invoices sent totalling \$92,950. \$36,347 was received.
  - Overall, 36% of to total amount invoiced has been received from 44 members. Those members represent 45% of the membership.
  - Given growers work off a 3 month cash cycle, this result is very pleasing to the
- growers' suffering from price pressure given grow fees do not keep pace with inflation
    - the PMM's aim is to get groups of growers working together as collective negotiation groups so that reliable cost of production data is collected (ie from a majority of the grow out) and presented in a professional manner
    - the PMM will identify resources needed such as legal, negotiation, mediation or facilitation to progress grow fee claims with a processor
    - the Association has made a submission to the 2008 ACCC grocery price review, highlighting the declining terms of trade of poultry growers allegedly caused by pressure on processors from the major supermarket chains
    - the Association has lobbied the previous Federal Government to investigate abuse of market power by processors and to make recommendations on findings
    - no amount of negotiation expertise can make a processor pay growers more money and governments have been reluctant to legislate prices or contracts to force them to pay fairly as this might drive up consumer price
    - the Association funded a statement of NSW evidence to the VFF case for collective boycott provisions which failed
  - growers are concerned about contract uncertainty with the Bartter sale
    - This is an area the Association will have little influence on if the company is sold.
  - growers' concern over importation
    - The final Import Risk Analysis (IRA) for chicken meat has not yet been released. To date, the proposition for raw imports which must be heat treated before leaving the city of arrival, has not thought to considerably threaten domestic production.
    - The Association has successfully lobbied for a review of quarantine which includes review of the IRAs and verification of certification of country of origin disease status.

Peter has made contact with non growers in the industry from the Poultry Co-operative Research Centre (CRC) at Armidale, some processors and the Poultry Meat Industry Committee.

Education of growers about industry best practice to ensure consumer confidence and production efficiency was a common issue in these discussions. The Association has put its Rural Skills Development Manager, Kathy Sims in contact with the Poultry CRC, in order to assess the existing training material for the delivery packages developed by Kathy. The Association's training arm has delivered training to over 2000 farms, saving over 900 farm days (with its farmer time saving methods) and saving over \$100,000 in training fees to farmers compared with other trainers.