



House of Assembly

Tuesday, 14 September 2010

COLES SUPERMARKETS

Mr PICCOLO (Light) (15:57): I am concerned that the decision made by Coles supermarkets recently to cease purchasing pork from farmers who utilise gestation stalls may destroy the industry with no net benefit to animal welfare. Clearly we should support action that promotes improved animal welfare in farming and there is no dispute that gestation stalls need to be phased out over time and as soon as practicable—that is not in question. However, the Coles supermarket decision could result in local industry being wiped out and we could end up exporting critically needed jobs in rural and regional Australia to countries where animal welfare laws are weaker than our own.

It is not just jobs in farming that would be lost but also those involved in processing pork. The Coles decision could have a severe adverse impact on rural towns and communities. Equally, the decision could mean that more pigs and

animals generally live in poorer conditions than they do now. There is no point in imposing conditions on local farmers and ignoring the plight of animals in the countries of our trading partners. The local pork industry could become collateral damage because of the corporate strategy between two supermarket giants, Woolworths and Coles.

I understand that Woolworths has agreed to participate in new research initiatives being proposed and coordinated by the independent Pork Cooperative Research Centre based at Roseworthy, while Coles, on the other hand, appears to have made a unilateral decision to improve its market share and profits without any thought for the overall general welfare of animals or farmers in the long term. Clearly, Coles has put its grab for bigger profits ahead of the long-term needs of animal welfare, consumers, farmers and the nation. As a result, we could end up importing all our pork and pork products from countries whose animal welfare standards are lower than those in effect in Australia. Sadly, in the end we could destroy an industry in Australia, without any benefits for animal welfare.

We need to take a thoughtful and balanced approach to ensure that we achieve actual benefits in animal welfare and minimise the losses to the industry. Losses to the industry could contribute significantly to the decline of our rural areas and regions. Research—and, I might add, research that Woolworths is supporting

financially – would help farmers adopt better practices without a massive reduction in productivity. On this issue, Woolworths is demonstrating its capacity to be a good corporate citizen.

It is not a good idea to adopt policies that would make us more reliant on importing an increasing amount of our food. Our farm animals, consumers and our hardworking farmers need genuine reform, not marketing gimmicks and corporate spin. What is good for Coles is not necessarily good for the consumer or the country in the long term. At present, 70 per cent of manufactured pork products consumed in Australia are imported. If we are not sensible about animal management changes, we will be importing all our fresh pork as well.

This new policy has been described as a con job by the Australian pork industry, as it only applies to and impacts on fresh pork that is supplied by Aussie farmers. Over 70 per cent of ham and bacon consumed in Australia is processed from imported, frozen, boneless pork, produced from agricultural systems that will continue to use gestation stores. This policy will drive a big price differential between locally produced pork and cheaper imports. Australian consumers are also being conned, as they have no way of differentiating between imported pork used in bacon and ham products with the labels used in supermarket delis. Since price is the only guide, it takes away the consumer's ability to make a

considered decision on purchasing Australian-grown pork.

The industry is calling on Coles to apply the gestation stall-free policy to all pork, whether it is fresh or processed, produced locally or imported. This policy by Coles has the potential to decimate the Australian pig industry because it favours overseas producers at the expense of our Aussie pork farmers. If it were really about animal welfare, Coles would demand that the same supply standards apply to all its pork suppliers, whether they are sourced from the grain belts in South Australia or from Des Moines in Iowa. A pig is a pig, and the same rules must apply to all. It appears that Coles Supermarkets are telling some porkies.

Time expired.