

AECL applauds Federal Court action against misleading wholesaler



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The Australian Egg Corporation Limited (AECL) welcomed the ruling by the Federal Court to penalise a West Australian wholesaler for misleading consumers by incorrectly labelling egg cartons as 'free range'.

"This wholesaler has been found to have labelled cartons of eggs as 'free range' and then sold them on to unknowing consumers, when a large majority of the eggs were not free range," AECL Managing Director, James Kellaway said.

"AECL rejects this behaviour in the strongest possible terms. Misleading consumers to the detriment of the Australian egg industry is something we will not tolerate.

"Australian egg farmers are a hard working and honest bunch who take pride in the work they do and the eggs they produce. The deceptive actions of this wholesaler, who is not known as an egg farmer, has done a great disservice to the egg industry."

The court action, instigated under the Competition and Consumer Act 2010 (CCA) by the Australian Competition and Consumer Commission (ACCC), ordered the wholesaler to pay a civil pecuniary penalty of \$50,000.

"We fully support the action to penalise the offending wholesaler, and would have welcomed an even stronger penalty, had it been given. The Federal Court ruling sends a clear message that this type of behaviour will not be tolerated. I hope it dissuades anyone from undertaking similar practices in the future," Mr Kellaway said.

Eggs play an important role in the daily lives of Australians as they are a natural and safe food that continues to be the most affordable source of protein and other nutrients for the average Australian family.

"As consumer demand continues to rise and egg sales increase in Australia, it is even more important to ensure the integrity of the Australian egg industry is maintained and that the actions of a few do not damage the reputations of hardworking egg farmers," said Mr Kellaway.

For information on the Federal Court action, please go to www.austlii.edu.au/au/cases/cth/FCA/2010/1511.html

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