Compass Egg Farm under threat
7November 2005

Dumped eggs from New South Wales are threatening the viability of a local company that was formed specifically to employ people with disabilities.

The company, Compass, set up an egg industry at Coomunga on a farm given to the organisation by a Port Lincoln benefactor. The enterprise now employs people with varying degrees of disability.

LEPSH manager Rod Sandercock said the funds that this charity and the federal and state governments have invested for the benefit of a disadvantaged group of people were being eroded dramatically.

He said a decision would have to be made within the next few days to divest 2400 birds so that the whole farm venture does not become bankrupt.

The threat to the farm's viability comes from dumped eggs from interstate forcing South Australian suppliers – including Compass – to sell at less than $1 per dozen to retailers, a price that is below the cost of production.

Member for Flinders Liz Penfold said the farm urgently needed increased support from local people.

"Eggs are sold through corner delis, the Market at Porter Street, and Lincoln Fresh Fruit & Veg.

"I have been advised that approaches to both Coles and Woolworths have been negative.

"The supermarket managers say it is company policy only to deal with warehouses in Adelaide," she said.

All profit from the venture goes to running the facilities which are geared to employment for people with disabilities.

Mrs Penfold said Compass serves a group who face many disadvantages in our community.

"The egg farm has transformed the lives of those who work there," she said.

A major cause of the huge oversupply in New South Wales is from new sheds coming into production that meet the welfare changes for caged birds while older sheds are still operating.

The oversupply currently being dumped in South Australia at give-away prices well below the cost of production is expected to continue until Easter 2006.

However unless measures are taken in the near future to remedy the situation South Australian producers – including Compass - will be forced out of the industry before then.

"When that happens, and the oversupply starts to recede through non-complying sheds being phased out, the cost of eggs in this state will be driven by the New South Wales markets and transport costs to SA," Mr Sandercock said.

“There is an urgent need for this unfair and morally bankrupt action from the east coast to be stopped,” he said.

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