

THE FARMERS' TIMES

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INSIGHT – INDUSTRY FACTS



More than 14,800 dairy, poultry and egg farms provide access to fresh, local, high-quality food for Canadians.

Canada's dairy, poultry and egg farmers:



Support
365,000
Canadian jobs



Contribute
\$6.5 billion
in tax revenues



Deliver
\$31 billion
to Canada's GDP



More than two-thirds of Canadians feel it is now even more important to buy food items from Canada as a result of the pandemic.

Message from the Minister of Agriculture and Agri-Food



The Honourable Marie-Claude Bibeau, P.C., M.P., Minister of Agriculture and Agri-Food

One of the hallmarks of summer has always been to gather on Sparks Street in Ottawa for your popular Downtown Diner to enjoy the world's best chicken, turkey, eggs and dairy products. Though the pandemic may stop us from celebrating in person this year, we should always take the time to appreciate our farmers and the fruit of their labour.

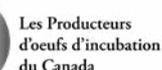
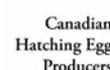
You have faced many challenges over the pandemic, from managing surpluses to production cuts due to volatile market demand. Despite that, you continue to give back, supporting your communities and keeping our food system strong. Our Government was there to support your sectors through the Surplus Food Rescue Program, raising the credit limit of the Canadian Dairy Commission, and the Emergency Processing Fund. We are set up to come out of the pandemic stronger than ever.

Canadians continue to turn to our poultry, egg and dairy products in record numbers. They know you have the strictest standards of food safety, animal welfare and environmental sustainability—but above all, they love the delicious taste of your products!

Canada's supply-managed farmers, their families and their communities can count on the full support of our Government.

We continue to deliver on our promise for full and fair compensation. Since 2016, we have committed approximately \$2.7 billion to compensate dairy, poultry and egg producers for impacts of CETA and CPTPP. Through Budget 2021, our Government has also reiterated our commitment towards full and fair compensation with respect to CUSMA, and we are delivering on our promise to compensate dairy, poultry and egg processors, with \$292.5 million over seven years to help them invest to keep their plants competitive and on the cutting edge. Furthermore, as demonstrated in the recent Trade Continuity Agreement with the United Kingdom, our Government will not provide any new market access for supply-managed products in future trade agreements.

So, while we can't gather this year, we can celebrate by raising a tall glass of milk, preparing a delicious omelette, or enjoying a tasty chicken or turkey BLT! Thank you for all that you do for Canadians.



Embracing research and innovation to enhance the resilience of our domestic food system



Chicken Farmers of Canada maintains several innovative and responsible practices, focused on animal care and food safety.

Canada's steady population growth has driven an increase in demand for affordable, nutritious food. Our national food producing sectors, under the guidance of organizations like Chicken Farmers of Canada and supported by the system of supply management, are rising to the occasion to meet this growing demand, while simultaneously investing in research and innovation to ensure the continued success and longevity of the industry.

Chicken Farmers of Canada is a notable leader in this space. Not only do they

add \$8 billion to the country's GDP annually, they also invest in research through the Canadian Poultry Research Council (CPRC). CPRC members have committed more than \$4.6 million through regular funding programs in support of 106 research projects at universities and federal government laboratories across Canada (2019).

Through this research, plus collaboration with government partners and partnerships with industry stakeholders, Chicken Farmers of Canada has established a suite of innovative and responsible practices,

focused on animal welfare and food safety. The *Raised by a Canadian Farmer* Animal Care Program is an example of the organization's commitment to enabling farmers through evidence-based initiatives.

"Through groundbreaking research, we have developed an industry-leading Animal Care Program that demonstrates Canadian chicken farmers' commitment to raising their flocks to the highest standards of care," said Benoit Fontaine, Chair of Chicken Farmers of Canada. "Consumers want the best from their local farmers, and this program helps deliver that, now and in the future."

Chicken Farmers of Canada's mandatory *Raised by a Canadian Farmer* Animal Care Program is audited by an internationally-recognized, third-party certification body, and 100% of farmers are certified. The program has credible, science-based foundations and is based on the Canadian Code of Practice for the Care and Handling of Hatching Eggs, Breeders, Chickens and Turkeys. Through the program, farmers keep detailed records and meet certain requirements for their flocks when it comes to workers, environment, health care practices and more. It emphasizes proper animal care throughout each step of the production cycle. Farmers are audited annually to assess the implementation of the

program and determine if the mandatory requirements of the program are being maintained.

The Canadian chicken sector also boasts a national *Raised by a Canadian Farmer* On-Farm Food Safety Program, which guarantees animal health, cleanliness and safety throughout the entire production cycle. The program has federal, provincial and territorial government recognition and full recognition by the Canadian Food Inspection Agency and guarantees that the highest standards of biosecurity and disease prevention are in place on the farm. Chicken Farmers of Canada was the first commodity organization in Canada to achieve this level of government recognition for the effective and consistent implementation of the program that promotes the production of safe food at the farm level. These mandatory rules govern chicken farms across Canada and include detailed requirements, right down to feed, water management and testing.

Through research and the continued development of programs, like Chicken Farmers of Canada's *Raised by a Canadian Farmer* Animal Care Program and On-Farm Food Safety Program, the Canadian chicken sector is able to adapt to consumer demand and maintain a steady, high-quality supply of made-in-Canada chicken.

Understanding a vital link in Canada's food supply chain



Hatching egg farmers implement best practices and innovation to ensure quality on the farm and along the supply chain. Pictured: Brian Bilkes, Chair of Canadian Hatching Egg Producers.

Canada's 236 hatching egg farmers operate across eight provinces. Together, they represent an important segment of the poultry industry few know about. Those who do, however, acknowledge just how essential and highly specialized the group is to Canada's food supply chain.

Brian Bilkes knows all about the country's broiler hatching egg sector. As chair of the Canadian Hatching Egg Producers (CHEP), he leads the national organization that represents this small but critical link in our food system. The Farmers' Times caught up with him to learn more.

Tell us a little bit about CHEP as an organization and what you do?

CHEP works on behalf of the farmers we represent to ensure an efficient and competitive industry that creates a dependable supply of quality broiler hatching eggs to Canadian hatcheries and Canadian chicken farmers. In 2020, CHEP's member provinces produced more than 736 million broiler hatching eggs, valued in excess of \$353 million. Through supply management, we establish how many eggs are required nationally to meet the demand to grow chicken.

How does the hatching egg supply chain operate and why are hatching egg farmers important to poultry production in Canada?

We produce the fertilized eggs that eventually hatch to produce chickens. Once fertilized, these eggs are sent to hatcheries, where they go off into incubators and hatch into healthy baby chicks that then go to broiler farmers. Every single chicken starts as a broiler hatching egg, and this demonstrates our key position in Canada's food supply chain.

How does CHEP support economic development within local communities?

Our farm sector supports over 7,700 direct and indirect jobs in Canada, about \$575 million in contributions to gross domestic product, and generates tax revenues of about \$150.2 million. This all contributes to the stability of our rural communities.

What challenges has the industry faced during the pandemic and how have farmers addressed them?

One of the biggest accomplishments that has come out of the pandemic is how close we have worked together as farmers with the rest of the industry. As a small sector, we still managed to contribute \$70,000 towards

Food Banks Canada to help those in need across the country, and we are very proud of that.

You touched on something there in terms of working collaboratively with other farmers and the industry as a whole. What's driving this significant level of collaboration?

Collaboration is a fundamental part of our way of operating and the system of supply management. We're all in this together, and that is the underlying message of the pandemic. We just all do the best we can and work together. Because our sector is relatively stable, CHEP is able to invest in research, including continued improvement in productivity, egg quality, bird health, bird welfare and food safety. In fact, we have a nationwide, mandatory, on-farm food safety program called Canadian Hatching Egg Quality (or CHEQ™ for short), which guarantees all eggs produced and distributed by Canadian hatching egg farmers are of exceptional quality.

Any final thoughts for our readers?

Canadian chicken is just such good chicken, and we are so proud to be part of that. We are a little part of it, but it is so important. We have an amazing country coast to coast and the supply management system allows us to thrive as farmers.

Food sovereignty has new meaning amidst a global pandemic



Over 1,200 regulated egg farmers in all ten provinces and the Northwest Territories work together to deliver a constant supply of fresh, local, high-quality eggs.

If there's one thing the pandemic has made abundantly clear, it's that even a developed nation like Canada can experience occasional shortages. It's a humbling lesson to learn and adapt from. Yet, there's a silver lining: Canada didn't run out of staple food items, like eggs. And there's a reason for that.

Dr. Bruce Muirhead, Public Policy Research Chair at the University of Waterloo, believes now is the time to double down on the unique system that created Canada's food security in the first place. "You have resonance with consumers ... when you say you are

guaranteed a supply of eggs, regardless of what happens to the outside world."

His work has focused on the evolution of Canadian agricultural policy in particular, and in his view supply management is a sensible and rational system. Egg Farmers of Canada, a national organization that represents over 1,200 egg farmers in all ten provinces and the Northwest Territories, agrees.

Under the system of supply management, Canadian farmers work together to produce the right amount of fresh, local, high-quality food to

respond to Canadian demand now and for the future. And, according to Dr. Muirhead, the system benefits both farmers and consumers. "The farmer makes a decent income, the consumer gets a really good price and they are assured of the quality they get."

According to a survey conducted by Environics in 2020, charting consumer habits amidst the pandemic, 93% of Canadians say they want their food—especially eggs, poultry and dairy—produced locally. Supply management ensures egg farmers meet that demand through collaborative efforts across the sector. For a sense of the scale of that demand, collectively, Canadian egg farmers produced over 789 million dozen eggs in 2020.

The past year has underscored the importance of a strong and resilient domestic food system—a year in which supply management has been one of the most effective tools for maintaining a strong, domestic food system. That's because it allows Canadians to count on a stable, consistent supply of eggs on grocery store shelves, even in periods of uncertainty.

Here, Dr. Muirhead points to the closure of Canada's southern border. "If we rely only on the import of American eggs, supply is not

guaranteed nor is the quality of eggs. Canada's risk management system and rigorous food safety and animal care practices help ensure a steady supply of quality eggs, consumers can trust. Everything about the Canadian egg industry is sustainable, whether it's the scale of operations or what it contributes to the local community."

The sector's focus on continuous improvements and growth also factors in. Thanks to the stability of supply management, egg farmers can invest in new technologies and on-farm practices that make their farms even more sustainable and efficient. Canadian egg farmers believe that as sustainability improves so will the humble egg's role as a food of the future. And that has a direct impact on Canada's ability to retain its food sovereignty, as local Canadian egg farmers across the country produce the right amount of locally-produced eggs to meet consumer demand.

Highlighting the cooperative underpinnings of supply management, Dr. Muirhead makes one final astute observation. "It's a system that really reflects Canadian values and Canadian attitudes. Both farmers and consumers around the world want our system because it means they are sustainable in a way they aren't right now."

Bolstering our food security with safe, sustainable and nutritious Canadian dairy

All individuals and families should have food security—reliable access to affordable, nutritious food—so that they can pursue a healthy lifestyle. However, according to the Centre for Studies in Food Security at Ryerson University, about 12% of Canadian households are food insecure and struggle to get adequate nutrition.

One of the simplest ways to combat this challenge is by fostering a strong domestic agricultural industry, including a healthy dairy sector. On more than 10,000 Canadian dairy farms, farmers safely and sustainably produce high-quality milk right within our own borders. More than 500 local processors transform that milk into thousands of dairy products that Canadian consumers have come to know and love.

Moreover, dairy can help Canadians meet their nutrient requirements—a vital element of food security. A 250 ml serving of milk contains 15 essential nutrients, including six of the eight nutrients many Canadians lack, like vitamin D, calcium, magnesium, zinc, potassium and vitamin A. In addition, science shows that milk and dairy products may protect against the most prevalent chronic diseases.

Rather than looking outward for our food, a strong Canadian dairy sector means we can be less dependent on foreign countries to meet our food requirements.

Under supply management, farmers work collaboratively with milk marketing boards, processors and the Canadian Dairy Commission to anticipate future demand and balance production to meet the country's needs. In terms of sustainability, this means avoiding overproduction, reducing waste, and lowering the transportation footprint of our food, as domestically produced dairy products travel a shorter distance from farm-to-table.

The stability afforded under supply management also enables farmers to reinvest in their farms and new technologies, driving innovation and economic activity across Canada. Our work is continuously evolving to reflect the latest best practices rooted in science by working with our members and industry partners to adopt and implement world-class responsible farming practices, benefitting Canadians across the country.

Whether through the development of tools to help measure the environmental impact of dairy, our efforts in research and development, or the continued adoption of better farm practices, dairy farmers are as committed as ever to the goal of greater sustainability.

The Canadian dairy sector already has one of the lowest carbon footprints in the world—producing one litre of milk in Canada emits less than half the greenhouse gas emissions than the global average. From 1990 to 2016, the carbon footprint of a litre of Canadian milk decreased by 23%, according to data from Environment and Climate Change Canada. In addition, from 2011 to 2016, we lowered our carbon footprint by 7%, our water consumption by 6% and our land use by 11%, according to lifecycle analyses from Groupe Agéco.

Unfortunately, supply management has been weakened by recent trade deals, which provide foreign countries greater access to the Canadian dairy market. Overreliance on dairy imports puts greater ownership over our food supply in the hands of foreign suppliers and governments. That means we are more vulnerable to global issues beyond our control, like economic boom-and-bust, natural disasters, and even conflicts between governments.

Further, imported dairy products may not follow the same stringent production standards as food produced in Canada. For instance, all Canadian milk is produced without artificial growth hormones, but there are no such guarantees for

imports. Canadian dairy farmers also follow some of the most rigorous quality and safety standards in the world.

Our dairy sector accounts for more than \$16 billion in economic activity, supports more than 178,000 jobs, and generates more than \$2.9 billion in taxation revenues right here in Canada.

Canadian dairy farmers are passionate about feeding the nation with sustainably produced, high-quality milk. Together, they are helping to cement Canadian food security by producing safe, affordable, nutritious milk right here at home. Let's ensure they have the optimal conditions to continue doing what they love.



Canadian dairy farmers are passionate about feeding the nation with sustainably produced, high-quality milk.

Supporting rural communities when they needed it most



Turkey farmers across the country are proud to raise turkeys to meet the needs of the Canadian marketplace.

The COVID-19 pandemic brought with it a series of challenges, unlike anything the country has seen before. During this difficult time, turkey farmers remain committed to Canadians across the country by continuing to produce a reliable supply of safe, high-quality Canadian turkey, but also by providing support to rural communities and vulnerable Canadians that need it most.

The pandemic has put Canadian youth, particularly those in rural communities at risk. School closures and social distancing regulations have left many feeling alone, with the weight of the pandemic on their shoulders. Recognizing the importance of supporting rural youth through this challenging time, rebuilding communities and nourishing future generations, Canada's turkey farmers and processors launched The Wishbone Project.

"The Wishbone Project is how Canada's turkey sector, farmers and processors are giving back and helping out locally, provincially and nationally through donations of funds and food," said Darren Ference, Chair, Turkey Farmers of Canada.

Through this initiative turkey farmers and processors donated an initial

\$50,000 to Kids Help Phone, providing youth with access to counsellors and other support services that have been impacted by physical distancing and school closures. A second donation of \$80,000 was made by TFC to Kids Help Phone and 4-H Canada to support rural youth impacted by the pandemic.

"The country's rural and farming communities have been heavily impacted by the COVID-19 pandemic and we were, and continue to be, concerned about the impact on mental health and on our kids," said Ference. "The Wishbone Project aims to help empower Kids Help Phone and 4-H Canada to provide a life-line to youth in rural communities as we continue to navigate these challenging times."

TFC further demonstrated their commitment to rebuilding communities through a fund of \$25,000, allocated

to empower local heroes, like chefs, who tackle food insecurity concerns. The organization also made donations to other community programs at the provincial level, from British Columbia to Nova Scotia.

While leading a strong domestic turkey industry that ensures a healthy, year-round food choice for Canadians is top priority for Turkey Farmers of Canada, the organization recognizes that a strong community backbone is necessary to bring this mandate to life.

"As the next generation of farmers, Canada's rural youth are essential to ensuring the longevity of the turkey industry," said Ference. "We are grateful that, through Canada's system of supply management, we have the financial stability to give back to our communities and help them through one of the biggest challenges this generation will face."

Canada's supply-managed sectors are leaders in sustainable agriculture

For Canada's dairy, poultry and egg farmers, sustainability is a way of life. Environmental responsibility, animal welfare, food safety, economic stability and community support are fundamental components of our approach to sustainability. Thanks to these efforts, supply-managed farmers are key players, offering climate solutions as we move towards a more resilient, sustainable economy.

Visit



dairyfarmersofcanada.ca,
chickenfarmers.ca,
turkeyfarmersofcanada.ca,
eggfarmers.ca or chep-poic.ca
to learn more about Canada's
dairy, poultry and egg farmers.

ENVIRONMENTAL RESPONSIBILITY

The environment is top-of-mind for Canadians, including farmers. To ensure the longevity of Canada's agricultural sector, farmers are making on-farm improvements to decrease their environmental impact. Reducing their carbon footprint, water consumption and use of non-renewable energy is a key focus for each of these sectors.

ANIMAL WELFARE

Raising their animals to the highest standards of care is a farmer's top priority and fundamental to producing nutritious food sustainably. That's why Canada's dairy, chicken, turkey, egg and hatching egg farmers enforce strict animal welfare practices through national programs designed to maintain animal care standards in the face of growing consumer demand.

FOOD SAFETY

Canadians want to trust the food that they're eating. To maintain this trust, Canada's dairy, chicken, turkey, egg and hatching egg farmers follow world-class standards for food safety, product quality and animal care.

COMMUNITY CONTRIBUTIONS

Supporting our neighbours and communities takes many different forms. From helping alleviate food insecurity to supporting community initiatives—Canada's dairy, poultry and egg sectors make significant contributions each year to both local and national charities. These efforts contribute to the vibrancy of communities from coast to coast to coast.