



get cracking®

Saskatchewan Egg
Producers

ANNUAL REPORT
2017

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**SASKATCHEWAN
EGG FARMERS**





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Board

Shawn Harman, Chair
Harman Farms, Humboldt

Regan Sloboshan, Vice-Chair
Egg Farmers of Canada Director
Sloboshan Farms, Vanscoy

Isaac Entz
Agricultural Producers Assoc. of Sask. Rep.
Carmichael Colony, Gull Lake

Danny Wollman
Pullet Growers of Canada Rep.
Ponteix Colony, Ponteix

Shawn Colborn
Farm and Food Care Director
Colborn Farms, Delisle

Staff

Cam Broten
Executive Director

Angela Bottcher
Office Manager

Cailyn Jones
Producer Services Coordinator

Judy West
Provincial Field Inspector

Kevin Swanson
Provincial Field Inspector

Vision

More delicious, nutritious Saskatchewan eggs
on breakfast plates, in lunch boxes, on supper tables and at snack time.

Mission

To promote a healthy, expanding and innovative egg industry in Saskatchewan,
and ensure a consistent supply of safe, nutritious eggs at a fair price,
through the national supply management system.



Cam Broten
Exec. Director

Isaac Entz
Board Member
Gull Lake

Shawn Colborn
Board Member
Delisle

Shawn Harman
Board Chair
Humboldt

Danny Wollman
Board Member
Ponteix

Regan Sloboshan
EFC Director
Vanscoy



Chair's Report

In looking back over 2017, it's been a year of both continuity and change for the Saskatchewan Egg Producers (SEP).

Let me first touch on some areas where we've seen a continuation of the solid work from previous years.

Our relationship with the Agri-Food Council (AFC) is important to us. The board believes that open communication is key to ensuring a productive relationship with our provincial regulator. Through regular meetings and staff communication, we have worked to ensure a "no surprises" approach to issues by always having an open door and being quick to pick up the phone when needed.

We have continued to see strong growth in demand for eggs across the country. This has brought new allocations through approvals at the national level. In January, we were able to have a new allocation promptly approved by the AFC and have the new hens placed into production. I would like to thank the AFC and its staff for their work and constructive tone.

Because of the growth we've seen, Saskatchewan produced over two million boxes of eggs for the first time in 2017.

New allocations have also meant we are able to continue to welcome new entrants into our industry. We conducted a new entrant draw at the end of 2017 and our new producer is now busy making plans for their barn construction this spring. We are pleased to welcome Cheryl Norleen as a new Saskatchewan egg producer and wish her much success in her operation.

On the construction front, I know many other producers are planning new barns or housing updates, as we continue to see the

shift away from conventional housing. Enriched housing continues to be the system of choice for the majority of new projects.

I also continue to be deeply appreciative of my fellow board members who demonstrate their commitment to our industry, as well as our staff who work diligently to serve producers and strengthen our association. Thank you to both groups for what you do day in and day out.

It would be a mistake, however, to think that 2017 was simply about more of the same. We have also seen big changes for our industry and organization.

Perhaps the biggest new event for SEP over the past year was the formation of a new partnership with Star Egg Company and Nutri Group. As we discussed at our special meeting in Rosetown in the spring, this new joint venture is a made-in-Saskatchewan approach to ensuring we have a strong grading presence in our province for many years to come.

We have also seen changes on the trade front as the US administration pushed to open NAFTA talks and other countries brought the re-emergence of the TPP. On both of these trade deals, SEP has been in regular communication with Egg Farmers of Canada (EFC), pitching in where we can and ensuring the board is fully in the loop on any coming changes. Judi Bundrock continues to keep our board well informed of developments.

There have also been political changes occurring at provincial and federal levels, with a new federal Leader of the Official Opposition, a new Premier in Saskatchewan and a new Leader of the Opposition in Saskatchewan. Throughout these elections, we have sought to convey the concerns of egg farmers and see where the candidates' priorities align with ours. I believe it is important to remain engaged politically to share the facts of our system and to remind politicians of the many economic and social benefits of our unique Canadian system.

One last area of change I'll highlight are the ongoing talks to renew our Federal-Provincial-Agreement (FPA). Talks are ongoing to update this document to better reflect the changes that have taken place over the past decades. Our board is working to ensure we achieve the two-fold objective of promoting Saskatchewan's interests and strengthening our national system. Rest assured that we remain fully committed to The Saskatchewan Agreement.

While none of us have a crystal ball to predict what changes lie ahead in 2018, I am confident that our organization will continue to meet the challenges and work cooperatively with our many partners. It's a privilege and honour to serve as the chair of SEP and I thank you for this opportunity. Let's continue working together to provide Canadians with healthy, nutritious and delicious eggs.



A stylized, handwritten signature in black ink, appearing to read 'Shawn Harman'.

Shawn Harman
Chair, Saskatchewan Egg Producers



Executive Director's Report

The past year has been full of activity for the Saskatchewan Egg Producers (SEP), as we have worked to improve existing programs and initiate new projects. Having now completed a full year serving in the role of Executive Director, perhaps I feel a bit like a new entrant who has just completed his first full flock cycle. Reflecting on the year provides an opportunity to assess what worked well and where there is room for more work and fine tuning.

First, I would like to thank the staff of SEP for their commitment and diligence in their duties – Angela and Cailyn in the office and Judy and Kevin out in the field.

Though small in number, our team works hard to deliver quality services to our members.

Communication is key for a healthy relationship. As such, we appreciate the conversations we have with you, whether in layer barns, over the phone or during a stop at the office. Please know that we are always happy to hear from you! In an effort to keep you better informed, we have initiated a monthly newsletter, featuring administrative updates and other relevant information.

Administratively, we have worked to continue improvements to the Quota Leasing Pool (QLP) program. Thank you for your cooperation in meeting deadlines and communicating your needs to us. The Eggs for Processing (EFP) program has operated smoothly throughout 2017, demonstrating our commitment to filling the processing market in Canada.

Beyond our regular AGM and Fall Producer Meeting, we've had a number of other opportunities to gather as a group in 2017.

In the spring, we held a special meeting in Rosetown to discuss our new joint venture with Star Egg Company and Nutri Group. This is an exciting partnership for our egg board and one which will greatly contribute to our long-term well-being as an organization.

We also held two disposal demonstrations over the winter, as the board continues to explore the best possible options for producers. I would like to extend my appreciation to Spring Creek Colony and Sloboshan Farms for their hospitality in welcoming us. This will be an ongoing topic of discussion for us. I also thank the staff of the UofS Poultry Extension Division for providing required euthanasia training at these events.

On the marketing front, it has been another busy year of activities around the province. We continued our partnership with Farm and Food Care Saskatchewan by participating in the Chef's Series and the Farm-to-Fork Tour. Once again, we also had an excellent farmer presence at Agribition. Thank you to everyone who volunteered your time to talk about hen care and share your love of egg farming. We now own an enriched hen housing display that can be used for years to come. In the early New Year, we anticipate the hiring of a new marketer for our organization.

Much was also accomplished this year in our relationship with Egg Farmers of Canada (EFC) and the other provinces. We had regular open board meetings to deal with routine business and emerging issues like the challenges that come with trade deals. We also attended a number of additional meetings to work on updating the Federal-Provincial-Agreement (FPA), as well as meetings with the western provinces to discuss issues of mutual interest.

In closing, I would like to thank the board of directors for the opportunity to serve in this role. I've appreciated the challenges and new experiences that came over the past year. Thank you as well to all of our producers for the advice and assistance you have provided to me and the staff. I'm very optimistic about the year ahead and all that we will accomplish together!



A handwritten signature in black ink that reads "Cam Broten".

Cam Broten

Executive Director, Sask. Egg Producers



Wake up to
natural goodness.

All Canadian eggs have
6g of protein, iron
and vitamin A.

saskkegg.ca

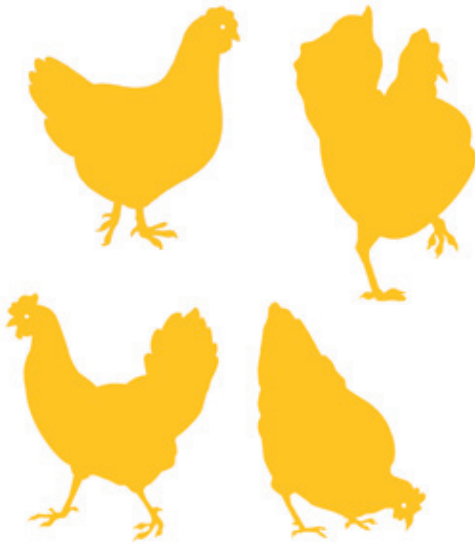
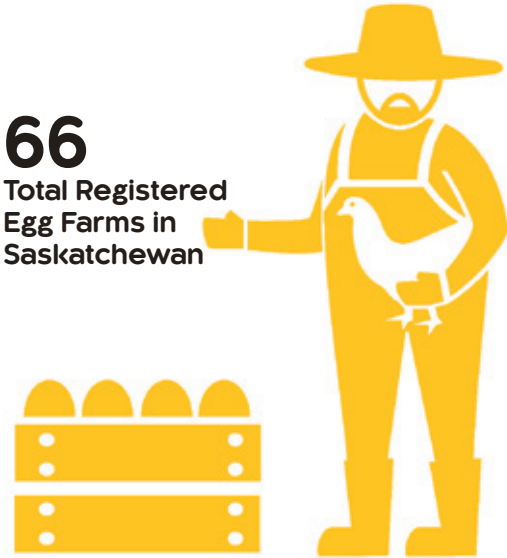
get
cracking
Saskatchewan
producers

PATTISON

A HEALTHY, EXPANDING & INNOVATIVE EGG INDUSTRY RIGHT HERE IN SASKATCHEWAN

66

Total Registered
Egg Farms in
Saskatchewan



1,132,872

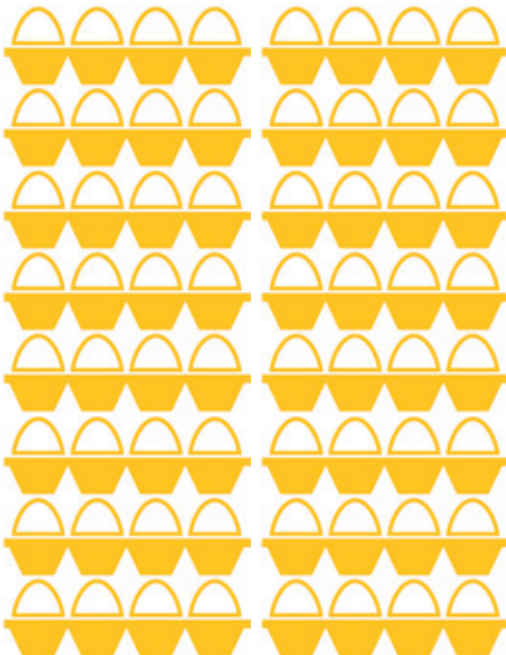
Total Number of
Commerical Hens

3.4%

more hens
than last
year

15,488

Average Flock Size



**32,521,353
dozens**

Total Egg Production

4.1%

more eggs
than last
year



Egg Farmers of Canada Director's Report

This past year was a strong one for Canada's egg industry, and we are ending 2017 with significant advances on a number of files. Set aside for a moment the international trade issues that dominated the news, and the progress we have made over the last year comes clearly into focus.

In 2017, the Canadian market grew for the 11th consecutive year, with a 4.5% increase in the retail sales of table eggs.

During the same period, an additional 1.5 million hens were added into production. This growth is significant, and we have been working hard to make it happen smoothly. Needless to say, the Egg Farmers of Canada (EFC) Board remains committed to working with Farm Products Council of Canada to meet growing demand for eggs by bolstering production on our farms.

We also made significant advances on several other fronts by leveraging collaboration within the industry and a commitment to scientific evidence. Take, for example, the new Egg Quality Assurance (EQA) Program, which will begin to roll out in 2018. EQA encompasses the standards in our existing Start Clean-Stay Clean™ and Animal Care Program under one easy-to-identify mark.

We know that Canadians want to know where their food comes from, and want the assurance that it is produced according to the highest possible standards. The EQA mark will tell consumers, right on the egg carton, that their eggs come from farmers dedicated to producing a top-quality product that meets the highest food safety and animal care standards.

Behind these programs is a commitment to scientific evidence and continuous improvement that builds confidence in the standards in place on farms across the country. This commitment was evident in July, when the EFC Board unanimously voted to move ahead with implementation of the new Code of Practice for the Care and Handling of Layers, in line with the timelines outlined in the Code.

This decision follows four years of in-depth scientific evaluation and rigorous debate, which led to the release of the revised Code of Practice by the National Farm Animal Care Council. The Code marks the first time housing standards for enriched housing systems are defined in Canada. This was a critical outcome for our industry. It gives producers guidance and supports the transition away from conventional housing.

One year into the transition that was announced in 2016, we have refined our ability to track progress, and will continue to push forward to safeguard the egg industry in Canada and meet the demands of the market and our customers.

The challenges we met in 2017 have been on the international front. There were two big trade stories in 2017, both initiated by the new U.S. administration. First, there was the snap decision to pull the U.S. out of the Trans-Pacific Partnership, and then the decision to reopen the North American Free Trade Agreement.

It is easy to get lost in the trade issue, with its unexpected twists and news headlines. But there is one constant, and one thing to remember as we head into 2018: as these issues unfolded in 2017, we were there to advocate on your behalf, and we will continue to do so as these trade negotiations progress.

We will continue, as we did throughout 2017, to press our government to support family farms, and uphold the system of supply management that delivers not just the fresh, high-quality products that Canadians want and enjoy, but also food security to our communities. Canada is a vast country, with a range of climates and landscapes and a diverse population spread out over a large area. This reality makes issues of food security tremendously important. Our system enables the production of a product that is both nutritious and affordable across the entire country, including in regions where it may be the only locally produced food item on store shelves.

We will continue to work together to tell this story, and by telling it build trust in our industry. This commitment to build trust transcends everything we do—from the world-class standards on our farms, to giving back to our communities through partnerships with food banks and breakfast programs, to strengthening our practices through investments in research and innovation.

Part of this story is our continued dedication to nurture the system of supply management. Our success today and moving forward, lies in our ability to set aside regional differences and strengthen the core of our system through collaboration. To this end, the EFC Board was pleased to have reached an updated Industrial Products Pricing Structure and Protocol with egg processors after steady progress throughout the year. In November, an equitable and evidence-based solution was achieved that would maintain both a strong processing sector and a vibrant egg industry.



EFC Report continued ...

As we head into 2018, bumps on the road are inevitable. It is impossible to know what surprises the year will bring but I find comfort in knowing that we will be tackling the coming challenges together, united by the drive to deliver the best possible product to our families, to our neighbours and to the millions of Canadians who rely on our product.

To my colleagues at the national table and in my province, to the staff and to farm families all across the country, I want to express my heartfelt thanks for your ongoing dedication and commitment that makes this all possible.



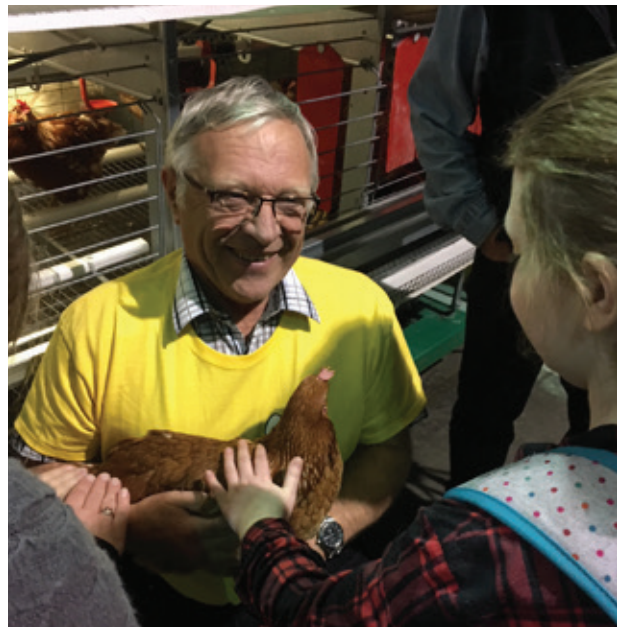
Regan Sloboshan

Egg Farmers of Canada Director



Filming the "Egg Farmers Say Thank You" ad in Saskatoon

Promoting our industry at Agribition









Lace Up for Diabetes Run



Queen City Marathon



Ag in the City



Ag-Experience

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