



get cracking[®]
Saskatchewan Egg
Producers



Delivering the

Natural Goodness

of eggs in extraordinary times
2020 Annual Report



OUR VISION

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

OUR MISSION

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

Cover photo: Egg donation delivery to Ile-a-la-Crosse, Saskatchewan

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STEADY LEADERSHIP IN COMPLEX TIMES



Pictured, from left to right:

Shawn Harman | Chair

Danny Wollman | Board Member
(Egg Farmers of Canada Alternate Director)

Isaac Entz | Vice-Chair
(Agricultural Producers Association of Saskatchewan Representative)

Shawn Colborn | Board Member
(Farm and Food Care Director)

Cam Broten | Executive Director

Regan Sloboshan | Board Member
(Egg Farmers of Canada Director; Canadian Egg Industry Reciprocal Alliance Director)

Special thanks to the rest of our team as well:

Dawn Abbott | Director of Administration
Alyssa Johnson | Quota and Production Manager
Judy West | Provincial Field Inspector
Kevin Swanson | Provincial Field Inspector

A GROWING INDUSTRY IN SASKATCHEWAN

Once again,
we are proud to have
**more farms,
caring for more
hens, and delivering
more eggs.**

That's a clear sign
that we are fulfilling
our mission to support
a healthy, expanding
and innovative egg
industry right here in
Saskatchewan, delivering
a consistent supply of
safe, nutritious eggs at a
fair price for consumers,
through the national
supply management
system.

74 registered egg quota holders
in Saskatchewan

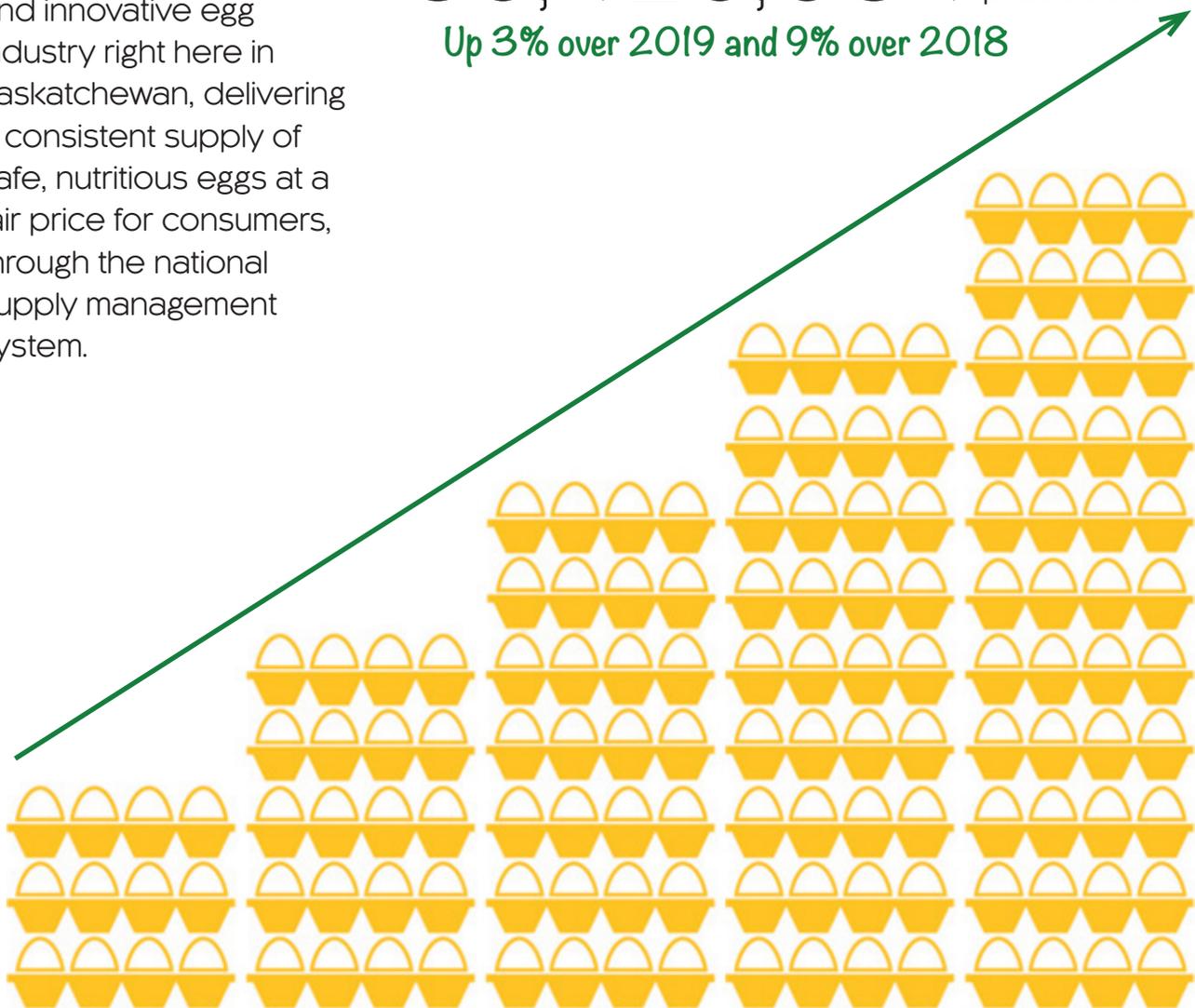
Up 3% over 2019 and 10% over 2018

1,267,455 commercial hens
(+ 63,283 EFP hens)

Up 2% over 2019 and 7% over 2018

35,425,084 dozens of eggs
produced

Up 3% over 2019 and 9% over 2018



CHAIR'S REPORT

SHAWN HARMAN

As farmers, we are well accustomed to adapting when things beyond our control happen. Usually this means dealing with the weather or doing our best to control costs when input prices rise. In 2020, when facing a global pandemic, our ability to adapt was definitely put to the test. The challenges over the past year made us find new ways of working together. Though we are separated physically, I am impressed by how we've never been more united as an egg industry in taking on the unexpected twists and turns of the past year.

Supply management has demonstrated its effectiveness throughout the COVID-19 pandemic.

In the early days, we saw retail demand surge as consumers filled their fridges and people were eating and baking more at home. Producers and graders rose to the challenge and ensured the supply chain operated smoothly.

As the year continued, however, we experienced the flip side of the demand coin. The slowdown or closure of restaurants and the food service sector brought decreased demand, coupled with retail levels returning to more traditional levels.

This shift meant that the industry had to quickly respond to ensure supply was better aligned with demand. I would like to express my appreciation to all producers for your flexibility and understanding as we went through this rollercoaster year.

At the farm level, our producers continued to do what they do best – care for their hens and strive for production excellence. This work, day in and day out, means Canadians can trust the eggs they are purchasing. The continued expansion of the Egg Quality Assurance (EQA) Program is a tangible way to communicate these efforts to consumers. We are proud to have the EQA mark printed on more and more cartons of Saskatchewan eggs.

Throughout a tumultuous year, we continued to make progress with our hen housing transition. As producers plan for the future, we saw new barns built across the province. This forward-thinking ensures we are producing the variety of eggs consumers want. It also means we are contributing to the economy by supporting local trades and equipment suppliers. In addition to the existing producers with new builds, it was great to have our two most recent new entrants place their first flocks in 2020.

CHAIR'S REPORT

CONTINUED ...

Communication has been key as we confronted the challenges of the past year. We maintained regular communication with the staff of the Agri-Food Council and remain appreciative of Council's openness and desire to see our industry grow. I am also very appreciative for the frequent calls with the livestock sector hosted by the Minister of Agriculture. We are fortunate to have a provincial ministry that understands agriculture and the priorities of our industry.

We also recognize that this year has brought a lot of hardship to many Saskatchewan families. In addition to health challenges, the financial impact of the pandemic has been widely felt. For this reason, we increased our donations to food banks and non-profit organizations across the province.

Lastly, I would like to express my sincere appreciation to a number of groups. Thank you to my fellow directors for the many video-conference meetings over the past year as we worked together to find the best path forward. Thank you to our industry partners from across the country who worked collaboratively and creatively in finding solutions. And thank you to our Saskatchewan egg farmers for your determination in making sure your job is done well. Together we are stronger.

While we see a light at the end of the tunnel, we know that it will still be some time before this COVID-19 era is behind us. I look forward to next year when we hopefully are able to gather in-person to hold our AGM. Until that time, I wish you and your families much health and prosperity.

May we all look back on this time and be proud of how we adapted and persevered.



Shawn Harman
Chair, Board of Directors
Saskatchewan Egg Producers

EXECUTIVE DIRECTOR'S REPORT

CAMBROTEN

Recently I found myself reflecting on the concept of change and what ingredients bring success through a period of change. Sometimes change is a choice and sometimes change chooses us. I'm convinced that how well we do through change is largely dependent on our attitude. Regardless of our circumstance, we need to make a conscious decision each day to choose to thrive.

While none of us would have chosen the past year to unfold as it did, I'm impressed by how I've seen you choose to thrive in the midst of unsettling change.

We are fortunate that our existing producer programs have operated well over the past year. The Quota Leasing Pool (QLP) continues to meet its objectives of maximizing our provincial utilization and providing producers with additional flexibility on when to build new barns. The Eggs for Processing (EFP) program carried on, though not without some challenges due to market changes. Throughout COVID-19 our on-farm visits have continued with minimal interruption, ensuring that animal care

programs and food safety programs are effectively maintained.

Our regular interaction with EFC and other provinces pivoted to online meetings. This has proven to be quite effective in developing and advancing a number of projects. We've managed to make the best of the situation. Negotiations on a renewed Federal Provincial Agreement (FPA) were largely paused over the past year. We were able to make significant progress on the Uniform Levy Project Team (ULPT) and finalization of the project will likely occur in 2021.

Many of our marketing initiatives were paused or adapted over the past year. We were pleased to participate with a large billboard campaign across the province coinciding with the national 'It's not Weird' television commercials. These advertisements have been very well received and the campaign is one of the most successful in EFC's history. Unfortunately, some of our usual outreach activities were affected by the cancellation of events. We look forward to our return to Agribition in fall 2021, as well as Farm and Food Care Saskatchewan events like Breakfast at the Barn and Ag in the City.

EXECUTIVE DIRECTOR'S REPORT

CONTINUED ...

From a staff perspective, we worked hard to keep existing programs operating smoothly and have new initiatives be as successful as possible.

While our office has been mostly closed to the public, we have continued to be accessible to you through email and phone calls. I would like to express my heartfelt thanks to the staff team in the office and out in the field for their diligence in being accessible and serving our producers. The Saskatoon location for the office continues to serve our organization well and we look forward to the time when you can again stop by for a coffee and a visit.

In closing, thank you to all producers and the board of directors for the opportunity to serve in this role. It is a pleasure to work with you all in taking on the many challenges that these changing times bring.



Cam Broten
Executive Director
Saskatchewan Egg Producers

EFC DIRECTOR'S REPORT

REGAN SLOBOSHAN

The word 'resiliency' is defined as the ability to recover quickly from a shock. While many individuals can bounce back easily and naturally after experiencing stress, resiliency is not always a given in organizations. They have to plan for it, and build into their structures and culture the mechanisms that allow them to handle adversity. This past year, we discovered just how much resiliency we had built into our industry, at every level—from our farms, egg boards and national organization, to our supply chain and industry partners.

The COVID-19 pandemic disrupted daily life, tested our health systems and strained the global economy in ways never before seen—yet Canada's egg farming sector was able to roll with the punches. Though we faced some measure of difficulty and sacrifice, we never once failed to provide Canadians with a steady supply of high-quality eggs, produced according to some of the highest standards in the world. Our ability to do so was a demonstration of just how strong and adaptable we are. Across our industry, everyone played an important role in our response efforts and played it well throughout the year.

This is no small accomplishment and we are fortunate to have a range of tools at our disposal to allow for that resiliency. When the pandemic

hit in March, we had people and structures in place that allowed us to quickly identify and implement measures that helped us manage the ups and downs in our market, through lockdowns and disruptions. It also bears mentioning that one of the most critical tools we have is supply management itself. We have known for a long time that supply management offers many benefits; one of them—and we have undeniable proof of that now—is the ability to manage production in a crisis of unprecedented proportions.

As we look ahead, rest assured that we will do everything in our power to make sure our structures remain resilient.

The lessons learned during the pandemic will be applied and we are confident we will be even more resilient in the future. I am also confident that the future of egg farming is strong, even in the face of a future that is by definition uncertain.

Though COVID-19 was always on our minds in 2020, it did not stop our work. I am glad to report that despite the pandemic, we made progress on a number of fronts:

EFC DIRECTOR'S REPORT

CONTINUED ...

- Our advocacy efforts helped bring to a successful conclusion the promised federal support to help mitigate the impact of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership. We were pleased when, at the end of November, federal Agriculture and Agri-Food Minister Marie-Claude Bibeau made a long-awaited announcement of \$691 million in mitigation funding for the egg and poultry sectors to help offset the impact of the agreement.
- We launched our first-ever Sustainability Report. It outlines how egg farmers across Canada are investing in and setting up sustainable agricultural practices. The report lays out a sustainability framework that corresponds to the areas of greatest significance to Canadian egg farmers, and it outlines how egg farmers are leading the way in the sustainable agriculture movement both at home and globally.
- We continued to advance Vision 2020, with the goal of becoming a world leader in per capita egg consumption. While we expect it will take much of 2021 for the restaurant, food-service sector and processed egg markets to return to their normal demand levels because of the massive disruptions triggered by the pandemic, there was strong growth in the retail sales of eggs throughout the year with more people cooking and eating at home.
- We've made significant progress in phasing out conventional hen housing systems. Conventional production has dropped to 62% of the total, with 23% of production in enriched colony housing, and 15% in free range, free run and organic systems. We expect to reach our target of a full phase-out of conventional housing in 2031, nearly five years ahead of schedule.
- We continue to see strong support for our farmers and for our product. While the move to buy Canadian and local products has always been strong, the pandemic put a spotlight on made-in-Canada products and our food system. Canadians trust Canadian eggs, and we have been able to showcase the production of fresh, local eggs and the system that makes it possible. Part of this trust stems from the visible commitment that farmers offer their communities. Once again, our sector stepped up in a big way in 2020, donating millions of eggs to food banks and other charitable organizations.

EFC DIRECTOR'S REPORT

CONTINUED ...

We have every reason to be hopeful for 2021. The COVID-19 vaccines now being rolled out signal the start of a return to a new normal, even if that return will not happen as quickly as we would like.

As the health crisis eases, we are well-positioned to advance our growth strategy under Vision 2020.

We will work to build resiliency into our supply chain, and we will continue our collaborative efforts. We know that whatever challenges we face—and there will be challenges—we have the right people and systems in place to handle them. We will continue as always to push forward and advocate on your behalf and for the good of the Canadians for whom we provide a safe, inexpensive and healthy source of food.

To my colleagues at the national table and in my province, I want to express my heartfelt thanks for your ongoing dedication and commitment in what has been an exceptionally challenging year. Success would not be possible without your effort. I also want to thank the staff and the farm families whose hard work and commitment make our industry strong.



Regan Sloboshan
Egg Farmers of Canada Director

CHEP Good Food was one of many organizations to benefit from SaskEgg donations in 2020. We're proud to support community organizations that are serving vulnerable people and promoting healthy, nutritious food.



WHAT WE ARE MISSING THIS YEAR

In March 2020, we gathered in Saskatoon to reflect on our progress in 2019 and discuss our plans for 2020.

We were grateful to be joined by MLA Steven Bonk, who is also the Legislative Secretary to the Minister of Agriculture (pictured with producer Cheryl Norleen in the first photo). We inducted Clifford Colborn into the Saskatchewan Poultry Hall of Fame (second photo). We celebrated Pennant Farming Company as the Producer of the Year (third photo), and had an open house at Star Egg (last photo).

Shortly after, the COVID-19 pandemic and the associated public health measures changed so much.

We will miss gathering together in person for our AGM this year, and we eagerly await the day when we can safely do so.



PROMOTING OUR INDUSTRY DESPITE COVID-19

COVID-19 limited our ability to promote our industry in the ways we normally do. We certainly missed events like Agribition and Ag in the City. However, we ensured we continued to promote Saskatchewan's egg industry in every way we could. Some examples include:

- Cam Broten and Shawn Harman appearing on CTV during AgWeek (first photo);
- Donating eggs to food banks and “cheer crates” for families in need (second photo);
- Partnering with 9 Mile Brewing on a Sunny-Side “All Day Breakfast” beer (third photo, showing the front and back of the bottle); and
- Working with our partners at Evova Foods to get Todd's Protein Crisps in more stores across Canada.

We also had an extensive billboard campaign complementing the national ‘It's not Weird’ television commercials (see page 16).



We were pleased to have an extensive billboard campaign across Saskatchewan, coinciding with the national 'It's not Weird' television commercials —one of the most successful in EFC's history.

**Try eggs for
lunch. Don't
overthink it.**
Overthinking is weird.



eggs.ca



ADVOCATING FOR FARMERS WITH DECISION MAKERS

In February 2020, Egg Farmers of Canada hosted the annual Hill Breakfast for Members of Parliament.

Shawn Harman, Regan Sloboshan and Cam Broten attended the event, along with Saskatchewan MPs Kelly Block (Carlton Trail-Eagle Creek), Jeremy Patzer (Cypress Hills-Grasslands), and Kevin Waugh (Saskatoon-Grasswood).

It was an opportunity to talk about the recent successes of our industry and also to share priorities and concerns.

The federal Minister of Agriculture, Hon. Marie-Claude Bibeau, delivered remarks.

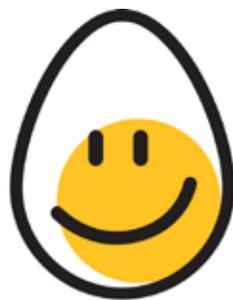
The guy from EFC's "Your Pants are Weird" ad campaign also made an appearance, which was a lighthearted highlight of the event.



Big smiles are a common response whenever we donate eggs to organizations that serve the vulnerable and promote healthy, nutritious food.







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