Novice Egg & Pullet Farmers Egg Supply Management Information Session November 17, 2014



Ontario Processed and Further Processed Markets:

What Are They & How Are They Filled?



History of Surplus Removal, Industrial Product, Processed, Further Processed Sectors

- When the egg supply management system was originally set up, eggs surplus to the table market were called 'Surplus Removal' and represented about 10% of all egg production.
- 'Surplus Removal' became known as 'Industrial Product' and now eggs surplus to the table market are called Processed & Further Processed [P&FP].
- Provincially, [in Ontario] 23% production is currently destined for the P&FP market, Nationally approximately 30%.



How is product sourced for the P&FP sector?

- On a weekly basis, grading stations declare the number of eggs that are not needed to fill their table requirements.
- This is called "buy back".
- The eggs are "bought back" in order to be re-sold to the P&FP sectors at the current USA \$ price.
- This is done in order to maintain the processing sector and keep jobs in Ontario/Canada.



What is the size of the P&FP sector?

- In Canada there are eight [8] breakers [breaking plants];
- In Ontario there are six [6] breakers [breaking plants];
- Nationally: approximately 200,000 15 dozen boxes each week are sent to the breakers;
- Provincially [Ontario]: approximately 122,000 15 dozen boxes each week are sent to the breakers.





P&FP - what are some of their products?

63% Ingredient Segment:

Liquid Egg in Pails; Dried Egg



P&FP - what are some of their products?

26% Value-Added Segments:

Egg Patties for Breakfast Sandwiches;
Omelettes



P&FP - what are some of their products?

11% Retail Segments:

Liquid Egg Cartons;
Hard Cooked Eggs

[sold at retail in smaller packaging sizes]



What is Eggs For Processing [EFP] and how does it fit into the picture?

- In order to meet the increased demand by the P&FP sectors, EFP was started in 1999; in order to place birds where the eggs are needed vs national allocation.
- EFP eggs: approximately 21,000 15 dozen boxes weekly; the equivalent of 700,000 layers 8.5% of each hen's production.
- **EFP Pool:** EFP allotment is a % allowance permitting producers to possess fowl and produce and market eggs from such fowl above the amount authorized by the producer's quota for a share of pooled returns.



QUESTIONS & ANSWERS

