

BACKGROUNDER

Summary: British Columbia's dairy, egg and poultry industries (BCDEPI) make significant economic and social contributions to the province. Total output in 2007 was in excess of \$5 billion, including \$2.34 billion directly, with employment of over 28,000, including over 6,900 directly.

The province's dairy, egg and poultry industries provide safe high-quality foods in an efficient, effective manner to communities throughout British Columbia, while responding and adapting to the needs of the marketplace and consumer choice.

Economic contribution

- BCDEPI is a significant contributor to provincial GDP.
- Economic output supported by the BCDEPI value chain is estimated to be \$1.6 billion.
- In 2007, the industries were responsible for over 28,000 jobs, which was higher than that of province's forestry and logging sectors at 24,300 jobs.
- The five supply-managed agricultural sectors are a relatively stable source of jobs and investment and are not as prone to the volatility of other economic sectors. This is especially important during periods of economic uncertainty such as those which British Columbia is currently facing.
- Producer prices are relatively stable and have increased less than the consumer price index (CPI). For example, the CPI has increased an average of 3.2 per cent since 1980, whereas producers have received increases ranging on average from 1.1 to 2.1 per cent.

Social impact

- The supply managed sector operates in a cohesive manner that allows it to respond to changing consumer demands and attitudes.
- The industry places a premium on animal safety, which, depending on the sector, includes approved auditable animal care programs or recommended guidelines.
- The industry also contributes to community life around the province.
- Each sector actively supports various community programs, such as:
 - Dairy producers' sponsorships of the Elementary School Milk Program and Nutrition Education in BC schools.
 - Egg producers' sponsorship involvement with Hockey Canada and the Canadian Soccer Association.
 - Poultry producers support for programs such as the Union Gospel Mission, Life Recovery Rehab Centres, local food banks and various non-profit organizations.

Food safety

- The industry is able to react and quickly respond to change as a result of any emerging health issues and has taken a leading role in ensuring food safety.
- Each sector has a farm food safety assurance program.
- Through initiatives focused on bio-security, on-farm food safety and animal care programs, the industry operates to among the highest standards in the world, making sure the health of consumers is protected.
 - For example, the BC poultry sector has developed and implemented a bio-security program that is reducing the risk of infectious disease transferring across poultry stocks.
- The industry also takes a proactive role in promoting safe food handling and food preparation.

Province-wide presence

- Dairy farmers and processors can be found around the province:
 - The Fraser Valley region is home to 67 per cent of dairy farms, 17 per cent are located in the Okanagan, ten per cent on Vancouver Island, three per cent in the Cariboo, two per cent in the Kootenays by Creston and one per cent in the Peace River Region.
- Dairy processing operations and further processing plants are located in Metro Vancouver, including Burnaby, the Fraser Valley, the Okanagan and Vancouver Island.
- Poultry producers and processors are located in the Fraser Valley, the Okanagan and Vancouver Island.
- The industry helps regional economies and supports families and rural communities throughout British Columbia.

Industry Overviews

Dairy

- In 2007, there were 572 dairy farms in BC producing about 632 million litres of milk and generating \$424.2 million in farm cash receipts.
- Dairy producers accounted for about 17.6 per cent of total farm cash receipts in BC.
- In addition, dairy producers also receive about \$55.7 million annually in dairy cattle sales to the beef industry.
- Dairy producers employ an estimated 4,362 workers, representing 12 per cent of BC agriculture jobs.

Dairy Industry Value Chain

- Approximately \$2.4 billion is generated by the dairy industry value chain in economic output contributing an estimated \$767 million to GDP.
- An estimated 7,000 jobs are supported directly by the dairy producers (4,362) and processors (2,618), with a further 6,240 in related industries.
- About \$100 million in municipal, provincial and federal taxes are generated directly and indirectly by the dairy industry value chain.

Table Egg

- In 2007, there were 129 table egg farms in BC producing about 61.8 million dozen eggs and generating \$95.2 million in farm cash receipts.
- Table egg producers accounted for approximately 3.9 per cent of total farm cash receipts in BC.
- Table egg producers generated approximately \$27.2 million towards provincial GDP, employing an estimated 978 workers representing 2.7 per cent of BC agricultural jobs.
- Approximately \$9.9 million in municipal, provincial and federal taxes are generated directly and indirectly by table egg producers.

Table Egg Industry Value Chain

- BC's table egg industry value chain generated approximately \$617.4 million in economic output, contributing an estimated \$190.1 million in GDP to BC's economy.
- About 2,100 jobs are supported directly by table egg producers and processors, with a further 1,500 in related industries.
- Approximately \$25 million in municipal, provincial and federal taxes are generated directly and indirectly by the table egg industry.

Chicken

- In 2007, there were 325 chicken farms in BC producing about 158 million kilograms of meat and generating \$275 million in farm cash receipts.
- Chicken farms accounted for about 11 per cent of total farm cash receipts in BC.
- Chicken producers generated approximately \$78 million towards provincial GDP and employed about 2,826 people representing 7.8 per cent of BC agricultural jobs.
- Chicken producers contributed an estimated \$28.6 million in municipal, provincial and federal taxes.

Turkey

- In 2007, there were 64 turkey farms in BC producing about 21.3 million kilograms of meat and generating \$41.9 million in farm cash receipts.
- Turkey producers accounted for 1.7 per cent of total farm cash receipts in BC.
- BC's turkey producers generated approximately \$83.1 million in economic output in direct, indirect and induced impacts, of which close to \$30.6 million can be considered contribution to GDP.
- Wages and salaries in the turkey production industry were approximately \$17.7 million for about 756 people employed with 431 workers of 1.2 per cent of the BC agricultural jobs in turkey production.

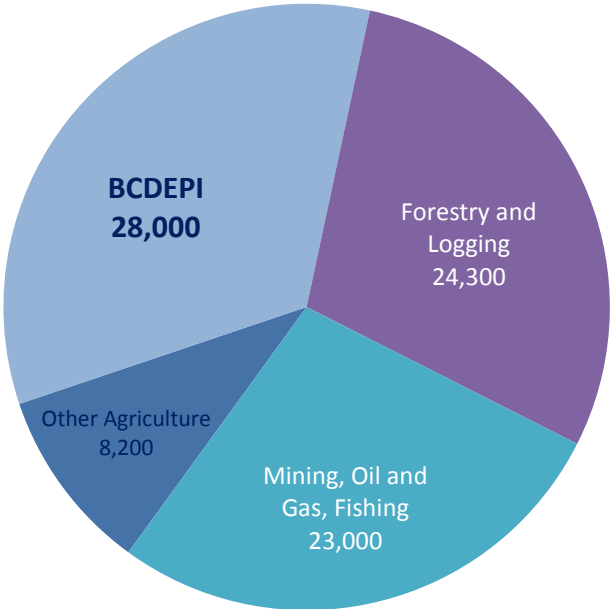
Broiler Hatching Egg

- In 2007, there were 58 hatching egg farms in BC producing about 9.3 million dozen eggs and generating \$38.3 million in farm cash receipts.
- Hatching egg farms accounted for about 1.6 per cent of total farm cash receipts in BC.
- BC's hatching egg producers generated approximately \$75.9 million in economic output in direct, indirect and induced impacts of which close to \$28 million can be considered contribution towards GDP.
- Wages and salaries in the hatching egg production industry were approximately \$16.2 million for about 691 people employed with 394 workers or 1.1 per cent of BC agricultural jobs directly employed in hatching egg production.
- Approximately \$4 million in municipal, provincial and federal taxes are generated directly and indirectly by hatching egg production.

Poultry Industry Value Chain

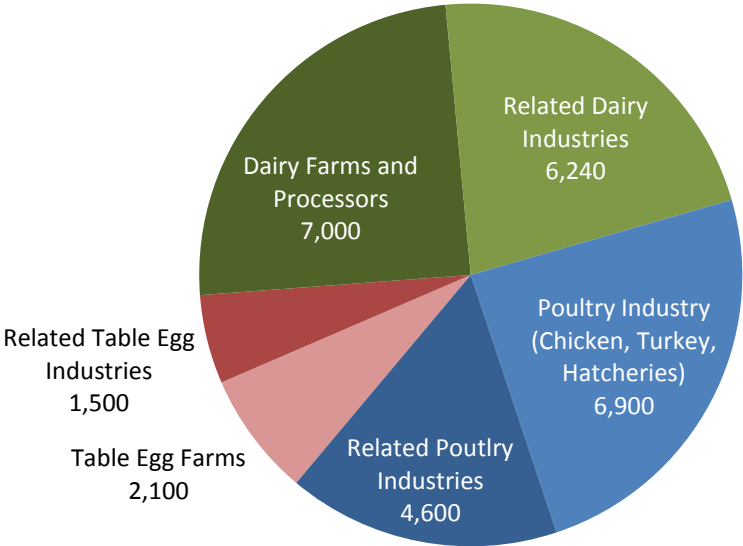
- Including chicken and turkey producers, processors and allied industries, the BC poultry industry value chain generates approximately \$2 billion in economic output contributing \$605 million in GDP to BC's economy.
- About 6,900 jobs are supported directly by chicken producers, turkey producers, hatching egg producers, hatcheries and poultry processors with a further 4,600 in related industries.
- Approximately \$79 million in municipal, provincial and federal taxes are generated directly and indirectly by the poultry industry.

BC Resource Employment Stats (2007)



*Source: Statistics Canada, Labour Force Survey 2008

BCDEPI Employment



*Source: Socio-economic impact of British Columbia's dairy, chicken, turkey, hatching egg and table egg industries, 2009

