



## Chapter 1

## Shell Egg - Introduction

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## 1.1 **OBJECTIVE OF ACTIVITY**

The objective of the Shell Egg Manual is to provide inspectors with a handbook of methods, procedures, and guidelines to verify that shell eggs graded in registered egg stations, imported into Canada or exported, meet the requirements of the *Egg Regulations*, and other applicable federal regulations.

## 1.2 **REFERENCES**

[Canada Agricultural Products Act](#)

[Egg Regulations](#)

[Food and Drugs Act](#)

[Food and Drug Regulations](#)

[Consumer Packaging and Labelling Act](#)

[Consumer Packaging and Labelling Regulations](#)

Shell Egg Operational Workplan Activities (RDIMS # 1053615)

## 1.3 **APPLICATION AND SCOPE**

This Shell Egg Manual of procedures is intended as a reference source for those involved in Shell Egg program activities and as a guide to the interpretation of the *Canada Agricultural Products Act*, the *Egg Regulations*, the various inspection procedures and techniques, and to provide background information on the egg industry.

This Shell Egg Manual is structured upon the various inspection activities outlined by the Shell Egg Operational Workplan issued annually by the Chief, Egg Programs. This manual describes activities relating to product and plant inspection and is intended for use by CFIA Egg Program inspection staff.

It is the objective of the Shell Egg Program to:

Verify that all shell eggs prepared at registered egg stations or imported into Canada are safe, wholesome and labeled properly to avoid misleading consumers. These products are eligible to be traded interprovincially or internationally.

Provincial regulations in all provinces require that eggs sold in the marketplace are graded and bear a federal grade name. Therefore, graded shell eggs marketed intraprovincially are subject to the same requirements as for those eggs referred to in the preceding paragraph.

### 1.3.1 **APPLICATION**

Shell eggs are the primary application of this manual. An egg is defined in the *Egg Regulations* as “an egg of the domestic hen”. These regulations govern only eggs from chickens (hens). Federal registration is required in order to apply a federal grade name to eggs in Canada.

Eggs from other species of birds, such as those from turkeys, ducks, quail, pheasants, etc, are not covered by the *Egg Regulations*, but may be covered under the jurisdiction of other CFIA programs and applicable regulations, and such as Animal Health, Food Safety, Fair Labelling Practices, or provincial regulations. For example, balut eggs, “100 year old” duck eggs and salted duck eggs are not covered under the Egg Program, but instead are covered under the Animal Health Program. See the following link for more details: [Animal Health Import Policy for Egg Products](#)

### 1.3.2 **INSPECTORS’ RESPONSIBILITIES**

Inspectors are responsible to:

- ▭ project a professional image when dealing with regulated parties
- ▭ maintain and utilize appropriate equipment and clothing

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- ▭ take necessary biosecurity precautions
- ▭ verify, through unbiased inspection procedures, that eggs and egg stations are in compliance with established regulations and standards
- ▭ take appropriate regulatory action when necessary

### 1.3.3 INDUSTRY RESPONSIBILITIES

Industry is responsible for:

- ▭ the safety, quality and proper labeling of food products offered for sale, and
- ▭ compliance with the appropriate government regulations

### 1.3.4 EGG INSPECTION ACTIVITY FREQUENCIES

Inspection frequencies in the operational work plan are established based on volume graded combined with the compliance to the regulations.

The minimum frequency of inspection for each establishment is determined on a yearly basis, but is broken down by quarter in the Shell Egg Quarterly Report.

## 1.4 HISTORY

The egg industry in Canada has evolved during the last 100 years from backyard flocks and erratic marketing to today's specialized, automated, regulated industry. Events which shaped the industry include the US Tariff Act in 1890 which restricted imports into the US and propelled egg and poultry producers to improve quality, develop grades and undertake cooperative marketing to supply alternative export markets. In 1915, tentative egg standards were adopted by the Canadian Produce Association. After consultation with the government, "*Regulations Respecting the Grading and Marketing of Eggs*" were promulgated in 1918 under the recently passed *Livestock and Livestock Products Act*. These applied to eggs which were exported or moved interprovincially, and they were the first set of national regulations established in any country in the world.

Canada was also the first country in the world to establish a government supervised poultry improvement plan. It was also at the forefront of markets information and intelligence with the establishment in 1915, by the Dominion Department of Agriculture, of a program to provide markets intelligence relative to eggs and poultry.

Beginning in the 1950s, a series of 'boom and bust' economic cycles gave rise to support and stabilization programs, the establishment of provincial marketing boards to control production, and finally to the national supply management system in place today.

Over the years, a combination of research, innovation, regulation, equipment and technology have guided the development of the egg processing industry in Canada. Canadian egg products are recognized internationally for their high quality. As demand for easy-to-use ingredients has increased, the processed egg industry has expanded steadily. Egg processing includes the production of whole egg, albumen and egg yolks in frozen, dried or liquid form. Processed eggs are used in the manufacturing of many foods, including mayonnaise, noodles and baked goods and also in the manufacturing of products such as shampoo, pet foods and adhesives. In addition, important biochemicals are derived from eggs and enzymes, such as lysozyme can be extracted for use in the pharmaceutical industry.

Canadian Food Inspection Agency inspectors across Canada monitor operations and take random food samples from egg grading and egg processing stations for laboratory analysis to verify compliance with food safety regulations and product standards. In addition, Egg Farmers of Canada (EFC) has voluntary on-farm safety programs that are monitored by its inspectors.

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### 1.5 SUPPLY MANAGEMENT

Supply management is a unique Canadian marketing system whereby farmers ensure they grow enough food to match what consumers need and want. Only five commodities are supply-managed: eggs, milk, turkey, chicken and broiler hatching eggs (eggs from which chickens hatch).

Supply management is a response to highly volatile markets. For some agricultural commodities, there is a lag from the time demand changes to when supply can match that demand. This results in market instability which in turn creates sudden shifts in the prices received by farmers...and those paid by Canadian grocery shoppers. Canadian farmers, in conjunction with provincial and federal governments, created orderly marketing systems known as supply management.

The dairy industry was the first to organize a national supply management system. Comprehensive national supply management for dairy products became a reality in 1970. Egg farmers were the first among the poultry producers to develop a supply management system and the Canadian Egg Marketing Agency (CEMA) was formed in 1972.

Supply management can only work through marketing boards. These boards, operated at the provincial level, ensure that farmers are producing according to provincial and national consumer demands. To coordinate and consolidate these efforts are national organizations such as Egg Farmers of Canada (formerly CEMA). In addition, there are federal and provincial government supervisory bodies regulating the work of the provincial marketing boards and the national agencies.

EFC manages supply by establishing the national requirement for eggs annually. The national requirement is then shared among the provinces. To ensure demand can be met, provincial boards issue production quotas to individual producers after accounting for the numbers of smaller producers who grow eggs without quotas.

EFC is also responsible for the interprovincial movement of eggs, ensuring that any region is supplied sufficient eggs in the size demanded by the region's markets. EFC also purchases eggs to supply Canadian egg breakers who process the eggs into liquid, frozen and dried form for use in food and pharmaceuticals.