

2021 Commodity Profiles



Prepared by:

*Agriculture Industry
Development Section,
PEI Department of
Agriculture and Land*

Table of Contents

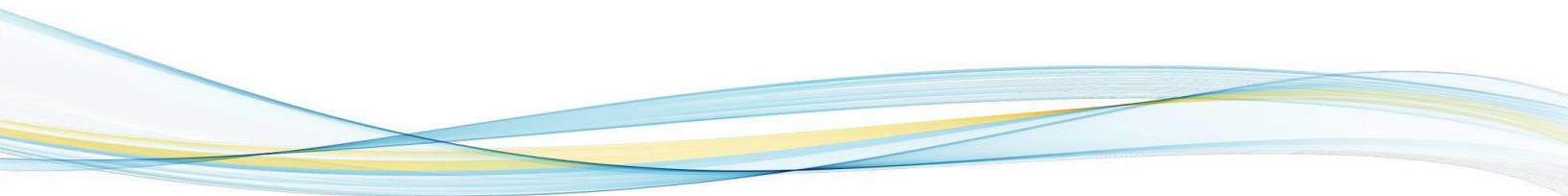
LIVESTOCK.....	2
Beef	3
Broiler Chicken and Turkey	6
Dairy	9
Eggs	12
Hogs	15
Honey Bees	18
Sheep	21
CROPS.....	23
Apples	24
Lowbush (Wild) Blueberries.....	27
Cereal and Oilseeds.....	29
Horticulture (non-fruit crops)	33
Organic Industry.....	36
Potatoes.....	40

Document prepared by:
Suzanne MacNeill
Agriculture Information Officer
PEI Department of Agriculture and Land
April 2021

All photo credits: OHW photo contest entries



LIVESTOCK



Beef



Beef Sector overview:

The beef industry is based on four integrated sectors:

1. **Purebred operators;** produce high value purebred genetics (males, females embryos) for sale to other purebred breeders both nationally and internationally. Purebred males are principally sold to the commercial sector.
2. **Commercial cow-calf operators;** produce cross-bred (a mix of two beef breeds which provided hybrid vigour) feeder calves for the backgrounding/feedlot sector as well as replacement females for own herd or which may be sold to other commercial cow-calf farmers.
3. **Backgrounding operators;** may take weaned calves to a weight of 950 -1000 pounds. (heavy feeders) at which point animals enter a feedlot that focusses on finishing cattle on high energy rations for slaughter. Traditionally, the backgrounding sector has not been an active stand-alone sector mainly because there is considerable health risk in bringing in large numbers of light non-preconditioned (< 500 pound.) feeder calves of different type and sex for fall/winter feeding. However, there is growing interest from Ontario and Quebec feedlots to utilize feeding capacity and background calves on PEI.

4. **Feedlot/finishing operators;** may take either weaned calves or heavy feeders which are then finished to slaughter weight at approximately 1,500 pounds.

Although the sectors are distinct, most producers are involved in more than one sector and some in all four. Surplus dairy animals often enter the beef market mainly as a source to supply ground beef. There are approximately 450 registered beef producers on PEI whose interests are represented by the PEI Cattle Producer organization. <http://peicattleproducers.com/index.php?page=about> . There are approximately 375 producers involved in the cow-calf sectors (5 – 150 cows per farm) and 125 of them background and finish their own calves and/or purchase feeders. An estimated 20 backgrounding operations feed cattle for various feedlots on PEI, Quebec and Ontario and about 50 dedicated feedlots finish between 50 – 1500 animals per year.

On PEI, the integration of the beef industry with other agricultural sectors is paramount to maintaining a vibrant food production industry. Beef cattle provide an outlet for several products of crop systems such as:

- cereal grains (barley, oats, wheat, corn, rye), cereal straws which if ploughed in the soil would require high nitrogen inputs to facilitate microbial breakdown,
- forages used in rotation with the potato crop,
- cull vegetables (potatoes, carrots, turnips etc.), protein meals after oil extraction (soybean, canola, crambe) and potato processing waste (Cavendish, Agra-West).

The recycling power of beef cattle provides options for the use of many of the plant based products while at the same time providing manure that is an integral part of sustainable crop production systems.

Processing:

Atlantic Beef Products Inc (ABP) is a federally licensed processing facility and as such, they can market beef products across Canada. Recently ABP became a **Certified Sustainable Beef Processing Operation** through a third party certification audit, demonstrating their commitment to all five principles of beef sustainability in their operations. <https://www.crsbcertified.ca/processors/>

ABP began implementing a two-cent-per-pound rail premium for all cattle that are grade AAA or higher and weigh a minimum of 750 pounds (hot dressed rail weight) from Verified Beef Production Plus (VBP+) registered producers in Atlantic Canada. There are a number of branded beef programs such as Certified Island Beef, which provide premiums to each member of the production chain.

<https://islandbeef.ca/prince-edward-island-certified-beef/>

Provincially licensed abattoirs include J & D Custom Butchery in Pooles Corner; MacPhee Meats in Clyde River and Montrose Meats in Montrose.

Cattle inventories

Inventories have remained relatively stable over the past four years (Table 1.). However, recent fluctuations in feed grain prices and feed (forages) availability have pressured many farmers to re-evaluate their role in the various sectors.



Table 1: Cattle Inventories, Prince Edward Island

Livestock	Farm type	Survey date	2016	2017	2018	2019	2020	2021
			000 Head					
Total Cattle	On all cattle operations	At January 1	59.7	58.1	60.9	60.5	60.1	61.3
		At July 1	59.2	60.4	61.0	61.0	60.7	
Bulls, 1 year and over	On all cattle operations	At January 1	0.5	0.5	0.5	0.7	0.7	0.6
		At July 1	0.5	0.6	0.7	0.7	0.7	
Beef cows	On all cattle operations	At January 1	9.5	8.8	9.2	9.4	9.2	8.9
		At July 1	9.4	9.7	9.6	9.7	10.0	
Total beef heifers	On all cattle operations	At January 1	7.2	7.2	7.4	7.2	7.0	8.2
		At July 1	6.8	6.6	6.8	6.8	6.8	
Heifers for beef replacement	On all cattle operations	At January 1	1.5	1.2	1.1	1.3	1.4	1.3
		At July 1	1.4	1.3	1.2	1.0	1.2	
Heifers for slaughter	On all cattle operations	At January 1	5.7	6.0	6.3	5.9	5.6	6.9
		At July 1	5.4	5.3	5.6	5.8	5.6	
Steers, 1 year and over	On all cattle operations	At January 1	8.6	8.1	8.4	8.1	8.6	8.6
		At July 1	8.1	7.5	8.2	7.2	7.1	

Source: <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3210013001>

Industry Associations and Contacts

Associations	Website
Atlantic Beef Products Inc	abpi.ca
PEI Cattle Producers	peicattleproducers.com

Prepared by:

Dr. Les Halliday
 Beef Industry Development Officer
 Email: ljhalliday@gov.pe.ca
 Tel: 902-314-0827

April 2021

Broiler Chicken and Turkey



Number of Producers

On Prince Edward Island there are eight registered broiler chicken producers that ship to federally inspected plants in the Maritimes. All registered producers are supply-managed, and fill quotas, allocated based on provincial consumption and national growth. Outside of the supply-managed production, any farm is allowed to have up to 500 chickens for personal consumption and farm-gate retail. Chickens produced by these smaller farms do not directly compete with supply-managed and fill niches for larger birds or chicken raised on pasture.

Source: Heminthavong, Khamnla. Canada's Supply Managed System. Library of Parliament.

<https://lop.parl.ca/staticfiles/PublicWebsite/Home/ResearchPublications/BackgroundPapers/PDF/2018-42-e.pdf>

There are a handful of turkey producers in Prince Edward Island. Larkin Bros. Inc. is the largest turkey producer with over half the Island's turkey production. Larkin Bros. Inc. is also a major distributor of turkey pullets along with local feed suppliers. Turkey production in PEI, and Newfoundland, is not under supply-management as it is in all other Canadian provinces. There is no turkey commodity board and all birds raised in PEI must be processed and consumed within the province.

Chicken and Turkey Production for PEI

Prince Edward Island currently has 0.36% of the national broiler quota. Island producers fill five million kilograms of quota annually.

Source: Janet Hilliard-Murphy. Manager, Chicken Farms of PEI Personal Communications. April 22, 2021.

Turkey Production on PEI does not have the reliable statistics that its supply-managed counterparts in other provinces enjoy. Based on conversations with processors about their annual processing, it is estimated that there are 17000-18000 turkeys being raised annually in PEI. The Department estimates

these turkeys have a farm-gate value of 1.2 million dollars, before value-adding, but it is difficult to determine based on differences in prices between producers.

Processing

Chickens produced under supply-management in Prince Edward Island are processed at either Eden Valley Poultry, Berwick, Nova Scotia, or Sunnymel, Clair, New Brunswick. Both of these processors fill their own markets for retail and restaurant trade.

Larkin Bros. Inc. currently manages the province's largest poultry processing facility in Crapaud, PEI. This facility provides custom killing and processing services for small producers in addition to the farm's own needs. Larkin Bros. Inc. farms have provided a critical service to small farms. There is an additional handful of small processors in the province for poultry and waterfowl.

Emerging Issues

COVID-19 has had a negative impact on the Canadian chicken industry. Changes in product demand combined with reduced processing capacity has led to welfare slaughter of chicken across the country. In December of 2020, COVID-19 was detected in an employee of the Eden Valley Plant. This closed the plant down for 10 days. Through careful management, chicken producers avoided a welfare slaughter, with kill and chill removing enough birds from barns to prevent overcrowding. This closure also impacted the supply-managed turkey industries in the region.

Source: Grant, Taryn. CBC News. Nova Scotia poultry plant reopens early after COVID-19 outbreak.

<https://www.cbc.ca/news/canada/nova-scotia/eden-valley-poultry-plant-berwick-reopening-1.5850527>

Trade Issues

Canadian poultry farmers will receive over \$691 billion in the next ten years from the federal government to compensate for recent trade deals. On November 28, 2020, Marie-Claude Bibeau, minister of agriculture and agri-food, announced that the details of the compensation will be designed with representation from all impacted sectors including chicken, eggs, broiler hatching egg and turkey. These compensations are for losses (market conceded in the Canadian European Trade Agreement (CETA) and the Canadian Trans Pacific Partnership (CTTP). It does not include compensation for the Canadian, United State and Mexican agreement (CUSMA)

Source: Government of Canada, Agriculture and Agrifood Canada. Government of Canada announces investments to support supply-managed dairy, poultry and egg farmers. <https://www.canada.ca/en/agriculture-agri-food/news/2020/11/government-of-canada-announces-investments-to-support-supply-managed-dairy-poultry-and-egg-farmers.html>


Industry Associations and Contacts

Association	Tel
Chicken Farmers of Canada	chickenfarmers.ca

Prepared by:

Jeff Campbell
Dairy/ Livestock Development Officer
Email: jeffbcambell@gov.pe.ca
Tel: 902-218-3568

April 2021



Dairy



Number of Producers:

- 157 milk producers

Source: Canadian Dairy Information Center, <https://www.dairyinfo.gc.ca/eng/dairy-statistics-and-market-information/farm-statistics/farms-dairy-cows-and-dairy-heifers/?id=1502467423238>

Cattle are housed in the following types of facilities

- Freestall and Parlour milking - 74 (47%)
- Freestall and Automatic Milking system - 10 (6%)
- Tiestall 67 - (43%)
- Other (Includes Pack Barns) - 7 (4%)

Production Data for the last 3 years

Table 1: Milk Production for PEI

Year	Production in Hectolitres (Hl)	Farm cash receipts from dairying
2019	1,165,570	89,000,000
2018	1,207,173	87,000,000
2017	1,172,906	86,000,000

Source: Canadian Dairy Information Center, <https://www.dairyinfo.gc.ca/eng/home/?id=1425332075418>

Table 2: 2019 Average components for PEI Milk

Component	Percentage in Milk
Butterfat	4.1770
Protein	3.2169
Other Solids	5.8908

Cattle Inventory

- Milk Cows: 14,500
- Dairy Heifers: 6,400

Source: <https://www.dairyinfo.gc.ca/eng/dairy-statistics-and-market-information/farm-statistics/farms-dairy-cows-and-dairy-heifers/?id=1502467423238>

Processing

Amalgamated Dairies (ADL) - All PEI producers are members of this farmer owned cooperative. ADL is a federally inspected processor. ADL has 5 processing facilities in PEI:

- Summerside – ADL and Dairy Isle Brands, Cheese
- West Royalty – Perfection Brand Fluid Milk
- Perfection (Charlottetown) – Condensed milk
- St Eleanor’s – ADL Fluid Milk and Ice Cream Mixes
- O’Leary – Butter

Purity Dairy – Purity is a privately owned provincially inspected processor. The business is owned by Tom Cullen. They process and distribute milk and specialty products.

There are three other licensed processors that produce specialty cheeses or dairy products. Cows creamery is federally inspected and produces ice cream, cheese and butter. Glasgow Glen farm in New Glasgow is provincially inspected and produces specialty cheeses. Fromagerie PEI in Wellington is federally inspected and specializes in fresh cheese curds.

Emerging Issues

Beef on Dairy Calves – Changes in breeding patterns due to economics (loss of markets for heifers) and technology advances (sexing of semen) there has been a shift in breeding programs by dairy farmers. Many producers are now choosing to breed cows that they do not want offspring from to beef sires. The resulting calves are expected to have more value than dairy calves.

PEI DAL is offering assistance for data collection to analyze the challenges of raising these calves in PEI rather than exporting them. Raising the calves in PEI will allow an opportunity for more of these animals to be processed at Atlantic Beef Products (ABP)

Source:

<https://www.princeedwardisland.ca/en/information/agriculture-and-land/pei-dairy-beef-cross-calf-pilot-project>

Trade Issues

Canadian dairy farmers will receive over \$1.4 billion in the next three years from the federal government to compensate for recent trade deals. On November 28, 2020, Marie-Claude Bibeau, minister of agriculture and agri-food, announced the funds as part of a \$1.75-billion trade deal compensation package granted to the sector last year. The compensation are for losses of market conceded in the Canadian European Trade Agreement (CETA) and the Canadian Trans Pacific Partnership (CTTP). It does not include compensation for the Canadian, United State and Mexican agreement (CUSMA)

Source:

<https://www.nationalobserver.com/2020/12/04/news/feds-pay-dairy-farmers-3-years-trade-deal-compensation>

<https://dairyfarmersofcanada.ca/en/dairy-farmers-canada-welcomes-compensation-announcement>

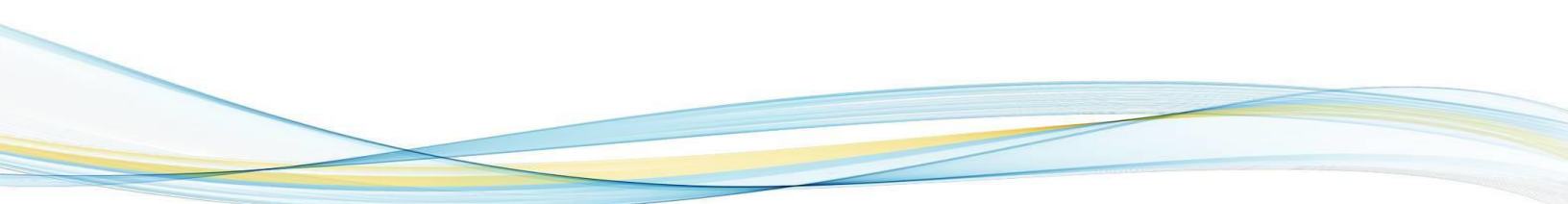
Industry Associations and Contacts

Associations	Website
Dairy Farmers of PEI	dfpei.pe.ca
Amalgamated Dairies (ADL)	adl.ca

Prepared by:

Fred VanderKloet
 Manager Agriculture Industry Development Section
 Email: fsvanderkloet@gov.pe.ca
 Tel: 902-314-0824

January 2021



Eggs



Number of Producers

There are seven licensed egg producers on five farms on Prince Edward Island.

Source: Michael Cummiskey, General Manager- Egg Farmers of PEI, Personal Communications, February 9, 2021

Hens are raised conventional, free-run, aviary and enriched housing productions systems (Table 1.). Currently Island producers are ahead of the national average for transitioning out of conventional housing, which is 10-15%.

Table 1. Break down of laying hen housing systems on Prince Edward Island.

Housing System	Number of Farms
Conventional	2
Free-run	1
Aviary	1
Enriched	1

Source: Michael Cummiskey, General Manager- Egg Farmers of PEI, Personal Communications, February 9, 2021

Egg Production for PEI

Prince Edward Island currently has 0.6% of the national egg quota.

Table 2. Summary of annual egg production and farm receipts, 2018-2020.

Year	Production in '000 Dozens
2020	3,771
2019	3,850
2018	3,794

Source: Statistics Canada. Table 32-10-0121-01 Production and disposition of eggs, monthly

Layer Hen Inventory

In 2020 there was an inventory of 148,000 layers in Prince Edward Island.

Source: Statistics Canada. Table 32-10-0121-01 Production and disposition of eggs, monthly

Table 3. Egg grading numbers and percentages of total production in Prince Edward Island, 2020.

Grades	Sizing	Total Production ('000 Dozen)	Percentage of Production
Canada A	Jumbo Size	76.56	2.00%
Canada A	Extra Large Size	585.66	15.29%
Canada A	Large Size	1,708.14	44.59%
Canada A	Medium Size	502.5	13.12%
Canada A	Small Size	32.96	0.86%
Canada A	Peewee Size	2.13	0.06%
Canada A (Total)	N/A	2907.95	75.90%
Canada B	N/A	18.23	0.48%
Canada C	N/A	40.14	1.05%
Canada Nest Run	N/A	830.19	21.67%
Other	N/A	34.67	0.90%

Source: Egg Farmers of Canada, <https://www.eggfarmers.ca/market-information-tables/#tableau-3>

Processing

Currently eggs are only graded on farm at Burns Poultry Farm Inc. Eggs from Burns Poultry Farm Inc supply contracts on island for both wholesalers and retailers. Excess eggs are declared surplus and shipped to Maritime Pride.

Maritime Pride Eggs is a producer owned Co-operative that is owned by producers in Nova Scotia, New Brunswick, and Prince Edward Island. All of PEI's eggs are graded separately from other provinces. Most eggs graded at Maritime Pride Eggs return to their province of origin. There is no concern in the industry

about off island processing as the model is producer owned and upgrades at the now decommissioned Maritime Pride Grading Facility in New Annan were cost prohibitive.

Maritime Pride Eggs is a business unit of the Quebec based NutriGroupe Inc.

Emerging Issues

The Egg market has been impacted by covid-19. Egg consumption has changed, with an increase in table consumption, and volatility in service industries and slightly reduced overall consumption. Island Egg producers have not been significantly impacted with reduced production due to renovation work on one farm, offsetting decreased demand.

There has been increased interest from consumers for eggs produced on smaller farm units that do not fall inside the conventional egg quota system. This is currently limited at 299 layers per farm.

Cage systems are currently in transition from conventional housing systems to enriched housing systems with a national mandate to phase out conventional housing systems by 2036.

Source: National Farm Animal Care Council –Code of practice for the care and handling of pullets and laying hens –2017

Trade Issues

Canadian poultry farmers will receive over \$691 billion in the next ten years from the federal government to compensate for recent trade deals. On November 28, 2020, Marie-Claude Bibeau, Minister of Agriculture and Agri-Food Canada, announced that the details of the compensation will be designed with representation from all impacted sectors including chicken, eggs, broiler hatching egg and turkey. These compensations are for losses of market conceded in the Canadian European Trade Agreement (CETA) and the Canadian Trans Pacific Partnership (CTTP). It does not include compensation for the Canadian, United State and Mexican agreement (CUSMA)

Source: Government of Canada, Agriculture and Agrifood Canada. Government of Canada announces Investments to support supply-managed dairy, poultry and egg farmers. <https://www.canada.ca/en/agriculture-agrifood/news/2020/11/government-of-canada-announces-investments-to-support-supply-managed-dairy-poultryand-egg-farmers.html>

Industry Associations and Contacts

Association	Website
Egg Farmers of Prince Edward Island	eggspei.ca

Prepared by:

Jeff Campbell
Dairy/ Livestock Development Officer
Email: jeffbcambell@gov.pe.ca
Tel: 902-218-3568

February 2021

Hogs



Number of Producers

Hog producers in Prince Edward Island are classified under two categories, registered hog producers, and hog farmers. A registered hog producer on PEI, must own 10 farrowing sows and produce 50 weaner pigs/year. Operations that finish hogs are designated as hog farms. Currently there are 17 registered producers and 20 hog farmers on Prince Edward Island

Hogs on Prince Edward Island are produced to meet pre-specified market standards. Currently 50 percent of Island production are commodity grade hogs with the remainder being produced as raised without antibiotics (RWA) produced pork or Global Animal Partnership (GAP) certified pork. Both RWA and GAP offer higher prices than commodity pork, but require changes to husbandry and facilities to meet the respective requirements for each.

Source: Tim Seeber, Executive Director - PEI Hog Commodity Marketing Board, Personal Communications, April 1, 2021

Prince Edward Island Hog Inventory and Production

The Tables below summarize total revenue from the sale of hogs (Table 1.) and inventory (Table 2.) in PEI for 2018 - 2020.

Table 1. Summary of annual hog production and farm receipts, 2018-2020.

Year	Annual Hog Production in '000 head ¹
2020	88.7
2019	97.9
2018	86.8

¹Source: Government of Canada. Statistics Canada. Table 32-10-0201-01 Hogs statistics, sows farrowed, pigs born and sows bred to farrow, semi-annual (x 1,000). <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3210020101>

²Source: Government of Canada. Statistics Canada. Table 32-10-0046-01 Farm cash receipts, quarterly (x 1,000). <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3210004601>

Table 2. Summary of hog inventory on Prince Edward Island, 2020

Hog Size	Hog Inventory January 1, 2020 in '000 Hogs	Hog Inventory July 1, 2020 in '000 Hogs
Breeding stock, 6 months and over	4.1	3.8
Boars, 6 months and over	0.1	0.1
Sows and gilts, 6 months and over	4	3.7
All other hogs	34.8	36
Under 23 kilograms	16.5	17.2
Under 7 kilograms	7	8
7 to 22 kilograms	9.5	9.2
23 to 53 kilograms	5.6	6.1
54 to 80 kilograms	5.4	4.9
Over 81 kilograms	7.3	7.8
Hogs, total	38.9	39.8

Source: Government of Canada. Statistics Canada. Table 32-10-0160-01 Hogs statistics, number of hogs on farms at end of semi-annual period (x 1,000)

Processing

There are no federally inspected slaughter facilities for hogs in Canada east of Quebec. The last federally inspected facility in the maritime region closed in 2011. Island producers must ship their product to plants in Quebec, with Aliments Asta Inc, Olymel, and DuBreton, being the primary destinations. There are markets for iso-wean (isolated wean) pigs in Ontario, but it is not a market regularly targeted by Island producers.

The primary markets for Canadian pork are the United States, Japan and South Korea. Canada exports pork to 101 countries in total. Exports to China have decrease as they have increased their domestic production.

Emerging Issues

The Canadian industry is bracing for the arrival of African Swine Fever (ASF). Since its first outbreaks in 2007, the disease has spread across Asia and Europe. The presentation of infection depends on the strain of the virus, with signs and symptoms ranging from reduced appetite and fever, to 100 percent mortality. There is no vaccine against ASF, and illicit vaccines in China have caused the creation of variants.

Source: Government of Canada. Canadian Food Inspection Agency - African swine fever (ASF) – fact sheet. <https://inspection.canada.ca/animal-health/terrestrial-animals/diseases/reportable/african-swine-fever/fact-sheet/eng/1306993248674/1306993787261>

Covid-19 has exposed numerous weaknesses in the centralized slaughter capacity of the livestock industry. The effect of supply chain weaknesses have impacted maritime hog producers disproportionately when compared to other provinces. Agreements between Quebec processors and the Federation des Producteurs de Porcs du Quebec, mandates that locally produced pigs be prioritized in situations of reduced processing capacity. This policy displaced Island hogs and resulted in a welfare slaughter of 200 animals and emergency diversion of 2,000 to Conestoga Meat Packers in Ontario.

Source:
Tim Seeber, Executive Director - PEI Hog Commodity Marketing Board, Personal Communications, April 1, 2021
Lynda Ramsay, Director of Agricultural Resources, Prince Edward Island Department of Agriculture and Land, Email Communications – Subject Re: Pork Processors, April 9, 2021

Trade Issues

Most Canadian pork is exported to the United States, and Asian markets. As an export driven commodity, hog producers have benefited from NAFTA, and plan to benefit under the CPTPP, CETA, Canada-PAFPA trade agreements and many others that are in exploratory discussions.

Source: Canadian Pork Council. Foreign Trade. <https://www.cpc-ccp.com/foreign-trade>

African Swine Fever has benefited Canadian producers by decreasing global pork supplies. This disease however, will negatively affect Canadian exports if it is detected in the country. Contingency plans are in place between Canada and some of its trading partners to minimize this impact.

Industry Associations and Contacts

Association	Website
PEI Hog Commodity Marketing Board	peipork.com

Prepared by:

Jeff Campbell
Dairy/ Livestock Development Officer
Email: jeffbcambell@gov.pe.ca
Tel: 902-218-3568

April 2021

Honey Bees



Number of Producers

There are currently 17 commercial beekeepers on PEI and perhaps an additional equal number of hobbyist beekeepers who do not derive any pollination or honey income from their hives.

Production Data for the last 3 years

Table 1: Honey Production for PEI

Year	Total honey yield in pounds (lbs)	Estimated average honey yield per hive in pounds (lbs)	Total value of honey in dollars (\$) – bulk and retail
2020	159,000	35	332,000
2019	181,000	51	423,000
2018	168,000	38	393,000

Source: Statistics Canada, (The data reported by Stats Canada is collected by PEI Provincial Apiarist via annual voluntary survey)
<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3210035301&pickMembers%5B0%5D=1.2&cubeTimeFrame.startYear=2016&cubeTimeFrame.endYear=2020&referencePeriods=20160101%2C20200101>

Hive Inventory

- Commercial hives: approx. 5,500
- Hobbyist hives: approx. 200

Source: various surveys, funding programs administered by PEI Provincial apiarist

Processing

There are several small honey extraction/ bottling facilities on PEI, many of which only process honey gathered by the particular beekeeper who owns the facility. However, some facilities also purchase un-extracted honey for both extracting and bottling or extracted honey for bottling. Some of the larger PEI honey extract bottling companies are:

- Island Gold Honey Inc. – Roger O’Neill
- Milk and Honey Farm Inc. – Stan Sandler
- Canoe Cove Honey – Mickael Jauneau

Emerging Issues

Small hive beetle

The invasive hive pest, the small hive beetle (SHB) remains the top concern for PEI beekeepers. There are breeding populations of SHB in Ontario, the province from which thousands of hives are temporarily imported to PEI to pollinate wild blueberries. Although more serious pests and diseases are already present on PEI (e.g. varroa mites, American foulbrood disease), PEI beekeepers are concerned the added pressures of imported yet another invasive hive pests could be detrimental to Island beekeeping operations. The principal concern regarding damage from SHB is to stored boxes of honey awaiting extraction or empty honey comb after extraction, both of which are attractive to small hive beetles. Honey comb infested with SHB larvae cannot be extracted and sold for human consumption.

<https://www.cbc.ca/news/canada/prince-edward-island/pei-bees-beekeepers-small-hive-beetle-pest-1.5084912>

Open border for hive importation

As mentioned in the previous paragraph, thousands of hives are temporarily imported from Ontario each year for pollination. Island beekeepers can only supply about 50% of the wild blueberry pollination demand currently (10,000 – 12,000 hives). The two main concerns Island beekeepers have with an open border are, a) the risk of importing damaging hive pests and/ or diseases with out-of-province hives (e.g. small hive beetle) and b) a lack of assurance that their hives will be rented before imported hives. The latter concern is the basis for which Island beekeepers claim that they are not able to increase their hive numbers quick enough to keep up with the pollination demand. In other words, without the closed border, Island beekeepers are hesitant to invest in expanding their operations without the virtual guarantee there will be a return on their investments.

Honey Marketability Issues

Some PEI beekeepers have been reporting issues marketing their honey in recent years, largely due to the increased acreage of buckwheat grown in rotation with potatoes. Some honey markets (e.g. Honibe Lozenges – Island Abbey Foods) have a strict colour threshold for the honey the company purchases from beekeepers. Honey sourced from buckwheat nectar tends to produce a darker, more pungent honey that does not meet light colour grade markets. There are however, specific markets for buckwheat honey but they too, have a specific colour threshold. Island honey that is part wildflower/ part buckwheat honey can be challenging to market as it is both too light and too dark for purist markets.


Industry Associations and Contacts

Association	Website
PEI Beekeepers' Association	peibeekeepers.ca

Prepared by:

Cameron Menzies
Berry Crop Development Officer and Provincial Apiarist
Email: crmenzies@gov.pe.ca
Tel: 902-314-0816

January 2021



Sheep



Number of Producers

In 2020, there were 31 members of the PEI Sheep Breeders Association (PEISBA)¹. It is difficult to obtain exact statistics on the number of sheep producers.

The Department of Agriculture and Land staff estimate that there are between 50 and 75 producers that would be considered a commercial venture. There are less than 10 farms with over 150 breeding ewes on PEI as of spring 2021

¹Source: Ryk Terbeek, President – PEI Sheep Breeders’ Association, Email Communications – Subject Membership List, February 12, 2021

Sheep Production and Inventory for PEI

Prince Edward Island’s sheep industry is focused around the production of light (50-100 lbs) and heavy lambs. Light lambs are primarily marketed in Ontario with most heavy lambs being marketed in the Maritimes. There are a handful of producers focusing on wool production. There is some interest in dairy sheep but its current potential is limited by lack of policy and regulation, and local processing.

Table 1. Summary of breeding ewes, 2018-2020.

Year	Sheep aged one year or older
2020	3,800
2019	4,000
2018	4,000

Source: Statistics Canada. Statistics Canada. Table 32-10-0129-01 Number of sheep and lambs on farms

Processing

There is currently one federally inspected slaughterhouse in the Maritime region, Northumberland Lamb Marketing Coop Limited in Truro, Nova Scotia. In 2021 they processed 3500 Island lambs, which accounted for 50% of their total production².

²Source: Michael Isenor, General Manager- Northumberland Lamb Marketing Coop Limited, Personal Communications, February 9, 2021

There are multiple provincially inspected packing houses in the Maritimes that are a market for Island lamb with Oulton's Meats in Windsor, Nova Scotia, being the largest. There are numerous farms and business selling island lamb direct to consumer that rely heavily on provincially inspected abattoirs in Prince Edward Island.

All cull sheep and lambs marketed as light lambs (50-100 lbs) are marketed in auction houses in Ontario, with Ontario Livestock Exchange (OLEX) being the primary destination.

Prince Edward Island has one major wool processor, MacAusland's Woolen Mills, and numerous smaller mills that cater to niche and high end markets.

Emerging Issues

High auction prices have placed supply strain on local packing houses. This has limited the availability of lamb to Northumberland in particular. There is interest from Northumberland to work with the provinces to develop policy changes to encourage local processing for the industry. Northumberland has also expressed interest in seeing Prince Edward Island as a destination for light lambs to be fattened.

There is interest in milking sheep, along with other small ruminants, but building this industry sector has proved difficult due to lack of policy and regulations. There is a need for legislation to allow non-cow dairy (sheep, goat and buffalo), produced in PEI, to be marketed off island and demonstrate regulated inter-provincial equivalencies.

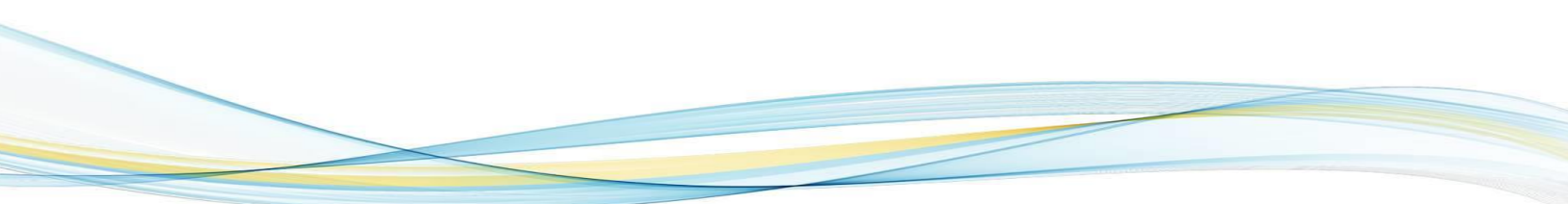
Industry Associations and Contacts

Association	Website
PEI Sheep Breeders' Association	peisheepbreeders.weebly.com
Northumberland Lamb Marketing Coop Ltd	northumberland.ca
Canadian Sheep Federation	cansheep.ca

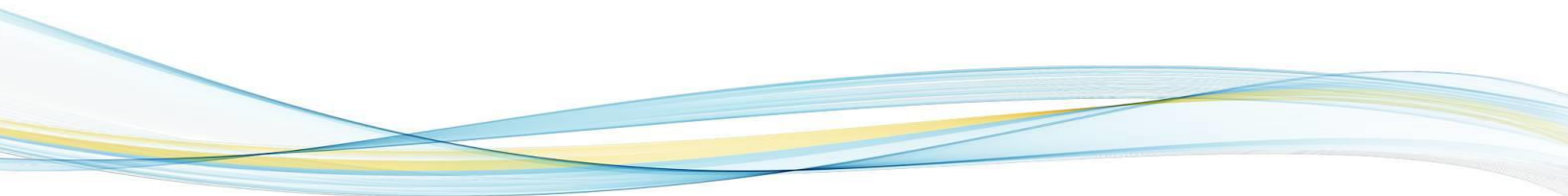
Prepared by:

Jeff Campbell
 Dairy/ Livestock Development Officer
 Email: jeffbcambell@gov.pe.ca
 Tel: 902-218-3568

April 2021



CROPS



Apples



Executive Summary:

PEI's apple industry is undergoing a period of revival and expansion, building on the following foundations:

- A climate particularly favourable to the production of high value apple cultivars (PEI can produce some of the best Honeycrisp in the world). Cooler evenings improves colour of maturing apples, increasing retail value and market demand.
- New investment and significant expansion: 326 acres of high density, trellised apples have been planted in the last seven years, with potential yield of 15 million lbs of apples at maturity. These new higher density trellised apple production systems yield, higher quality fruit than previously possible through "traditional" orchards (lower density, larger trees)
- PEI's apple industry is adapted to the evolving climate: even in drought of 2020, newly planted trees established, and the crop yields and quality did not suffer. If droughts continue to intensify, apple orchards can be irrigated efficiently with strategic use of drip irrigation.
- Market demand for Honeycrisp apple is consistently strong, earning double the price of other apples. Major apple growing regions (Washington, USA) have difficulty producing this apple, creating market opportunity for our growers.
- Controlled Atmosphere Storage and an apple marketing company are being developed, with support from PEI Department of Agriculture and Land and ACOA.

Acreage and numbers:

Currently there are 25 orchardists on PEI, and considerable interest amongst new entrants and established farmers looking to diversify.

There are a total of 400 acres of orchard, with 74 acres of traditional orchard and 326 acres of high density, trellised orchard mostly featuring high value varieties. The high density acreage is not yet in full production.

Estimated number of trees is approx. 300,000.

Market Channels:


Island-grown apples are marketed through the following channels:

- U-Picks: Preferred market channel for many smaller orchards. 2020 was one of the busiest u-pick seasons ever; with the increased attention paid to local food in response to COVID. This marketing strategy reduces labour requirement for apple harvest.
- Retail: Arlington Orchards markets apples and cider through Sobeys.
- Commodity: Larger orchards are marketing through Scotian Gold (NS) and Bellevue (NB)
- Value-added processing: The demand for cider continues to grow, and new cider-specific varieties are being planted on PEI. Cider apples are different from fresh-eating apples, in that they have higher levels of tannins and phenolics. The North American cider market continues to grow and mature, ensuring continued opportunity for craft cider production.

Industry Challenges:

- Because the industry is expanding, there are many orchardists, still learning the complex art and science of producing top quality apples. They are addressing this challenge by collaborating and hosting workshops and training events.

Ecological Benefits:

- PEI's apple industry boasts some of the earliest Integrated Pest Management systems in North America
 - Zero erosion potential from apple orchards, and orchard ecology has potential for carbon sequestration and smart use of water.
- 

Support from PEI Department of Agriculture and Land:

- Perennial Crop Development Program offers up to 50% cost-share for new orchard plantings and orchard expansion, as well as post-harvest storage and processing systems
- Agriculture Research and Innovation Program: Industry Research Coordination subprogram is providing funding support to the PEI Tree Fruit Growers Association to offer a research coordination program. Dr. Derek Plotkowski started work Jan 13, 2021.
- Dedicated support from industry development specialists Adam MacLean and Cameron Menzies.

Other Tree Fruit:

- Apple orchardists are also planting pears, peaches, and plums. Peaches have potential, but the climate is still marginal for their success, though peach production is feasible as a complementary enterprise to apple/pear orchards.

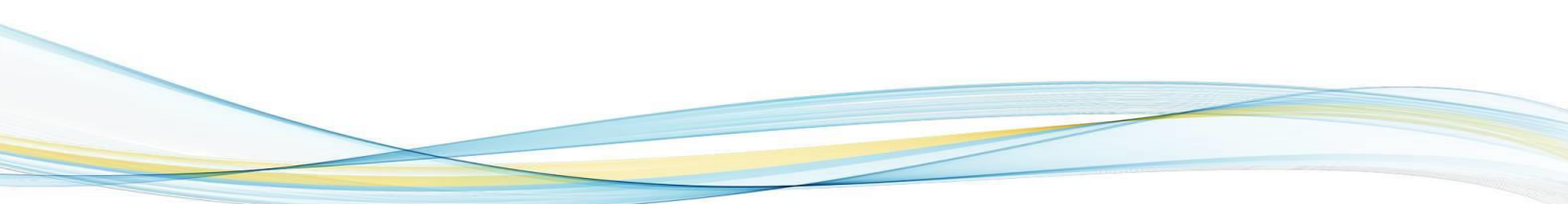
Industry Associations and Contacts

Associations	Website
PEI Tree Fruit Growers Association	peitfga.ca

Prepared by:

Adam MacLean
 Organic and Perennial Crop Development Officer
 Email: adammaclean@gov.pe.ca
 Tel: 902-314-0825

February 2021



Lowbush (Wild) Blueberries



Number of Producers

There is an estimated 120 – 130 wild blueberry growing operations on PEI

Production Data for the last 3 years

Table 1. Wild Blueberry Production for PEI

Year	Total yield in pounds (lbs)*	Average yield per acre in pounds (lbs)*	Farm gate value of wild blueberries in dollars per pound (\$/ lb)**	Total farm gate value of wild blueberries in dollars (\$)**
2020	18.6 million	2,900	0.70 - 0.80	14 – 15 million
2019	17 million	2,800	0.50 - 0.60	10 – 11 million
2018	18.7 million	3,000	0.40 – 0.50	9 – 10 million

*Source: annual survey responses collected by PEI Berry Crop Development Officer

**Source: conversations with various growers and processors over current blueberry price

Acreage Inventory

- Total acres: approx. 13,000
 - Fruiting acres in any given year: approx. 6,500
- Source: annual survey administered by PEI Berry Crop Development Officer, conversations with growers and PEI Wild Blueberry Growers Association
- Note: Wild blueberries are cropped on a biannual cycle

Processing

There are two main wild blueberry processing facilities on PEI which control the vast majority of the wild blueberry purchasing:

- Jasper Wyman and Son Inc.
- Bragg Lumber Company

Small amounts of blueberries have been sold so East Coast Wild Blueberry Ltd. (Millen's Farms) in recent years but Wyman's and Braggs encompass the vast majority of PEI wild blueberry purchasing/processing

Emerging Issues

Field price

The principal concern of PEI wild blueberry growers is the annual field price for their berries. In 2016, the field price hit a historic low of \$0.20 – \$0.30/ lb, well below the breakeven threshold. Although the field price has risen back above the breakeven point in recent years. Recently, the PEI Wild Blueberry Growers Association initiated the process of transitioning from a commodity association to a commodity board, the primary reason being to ensure that member levies are non-refundable.

Climate

Last year (2020) was not a good growing year for multiple PEI horticultural crops, including wild blueberries. Summer droughts along with spring and fall frosts have had significant impacts to PEI wild blueberry yields in recent years. Only one PEI wild blueberry grower has access to mid-summer irrigation to buffer the effects of drought. Some blueberry growers noted a 50% drop in yield in 2020 compared to an average year (growers are paid on the weight of their crop and berries tend to shrivel up or drop right off the vine in dry years). Furthermore, no PEI blueberry growers have any significant protection from frost events. Researchers at Dalhousie Agricultural Campus are looking into methods of strengthening wild blueberry resilience to frost events using growth hormone sprays.

Industry Associations and Contacts

Association	Website
PEI Wild Blueberry Growers Association	peiwildblueberries.com

Prepared by:

Cameron Menzies
Berry Crop Development Officer and Provincial Apiarist
Email: crmenzies@gov.pe.ca
Tel: 902-314-0816

January 2021



Cereal and Oilseeds



Acreage, Production and Cash Receipts

Grains and Oilseed production in PEI is a diverse mix of many different crops. Crops are produced for the Food, Animal Feed and seed production markets. There were over 180,000 acres of grains and oilseeds grown in 2020 with a total production of over 436,000 tonnes.

Table 1. PEI Acreage 2018-2020

Crop	No. of Producers ⁽¹⁾	Acreage		
		2020	2019	2018
Barley	301	47,800	49,600	75,000
Spring Wheat	119	34,800	32,700	28,000
Oats	86	7,900	11,100	10,500
Mixed Grain	18	3,400	6,200	3,700
Winter Wheat	50	12,000	8,400	12,000
Fall Rye	12	6,500	3,000	2,400
Soybean	146	38,300	46,400	41,000
Corn	124	24,500	21,800	16,000
Peas	45	4,800	4,000	2,200
Crambe	8	1,400	150	280
Canola	3	193	155	260

⁽¹⁾Estimation only. Derived from the 2020 Participation Summary Report from PEI Agriculture Insurance Corporation with an assumption that 25% of producers do not purchase crop insurance.

Source: Statistics Canada Table 32-10-0359-01 <https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=3210035901>

Table 2. Production by Crop 2018-2020

Crop	Total Production (metric tons)		
	2020	2019	2018
Barley	65,200	72,300	105,500
Wheat	62,200	60,800	60,800
Oats	8,800	10,100	9,900
Soybean	39,300	36,400	43,200
Corn (Grain)	41,800	40,000	35,400
Corn (Silage)	213,000	113,100	88,100
Peas	6,000	4,300	3,100

Source: Statistics Canada Table 32-10-0359-01

<https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=3210035901>

Table 3. Farm Cash Receipts 2017-2019

Crop	Dollars (x 1,000)		
	2019	2018	2017
Barley	12,484	13,204	9,513
Wheat	10,462	9,849	7,618
Oats	1,383	1,361	1,204
Soybean	13,250	15,924	17,587
Corn (Grain)	4,704	3,600	3,666

Source: Statistics Canada Table 32-10-0045-01

<https://www150.statcan.gc.ca/t1/tbl1/en/cv.action?pid=3210004501>

Table 4. PEI Average Yield (2015-2019)

Barley	Wheat (Spring)	Wheat (Winter)	Mixed Grain	Oats	Grain Corn ⁽²⁾	Soybeans	Green Peas
1.528	1.511	1.685	1.097	1.054	2.339	0.902	1.293

Source: PEI Agriculture Insurance Corporation. 2020 benchmark yields

⁽²⁾ Blended yield with corn silage.

Pedigree Seed Production

Pedigree seed production on PEI ranges from 2,100 to 4,200 acres annually. In 2019, 15 farms held memberships with the Canadian Seed Growers Association producing a total of 2,983 acres of seed. Cereals represented 44% of the inspected acres, followed by soybeans and peas at 30% and 26% respectively. The Canadian Seed Institute recognizes six farms as being Registered Seed Establishment. All six licensed as Approved Conditioner and three with Bulk Storage Facility accreditation.

https://seedgrowers.ca/wp-content/uploads/2020/07/SEED_20-079_AnnualReport2020_FINAL_Eng.pdf

<https://csi-ics.com/registered-seed-establishments-rses>

Handling and Processing

PEI Grain Elevator Corporation (PEIGEC) – is a Provincial Crown Corporation involved in commercial grain handling and marketing. PEIGEC operates three facilities located in Elmsdale, Kensington, and Roseneath and has a combined storage capacity of 35,000 metric tons. Major crops handled include barley, wheat (feed and milling), corn, oats, and soybeans. PEIGEC offers a variety of marketing options to farmers including price pooling, open market pricing, and forward contract pricing. They also offer value added services to farmers including custom drying, trucking, roasting and extruding.

Atlantic Soy Corp (ASC) – located in Belle River, ASC specializes in identity preserved (IP) food grade soybeans for the export market. The facility has a capacity of 14,000 metric tons per year and offers production contracts to farmers with price premiums available for product meeting the minimum IP specifications.

Sollio Agriculture – is a Quebec based company that offers grain-merchandising services for Eastern Canadian farmers including PEI. They operate several elevators and feed mills throughout the Maritimes.

Soya Source – located in Poole's corner, the company extracts oil and meal from soybeans to use as an additive in livestock feed.

Atlantic Oilseed Processing – located in Newton, the company cold presses non-gmo canola. The extracted oil is exported internationally while the canola meal is marketed locally to livestock operations.

Nature's Crop International (NCI) – located in Kensington, NCI provides specialty plant derived ingredients to the food supplement and cosmetic industries. They offer production contracts and storage for crambe and other specialty oilseeds.

Feed Mills – There are various other feed mills across the Island that purchase local grains and oilseeds to process and add value for the livestock industry.

Malt Barley

The craft beer industry on PEI has experienced significant growth in recent years. Along with this has come strong demand for locally sourced malt barley varieties. There are two commercial scale malting facilities utilizing locally grown malt barley. Shoreline Malting located in Slemon Park uses a state of the art enclosed system, while Island Malt house in New Glasgow uses the traditional floor malting method. This has provided barley growers with a niche marketing opportunity for product that meets malting quality and specifications.

Emerging Issues.

Responsible Grains Code of Practice - The Canadian Roundtable for Sustainable Crops is leading the development of Responsible Grains, which is a national, voluntary code of practice for sustainable grain and oilseed production. The code of practice is to promote environmental sustainability and address the concerns of grain buyers and consumers. The code consists of seven modules each containing both required and recommended practices. The modules include nutrient management, pesticide management, soil management, water management, seed selection, land use and wildlife, and human health and wellness. A formal consultation is now taking place across Canada for farmers and stakeholders to provide inputs. The goal of the committee is to have the code implemented by spring of 2021. <https://responsiblegrain.ca/>

Seed Regulatory Modernization – The Canadian Food Inspection Agency (CFIA) is updating the *Seeds Regulations* in Canada, which has been in place since 1905. The goal is to improve responsiveness and consistency, reduce complexity, and strengthen consumer protection. Seed and seed potato stakeholders can provide input at various engagements and through various working groups. The CFIA has a goal of preparing the new regulatory package by the summer of 2022. <https://germination.ca/cfia-to-solicit-feedback-on-regulatory-modernization-in-january/>

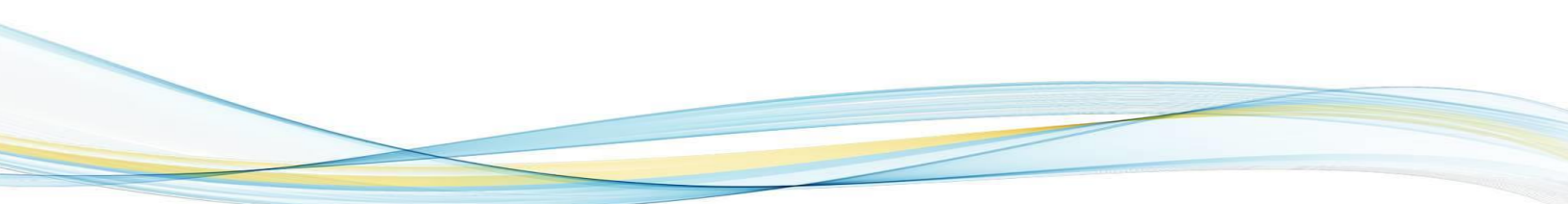
Industry Associations and Contacts

Association	Website
Atlantic Grains Council	atlanticgrainscouncil.ca
PEI Grain Elevator Corporation	peigec.com

Prepared by:

Steven Hamill
Cereals and Oilseeds Development Officer
Email: slhamill@gov.pe.ca
Tel: 902-314-0233

January 2021



Horticulture (non-fruit crops)



Key Points:

- Number of Field Vegetable Farms – 93 (2016 Census)
Greenhouse Tomatoes and Cucumbers – 1 (Organic)
- Total Vegetable Acres are about 2,000 – 2,200 annually (Statistics Canada)
- The largest vegetable crop is fresh carrots. 2020 carrot production was 15,689 tonnes, valued at \$5.3M (Statistics Canada)
- In 2019, total farm cash receipts (FCR) from the horticulture sector (excluding blueberries and potatoes) were \$20,858,000 (Statistics Canada)
- Although the acreage isn't large the crops are high in value and diverse – carrots, pumpkins, kale, edible beans, rutabagas, tomatoes, cole crops, etc.

Marketing & Processing

Many of the Island's horticultural producers sell their product locally; to the Vegetable Grower's Co-op, farmer's markets, restaurants, independent grocers and large national retail chains.

There are no vegetable processing facilities on PEI, however a small amount of carrots are exported to Oxford Foods in Nova Scotia.

Production

Table 1: Acreage by crop

Crop	2020 Acres
Carrot	793
Rutabaga/Turnip	331
Cauliflower	312
Cabbage	105
Pumpkin, Squash, Cuke	89
Onions	54
Sweet Corn	54
Yellow/Green Beans	33
Parsnip	18
Lettuce	10

Source:

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3210036501&pickMembers%5B0%5D=1.5&pickMembers%5B1%5D=3.19&cubeTimeFrame.startYear=2016&cubeTimeFrame.endYear=2020&referencePeriods=20160101%2C20200101>

Table2: Production Data (metric tonnes) for the last 3 years (major vegetable crops)

Crop	2020	2019	2018
Carrots	15,689	14,317	14,493
Rutabaga/Turnip	3,777	4,268	5,272
Cauliflower	1,486	N/A	N/A
Cabbage	1,344	2,433	2,015

Source:

<https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3210036501&pickMembers%5B0%5D=1.5&pickMembers%5B1%5D=3.19&cubeTimeFrame.startYear=2016&cubeTimeFrame.endYear=2020&referencePeriods=20160101%2C20200101>

Emerging Issues

- Labour** - Labour needs are substantial because many operations (planting, packing, harvest, etc) are manual in nature. Vegetable harvest begins in early July and continues daily until fall. This sector employs many foreign labour in the agriculture industry on PEI. The COVID-19 pandemic presented challenges accessing foreign labour.


Industry Associations and Contacts

Associations	Website
PEI Horticultural Association	
PEI Vegetable Grower's Cooperative	canadasfoodisland.ca/export/company/pei-vegetable-growers-co-op

Prepared by:

Lorraine MacKinnon
Potato Industry Coordinator
Email: lormackinnon@gov.pe.ca
Tel: 902-314-1607

April 2021



Organic Industry

Executive Summary:

Organic production continues to expand across Prince Edward Island. There are 47 Certified Organic producers on PEI with approximately 11,700 acres of certified organic farmland. PEI organic farmers produce potatoes, carrots, beets, soybeans, forages, hemp, grains, small fruits, diversified mixed produce (market gardens), beef and a range of value-added product (including animal feed rations, cold-pressed canola oil, flour, baking mixes, ferments and preserves. Farmers may label their products as “Certified Organic” when they are produced according to Canadian Food Inspection Agency’s (CFIA) Canada Organic Regime. PEI’s organic industry is proud to have gender parity in owner-operators.

What is Organic production?

Organic production evolved from the work of pioneering farmers and scientists, and over time became clarified and codified through the work of the International Federation of Organic Movements (IFOAM) and then adapted into legislation and regulation in participating countries. In Canada, the Canadian Food Inspection Agency oversees the Canada Organic Regime.

The Canadian Organic Standards are a detailed set of principles, guidelines and permitted substances that are used in the organic certification process.

Principles of Organic production:

- **Health:** Organic agriculture should sustain and enhance the health of soil, plants, animals, humans and the planet as one and indivisible.
- **Ecology:** Organic agriculture should be based on living ecological systems and cycles, work with them, emulate them and help sustain them.
- **Care:** Organic agriculture should be managed in a precautionary and responsible manner to protect the health and well-being of current and future generations and the environment.
- **Fairness:** Organic agriculture should build on relationships that ensure fairness with respect to the common environment and life opportunities.

From these principles are a wide range of practices encouraged to ensure that a production system adheres to the principles and results in building ecosystem health; these practices include, but are not limited to, promoting biological diversity, extended rotations, use of cover crops, use of adapted varieties, integration of livestock into cropping systems, preventing pest and disease issues through optimal plant nutrition and effective crop rotations, and promoting beneficial insects to encourage balanced predator-prey relationships, and controlling pest/disease issues once they occur with biological and mechanical control methods. Livestock are provided with living conditions and space allowances appropriate to their behavioural requirements to minimize stress, promote good health and prevent disease. Organic livestock eat organically produced feed.

Organic production is highly regulated through a regimented certification process to assess and ensure operational compliance with the Canada Organic Standard. Certification is granted to compliant products following a thorough external audit process by a Certifying Body (CB) that is contracted by a

producer. The Certifying Body is, in turn audited by a Conformity Verification Body that reports to CFIA. The rigorous system of external assessment is key to public trust enjoyed by organic products.

The Canada Organic Regime has equivalency arrangements negotiated with Costa Rica, the European Union, Japan, Switzerland, Taiwan, the UK and the USA. This means that Certified Organic product can be traded between these countries, maintaining the organic standard.

Crop Acreage:

The following crop acreage report is collected from the PEI Certified Organic Producers Cooperative Organic Certification Assistance Project report (2019-2020)

Table 1. Crop Acreage Reports

Crop Type	Acreage
Hay, Forage, Cover Crops	2990
Grains (type not specified)	1529
Wheat	592
Rye	150
Oats	851
Barley	318
Malting Barley	29
Buckwheat	170
Hemp	25
Soybeans	1306
Fava Beans	15
Field Peas	25
Herbs	1
Potatoes	936
Non-potato veg	164
Fruit Crops	204
Other	120.5

Marketing Strategies and Channels:

PEI's organic industry is extremely diverse, and this is reflected in the marketing strategies and channels.

- Many organic growers, particularly smaller growers, direct-market to consumers through Community Supported Agriculture (CSA) subscriptions and box schemes, farmers markets, farm-

owned retail outlets, farm stands, and online e-commerce platforms. Demand is strong, and direct-to-consumer sales ensure the farmer receives the full value of food product retailed.

- Direct-marketing organic growers also market to wholesale accounts (restaurants, retail stores, Wholesale distributors). Larger organic horticulture producers (potatoes, beets and carrots, primarily) market exclusively to wholesale accounts throughout eastern Canada and USA.
- Organic farmers are far more likely than conventional counterparts to invest in value-added processes and infrastructure. PEI organic products include: animal feed rations, cold-pressed canola oil, flour, baking mixes, ferments, preserves, teas, blueberry powder. For example, Barnyard Organics is a CFIA-licensed organic feed mill selling rations throughout Atlantic Canada and is the major buyer of organic feed-grade grains. Another example; Ella's Forest is an organic lowbush blueberry operation that value-adds harvest into blueberry tea and blueberry powders (marketed throughout North America).
- Collaboration is key for smaller commodity producers typically rely on larger commodity producers to aggregate production into volumes feasible for transport.

Industry representation:

The PEI Certified Organic Producers Cooperative (PEI COPC) is an industry association representing PEI's certified organic producers. Full membership is available to certified organic producers and associate membership is available to non-certified producers, and any members of the public that support the organic industry. The association is funded by membership fees, and PEI Department of Agriculture and Land's Industry Research Coordination subprogram.

Support from PEI Department of Agriculture and Land:

- PEI DAL, through CAP, offers the Organic Industry Development Program, which provides cost-share support for specialized equipment purchases, investments in post-harvest processing required to meet organic market requirements, subsidies to encourage transition of land into certified organic production, and support to organic industry associations to implement strategic initiatives required for sector growth. Current budget is \$150,000/year. Quebec is the only other province with organic-specific programming.
- With funding from DAL/CAP, the PEI COPC administers an assistance program that provides a rebate valued at up to 75% of the costs (to a maximum of \$550/applicant) of organic certification. This addresses one of the barriers for new entrants to organic production.
- PEI DAL, through CAP, supports the PEI COPC's Organic Industry Research Coordination project.
- Organic Industry Development Officer Adam MacLean provides extension support to farms.

Industry Challenges:

Provincial Organic Regulation: The use of the term "organic" is governed by federal legislation and regulation, affecting products that are marketed interprovincially or internationally. However, there are no provincial regulations affecting organic marketing, so products market exclusively on PEI can claim to be 'organic' without consequence. PEI DAL Policy and Planning division has undertaken research into organic regulations, and is now exploring next steps with respect to developing regulations.

Distance to commodity markets and lack of infrastructure: In the early days of certified organic production, there was so little supply in Canada that it was feasible for Island farmers to ship product to central and western Canada – the freight costs were inconsequential next to the value of the product. Marketing was easy; farmers would be receiving calls from brokers and buyers looking for product. Now that supply in western Canada is expanding, along with processing capacity, western buyers and brokers are less inclined to go east for product. There remains market opportunity in eastern US, central Canada and even western Canada, but growers now need to be more proactive in marketing product.

Industry Opportunities:

- The North American market’s demand for organic product is far outpacing supply, creating an opportunity for farmers of organic commodities.
- COVID19 has highlighted the importance of local food, and local demand for direct-marketed farm product has expanded significantly. Direct-marketers are reporting new customers and bigger orders.
- Organic growers with support from the PEI Certified Organic Producers Cooperative (PEI COPC) are organizing to address some of the challenges impeding industry expansion, by developing strategies to facilitate grower cooperation and identify opportunities for shared investment:
 - Local food hub: Developing systems to improve efficiency of local food logistics – distribution network, warehousing, supply aggregation.
 - Organic grains network: Facilitating growers in working together to achieve better market intelligence, ensure local buyers/processors have access to supply needed to grow markets, and aggregate supply and distribution for product destined for more distant markets.
 - Organic land network: Developing an organic land management services company to facilitate relationships between non-farming landowners and nearby organic farmers.


Industry Associations and Contacts

Association	Email
PEI Certified Organic Producers Cooperative	organicpei.com

Prepared by:

Adam MacLean
 Organic and Perennial Crop Development Officer
 Email: adammaclean@gov.pe.ca
 Tel: 902-314-0825

February 2021



Potatoes



Key Points:

- Roughly 202 producers (Farm Units) (2016 Census of Agriculture)
- The potato industry on PEI, contributes \$1.35 billion to the Island economy in 2016 (PEI Potato Sector: Economic Impact Analysis, Dr. Ziad Ghaith, 2020 https://www.princeedwardisland.ca/sites/default/files/publications/af_potato_econ_impact_study.pdf .
- The industry created employment of 5,016 Full-Time Equivalent (FTE) jobs on PEI in 2016, and 2,086 FTE jobs in other Canadian provinces (Ghaith, 2020).
- In 2020, PEI lost its top ranking as Canada's largest potato producing province; a position PEI has held since 1976 (Statistics Canada, 2020 <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3210035801> .
- Both Manitoba and Alberta produced more potatoes, although each province had fewer potato acres than PEI.
- Almost 90% of PEI's potatoes and potato products are exported to the US, and potatoes make up 87% of PEI's total agri-food exports (Statistics Canada, 2018).

Types of Production – Seed, Table, Processing and Organic

Processing – The majority of PEI potatoes go to the processing sector and are made into products such as French fries and potato chips.

Seed – About 100 growers produce over 100 varieties of seed potatoes on PEI (PEIDAL Seed Potato Certification Directory). The seed potato industry supports local table and processing growers, and PEI also exports seed domestically and internationally.

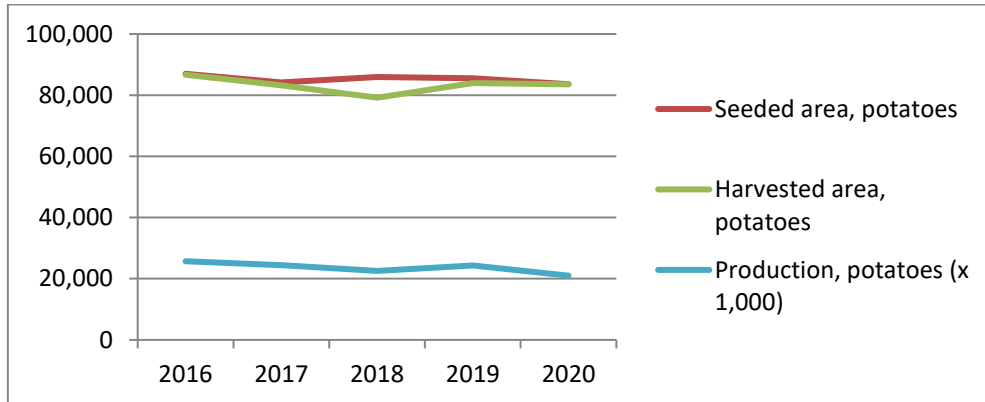
https://www.princeedwardisland.ca/sites/default/files/publications/af_seedbook.pdf

Table - Potato packing sheds are not as numerous as they were in years past, but these state-of-the-art facilities pack, market and ship potatoes internationally.

Organic – Roughly 600 acres of organic potatoes are grown on PEI, mostly by conventional growers who dedicate a portion of their acreage to organic. This industry is worth about \$3 million. (Adam MacLean, Organic and Perennial Crop Development Officer). For more information on the organic potato sector, please refer to Adam’s Commodity Profile.

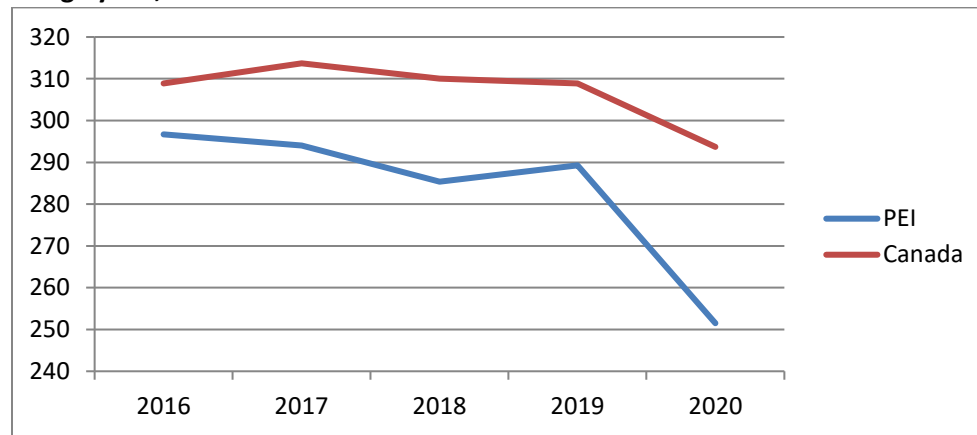
Production Data for the last 5 years

Graph 1: PEI Potato Acres seeded, harvested and total production 2016-2020



Statistics Canada, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3210035801>

Graph 2: Average yield, PEI vs Canada 2016-2020



Statistics Canada, <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=3210035801>



Industry Associations and Contacts

Associations	Website
PEI Potato Board	peipotato.org
Cavendish Farms	cavendishfarms.com

Prepared by:

Lorraine MacKinnon
Potato Industry Coordinator
Email: lormackinnon@gov.pe.ca
Tel: 902-314-1607

April 2021

