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*"Improve the economic well-being of agriculture and enrich the quality of farm family life."*

## **Facts About Cage-free Eggs**

American consumers may choose (and buy) whatever type of egg they prefer and can afford: "regular" eggs (modern, sanitary cage housing systems), cage-free (no access to outdoors), or free range (at least some access to outdoors). Approximately 95% of American consumers choose "regular" eggs when they make their purchase decisions at the grocery store. Eggs are among the lowest cost sources of high-quality protein—an ideal meal solution for low-income Americans.<sup>i</sup>

American consumers buy eggs from cage housing systems by a margin of more than 40 to 1 over eggs from cage-free systems according to Information Resources, Inc. ("IRI"), which tracks checkout scanner transactions from 34,000 grocery and other retail stores in the United States.<sup>ii</sup> In 2009, 92% of all eggs consumers purchased in retail stores were from cage operations, just 2% were from cage-free operations, and only 1% were from free-range/organic operations. The remaining 5% of eggs were other specialty eggs; the percentages remain unchanged from 2008.<sup>iii</sup>

Animal rights groups are pushing for requirements that all eggs produced in America be "cage-free." Bans on traditional cages will be implemented in California over the next 5 years, in Michigan over the next 10 years, and animal rights groups are pushing for bans in several other states. Similar bans are being implemented in Germany next year and in many European countries in the next few years.

Animal activist groups, restaurants, and food marketing firms pushing cage-free or free-range egg options are doing so without regard for animal care, health, or consumer interest. Consumers should be fully informed of the impact of such "options" and educated on the modern three housing systems.

## **Illinois Farm Bureau Policy**

The Illinois Farm Bureau ("IFB") supports "the care of livestock through accepted management practices which will provide for better health and safety for the livestock while maintain acceptable production levels."<sup>iv</sup>

## **Key Issues**

### **Egg Quality and Composition**

A study performed by the United States Department of Agriculture (“USDA”) Agricultural Research Service (“ARS”) comparing egg quality and composition has confirmed that traditionally caged egg production methods were of significantly better interior egg quality (measured in Haugh units) and had stronger, more elastic vitelline membranes than cage-free eggs. In addition, there is no significant differences between the two production methods for shell thickness or composition of the eggs.<sup>v</sup>

### **Consumer Spending**

Consumers would be forced to spend \$2.6 billion more for eggs each year, a 25% increase over current spending levels, if they were forced to only buy non-cage eggs.<sup>vi</sup> The USDA statistics indicate that on average during early September 2009, one dozen grade A “regular” eggs were advertised at retail for \$1.00 per dozen compared to \$1.59 per dozen for cage-free. Production costs in cage-free systems are higher due to higher capital costs, lower egg production per hen, higher feed costs, increased mortality, and higher labor costs. These higher costs will likely be passed on to consumers.<sup>vii</sup>

### **Conversion Costs**

Eggs are produced commercially in 49 states. Nearly all commercial egg farms in the United States are family-owned farms or farmer co-ops; there is only one publicly traded company. Approximately 95% of egg-laying hens in the US are housed in modern cage facilities.

The cost to farmers of converting their modern hen houses into cage-free facilities is estimated to be \$7.5 billion. The availability of credit and local permits could be a major obstacle for many farmers attempting to make the switch.

### **Imports and Food Safety**

The United States is self-sufficient in supplying eggs for domestic consumption, and is a net exporter of eggs. A ban on Modern Sanitary Cage systems in the US would likely result in dramatic increase of lower cost, imported eggs into the US. If just 10% of domestic production and consumption were replaced by imports, this equals about 7 billion eggs, or 25 eggs per person.

Egg imports may come from countries with lower animal welfare standards than US egg farmers follow, and such a surge in imports would seriously strain the ability of the US Government to inspect those additional imports for salmonella or other food safety contaminants.

## Government Spending on Food Assistance for the Needy

Significant numbers of eggs are purchased for the school lunch and breakfast program (\$47 million annually); Special Supplemental Nutrition Program for Women, Infants and Children (WIC-\$100 million); and the Supplemental Nutrition Assistance Program (SNAP-formerly the Food Stamp Program).<sup>viii</sup> Federal spending on food assistance programs for children and the needy would increase by \$169 million annually if the government could only purchase cage-free eggs.<sup>ix</sup>

## Labeling

The USDA Food Safety and Inspection Service (“FSIS”) has no stipulations in place for labeling eggs as “cage-free,” and stipulates that for eggs to be labeled “free range” or “free roaming,” “Producers must demonstrate to the Agency that the poultry has been allowed access to the outside.”<sup>x</sup> There are neither standards in place for auditing the conditions made available to nor the diet of the chickens.

## Environmental Degradation

Factors such as indoor air quality, ambient lighting, temperature, and ventilation, as well as atmospheric dust emissions, are managed more efficiently in modern environmentally controlled cage systems.<sup>xi</sup> Moreover, non-cage eggs have higher environmental and carbon footprints compared to “regular” eggs.<sup>xii</sup> Cage-free chickens require 15-25% more feed to produce the same number of eggs as chickens in Modern Sanitary Cage systems.

An additional 7 billion pounds of corn and soybean meal would be needed to feed cage-free chickens, requiring an additional 580,000 acres of cropland to be tilled for farmland, with resulting potential for habitat losses and other increased environmental impacts. US egg farmers also would need to acquire 400% more farmland for their egg-laying operations if Modern Sanitary Cage systems, which are typically tiered up to 40-foot high, are banned.<sup>xiii</sup>

## Welfare and Food Safety

“The outside of an egg can get contaminated by *salmonella enteritidis* by contact with feces and dirt. The bacteria can spread to the hens through contaminated feed or water, from chicken-to-chicken and via wildlife vectors such as wild birds and rodents. Neither conventional, free-range no cage-free farms are immune to these possible modes of spread. Furthermore, an intriguing and dangerous characteristic of the *salmonella enteritidis* strain is that it can also travel to the chicken’s reproductive tract and infect the inside of the egg.”<sup>xiv</sup>

Cage-free housing systems that allow hens to behave naturally (e.g. nest building for laying hens) may result in more challenges for disease and injury control. Hens in cage-free systems have a higher chance of internal parasites, mites, bone breakage, reduced cleanliness, poor foot health, cannibalism, mortality, and air quality compared with cage systems. Conversely, advantages of caged systems include: improved bird health as hens are separated from feces, small group size with reduced incidence of pecking and cannibalism, good environmental

control, no risk of predation, reduced risk of hen hysteria and smothering, improved foot health, increased egg production, increased egg cleanliness, and easier management by personnel.

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<sup>i</sup> United Egg Producers. (2009, October 6). U.S. Consumer Egg Prices Could Rise by 25% if Animal Rights Activists Get Their Way. *PRNewswire.com*. Online.

<sup>ii</sup> Smith, Rod. (2010, May 10). Eggs: What we buy, pay, want. *Feedstuffs*, 82(19).

<sup>iii</sup> Smith, Rod. (2010, May 10). Eggs: What we buy, pay, want. *Feedstuffs*, 82(19).

<sup>iv</sup> Illinois Farm Bureau. (2010). Animal agriculture. *Policy resolutions* (pp. 44). Bloomington, IL.

<sup>v</sup> United States Department of Agriculture. Agricultural Research Service. (2009). Physical quality and composition of retail shell eggs. *Poultry Science* 89, pp. 582-587.

<sup>vi</sup> United Egg Producers. (2009). *Impacts of Banning Modern Cage Egg Production in the United States*. Atlanta, GA.

<sup>vii</sup> Promar International. (2009). *Impacts of Banning Cage Egg Production in the United States*. Alexandria, VA.

<sup>viii</sup> United Egg Producers. (2009, October 6). U.S. Consumer Egg Prices Could Rise by 25% if Animal Rights Activists Get Their Way. *PRNewswire.com*. Online.

<sup>ix</sup> Promar International. (2009). *Impacts of Banning Cage Egg Production in the United States*. Alexandria, VA.

<sup>x</sup> United States Department of Agriculture. Food Safety and Inspection Service. (2010). *Meat and poultry labeling terms*. Washington, DC. Online.

<sup>xi</sup> Promar International. (2009). *Impacts of Banning Cage Egg Production in the United States*. Alexandria, VA.

<sup>xii</sup> United Egg Producers. (2009). *Impacts of Banning Modern Cage Egg Production in the United States*. Atlanta, GA.

<sup>xiii</sup> United Egg Producers. (2009). *Impacts of Banning Modern Cage Egg Production in the United States*. Atlanta, GA.

<sup>xiv</sup> Jay-Russell, Michele and Michael Payne. (2010, August 26). Are free-range eggs safer? *CNN.com*, OPINION. Online.