



# Canada's Dairy Industry at a Glance



## Overview...

- Canadian milk and dairy products are world-renowned for their excellence. Enforcement of strict quality standards in dairy farms and in processing plants contributes to this international reputation.
- In 2007, dairy production in Canada generated total net farm receipts of \$5.2 billion and accounted for dairy products sales valued at \$11.6 billion, representing 15% of the Canadian food and beverage sector. The dairy industry ranks fourth in the Canadian agricultural sector following grains, red meats and horticulture.
- About 81% of Canadian dairy farms are located in Ontario and Quebec, 13.7% in the western provinces and 5.5% in the Atlantic Provinces. Furthermore, there are 445 dairy processing plants (including 280 federally-inspected) contributing to more than 22,130 jobs.
- The typical Canadian dairy farm counts 67 cows. As of January 1<sup>st</sup> 2008, the Canadian dairy cattle population totalled 1,459,600 head of which 989,500 were dairy cows.
- The Canadian dairy sector functions under a supply management system, based on planned domestic production, administered pricing and dairy product import controls.

## ...Genetics

- The Canadian dairy industry is famous for the superior genetic quality of its cattle herd. Canada's largest markets for dairy genetic material are countries in North America, the European Union, and the Asia/Pacific region.
- The average Canadian cows enrolled on official milk recording programs produce of 9,538 kg of milk per cow (305 days of lactation) with an average content of 3.77% fat and 3.22% of protein.
- The Holstein breed is the most common dairy breed (93% of the dairy herd); Ayrshire, Canadienne, Guernsey, Jersey, Milking Shorthorn and Brown Swiss breeds are also found on Canadian farms.
- Canadian dairy genetic exports reached \$102.6 million in 2007, representing an increase of 31% over the previous year. This increase is largely due to the reopening of Canadian markets for cattle as well as the continued year-over-year export growth in dairy semen (6%) and embryo (12%) exports. As countries continue to negotiate the reopening of their borders to live dairy breeding cattle from Canada, exports of Canadian dairy genetic material will continue the recovery to pre-BSE levels. In 2007, there were shipments of dairy breeding cattle to South Korea, Barbados, Russia, Kazakhstan and the United States.

## ...Processing of dairy products

- The dairy processing sector is relatively concentrated. Today, 14% of Canadian plants are owned by the three largest processors in the country, (Saputo, Agropur, and Parmalat), processing approximately 70% of the milk produced in Canada.
- The fluid milk market (table milk and fresh cream) represents 38.6% of milk production or 29.2 million hectolitres, while the market for manufactured dairy products such as butter, cheese, yogurt and ice cream accounts for 61.4% of production or 46.5 million hectolitres of milk.
- More than 450 fine and traditional cheeses, including goat, ewe and raw milk cheeses are produced in various regions of the country.
- The market for functional dairy products in Canada is very promising. Already several products have been developed, such as probiotic yogurts and dairy products containing Omega-3 fatty acids.
- Production of organic milk is steadily increasing in Canada. It reached 49.7 million litres in 2006/07, which represents less than 1% of total dairy output. Production of goat and ewe milk is also on the rise.

## ...Quality and safety

- Strict quality standards applied throughout Canada's production and processing chain contribute to the excellent reputation of Canadian dairy products. A significant number of dairy plants are HACCP and/or ISO certified.
- The on-farm food safety program: "**Canadian Quality Milk**," a HACCP program developed by the Dairy Farmers of Canada is certified by the Canadian Food Inspection Agency (CFIA).
- Thanks to the strict standards in place, several serious cattle diseases have been eradicated from Canadian dairy herds. The Canadian Food Inspection Agency's National Health of Animals Program ensures the maintenance of national eradication programs and also ensures the mandatory control and monitoring in accordance with international agreements, particularly OIE agreements, protecting Canadian livestock from serious diseases that could restrict trade or pose a risk to human health.
- In January 2004, the transition to Radio Frequency Identification officially began in Canada. The National Livestock Identification for Dairy (NLID) system provides unique animal identification within the herd.

## ...Associations and organizations related to the dairy sector

- Government and various partners in industry work in close cooperation to coordinate the movement of milk from the farm to the consumer.
- The Dairy Farmers of Canada (DFC), the Dairy Processors Association of Canada (DPAC), the Canadian Dairy Commission (CDC), provincial marketing boards and Agriculture and Agri-Food Canada (AAFC) work as partners to ensure a strong and dynamic Canadian dairy industry.
- The CDC supports the industry by implementing national policies for dairy production, by assessing changes in demand for milk and dairy products and production of milk, and by coordinating the pooling of milk revenue and the market-sharing systems.
- CFIA is responsible for setting standards for dairy products, for inspecting plants, and for regulating packaging and labelling. CFIA also enforces veterinary health programs and ensures the safety of dairy products.
- Research and development of new dairy products are the result of strategic alliances among producers, processors, universities, and federal and provincial research centres.

As a world leader in food safety, Canada strives to be an international leader in innovation and environmental protection. High standards in these fields contribute to the quality of Canadian milk and dairy products, and respond to the demands of consumers in Canada and abroad.

**...Want more information? Visit the Canadian Dairy Information Center (CDIC) at <http://www.dairyinfo.gc.ca> or contact:**

**Pierre Doyle, P.Ag.**

Assistant Director,  
Dairy Section, Animal Industry Division  
Agriculture and Agri-Food Canada  
1341 Baseline Road, T5-2-353  
Ottawa, Ontario  
K1A 0C5

**Tel.:** (613) 773-0235

**Fax:** (613) 773-0300

**E-mail:** [cdicinfo@agr.gc.ca](mailto:cdicinfo@agr.gc.ca)

**Chantal Paul**

Chief, Communication Services  
Canadian Dairy Commission  
960 Carling Avenue, Building No. 55  
Ottawa, Ontario  
K1A 0Z2

**Tel.:** (613) 792-2040

**Fax:** (613) 792-2009

**E-mail:** [cdc-ccl@agr.gc.ca](mailto:cdc-ccl@agr.gc.ca)