



Benefits for the Economy

The major restaurant and grocery chains—from Walmart and Costco to McDonald's and Denny's—have already announced they're going cage-free. Proposition 12 simply codifies those voluntary pledges and prevents outliers from resorting to cruel and unsafe practices. Prop 12 will also reduce lost productivity and health care costs due to foodborne illness, as cage-free products tend to have less *Salmonella* than caged.

What would the impact of this ballot measure be on food prices?

The USDA funded an Iowa State study that determined it can cost 11 percent *less* not to confine mother pigs in ultra-restrictive crates. And the American Veal Association "recommends that the entire veal industry convert to the group housing methodology," acknowledging the economic feasibility of such a switch.

While freeing hens from cages may increase the price of an egg by a penny or two, the hidden cost of such inhumane confinement is increased animal suffering and food safety risks.

Hidden costs of the current system

Meat and egg producers that use cages simply externalize costs, with animals and consumers paying the hidden price. For example, the FDA estimates that 79,000 Americans are sickened every year by consuming eggs tainted with *Salmonella*. Research shows that cage confinement facilities are significantly more likely to harbor this dangerous bacteria, which is why the Center for Food Safety endorses Prop 12.

What happened to egg prices in 2015 after a similar animal protection measure took effect?

California's temporary price disruption was largely due to a national bird flu outbreak and due to the egg industry itself.

After California voters overwhelmingly approved Prop 2 in 2008 requiring more space for farm animals, the egg industry had six years to transition. But instead of listening to voters, they dragged their feet, scrambling in the final months to comply. Compounding that self-induced problem, the country's worst outbreak of avian bird flu spread across the country, causing six major egg-producing states to declare a state of emergency. As a result, egg prices rose in California and across the whole country. Nonetheless, egg prices in California are now often roughly on par with the national average. And in the summer of 2016 egg prices in California were *below* the national average.

Additionally, the egg industry feigns concern for its consumers, but it actually gouged them for years in a massive price-fixing scheme. To date, egg producers have paid \$59 million to compensate victims of this scandal.

Benefiting the Economy

When employees are sickened by consuming eggs or meat contaminated with dangerous pathogens, they're forced to deal with lost wages and higher health care costs. In addition, companies lose productivity. By creating a safer food supply, Prop 12 will further boost California's economic output while improving the lives of its citizens.