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VEAL Farmers of Ontario

Return undeliverable Canadian addresses to: Veal Farmers of Ontario 449 Laird Road, Unit 12, Guelph, ON N1G 4W1 IN THIS ISSUE 2023 AGM highlights On-farm actions for improved health Sustainability of high veal prices

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Spring 2023 Volume 5, No. 1

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# Rewarding experiences and making a difference for our industry

As I reflect on my time served as both a Veal Farmers of Ontario (VFO) Board member and as Chair, I can confidently say it has been one of the highlights of my career in the veal industry. I was initially appointed to serve on the newly created VFO Board of Directors by the Ontario Farm Products Marketing Commission in 2015 and have really appreciated and enjoyed the past eight years with my fellow board members. Before that, I had also served with the Ontario Veal Association as a Director for a few years as well. I will miss the opportunity to provide input into the issues being addressed or helping to set the priorities for the industry. At the same time, I know that my contributions made a difference for the Ontario and Canadian veal sectors.

I am very proud of the contributions that VFO has made to the Ontario Agriculture Sustainability Coalition (OASC) in our efforts to lobby for additional funding for the Risk Management Program (RMP). It was a highlight for me to attend the announcement in July 2020 with then Minister Hardeman and our industry partners where he announced an additional \$50 million into the RMP program. The OASC group continues to lobby for an additional \$100 million to the program as we all know that our input costs have increased dramatically, and it is important that the program keep pace with the economic realities.

Leading through the COVID-19 pandemic was an interesting experience. Not only did I have responsibilities for my family and the veal cattle on the farm, but also to VFO as both an organization and its people. Together with the staff and the board, we worked together throughout the pandemic to ensure that all livestock farmers were protected and taken care of, and we became experts in Zoom!

Protecting our farms, families, our homes, and our livestock was also an important reason for me to get involved in the Bill 156 constitutional challenge by animal activists. Representing all our hardworking members and defending the veal sector and our production practices against yet another threat by activists whose sole agenda it is to eradicate animal agriculture was very important to me. Bill 156 protects our farms from trespassers, protests and animal activists looking to get the 'gotcha' moment on their covert undercover videos. As VFO Chair, I felt it was important to draw that line in the sand and stand up for this important legislation. While being cross-examined by the animal activist lawyers was not how I preferred to spend my day, if we don't stand up for ourselves then who will?

I have often said that I have learnt so much and received far more from the VFO being a board member than I feel that I have contributed. I have had the privilege of working alongside a diverse group of board members who bring their insights and perspectives to the table. I have benefitted from all the support and hard work of our staff that has helped me balance the responsibilities of being Chair. I know that together we have all made a difference for our industry.

And while my time as Chair and as a member of the VFO Board of Directors has come to a close it is not good-bye. I look forward to supporting VFO in any way I can and contributing to the Ontario dairy calf and veal industry in new and different ways. My entire career has been dedicated to this industry and I am so proud to be a part of it. You will still see me around at various events and meetings. VFO is an important organization within the cattle sector, and I know they will continue to push higher and move farther ahead in the year to come on the important issues impacting us all. I wish the VFO Board and its amazing staff all the best in the year ahead as they continue to do the important work for the dairy calf and veal sectors. Thank you for the privilege and opportunity to serve as your Chair of this important organization.





# Twenty-five years where does time go?

It is hard to believe that 25 years—a quarter of a century—have flown by since I first started working for the Ontario veal sector. Like it was yesterday, I can remember the interview panel made up of Ontario Veal Association (OVA) representatives—Ian Foster, President and Marvin Kroesbergen, Vice President. Also present were members of the Ontario Cattlemen's Association (now Beef Farmers of Ontario), including then-General Manager extraordinaire, Graeme Hedley. The job advertisement was for a Project Coordinator to manage various events, communications such as the newsletter and the website, and work with the Board of Directors.

My intention at the time was that I would learn all that I could about the role and maybe take that experience to another position a few years later. Ian Foster, with much encouragement and a smile, told me the first job I had to do was organize the Annual General Meeting (AGM) in January 1998. I had no idea what I was getting myself into, had no idea what all was involved with an AGM, but enjoyed the interaction with members and industry partners and flash forward to this past AGM and I have now helped to organize 26 AGMs for our members!

There have been so many pivotal issues for the veal sector over the past 25 years that have really helped to shape where we are today. There have been weight limit issues from the very get-go and the OVA worked hard to secure the upper weight limit rather than reverting back to a lighter weight as a result of a sunset clause in the legislation. The industry also addressed hide removal during processing, the removal of implants from veal production, retaining marketing funds for veal initiatives, the impact of BSE on the cattle industry, voluntary grading, certification and retail value chains, another weight limit lobby effort, and the creation of Veal Farmers of Ontario as a regulated marketing board...just to name a few!

I have often heard it said that passion is the difference between having a job and having a career. I have been very fortunate to have built a career focused on bettering the Ontario veal sector, working collaboratively with industry partners, and given the opportunities to represent hard-working farm families on a number of important issues. Passion is what fuels my drive to do better, to learn more, and to accomplish goals. But more importantly, I believe in our sector and the fantastic work that farmers do to produce food for the consumer.

Every day there is a new issue to address or project to work on. There has never been a dull moment working in the sector. I have often said that the day your to-do list is finished or you have run out of ideas is perhaps the day you need to consider moving on. Well, I don't recall ever completing my to-do list yet as I am always adding new items or issues. I have also been very fortunate to work with a great group of dedicated staff members who also work so hard for the sector and support me in so many ways thank you.

What will the next 25 years look like for the Ontario veal sector? Time will tell with all of the changes we are seeing now with calf supply, dairy breeding strategies, imports from the European Union and other factors impacting the sector's ability to meet market demands and compete in the protein market. I am confident that there will always be a market for veal.

I have often said that while I don't own any veal cattle myself, I feel the ups and downs alongside each of you as if I did. I have been so fortunate to have worked with so many great Board members, Presidents and Chairs over the years who have all helped to guide and mentor me along the way. I have appreciated the trust, flexibility, and support from all involved in the sector. It has been a true privilege to serve Ontario's veal farmers for the last 25 years and I look forward to continuing to work with you all for some time to come.

# 2023 AGM highlights



Veal Farmers of Ontario (VFO) was pleased to be back in-person for our 2023 Annual General Meeting (AGM) and Producer Education Day on Wednesday, March 8, 2023, welcoming over 75 attendees to The GrandWay Events Centre in Elora, Ontario. Industry leaders shared an overview of the projects, activities and initiatives undertaken by VFO in 2022, highlighting the opportunities this past year has provided to connect with our members, industry partners, and government to work together and achieve our goals.

#### Thank you to our attendees, special guests, sponsors, staff, and Board of Directors everyone had a vital role in making the 2023 AGM a great success!



VFO was pleased to welcome Parliamentary Assistant Rob Flack to our 2023 AGM. PA Flack delivered greetings and a message on behalf of the Ontario Ministry of Agriculture, Food and Rural Affairs.



VFO was also pleased to welcome Ralph Dietrich, Member of the Ontario Farm Products Marketing Commission to our 2023 AGM. Dietrich provided greetings on behalf of the Commission to VFO and the membership, recognizing the role VFO plays as your calf care partners.



Congratulations to VFO Executive Director Jennifer Haley for 25 years with VFO and the legacy Ontario Veal Association. Thank you for your dedication and commitment to Ontario's veal sector.



Congratulations to retiring VFO Directors Cam Knip, who has been a member of the Board since 2019 and previously served on the Executive, and VFO Chair Pascal Bouilly. Thank you both for your many contributions to our organization and our industry.



VFO was pleased to welcome Pierre Cote, Vice President of Sales and Marketing at Montpak International to our 2023 AGM. Thank you to Montpak International for sponsoring the veal chops served at our Ontario Veal Appeal-inspired lunch, featuring the Grilled Veal T-Bones with Maple Mustard BBQ Sauce recipe found on page 30 of this issue.



#### Producer Education Day

Amanda Kerr, Senior Nutritionist from Grober Nutrition Inc., kicked off our Producer Education Day with a closer look at determining if a calf is ready to be weaned, including advice on how to evaluate how successful your weaning program is.

Steve Duff, Chief Economist for the Ontario Ministry of Agriculture, Food and Rural Affairs, offered a comprehensive look at the current beef and veal markets, including key drivers that will influence pricing in 2023.

# Annual VFO Board of Director's Award winner announced

Recognizing dedication and service to the veal cattle industry

Veal Farmers of Ontario (VFO) was pleased to announce this year's VFO Board of Director's Award winner at its recent Annual General Meeting and Producer Education Day held Wednesday, March 8, 2023, in Elora, Ontario.

The VFO Board of Director's Award recognizes the contributions that many make to help the VFO Board achieve our mandate of supporting a viable livestock sector in Ontario and creating a proactive and engaged Ontario veal cattle and dairy calf industry. This year, outgoing VFO Chair Pascal Bouilly was recognized for his role in advocating for the Ontario veal sector.

"Pascal Bouilly has worked to protect farmers, farm families and their businesses while advocating for the Ontario veal sector during the recent court challenge to Bill 156 and the *Security from Trespass and Protecting Food Safety Act, 2020* (the Act) by special interest groups," says Phil Kroesbergen, VFO Vice Chair.

Bouilly has led the Ontario veal sector since 2020 and served as Vice Chair on the Board of Directors since the inaugural board meeting in 2015. He was involved in animal agriculture's defense of the Act and participated in the cross-examination process defending the veal sector's production practices and represented all VFO members so well. The Act is important legislation that protects Ontario's food supply chain, from farm to table, without infringing on the right to peacefully protest.

"I am honoured to receive this recognition from my peers," says Bouilly. "Working together with our industry partners to stand up and protect our farms, our families and our livestock as part of the defense of the Act was a tough but rewarding part of my career in the veal industry."



"We thank Pascal for his dedication, commitment and ongoing support of the Ontario veal sector, he is truly deserving of this recognition," says Kroesbergen.

# Veal Farmers of Ontario announces new leadership for 2023

#### Kroesbergen elected as VFO Chair, Yantzi as Vice Chair

Veal Farmers of Ontario (VFO) is pleased to announce the election of Middlesex County veal producer Phil Kroesbergen as Chair and Dylan Yantzi as Vice Chair, at a recent meeting of the Board of Directors.

Kroesbergen, who joined the Board in 2017, farms full-time with his father and brother near Strathroy. Their family operation, Creekside Acres, has been producing veal exclusively for over 30 years. Kroesbergen previously served as Vice Chair in 2020, returning to the Executive in the fall of 2022.

"It is a privilege to lead this sector and work on behalf of Ontario's veal cattle and dairy calf producers," says Kroesbergen. "As Chair, I look forward to the year ahead as we focus our attention on the issues, initiatives, and projects that will best support our members and our industry."

Yantzi, who was appointed to the VFO Board in 2021, raises veal cattle near Tavistock with his family and works in the dairy feed industry.

"As Vice Chair, I look forward to working with my fellow directors to strategically address issues directly impacting dairy calf and veal cattle producers," says Yantzi. "Continued collaborations with our industry partners and colleagues will be a focus for our organization in the coming year as we work together on key issues impacting the Ontario agri-food sector."

Yantzi and Kurtis Moesker (Stratford) were acclaimed to the VFO Board at the 2023 Annual General Meeting (AGM) held on March 8 in Elora, Ontario and will serve three-year terms.

Joining the VFO Board of Directors is Kyle Roes, an experienced veal cattle producer from the Millbank-area who is also involved in the feed industry.

Roes fills one of two vacant seats from retiring VFO Chair Pascal Bouilly and past Vice Chair, Cameron Knip (Exeter). His two-year appointment began following the 2023 AGM.

Returning to the eight member VFO Board of Directors are Sid Atkinson (Roseneath), Judy Dirksen (Harriston), and Aaron Keunen (Palmerston). One seat remains vacant and will be filled by a one-year appointment, approved by the Ontario Farm Products Marketing Commission, that will end at the 2024 AGM.

"On behalf of the VFO Board of Directors, I would like to thank Pascal and Cam for their leadership and service to the Ontario veal industry," says Kroesbergen. "We welcome Kyle to the board and look forward to adding his fresh perspective to our discussions."







Dylan Yantzi, Vice Chair



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# Feeding observations: On-farm actions for improved health

Holly McGill M.Sc.

Feed Mill Sales Representative

In part one of this series of articles discussing on-farm feeding observations, various items were reviewed that producers can watch for to see where things could be improved on their operation. Observations before, during, and after feeding were outlined and included things such as cattle behaviour at the bunk and feed quality and consistency. While part one did deliver some general information about what can be done to address the issues that may be at play, article two will go into greater detail, outlining practical steps producers can take on their operations to improve the health and productivity of their cattle.

Feed access is one of the main drivers of veal cattle health and productivity. An animal that cannot eat freely to its individual fill is not only at greater risk of metabolic issues, but also more likely to partake in competition for feed. While the ramifications of health concerns in the herd are obvious, it is sometimes more difficult to grasp how competition can be just as detrimental; yet if the cattle are jostling and butting each other for feed, not only are they at greater risk of injury, but energy is being directed towards aggression and not gain.

When veal cattle are able to eat ad libitum, only 20 to 30 cm of bunk space per head is required. However, in situations where the bunk runs empty frequently and cattle must compete, this requirement can double up to 55 cm. While bunk space is a fixed metric in standing barns, there are several management tools producers can use to increase space per head: reduce group size; increase feeding frequency throughout the day; and increase the quantity of feed offered or provide ad libitum feed.

The last example is an important one to focus on. Every morning, the bunks should be completely cleaned out and the amount of feed left over assessed. The feed prepared and fed out that day should be adjusted according to that amount. This graphic (Figure 1) from South Dakota State University does an excellent job of explaining how to read and score a

feed bunk and gives advice as to how the mix amount should be adjusted. The goal is to see a bunk score of 0.5 one or two days a week. This will not only reduce competition and the risk for metabolic disease by preventing long periods of fasting between meals, but cleaning out the feed bunk daily assures that acidosis-causing fines do not accumulate for the cattle to consume.





Score	Description	
0	No feed remaining in the bunk.	If you have a bunk score of 0 three days in a row, then the cattle should be increased by .5 to .75 lbs. of dry matter.
.5	Scattered feed remaining; most of the bottom of the bunk is exposed.	Less than 5% feed remaining.
1	Thin, uniform layer of feed remaining. About one kernel deep.	If you have a bunk score of 1 or higher, estimate the amount of feed left in the bunk and adjust the feed delivery accordingly.
2	25 to 50% feed remaining.	10% feed remaining.
3	>50% feed remaining. Crown of feed is thoroughly disturbed.	25% feed remaining (and less than a 3" depth of feed).
4	Feed is virtually untouched. Crown of feed is still noticeable.	50% feed remaining (and more than a 3" depth of feed).
Goals		The goal is to see a bunk score of .5 one or two days a week.

While the presence of fines can be a precursor to acidosis in a herd, they can also be an indicator of poor feed quality. While some fines are inevitable, excessive fines should be reviewed with the feed company. As the most expensive input on any animal farming operation, feed quality is critical—not only for a producer's bottom line but as it directly relates to animal health and productivity. Diets should be formulated properly to provide the right balance of nutrients to support a healthy animal that gains good weight daily; it pays to know what is being fed and a producer should invest the time in reviewing the formulation of their feed with their feed sales representative. It is good practice to routinely feed a sodium bicarbonate product, and your feed rep will be well versed on other feed technologies with good returns on investment that might be utilized in a ration. Feed should be stored in a dry area and a schedule should be developed to inspect the feed bin or storage area regularly for signs of rodent, insect, or moisture damage.

Proper mixing of the feed is also important, and a fibre ingredient should be included, chopped to no less than 1 cm in length. When mixing feed on-farm, start with the ingredient that is the largest volume (generally whole corn), and add to the mix according to particle size, trying to end with the smallest volume ingredients. Producers should be familiar with their mixers' calibrations and follow a maintenance schedule, cleaning out feed build-up, conducting efficiency tests, and updating parts and procedures regularly as needed.

While article one detailed what producers should look for on-farm to detect issues, it is my hope that article two detailed solid and actionable information on how the issues could be addressed. It is a good way to conclude with a reminder that no farmer is an island. While issues that crop up on-farm can seem daunting and solutions can feel difficult to implement, the final and most important suggestion offers relief; leverage the collective expertise of on-farm advisors. Even though they cannot be on-farm every single day, farm advisors of all backgrounds and industry bring experience, connections, and a genuine desire to help their customers. They know a producer's operation and will make recommendations that best suit the situation, ensuring a producer raises healthy and profitable cattle for years to come.

# **CalfCareCorner**

# Focus on quality to maximize the value of male dairy calves



Pricing for veal is cyclical. September to December is the strongest market for finished grain-fed veal cattle, which means greater demand for male dairy calves seven to eight months ahead of that time as veal producers fill barns to target that market, and softer demand for animals that will be marketed through Easter, when processing capacity is diverted to other proteins.

The veal sector is also striving for responsible antimicrobial stewardship and reducing use, which means calves must be stronger when they arrive at the veal farm, to allow for different on-arrival protocols that will prevent once-standard blanket treatments upon arrival. Margins in the veal industry are thin and veal producers will tell you that it is worth the money to pay for a quality calf that meets specific criteria.

If the compensation you receive for your male dairy calves is a lot less than the average on the Veal Farmers of Ontario weekly market report, available on vealfarmers.ca, take a step back and evaluate the calves you're selling:

- Does the calf weigh more than 90 lbs.?
- Is the calf over eight days of age?
- Is the calf bright, alert, and well-hydrated?
- Has it received a full meal?
- Was it fed high-quality colostrum at birth?
- Does it have normal manure?
- Is its navel clean, dry, and fully healed?

Ensuring all calves on the farm receive four litres of high-quality colostrum within six hours of birth, and their first feeding as soon as possible, will improve passive transfer of immunity. Male dairy calves leaving the farm are commingled at a young age before their immunity kicks in. Stress from transport can also reduce immunity and leave the calves more susceptible to disease, making excellent colostrum management essential for every calf on the farm.

Calves leaving the dairy farm are highly recommended to be over 90 lbs. and healthy—this means they are bright, alert, and well-hydrated, and have a normal temperature (38.5°C). Calves should be in good body condition and have a full abdomen from a recent feeding. Consider the last time the calves will be fed before they reach the veal farm—there may be multiple



Also consider the calves' age prior to shipping. According to the updated Health of Animals Regulations Part XII (Transport of Animals), if the calf is eight days of age or older, it can go to a sale barn or assembly centre. Calves younger than eight days cannot. Be sure to send records, including birth date and time of last feeding. Calves must also be identified with an approved RFID tag, preferably with the button in the right ear. Many veal farms use automated feeders, which rely on proper tag placement.

The updated Health of Animals Regulations Part XII (Transport of Animals) have also identified conditions and symptoms that indicate that a calf is unfit and will be more likely to suffer during transport—this includes wet, unhealed navels. Find the full list of conditions at https://bit.ly/CFIAtransport. Calves with the conditions on this list may only leave the farm to receive care if the herd veterinarian has deemed it necessary. Do not ship calves that do not have a dry, healed navel or that have diarrhea. Ensure all meat withdrawals from treatments have been observed prior to shipping.

A University of Guelph study showed that 26 per cent of male calves had a significantly enlarged navel with heat, pain, moisture, or malodorous discharge when examined at arrival to a veal facility. Research shows that calves with navel infections have a greater risk of dying and lower growth rate. It is imperative to have preventative measures in place, including a clean maternity pen area, excellent colostrum management, and clean and dry bedding for housing calves. New research is currently underway to evaluate navels and navel care, including recommendations for best navel dipping practices.

Communicate with your sales barn or drover, if that is your preferred method, to ensure there are not restrictions on which calves can be shipped. In recent years, sales barns in different areas of the province have had to restrict the size and breed of male dairy calves received. Always work with licenced dealers so you are protected under the Ontario Beef Cattle Financial Protection Program.

To maximize the returns from male dairy calves, focus on the quality of calves being shipped. Interpret the market signals and send strong, healthy calves; if they need to stay on the farm longer, consider putting the infrastructure in place to give you the flexibility to do that.





Your calf care partners

# MAXIMIZING THE VALUE OF MALE DAIRY CALVES

### Before you ship ask these questions



#### IS THE CALF HEALTHY?

- BRIGHT, ALERT AND WELL HYDRATED
- NORMAL CALF TEMPERATURE 38.5°C
- EARS UP, AND BREATHING WELL

# 5 DOES THE CALF HAVE SCOURS?

- DO NOT SHIP!
- TREAT, IF NECESSARY, OBSERVE MEAT WITHDRAWAL





#### 2 WAS THE CALF FED COLOSTRUM AT BIRTH?

- FEED FOUR LITRES WITHIN SIX HOURS OF BIRTH
- FIRST FEEDING SHOULD BE AS SOON
   AS POSSIBLE

**IS THE CALF OVER** 

STANDING AND WALKING ON ALL

90 LBS?

STRONG AND HEALTHY

FOUR LEGS

#### 6 IS THE CALF NINE DAYS OR OLDER?

- YES-THE CALF CAN GO TO A SALE BARN OR ASSEMBLY CENTRE
- NO-THE CALF IS PROHIBITED FROM GOING TO A SALE BARN OR ASSEMBLY CENTRE
- IF POSSIBLE, SEND PROOF OF AGE

#### WHEN WAS THE CALF LAST FED?

- IS THE CALF IN GOOD BODY CONDITION?
- DOES THE CALF HAVE A FULL ABDOMEN?
- SEND RECORDS INDICATING TIME OF
  LAST FEEDING





#### DOES THE CALF HAVE A DRY, HEALED NAVEL?

• IF THE NAVEL IS UNHEALED IT IS UNFIT, CANNOT LEAVE THE FARM UNLESS TO RECEIVE CARE RECOMMENDED BY A VETERINARIAN



• MALE DAIRY CALVES LEAVING THE FARM MUST BE IDENTIFIED WITH A SINGLE, APPROVED RFID EAR TAG



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Canada



# Understanding Bill 23 and its impact on your municipality

Patrick MacCarthy
Projects and Policy Coordinator

Recently, as part of a strategy to build more homes, the provincial government has introduced and passed a large amount of new legislation and requirements related to land use, zoning, the greenbelt, and development charges. Taken together, these changes will fundamentally change how land use planning approvals are processed, approved, and implemented in Ontario, directly impacting rural communities in Ontario and our farmland.

Bill 23, the *More Homes Built Faster Act, 2022* is a central part of Ontario's plan to build 1.5 million new homes over the next 10 years. It received Royal Assent and became law on November 28, 2022. Bill 23 does not make changes to greenbelts across the province, these changes were the result of other legislation. To help build missing middle (medi-



um density) housing the bill allows Additional Residential Units permitted as-of-right in zoning, up to three units per lot, in existing, serviced residential areas. Examples of these units could be basement apartments or garden houses. Furthermore, minor variance approvals can no longer be appealed.

#### Changes to the Planning Act

Upper-tier municipalities such as the regions of Durham, Halton, Niagara, Peel, Waterloo, York, and the county of Simcoe have had their planning responsibilities downloaded to the lower-tier cities and townships within them. This means that each municipality must separately approve development plans that may not be coordinated with others in the region, potentially leading to further farmland loss as development is scattered throughout the region.

Public meetings no longer will be required for applications for approval of a draft plan of subdivision. While speeding up development approvals, this change will reduce community engagement. Public meetings are one way for rural and agricultural voices to be heard in the planning process and can help to influence urban development that is farm friendly.

The Minister of Municipal Affairs and Housing can now amend Official Plans where they believe the plan is likely to negatively affect a matter of provincial interest (e.g., farmland protection, housing). Recently, Official Plans have been amended by the province to bring farmland into urban boundaries of Hamilton, Halton, Niagara, and Ottawa.

What this means for you: It may be harder for agricultural voices to be heard at the local level and the province now has greater ability to override local planning decisions.

#### Changes to development charges

Development charges are fees paid by developers when building permits are issued by municipalities. They cover the costs of development such as new roads, transit, water and sewer, and emergency services. Bill 23 reduces the amount of development charges municipalities can levy on new development projects. It requires discounted development charges for purpose-built rental units and attainable housing. It also reduces the amount of parkland that is required to be set aside. The province currently does not have a plan to help municipalities recover the lost revenue caused by lower development charges.

What this means for you: Municipalities will have few funds to provide services to newly developed areas. This could result in increased property taxes to fund the difference.

#### Changes to Conservation Authorities

Conservation Authorities play an important role in protecting land from natural hazard impacts and ensuring drinking water source protection. Development approvals often require Conservation Authority approval. Bill 23 changes the factors Conservation Authorities must consider when making development approvals. Approvals must be focused on the factors of erosion, dynamic beaches, and unstable soils and bedrock. Conservation authorities can no longer consider conservation of land or pollution in their approval of development proposals. These changes are happening quickly and it is important to understand what this means for Ontario and the precious farmland we are all working hard to preserve. While there is no doubt that Ontario needs more housing inventory, where it is located and how it is considered for approvals will come at a cost.

If there is a development application near your property, be sure to find out as much as possible about the application and ask questions to municipal staff about how the proposal could impact you. Raise your concerns with your local council early and be sure to make a written and/or verbal submission. For further support and resources, be sure to contact your local federation of agriculture.

To learn more about Bill 23 you can view the Ontario Federation of Agriculture's webinar here: https://bit.ly/ofawebinar

Read the complete text of Bill 23, the *More Homes Built Faster Act, 2022*, here: https://bit.ly/Bill23



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#### **POLICY BRIEFS**



# Updated Nutrient Management Protocol Reference Tables

The Government of Ontario is in the process of updating reference tables in the *Nutrient Management Act* to better reflect current livestock production practices. The changes impacting grain-fed veal involve an update to the weight of veal cattle from 690 pounds to 725 pounds, which Veal Farmers of Ontario (VFO) is supportive of. However, VFO is concerned with the proposed changes to the housing capacity area allocated per animal which contains an incorrect reference to the housing space requirements in the *Code of Practice for the Care and Handling of Veal Cattle* (the Code). The Code provides outcome-based housing requirements and does not list a specific numerical spacing requirement as the rationale for the updates suggests. A letter has been sent to the Ontario Ministry of Agriculture, Food and Rural Affairs (OMAFRA) expressing this long-standing concern.

#### **Budget submission**

VFO submitted a letter to the province's consultations for budget 2023. VFO's submission highlighted the need for increased funding to the Risk Management Program (RMP) to help veal producers insure themselves against increased risks caused by inflation, rising interest rates, and supply chain challenges. To further strengthen our request for additional RMP funding, VFO made a joint submission with our industry colleagues in the Ontario Agriculture Sustainability Coalition (OASC). This submission demonstrated the strong economic value of the RMP program to the province and reiterated OASC's consistent request for the government to fully fund the program at \$250 million.

#### Livestock Financial Protection Board

In response to the results of a periodic third-party actuarial review, the Livestock Financial Protection Board (LFPB) has requested a check-off fee increase from 10 cents per head of cattle to 30 cents per head. Understanding the need for the fund to remain sound with rising cattle prices as well as the additional costs that come with the downloading of the program from OMAFRA, VFO is in support of the check-off fee increase. However, VFO believes that the LFPB must also address other longstanding issues to strengthen the program, including enforcement and compliance, and program administration, and improve accountability.



#### Health Canada restrictions on insecticide Lambda

The Canadian Veal Association (CVA) signed onto a joint letter requesting that the Government of Canada issue an extension for the use of a crop protection product called Lambda-cyhalothrin (Lambda) on crops destined for feed. A recent decision by Health Canada cancelled the use of this product for feed. Lambda is used on many crops, especially in Western Canada, and provides an important tool for growers to control potentially devastating insect pests such as flea beetles and grasshoppers. This decision, made with little scientific evidence, threatens the ability of the livestock sector to source feed and may create significant supply chain disruptions as Lambda is an approved product for feed crops in the United States. Western Canadian livestock farmers rely on imports of American corn for their feed rations, and this decision will increase costs for producers and further reduce their competitiveness with the U.S.



#### Commercial drivers' hours of service

The CVA signed a joint letter from the Ontario Livestock Transporters' Alliance to the Minister of Transport requesting exemptions to livestock trucker's on-duty time to safeguard the welfare of livestock being transported. Currently drivers are placed in the difficult position of either complying with hours-of-service regulations or doing what they know is best for the humane and safe transportation of live animals when unforeseeable delays cause drivers to go over duty hours. The request asks for harmonization with U.S. transport regulations, which provide an exemption from drivers' on-duty time of a 150 air-miles radius (240 km) of their load origin and destination. This would provide Canadian livestock transporters with the flexibility they need to maintain the highest level of safety for drivers on the roads, to transport livestock humanely, to maintain a consistent set of rules for drivers crossing the border and to prevent food supply chain disruptions.

#### Livestock Traceability Regulations

Along with other representatives of Canadian livestock producers, the CVA signed a letter to the Minister of Agriculture and Agri-Food requesting that the Canadian Food Inspection Agency (CFIA) publish the proposed regulatory amendments surrounding livestock traceability in the Canada Gazette I without further delay. These amendments would move towards finalizing the livestock component of the National Agriculture and Food Traceability System (NAFTS). Implementing a secure NAFTS is critical to providing timely, accurate and relevant information to enhance emergency management, market access, industry competitiveness and consumer confidence.



# How should you evaluate different farm opportunities?



#### Erich Weber, CPA, Business Finance Specialist

Ontario Ministry of Agriculture, Food and Rural Affairs

As farm business owners, you are constantly presented with issues and opportunities. Some scenarios are small, and can be evaluated quickly, while others can have a major effect to your farm business. In this article we will look at some of the calculations that you can do to analyze farm opportunities and examine some other factors that may affect your decision.

#### Simple payback method

#### Years = Investment cost Net annual cash flow

The simple payback method calculation is a quick and easy way to determine how fast you can recoup your initial investment cost from the increase in annual cash flows from the new opportunity. If the number of years it will take to recoup the investment cost is greater than the life of the project, then you will need to seriously consider whether you should move ahead with the opportunity.

A major drawback of this method is that it does not figure on financing costs associated with the opportunity, which can make a significant difference as to whether this opportunity will benefit your farm business.

#### Net present value

Net present value = Net annual cash flows

(1 + interest rate) term The net present value (NPV) calculation factors the financing costs of the farm opportunity. By factoring the financing costs into the calculation, you will get a more accurate picture of how the new farm opportunity will integrate in your farm business. When the NPV is greater than the initial investment costs of the project, then the project will bring in more cash flows then it would initially use. Otherwise, if the NPV is less than the initial cost of the project, then your farm business will lose money if it were to go ahead with the project.

One drawback of the NPV calculation is that it assumes that the net annual cash flows are the same for the whole life of the project. With most businesses, it is hard to have net annual cash flow the same year after year as there are always external factors that will affect the business. When calculating the net annual cash flow of the proposed business opportunity, make sure that you use an average over the life of the asset. By using an average net annual cash flow, the NPV calculation should be more accurate compared to assuming that the net annual cash flow will always be optimistic.

The net present value calculation and the simple payback method for determining how a new opportunity will fit within your farm business are a good start. There are other factors that you as a business owner should review when making these calculations.

#### Pros and cons of the new opportunity

When looking at how a new opportunity will affect the farm business, a pros and cons list can be a useful tool to make an informed decision. By outlining the pros and cons you can examine the non-financial aspects that this opportunity may or may not bring to your business. Non-financial aspects can include, but are not limited to:

- Markets (are the markets in your favour to expand/improve your operation?)
- Weather (will the weather effect how the opportunity is implemented?)
- Your farm's ability to adapt to new technology (do you or your employees have the skill set to take advantage of the opportunity if it is utilizing new technology?)
- Supply chain ability (would there be any delays that would affect implementing this new opportunity?)
- Labour force (do you have enough labour to deal with the extra work that the new opportunity may need?)

#### Cash flow budgeting

You have done your due diligence and you have found that it does make sense to take advantage of this new opportunity. The next step to make sure that your farm business can implement this opportunity is to look at your cash flow budget. When either purchasing or constructing the new opportunity there will be an increased cash outflow that your farm business will need to deal with. By completing/updating your cash flow



budgets, you will be able to determine if your business will need to obtain financing for this opportunity or if you have enough cash reserves to take advantage of the opportunity.

#### In summary

When looking at new opportunities for your farm business, it can be an exciting time and a stressful time. Is this the right thing for our business? Can I obtain financing to take advantage of this opportunity? Will I be more profitable when this opportunity is in operation? These types of questions are normal but take the time to analyze the situation and the opportunity. By doing your due diligence you will be able to find out how this project will affect your farm business and make an informed decision as to whether to take advantage of this opportunity or wait until a better opportunity happens.





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#### Ontario veal farmer profiled for Faces Behind Food

Food unites us, but how much do we know about the people who work hard day-in and day-out to ensure Canadians have access to fresh, safe, nutritious, and delicious food? With a food supply chain as diverse and plentiful as ours – it really does take a village. Faces Behind Food captures the passion behind the food that we love, one person at a time.

VFO Director Phil Kroesbergen was profiled for Farm & Food Care Ontario's Faces Behind Food project, with a story focused on how veal cattle are cared for on his family farm. His story was shared on Instagram and Facebook in late December. The profile received great feedback and positive comments, providing another opportunity to dispel misconceptions about our industry.

#### Verified Veal Program completes 18-month review

VFO and Les Producteurs de bovins du Québec completed the 18-month review of the Canadian On-Farm Food Safety Program for veal, the Verified Veal Program in December 2022. This program is designed to provide producers with a resource to prove what they say they do on-farm is done. This resource is based on a series of Good Production Practices (GPPs) related to veal production that provides consumers with the assurance that the veal produced in Canada, both milk-fed and grain-fed, is of the highest quality. This is an auditable program which is under the Canadian Food Inspection Agency. Producers who are interested in learning more about the program are encouraged to contact the VFO office.

#### Quebec licence fee change

VFO has been advised by the Canadian Beef Check-Off Agency that as of January 1, 2023, the check-off payable by Quebec sellers has been updated by Les Producteurs de bovins du Quebec. As such, purchasers and dealers in Ontario are now required to deduct and remit amended levies on bob calves sold by Quebec sellers in Ontario.

For bob calves/male dairy calves from Quebec sellers, the rate as of January 1, 2023, is now \$5.50/head.

Licence fees/check-off are to be paid and remitted to VFO for the province they are sold in (Ontario) and at the rate of the province the calves were born in.

#### VFO attends DFO AGM

VFO attended the Dairy Farmers of Ontario (DFO) Annual General Meeting (AGM) held in Toronto on January 18 and 19, reconnecting with dairy producers, discussing industry issues with our colleagues and



partners, and promoting our calf care resources. It was a great event and staff had the opportunity to catch-up with the Honourable Lisa Thompson, Minister of Agriculture, Food and Rural Affairs. We thank her for her continued support of the Ontario agri-food sector.

#### Latest Ask the Expert webinar covers COP

VFO held the latest webinar in the Ask the Expert Virtual Producer Workshops series on January 19. Producers joined James Byrne, Beef Cattle Specialist for the Ontario Ministry of Agriculture, Food and Rural Affairs to learn more about cost of production (COP) for the veal sector, including how to use the veal COP tool available on vealfarmers.ca, and how to examine the elements that impact your costs to improve profitability.

# OABP members dig deeper into veal production at local meetings

Kendra Keels, VFO's Industry Development Director, joined members of the Ontario Association of Bovine Practitioners (OABP) during the last week of January for a combination of virtual and in-person meetings across

the province. She helped dispel myths about veal production, explained veal production issues, and highlighted industry challenges and opportunities.

Keels (pictured with Dr. Gabriel Jantzi, OABP) also shared the work VFO does to support calf care and provided each attendee with a package of resources to support their veal and dairy producer



clients. Engaging with the veterinarians further confirms VFO's expertise as your calf care partners and we appreciated the opportunity.

#### Celebrating Canada's Agriculture Day

On February 15, VFO celebrated Canada's Agriculture Day, using the opportunity to thank each member of the agri-food supply chain that works hard to ensure Canadian plates remain full of local, nutritious food, share our FarmFood360° virtual reality tour, and celebrate our pride in veal farming using the hashtag #CdnAgDay.

#### VFO attends South Western Ontario Dairy Symposium

VFO attended the South Western Ontario Dairy Symposium (SWODS) on February 22, connecting with members, discussing industry issues, promoting calf care and distributing resources. VFO encouraged producers to visit our booth, tweeting throughout the day and promoting our location on our social media channels. Attendance at events alongside our industry partners continues to show our commitment to the dairy calf and veal



sectors. High-quality Ontario Veal on a bun was served to attendees this year as part of the Food From our Farms lunch. Thank you to SWODS organizers, Highland Meat Packers and VFO Director Kurtis Moesker for your support!

#### Dairy Code update

The Code Committee is pleased to announce that they have reached consensus on the updated *Code of Practice for the Care and Handling of Dairy Cattle*, which will be published on March 30, 2023. On this date, a news release announcing the Code will be circulated and the Code of Practice will be made available online (with printed copies circulated soon after). A report summarizing how input from the comment period was considered will be published alongside the Code.

# Interpretation published for the Veal Cattle Code of Practice

An interpretation is a clarification of the meaning of a section of a Code of Practice that is provided by the relevant Code Technical Panel in response to a formal request for interpretation.

The Canadian Veal Association requested an interpretation with respect to a housing Requirement in the 2017 veal cattle Code. The interpretation was finalized by the panel in November 2022, and is available on the veal cattle Code's webpage here: https://bit.ly/NFACCCodeReq

While every effort is made to ensure that Codes are written clearly such that further explanations are unnecessary, occasionally questions do arise regarding the meaning of specific Code sections that may require clarifications or interpretation.

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# Year in review—VFO & FFCO

Amber Anderson, Communications Manager

Farm & Food Care Ontario



Supported by members like Veal Farmers of Ontario (VFO), Farm & Food Care Ontario (FFCO) brought together farmers, food producers, agribusinesses and their urban and suburban neighbours in ways that were both educational and entertaining in 2022. FFCO especially appreciates the continued support of VFO's continued Silver level membership as members like this are foundational to FFCO's successes, and allow the organization to continue working to build public trust in Ontario agriculture.

2022 was a monumental year for FFCO and our partners as the organization celebrated the 10th anniversary of FFCO's founding and made its return to in-person events in a significant way.

#### Breakfast from the Farm

Partnering with the Paris, Grand River, and Milton Agricultural Societies, three walk-through Breakfast from the Farm events were held on fairgrounds, where visitors had a chance to see farm animals and equipment, and talk to farmers and ask questions about where their food comes from. Each event had good weather and strong attendance from local communities. In each case, visitors enjoyed breakfast and left with bags packed with pancake mix, maple syrup and valuable information about agriculture in Ontario.

#### Farm tours

2022 marked FFCO's return to on-farm tours. The six tours included a tour for Toronto-based food influencers and for Ontario dietitians, and four tours for culinary students from colleges across the province with several beef farm stops on the agendas. Participants were surveyed on their knowledge about and perception of Ontario agriculture before and after each tour. When asked about their impression of Ontario agriculture before their tours, 68 per cent responded good or excellent, while the post-tour survey 94 per cent responded their impression of agriculture was good or excellent. Survey results also showed that participants went from 62 per cent stating they think the food system in Canada is going the right direction to 82 per cent agreeing that it is.

#### Public events

Many public-facing events resumed in 2022. FFCO hosted an 'Ask-a-Farmer' video booth at the Canadian National Exhibition (CNE), greeted industry colleagues at Canada's Outdoor Farm Show and spent the Royal Agricultural Winter Fair (the Royal) sharing FarmFood360° virtual tours with the public. FFCO also worked with the Royal to host the first in-person Food & Nutrition Forum since 2019. Public events offer an opportunity for FFCO to facilitate invaluable conversations between farmers and their urban and suburban neighbours about how farms in Ontario make food for us all.

#### Source Local

In 2022, in partnership with the Ontario Federation of Agriculture, FFCO undertook an initiative called Source Local to highlight the importance of buying local food, flowers and fibre. Fourteen county-level federations took part with projects ranging from 'Source Local' night at drive-in theatres, to producing a colouring book, to 'meet-a-farmer' night, to trail signs and video production for online distribution. Provincially, Source Local hosted four pop-up food-truck events in Thunder Bay, London, Ottawa and Milton that enabled farmers to talk directly to consumers about the importance of looking for local when buying food.

#### Digital outreach

Digital outreach is a vital component of FFCO's work.

*Faces Behind Food* continues to highlight the diversity of people and career opportunities within the Canadian agri-food system on Facebook and Instagram. Profiles were posted twice weekly, with 56,000+ likes, shares and comments across accounts, and included veal farmers and butchers in 2022.

*FarmFood360.ca* now hosts 25 Virtual Reality farm tours, including a veal farm tour, and three new tours were launched in the fall of 2022. A new teachers' online portal was added in 2022 for educators wanting to use the tours in their classrooms.

*The Real Dirt on Farming* 5th edition was published in 2020, with both paper and digital editions. In 2022, FFCO began using paid search ads to amplify the reach of the website. For example, when looking for information on animal care, visitors were directed to ads promoting www.RealDirtonFarming.ca, to access the information they were looking for.

FFCO and AgScape continued a successful partnership in 2022, offering 11 live-streamed farm tours reaching an audience of 72,944. These field trips gave viewers, including students and teachers, the chance to connect with farmers in real time. FFCO and AgScape will continue to offer these tours throughout 2023 and are looking for farmers interested in hosting them.

#### Training and workshops

FFCO continues to offer media and Speak Up training and commodityspecific updates, with 62 sessions taking place in 2022. Other virtual training sessions provided advice on how to protect farm properties from unwanted visitors.

In 2021, FFCO expanded its courses to offer virtual training for first responders being called to livestock transportation emergencies including truck rollovers. In 2022, 21 sessions were hosted for 665 first responders across Ontario. With financial support from many partners helping make this possible, the project has had great success.

The course covers factors critical to the decision-making processes for accidents involving livestock trailers, including trailer design and the implications for extrication points, animal behavior, laws and regulations, euthanasia protocols, and how to develop response teams.

Additionally, FFCO responded to nine Animal Care Helpline calls in 2022, working with commodity groups and Provincial Animal Welfare Services on cases of concern such as repeated neglect concerns and provision for animals when owners are in financial or mental distress.

#### TO LEARN MORE

To learn more about all of FFCO's initiatives, visit www.FarmFoodCareON.org and subscribe to the monthly e-newsletter. Comments and questions can always be directed to FFCO staff directly at info@farmfoodcare.org.





# Responding to an emergency situation

Cheryl DeCooman, CHRL, President

People Management Group/UdderlySAFE

We all know that taking steps to protect the health and safety of everyone in your workplace is so important! Unfortunately, even when we have a great health and safety program in place, there is still the possibility that various types of emergencies can occur at work. Because of this, it is important to create an emergency response plan so that employees know what to do in an emergency. Emergency situations can vary greatly, and people may panic or react in different ways.

#### Types of emergencies may include:

- · Medical emergencies such as heart attack or stroke
- Workplace injuries or illnesses such as someone falling or being struck
- Critical injuries or fatalities
- Fires, explosions, or electrical emergencies
- Exposure to manure gas, chemical fumes, natural gas, or carbon monoxide
- Workplace violence or other physical threats
- Natural disasters such as tornadoes, earthquakes, severe storms, or major electrical power failures

As you can imagine, any of these situations can be very stressful and employees may react very differently in these situations. Common sense does not prevail in these situations. We have seen times where an employee reacted to a fire by trying to enter a burning barn to save equipment. This is why you do not want to rely on individual decision-making in the event of an emergency; by creating a written emergency response plan you can be sure that everyone is prepared!

#### How do I prepare for an emergency?

Create an emergency response plan! As previously mentioned, it is critical that employees having training on the proper protocols before an emergency occurs. This ensures that in a potentially life-threatening situation, they are prepared on how to respond.

An emergency response plan should include the name and phone number of the emergency response coordinator and an alternate person in the event the coordinator is not on the premises, a designated safe meeting location, both outside and inside a building, and finally, an emergency response plan should include a map of all buildings including location of emergency exits, fire extinguisher, first aid kits, eyewash, chemical and fuel storage areas.

Mostly importantly, after your emergency response plan has been created, it needs to be communicated to employees and you should conduct regular drills to ensure that every employee gets the opportunity to practice how to respond in an emergency. Holding emergency response drills also gives you the opportunity to see where some of the plan may need to be adjusted. The emergency response plan should also be located on your health and safety board, as well as part of the onboarding training and documents you conduct with new hires.

#### What should be done in the event of an emergency?

If an emergency occurs, and help is needed, someone should call 911 immediately. Evaluate the most urgent next step and execute them. The most urgent next step could be a number of things and different options should be explored while creating your emergency response plan.

The first step in emergency response is ensuring the safety of yourself and others. Do this by communicating to others onsite including all workers and visitors. Assist injured persons if you are able to and either contact a first aid provider or provide first aid if you are able to do so.

Take steps to prevent further injury or damage ONLY if it will not endanger yourself or others. In the event of an incident involving equipment or chemicals, if it is safe to do so, turn off powered equipment and attempt to contain the hazard (i.e., stop the flow of liquids and/or gasses, reduce the spread of a fire, etc.).

Evacuate the workplace by exiting calmly through the nearest exit and go to the meeting point. Once evacuated, the emergency response coordinator must take a head count to ensure all employees, visitors and others are accounted for at the designated meeting location. After this, there can be an evaluation and it can be determined if there needs to be a control of the risk of a secondary incident such as fire spreading, explosion,



chemical exposure, or injury. Finally, ensure you follow instructions from emergency responders, the emergency response coordinator and/ or manager.

#### What information should be provided to 911?

The location of the emergency, including address and area of the building, need to be provided to emergency services. The operation location should be posted on the health and safety board for all employees to see. The person contacting 911 should also provide the number of people onsite and communicate to emergency responders onsite when everyone is accounted for. In addition, the person calling 911 should give specific details about the nature of the emergency and any injuries as well as the location and type of hazardous or flammable materials (such as fuels, chemicals, compressed gasses, etc.).

#### What is the designated safe meeting location?

As part of your emergency response plan, you are required to choose two designated safe meeting locations. One location would be used as a gathering area in the event of an emergency evacuation and must be located in a safe area away from the building. The other location would be a safe meeting place inside the building. You should also establish back-up safe meeting locations in the event that the original location is not accessible.

### What should you do if an emergency occurs while working outside of the workplace?

If an emergency occurs while working offsite you must follow the instructions provided by the most senior person in charge of the location. If first aid is required this should be provided if possible and 911 must be called if needed. As soon as it is safe to do so, the employee must notify their supervisor of the incident.

If employees are consistently working at an offsite location or there is reoccurring work being done at various other locations, you should discuss and document the steps that should be followed in the event of an emergency.

#### What do we do after an emergency?

Once the immediate emergency is stabilized, assess the people and conditions at the scene. The emergency response coordinator and manager should identify potential witnesses and document as much information as possible. Pictures should be taken if safe to do so. Physical evidence should be preserved, so secure the scene and control access to the area. Ensure appropriate parties have been notified including management and regulatory bodies if required. You must work together with emergency responders to inspect the workplace and be given approval to re-enter the building. Finally, after the emergency situation has been resolved you should always conduct a thorough investigation to identify areas for improvement and to prevent future similar incidents as well as evaluate the effectiveness of the emergency response and develop a plan for improvement.

In some emergency situations, the Ministry of Labour may become involved and you may be required to participate in an investigation led by an Occupational Health and Safety Inspector. You have a responsibility to contact the Ministry of Labour if there is a critical injury or fatality and there are specific protocols that must be followed including securing and preserving the scene of the accident.



# Are the high prices of veal sustainable?



Kendra Keels Industry Development Director

As much as farmers are happy with the high price of veal the question that we need to address is it sustainable for the long run? Processors are concerned that the veal category at retail has maximized its consumer pricing formula and we could potentially see retailers begin to scale back on veal orders and look for cheaper protein choices and alternatives like European veal. When this happens, Canadian veal loses meat cooler space, making it increasingly challenging to regain that space when supply (and price) has rebounded.

There is nothing normal or precedent with what is happening in our meat supply chains today. Some veal processors are paying a higher value for the live veal animal to guarantee supply. Some of that cost is not being passed on the retailers to keep veal pricing down for consumers. The plants are absorbing this cost, recognizing that long-term high pricing is not sustainable.

For those processors who are passing on the actual cost of veal to their customers, they are experiencing a reduction in the volume or frequency of their veal orders from retailers because the veal is too expensive. When veal is too expensive for the consumer, they either reduce the amount of veal that they intended to purchase, or they look for less expensive cuts of meat like pork. If veal is priced too high, it will be priced out of the market completely. Once a specialty product like veal becomes harder to find then it does not remain top of mind for consumers. After these substitutions happen, it becomes increasingly difficult to change consumer and retailer behaviour and motivate them to switch back to veal and, in some cases, regain that spot in the meat cooler when prices decline.

#### European imports

In each issue of *The Connection*, Veal Farmers of Ontario (VFO) publishes the Trade Tracker, which monitors the European imports of veal. This number is increasing month over month, and it is concerning. The continual short supply of veal in Ontario/Canada is a threat to the future of veal production. It is only a matter of time when frozen muscle cuts of veal will be mainstream in our local grocery stores if our Canadian veal supply continues to decrease, much like how New Zealand lamb has a hold on market share with imported product.

#### Export market

As much as there are imports coming into Canada, there is a small amount of Canadian veal being exported, primarily to the United States. The export of veal racks, for example, helps to balance the veal carcasses here in Canada where they could be a challenge to market. Remember, farmers are paid on a whole carcass basis, but the parts of the veal carcass have many different markets. In some instances, this export helps to keep the cost of veal more affordable in Canada but with the current low volumes of veal there have not been the same opportunities for export. There are other export opportunities to other countries around the world, but veal processors need the important balance of both the volume required and the price. This is a missed opportunity for the veal sector to take advantage of, especially with the weaker Canadian dollar.

#### Supply and demand

Supply and demand go hand in hand. Without supply there is no demand. Without demand there is no supply and all this hinges on price. How to keep supply steady and keep the price at retail affordable to the consumer to maintain demand? This is a very real challenge.

As a veal producer and perhaps consumer, when was the last time you saw veal on feature (on sale) in your local grocery store flyer? One of the reasons it has not been on feature is because of the lack of guaranteed supply. For the processors to work with retailers there needs to be a guaranteed supply of the specific cut being featured at the specific time of the year that the retailer needs it. Volume always needs to be higher when



any product is on feature. This means that the processor who is buying the whole carcass must balance that volume with their other suppliers for other parts of the carcass. It is a balancing act between farmers, processors, and retailers. For veal farmers it is always a good sign when veal comes back on feature at retail.

#### Cost of production

For some, it may seem that higher veal prices are a good thing because the total price per head of veal cattle will be higher. However, for the veal sector these high prices come at a direct cost, too. We know that inflation has made an impact on our cost of production (COP) and input costs are higher.

The issues being faced by the retailer and processor can seem worlds away from the decisions made on your farm but in reality, the industry is directly impacted by those decisions on all farms. Each calf purchased and put into veal production (or not) will directly change the outcome for the sector.

It is worth the time to sit down and crunch the numbers to find out what the COP is for veal on your farm? This will determine what price you can afford to pay for the calves and feed, etc. Cash flow is always a different measurement than COP, and knowing what your breakeven points are.

Yes, it is a bit of work to understand your COP, but your business is worth this investment of time and VFO has several resources on how to do this. Farmers need to evaluate ways to improve efficiencies, improve mortality and reduce and manage costs but you need to know what those costs are. What does an outbreak of pneumonia take from the bottom line? How could that pneumonia be avoided in the first place? Feed costs are the highest expense and trying to skimp on that will not help. Look at ways to avoid outbreaks and keep mortality at a minimum; this will pay off in spades. Getting a handle on these costs should be used when making your farm decisions. You cannot manage what you do not measure!

#### Conclusion

As a farmer you might be happy with the high veal prices, but what is the cost to the overall industry? Every meat protein has a price point the consumer is willing to pay, even with high-end products like veal. Veal can be substituted with pork and other proteins for many recipes and if the high prices continue, we will further erode the veal space in the meat counter. We need to be aware of the European imports and how they are impacting our sales. We also need to look inwardly here in both Ontario and Canada on how we can grow the export market to carve our space in the worldwide meat market and help balance the carcass. The high prices sure seem nice and help pay the bills for the short-term, but they are not sustainable for the veal sector in the long run. We need to work together to find efficiencies in the supply chain. We need veal back on feature in the weekly flyers!





# Veal Market Information

This information is collected from various sources and disseminated by Veal Farmers of Ontario.

#### **Bob Calf** Pricing



This price range is collected and tabulated from participating sale barns throughout Ontario based on average pricing. This information is used to follow trends.

#### Sale Barn Veal Pricing



This price range is collected and tabulated from participating sale barns throughout Ontario based on average pricing. This information is used to follow trends.



This information is collected from producer contributions on a weekly basis. Once the numbers are collected a weighted average is calculated. The weighted average gives a more realistic price of what is happening in the market. This information is used to follow trends.

# **Finished** price compared to bob calf prices (eight months previous)



This graph is used to compare the finished price from both the sale barn and rail grade pricing to the bob calf prices eight months prior. This information could help when deciding on the purchase prices of calves and what market they will be shipped in. This information gives a quick glance at both bob calf pricing and finished veal pricing.

#### Rail Grade Veal Pricing



### Veal Trade Tracker

#### 31-Dec-22

A quarterly snapshot of Canada's veal trade



Canada continues to maintain a trade surplus for veal. In 2022, Canadian veal exports were up to 3.9 million kgs, a year over year increase of 2% by volume and 27% by value. Veal imports increased in volume by 8% and 20% in value compared to 2021. Inflation is likely causing the disconnect between volume and value.



New Zealand remains the largest source of veal imported to Canada, with Dutch imports continuing to rise. Imports from the USA held steady from 2021. No Australian imports have been reported. Larger import volumes from other EU countries are also being reported.



The per kg price of veal imported from the Netherlands rose slightly in 2022 from lows set in 2021 at \$8.14/kg. The value of American cuts remains at higher levels in 2022 at \$8.06/kg, while the value of New Zealand imports held relatively steady at \$6.09/kg.



The volume of veal imports from the EU (red) is up 23%, compared to 2021. This is equivalent to 32.5% of Canada's veal imports (black line); this 4% increase continues the trend of higher EU imports reported since 2018. The Netherlands is the predominant supplier of European imports, with smaller volumes imported from Italy and France.



Veal exports to the USA held steady with 2021. The growth in Canadian veal exports came from increased trade with the Middle East. This is the highest amount of veal exports since 2018.



While veal represents just a small fraction of Canada's red meat trade, both veal and beef exports have marginally increased compared to this time last year.

Data retrieved from AAFC and Statistics Canada. red meat section.

#### FEATURED VEAL RECIPE



#### Grilled Veal T-Bones with Maple Mustard BBQ Sauce

The flavours of spring are captured in this tasty Maple Mustard Grilled Veal T-bone steak recipe from expert BBQ Chef, Ted Reader. The sweet maple syrup and smoke from the grill add complex flavours that balance out the spiciness of the mustard and the chili sauce.

Cut: Chops/Steaks | Servings: 4

#### **Ingredients**:

4, 8-10 oz, 1-1 ½ inches thick Ontario Veal T-Bone chops2 tbsp olive oilSalt and freshly ground black pepper to taste

#### **Maple Mustard BBQ Sauce**

½ cup maple syrup
¼ cup prepared mustard
2 tbsp Dijon mustard
1 tbsp grainy Dijon mustard
2 tsp Sambal Oelek chili sauce
1 tbsp chopped fresh tarragon

#### **Instructions:**

In a small pot, over medium-low heat, combine the maple syrup, mustards, and chili sauce. Warm slowly, stirring occasionally until bubbling, then remove from heat. Add fresh tarragon and season to taste with salt and pepper. Brush the Ontario Veal chops with the maple-mustard mixture on all sides. Cover and refrigerate for 4 hours or overnight

#### Fire up your grill to high 500°F.

Brush chops with a bit of olive oil, season with salt and pepper and head to the grill. Grill chops for 5 to 6 minutes per side for medium-rare doneness basting with extra maple mustard BBQ sauce after the first turn of the steaks.

Source: Ted Reader BBQ





#### Leading Dairy Farming with Passion and Purpose

Ontario dairy farmers are committed to the sustainability of their farms, their herd and the land. They take pride in producing high-quality, nutrient-rich milk for everyone from generation to generation.





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### Licenced dealers

As a veal (bob calves, started/preconditioned calves, and finished veal cattle) producer, you should be dealing with licenced dealers who are remitting veal licence fees (check-off) on behalf of the farmers they are collecting from. If you are selling bob calves from your dairy farm, the \$5.50 check-off is to be collected by the person purchasing those calves. If you sell your calves to a sales barn, the check-off is remitted on your behalf. Please contact the Veal Farmers of Ontario (VFO) office to ensure we have your updated contact information, including your email address. If you are dealing with an unlicenced dealer, you are not protected under the Ontario Beef Cattle Financial Protection Program (OBCFPP). You could be in jeopardy of losing the money from the sale, especially if you received a cheque for payment. If it is unclear if the dealer is licenced, ask to see the licence, check the Agricorp website at https://bit.ly/Agricorpdealers or contact the VFO office.

### Licence fee remittances

Regulation 58/15 (i) requires any person who receives veal cattle to deduct from the money payable for the veal cattle any licence fees payable to the local board by the person from whom the veal cattle is received and to forward the licence fees to the local board. Bob calves and preconditioned calves are considered veal cattle. This regulation also includes veal cattle that are sent for custom slaughter.

If you are purchasing male dairy and dairy crossbreed bob calves (up to 150 lbs.) and preconditioned intact male dairy and dairy crossbreed calves (up to 450 lbs.) licence fees are required. To help veal producers and to streamline efficiencies VFO will allow producers purchasing private treaty calves or sending veal for custom slaughter to fill out the Year End Licence Fee Remittance Worksheet.

This worksheet is only for finished veal producers, not dealers. Dealers are to remit monthly unless arrangements have been made with the VFO office. Form 5- List of Veal Cattle Sellers Information Report must accompany the Year End Licence Fee Remittance Worksheet.

If you require additional copies of the Year End Licence Fee Remittance Worksheet for 2023, Form 1 or Form 5, please visit the VFO Licence Fee forms page at https://bit.ly/LicForms or contact the VFO office.

#### Ontario Beef Cattle Financial Protection Program

Agricorp is the Delivery Agent of the OBCFPP and Administrator for the Livestock Financial Protection Board. All communication, including but not limited to: Late Payments Reports, Claims to the Fund, and Licencing inquiries, must be directed to Agricorp. Visit https://bit.ly/agricorp or call 1-888-247-4999 for more information.

Coordinates and Staff

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