

**ANIMAL WELFARE VERIFICATION
IN CANADA:
A DISCUSSION PAPER**

**Prepared for:
Canadian Council of Grocery Distributors
Alberta Farm Animal Care Association
Farm Animal Council of Saskatchewan**

Holly Mayer



September 26, 2002

TABLE OF CONTENTS

1.0	Introduction.....	1
1.1	Background.....	1
1.2	Purpose	1
1.3	Objectives	1
2.0	Animal Welfare in the United States	3
2.1	The Corporate Picture	3
2.2	Existing Animal Welfare Guidelines	6
2.2.1	Layer Hens	6
2.2.2	Chicken.....	7
2.2.3	Swine	8
2.2.4	Beef Cattle	8
2.2.5	Dairy Cattle	9
2.2.6	Slaughter Facilities	10
2.3	Government Involvement in Animal Welfare Standards	10
3.0	Animal Welfare in Canada.....	12
3.1	The Corporate Picture	12
3.2	Existing Animal Welfare Standards.....	13
3.3	Industry Quality Assurance Programs.....	15
3.4	Government Involvement in Animal Welfare Standards	17
4.0	The Future for Animal Welfare Standards in Canada	19
4.1	The Codes of Practice	19
4.2	Impact of the FMI/NCCR Process.....	19
4.3	Next Steps	20

1.0 Introduction

1.1 Background

The issue of animal welfare has received significant attention from major grocery and food service companies¹ in the United States over the past few years. This attention has been prompted by in part by pressure from animal rights groups on specific companies that in turn has become an industry concern. McDonald's in the United States was the first company to implement animal welfare guidelines developed by a scientific advisory panel, and an audit program to ensure their suppliers' compliance. Other fast food companies, including Burger King and Wendy's and have since followed suit in developing animal welfare guidelines and some type of auditing system.

Two US industry organizations have launched a process to develop a consistent, industry-wide system of animal welfare guidelines and audits for suppliers to US fast food chains, grocery stores and other food retailers. These organizations are the Food Marketing Institute (FMI), which represents companies in the grocery business, and the National Council of Chain Restaurants (NCCR). The two organizations are working with producer groups and others to develop and approve animal welfare guidelines for the major types of animal production (dairy, beef, pork, chicken, turkey and eggs). The next steps in this process will be to finalize the guidelines and then develop an audit and verification system.

This process could have a significant impact on animal production and animal welfare guidelines in Canada. Canada has relied on voluntary Codes of Practice and government regulatory services to demonstrate that the industry follows good humane practices. However, since the Codes are voluntary, this system may not be acceptable to US-owned Canadian companies that are part of the FMI/NCCR process. The US is moving ahead quickly in developing guidelines and accompanying audit and verification systems, and although Canada has a long history with regard to animal welfare standards, the US is further ahead in the development of audit and verification systems.

1.2 Purpose

The purpose of this document is to develop a discussion paper for the Canadian livestock and food industry on the future role of animal welfare in food quality assurance programs.

1.3 Objectives

¹ In the remainder of this document, the term 'food retailers' will be used to refer to grocery and food service companies.

In developing this discussion paper, the objectives are as follows:

1. Provide a clear picture of progress made in the US regarding animal welfare standards and audits.
2. Provide a clear picture of the situation in Canada regarding animal welfare standards and audits, and where we differ from the US.
3. Examine the state of the Canadian Codes of Practice process and its future viability.
4. Examine the progress of on-farm quality assurance (QA) programs in Canada that are currently only food safety oriented.
5. Forecast the impact of the FMI/NCCR action in the US on the Canadian industry.
6. Provide recommendations for action for Canadian industry.
7. Provide an example of how a simple, auditable welfare verification program might be linked to existing QA programs in Canada.

The remainder of this document is organized as follows. Section 2 contains a discussion of the situation in the United States, and Section 3 discusses the Canadian situation. Section 4 addresses the potential impact of the FMI/NCCR process and contains recommendations for action in Canada.

2.0 Animal Welfare in the United States

Significant strides have been made in the United States regarding animal welfare standards over the past three years. These changes in the US have been precipitated by pressure from animal rights groups, changing public attitudes regarding animal production, and changing animal welfare standards and legislative changes in Europe. In 1999, the United Kingdom banned sow gestation stalls and the EU announced that battery cages would be phased out within 12 years. The changes started in earnest in the US in 2000, when McDonald's announced that their suppliers would have to meet specific animal welfare standards, and be audited to prove that they are meeting the standards. In 2001, Burger King announced that it would also require their suppliers to meet specific animal welfare standards, and the FMI/NCCR process began.

2.1 *The Corporate Picture*

Prior to the announcements from McDonald's and Burger King regarding animal welfare standards there had not been much interest from commodity groups in addressing animal welfare issues. However, the result of a libel lawsuit that McDonald's UK brought against two activists was a conclusion by the judge in 1997 that McDonald's was 'culpably responsible' for the cruelty to animals inherent in certain production practices, when it had close links with its suppliers of such animals. McDonald's does have close relations with the beef and pork slaughter and egg industries, and by 1999, had advised its suppliers in these industries that it would require specific animal welfare standards be met by certain dates².

The key aspects of McDonald's animal welfare standards include:

- Slaughter plants must meet the standards of the American Meat Institute
- Laying hens must have 72 square inches of floor space per bird
- Forced molting by food withdrawal must not be utilized
- The use of downer cattle is prohibited as a raw material source
- Beak trimming is 'not supported'

The requirements concerning required floor space for laying hens and eliminating the practice of forced molting were a significant departure from standard industry practices. In addition to the guidelines, McDonald's also established objective measurements for slaughter plants for gauging animal welfare and trained suppliers and auditors to apply these measurements. McDonald's now conducts unannounced audits, and audits all of its beef, pork and chicken suppliers.

In developing these guidelines and measurements, McDonald's made use of an independent advisory board comprised of outside experts and scientists. McDonald's has especially made use of Dr. Temple Grandin's work and knowledge on the issue of

² *Farm Animal Welfare in a World of Changing Expectations*, by David Fraser. In *Advances in Dairy Technology*, 14:1.

animal welfare in slaughter plants. The company is also supporting research on sow housing at a US university.

This 'model' that McDonald's developed – using outside experts to evaluate and set guidelines, establishing standards that can be measured objectively, and setting up an auditing system to verify compliance with their standards – has been applied by Burger King. Burger King has also utilized Temple Grandin's expertise (and that of other academics and scientists), and has 'exceeded' some of McDonald's standards. For example, Burger King requires a minimum of 75 square inches of floor space per layer hen and that birds must be able to stand fully upright anywhere in the cage.

At the time of its adoption of animal welfare guidelines for slaughter facilities in 2001, Burger King also petitioned the United States Department of Agriculture (USDA) to have the USDA fully and actively enforce the federal Humane Slaughter Act. Burger King took this action because their Animal Well-being Advisory Council felt the law lacked the proper enforcement³. A 1996 audit by Temple Grandin of slaughterhouses in the US indicated that only about 25 percent of USDA inspectors were fully enforcing the Act. This petition was granted in January 2002, consequently providing for increased enforcement of the Act. Another result of this petition is a commitment from USDA that it will develop a rule to address the issue of humane handling at slaughter plants.

The other major restaurant chain that has utilized an animal welfare council and adopted animal welfare guidelines for their suppliers to follow is Wendy's. The company's animal welfare council is comprised of senior and mid-level executives that represent key areas of its business. Wendy's began utilizing the American Meat Institute's animal welfare guidelines for the humane slaughter of beef and pork in 1998. Its' guidelines now cover poultry, as well as housing, transportation, and holding facilities. Supplier audits take place a minimum of twice a year, and companies that do not meet their guidelines can no longer supply Wendy's.

A fourth chain, Applebee's, announced their animal welfare guidelines early in 2002, however they were strongly criticized by producer organizations for not including any such groups in the development of these guidelines. As a result, Applebee's has indicated it will delay implementation of its guidelines until industry-wide guidelines (those being developed by FMI/NCCR) are adopted. Applebee's also faced criticism for the terminology of their animal welfare guidelines, which some felt resembled that used by animal rights groups, and because some standards were not science-based⁴.

In February 2002, People for the Ethical Treatment of Animals (PETA) launched its first boycott against a major grocery company, Safeway, in an effort to pressure the company to adopt animal welfare standards for its suppliers. In May PETA ended its boycott when Safeway announced that it would commence unannounced audits of one

³ Burger King Corporation press releases June 28, 2001 and January 23, 2002, <http://bk.com/companyinfo/onlinepressroom/>.

⁴ *Pork Board Reacts to Welfare Demands*, by Joe Vansickle. In *National Hog Farmer*, February 15, 2002.

of its major pork suppliers, and would implement the FMI/NCCR guidelines and audit process within six to eighteen months of their release.

The McDonald's model is also essentially the model that the FMI/NCCR group is following. The specific goals of the FMI/NCCR process are:

- Consistency of animal welfare guidelines across the retail sector
- A measurable audit process
- Implementation of practicable and attainable guidelines based on science
- An ongoing advisory council of third party animal welfare experts
- Improved communications across the supply chain on animal welfare issues

In December 2001 the group released three guidance documents that were shared with the producer community. The objectives of these documents were:

1. Using a uniform process for determining standards;
2. Basing guidelines for animal welfare on sound science; and
3. Developing measurable audit processes necessary to monitor best practices and assess industry standards across different animal species.

In February 2002 an interim report was released that covered these objectives in more depth and outlined the next steps in the process. A draft report was issued in June 2002 that contains the recommendations of its animal welfare advisors regarding the revised guidelines submitted by producer and industry organizations. At this time, not all producer groups have made the same level of progress. The National Cattlemen's Beef Association is reviewing its guidelines, the National Pork Board is developing a swine welfare indexing system, and the FMI/NCCR advisors have recommended changes to the United Egg Producers' guidelines.

The next steps in the FMI/NCCR process will be to:

- Review the progress of those producer groups that have not finalized their guidelines
- Issue guidelines for religious processing
- Develop an audit system to be used by industry so that retailers can identify those producers/suppliers that are implementing the guidelines

The FMI/NCCR group plans to issue another progress report in October 2002.

There has also been commitments regarding animal welfare at the production level. For example, one of the largest hog production and processing companies in the US, Smithfield Foods, recently made such a commitment. All animals on the company's Murphy-Brown farms in the breeding, nursery and feeder operations are to be handled with their comfort, health and safety as a priority at all times. Implementation of this was to begin in August 2002, and third-party verification of compliance at the farms with these guidelines will follow.

2.2 Existing Animal Welfare Guidelines

Several commodity organizations and one industry association are currently working with the FMI/NCCR to develop animal welfare guidelines in the US, and in some cases are also developing an audit system to verify implementation of the guidelines. These organizations are:

- American Meat Institute (slaughter of cattle and hogs)
- Milk and Dairy Beef Quality Assurance Center, Inc. (dairy cattle)
- United Egg Producers
- National Pork Board
- National Chicken Council
- National Cattlemen's Beef Association

The current status of these organizations in the development of animal welfare guidelines is detailed in the following sections.

2.2.1 Layer Hens

United Egg Producers (UEP) formed a scientific advisory committee and developed a process to deal with animal welfare concerns in 1999. The advisory committee first reviewed the scientific literature on layer hen animal welfare. An industry committee then used the results of this review to prepare draft standards and guidelines. The FMI/NCCR group has asked all industry and commodity groups to follow this model of animal welfare standards development, although not all groups have followed this process.

The layer hen industry has faced some of the greatest controversy and most significant changes to standard practices as a result of the animal welfare guidelines that have been developed and implemented by fast food companies.

The most challenging issues UEP has had to deal with include:

- Beak trimming
- Forced molting
- Space allocation
- Handling and processing of spent hens
- Euthanasia

At this time the guidelines developed by UEP include a phase-in period for changes in space allocation, which has been shortened from previous versions. As of April 2002, 56 square inches per hen is required; 67 square inches per hen will be required as of April 1, 2008. With regard to beak trimming, UEP has recommended that this be done only when necessary, only by trained personnel and preferably when the bird is less than 10 days old. UEP has also undertaken research projects investigating molting of laying hens without withdrawing feed. The FMI/NCCR group has asked the industry to develop a phase-out program for feed-withdrawal molting.

To help producers deal with the changes that will affect their production management processes, UEP has also developed training materials and an audit checklist. In applying to receive certification from UEP that they are meeting the animal welfare guidelines, companies must:

- Commit to meeting UEP guidelines on 100% of their egg production facilities designated for the grocery and/or foodservice trade.
- Provide UEP with a listing of all company egg production facilities designated by house number or name, location, cage size, number of cages, and total square inches of cage space per house.
- Commit to meeting the guidelines for beak trimming, molting and handling and transportation as they are introduced
- Agree to be audited annually by a third part independent auditor, and provide UEP with a copy of the audit results

Production managers are also encouraged to keep a database for each flock that is beak trimmed, molted and depopulated after July 1, 2002 in order to facilitate tracking the company's adherence to UEP's guidelines.

The first audit of a company must take place within nine months of receiving provisional certification status, and companies that do not pass the audit have 60 days to take corrective action.

2.2.2 Chicken

The National Chicken Council (NCC) has developed a comprehensive set of animal welfare guidelines that were originally approved by its Board of Directors in February 1999. The current guidelines were adopted in January 2002 as a revision to guidelines adopted in October 2001. The guidelines were largely developed in response to the actions taken by McDonald's and the other major fast food chains as discussed in the previous section.

The guidelines themselves cover a wide range of topics, from education and training through hatchery operations, proper nutrition and feeding, comfort and shelter, health care, catching and transportation to processing. The NCC has also developed an audit checklist to be used in conjunction with the guidelines that contains 1250 verification points. The audit assigns a measurement or verification method to each guideline, a maximum score and a category level that determines the length of the follow-up period in which deficiencies must be addressed. The audits at this time are conducted by producers themselves, but could also be used by an outside third party.

The NCC's guidelines have been reviewed by the FMI/NCCR animal welfare group, which has recommended certain changes. At this time the NCC is in the process of reviewing these recommended changes.

2.2.3 Swine

The National Pork Board (NPB) recently revised its Swine Care Handbook that details best management practices in the area of animal welfare. It is in the process of developing a comprehensive set of animal welfare guidelines, using the Handbook as a baseline, and a 'swine welfare assurance program' (SWAP), partly in response to the FMI/NCCR process. The NPB also developed a Trucker Quality Assurance (TQA) program that was implemented in the past year to improve the quality of handling of pigs in transport from farm to slaughter facility. As part of the process of developing the SWAP, the NPB is funding several animal welfare research projects, including five on gestating sow housing, which is the most problematic issue the industry faces. Until specific recommendations are made regarding gestating sow housing, FMI and NCCR have indicated they support pork industry guidelines regarding individual housing systems that specify how much movement and space a gestating sow should have in a stall.

SWAP was originally called the swine welfare indexing system and was originally limited to gestating sows. The program has now been extended to include the entire production system from breeding herd to finishing pig, but will divide swine production into breed-to-wean and wean-to-finish stages. The program will essentially be a set of animal welfare guidelines and audit system rolled into one, as it is intended to be a user friendly method of objectively measuring and tracking swine welfare indicators. SWAP will gauge sow welfare according to behaviour, production and physiology by evaluating farm records, the sows themselves and facility conditions. The program is also intended to be independent of production system, number of animals in a facility and to be applicable to all environments (e.g. indoors or outdoors).

A pilot version of the program was completed in the first quarter of 2002, and the NPB anticipates that the completed program will be rolled out in the first quarter of 2003. Producers are being made aware of SWAP through state affiliates of the NPB, mailings and the NPB's website. There is a high level of interest from producers in this program, and the NPB believes that if it is promoted to producers in terms of the benefits they will receive, uptake on the program will be quite high.

The NPB has also had a Pork Quality Assurance (PQA) program in place since 1989. The program guidelines have recently been revised, and includes some animal welfare components. Producers who want to be certified under this program must review and assess their operations against the program checklist on an annual basis, with a program 'educator' (e.g. veterinarian, extension specialist). Every two years, the producer must have an educator sign a card that indicates the producer has met the requirements of the PQA program.

2.2.4 Beef Cattle

The National Cattlemen's Beef Association (NCBA) developed a set of animal care guidelines in 1997. As part of the FMI/NCCR process, these guidelines are currently being reviewed by NCBA with input from the FMI/NCCR group. The guidelines address

the major areas of animal care for beef cattle, which include feeding and nutrition, livestock facilities, shelter, animal health practices, handling sick, disabled or deceased livestock, transportation and training and education. The most visible issues for the beef industry have been non-ambulatory or downer animals at the slaughter facility, branding, dehorning, castration, transportation and conditions at feedlots.

McDonald's and Burger King's animal welfare guidelines both state that they will not accept downer animals as raw material. Burger King also 'discourages' branding. Branding is a legal requirement to sell cattle in some states, and as long as no other method of identification is commercially viable and available to producers, this will remain a point of contention.

The beef industry also faces a significant challenge in developing an audit and/or verification system. There are over 900,000 cow/calf producers in the United States, making an audit of all producers next to impossible. In attempting to address this issue, the NCBA is considering a system where an audit would be triggered by information that indicates there is an animal welfare problem in a specific herd. This information would be gathered at the slaughter facility, where inspectors and plant workers must already make note of animals that are sick or show evidence of being treated improperly. The NCBA believes that this information is available, and their challenge will be to gather it in a meaningful way so that remedial action can be taken at the producer level.

2.2.5 Dairy Cattle

The Milk and Dairy Beef Quality Assurance (DQA) program was developed in 1990 by the Milk and Dairy Beef Quality Assurance Center, and included both self-audits and third party certification by trained auditors. This program was expanded to include animal care in 1995, making it one of the oldest animal welfare programs for a major species in the United States. The animal care guidelines were developed with the assistance of a committee of animal scientists, veterinarians and producers. The DQA program was updated in 2002 to include recommendations of the FMI/NCCR animal welfare advisors.

The issues in this industry have been:

- Space allocation and development of a 'cow to free stall' ratio
- Restriction of movement in tie stalls
- Tail docking
- Guidelines for procedures that should be performed by a veterinarian and with the use of anesthesia and analgesia, including approved methods and recommended ages for castration and dehorning.
- Lameness, mastitis and calf housing

The guidelines are contained in a *Technical Reference Guide*, which address in detail all major areas of concern from producer and employee attitudes to environment, facilities, nutrition, and transporting and handling animals. In total there are ten quality control points and detailed best management practices for each. Along with the

reference guide is a self-audit that asks for a yes/no/not applicable response to each best management practice. In the past, veterinarians have conducted third party audits of producers who are part of the DQA program. The Milk and Beef Dairy Quality Assurance Center, which developed and administers the program, feels that veterinarians will continue to be the primary choice for third party auditors.

The challenge the dairy industry faces is communicating this program to producers who will need to take part in it. The DQA Center is a not-for-profit corporation and is a separate entity from dairy producer/commodity organizations. Although the DQA program has been in place for several years, it has been used only by those producers who knew about the program and wanted to take part.

2.2.6 Slaughter Facilities

The slaughter guidelines developed by the American Meat Institute (AMI) for cattle, swine, sheep and goats have been supported by the FMI/NCCR animal welfare advisory group. The AMI has also developed training materials and audit documents, based in large part on Temple Grandin's research and audit materials.

Dr. Grandin's good management practices for animal handling and stunning require objective scoring in areas such as correct placement of electric stunner, the percentage of animals that are sensible and partially insensible on the bleed rail, the percentage of animals that slip and fall anywhere in the facility, animal vocalization, and electric prod use. The audits use, therefore, objective scoring in these categories. The training materials are written by Dr. Grandin and explain in detail how stunning should be carried out, how to prevent slipping and falling, etc.

This is one of the simplest areas of animal production in which to monitor animal welfare, as auditors observe the animals as they enter the slaughter facility and count how many are in violation of the guidelines. There are also relatively few facilities, in comparison to the number of producers involved.

2.3 Government Involvement in Animal Welfare Standards

The federal government in the United States has been quiet on the issue of animal welfare standards. The development of guidelines and a system to enforce and verify compliance with these standards has been pushed by food retailers and brought about in cooperation with national producer or industry organizations. The government's primary contribution at this time is through the Humane Slaughter Act, which is seen by some as not being properly enforced. This view led to Burger King's petition to have USDA fully enforce the Act which, as discussed earlier, was granted. USDA has also committed itself to develop increased enforcement regarding the humane handling of animals at slaughter facilities.

The federal government is also involved in animal welfare through its Agriculture Marketing Service, which audits the animal welfare program of the American Humane Association. At this time, however, most organizations involved in the FMI/NCCR process do not seem to be interested in involving the US government in either developing guidelines or verifying compliance.

There has also been many attempts at the state level to pass legislation regarding animal welfare. For example, legislation was introduced in Illinois that would make forced molting a crime, and Washington State has contemplated legislation that would require poultry barns to be inspected for animal cruelty.

3.0 Animal Welfare in Canada

The Canadian picture with respect to animal welfare standards differs significantly from that in the United States. In Canada, Codes of Practice were developed as long as 20 years ago for some species, and most Codes have been around for at least 10 years. The Codes, however, are voluntary and many producers are not aware of their existence. Some producer organizations have developed quality assurance programs and have begun to extend these programs to include animal welfare issues. The development of audit and verification processes has also been initiated by some commodity groups, partly in response to the growing attention animal welfare issues are receiving.

3.1 *The Corporate Picture*

At the corporate level, Canada has not (yet) felt significant pressure from food retailers for animal welfare guidelines and an auditing system that would verify compliance with these guidelines.

The most notable corporate action regarding animal welfare in Canada has been taken by McDonald's and Burger King. Both companies are already auditing beef and pork plants in Canada, using auditors trained by Temple Grandin and the audit guidelines and system she has developed. These facilities maintain weekly reports and are subject to unannounced audits twice a year. The guidelines these companies are using are therefore similar to the ones used in the United States (i.e. the AMI guidelines). There are relatively few beef and pork slaughter facilities in Canada, which has made it easy for these two companies to implement and conduct their audits. Dr. Grandin was also conducting audits of beef, pork and poultry slaughter facilities herself, prior to the changes that have taken place in the United States.

It is anticipated, however, that McDonald's and Burger King, along with other fast food chains and grocery retailers will expand their animal welfare audits in Canada once the FMI/NCCR process is completed and implemented in the United States. Burger King's animal welfare website states that their "animal handling practices and audits are designed to be implemented in the US and Canada", and that the company "will require the application of equivalent standards within its non-US markets in a timely and appropriate fashion." This is a clear indication that Burger King wishes to implement in Canada the standards and audits which are currently being developed in the United States.

The PETA boycott of Safeway in spring 2002 included western Canada, where media conferences were held in major cities and leaflets were distributed in Safeway stores. Safeway's commitments to implement the FMI/NCCR guidelines will undoubtedly extend to their Canadian operations as well.

In order to help Canadian food retailers understand the various guidelines, Codes of Practice, regulations and research on animal welfare the Ontario Farm Animal Council has prepared an information resource binder that covers all of these subjects. This information was put together by the Council in response to requests from food retailers for Canadian animal welfare information and will be updated as needed.

3.2 Existing Animal Welfare Standards

As noted earlier, the Canadian Codes of Practice are the only national set of animal welfare guidelines. Since 1993, the coordination of development of new codes and review of existing codes has been the responsibility of the Canadian Agri-Food Research Council (CARC), in cooperation with the Canadian Federation of Humane Societies. CARC's role is directed by the Canada Committee on Animals and Expert Committee on Farm Animal Welfare and Behaviour. The development and review of the Codes is a multi-stakeholder, consultative process that involves the following organizations:

- Agriculture and Agri-Food Canada
- Canadian Food Inspection Agency
- Canadian Council on Animal Care
- Canadian Federation of Humane Societies
- Canadian Veterinary Medical Association
- Canadian Society of Animal Science
- Canadian Society of Agricultural Engineering
- National commodity representatives
- Processing and other related organizations
- Provincial departments of agriculture

The table below lists the Codes of Practice, the year they were developed, and the year of the latest revision.

Species	Original	Revision
Poultry	1983	1989
Pigs	1984	1993
Dairy cattle	1990	
Beef cattle	1991	
Veal calves	1988	1998
Ranched mink	1989	
Ranched fox	1989	
Sheep	1995	
Farmed deer	1997	
Horses	1998	
Transport of Animals ⁵	1999	
Bison	2001	

⁵ Includes deer, pigs, cattle, sheep, horses and poultry.

The poultry Code is currently being revised and will become two separate documents, one for poultry meat and one for layer hens. These Codes have been drafted and will soon be approved and completed. An addendum is being added to the pigs Code and a new Code is being developed for goats. The Code for beef cattle is also being reviewed internally by a committee of the Canadian Cattlemen's Association. A five year plan is in place to update and revise the Codes on a timely basis.

Handling and transportation of pigs, beef cattle and poultry is covered in the individual Codes for these species, and also in the Transportation Code of Practice. The treatment of these animals at sales yards, auctions and processing facilities are also contained in the Codes of Practice. Parts of the Codes are taken from the federal Meat Inspection Act, which sets out specific standards for the humane slaughter of animals. Some beef and pork slaughter facilities have gone a step further by utilizing Temple Grandin's expertise in the design or redesign of their receiving, handling and slaughter areas, as well as her guidelines for humane slaughter practices. These facilities are also audited for compliance with these guidelines by Dr. Grandin and/or auditors from fast food chain companies.

Prior to the recent changes in the US, the Canadian Codes of Practice put the Canadian animal production industry far ahead of the US in terms of animal welfare guideline development. This has changed somewhat with the development of the US guidelines, so that now the two sets of guidelines are, for the most part, quite similar. More species are covered by Codes of Practice in Canada, and some Codes are more detailed than the US guidelines that have been developed. The revision to the poultry Code will mean the two new Codes are as current as those in the US for chicken and eggs. The beef and dairy cattle Codes are somewhat dated, as they are more than ten years old, and the pigs Code is nearly ten years old. While there have not been significant changes to good management practices in either of the bovine species, further update beyond the current addendum may be needed for the pigs Code.

One area where Canada and the US differ is the process for developing animal welfare guidelines. Although Canada's approach is consultative and involves many segments of the industry, reviews of the scientific literature on animal welfare have not been a formal part of the process. As noted earlier, the FMI/NCCR advisory group has recommended that US commodity groups complete a literature review prior to developing their animal welfare guidelines, and some groups are following this model.

With the development of the US guidelines and the controversy that has surrounded some of the specific species requirements, one of the questions for the Canadian industry is what our standards are relative to the new US standards.

With respect to eggs, the UEP guidelines regarding minimum floor space requirements will be 67 square inches at the end of the phase-in period in April 2008. The new Canadian Code of Practice recommends 64 square inches per bird, and further recommends 67 square inches when producers retool their facilities. UEP beak

trimming guidelines specify that it should not be done after the birds are 10 days old, and a second trim should not be done after 8 weeks of age. The Canadian Code says beak trimming should not be done after the birds are 14 days old, and is not recommended after eight weeks of age. UEP guidelines currently do not specify a phase-out period for the practice of forced molting (which has been requested by the FMI/NCCR advisory group). The new Canadian Code states that this is not a common practice, and is to be phased out completely by 2005. In effect, the Canadian guidelines on these contentious issues are either essentially the same as the US ones, or are ahead of the US guidelines.

With respect to dairy cattle, the two sets of guidelines are very similar with regard to specific freestall dimensions. Guidelines are also very similar for beef and chicken production. There is a relatively small difference between the two sets of guidelines concerning sow gestation crates. In Canada, the pigs Code specifies the dimensions of individual sow holding units according to the sow's weight, while the NPB does not specify dimensions but does have guidelines that address the sow's ability to move in 'individual housing systems'.

Although transportation, handling and slaughter of animals are a part of the Codes of Practice, there is not currently a separate set of Canadian guidelines that addresses slaughter specifically, as the AMI guidelines do. However, the slaughter guidelines that the AMI has adopted are essentially also being used by facilities that account for the vast majority of beef and pork slaughter in Canada, since both are using the guidelines and audit system developed by Temple Grandin. As well, the Canadian Meat Council, whose members are beef and pork processors, and the Canadian Poultry and Egg Processors Council are aware of the animal welfare issue and are prepared to respond to the demands of consumers and the marketplace.

Overall then, in terms of guideline development and the actual guidelines, there is very little difference between the Canadian Codes of Practice and the US guidelines and standards. The biggest difference may be that some of the US guidelines are more up to date than the Canadian ones.

The one area where the US is a significant step ahead of Canada is in the development of audit checklists. Although the nature of the Codes of Practice are such that audit checklists and specific metrics are not required, they will be required by the FMI/NCCR advisory group in order to implement a third party verification system. The lack of specific animal welfare audit checklists and actual measurements therefore are the biggest gap faced by the Canadian industry at this time.

3.3 Industry Quality Assurance Programs

Quality assurance and on-farm food safety (OFFS) programs may be able to fill some or all of the gap identified above concerning the development of objective measurements,

audit checklists and a third party verification system. All of the five major animal commodity groups have some level of quality assurance and/or OFFS program in place.

The pork industry has a national quality assurance program that has been in place since 1998. The current initial phase of the program is focused on food safety, and the intention is for later phases to focus on quality and integrity standards. Producers following the program must meet a set of national standards, and calls for standard protocols that address physical, chemical and biological hazards. The program also has an audit component, where validators visit farms to ensure documentation is in order and verify that protocols are being practised. The validators are usually veterinarians, who bill the producer for their time required to audit and validate them for the program. The Canadian Pork Council estimates that over half of Canada's hog production is now certified under the program.

The beef industry has the Quality Starts Here program, which was implemented in 1995. The objectives of this program are to ensure a safe and healthy product, maximize the quality of the product and improve returns to all sectors of the industry. The design of educational materials has incorporated HACCP principles and definitions. Although audit-type checklists are available to producers and good record keeping is an essential part of the program, the program is voluntary and there is currently no verification system in place.

The egg industry OFFS program is the oldest one of its kind currently being utilized by the five major species in Canada. Start Clean, Stay Clean was implemented in 1990. As with the other OFFS programs, guidelines for good management practices are a necessary and integral part of the program. These guidelines were taken in part from the Code of Practice, and do include some animal welfare aspects. As much as possible, the guidelines are accompanied by objective, measurable items that can be rated or scored by outside auditors. At this time, the auditors are employed by the Canadian Egg Marketing Agency and are trained specifically to carry out their inspection/auditing responsibilities. Since the program is voluntary there is no immediate or direct penalty for violation of the program. At this time the program is voluntary and has been approached as an education process, and has largely been accepted as such. If a producer does receive low scores over a period of time, auditors will work with producers to correct the problem(s), and as a last resort the provincial board would become involved and the producer could potentially lose their quota.

The Canadian Quality Milk Program (CQM) is the dairy industry's OFFS program. It is funded jointly by the Dairy Farmers of Canada and Agriculture and Agri-Food Canada and was introduced in the past year. Again, the key program concepts include best management practices and HACCP principles. The best management practices also contain some animal welfare guidelines. The program manual outlines potential hazards and critical control points, best management practices, verification tools and processes, troubleshooting keys and corrective actions to be taken if necessary.

One unique aspect of the CQM program is that producers must monitor five mandatory critical points through the use of best management practices, records and written standard operating procedures in order to be a validated farm. Other criteria for validation include a current license to ship milk from the provincial marketing board and meeting the minimum acceptable standards of the National Dairy Regulations and Code and the applicable provincial dairy regulations. At this time, outside program validators have not been hired and staff of the provincial dairy marketing boards are filling this role. Another unresolved issue is how many mandatory and recommended best management practices a producer can fail, if any, and still be validated as complying with the program guidelines.

The chicken industry's OFFS program, Safe, Safer, Safest, was introduced in 1998. It is based on a code of good production practices that cover the entire production cycle (including catching and shipping market-weight birds) and HACCP principles. A written manual and video were developed by the Chicken Farmers of Canada to educate producers on implementing these practices into their operations. Outside auditors visit farms to inspect, validate and certify compliance with the program. At this time auditors are usually employees of the provincial regulatory body, but in some instances are paid by provincial governments. All auditors must take a one week course that covers auditing techniques and HACCP principles. In August 2002 the program's guidelines were recognized by the Canadian Food Inspection Agency (CFIA), as part of the technical review process of the Canadian On-Farm Food Safety Program (COFFS). This is the first commodity OFFS program to receive this recognition.

Most of the OFFS or quality assurance programs discussed here have developed guidelines for best management practices and an audit checklist, and have outside inspectors or validators auditing producers to verify compliance with the program guidelines. These programs have used the Code of Practice concept (and/or parts of the applicable Code of Practice) and taken the next steps in developing an objective measurement system and having third party auditors utilize these measurements for program verification. It is these next steps that are key in satisfying the questions and demands of food retailers, who want a paper trail as proof their suppliers are in fact implementing the production practices they say they are.

3.4 Government Involvement in Animal Welfare Standards

All of the OFFS programs discussed in the previous section are working towards gaining certification of their guidelines under the COFFS Program. This is a producer-led, industry/government partnership that provides national commodity groups with the opportunity to develop the strategies and necessary tools to implement national OFFS initiatives that are consistent with HACCP principles.

The first step in this process is for the commodity groups to get certification from CFIA of their technical guidelines. Once this is completed, third party auditing and verification protocols will be up for certification. The intent of the program is to have a government

approved, HACCP-based OFFS program for all commodities (not just animal species). Although the guidelines for each commodity would differ, the principles and design would be the same across commodities.

Discussions are currently underway regarding delivery of the validation component of the program, and the development of an umbrella organization that would carry out this function. Since a necessary requirement of the program will be on-farm validation of compliance with relevant protocols, and many farms produce more than one commodity, the most efficient and effective way of auditing and validating producers would be through one organization and one auditor per farm. Auditors would be trained in ISO auditing and HACCP principles, as well as commodity specific issues and would then be able to audit all commodities on one farm.

In addition to developing the auditing and validation process, another significant issue that must be resolved regarding the COFFS program is who will pay for the auditors and the cost of administrating the program.

4.0 The Future for Animal Welfare Standards in Canada

The current situation in Canada and the United States with regard to animal welfare standards has been presented in the previous sections. This information provides the background necessary to discuss the future for animal welfare standards and verification in Canada. Recommendations for the Canadian animal production and slaughter industries flow from this discussion, which are numbered and highlighted in italics.

4.1 *The Codes of Practice*

The Codes of Practice have served a useful purpose in the past, however their usefulness in the future is questionable. Although the Codes of Practice represent the current best management practices for each species, many producers are largely unaware of the Codes' existence. In addition, there are a large number of guidelines that do not provide auditable or measurable standards. . The animal welfare guidelines in the Codes are also only one component of animal welfare verification that will most likely be required in the future by food retailers and consumers. However, significant time, effort and expertise has gone into the development of the Codes, and they should be utilized fully.

1. *The Codes of Practice can and should serve as the basis for the development of measurable animal welfare standards that will be part of a complete, auditable verification program.*

Animal welfare standards are changing quickly in some industries, and this is likely to continue or even accelerate over the next few years. Codes of Practice or written best management practices should reflect these changes as quickly as possible and practicable. Although there is a process in place to update and revise the Codes every five years, this is likely to be too slow for the changes in industry that may occur and the expected requirements of food retailers.

2. *Animal welfare standards should be more of a 'living' document than the Codes of Practice currently are by updating the standards according to industry needs.*

Overall, there is a growing need for objective measurements to go along with best management practices and a third party verification system in the context of animal welfare guidelines. The Codes of Practice have limited value in meeting this need and therefore are not likely to provide much, if any, value to industry in the future beyond being the basis for development of animal welfare guidelines as one part of an auditable program. However, the consultative process that has been utilized in Canada in developing the Codes has been valuable and may be even more so in the future.

4.2 *Impact of the FMI/NCCR Process*

The move toward HACCP-based programs that include objective measurements for animal welfare and third party auditing and verification will only be enhanced when the

FMI/NCCR group completes its process in the United States. Canada is a significant step ahead of where the US was when the fast food chains began implementing animal welfare guidelines with their suppliers, because the Codes of Practice are already in place. Although they are not adequate to fully meet the needs of the food retailers and the type of program they are looking for, the Codes do provide the basis for the development of measurable animal welfare guidelines.

The quality assurance/OFFS programs that are already in place and the ongoing development of the COFFS programs also put the Canadian industry in a strong position to accommodate food retailers' desire to have an audit and verification process in place. Although they are at different stages of implementation, the farm food safety programs have guidelines and audit verification frameworks in place. The two major program components – guidelines and an audit and verification process – are not being delivered in one complete program at this time, however the COFFS program has the potential to deliver such a program.

The impact of the FMI/NCCR process is therefore not likely to be nearly as significant and problematic for the Canadian industry as it has been in the US. Canadian commodity organizations are aware of the changes that have occurred in the US, and the speed with which they have taken place. They are prepared to work with food retailers, but more importantly they have already implemented or will be implementing the most important elements of the type of program food retailers will seek. However, because of the nature of Canada's marketing system, some commodities are better equipped to implement an audit system. The supply managed industries – chicken, eggs and dairy – already have inspectors making on-farm visits to ensure compliance with quota requirements. These industries also have significantly fewer producers than the cow/calf industry and are 'closer' to the processor, since cattle usually move from the cow/calf producer to the feedlot and then to the processor.

As discussed in Section 3.2, the guidelines in the Codes of Practice do not differ significantly from those that have been developed in the US. This may mean that the economic impact will be minimal for Canadian producers. Certainly any economic impact will be less than what has been and will be experienced in the US, especially in the egg industry where cage space requirements are as much as 50% higher than what has been standard industry practice. As well, the major Canadian beef and pork slaughter facilities have already been audited, either by Temple Grandin or by a food retailer auditor. In the past, the results of the audits of Canadian facilities compared favourably to those done on US plants.

In summary, the key points here are:

- The Canadian animal production industry is well-positioned to deal with the likely animal welfare requirements of food retailers once the FMI/NCCR process is completed in the US.
- The similarity between animal welfare standards in the two countries means the economic impact of implementing food retailers' requirements should not be significant for Canadian producers and slaughter facilities.

4.3 Next Steps

The Canadian On-Farm Food Safety Program that is being developed is a natural fit for the implementation of an animal welfare verification system. The COFFS program will require not only best management practices guidelines, but also objective measurements and third party auditing and verification. These are the same requirements of the FMI/NCCR advisory group in the United States, and will be the requirements when their member companies turn their full attention to animal welfare in Canada. The COFFS program is also national, based on HACCP principles and has the weight of the federal government behind it. Already some commodity programs that are seeking recognition of their guidelines under the COFFS program include certain animal welfare guidelines because they are directly linked to food safety.

The nature of the COFFS program means that inspectors will already be visiting farms, producers will be familiar with keeping records of their production practices, and commodity groups will have been through the process of developing guidelines, measurements and auditing procedures. This means that a process and program is in place to be able to add animal welfare guidelines to the existing food safety component guidelines.

3. *The COFFS program should be utilized as the vehicle to implement auditable third-party animal welfare standards.*

The COFFS program will not be fully implemented for at least a year, however the program being developed by the FMI/NCCR group may be implemented within this time frame. Although Canadian animal production and slaughter industries are well-positioned to deal with the attention that will come their way when the FMI/NCCR program is implemented, they should continue to be proactive with regard to developing auditable animal welfare programs both at the commodity level and at the national level. The further ahead each commodity or industry is in developing its own guidelines, measurements and audit checklists, and the industry as a whole is in developing the COFFS program, the easier it will be to accommodate the demands of food retailers. As well, the more compatible the Canadian standards are with the US standards, the easier it will be for the standards to play a useful role in the future.

4. *Commodity groups, the Canadian Meat Council and the Canadian Poultry and Egg Processors Council should move ahead with developing compatible animal welfare standards and auditable programs to implement these standards, rather than waiting for food retailers to present their requirements.*

It is important not only for the commodity groups and industry associations to be proactive with regard to animal welfare verification, but also for all groups to work together in this area. Although the standards for individual commodities will differ, the need for one national verification program means that commodity groups and industry associations must work together. Co-operation and ongoing discussion between these groups will facilitate the development of an industry-wide verification program, and the incorporation of this program into the COFFS program.

5. *A consolidated approach on the part of industry to the development of animal welfare standards and verification is needed in order for the process to be successful.*

Finally, the success of any verification program that is implemented will depend in large part on producer participation and acceptance. It is therefore important that commodity groups communicate with their producers to inform them of the changes that are occurring, and what will be required of them in the future. Producers need to know why these changes are taking place, how they will be impacted and how they will benefit from an animal welfare verification program.

6. *Communication between commodity groups and their producers regarding animal welfare verification should be undertaken in advance of the implementation of such a program.*