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## *Becoming a grain-fed veal farmer in Ontario*

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Deciding to raise calves for the grain-fed veal market requires thorough and thoughtful planning. This fact sheet will help answer common questions and guide you in the right direction.

Most veal producers in Ontario raise grain-fed veal cattle. Grain-fed veal begins as male calves from dairy farms that are initially fed a commercial milk replacer or whole milk diet, along with calf starter, before transitioning to a grain and protein supplement ration. A controlled amount and type of fibre is typically offered during both stages of production. Veal is defined as cattle of any dairy breed or dairy crossbreed dressing no more than 190 kg (419 lbs). This converts to a live weight of roughly 349 kg (769 lbs), which is reached at approximately eight months of age. Producers are strongly encouraged to target a dress weight of 180 kg (397 lbs) to maintain some flexibility within the system to manage veal carcass weights.

Grain-fed veal meat is dark pink, tender, and has a mild beef flavour.

### About Veal Farmers of Ontario

Veal Farmers of Ontario (VFO) is a producer-run organization that proudly represents the interests of Ontario's veal farmers. VFO works on a variety of industry projects and addresses the issues directly impacting veal and dairy calf producers, to create a proactive and engaged dairy calf and veal sector in Ontario. VFO provides leadership to promote industry growth and viability through collaboration, innovation, marketing, and education.

### Licence fees

VFO collects a \$5.50 licence fee (or check-off) from the sale of each male or freemartin Holstein calf less than 56.7 kg (125 lbs), and cattle of any breed sold for veal harvest to a processor in Ontario. Licence fees must also be paid for any custom killed veal cattle sent direct to packer (freezer trade business or personal consumption).

Licence fees are an investment in our industry and used for important initiatives such as production and standards, advocacy and industry relations, marketing and promotion, and member relations. A portion of the licence fee is also directed towards specific marketing initiatives aimed at developing an export market, engaging with retailers to showcase our product, and expanding programs that encourage consumers to incorporate Ontario veal into their meals both every day and on special occasions.

Before buying or selling veal cattle in Ontario, it is your responsibility to understand the licence fee and remittance process. To learn more about licence fees, contact VFO or visit: <http://bit.ly/licencefeeforms>

### How do I start raising calves for grain-fed veal?

If you do not have previous experience working with cattle, a great place to start is to work on an established veal or dairy farm. This will give you an idea of the amount of work involved in raising calves and whether raising veal cattle is right for you. Attending industry events, meetings, and trade shows are also excellent opportunities to network with producers and learn more about the sector.

Working on a farm and talking to producers can also help you determine which size of calf to begin with. You can choose to buy calves as young as eight days of age or purchase weaned calves (also known as "started" or "pre-conditioned" calves). Purchasing weaned calves may allow you to avoid some of the common health challenges young male dairy calves experience, but these calves are more expensive.

## Do I need a business plan?

As with any new business, a plan should be developed. This process will help you to think about what you really want to achieve. Consider the following questions as you develop your business plan:

- What is your vision for your business?
- What are your goals?
- How do you plan to achieve your goals?
- What is your strategy?
- What is your risk tolerance?
- What is your marketing plan?
- What do you need to get started?

For more information on business planning, find the Ontario Ministry of Agriculture, Food and Rural Affairs' (OMAFRA) "Starting a farm in Ontario – business information bundle for new farmers" here: <https://bit.ly/OMAFRAnew>

## Can I be a full-time veal farmer?

There are many things to consider when determining if you can be a full-time veal farmer with no off-farm income. Start by assessing your expected Cost of Production (COP). Making a profit in veal farming relies on the cost of buying calves, feed, low mortality, and the market price of finished veal cattle.

VFO and OMAFRA updated the veal COP tool in 2019 to help producers calculate their annual costs for planning purposes. The COP tool was designed to accommodate multiple production systems, including growing to finishing, starting with preconditioned calves, or a combination of both. It can be found online here: <http://bit.ly/vealCOP>

For more information on the COP tool, find this OMAFRA article in *The Connection* magazine: "Cost of Production: another tool for the toolbox" here: <https://bit.ly/TheConnection2019Summer>

## Financing

To proceed, you will need to ensure financing is in order if required. Starting a new venture is expensive, so consult with a lender experienced in agriculture. You are also encouraged to review your business plan with an accountant to ensure something was not overlooked and the plan is financially sound.

For more information see the following OMAFRA articles in *The Connection* magazine: "Financing options for crop, livestock and equipment purchases" at <https://bit.ly/TheConnection2019Winter> "Meeting with your lender" at <https://bit.ly/TheConnection2020Summer>

Please review your COP and reach out to your financial advisor, accountant, and/or lender for advice and to determine which programs and financial assistance measures may be applicable for your specific circumstances. Please use the individual websites of each program to determine eligibility and for application details.

## Code of Practice for the Care and Handling of Veal Cattle

Ontario farmers follow standards of care outlined under science and consensus-based national codes of practice to ensure the health, safety, and welfare of their animals.

The *Code of Practice for the Care and Handling of Veal Cattle* (Code) was released in November 2017. This resource outlines the standard of care that is expected of veal farmers, including calf selection and the care of newly arrived calves, housing, feed and water, husbandry practices, health management, transportation, and euthanasia.

Find the Code here: <https://bit.ly/VealCode>

### Where can I purchase calves?

Calves can be purchased from a livestock auction market or directly from a dairy farm. Purchasing directly from a dairy farm allows you to establish a relationship with a local dairy farmer who will sell you their male dairy calves. Having this relationship allows you to ask about critical newborn care the calf received and will minimize commingling of young calves from different farms. Commingling of calves from multiple sources increases the risk of illness.

If purchasing calves directly (private treaty), licence fees must be remitted to VFO. Learn more about licence fees here: <https://bit.ly/VFOLicenceFAQ>

Calves may also be purchased through a licenced calf dealer. A dealer is defined as a person engaged in the business of buying or selling cattle as a principal or as an agent. If working with a dealer, discuss the type of calves you want, prices, and the transportation costs and commissions.

To check if a dealer is licenced visit: <https://bit.ly/OMAFRALicencedDealer>

If you wish to become a licenced dealer contact OMAFRA at 1-877-424-1300.

### Transportation

Under the *Health of Animals Regulations* Part XII (Transport of Animals), calves eight days and under may only be transported once and are prohibited from going to assembly centres. Calves must have a dry, healed navel and be able to walk easily onto the transport vehicle. Transport is stressful, so calves are at a higher risk of becoming ill during this time. Reduce transport stress by ensuring calves are handled gently and minimizing the length of the trip. Updated transport regulations can be found here: <https://bit.ly/TransportRegulations>

### Feeding veal cattle

Depending on the management program, by the time cattle go to market, each calf will have consumed approximately 750 kg of grain (mostly corn), 230 kg of supplement, 20 kg of roughage, 35 kg of milk replacer, and 25 kg of calf starter. Feed is the most expensive input into a veal business, but the cost of purchasing calves, veterinary bills, bedding, and overhead expenses will also add up. Be sure to include these costs in your business plan and use the COP tool to determine if your business will be profitable.

### Do I need a veterinarian?

Before purchasing calves, talk to a bovine veterinarian and learn about the common signs of sickness and how to develop herd health protocols, including use of vaccines, to help keep the herd healthy. A thorough understanding of calf health will help to make the best decisions when purchasing calves.

Establish a good working relationship with the veterinarian. This relationship is known as a Veterinary-Client-Patient-Relationship (VCPR).

Your veterinarian, along with your nutritionist, will be a key part of your farm team to help you make educated management decisions that will benefit the herd. To find a veterinarian specializing in veal production visit <https://bit.ly/OntarioVet>.

### How do I market finished veal cattle?

There are several different options to market right-weighted veal cattle. Direct to packer, through an auction market, or freezer trade business. Regardless of how veal cattle are marketed, ensure the buyer is a licenced dealer under the Ontario Beef Cattle Financial Protection Program (OBCFPP).

A listing of provincially licenced veal processors is available here:

<http://www.omafra.gov.on.ca/english/food/inspection/meatinsp/TblVealLightCalves.xlsx>

To find a licenced auction market close to you visit: <https://bit.ly/OMAFRALicencedAuction>

For more information on the OBCFPP, see this OMAFRA article in *The Connection* magazine: “The Beef Cattle Financial Protection Program” at <https://bit.ly/TheConnection2020Spring1>

### What happens if my veal cattle dress over 190 kg (419 lbs)?

Veal is defined by meat from a bovine carcass that is less than 190 kg (419 lbs) once dressed<sup>1</sup>.

Overweight veal cattle are sold as ungraded beef, not veal. There is usually a price discount associated with overweight carcasses. Selling ungraded beef as veal is illegal. Careful monitoring of veal cattle weight throughout production can reduce the chance of shipping overweight veal cattle and protect your profits. Investing in a scale should be something to consider as you develop your business plan.

### How do I develop a freezer trade business?

All meat sold in a freezer trade business must be harvested at a licenced processor. As a farmer, it is your responsibility to know the rules and regulations about selling veal meat.

To learn more about the regulations of the *Food Safety and Quality Act* (2001) visit: <https://bit.ly/FoodSafetyLaw>

The Ontario Federation of Agriculture (OFA) developed a guide with ideas for alternative market channels available to you, general health and safety protocols when selling direct, how to set up your operation, keep your workforce safe, and market your operation using social media and other online tools. They have also provided a number of resources from other organizations supporting farmers selling direct.

Find the OFA Guide here: <https://bit.ly/OFAGuide>

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<sup>1</sup> Dressed veal have the following removed: head and part of neck, legs below knees and hocks, respiratory, digestive, reproductive and urinary systems and thoracic and abdominal organs, and the hide, excluding the tail (Livestock and Poultry Carcass Grading Regulations).

## For more information:

As part of your research into starting a grain-fed veal farm, you are encouraged to talk to experienced veal producers, visit their farms (while following strict biosecurity protocols), and attend industry events and meetings. No two veal farms are the same and a lot of valuable information will be learned from each visit and event.

Find OMAFRA veal resources here: <https://bit.ly/OMAFRAVealBusiness>

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### **Find us on social:**

Twitter: [@OntarioVeal](https://twitter.com/OntarioVeal)

[@CalfCareCorner](https://twitter.com/CalfCareCorner)

Facebook: [@CalfCareCorner](https://www.facebook.com/CalfCareCorner)

YouTube: [Calf Care Corner](https://www.youtube.com/CalfCareCorner)

[OntarioVeal](https://www.youtube.com/OntarioVeal)

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*Revised: July 2020*