# Animal Health Compensation - What to expect when an animal is ordered destroyed

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#### **CFIA's commitment**

The Canadian Food Inspection Agency (CFIA) is dedicated to working directly with affected producers so that the compensation process runs as smoothly as possible.

Under the *Health of Animals Act*, CFIA may order the destruction of animals or things affected by a disease. Such an order, while unfortunate and difficult for all concerned, is often necessary to keep humans and other animals safe, and to keep export markets open.

#### What's covered?

CFIA may compensate producers for:

- animals ordered destroyed;
- other things ordered destroyed, such as contaminated feed or animal products;
- disposal costs including transportation of animals
- cleaning and disinfecting the equipment used for the disposal
- vaccination costs for animals ordered to be treated; and
- · fair market value of things ordered destroyed

# How much may be available?

For animals ordered destroyed, CFIA bases compensation amounts on the animal's market value, at the time of evaluation, up to a maximum amount as stipulated in the *Compensation for Destroyed Animals Regulations*. At the time of evaluation, CFIA will take into account all available market reports and supporting documents in order to reach a final market value.

Schedule - Compensation for Destroyed Animals Regulations

## How does the process work?

#### 1. Initial visit

When a CFIA district veterinarian determines that a disease is present or suspected on your farm, he or she may issue an "order for destruction (CFIA/ACIA 4204)". The veterinarian will provide an overview of the compensation process and which assessment method will be used for to determine compensation.

In emergencies, the compensation process may be slightly different in order to respond as quickly as possible to the emerging animal health situation.

## 2. Compensation assessment

- Compensation amounts reflect the reasonable market value of the animals and things at the time of evaluation, up to the maximum compensation as stipulated in the *Compensation for Destroyed Animals Regulations*, even if the animal's market value exceeds the maximum regulatory amount.
- In order to receive compensation for your animal, you must have supporting evidence of the animal's value. These supporting materials may include current animal inventories, receipts, historical sales records and purebred registration papers.

Evaluators determine market value in two different ways:

**Method #1**: This method is used to determine the fair market value of an animal in a disease free market, between a willing buyer and a willing seller who are knowledgeable, informed, and prudent, and who are acting independently of each other. This method applies to cattle, horses, sheep, goats, elk and deer industries when animals are sold in private or public sales.

**Method #2:** This method uses an economic formula to determine an animal's value based on its production/life cycle at the time of its evaluation. This method may be used for animals such as egg-laying and hatching-egg birds when determination of the current market value is unavailable.

#### Important information to note:

- If the producer receives harvest value for edible meat and/or other byproducts from the slaughter establishment, this amount will be deducted from the current live animal market value;
- The owner may receive the maximum compensation as stipulated in the Compensation for Destroyed Animals Regulations, if the animal's market value exceeds the maximum regulatory amount,
- In cases where there is no food safety risk, animals may be destroyed by slaughter. Owners will receive the slaughter value of the animals from the processor directly. CFIA will compensate the difference between the slaughter value and fair market value if there is any.
- Once you submit the required documents and your claim has been approved, you can expect payment in 4-8 weeks.

#### 3. Compensation payments and appeals

Once the evaluation of the animals is complete, you will receive a signed copy of a Requirement to Dispose and Award of Compensation form (CFIA/ACIA 4203). If you think the compensation amount awarded is unreasonable, you may appeal the decision within three months of receiving the compensation form via registered mail or in person. Appeals are sent to the following address:

Registrar of Appeals Federal Court of Canada Supreme Court Building Ottawa, ON K1A 0H9

#### Other financial assistance

Beyond CFIA's compensation, other financial assistance may be available through programs administered by Agriculture and Agri-Food Canada (AAFC), and, in some cases, provincial or territorial governments. Learn more about AAFC's financial assistance programs. For more information, contact your <u>local AAFC office and/or your provincial/territorial agriculture ministry office</u>.

## For more information on CFIA compensation

- Health of Animals Act
- Compensation for Destroyed Animals Regulations
- Reportable Diseases Regulations

## **Additional information**

• Animal Health Offices

Source: <a href="https://inspection.canada.ca/animal-health/terrestrial-animals/diseases/compensation/eng/1313712524829/1313712773700">https://inspection.canada.ca/animal-health/terrestrial-animals/diseases/compensation/eng/1313712524829/1313712773700</a>