Implementing an Internal Audit Program in Poultry Production

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NAMI Animal Care & Handling Conference
October 17, 2019
Agenda

1. Overview of Canadian poultry industry and standards
2. Internal auditing program development
3. Grow-out assessments
4. Catching & loading assessments
5. Measuring performance
6. Future program initiatives
7. Helpful tips for internal auditing
Poultry Industry in Canada: Supply Management

- Producers must own the right to produce commercial poultry
  - Quota units
- Production is allocated nationally followed by provincially to determine how many kilograms of chicken can be produced per quota unit in a given time period
  - E.g. one quota unit in Ontario roughly corresponds to 13.0 kg of chicken on an annualized basis
- Producers are compensated using a cost of production formula
- Benefits of supply management include:
  - Stable supply and pricing of poultry in Canada
  - Strong regulatory oversight of poultry production including mandatory HACCP-based on-farm food safety programs and animal care programs
Poultry Industry in Canada: Relationship with Producers

• Most chicken producers are independent
• Chickens are purchased from a hatchery and sold to a processor, which may or may not be under the same ownership as one another
• Producers choose where to purchase feed and other production inputs from
• Poultry companies rely on product quality, customer service, and compensation to maintain producer relationships
  – We don’t have broiler service technicians like in the US
• Bottom line: due consideration must be given to maintaining producer relationships when considering implementing any new program or requirement
1. National Farm Animal Care Council (NFACC) Code of Practice
2. Chicken Farmers of Canada (CFC) Animal Care Program
   - Based on the NFACC Code of Practice
   - Producers are audited on a two-year cycle alternating between on-farm audits and records-based audits
   - Audits are conducted by provincial chicken board staff
   - Auditors are periodically evaluated by a third party auditor

https://www.nfacc.ca/codes-of-practice/chickens-turkeys-and-breeders
Why Implement an Internal Audit Program for Broiler Producers?

• Results of audits conducted by marketing board staff are not shared with processors
  – Verify on-farm welfare compliance with NFACC Code by producers

• We as a processor are accountable for animal welfare related to our products in the eyes of our customers/consumers
  – Proactively meet customer requirements
  – Enhance social trust

• Continuously improve broiler welfare standards
  – Provide skilled technical service to broiler producers
  – Establish an avenue for coaching and program delivery
Reminder!

• Never collect a sample if you don’t know what you will do with the result!
Finding Auditors

• Newly created position
  – “Animal Health & Welfare Technician”
  – Three in Ontario and one in Alberta

• Desirable backgrounds include:
  – Post-secondary education in animal science or equivalent
  – Advanced training in animal welfare/behavior
  – Animal health training such as Registered Veterinary Technologist
  – Poultry production background

• Welfare auditor training
  – Completed on-the-job training with PAACO-certified poultry auditors
  – All completed PAACO poultry auditor training within the first year
## Communication Needs

<table>
<thead>
<tr>
<th>Stakeholder</th>
<th>Major Communication Need</th>
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<tbody>
<tr>
<td>Chick sales representatives</td>
<td>Maintain relationships</td>
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<tr>
<td>Chicken procurement team</td>
<td>Scheduling and coordination</td>
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<tr>
<td>Poultry management team</td>
<td>Conflict resolution</td>
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<td>Marketing boards</td>
<td>Supporting the Chicken Farmers of Canada program</td>
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<td>Catching and live haul service providers</td>
<td>Establishing expectations and flow for corrective actions</td>
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<tr>
<td>Producers</td>
<td>Getting the messaging right</td>
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Communicating Our Objectives

• Not a “paperwork audit”
  – Outcomes-based
• Not simply duplication of the CFC audit
  – Good preparation for the CFC audit
• Provide help/solutions to producers to assist them in meeting the criteria
• Improve outcomes where multiple stakeholders are involved (e.g. catching and loading)
Assessment Types

1. Broiler grow-out assessments
   - Assesses the producers

2. Catching and loading assessments
   - Assesses producers, catchers, and live haul

3. Chick placement assessments
   - Assesses the producers and chick delivery staff

4. Pre-loading assessments
   - Assesses the producers/birds based on identified risk
## Developing the Assessment Tools: Benchmarking Requirements

<table>
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<tr>
<th>Code of Practice Section</th>
<th>Requirements</th>
<th>Recommended Practices</th>
<th>CFC ACP</th>
<th>NCC</th>
<th>Third Party Audit</th>
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</table>
| Section 3.3.2 – Bedding and Litter Management | ▪ Bedding that is provided must not be harmful or toxic to birds (e.g., wild bird droppings, foreign objects, mould, etc.).  
▪ Bedding or litter must be available to provide opportunities for birds to express normal behaviours (e.g. scratching, foraging, dust bathing).  
▪ Litter must be monitored daily and action taken immediately to improve poor litter conditions (i.e. litter that is too wet or too dry).  
▪ Fresh bedding must be provided for chicks at placement. | ▪ Monitor litter condition throughout the barn. Pay special attention to litter around feeders and waterers, which is often wetter than elsewhere in the barn and may need corrective action (e.g., reduce water line flow rate).  
▪ Balance moisture levels in litter to avoid excessive dust (too dry) or caking (too wet).  
▪ Inspect bedding used in barns for visible mould or other contaminants.  
▪ Monitor and manage the incidence and severity of hock burns, breast blisters, and foot pad lesions (These are signs of poor litter quality). | (Section 3b) | (Section D3)  
▪ Litter moisture must be evaluated in the middle of the house, not immediately under or around drinking or feeding systems.  
▪ Litter should be loosely compacted when squeezed in the hand. If the litter remains in a clump when it is squeezed in the hand, it is too wet.  
▪ A minimum of two houses must be evaluated for litter moisture. | ▪ Dry litter - majority of the house = 40 pts.  
▪ Caked litter < 2ft of feeders/drinkers = 20 pts  
▪ Caked and wet litter throughout the house = 0 |
Broiler Grow-out Assessment

• Four sections
  – Questions that can be answered/prepared in advance
  – In-person questions
  – Barn measurements/observations
  – Post-audit questions (i.e. calculations)

• Corrective actions
  – Minor observance or administrative error
  – Repetitive/serious findings – moderate – resolve within 60 days
  – Repetitive/serious findings – major – resolve within 14 days
Catching and Loading Assessment

• Three sections
  – Producer/barn
  – Catching crew
  – Live haul
• Independently scored
• Periodic reviews with catching/live haul suppliers
• Corrective actions
  – Weekly – summary of findings provided to each company
  – Immediate – incident report provided same day to company, requiring a corrective response within 48 hours
Measuring Performance

- Audits form the basis for measuring farm-level animal welfare key performance indicators
- Review every two months with poultry management team
- Track performance of key welfare standards
- Connect farm-level observations to other metrics such as condemnations and dead-on-arrival birds
Measuring Performance - Auditors

• Each auditor has monthly targets
  – Track individual and overall completion rates versus monthly and year-to-date targets

• Corrective actions require follow-ups
  – Track completion of follow-up audits and resolution of corrective actions

• Ongoing verification of auditors
  – Periodic auditing together or with supervisor
  – Monthly team meetings to discuss findings
Success Stories

• Relationship benefits of providing a listening ear
• Transferring best practices between service providers
• Share aggregate data with marketing boards
• Other stakeholders are investing in animal welfare personnel
Continuous Improvement

• Continue to advance the audit tool over time
  – Currently on version 8!
  – External certification?

• Once the baseline is complete, determine the rate of internal auditing going forward
  – By farm instead of by barn?
  – Risk-based, according to previous findings?

• Incorporate “the right” amount of third party auditing
Hints for Successful Internal Audits

• If something is an issue, add it as a specific criterion in the audit tool
  – Especially where there is a company-specific protocol
  – Internal audits are more detailed than third party audit standards
  – Drives auditor consistency and understanding of internal standards

• Determine how auditors can award partial points
  – E.g. full, half, or zero

• Create a convention for documenting acceptable findings
  – Balance between not enough documentation and being buried in paperwork
Hints for Successful Internal Audits

• Include a way to connect one audit to the next
  – The auditor needs to review the previous audit to
determine if actions are repetitive
  – Opportunity for digital solutions
• Clearly summarize required follow-up actions
  – Important for management
• Choose your battles wisely
  – Address the highest priority concerns first and work from
    there
Hints for Successful Internal Audits

• Change up the auditor from time to time
  – New eyes see different things
  – Especially individuals working in other facilities of the same type

• If something is important but not a requirement, include it in the tool for zero/few points
  – Demonstrates that you care about that item
  – Facilitates baseline data collection
  – Eases implementation of new requirements
Hints for Successful Internal Audits

• Practice the audits!

• Establish chain of command in advance of starting a new audit program
  – Determine who you should provide audit findings and corrective action requests to
  – Respect the person responsible on site, e.g. crew supervisor

• Work with third party management to jointly create standards and/or training materials
  – Routinely invite catch/live haul management to attend audits to ensure all share the same expectations
Acknowledgements

Dr. Kathleen Sary
Chantal LeBlanc
Crystal Johnston
Nileeka Irugalbandara
Rachelle Davidson