

Contractor, government spar over prison barn costs

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BY IAN CUMMING, Ontario Farmer

Access to Information documents released in mid-November regarding the prison farm at Joyceville reveal a dispute between the general contractor and the federal government.

The contractor claims millions are owed to them since 2023 for construction of the new dairy barn, while government officials say the contractors are not owed additional funds because a contract was signed, or at least they are not owed the amounts being claimed.

The thousands of pages of documents are mainly internal emails involving officials from Correctional Services Canada (CSC) and Public Service and Procurement Canada (PSCP) in the federal government, and from OMAFRA in the Ontario government, whose late provincial input mid-construction, documents show, added over \$4 million to the cost of the project in order to comply with dairy cow research regulations.

Most of the correspondence is internal between government officials and also from the contractor, Strong Bros. Ltd. of Roslin.

In March 2022, Strong Bros. Ltd. signed a contract to build the 80-cow free stall barn for \$10,486,900, plus HST.

In a September 2025 House of Commons Order Paper provided to MP Scott Reid representing Lanark Frontenac, just the cost for the barn was cited at \$16,145,309, plus \$2,084,837 in HST.

There were 77 change orders mandated by the federal and provincial governments during construction, some due to unforeseen events, while others were issued due to a change of mind.

Documents show that consultants have been paid over \$3 million for the project, before and during construction. One consultant company was awarded a contract of \$60,000 in 2019 and received over \$1.2 million during the next five years.

These consultants had advised on the project having a large combination dairy cow/goat barn, using prison labour and supplying the nearby Feihe plant. However, that plan was side-tracked due to laws about the use of prison labour for food exports, and further prohibitions on having two livestock species in one barn.

While the barn was constructed for dairy only, the possibility of a future goat milking barn, intertwined with Feihe, has never been formally ruled out by the federal government.

The original consultants also never advised on building a barn to meet research regulations.

Problems began at the outset when the originally approved and bid-on building site, with existing cement and with very little site expense needed, was dismissed by the government in favour of a new site in the field.

Emails from government officials in June 2022 document that when they went to that new building site, they found "a cross hatched system of tile drains, which cover the entire area of work."

There was severe flooding when preparing the site and digging the manure pit.

There are a number of emails back and forth, one with the government representatives being angry and wanting to withhold funds because the

contractors had dug a trench to get rid of water without waiting for approval.

It grew more expensive when they had hit bedrock in a couple of places when digging the trench. There was also the challenge of finding potable water for the barn.

Around Christmas 2022, the trusses blew down in a wind storm.

A March 20, 2023 internal government email cited that the contractors were "too-ing and fro-ing" on water well and tile drainage issues, causing cost overruns.

In April 2023 the federal government went on strike and ordered the contractors to cease work. Strong Bros. Ltd. responded that having idle equipment tied up at this site and men not working had to be paid for by the federal government.

The contractor provided a detailed list which pegged the cost of a project manager at \$150 an hour, welders and carpenters at \$115 an hour, idle general labourers at \$75 an hour, a dump trailer and 16-foot flatbed at \$250 per day each, and a tool kit at \$2,000 a month.

Those events aside, the contractors expressed concern with the constant upgrades being ordered, or suppliers marking things up. For instance, they had budgeted \$78,000 for barn windows but the ordered change to a superior window, never used in barns, cost \$90,000. Then it was decided by the government to have a more grand barn entrance with windows which cost an additional \$90,000 in windows alone.

There was \$35,000 budgeted for a certain concrete pour, which the government ordered expanded in area. That cost \$200,000.

There was \$150,000 budgeted for insulation. That amount only did the attic, which left nothing for wall insulation and moisture protection.

Well into construction OMAFRA appeared and cited changes that had to be made in order to comply with receiving research milk quota. The 18 in-barn changes ordered by the Ontario Animals for Research Act and Regulations came to an additional \$1.2 million. This included overall stall and electrical changes, hollow metal doors, overhead doors with clear polycarbonate glazed panels, LED lights, bird screens on the curtains, and "serious consideration" given as to how to handle special needs cows.

There had already been \$4 million in renovations to the barns at Collins Bay for heifers and dry cows, but they were deemed not feasible since a research herd had to be on the same site.

Some nearby buildings at Joyceville that were going to be left alone for storage were renovated

to the tune of \$3 million, to comply with research regulations to have the young cattle on site.

The fact that a prison facility was capable of doing good research was questioned in documents by an official from OMAFRA, in an email to colleagues on May 28, 2021, seeing that venue as a means for the project getting free milk quota, plus detailing how hard it was to do good research outside of a university setting.

On August 29, 2024, Strong Bros. Ltd. issued an invoice to the federal government for \$3,050,377.60, for unpaid costs going back to the many changes and the government strike. Delayed site costs due to changes came to \$1,781,739 and an additional \$624,009 was for delays back at their office. The government strike was billed at \$551,391.

Days earlier the contractor had emailed officials stating that, "to put the contractor in financial hardship" was a "blatant disregard of the power and privileges that protect not only the Crown, but also the contractor."

The point was made in another email that the contractor needed to pay sub-contractors, but nothing was coming to reimburse them from the federal government.

In a subsequent reply, a government official stated that, "except in unusual circumstances it is my experience that the Crown is not bound to address claims during the project. I am not aware of any amount owing on the contract."

In internal government emails the response to the contractor drew praise. "You are 100 per cent correct. If they had questions it should have been addressed at the tendering period. The contractor must comply in accordance with the contract."

Strong Bros. Ltd. completed the barn and stated in the Access to Information documents that it has not been paid for the submitted invoices, nor the significant amount invoiced in addition to that.

The federal government has not officially signed off as completed on this project, but the barn has been shipping milk since October 2024.

Macdonald College from Ste Anne de Bellevue, Quebec has done some short-term cow behavior research.

In the September, 2025 House of Commons order paper to local MP Reid, the monthly milk cheques are now listed as ranging between \$60,000 to \$70,000, in addition to cash cropping, bees, maple syrup and firewood.

The wages and benefits of those government employees overseeing the prison labour on this farm totaled \$850,276 over the past year, said that report to Reid.

Benchmark study released

Canada's agriculture and food industry is doing fairly well, according to a report from the Centre for Agri-Food Benchmarking.

For example, greenhouse gas emissions have plateaued, soil health continued to improve and water quality remains good. But methane emissions are increasing and water use is increasing.

Food security is declining and now a quarter of Canadians are deemed insecure. The agri-food sector's economic contributions remain steady, but as a percentage of the Canadian economy are declining. The report raises concerns about increasing farm debt ratios and declining investments in research and development capacity.

Fatality rates are declining and wages are increasing, but mental health stress, inclusion gaps and temporary foreign worker non-compliance highlight ongoing vulnerabilities in the sector, the report said.

There is some missing data, said Amanda Richardson, executive director for centre, such as measurements for pest control and biodiversity, making it difficult to know whether there are improvements or declines.

The emissions sector featured a decline in livestock offset by an increase in crops resulting in an overall decline, the report said.

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