

## Minister Creed appearance before the JOCAFMM re the introduction of Animal Health Levies (Pigs) Regulations 2019 [2 July 2019] –

### Opening Statement

2 July 2019

#### Procedural matters

- Good afternoon Chairman and Committee members. I am here today to seek approval from the Committee for the introduction of Animal Health Levies (Pigs) Regulations 2019. Under section 26(3) of the Animal Health and Welfare Act 2013, draft regulations relating to Animal Health Levies must be approved by a resolution of both Houses of the Oireachtas. As such, the Dáil and the Seanad have referred this matter to this Committee for consideration.
- The draft Regulations I am seeking approval for will introduce a levy at a rate of €0.04 per porcine animal slaughtered or exported live from the State. If approved, I will commence Part 5 (Animal Health Levies) of the Animal Health and Welfare Act 2013. The Regulations are proposed to come into operation on the 1<sup>st</sup> day of September 2019.

#### The market context

- The Irish pig industry is the third most important agri-food sector after dairy and beef, accounting for 8% of Gross Agricultural Output. There are approximately 440 commercial pig producers in Ireland, producing about 4 million pigs annually. The total number employed in the industry, including on-farm, as well as in associated sectors such as pig meat processing, feed manufacture, haulage and services, is estimated at 8,300.
- In 2018, the value of pig and pigmeat exports amounted to approximately €832 million. After a number of difficult years, recent months have seen a welcome increase in prices to €1.73 per kilo -up from a low of €1.39 per kilo. This is due to reduced European production and increased demand from China due to the outbreaks of African Swine Fever (ASF) in the country.

#### Animal Health Ireland (AHI) and industry support

- As Ireland seeks to grow its pig and pigmeat exports, the imperative to maintain high standards of pig health also grows. The monies raised by the levy will directly fund Animal Health Ireland's activities in these areas.
- To date, Animal Health Ireland has made an important contribution to cattle farming in Ireland. Government funding for AHI is provided on the basis of strict matching with private sector contributions. In July 2017, I pledged €125K per annum for three years in order to

allow AHI commence work in the pig sector on the strict understanding that the pig industry would contribute a similar amount.

- A key recommendation of the 2016 Report of the Pig Industry Stakeholder Group (PISG) is the expansion of the AHI model to the pig sector. Chair of the PISG, Dr Seán Brady, strongly supported the initiative, and in October 2017 agreement was reached for the imposition of a levy on pigs presented for slaughter or export in order to raise industry's €125K contribution.
- In February 2019, the IFA Pigs Committee unanimously endorsed the introduction of such a levy.
- Following agreement on funding, AHI undertook a competitive recruitment process for a pig health expert. An experienced person has been appointed Pig HealthCheck programme manager. They will take up their position with AHI at the beginning of September 2019.

#### **Concluding remarks**

- I strongly believe that the introduction of this levy is in the interests of the Irish pig sector. Outbreaks of disease in Europe and further afield have highlighted the requirement for high standards of pig health.
- Indeed, it is a small but important contribution as we seek to exploit the opportunities arising out of the challenges facing pig health elsewhere around the globe.
- I very much welcome the support of industry and the IFA for this levy. It is recognition of the need for a partnership approach between Government and the private sector towards matters of pig health, and the safeguarding of this important agri-food sector.

# Annex

## Stats

- Slaughterings 2018 – approx. 3,390,000
- Live exports 2018 – approx. 480,000
- (Total – 3,870,000)
- On the basis of these figures, the levy would collect €155,000 per annum.

## IFJ Pig Report (29 June 2019)

