



**Opening Statement by IFA President Joe Healy  
to the Joint Oireachtas Committee on Agriculture, Food & the Marine  
on  
TB Programme  
1st October 2019**

Chairperson and Committee Members, thank you for inviting IFA to address you today.

I am joined by IFA Animal Health Chairman Pat Farrell and IFA Animal Health Executive Tomas Bourke.

The IFA is Ireland's largest farming organisation, with 73,000 farmer members covering all production systems. The Association is structured with 947 branches and 29 County Executives across the country.

The IFA President and various Committee Chairmen, along with branch and county representatives are democratically elected by the farmer membership.

IFA represents all farming sectors at National, European and International level. Through our office in Brussels, the IFA represents Irish farmers on the European umbrella body of farm organisations COPA/COGECA. In addition, the IFA is the representative for Irish farmers on the World Farmers' Organisation.

In addition, the IFA structure provides for direct engagement with and support services to farmers who experience difficulties on their farms, including the issues associated with the current TB programme.

The TB Eradication programme implemented in Ireland remains the single largest animal health cost for Irish farmers each year. In addition, despite less than 4% of herds breaking down with the disease annually, the fear of a TB outbreak continues to be identified by farmers as one of the largest annual stress factors associated with farming as a result of the severe impact on normal farm practise in the event of an outbreak.

Since the implementation of the Wildlife Control Programme in the early 2000's, significant progress has been achieved in reducing the prevalence of the disease. Unfortunately, the ever-increasing burden of additional controls imposed by the Department of Agriculture on farmers has contributed to increased costs and losses for those experiencing breakdowns or contiguous to breakdowns.

The current programmes total direct costs provided by the Department are €90.438m per annum. This costing does not include the enormous labour cost associated with the TB programme for farmers, which IFA estimate at a further €20m annually.

Irish farmers contribute a total of €55m each year to the TB programme, €27.746m in annual TB testing costs, €7.408m in disease levies and €20m in labour when facilitating the testing of over 9m animal tests a year and implementing the disinfection protocols following a disease outbreak. In contrast for the €55m investment, farmers receive only €18.087m in compensation for animal and production loss and maintenance costs.

Between 2012 and 2018, the level of farmers direct contribution to the programme increased by 15% from €30.641m to €35.154m annually, while over the same period the level of contribution from the national exchequer has reduced from €45.825m to €45.536m and the contribution from the EU has reduced from €11.085m to €9.748m.

Farmers in Northern Ireland, Scotland, England and Wales do not pay for annual TB tests or contribute to disease levies. They receive similar compensation to Irish farmers with the exception of €3.5m in consequential loss and hardship grant scheme payments, which are unique to the Irish programme.

Eradication of the disease within the shortest feasible timeframes must be the objective. With this in mind, the Minister for Agriculture Michael Creed established the TB Forum involving all stakeholders to develop a strategy to achieve eradication by 2030.

IFA agreed to participate in the Forum on the basis it provided the platform to have the key issues and shortcomings of the current programme addressed for farmers going forward.

These issues were identified and outlined to the Minister in advance of the Forum being established and have been raised directly at the Forum meetings by IFA. They are:

1. Addressing the shortcomings in the compensation schemes
2. Reviewing the effectiveness of existing controls

The Department of Agriculture, in written communication to the Forum, stated that they would not support increased compensation for farmers in the TB programme. This clearly shows a lack of understanding from the Minister and his officials of the impact the TB programme continues to have on the livelihoods of farmers and their families, which arises through no fault of their own.

The Forum's report to the Minister proposes additional controls and costs on farms with no proposal to reduce the enormous cost burden of the programme for farmers.

IFA strongly objected to this approach and made it clear from the outset that the issue of fair compensation for farmers must be addressed.

It is clearly recognised and long established that farmer support and participation in the disease eradication and control programmes are vital to the success of the programme. A critical component in achieving and maintaining this support is the provision of fair and appropriate support measures to the farmers most impacted by the programme requirements.

Providing incentives to influence behaviour is a well-established part of public policy, and has been shown repeatedly to be effective in behavioural economics and social psychology studies.

The current TB programme fails to recognise the importance of fair levels of compensation and the investment and compliance of farmers with the programme, who through no fault of their own, experience a TB episode.

Farmers who have taken all reasonable precautions to protect their animals from TB must be fully compensated for all costs and losses associated with the TB programme. This provides the basis for the Department of Agriculture to implement the necessary on-farm enhancements to the programme to achieve early eradication of the disease.

In this regard, there are changes required to the TB compensation schemes to ensure that the cost burden imposed on farmers is fairly and appropriately addressed and the full investment of farmers to the TB Eradication programme, both directly and indirectly, is recognised in the programme going forward.

Irish farmers contribute €35m annually directly to the TB eradication programme through annual herd test costs and disease levies. In addition, the labour cost associated with herd testing for farmers and the income loss from the removal of animals must also be recognised as a farmer contribution.

This contribution is credited to the farmer in the TB programmes implemented in Northern Ireland, Scotland, England and Wales and is the only farmer contribution to these programmes.

In return for the additional €35m contribution made by Irish farmers towards the programme, which is not provided by farmers in the countries listed above, Irish farmers receive approximately €3.5m in supplementary schemes.

This leaves a surplus of €31.5m in farmer contributions which must be used to address the issues outlined below.

There are currently four compensation/support schemes available under the TB eradication programme.

The **Live Valuation scheme**, which is intended to provide the market value of the TB Reactor animals being removed from the farm.

The **Income Supplement Scheme**, which is available to farmers who lose over 10% of their herd in a TB breakdown, or 10% of the milking herd on dairy farms, for the purpose of compensation for the income loss experienced when animals are removed from the farm

The **Depopulation Grant Scheme**, which is payable where a herd is removed entirely or partially due to a TB Breakdown similar to the income supplement scheme to compensate for the income loss when animals are removed from the farm.

The **Hardship Grant Scheme**, is payable over the winter months to eligible farmers towards the extra costs associated with the forced maintenance of additional animals due to TB restrictions.

All four schemes are fundamental components of the TB eradication programme in seeking to compensate farmers for the enormous burden of TB outbreaks. However, all four schemes have significant shortcomings that must be addressed in the TB programme.

In order to provide all farmers, who experience a TB breakdown, with the opportunity to have their animals assessed and valued independently, there are a number of changes to the current Live Valuation scheme that are required.

IFA agreed an independent Live Valuation Scheme with the Government in the early 2000s to provide all farmers with the opportunity of having their animals assessed independently to determine the price they would be expected to attain if offered for sale on the open market.

Through the inclusion subsequently of administrative controls by DAFM, such as penalty points for valuers, bureaucratic non-market reflective “Guidelines for Categorisation of Animals” and the compilation of guideline prices (Summary of Market Prices) by DAFM personnel from inappropriate data sets, the independence of the scheme has been eroded by the Department.

In order to re-establish the independence of the scheme, IFA is calling for the Independent Valuers to be allowed independently value the animals in the scheme, without interference by the Department of Agriculture.

The summary of market prices must be compiled from an agreed appropriate data set, independent of the Department of Agriculture.

The Income Supplement Scheme and Depopulation Grant schemes must be amended to better reflect the actual income loss experienced on farms in TB breakdowns, where animals are removed and cannot be replaced until the restriction is lifted by the Department of Agriculture.

These losses are particularly acute on dairy farms where cows are in full production and on suckler farms where cows rearing calves are removed.

IFA has carried out a detailed analysis of the impact on income of these events based on the Teagasc National Farm Survey information over a three-year period 2015 to 2017.

The respective losses over a 12-month period are €1,320 for dairy cows, €672 for suckler cows and €432 for other animals.

The current payments in these schemes are not reflective of the actual losses incurred by farmers, do not pay for all animals removed and only pay from the date the animals leave the farm.

IFA propose that the Income Supplement and Depopulation grant scheme rates have to reflect the full extent of income loss experienced by farmers. These rates must apply from the date animals are identified as TB reactors on the farm, paid on all animals removed from the farm and paid for the entire period of restriction under both schemes.

The current Hardship Grant scheme provides for a payment of €38 per month for each suckler cow and €25 per month for each dairy cow or other bovine animal retained on the farm subject to a maximum payment of €250 per month. Payments are for a maximum of 4 months and are only available within the period 1<sup>st</sup> November to 30<sup>th</sup> April. Farmers with an off-farm income are not eligible for these payments.

The restriction of holdings in the TB programme adds enormous additional cost and management difficulties on farms, increasing the feed and housing requirements.

Farmers are often faced with fundamental changes to their normal farm practice which requires significant and unbudgeted investments.

IFA propose the Hardship Grant Scheme be amended to reflect the full extent of costs incurred by farmers due to the forced maintenance of additional animals.

The scheme must be available to all farmers who have to maintain additional animals as a result of a TB restriction, available throughout the year and paid at the established Teagasc maintenance costs for each category of animal including additional housing requirements where necessary.

The restriction of dairy farms at calving time creates huge issues for farmers. Calves normally sold under 6 weeks of age have to be maintained. This restriction increases housing demands, labour requirements and feed costs on these farms and raises welfare concerns.

Farmers must be supported in dealing with the restriction to sale of new born calves on dairy farms through the provision of financial assistance to rear the calves or grant aided removal of the calves from the farm under the Hardship Grant Scheme.

The TB Forum has failed farmers by refusing to recognise and deal with the impact of the TB programme on farmers and their families.

This refusal by the Minister and his Department is jeopardising the on-going support of farmers for the TB programme, hindering progress on important enhancements to the programme and ultimately delaying eradication of the disease.

Clearly protecting the 97% of herds that are free from TB annually must be the priority. However, attempting to achieve this by ignoring and further compounding the impact on the 3% of farmers who through no fault of their own experience TB breakdowns is a flawed and unacceptable policy position.

I would now like to hand over to the IFA National Animal Health Chairman and the IFA representative on the TB Forum Pat Farrell, who is a suckler and beef farmer, to outline IFA's proposals for additional policy measures and reaction to key points in the TB Forum interim report

Thank you, President,

Firstly, as a member of the TB Forum, I want to say it has been extremely frustrating and difficult to make any progress in having the issues that impact directly on farmers addressed in the Forum and to make any real progress in tackling the disease.

We have provided you with the detailed submission of the proposals made by IFA to the TB Forum. I now wish to give you a summary of the key points in the IFA submission.

### **Wildlife**

The effective management and control of wildlife susceptible to TB is vital in eradicating the disease from the country. This must continue to be the key policy in the enhanced TB programme.

The existing Wildlife Control Programme must be appropriately resourced to ensure timely and effective captures take place surrounding all TB outbreaks, where wildlife is associated with the breakdown.

The programme must be extended to proactively reduce densities of wildlife, including deer, in advance of major infrastructural works and deforestation commencing to protect cattle from TB outbreaks that have been all too common as a result of wildlife disturbance throughout the country.

Badger density reduction must continue to be the primary focus of the Wildlife Unit with no further expansion to vaccination areas until concerns raised as to its effectiveness have been appropriately addressed.

A National Deer Management strategy must be developed and resourced to reduce deer density throughout the country to the levels that are sustainable within their natural habitat and at which they are not a disease threat to farm animals.

The Department must provide the supports and oversight to implement a deer population reduction programme surrounding TB outbreaks.

### **Breakdown Management**

All controls imposed on farmers in the TB programme must have a sound scientific basis, contribute directly to the eradication of the disease and be fully compensated for where they impact on the normal functioning of the farm.

TB breakdowns do not recognise county or regional office boundaries or Veterinary Inspector DED's. The Department's management of TB breakdowns should be based on a breakdown area under single management to ensure consistency of approach and immediate access to all relevant information associated with the outbreak.

A detailed and thorough investigation of all TB breakdowns involving more than 1 animal must be carried out to identify and remove all sources of the disease in the herd.

The Department must target resources and controls in the cases deemed to be the highest risk to remove the disease from the farm. These farms must then be allowed unhindered access to the open competitive market for their animals. These farmers must be fully compensated for all costs and losses incurred during the restriction.

Included in addressing the TB problem on these farms must be earlier consideration if agreeable with the herdowner of depopulation in order to return the farm to normal functioning in the shortest feasible timeframe.

Farmers must be supported in removing high risk animals from their farms if the Department data identifies these animals as a higher risk of infection or likely to contribute to further TB breakdowns.

All herds once derestricted by the Department of Agriculture, following intensive investigation, testing and disinfection must be allowed free unhindered access to the market place.

## **Testing**

The most suitable tests and testing approach for Irish conditions and disease levels based on solid scientific data must be used including determining the feasibility and value of environmental screening for TB.

The Department must ensure it has the oversight and effective monitoring systems in place to ensure all TB testing is carried out accurately and correctly.

## **Bio-security**

The Department of Agriculture should issue detailed bio-security advice to assist farmers in reducing the contact between cattle and potentially TB infected wildlife. Where infrastructural on-farm changes are necessary, the Department should provide financial supports to farmers to implement these changes.

## **IFA Reaction to the Department of Agriculture Herd Categorisation Proposals**

The Department has identified that a number of factors contribute to TB breakdowns.

In response to these risks, and in particular the findings that herds which experience breakdowns remain at higher risk for pro-longed periods, the Department has proposed ***Herd Categorisation*** as a tool to address the risk and expedite eradication.

IFA has strongly rejected all three proposals by the Department of Herd Categorisation to address this risk.

IFA do not dispute the Department findings in relation to this risk factor, the objection is to the proposed approach in addressing this risk.

The DAFM Herd Categorisation will only serve to increase the enormous financial burden of the controls on farmers, benefit opportunistic buyers in the market place having devalued animals from these herds and fails to address the substantive issue of the on-going disease risk left on the farms or in the environment.

IFA support additional measures in higher risk TB breakdown herds that are scientifically based, practical and feasible to implement and that expedite eradication of the disease. These herds must be fully compensated for the losses and costs imposed by current and any additional measures in the TB programme.

The Department has identified that herds with previous TB history are at a higher risk of future breakdowns with TB. This is clearly as a result of the Department controls and investigations at the time of the breakdown failing to identify and remove all sources of TB from the farm during the episode.

The Department proposal to address this by categorising these herds and only allowing trade with herds of a similar or lower status is not acceptable to farmers and is not feasible to implement for a number of reasons including the severe disruption to the market for live animals including potentially very serious implications for the vital live export trade for dairy farmers and suckler farmers.

This would have devastating consequences for dairy and suckler farmers.

All farmers purchasing cattle in this country must have confidence that the cattle allowed for sale by the Department of Agriculture, having met the requirements of the EU trade directives, are at the accepted low risk of being infected with TB.

It is the responsibility of the Department of Agriculture to ensure all measures necessary to remove the disease from the farm have been implemented before the farm is allowed trade. Throughout this process the affected farmers must be fully compensated for the impact of the controls on their farm.

### **Costs and Benefits**

The Department of Agriculture, in detailing with the costs of the TB eradication programme, fail to recognise the full extent of the costs incurred by farmers.

In order to advance the discussions on costs and benefits of the TB eradication programme in a fair and accurate manner, the Department of Agriculture must first recognise the full contribution of farmers to the programme.

The key and substantial farmer contribution to the programme not recognised by the Department of Agriculture is the labour costs incurred by farmers in assembling cattle for TB testing, the associated production loss and disinfection requirements prior to derestriction.

It is notable that the only contribution made by farmers in Northern Ireland, Scotland, England and Wales to their TB programmes are the contributions outlined above, which is clearly accepted and recognised by the relevant authorities in those countries.

It must also be recognised that Irish farmers are unique in comparison to farmers in those countries in contributing directly an additional €35m annually in TB testing costs and disease levies to the programme.

The labour input and other associated costs incurred by farmers in Ireland's TB programme must be fully recognised.

TB testing on most farms extends to more than the assumed 2 days due to larger herd sizes and the dispersal of animals on fragmented holdings in smaller farms. The annual TB test imposes additional labour requirements and in cases time taken off work to facilitate the testing. Additional labour and costs are also experienced by herds where breakdowns occur in carrying out the obligatory disinfection.

Annually, the Department require farmers to facilitate almost 9m animal tests. This can involve farmers assembling animals on up to 10 occasions in a year. All of this requires a significant labour and time input.

The cost of labour alone, conservatively calculated at the minimum wage, provided by farmers to the TB programme for the testing and disinfection components of the programme is €20m.

It is also accepted conveying animals for TB testing impacts on the productivity of the animals and increases the levels of animal health issues experienced on the farm. In addition, farmers are required to provide and maintain handling facilities for their entire herd to be tested in a safe manner. All of these costs must be recognised as farmer contributions to the current programme.

The costs outlined show an additional €20m contribution to the TB eradication programme by farmers which has not been recognised in the published Department costings.

Therefore, the real cost of the TB programme is €110.438m annually with farmers contributing €55.154m or 50%, the Department of Agriculture contributing €45.536m or 41% and the EU €9.748m or 9%.

Farmers direct contributions have increased since 2012 by €4.513m or 15% while the national exchequer and the EU contributions have reduced by €289m and €1.337m respectively.

This current level of funding leaves farmers with an unfair and disproportionate cost in the TB programme when the benefits of the programme are assessed.

The suggestion the benefits of export market access and improved productivity are solely farm based is incorrect.

To estimate the value of a programme, which supports a sector, it is necessary to look at the impact expenditure has in that sector in its entirety.

In addition, the benefits of eradicating TB from the national herd from a human health perspective must be included when identifying the beneficiaries of TB eradication and by extension the appropriate funding levels of all stakeholders.

You are aware of the income crisis on farms and in particular suckler and beef farms. There are a number of factors contributing to this that require significant Government intervention.

The current TB programme imposed on farmers by the Department of Agriculture is further compounding the severe income situation on these farms and can be avoided.

### **EU 30-day TB pre/post movement test proposal**

In addition to the proposals from the TB Forum, proposals contained in the Commission Delegated Regulation Supplementing Regulation (EU) 2016/429 of the European Parliament and the Council laying down rules for surveillance, eradication programmes and disease freedom for certain listed and emerging diseases has the potential to dramatically increase the costs of the TB eradication programme in Ireland.

This draft Commission Delegated Supplementing Regulation lay down rules for surveillance, eradication programmes and disease freedom from certain listed and emerging diseases that will impact directly and primarily on farmers and their livelihoods.

In the draft Delegated Regulation, the EU is proposing a 30-day pre/post-movement test for TB for all animals from herds that are over six months tested, in order for herds to maintain TB free status. This targets the lowest TB risk herds in the country for additional controls.

There is no justifiable scientific basis for this measure in TB eradication.

In addition to the absence of a justified scientific basis for this measure to eradicate TB the measure severely distorts the normal marketing of animals within Ireland and removes vital competition from the market place when associated additional costs and management practices are applied.

The Irish cattle herd consists of a large number of small-scale farm family establishments with an average herd size of 66 animals based the latest published CSO data. These establishments are heavily dependent on the vital competition provided by the live trade for their animals.

The costs associated with a pre/post-movement test requirement renders the live trade for the vast majority of these farmers unviable removing vital competition from the market. Most of these farmers sell less than 5 animals, a pre-movement test imposes an additional cost of approximately €100 to the sale. For these low-income farmers this is economically unviable.

This requirement will impact severely on marts and throughput in mart sales as the additional costs and inconvenience will drive more farmers directly to factories, removing vital competition to the benefit of factories.

This proposal is not scientifically based and will be a major impediment to the competitive marketing of animals. It could cost the Irish TB programme up to €20m a year, putting Irish farmers at a competitive disadvantage in comparison to farmers throughout the EU.

Irish farmers already incur a disproportionate cost burden in the TB programme in comparison to all other farmers throughout the EU and will not accept this additional cost and anti-competitive measure imposed on them that will not contribute to eradication of the disease.

The 30-day TB pre/post movement test criteria for within member state movement of animals must be removed and member states provided with the flexibility to apply appropriate measures, based on epidemiological risk assessments of the situation within their country, to determine how herds maintain their disease-free status.

The Delegated Regulation must be consistent with EU policy of simplification and member state autonomy. It has to provide the flexibility for individual member states to apply appropriate and practical measures based on the unique circumstance that pertain and the huge variation in production systems in each country.

The only beneficiaries of this proposal will be vets and factories at the expense of farmers, marts and our vital live export trade.

This proposal must be rejected outright in the interest of Irish farmers and scientifically credible TB control measures.

The Minister for Agriculture, his officials and our MEP's must reject the EU proposal to impose a 30-day pre-movement test for animals leaving farms that are over 6 months tested.

Thank you, Chairman,

I will now hand you back to the President to conclude

Chairman, IFA is acutely aware of the importance of maintaining the hard-won high health status of our national livestock herd as a major exporter of agriculture produce.

Farmers have and continue to support the efforts of the Department of Agriculture in eradicating TB from the national herd at an enormous direct and indirect cost.

But, it should not be taken for granted this support will continue if the key issues outlined above are not addressed.

IFA is demanding the eradication of TB from the national herd in the shortest feasible timeframes.

However, this cannot be achieved by further increasing the already enormous and disproportionate cost burden imposed on farmers in the programme.

The main contributing factors identified by the Department of Agriculture to the current stagnation of progress towards eradication can be addressed in a more practical and effective way that takes account of the farming dynamic in Ireland and the critical importance of animal movements and live exports.

This will require up-front investment from the Government in the short term in order for all stakeholders and beneficiaries to accrue the long-term benefits of early eradication of the disease from the national herd.

IFA has set out in detail in the submission provided how this can be achieved.

Chairman, thank you and the Committee members for your attention and we would be delighted to take any questions or comments on the submission we have provided you with.

Ends.