

New 'disease tax' plan may prove costly for farmers

FARMERS will have to pay a £30 tax on every cow if the Government succeeds in billing them for the costs of prevention and control of [livestock](#) diseases, it has been claimed this week.

Published on the
12 September
2008
20:32

The National Beef Association estimated the cost after Defra made clear it was pressing ahead with the idea, despite a farmers' boycott of discussions.

Defra wants a national register of livestock and a "headage tax" to contribute to the running costs of its veterinary division, Animal Health, and to a fund for compensation when it wants to cull animals because all the precautions have failed.

[Print this](#)

The idea shot up the political agenda after the foot and mouth outbreak of 2001 and has been kept there by the soaring cost of bovine TB and the threats of bluetongue and bird flu.

Farmers say Defra wastes money and they can't afford to take on a national responsibility which they already pay for through taxes. They added that they have usually only had compensation when Government was in some way responsible for their losses.

When Defra chief Hilary Benn ruled out badger culling as a means of controlling TB, they all agreed to boycott talks on what the Government calls "sharing responsibility and costs". But a spokesman for Mr Benn confirmed this week: "Defra are proposing to consult on specific proposals this autumn. The proposals are likely to include the creation of an independent statutory body for animal health and welfare for England and the introduction of an annual fee-based [livestock](#) registration scheme for the purpose of raising an industry contribution for animal disease control."

The 'independent administration body' is the spoonful of sugar. Farmers say Defra spends a fortune on unnecessary precautions.

No figures have yet been suggested for the "industry contribution" but the National Beef Association (NBA) has done its sums based on existing costs of the animal health division, including testing and compensating for TB, costs of foot and mouth control in 2001 and last year, and set-up costs of a new independent organisation.

NBA director Kim Haywood said Defra's plan was a "lazy way" to raise revenue, adding: "If Defra's plans went through unchallenged, the annual payment on adult cattle could average something in the region of 30 a head."

Other critics of the idea have seized on proposals to base a levy on a national register of animals – a huge bureaucratic exercise. A slaughter tax would be simpler, but Defra wants to keep track of small pedigree breeders and others who do not sell for slaughter.

To get [farmers](#) back into talks, Mr Benn first has to persuade them to join his TB control forum. They may if he lets the argument on badgers be re-opened.

As with badger policy, the devolved governments of Wales, Scotland and Northern Ireland will be free to work out their own schemes for sharing costs and are likely to be more generous to farmers than Westminster.