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### Consultation on the Department's Response to the TB Strategic Partnership Group's Recommendations to Eradicate Bovine Tuberculosis (bTB) in Northern Ireland

Tuberculosis has plagued Northern Ireland for decades and despite huge efforts by industry and government to control it, the disease has continued to spread. Not only is TB a continuing threat to farmers' livelihoods and the health and welfare of livestock and wildlife, but it destroys breeding lines, impacts on trade, and is a major source of mental stress for farming families. As such, the Ulster Farmers' Union (UFU) welcomes this opportunity to contribute our member's views towards a long term eradication policy for this disease.

The UFU is the largest farming organisation within Northern Ireland, representing around 11,500 farming families. The structure of the UFU ensures that our policy positions are formed from the bottom up as each of the 25 regional groups have representatives on each commodity committee (in this instance, our Beef and Lamb Committee, Hill farming Committee and Dairy Committee), who in turn have representatives on each of the specialist committees (in this case, the Animal Health and Welfare Committee). Recommendations from these committees are then made to our Executive Committee where the UFU's final policy position is established. This consultation response therefore represents the views of representatives democratically elected to represent around 11,500 farming families throughout Northern Ireland.

#### A New Approach to Management, Oversight and Partnership Working

G1. Do you agree with the proposal for new partnership structures to oversee the bTB Programme and to help both stakeholders and Government work together to eradicate the disease?

Yes.

In the first instance, the UFU would like to express our members' frustration and concern at DAERA actively seeking to recruit members for the TBEP whilst the current consultation on the formation of the TBEP is still ongoing. This process has concerned our members that stakeholder views on the remainder of this consultation do not matter and that DAERA will proceed as it sees fit without consideration of stakeholders views. This must not be the case.

The above point made, the UFU is in favour of the establishment of the proposed new governance structures. The UFU is in favour of a national governance body to scrutinise and provide guidance for improvements to the TB programme. Our members are concerned that as this body has only an advisory role that it may be unable to deliver on its proposals and recommendations. However, such a result would merely leave us where we currently are (albeit with a higher cost to DAERA). Ultimately, our membership is in favour of better communication with DAERA and oversight of programme delivery and acknowledge that the success or failure of the TBEP will depend on the calibre of its members. To this end, its existence and membership should be kept under review based on the added value of results delivered.

Committees are in favour of establishing REPs and DRTs as it is considered necessary that communication between DAERA and farmers at a local level is improved. At this point, our members have asked the UFU to express their concern that it is becoming virtually impossible for farmers to have a face to face or even verbal conversation with DAERA veterinary officials at DVO level and farmers wish to see this situation reversed in order to improve communication, relations, and understanding between farmers and DAERA staff.

#### G2. Do you agree with the three tiered approach at a national, regional and local level?

Yes.

It is the opinion of our membership that the development of this approach will provide improved communication and knowledge transfer at various levels of TB control. Our membership advocate that the farming representatives on each body should be in positions where they can act as conduits and multipliers to summarise views and opinions of industry to veterinary staff and to effectively communicate information from veterinary staff to a wider industry audience.

#### G3. Do you agree with the membership of each tier as proposed?

No.

Our membership has concerns that as DAERA will select the representatives from the farming community, the individuals may be selected because their views are more aligned to DAERA's views than reflective of the views of those they are supposed to be representing. To address this, our membership would like to see democratic farming bodies having the ability to nominate representatives to fill these positions so that those selected have the trust of industry to represent their best interests.

Our membership also questions the relevance of a scientist on the TBEP as the science is all publically available and a scientist is not considered to be a relevant stakeholder in relation to TB eradication implementation. Our membership would prefer to see the scientist position removed and replaced by an additional farmer representative.

#### **Tools and Processes**

T1. Do you agree that there should be a mandatory requirement for herd-keepers to have their animals undergo gamma interferon testing where DAERA considers it necessary and that all animals which test positive to the gamma interferon test should be removed?

Yes.

The UFU considers it essential that infected animals are detected and removed from herds as quickly as possible. We are aware that in certain instances, the gamma interferon test can provide a valuable tool to enhance the sensitivity of TB surveillance. Furthermore, our members believe that if DAERA is willing to invest the additional resources to increase TB test sensitivity, it is reasonable that industry works with DAERA to enable the speedy removal of reactor animals. Therefore our membership is supportive of making it compulsory to give up reactors to the gamma interferon test.

Our membership requests that DAERA share the criteria for which herds/batches within herds can be tested using the Gamma Interferon test online (DAERA website – Bovine Tuberculosis testing) and explain why it is not currently used in some cases so people can better understand why it may be used in some instances and not others.

T2. Do you agree that 'chronic herds' should be recognised as a distinct entity for action and that there should be a renewed approach to dealing with chronic herds as outlined based on the likelihood that intervention will have a positive impact?

No.

Our committees discussed the potential positives and drawbacks of this proposal at length. Whilst committees recognised that where a herd has been OTW for an extended period of time resources should be directed to understand the reason for this prolonged breakdown and to try to help the farm regain OTF status, committees were opposed to the public labelling of an individual farm as 'chronic'. Committees were concerned as there was no information within the consultation as to suggest how a chronic herd is to be defined and therefore it is impossible to gauge the impact or number of farmers identified by this label. Furthermore, the committee considered that those farmers that do unfortunately find themselves in a prolonged breakdown situation already know they are in a prolonged breakdown (as do their private vets and local DVO offices). As such, the relevant parties who would be involved in formulating a disease response plan to eradicate TB from the herd already know the situation without the farm being subject to labelling and potential reputational damage.

### T3. Do you agree that the Department should introduce measures to prevent restocking of breakdown herds through a phased approach?

Implementation of this policy needs careful consideration and additional policy tools are likely to be required to mitigate the market and financial impact to businesses affected. Given the current level of disease in Northern Ireland, our committees are extremely concerned by the potential impact of this measure and would urge extreme caution in its consideration.

# T4. Do you agree that the Department should introduce an interim transition stage where no movements will be permitted following a bTB breakdown until at least one further full herd test has been completed (whether clear or not) and reactors have been removed?

At this stage, our committees have chosen to split our response into a beef sector answer and a dairy sector answer.

#### **Beef sector**

No.

Within the beef sector, committees are extremely concerned that any move to prevent beef finishers (many of whom are constantly under TB restriction) or store producers from buying in animals would cause significant market disruption and block the route to market for many store cattle producers and beef rearing producers (many of whom lack sufficient winter housing or forage to cope with loss of the ability to move animals further along the supply chain) without offering any substantial disease control benefit as many of these animals are destined for slaughter in coming weeks/months.

Furthermore, as the business model for both store cattle and finishers relies entirely on the ability to buy in and raise/finish cattle, our committees are very concerned about the potential impact on business cash flow if either part of the supply chain is not able to buy in cattle for at least 60 days.

Based on these concerns, the UFU is opposed to this proposed policy.

#### **Dairy**

Yes.

Historically, concerns in relation to this proposal from dairy farmers have been around the cash flow impact if a farmer loses a large number of milking cattle and is unable to buy in replacements (i.e. decrease in milk volume/year-end tax implications). Our committees are aware that in the case of bad breakdowns, current policy from DAERA is to prevent farmers from buying in based on a veterinary risk assessment. As such, these cash flow concerns are already a reality for farmers suffering a large/prolonged breakdown. In consideration of this fact, and given that the policy does offer an increased likelihood of ensuring that TB is fully removed from the herd that suffers a new breakdown event before buying in replacement animals thereby hopefully removing the disease before it becomes more established in the herd, the UFU is able to accept the proposal for dairy herds not to be able to buy in for 1 herd test

regardless of result (with the exception of 1 stock breeding bull if required for breeding purposes). After this point, our membership wish to see this revert to the current status quo where the decision on whether or not to buy animals in is based on a business discussion and veterinary risk assessment between the farmer and the vet which strikes a balance between likelihood of success of the measures helping to removing TB from the herd and impact on the business' cash flow situation.

#### **Additional comments**

At this stage, our committees would like to highlight that historic opposition to this policy has mainly been due to concerns around route to market and business cash flow impacts. Committees are aware that solutions to these concerns have been identified and are in practise in GB and ROI via the establishment of 'Approved Finishing Units', 'Depopulation Grants', and 'Income Supplement' payments. For example, in ROI dairy herds receive a depopulation grant/income supplement of €55 per animal per month, and suckler herds receive a depopulation grant/income supplement of €38.09 per animal per month where more than 10% of the herd has been removed. Our membership are supportive of the establishment of such policies in Northern Ireland to help overcome the concerns and financial impact that surround the imposition of purchasing restrictions.

### T5. Do you agree that, in the medium-term, the Department should prevent restocking of herds that do not test clear at the first retest (subject to epidemiological assessment)?

Response as per T4. We cannot consider medium term solutions until the immediate barriers in the short term have been overcome.

### T6. Do you agree that, in the long-term, the Department should require a negative full herd test before allowing movement onto a farm following any disclosure episode?

Response as per T4. We cannot consider long term solutions until the immediate barriers in the short term have been overcome.

# T7. Do you agree that moves should be permitted from bTB breakdown herds to approved rearing/finishing herds which are 100% housed and which meet defined, strict biosecurity conditions?

Yes.

The UFU is supportive of allowing moves from bTB breakdown herds to approved rearing/finishing units which are 100% housed and meet adequate biosecurity conditions (e.g. non-grazing approved finishing units in GB). The UFU is supportive of this measure as many farmers who find themselves in a prolonged breakdown situation run into stocking density issues, fodder shortages, slurry storage issues, or the added workload of caring for additional animals over a prolonged period of time begins to have a serious impact on the welfare of the farmer and their family due to additional time needed to care for additional livestock. The UFU is however concerned that those farmers that do wish to move towards establishing themselves as an alternative control herd face significant financial barriers associated with developing the

necessary on-farm infrastructure to meet the required biosecurity protocols. As such, the UFU would like to see financial assistance provided via the FBIS to help producers to overcome these financial obstacles and make the establishment of an ACH a more realistic financial possibility.

Alternatively, committees are aware of early stage proposals to potentially restructure beef research within CAFRE/AFBI. If through this process, the possibility arose that some livestock housing was likely to be underutilised or surplus to requirements, we would be in favour of converting this building to an ACH in order to provide an outlet for industry and to provide industry with a model and research on costings to establish an ACH and examples of how biosecurity could be improved on farm practically.

## T8. Do you agree that legislation should be introduced to authorise PVPs to apply DNA tags to reactors when reading the test?

Yes.

Whilst it is the belief of our membership that deliberate interference with the outcome of a TB test is a rare occurrence, the UFU agrees that DNA tagging at reactor disclosure would enhance the continuity of reactor identification and reduce the possibility of fraud within our industry.

# T9. Do you agree that, in the event that the pilot scheme demonstrates that there is value in doing so, the Department should undertake reactor quality assurance checks as appropriate?

Yes.

As per T8. Whilst our membership believes that interference with TB test is a rare occurrence within the industry, our membership is supportive of measures that reduce or prevent fraud provided there is evidence to suggest that there is value in doing so. Our membership is concerned by the potential possibility of innocent individuals having their reputation tarnished or incomes reduced due to false allegations and urge that this measure be considered with caution.

### T10. Do you agree that the Department should expand the use of molecular techniques in order to support its strategy to eradicate bTB

Yes.

The UFU is frustrated that despite strong scientific evidence of bTB in wildlife, matching strains of bTB in local cattle and wildlife, and that it has been scientifically acknowledged that bTB moves in both directions between cattle and wildlife, that the science to date has not been sufficient to resolve disputes between farmers and environmental NGOs that in order to eradicate TB it must be addressed in both the cattle population and the local wildlife reservoir. The UFU is therefore supportive of continuing to strengthen this evidence base to justify eradicating TB in both the cattle and wildlife reservoir.

#### Wildlife

W1. Do you agree with the Department's proposals for wildlife intervention - that is, culling in a central zone, and complementary actions to mitigate perturbation or reinfection as appropriate?

Yes.

This is a subject that our membership is particularly passionate about. Within our membership, the consensus is that farmers are the nation's food providers and primary custodians of the countryside. With this in mind, farmers bear no innate ill-will towards any form of wildlife. They do however have a deep seeded loathing for TB and after over 60 years of ever more stringent controls on farm which have culminated in Northern Ireland having amongst the most robust bTB controls in cattle in the world and yet still making no progress towards TB eradication, farmers have long since come to the conclusion that our current TB eradication plan is only addressing one side of the TB problem and as long as it continues to do so, it is destined to continue to fail.

To place this statement in context, during the early years of TB eradication during the late 1930s/1940s, between 25-40% of cattle were infected with bTB. However, during the last 20 years, cattle incidence has consistently remained below 1%. In comparison, the Road Traffic Accident survey (which is a passive surveillance programme of bTB in badgers which has been running for almost 20 years) has estimated an average prevalence of bTB in badgers of 17%. Furthermore, given the current poor sensitivity of identifying TB during post mortem examinations, our members consider it highly likely that this figure is a significant underestimate of the TB prevalence in the badger population. For example, post mortem analysis in cattle only confirms TB in around 45% of skin test reactor cattle (a test which is suggested to have a specificity (truly positive rate) in excess of 99.9%). Such a low confirmation rate in cattle is suggestive that post mortem analysis of badgers could be equally as inaccurate and could therefore be underestimating the local badger TB prevalence by as much as 55%.

Furthermore, in looking abroad to other countries which have made significant progress towards eradicating TB, our committees have looked to New Zealand and the Republic of Ireland for examples of best practise. In the ROI, a nationwide wildlife intervention policy has been in operation since 2004. During this time, the ROI has reduced the national herd incidence from 6% to around 2%. Furthermore, in New Zealand, wildlife intervention has formed a key part of the their TB eradication policy for almost 30 years and has proven to be instrumental in reducing the number of herds infected with TB from around 1,400 to around 50 today. In both countries, a long term wildlife intervention strategy is considered to be a fundamental part of their TB eradication policy as without addressing TB wherever it is found there can be no hope of ever fully eradicating it.

Within a more local context, Reid *et. al.* (2011) estimated the NI badger population at 34,100 (95% confidence limits = 26,200 - 42,000). Furthermore, Skuce *et al.* (2010) identified that the spatial distribution of *M. bovis* genotypes is not random and that significant geographical

location is evident, suggesting that sources tend to be local disease reservoirs. Additionally, in 2015, Trewby *et al.* used high density sampling of cattle infections to show that cattle isolates of bTB were highly genetically similar to those found in badgers within close proximity (<1.5km). Whilst our membership acknowledges that due to the slow evolutionary rate of bTB, certain analysis will always remain problematic, the burden of proof and evidence of successful eradication policies elsewhere in the world would all justify the position that without a robust wildlife intervention policy, Northern Ireland is never likely to succeed in eradicating TB.

The UFU considers that The Wildlife (Northern Ireland) Order 1985, Article 18 and The Disease of Animals (Northern Ireland) Order 1981, Article 13 both provide DAERA with broad powers to use a wide range of methods to intervene with wildlife for the purposes of disease control.

Based on the above, and mindful of the potential risk of perturbation and the fact that TB can reside in a badger sett for an extended period of time, the UFU is supportive of the proposal to utilise a central zone of badger removal complemented with actions to mitigate against potential perturbation or reinfection once wildlife recolonizes the area.

The UFU is however concerned by the estimated costs associated with the proposed method of wildlife intervention (£4.4 million per zone over 7 years, roughly £630,000 per year). The TBSPG estimated that up to 10 of these zones may be required (up to £6.3 million per year). We have discussed these estimated costs with other farming Unions and have been informed that in ROI, the national wildlife intervention programme is delivered for a budget of around €4.2 million per year. Based on these costings and other estimated costs which have been provided to us from counterparts in England we are confident that these costs can be considerably reduced to deliver better value for money for the industry. Furthermore, our members are of the opinion that better value for money would be delivered if the wildlife intervention was to be done via trained pest control companies who have bid for the local contracts to complete the work. Our membership recognises that the training of such individuals and monitoring may need to be delivered by DAERA and can accept this.

## W2. Do you agree with the TBSPG's and the Department's assessment that stand-alone vaccination is better utilised as part of a longer-term badger intervention strategy?

Yes.

The UFU are supportive of the use of vaccination as part of the longer-term badger intervention strategy provided such measures deliver a more cost effective means of eradicating TB in the wildlife reservoir. Given that vaccines are likely to have no effect on already infected animals, the current prevalence of TB in the badger population (in excess of 17%) and that the current vaccine is only available in an injectable form, our committees do not believe that a standalone vaccination policy would achieve the desired effect within a reasonable timescale or budget compared to other wildlife intervention strategies available at this time. Furthermore, we are aware that in the Republic of Ireland the move towards badger vaccination was only considered after over 13 years of badger removal which meant that badger density and infection load was significantly reduced thereby making a standalone vaccination policy more economically

viable and likely to be successful. In consideration of these facts, it is the view of the UFU that vaccination of badgers may have a role to play in tackling TB in both cattle and badgers as part of a longer-term strategy. However, this should only be considered once the number and infection load in the local badger population has been significantly reduced and vaccination can be shown to provide a better cost/benefit analysis than other forms of intervention.

## W3. Do you agree that vaccination is better utilised in combination with badger removal to first reduce infection in badgers in the short-term?

Yes.

Given that to date we have seen no peer-reviewed evidence that badger vaccination is effective in protecting badgers from TB, that it is almost certain to have no effect on already infected badgers, and the current accuracy of the badger TB test remains unknown to know if the correct decision is being made to vaccinate or remove a badger, it is clear that any vaccination programme introduced must be utilised in combination with a policy of badger removal in order to reduce the infection load and local badger population density first. As previously stated, in the Republic of Ireland, over 13 years of badger removal has preceded any consideration of a move towards badger vaccination. This has meant that both the density and disease load in the badger population has been decreased significantly before consideration has been given towards moving to incorporate badger vaccination policies. In the Republic of Ireland, this strategy has seen herd incidence of TB fall from around 6% to around 2%. Likewise, New Zealand has been engaged in a policy of removing infected wildlife from the late 1980s which has resulted in the number of infected cattle herds falling from over 1,400 per year to around 50 herds per year. It should also be noted that no evidence of a perturbation effect has been recognised in either jurisdiction.

## W4. Do you agree that the role that other species might play in the spread of bTB to cattle should be kept under review and that further research should be carried out if resources allow?

Yes.

The UFU is supportive of keeping the role of other species (e.g. deer and camelids) which may play a role of spreading TB to cattle under review. For example, we are aware that the Republic of Ireland is currently seeking to develop a programme to control TB in deer in some parts of the country as in some areas disease prevalence is around 16%. We are supportive of developing a more robust local evidence base to direct policy in these areas.

### W5. Do you agree that there is merit in continuing, expanding and enhancing the badger RTA Survey?

Yes.

The UFU agrees that the RTA survey provides a useful snapshot of the levels of bTB in the badger population at national levels. Over the duration of the survey (almost 20 years), it has indicated a prevalence of TB in the badger population of around 17% compared to the current

cattle incidence of less than 1%. The UFU is aware that the sampling method does not always provide a uniform geographic coverage and this could be improved to enhance the robustness of the survey results. Furthermore, the UFU is aware that similar to cattle, TB levels in badgers can frequently be underestimated by post mortem examination techniques. For example, the cattle TB skin test which has a test specificity (a truly negative result) estimated to be in excess of 99% is only confirmed in around 45% of post mortem examinations. It is therefore likely that the suggested 17% prevalence in badgers represents a significant under estimate of the true disease prevalence in the badger population. The UFU also supports increasing the sample size of the survey as our membership does occasionally inform us that they wish to submit a badger for analysis, however the scheme has already used its full annual allocation. Once wildlife intervention has been initiated, the UFU would advocate that the RTA survey be continued to monitor the background level of TB in the badger population. However, it may be possible to reduce the sample size to redirect resources to dealing with the issue without reducing the robustness of the survey results.

#### **Preventing Disease – Herd Health Management**

H1. Do you agree that Statutory Improvement Notices should be used where it is shown that good herd health management is not being applied and is creating a risk to other neighbouring herds despite advice being provided?

Yes.

The UFU membership does believe there are instances where a statutory improvement notice would be beneficial to improve bio-containment of TB on a breakdown farm. However, our membership is concerned of the possibility that department veterinary officers may be overzealous in how frequently they are issued. In order to address this concern, our committees have suggested that statutory improvement notices should only be issued as a last resort and once they have been requested from a local disease response team. As such, industry can be involved in policing itself and DAERA staff cannot be accused of being overzealous. A true partnership approach, thereby giving the DRTs and local farmers some powers to be more actively involved in local TB control. Our membership can be supportive of such a bottom up and collaborative approach to statutory improvement notices where an individual farmer is considered to be reckless and endangering other local businesses. We are not supportive of a top down DAERA led approach.

# H2. Do you agree that herd-keepers should be proactively encouraged to improve herd health management and take responsibility for herd health management on individual holdings?

Yes.

The UFU will always advocate for improved herd health management where it can be shown to improve on-farm profitability.

### H3. Do you agree that the farming industry should lead in the adoption of an 'informed purchasing' approach for farmers bringing in stock to their farms?

Yes.

The UFU is supportive of additional information being made available to enable farmers to make an informed purchasing decision. To this end, our committees have requested that it be made compulsory for marts to display the vendor's name on mart screens so purchasers can make an informed decision of who they are buying animals from at the time of sale as opposed to only finding out once the animal has moved between the herds. This is something that our committees have been requesting over the last six months as there is a desire for improved transparency and traceability at the time of purchase in order to mitigate risks when buying stock. It is the opinion of our membership that the only person with something to gain from anonymity is someone with something to hide. Producers that are proud of the stock they are selling should have nothing to fear from their name being displayed alongside their stock.

## H4. Do you agree that segregation notices should be introduced to protect those herds that are at risk of disease spread from high-risk groups within bTB breakdown herds?

No.

During the process of this consultation, our committees discussed this proposal at great length. Whilst acknowledging the benefit of improved bio-containment for the around 90% of OTF herds, the committees were extremely concerned by the wording of the most recent draft of the proposed segregation notices. All committees agreed that in their current design, the proposed segregation notices would be completely unworkable for the 10% of OTW/OTS herds. As such, the committees were opposed to the introduction of segregation notices in the current proposed format at current disease levels. Flipping this argument, committees did see benefit in the principle of segregation notices, and as the wording/sanctions of the current notice at current disease levels is what is resulting in resistance, this therefore means that membership is in favour if the segregation notices can be made more practical at current disease levels and tightened as disease levels fall so the impact on industry is not so marked. As such, we propose to seek to work with DAERA on the wording of the segregation notices to find a practical solution that confers some disease mitigation benefits to OTF herds, whilst not making it impossible to farm for OTS/OTW herds. We acknowledge that whilst this may not eliminate all risks segregation notices seek to address, we would prefer to use this tool to minimise the risks we can whilst not making farming completely unworkable for those farmers who have a segregation notice imposed upon them.

# H5. Do you agree with the Department's assessment that, given the high levels of bTB within Northern Ireland, it is not currently feasible to introduce herd classification and purchasing based on herd bTB history?

Yes.

It is the opinion of the UFU that given the current high levels of bTB in Northern Ireland that the creation of such a herd classification system would create intolerable trading conditions for

farmers within Northern Ireland. Furthermore, we question how such a system could be practically implemented at markets to separate stock of different classification. Additionally, we question the benefit of the proposed information, for example the classification system gives no information about the severity of the previous breakdown. It tells nothing about whether the farmer lost 1 animal at the last breakdown or 100. As such, the UFU is not in favour of a herd classification system at this stage.

H6. Do you agree with the Department's assessment that industry, with support, should proactively encourage farmers to select bTB resistance in the selection of breeding material?

Yes.

H7. Do you agree that industry should have a lead role to play ensuring that the legislative requirement, to clean and disinfect vehicles each time they are used to transport animals, is met?

Yes.

The UFU is supportive of industry playing a key role in encouraging farmers to meet practically sensible and economically viable cleansing and disinfecting of vehicles to reduce the risk of TB spread.

#### **Finance and Funding**

F1. Do you agree to the principle that there should be a reduction in the compensation rate from the current level of 100% of an animal's market value?

No.

The UFU robustly objects to this principal. The current position of our membership is that any move to reduce the TB compensation rate below 100% of the animal's market value is tantamount to legalised theft. Our membership points out that the reason that compensation was increased to 100% in the first instance is because government moved to protect badgers, thereby taking control of TB out of the farmers' control. Our membership points out that industry already incurs significant costs due to the current TB program, including:

- Cost of the farmers time to gather up livestock to test cattle
- Reduction in animal thrive and milk production in the days immediately following the TB test
- Injury to livestock during the process of the TB test
- Abortion due to stress associated with the TB test
- Increased feeding costs due to housing of animals to complete the TB test
- Increased labour requirements due to extra stock on farm when unable to sell calves due to loss of OTF status

- Increased feed demands and slurry production due to extra stock on farm when unable to sell animals due to loss of OTF status
- Loss of income when a farmer is unable to buy in replacement stock following a significant TB breakdown
- The existing trade barriers which prevent healthy cattle from OTS & OTW herds from being exported live direct for slaughter to higher paying markets in mainland Great Britain.

Given these costs, our membership is wholly opposed to Government attempting to push more costs onto industry because of its failure and lack of conviction to address TB in the wildlife reservoir.

It is the opinion of our membership that TB is a disease that affects farms indiscriminately and that its exclusion from a herd will remain outside of the farmers control until TB in the wildlife reservoir is being robustly addressed. Given that an outbreak can range in size from 1 animal per year to over 200, the financial risk exposure from the proposed compensation cuts is colossal and it is simply not feasible for farm businesses to carry sufficient financial reserves to weather such an unpredictable financial event. It is the opinion of our membership that imposition of this policy would result in a significant number of farmers losing their livelihoods. Given this business risk, it is the opinion of our membership that the imposition of this policy would be the most certain way to ensure perverse policy outcomes. Namely, further erosion of the relationship between DAERA and farmers, and that farmers may take wildlife removal into their own hands in a large and uncoordinated scale attempt to protect their businesses. Furthermore, our committees are concerned that reducing the compensation payable risks increasing the incentive to conceal reactor animals, thereby lessening the likelihood of reactor removal and disease eradication.

For these reasons, we are wholly opposed to the suggestion that compensation should be reduced.

You will have noted above our concern about the existing trade barriers which prevent healthy cattle from OTS & OTW herds from being exported live direct for slaughter to higher paying markets in mainland Great Britain. DAERA will recall that this is something which was initially highlighted in the LMCs report on 'Regional price disparities in deadweight cattle: Understanding the NI/GB price differential.' In 2016 the Ulster Farmers' Union estimated that for the 12 months in 2015 the NI/GB price differential was costing cattle producers up to £17.13m. This estimate was based on the fact that prices for prime cattle in Northern Ireland are consistently lower than in Great Britain and that TB is a major contributory factor in reducing competition for cattle. While the price differential has narrowed in recent years, the overall cost to farmers is still substantial and given that many finishing herds are consistently OTW status this prevents them from gaining access to the highest value markets in Great Britain.

In 2016 the Ulster Farmers' Union requested that DAERA assist Northern Ireland's beef farmers by working with DEFRA and the Scottish Government to amend General Licence

IMP/GEN/2016/01 and General Import License No: 2010/01. The UFU is concerned that DAERA has not progressed this proposal which would undoubtedly be of benefit to the economic viability of beef production in Northern Ireland. More economically sustainable conditions for farmers may also enable the industry to grow output for both local & GB processors.

We do not believe that the movement of healthy cattle from OTS/OTW herds to slaughter creates any credible risk to the spread of TB and would now ask DAERA to work with the farming industry to review existing export licensing and enable <u>all finishing herds</u> in Northern Ireland to have uninterrupted access to the higher paying markets in Great Britain. We also believe this may provide increased financial incentive for beef finishing herds to consider the implementation of Alternative Control Herds under more practical circumstances.

F2. Do you agree that the compensation rate paid should be set at 90% of market value in year one, reducing to 75% of market value in year two, subject to the compensation cap also being applied?

No.

Please see response to F1.

## F3. Do you agree to the principle that there should be a cap on the level of compensation paid per animal?

No.

The UFU robustly objects to this principal. In addition to the points raised in F1, it is the opinion of our membership that this proposal would impact most severely on the country's highest value stock and best breeding lines which serve to improve the genetics of the entire Northern Ireland cattle industry. Any move to cap compensation payable would eliminate farmers' confidence to import, buy or breed top genetic breeding stock for the benefit of the wider industry. It would also undermine ongoing efforts by industry and DAERA to progress proposals for a Northern Ireland ruminant livestock performance and genetic improvement programme. Whilst artificial insemination maybe a viable alternative in some intensive systems, it would be wholly impracticable in extensive systems were farmers have a smaller number of cattle being reared on hill farms where the practicalities mean that animals must be inseminated by a bull. If the proposed cap were to be imposed then a large number of high value pedigree stock would be removed from the Northern Ireland cattle sector, which in turn would have a negative impact on breeding within the commercial beef herds which would result in an overall reduction in the genetic and therefore production efficiency of the Northern Ireland cattle herd.

F4. Do you agree that, if a compensation cap is introduced, it should be set at £1,500 for a non-pedigree animal, £1,800 for a pedigree animal, and £3,500 for the removal of one pedigree stock bull per herd-keeper each year?

No.

Please see response to F3.

## F5. Do you agree with the Department's approach to keep the introduction of a specific levy for the bTB programme under review but not to introduce one at this time?

No.

All UFU committees discussed TB finance at great length. During the process of the discussions, the committees recognised that they were adamant that TB compensation must not be reduced and that farmers were unwilling to pay for TB testing. Committees were also adamant that TB in the wildlife reservoir needs to be addressed and recognised that in order to achieve this it needs to be adequately resourced to deliver results. Committees explored the broader direction of recent government expenditure, the current budgetary priorities for the NI executive and historic, current and proposed future state of DARD/DAERA's financial resources. From this process, committees realised that since the Conservative Government came to power in 2010, the direction of travel has been to reduce government spending, not increase it. This has resulted in significant budgetary reductions for the Northern Ireland Block Grant which has in turn resulted in significant reductions to the DARD/DAERA budget (>£85 million since 2010). The committees also explored the Briefing on Northern Ireland Budgetary Outlook 2018-2020 to understand the future direction of the DAERA budget. Committees realised that the given local Government's current designated priorities (i.e. to protect DoH and DE etc), DAERA is likely to come under extreme budgetary pressure in the coming years (i.e. the 3 scenarios described indicated a range of budget cuts from £10 million to £20 million). These budget cuts are proposed at a time when industry is looking for DAERA to spend more money to address TB and prepare for BREXIT. Committees were of the opinion that while DAERA would be able to bid for additional resources to deliver wildlife intervention, when up against competing priorities such as Health, Education or Infrastructure it would be unrealistic to believe that additional Government money would be directed to wildlife intervention during a period of such austerity as it is not a priority for wider society. This point was confirmed by the Briefing on Northern Ireland Budgetary Outlook 2018-2020 which stated that DAERA would be required to defer planned expenditure in respect to the TB Strategic Partnership Group. Given that wildlife intervention made up the largest proportion of this proposed additional expenditure, at this point, committees realised that if wildlife intervention was to occur, then industry would need to resource it and reluctantly began to explore levy options as the only option to ensure that the required action was delivered in the near future.

Committees explored various means of collecting a levy. These included a levy on ear tags, a levy on slaughtered & exported cattle, or a levy per litre of milk. Committees quickly established that there would be great difficulty in devising a levy that impacted everyone fairly e.g. a levy on tags would result in only rearers paying, whilst a levy on slaughtered & exported cattle would result in only finishers and exporters paying. Based on these issues a levy based on tags or headage was unlikely to be acceptable to wider industry on the grounds of fairness of who pays. As a solution to this issue, committees want the amount payable to be based on the average stock density of the herd over the course of a year. Committees are aware that DAERA can currently work out stocking density bimonthly for a farm's nitrates calculation.

For the purpose of this levy, committees would like to see this process ran monthly and an average stock density for the year to be calculated. The amount of levy to be raised would then be divided equally over the number of cattle in the national herd and each farmer required to pay their share. Committees want this levy to be statutory/compulsory for all cattle keepers as the eradication of TB is an issue that benefits all cattle farmers and as such, all cattle producers should work collaboratively towards this objective. Committees were opposed to this levy passing money to DAERA. Committee views were that this is industry money, to achieve an industry aim and as such should be held by an industry body. The preferred body identified was Animal Health and Welfare Northern Ireland. Committees recognised that administrating a levy on each individual farmer maybe costly and problematic to ensure collection. Opinion was that in order to ensure collection, the levy would need to be enforceable. Committees were satisfied that refusal to pay could be enforceable by imposition of a proportionate penalty on the standard scale. Alternatively, committees were satisfied that the levy must be paid before a farmer can book their next annual herd test. Given that a late herd test results in herd restrictions and fines, it was deemed that this proposal would ensure collection in a timely fashion and minimise administration. Committees would like flexibility as to how the levy is paid (i.e. can be paid in a one off payment or divided out into instalments via online bank transactions).

The above principles agreed, committees turned their attention to how much money would be reasonable to request and what industry may be able to afford. Committees came to the conclusion that the levy should allow AHWNI to collect up to £3 per bovine per year (subject to negative resolution). Based on 1.6 million cattle in Northern Ireland, this would potentially raise up to £4.8 million for AHWNI to pay private pest control companies to complete wildlife intervention under license from DAERA as per the method described by the TBSPG. Our committees were of the opinion that significant cost savings could be delivered by industry delivering the wildlife intervention (for example, the national wildlife intervention programme in ROI is delivered for around €4.2 million per year). However, even if the maximum £3 was required, our calculations estimate that this would still result in around 55% of the industry having to contribute less than £150 per year, 76% of the industry having to contribute less than £300 per year, 90% of the industry having to contribute less than £600 per year and 95% of the industry having to contribute less than £900 per year (calculations based on extrapolation of the data contained within Table 5.8, column 14, from the Agricultural Census in Northern Ireland 2017). Given that the current estimated cost of the TB test is £3.20 per animal and the potential financial exposure to a compensation reduction is so volatile and unpredictable (ranging from £0 to potentially over £100,000 in some extreme cases), this was considered to be reasonable, acceptable and preferable as it ensures the money can be ring fenced for its intended purpose.

Based on the above process, this proposal gave committees confidence that the money raised would be spent on industry priorities. Furthermore, if a change in local Government resulted in wildlife intervention ceasing, then collection of the levy would cease or industry could divert the money collected to an alternative disease priority.

Having completed several committee meetings on this theme, and explaining the principle at the president's area meetings and several local group meetings during the last month, we have been pleasantly surprised by how receptive the farming community has been to this proposal. Whilst we recognise that some individuals do initially have objections and reservations, to date, having explained the rationale behind the proposal and alternative options on the table we have found industry is able to accept this proposal.

#### Levy summary

- Establishment of a statutory/compulsory levy suggested title The Bovine Disease Levy
- Money gathered to be payable to and held by an industry body suggested body AHWNI
- Levy to collect <u>up to £3</u> per bovine per year based on 12 month average stock density (subject to negative resolution within the upper limit)
- Levy amount to be set by an AHWNI implementation group representative of the industry
- Levy can be spent on bovine disease priorities identified by the AHWNI implementation group
- Money can be spent on wildlife control and employment of pest control companies or training of staff
- Money can be spent on database development and administration of levy

Based on the above principles, the UFU is willing to advocate for the establishment of a levy in order to address TB with the initial focus being tackling TB in the wildlife reservoir based on the method proposed within this consultation by DAERA and the TBSPG.

#### F6. Do you agree that each herd-keeper should pay for one herd test per year?

No.

The UFU is opposed to herd-keepers paying for one herd test per year. Historically, DAERA has paid for the surveillance of TB for the good of society as a whole. This principle has not changed and therefore farmers see no rationale why the payment process should change.

Furthermore, there is a concern that if farmers are required to pay for testing, this will result in farmers selling on a significant number of animals in advance to a test to minimise costs or worse still, a small minority of farmers may opt to concealing animals to reduce costs both of which would be detrimental to attempts to reduce TB prevalence.

#### Research

R1. Do you agree that the TBEP should be recognised as a significant stakeholder in the research agenda and should be able to input into the identification of gaps and the research commissioning process?

Yes.

R2. Do you agree that a representative(s) from the TBEP should sit on the steering group which will oversee the proposed new programme of bTB research?

Yes.

Yours sincerely,

**Barclay Bell** 

**UFU President**