

Livestock tracing scheme to be compulsory

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The Government has agreed to fund and make compulsory a livestock tracing scheme, though farmers will be stung for ear tag costs.

Agriculture Minister David Carter said the Government would provide funding to build and operate the National Animal Identification and Tracing (Nait) system and would draw up legislation to make it compulsory for cattle and deer farmers. Other types of animals may be added later.

The development of the Nait system and supporting infrastructure requires up to \$7 million in capital expenditure and \$8.67m operating expenditure.

The Government will fund the capital costs and cover most of the operational funding for the development period. Annual ongoing operating costs of around \$6 million will be funded by the Ministry of Agriculture and Forestry (MAF) and by levy contributions from cattle and deer farmers.

The main cost to farmers would be Nait-compliant ear tags. The tag cost per animal would be around \$2 or \$3 more than what farmers are paying at the moment for non-electronic ear tags.

"Nait is about future-proofing New Zealand agriculture," Mr Carter said.

"The Government is satisfied that there is a strong business case for the scheme and that its benefits far outweigh its costs."

Livestock industries were vitally important to the economic and Nait would help maintain confidence of export markets in the safety and disease-free status of New Zealand's livestock products, while boosting preparedness for disease outbreaks, he said.

"Despite concerns raised about compliance costs, the majority of farmers I have spoken to can see the necessity of having a robust and internationally credible traceability scheme."

Mr Carter said Nait needed to be compulsory for all cattle and deer farmers because complete records of individual animal movements are needed to ensure effective biosecurity responses.

"It is what our trading partners are increasingly demanding from us."

he aim is for the scheme to be compulsory for cattle farmers from October 2011 and for deer farmers a year later.

Treasury estimates benefits of around \$38m a year. Nait would be able to reduce the impact of outbreaks, for example of foot and mouth, by 4 to 10%, MAF estimated.

There would be legal protections to ensure that use of information did not breach the Privacy Act.

A joint industry/government group including representatives from DairyNZ, Meat & Wool New Zealand, Meat Industry Association, Federated Farmers, New Zealand Food Safety Authority, Dairy Companies Association of New Zealand, Deer Industry New Zealand and the Ministry of Agriculture and Forestry worked on the proposal.