



Media release – 28 November 2011

Cattle and deer owners' views sought on new levy

From Monday (28 November) farmers and lifestylers who manage cattle and deer get the opportunity to say what they think about the proposed levy system to fund the National Animal Identification and Tracing (NAIT) scheme, set to start on 1 July next year (2012) for cattle. Deer join the scheme in March 2013.

NAIT Limited, the industry-owned company responsible for setting up the scheme, is seeking submissions on proposed levy amounts and how they are collected.

The Government is funding the building of the NAIT database and a proportion of the scheme's ongoing operational costs. The balance of ongoing operational costs will come from the industry through levies on cattle and deer farmers.

NAIT Limited Chief Executive Russell Burnard said the NAIT Bill currently before Parliament requires the ongoing cost of running the NAIT scheme to be recovered.

"We have developed a cost recovery model in consultation with our industry shareholders (Beef+Lamb New Zealand, DairyNZ, Deer Industry New Zealand) that seeks to recover the industry's share of costs for delivering NAIT.

"After considering a number of options, we are proposing levies on tags and slaughter for cattle. Based on NAIT Limited's projected costs, the proposed levy for cattle will be about \$2.50 over the lifetime of the animal.

"With differences in the numbers of dairy and beef animals tagged and sent to slaughter, this will mean that the beef and dairy sectors will each pay in proportion to their shareholdings in the scheme.

"With deer, we have followed the Deer Industry New Zealand's (DINZ) wishes and propose DINZ pays a collective contribution. This mirrors the deer industry's current contribution to the Tb control programme," Mr Burnard said.

"New Zealand is currently lagging behind its international counterparts in terms of individual animal traceability.

"The NAIT scheme will bring us up to speed with what other countries are doing, and allow us to meet international guidelines for animal traceability including those set by the World Organisation for Animal Health (OIE)," Mr Burnard said.

The scheme will enable animals to be traced quickly and reliably from birth to death or live export. Information on the location and movement history of animals is essential to ensure a rapid response to a biosecurity outbreak, or contamination of an animal-based food product.



“Improved animal identification and traceability will provide our export markets with assurances around the sourcing of New Zealand’s animal-based food products, assurances competing producers overseas already provide,” Mr Burnard said.

People interested in making a submission have until 23 December to do so. The consultation document is at: www.nait.co.nz

The cattle levies are set to come into effect on 1 July 2012 subject to the NAIT Bill passing early in 2012. Because the original NAIT scheme start date was deferred to 1 July 2012, an interim royalty fee on white NAIT-approved radio frequency identification device (RFID) tag purchases will be introduced from 1 January to 30 June 2012 to cover the costs for the additional development period.

Ends

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NAIT scheme information

There are three key components to the NAIT scheme:

1. Tagging cattle and deer with NAIT-approved radio frequency identification device (RFID) ear tags and registering these animals with NAIT Limited.

Tagging has been underway on a voluntary basis for more than two years with approximately 40 percent of New Zealand's national cattle and deer herd (4.5 million animals) already tagged with NAIT-approved ear tags.

2. Registering with NAIT Limited the locations where cattle and deer are kept, together with the contact details of the person in charge of the animals. This process creates a NAIT number which will be used as the identifier for animal movements.

Farmers and lifestylers will be able to start registering on a voluntary basis from February 2012.

3. Recording the movements of individual animals from one location to another and reporting to NAIT Limited all deaths, losses or exports of live cattle or deer to NAIT Limited.
4. Once the NAIT legislation is passed, farmers and lifestylers who manage cattle will be required to do this from 1 July 2012.

Farmers, lifestylers and anyone in charge of cattle or deer will either be able to fulfil the registration and reporting functions of the NAIT scheme themselves, or will have the option to delegate some or all of their NAIT obligations to NAIT-accredited organisations such as farm management companies, saleyards, and meat processors.

For many, movement recording will be done for them by these trusted organisations. For example, it is estimated that 80 percent of the movements of beef cattle are accounted for by movement to saleyards and meat processors.