



Compo ruled out for calf and weanling producers

by Martin Ryan

THE European Commission and the Irish Government have completely ruled out compensation for calf and weanling producers who lose out in the new Single Payment Scheme (SPS).

A top level Department of Agriculture official has told calf and weanling producers that conceding to their demand would require more than double the entire funding available in the National Reserve.

Andy McGarrigle said the farmers themselves had decided how to run their enterprises, and cannot be compensated by the Government or the Commission.

Speaking at a Cahir, Co Tipperary IFJ/RTE seminar on the SPS, Mr McGarrigle said compensating calf and weanling producers who lost out would require €80m per annum, while the entire funding for the several sectors catered for by the National Reserve is only €39m.

Agricultural consultant Philip Farrelly said that the plight of calf and weanling producers has exposed the huge anomalies in the new system and, while it was true that they had made the decisions on when to sell their animals, they had absolutely no knowledge of what was coming, and of the possible implications of selling their animals without claiming premia.

Mr McGarrigle told the seminar, "In the case of calf and weanling producers, the farmer took certain decisions during the reference period. In the case of the weanling producer, he or she decided to

let the weanlings go and, by doing so, invariably the farmer in question was able to keep more suckler cows, was able to get the higher rate of extensification, and that money is already reflected in their single payment."

"The same for the dairy farmer who sold off the bull calves, they were able to keep extra cows, produce more milk and that will be reflected in their single payment."

"When it came to setting up the National Reserve, the Department was asked by two farm organisations to look at the possibility of doing something for calf and weanling producers. I was told that it would cost €80m to compensate them. There is €39m in the National Reserve for everybody, so clearly whatever was going to be put in place, it was not compensation."

"We went to Brussels to the Commission to see if something could be done for calf and weanling producers. The answer was no. You cannot take decisions to give money to farmers to cushion them against a possible loss of income, if there has been no public intervention in that sector during the reference period which would give rise to the loss of income. In other words, these decisions on how to run the enterprise were made by the farmers themselves, and the member state cannot now go back and compensate one sector over and above another," he said.

Farm Consultant Philip Farrelly said that while the outline given by Mr McGarrigle was absolutely correct, the situation highlighted the huge anomalies within the SPS, in which there are losers and winners. "While the econom-

ic terms that people trade under during the reference years may have changed dramatically, it is true that the farmer made his free decision, but he had absolutely no knowledge that this was coming down the pipe," said Mr Farrelly.



No break for SPS losers, says Andy McGarrigle, principal officer, Department of Agriculture and Food.