



Foreign Agricultural Service

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Ireland

Livestock and Products

Irish farmers blockade of meat plants stops the processing of beef

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Report Highlights:

Irish farmers have blockaded meat plants since January 11 protesting against additional inspection fees and low prices. The blockade has shut down the beef industry and shortages of beef at retail level are imminent. Discussions are ongoing to try and solve the dispute which has also resulted in the resignation of farm leaders.

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Dublin [EI1], EI

The National Council of the Irish Farmers Association (IFA), including its president Tom Parlon, resigned en masse January 18 following its decision to accede to a court order and halt the blockade of Irish meat plants which began January 11. The decision to stop the blockade came as the High Court judge who granted the Irish Meat Association (IMA) a court injunction banning the blockade, increased the daily fine on the IFA for ignoring the court order to halt the blockade from IRP 100,000 (USD 128,500) per day to IRP 500,000 (USD 642,000) per day. The IFA which already owed the courts IRP 500,000 (USD 642,000) for the protest thus far decided to call off its blockade and apologize to the court for disobeying the law. The decision was taken to protect the organization and was not the preferred option of the IFA's governing council which then stood by its principles and resigned. Only three administrative members of the council remain.

The IFA's blockade of meat plants was in protest following the imposition of additional veterinary inspection fees by the Department of Agriculture, Food and Rural Development (DAFRD) which meat slaughtering firms have passed on in full to farmers. DAFRD now operates a full cost recovery policy for meat plant inspections. The increase in fees combined with current low prices for cattle, and fiscal penalties for cattle delivered dirty to slaughtering facilities incensed farmers and led to this revolt.

Farmers, spurred on by the sudden resignation of the IFA council and the perceived one-sided actions of the Irish courts, have intensified their blockades. Whole families are now protesting outside meat slaughtering facilities nationwide. While the farmers no longer operate under IFA banners, most are members of the IFA and are continuing using the organization's resources to organize blockades at the local level. The High Court judge whose original court order was ignored by the IFA has warned that he will deal with any person or persons severely for not complying with his orders but this threat has not deterred farmers.

The Minister for Agriculture, Food and Rural Development Joe Walsh intervened in the dispute January 14 and has since then tried to broker a deal between processors and farmers. His initial attempts at a deal resulted in the IMA removing the controversial increase in the veterinary inspection fee which was the catalyst for the blockades. Farmers, now without a leadership, are still demanding that cattle prices be raised. Post understands from media reports that Minister Walsh has received assurances from the meat processors that by implementing some cost saving measures, prices will be increased but it is widely feared that farmers will not accept this. Minister Walsh has also taken the unusual step of inviting the former IFA president Tom Parlon, who was involved in negotiations until now, to the latest series of meetings. After negotiations lasting 15 hours, January 19 and 20, the IMA has offered the basis of a settlement to the IFA in terms of suggested increased prices for cattle. However the increase suggested falls short of farmers demands but it is hoped that this may temporally appease them. Meanwhile, the GOI has announced an independent investigation of meat factories into claims of cartels and price fixing.

The blockades are now beginning to have an economic impact. Over 3,500 meat factory workers have been laid off, supermarkets are running low on supplies of beef and valuable export contracts are running late. In a typical week in January, some 40- 50,000 cattle pass through slaughtering plants. Hauliers, both of cattle for slaughter and of meat, have not moved a truck in over a week. Retail stores have reportedly enough supplies of beef until about January 22 but are reluctant to begin sourcing beef

from other EU countries for veterinary reasons and also for fear of further possible backlashes at consumer level.