UP's New Levy for Cow Protection

What is the issue?

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The Uttar Pradesh government has decided to impose a 2% gau Raksha (cow welfare) cess on excise items.

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What are the recent decisions?

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- Apart from the cow cess, the government will also levy a 0.5% cess on state-operated tolls.
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- It has also increased the levy on the tax revenue of the UP Agricultural Marketing Board, or Mandi Parishad, from 1% to 2%.
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- The money will be used to set up and run “gauvansh ashray asthals” (cattle shelters).
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- These shelters are to be made functional in all villages, panchayats, municipalities and municipal corporations.
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- These will be run by urban and rural civic bodies and are aimed at tackling the growing menace of stray cattle in the state.
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- Additionally, money from the Mahatma Gandhi National Rural Employment Guarantee Scheme will be used to fund these cowsheds.
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- Also, 8 profit-making public sector undertakings have to contribute 0.5% of their corporate social responsibility (CSR) kitty towards the cow shelter scheme.
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- The aim is to put in place a cowshed with a capacity of accommodating a minimum 1,000 animals in every district.
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What is the cattle trade scenario in UP?

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- With new government in UP in 2017, one of the first decisions was to shut down all illegal slaughterhouses.
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- The government adopted a zero-tolerance approach to cow smuggling.
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- Certainly, illegal slaughterhouses should not be allowed to carry on.
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- But the state government did nothing to find any alternative means of livelihood for these small and marginal businessmen and their employees.
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- The decision completely upset the dynamics of the meat trade in the state with adverse backward linkages.
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- Along with small traders associated with the meat industry, farmers also suffered.
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- Cattle owners, who in the past used to sell unproductive animals to slaughterhouses, now simply abandoned them.
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- Reportedly, desperate farmers locked up abandoned cattle in schools and government buildings for fear of crop damage.
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- The plight of the cattle is even worse, many of which are dying of starvation or asphyxiation.
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- Making matters worse, there was rise of violence unleashed by the "gaurakshaks" (cow-protectors), who often penalised even those who traded in buffaloes.
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Why is it not a healthy move?

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- UP is not the first state in the country to impose such a cess.
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- Punjab levied a similar cess and Rajasthan imposed a cow surcharge, without

any real benefits to show for it.
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- Passing the burden on people for cow protection, a policy responsibility of the government, seems unfair.
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- A cultural affection for cows has happily coexisted with trade in cattle for ages.
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- So restrictions on the cattle trade do not make any commercial sense.
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- Thus, instead of imposing a cess, the government should reconsider its trade policy.
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Source: Business Standard

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