

Battle against the Aggies Levy goes on

British Aggregates Association takes it fight against stone tax to the European court

BY PAUL THOMPSON

QUARRY operators have vowed to continue their legal battle to force the Government to overturn the aggregates levy.

They intend to struggle on against the £1.60-per-tonne tax on quarried aggregates by forcing the Government to defend the tax in the European courts.

Independent quarryer representative body the British Aggregates Association said the case would be heard by the Court of First Instance in Luxembourg within the next six months.

Richard Bird, executive officer at the BAA, said: "The court case is very much alive. These things take time to wind their way through the European system but we are hopeful that the case will be heard sometime this year."

The association launched its European bid for justice three years ago after it lost a

hearing at the High Court in London.

Shortly before the aggies tax was due to be introduced, the BAA's actions won a judicial review on the levy, forcing Chancellor of the Exchequer Gordon Brown to justify the £1.60-per-tonne charge.

Judges found with the Treasury and the tax was introduced in April 2002 but not before the judge, Mr Justice Moses, had highlighted failings in the Government's approach.

That gave the association the confidence to continue in the fight against the levy and, as Mr Bird says in this week's Quarrying supplement on page 36, it is still confident that there are grounds for complaint against the levy.

He said: "Our main point is that it is not an environmental tax, which is what the Government has always dressed it up as, and that it breaches European Union rules on Government subsidies and state aid."

Mr Bird cited a reduction in the rate charged on stone quarried in Northern Ireland as one example of Government subsidy.

And Bob Durward, director of the association, said the three-year delay between lodging the action and getting it heard would actually help the association's case, because all the time more evidence against the tax emerges. He then slammed the Government's environmental claims.

He said: "There is no environmental benefit from it at all. We have said since 1999 that it is all about the cash. The Government has driven a coach and horses through the middle of its own rule book on environmental taxes.

"The aggregates levy sustainability fund, which is supposed to compensate areas hit by quarrying activities, is a joke.

"The Chancellor is taking the tax with a shovel and paying it back with a teaspoon."
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