

PE1542/C

Petitioner Letter of 11 March 2015

PE1542 response by Evelyn Mundell to the Public Petitions Committee, 11/03/15

We were very grateful for the sympathy and understanding shown by the ppc at the meeting on the 13/01/15 but were surprised at the narrow questions asked of the Scottish Human Rights Commission and, in particular, of the Scottish Government.

This means that government have not really addressed the issues in our petition.

However, in response to the replies received, we make the following point:-

1) Quote from the Scottish Human Rights Commission "Government's interference in property rights can only be justified if it is shown to represent a fair and proportionate balance between the rights of the individual and the general interest of the community. Such a fair balance will not have been struck where the individual property owner is made to bear an individual and excessive burden." An individual and excessive burden was very obviously placed on ourselves and many other dairy farmers in our area.

2) The "review" carried out by SAC in late 2011, on behalf of Government was, as usual, very limited. (NB. SAC are supposed to be qualified in human rights and are supposed to comply with the human rights act at all times)

A) Surprise, surprise! No mention, whatsoever, about the rights of the individual dairy farmer.

B) Actually there is no mention of who actually owns the quota.

C) In fact individual dairy farmers were not even "consulted" (quote from SPICE "interviews with local SAC consultants, plus two "important stakeholders", a dairy processor and a quota broker") producers being dismissed again as not worth consulting? Proof positive, if proof were needed, that this is how "the Human Rights Act" actually works in Scotland.

If we can just suggest a political analogy:-

1) Why have a Scottish Parliament - Westminster consults widely in Britain and will "work closely with the people of Scotland" !

2) Perhaps the public don't need to vote in the general election themselves, political commentators and political consultants could just vote for them!

D) The smoke screen of concern over future LFASS payments, does not really wash as LFASS payments are still made to dairy farmers in Shetland, the Western Isles, Islay and Stronsay, although these areas were all removed from the milk quota ring fence, and there is no reason why that should not continue. (We must also remember that those payments are not relevant to those who were forced to give up their farms.)

E) The review is not consistent, while on page 2, it states "last year actual milk production in the southern isles area totalled 51.2m litres - on page 11, it states "production in the Southern Isles area has decreased to 46.1m litres in 2010/11". (Also, this makes the average yeild per cow 5759 litres per cow not 6565 as stated on page 2)

F) We draw your attention to the following statement on page 3 of the review "even if current cap reforms provides regions within member states with the option to retain quota in vulnerable areas, it is difficult to see how such a mechanism would help the Orkney and Southern Isles dairy sectors". It is very obvious the ring fence neither kept dairy farmers in milk nor creameries in business - Islay and Bute creameries both closed.

G) The number of empty spaces in the appendix (which correspond to the farmers who have stopped production in Arran, Cumbrae, Bute, Cowal, Kintyre and Orkney) shows that approximately 2/3 have gone out. Maybe that demonstrates how well the ring fence has "supported" dairy farmers in those areas!

3) Another quote from SPICe re the PPC meeting on 08/03/11 "The committee agreed to close the petition on the grounds that the Scottish Government would undertake a review, including a full public consultation exercise, of the ring fence provisions in 2012 in advance of the planned abolition of the milk quota regime by the European Council in 2015." We are unaware of any public consultation taking place. We were certainly not consulted.

We expected Government to be asked by the PPC:-

- 1) Why consultations on the milk quota ring fence did not mirror the 2004 consultation on the ring-fencing of entitlement trading in Scotland, in terms of objective criteria, equal treatment between farmers and avoiding market and competition distortion.
- 2) To correct the information the Minister gave to the previous Petitions Committee. On 08/03/11.

- 3) To accept that the information we have given to the Petitions Committee was factually correct.
- 4) To confirm that Government, themselves, actually confiscated milk quota from some farmers in the ring fenced area.
- 5) To accept that if a dairy farmer has no market / or no viable market for his milk it has a catastrophic effect on his ability to make a living.

We had thought SPICe would provide the following:-

- a) A copy of the 2004 Government consultation on “Cap Reform: National Reserve and Entitlement Trading (Appendix 2)”
- b) The public statements made by the then Minister when the Scottish Government removed the ring fence from Islay re diversification and the need for these farmers to get the full value for their milk quota.
- c) Copy of Government criteria for milk quota consultations.
- d) Copy of Government consultation documents on the milk quota ring fence issue.
- e) Evidence that the single farm payment is available Europe wide.

We do accept that SPICe have confirmed the following:-

- 1) The milk quota ring fence was started in 1984 not 1994.
- 2) The Scottish Government is solely responsible for policy on milk quota ring fencing.
- 3) Dairy farmers in the rest of the UK were freely able to sell or lease their milk quota.
- 4) The average price of milk quota sold in 1996/97 was 61 pence per litre but fell to 0.19 pence per litre in 2013/14.

In conclusion:

The dairy sector in Scotland, and the rest of the UK, has lurched from crisis to crisis since the Government forced the milk marketing boards to disband, in particular since the BSE crisis escalated in 1996.

As a result cattle prices, especially dairy cattle prices, remained below production costs until recently.

Low milk prices have really also continued since then. Only for about 6 months last year, were prices near a realistic level. Many dairy farmers have been forced out each year. Few went willingly, having spent years and often generations building up herds and improving their farms.

Many dairy farmers found themselves without a market for their milk, small producers were often charged very high haulage costs, unrealistic demands were made on some farmers e.g. we were told we would need to put a second road into the farm. ($\frac{3}{4}$ mile!)

LFASS payments which commenced for dairy farmers in 2001 and single farm payments which commenced for dairy farmers in 2005 were very much needed and appreciated but, unfortunately, only those with very high payments would have been able to counter the rocketing input costs. (Fertiliser, fuel, machinery, etc., etc., etc.

Sadly, creameries have closed throughout the UK, very often with little warning to dairy farmers supplying them.

But 99% of producers in the rest of the UK were not expected to forfeit the value of their milk quota in order to keep creameries and communities in business, at the expense of sacrificing their own, as has happened here.

Have government any idea of the damage that has been done to a considerable number of businesses in this area, the resultant escalating overdrafts and the mental anguish caused?

We make no apology for repeating again - all these dairy farmers wanted to do was use their own property, milk quota, to run their own business.

As the previous Justice Minister said, on 13/01/15, "All acts of the Scottish Parliament - and its ministers - are bound by the Human Rights Act 1998."

Government created this disastrous abuse of our human rights and in the interests of fairness, equality and justice they should accept responsibility and rectify the damage done.