



The Scottish Parliament
Pàrlamaid na h-Alba

RURAL AFFAIRS, CLIMATE CHANGE AND ENVIRONMENT COMMITTEE

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Dear Mr Gallacher

Appearance before the Scottish Parliament's Rural Affairs, Climate Change and Environment Committee

The Committee appreciated you and your Scottish Director, Jim Baird, appearing before us this morning for what was a robust and helpful discussion. As was made clear at the meeting, the Committee has a number of serious concerns regarding the future for Scottish members of First Milk, and those in Bute, Arran, Gigha, and Kintyre in particular, and it was important that those were discussed publicly, openly and transparently.

The Official Report of the evidence you and Mr Baird gave will be available on the Committee's webpage¹ by 6pm on Monday 1 June, and we hope you will take time to read through the session again, and reflect on the strength of views expressed by all members of the Committee, especially with regard to whether First Milk is truly operating in the spirit of cooperatives by delivering different benefits to its members dependant on circumstance rather than on contribution.

The Committee acknowledges both the scale of the situation which you inherited when recently becoming the new Chief Executive, and the challenge which now lies ahead in seeking to firstly stabilise First Milk, and then to try and improve and grow the business for the benefit of all of its members, and for the wider dairy industry as a whole. We are well aware that if this is to be achieved, and the Committee very much wants First Milk to succeed in Scotland, then it will require everybody involved to work together honestly, transparently, productively and innovatively.

¹ Scottish Parliament Rural Affairs, Climate Change and Environment Committee. Official Report, 28 May 2015. Available by 6pm on Monday 1 June at:
<http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/29876.aspx>.

We intend to continue to monitor developments in the dairy industry in Scotland, following the publication of both the Committee's recent report² to the Scottish Government, and the Scottish Government's response to that in the form of the Dairy Action Plan³, and we plan to revisit the issue before the dissolution of this session of Parliament in spring 2016 to assess exactly what progress has been made.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Rob Gibson', with a stylized flourish at the end.

Rob Gibson MSP
Convener

² Scottish Parliament Rural Affairs, Climate Change and Environment Committee (2015). Letter to the Scottish Government regarding the Scottish Dairy Industry and Milk Prices. Available at: http://www.scottish.parliament.uk/S4_RuralAffairsClimateChangeandEnvironmentCommittee/General%20Documents/20150220_Convener_to_Cab_Sec_on_dairy_inquiry.pdf.

³ Scottish Government (2015). Response to the RACCE Committee and copy of the Dairy Action Plan. Available at: http://www.scottish.parliament.uk/S4_RuralAffairsClimateChangeandEnvironmentCommittee/General%20Documents/20150324_Scottish_Government_Response_to_Dairy_Letter.pdf.