

Up to ?8 million due to 3,500 farmers for EU Voluntary Milk Reduction Scheme must be paid immediately - ICMSA.



ICMSA is calling on the Department of Agriculture, Food & Marine to ensure that the nearly ?8 million due to the 3,500 Irish farmers who participated in the Voluntary EU Milk Reduction Scheme is paid immediately and without any further delay. Mr. Gerald Quain, the Chairperson of ICMSA's Dairy Committee, said that his organisation has received confirmation from the Department that the relevant documentation has been received from the Co-ops and therefore the onus is now on the Department to pay the monies due under the scheme.

?The money in question is owed to approximately 3,500 farmers and we estimate will amount to just short of ?8,000,000. Obviously, the money owed to individuals will vary but this sum averages out at around ?2,250 each and that's a great deal of money for milk suppliers still trying to rebuild positive cash-flow after the shattering experience of the 18 months up to last September/October. It's hugely important for the long-term that the essential success of this scheme ? which ICMSA was alone in proposing and advocating in the Irish context ? is not now thrown into disrepute by some kind of mysterious delay in paying out the monies agreed under the scheme. The Department must recognise that the Voluntary Reduction Scheme was a major factor in turning around the EU's dairy markets and is now widely seen as a real option for the future and similar situations where supply has to be taken out in a decisive fashion. However, farmers will only participate on the basis that the payments set out for participation are paid and received in a timely fashion. The Scheme worked; it only now remains for the Department to pay the monies owed to the individual farmers who so badly need it as they still owe very substantial sums arising from the 18 month period when milk price fell below the costs of production and effectively left them without any income from their dairying operation ?, he concluded.

Ends 20 Feb 2017.

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