



The Rt Hon. Alistair Carmichael MP
Chair
Environment, Food and Rural Affairs Select Committee
by email: efracom@parliament.uk

15 January 2026

Dear Alistair,

Re: Milk Prices

We are writing to you to ask that the Environment, Food and Rural Affairs look at having an urgent inquiry session into milk prices paid to dairy farmers and the sustainability of the dairy industry as it stands.

Milk is a global commodity with overproduction leading to price decreases. Currently, many UK farmers are not being sufficiently compensated for their milk, and indeed many are not receiving payments that meet their cost of production. This is not sustainable and there is evidence that some farmers are already leaving the market.

There are a considerable number of factors which impact milk prices, including recent trade deals which have opened up our market for imports from countries some of which still have a basic payment system to farmers. Although the Devolved Nations continue to have some element of a basic payment system, there is no longer an equivalent system in England. This impacts all parts of the UK given the existence of the single UK internal market.

For farmers, the reality has been month on month decreases to the price at which their milk is purchased by processors. The Fair Dealings Obligations (Milk) Regulations 2024 were intended to create fairer more transparent milk purchase contracts between farmers and producers, overseen by the Agricultural Supply Chain Adjudicator. In reality farmers have no choice but to accept price cuts even in the event of operating at a loss, as many have been doing now for several months.

This is a crisis for the dairy industry, and we hope you can use your powers as a Select Committee to seek solutions.

Yours sincerely,

Wendy Chamberlain

Tim Farron

Helen Morgan

Rachel Gilmour

John Milne

Brian Mathew

Lee Dillon

Member of Parliament for North East Fife

**Member of Parliament for Westmorland and
Lonsdale**

Member of Parliament for North Shropshire

Member of Parliament for Tiverton and Minehead

Member of Parliament for Horsham

Member of Parliament for Melksham and Devizes

Member of Parliament for Newbury