

**NEWS RELEASE**  
**Scottish Tenant Farmers Association**  
**Culmailly Farm**  
**Golspie**  
**Sutherland**  
[stfa@tfascotland.org.uk](mailto:stfa@tfascotland.org.uk)

3rd March 2009

**CAUTION URGED IN TENANCY REFORM**

The Scottish Tenant Farmers Association (STFA) is urging extreme caution as the industry debates the future of agricultural tenancies in Scotland. The recent consultation carried out by the Tenant Farming Forum on new entrants identified the perceived inflexibility of the tenancies created under the 2003 Agricultural Holdings Act as a disincentive for landowners to let land. Following lengthy debate the various organisations have elected to consult with their members whether or not change is needed to the legislation to create greater flexibility within tenancies.

As STFA begins its consultation of members, STFA Chairman Angus McCall warns against a knee jerk reaction in an attempt to address the lack of tenancies appearing on to the market with ill thought-out changes to the legislation. “There are a number of complex reasons behind the reluctance of landlords to let land of which the present tenancy legislation is just one. Economic factors play an equally important part in deciding how land should be used. Evidence from south of the border demonstrates that, even where there is virtual freedom of contract in letting land, there is still a dearth of farms available to rent and little opportunity for new entrants.

“The preferred options seem to be contract farming or short term letting arrangements giving the landowners maximum income, allowing them to receive tax benefits of active farming, collecting the Single Farm Payment whilst still retaining control over the farm. There is a current mood to scrap SLDTs and LDTs and start again, but simply re-writing agricultural legislation may not solve the problem and may well store up problems for future generations.

“Farming is a long term occupation, especially in Scotland with our strong livestock sector. We must not forget that the hard won stability and security achieved through the 1948 Act for tenant farmers was instrumental in combating post-war foods shortages. It has since been key to the success of some of Scotland’s most progressive farming businesses. A drive to force agricultural leases in line with commercial leases is particularly ill timed when the consequences of free market boom and bust economics have come home to roost quite so disastrously in our factories and high streets.

“We must ensure in a one-sided land market that there is necessary protection for farm tenants for growth and investment; short term fixes will only do long term damage and will not ease new blood into the sector. Lessons must be learned. from the banking sector and wider economy where the lack of regulation has allowed greed and market forces to rule with fatal consequences. The Scottish rural economy and the tenanted sector deserve better and must be protected”

***For further information please contact:  
Angus McCall on 01408 633275 or 07767 756840***