

REPORT on a MEETING of representatives of the SCOTTISH SEED POTATO ASSOCIATION and the SCOTTISH POTATO TRADE ASSOCIATION held at the Benholme House Hotel, FORFAR at 10.30 a.m. on Wednesday, 12th DECEMBER, 1979

PRESENT: S.S.P.A:- Messrs. Andrew Arbuckle, George Gammie, Clarence Murray and Gordon Lyall.

S.P.T.A:- Messrs. D. Hendry Lindsay, Ian Barr and James Waddell, with R. David Hunter and D. Blackmore in attendance.

Mr. Andrew Arbuckle occupied the Chair. He welcomed the representatives to this first informal meeting to discuss matters of common interest.

Quoting from the Seed Association's first News Letter Mr. Arbuckle first defined its aims and objectives, pointing out that these were mutually helpful and in no way intended to conflict with Trade interests. Mr. Lyall added that within these aims, informal contacts had been made with the National Seed Development Organisation (N.S.D.O), the National Association of Seed Potato Merchants (N.A.S.P.M.), the Department of Agriculture & Fisheries for Scotland (D.A.F.S.) and other bodies. Mr. Arbuckle explained that the Seed Association's initial activities had been, of necessity, predominantly oriented towards recruitment and establishment of an interim Council of Management which latter, Mr. Lyall explained, is to meet monthly and includes an in-built merchant voice. In reply to Mr. Lindsay he stated that to date approximately 56% of Scottish Seed, potato producers had declared support for the S.S.P.A (numerically - based marginally more than area-based) this being expected to exceed 60% when a seed price-support scheme is devised.

For the Trade Association Mr. Lindsay found the Seed Association's aims and objectives to be commendable but he asked whether, in the longer term, these would include marketing (buying and selling) activities. Mr. Arbuckle stated it had been made clear from the beginning that the Seed Association would not be involved in this function. Mr. Lyall re-inforced this position and explained the original Constitution proposals. While it was a clear intention to provide financial backing for exports which could include bearing the cost of trial consignments abroad, he made quite clear that the Seed Association will not take part in commercial trading.

Mr. Hunter stated that the Trade Association was not opposed to the Seed Association in principle and was seeking to establish Liaison with it. Enlarging on this Mr. Barr agreed the Seed Association's stated aims are very worthy but there was much apprehension in the Trade at the growth of co-operative activity within the potato producing industry financed from outside sources not available to the merchant sector. A price support scheme must intrude on Trade activities and of necessity would be a compulsory scheme. The Trade Association's position would be carefully re-considered when detailed proposals are known. Policing any compulsory scheme presented great difficulties, in which respect the existing P.M.B. Scheme for ware potatoes met much adverse criticism.

Mr. Barr also asked for clarification of the N.F.U.S. Potatoes Committee's position vis-a-vis the S.S.P.A. and the S.P.T.A. Mr. Arbuckle felt the N.F.U.S. exercised a mainly political function for growers and the S.S.P.A. would concentrate on the practical interests of the growers, in which light the S.S.P.A. might be thought of as an arm of the N.F.U.S. Mr. Barr explained the Trade Association's view following replacement of the former Seed Potato Working Party with the new Seed Potato Consultative Panel. The S.P.T.A. had now obtained agreement from the N.F.U.S., the VTSC Growers and D.A.F.S and had established a small, informal Seed Trade Committee for direct liaison on practical matters. Mr. Lyall stated the S.S.P.A. will co-operate in such matters and has absolutely no intention of running away on its own. On the question of a compulsory scheme the situation is fluid meantime and Mr. Arbuckle stated the S.S.P.A will advise the S.P.T.A/

when this point is clarified. Meantime the SSPA is concentrating efforts on export matters (possible bulk preparation of glossy promotional booklets, discussions for rationalisation with exporters etc.) with defence of the English Market the next priority.

Mr. Arbuckle sought the SPTA views on the PMB Scheme and Mr. Blackmore asked whether a seed support scheme by the SSPA would operate on the same lines as the PMB ware support scheme. Mr. Arbuckle's personal view was that this might be so, having the advantage of using an already established capability, Mr. Waddell pointing out that seed producers' views of the PMB differed from those of ware producers.

Mr. Lyall fully agreed with Mr. Barr's earlier remarks on discriminatory grant-financing of producer co-operatives but felt that governmental support for promotional activity in, for example, export markets could be sought. Mr. Barr agreed co-operative attitudes are desirable, instancing the benefits enjoyed by Dutch growers compared with Scottish growers. Mr. Lyall pointed out that other factors (i.e. N.A.C., research and student grants, cheap government money etc.) not available in Scotland also have a bearing but there is evidence of increasing collaboration among Scottish exporters. While compulsion is desirable for a support scheme it may not be secured, but a SCBLA - type situation must be avoided. He felt strongly that the major Scottish producers can control their market.

In reply to Mr. Arbuckle regarding an approach to NSDO to institute a tonnage - based collection of royalties, Mr. Barr explained that a recent meeting of the NSDO Working Party showed lack of support for such a proposal, as also for a royalty rebate scheme for seed potatoes sold for non-seed purposes. Mr. Lindsay explained the Trade Association resents payment of royalties on state-bred NSDO varieties but, while potatoes are the only crop with a Register, collection of royalties based on acreages in that Register is, administratively, the cheapest possible method of collection and should be maintained. Mr. Lyall pointed out that a tonnage - based system would both preclude payment of royalties on non-seed sales and clearly show the customer that he is paying the royalty. Messrs. Barr and Lindsay felt this to be too naive a view (since market forces would determine whether prices were "royalty inclusive" or not) without overcoming the problems of abuse, mal-practice and extra collection costs that would arise. Mr. Murray's view was that royalty rates are already too high and that the whole trade must unite against the NSDO. Mr. Lyall stated that a reply on the cost of a tonnage-based system of collection of royalties is awaited from NSDO. In reply to Mr. Barr, all representatives opposed N.S.D.O.'s exclusive contracts with individual importers in certain overseas countries.

Mr. Arbuckle explained the Seed Association is to encourage overseas importers to take part in joint on-farm inspections in Scotland and he asked if the Trade Association supported this. Mr. Lindsay felt the current fearful difficulties with exports to Algeria (arising from differences between D.A.F.S and Algerian standards) bore directly on this matter. Mr. Waddell deplored the sad effect this price-motivated situation was having on D.A.F.S inspectors while Mr. Barr felt that although U.K. inspection acceptance by the overseas importer would be ideal, the problems arose its implementation. Messrs. Lyall and Murray agreed the Scottish exporters coming together to control their market would offer the best route to a solution. The S.P.T.A representatives agreed that D.A.F.S were not responsible for the current difficulty and that while favouring joint on farm inspections, felt that a great deal of further work is still required in the export field.

Mr. Arbuckle sought the S.P.T.A views on changes in the Inspection Scheme. Mr. Barr explained D.A.F.S will not accept a single AA grade with a tolerance for Tobacco Veinal Necrosis for planting in Scotland and that the trade would prefer not to change the present year-numbering of FS crops. The meeting agreed that both Associations should work to clarify and to resist, or to seek to change, as required. Mr. Waddell explained the SPTA wants to/

ban the planting of uncertified seed in Scotland and (in reply to Mr. Lindsay) Mr. Arbuckle stated the SSPA favoured this. Mr. Lyall pointed out that D.A.F.S opposed this because it would raise immensely difficult policing problems. He also referred to the large increase in the number of V.T.S.C. growers and felt an approach should be made to DAFS to restrict the sale of V.T.S.C. stocks to the High Grade Seed Area only. The S.P.T.A representatives agreed entirely.

Further discussion agreed that Tobacco Veinal Necrosis is now endemic and infected stocks should continue to be despatched south as long as possible. It was also agreed that the overall tolerance for rots ought to be reduced, the S.P.T.A view being that the number and spread of grading inspections should also be improved. It was felt this latter step must be implemented by D.A.F.S although this would entail increased inspection fees. Mr. Arbuckle felt this did not follow, since the producers were already paying for and entitled to expect a 40% spread and 30% was therefore not acceptable. Although D.A.F.S is required to cut its expenses by 10% overall, it remained discretionary where and how such cuts are applied. The S.S.P.A was not in favour of imposing burning-off dates (evidence that it would improve the blackleg situation is not conclusive) and it was agreed to resist political pressure^{for} this unless it was adopted on a "cosmetic", non-policed, basis (e.g. included with D.A.F.S approval in the Agricultural Colleges' proposed "Code of Conduct").

Mr. Waddell asked if the S.S.P.A. planned to counter Dutch publicity. Mr. Lyall confirmed this was in mind for next year, especially if S.S.P.A membership increased. Mr. Arbuckle next explained that the S.S.P.A Council of Management planned to meet on the third Tuesday of each month and enquired if a second joint meeting of the two Associations could be arranged. It was agreed a second meeting should be provisionally arranged for Tuesday, 12th February, 1980 in Forfar. Mr. Arbuckle then thanked the representatives for their frank and friendly exchange of views. In response, Mr. Lindsay stated the S.P.T.A would be pleased to continue the dialogue, to clear up misconceptions on both sides and to establish and consolidate common ground.

The meeting close with a unanimous vote of thanks to the Chair.