

REPORT on a MEETING of representatives of the SCOTTISH POTATO TRADE ASSOCIATION and the SCOTTISH SEED POTATO ASSOCIATION held at the Benholme House Hotel, FORFAR, at 11 a.m. on Wednesday, 16th JANUARY, 1980

PRESENT: S.P.T.A.:— Messrs. D. Hendry Lindsay, J.R. McArthur and J. Waddell with D. Blackmore in attendance

S.S.P.A.:— Messrs. Andrew Arbuckle, G. Gammie and G. Lyall

Mr. Arbuckle occupied the Chair.

APOLOGIES: Apologies were intimated on behalf of Messrs. C. Murray and R. David Hunter.

Following upon the Seed Association's preparation of draft proposals for a price support scheme for seed potatoes, copies of the Paper had been pre-circulated in confidence to the SPTA representatives. Today's meeting had been arranged to provide for an informal exchange of views prior to submission of the Paper to the Potato Marketing Board to seek the Board's support in principle.

In reply to the Chair Mr. Lindsay suggested Mr. Lyall take the meeting point by point, page by page, through the Paper gathering reactions and comments en route.

Mr. Lyall stated the Seed Association had been deliberately structured with a small administration to provide maximum use of its finances for promotion in the export and the home markets, in that order. It was intended to liaise with other organisations to lean on DAFS to improve "discriminatory" inspections. He explained that the "Take off" figures used in the Paper were "average" ones. He felt the aim should be to improve exports at world prices, with less reliance on the home market for seed in which prices were dependant on the home ware market prices.

In reply to Mr. Lindsay's first question seeking definition of the future for the Potato Marketing Board, Mr. Arbuckle stated that at a meeting the previous day it had been confirmed that until an EEC regime is introduced the Board will continue in being and with a guarantee responsibility. It had been made clear that Treasury support would not extend to surplus arising from planting of extra acreage. There is some pressure to reduce the number of members of the Board (e.g. by discontinuing special members for Scotland etc.)

Mr. McArthur felt the SPTA would resist such changes. Mr. Arbuckle also stated there had been a vast increase in applications to the Board for increased acreages, which point led to a short general discussion.

Mr. Lindsay next enquired as to the fate of the PMB Scheme if the guarantee ceases. Mr. Lyall felt one must wait and see. He confirmed Mr. Gammie's understanding that the Scheme without the guarantee could continue under the EEC regime, the draft of which allows for this. He also agreed with Mr. McArthur that the draft forbids acreage control. Mr. McArthur's view was that the U.K. must devise some means to retain control over its acreage.

Turning to consideration of the Paper on the assumption that the PMB is to continue, (Mr. Arbuckle making the point that, if accepted, the Seed support proposals would provide an extra reason for continuation of the Board), Mr. Lindsay asked if the proposals would be viable on a voluntary basis. In reply to Mr. Lyall's enquiry for the Trade Association's view, Mr. McArthur thought its members would not support a voluntary scheme, from which it was believed to follow that any scheme would have to be compulsory and thus to be resisted. He stressed this view was not to be taken as "anti-proposals", but simply as from a different standpoint, Mr. Arbuckle adding he found this helpful./

Following discussion of support by varieties (i.e. concentrating "removals" on varieties in surplus in any one year), Mr. Lyall explained that "over the piece" the Paper was simple and allowed for refinement from experience. He saw a need to initiate now. With an EEC regime possibly five years away it made sense to use the existing PMB Scheme meantime and spend Seed Association contributions on exports promotion etc. He accepted that if the first two years under the proposals were "bad" years, then the proposals would fail.

Mr. Lindsay postulated the effect of the proposals, having received 100% support, having been applied to the (Surplus) 1978/79 Crop. In that year even "poor" ware went onto the market and thus depressed seed prices. Mr. McArthur pointed out the mechanics of a low total crop possibly having a high seed content. Mr. Lyall agreed the Paper assumed that "tops" were good in an ordinary year and were not considered "poor" in a surplus year. He explained that while 10% of the total crop is not necessarily 10% of an individual crop, the concept of 10% of the total crop was adopted in illustration of putting a "bottom" on the market. It also provided double support in the 40-55 mm. range, but none at all above that level. He also thought that while a levy of something more than £10 per hectare could be acceptable to seed producers, there was absolutely no possibility of acceptance at a level as high as £30 per hectare. Mr. Gammie felt that acceptance of the proposals would at least show Government that the producers were trying to help themselves. Mr. Arbuckle pointed out that present general farming economics were forcing farmers to produce potatoes and Mr. McArthur, highlighting the imbalance of half the world starving at the same time as the EEC is over producing, felt the U.K. had become the victims of its own efficiency.

Mr. Lindsay explained he would rather pay a higher levy for more benefit than the Paper appeared to propose and he also gave (in his absence) Mr. Fenton's views stressing, in both cases, that these were personal (not the Trade Association's) views. Mr. McArthur's personal view was that he would rather put extra support into the present PMB ware (support price) Scheme. Mr. Gammie pointed out that the Seed Association must be seen to be using the cash received from seed producers for those producers' benefit. In reply to Mr. Arbuckle, Mr. McArthur, explained that, for reasons of confidentiality, the Trade Association's Council had not considered the Paper's proposals, Mr. Lindsay adding that confidential consideration could take place and be reported at the next joint Meeting.

In summary from the Chair, Mr. Arbuckle explained that the Seed Association would submit the Paper to the Potato Marketing Board within the next week, seeking the Board's acceptance of the concept in principle. Mr. Lyall explained there were one or two amendments still to be made to the Paper and draft letter submitting it and he undertook to copy the final versions to the Trade Association for its representatives. Mr. Arbuckle added that the next Board Meeting would take place on 6th February and his proposal that the present representatives should meet again (as previously provisionally arranged) at the Same Venue and time on Tuesday, 12th February, 1980, hopefully to be advised of the Board's response, was provisionally agreed.

Mr. Lyall next explained that the Seed Association felt the Department's proposals for tightening of tuber health inspections (submitted at the Consultative Panel meeting on 17th December, 1979) were not helpful and he is to write them for clarification and to fix a meeting with them.

For the Trade Association Mr. Lindsay stated its Council had agreed that tolerances for rots and frost could each be 0.5%. For crop inspections it had been agreed the tolerances for Blackleg and Mild Mosaic should not be changed, although a reduction for the latter could possibly be acceptable. Council had also given good support for a proposal to plant only Foundation Stock seed in Scotland for Entry into the 1981 Growing Crops Inspection Scheme./

Mr. McArthur added that there was, also support for reversal of the present total field inspection/partial tuber inspection emphasis.

In reply, Mr. Lyall recalled that the original VTSC/FS "pyramid" was introduced some twelve years ago. It was agreed this was now outdated. He suggested this could now be revised to VTSC and FS1 only, thereafter by un-(year) numbered FS for as many years as the tolerances can be maintained.

Finally, on behalf of the Trade Association, Mr. Lindsay expressed appreciation of the useful exchange of views that had taken place to-day. He paid tribute to the effort that had been expended on production of a Paper containing much worthwhile material and stressed that views and reactions expressed had been, of necessity, of a personal and immediate nature. They were, however, given in a constructive context and urged they should not be seen in a negative or despondant light.

His vote of thanks to the Chair then concluded the Meeting.