REPORT on a MEETING between the COUNCILS of the SCOTTISH POTATO TRADE ASSOCIATION and the SCOTTISH SEED POTATO ASSOCIATION held in the Station Hotel, PERTH at 2 p.m. on FRIDAY, 23rd JANUARY, 1981

PRESENT:

- S.P.T.A. Messrs. J.H. Barr, J.E. Cook, R. Doig, J.G.H. Fenton,
 W. Gordon, J. Henderson, D.H. Lindsay, D. Maxwell, J.R. McArthur,
 K.A. McKenzie and G. Smillie, with B. McDiarmid, R. David Hunter
 (Secretary) and D. Blackmore (Assistant) in attendance.
- S.S.P.A. Messrs. A.A. Arbuckle, H. England, G. Hendry, J. Jeffrey,
 D. Lawson, W. Porter and (later) D. Sinclair, with R.A. Smith
 (Chief Executive) in attendance. (Messrs. J.E. Cook and
 R. Doig also serve on Council of S.S.P.A.)

Mr. A.A. Arbuckle occupied the Chair.

APOLOGIES:

Mr. Hunter intimated apologies for absence on behalf of Messrs. A.J. Allan, J.P. Deuchar, J. Fordyce, B. Fulton, J. Logan Milne, T. McClung, R.G. Ramsay, J.O. Robertson and J.M. Waddell all of S.P.T.A.

DISCUSSIONS:

The Chairman opened the meeting (arranged at the request of the S.S.P.A.) by explaining how his Association saw the way ahead. Following his meetings with both Associations, the Minister of State for Agriculture (Lord Mansfield) had stated he will try to secure statutory powers for S.S.P.A. Members of Parliament for Perth and East Perthshire (Mr. Bill Walker) and for Fife Fast (Mr. Barrie Henderson) no longer opposed S.S.P.A.'s application and S.S.P.A. itself was agreeable to a further poll of producers views being carried out. It was foreseen that statutory powers might be limited initially to levy raising only as soon as possible or, alternatively, full statutory powers and disciplines for use later may be granted at the outset (hopefully by March/April, 1981 in time for the 1981 classified crop). Mr. Arbuckle also explained that the suggested alternative link with the P.M.B. would require an Act of Parliament to achieve but it might be possible for P.M.B. levies on Seed Producers to be reduced in the same way as early growers already enjoyed. Another option, a producer co-operative through Central Council, was felt to be inappropriate for the whole industry.

In reply to S.P.T.A. questions, Mr. Arbuckle stated S.S.P.A. Council would decide how levied funds would be spent, it being envisaged that two-thirds (say £100,000 p.a.) would be allocated to merchant-led export promotion (test trials, backing up the P.M.B.'s Export Development Officer cash assistance for merchants to travel abroad, literature, etc.) and one-third (say £50,000 p.a.) equally between home market promotion ("flagwaving", film shows, invited visits, literature, etc.) and on administration costs. He accepted very much more could be spent but regarded these figures as a modest start.

S.P.T.A. representatives felt wholehearted trade support depends on clearcut programmes but the S.S.P.A. view was that such was inappropriate in changing circumstances. S.P.T.A. felt some incentive to grow for export is required which idea S.S.P.A. regarded as useful, though potentially double-edged. Regulation of growing had not been adopted when framing the S.S.P.A.'s Constitution but it could come later. S.S.P.A. felt that being given statutory powers would provide a stronger voice to achieve a ban on planting unclassified seed and to secure more control over breeding export varieties, hopefully to achieve exclusivity of Pentland varieties.

S.S.P.A. also stated in reply that Merchant representation on its Council was restricted to P.M.B. licencess and accepted an S.P.T.A. proposal that the Secretary of State should appoint the merchant representation on the proposed statutory body from among nominations invited from S.P.T.A. It was also confirmed that the Industrial Development Act provides for a first review of a Development Council after/

after three years and thereafter at five yearly intervals. S.S.P.A. also confirmed previous assurances that its own Constitution and its application for statutpry powers expressly excluded adoption of a merchanting function. It was further explained that, even if this were to be amended in future, such a function would have to be merchant-led and it was also pointed out that commercial interest within the controlling board would prevent the board from becoming profit-oriented. In respect that the proposed promotional levy would be in addition to all existing levies, the S.S.P.A. reaffirmed its belief that a corresponding reduction in the P.M.B. levy on seed growers (as with early growers) would be secured. S.P.T.A. also felt that since seed and ware cannot be divorced, classification and promotion levy of Scottish ware crops would be of enormous benefit to Scotland.

Further discussion dealt with views on the utilisation of the government grant of £50,000 to S.S.P.A; the pressing need for an efficient, "Personal-contact" Press Relations capability; possible S.S.P.A. role as "trouble-shooters" in exports complaints situations; inviting S.P.T.A. views on reform and refinement of S.S.P.A. (the Chairman stating S.S.P.A. would go to almost any lengths to secure S.P.T.A. support) leading to a view for the S.P.T.A. that even as individuals, the industry must promote but the nub of the difference was still the formulation of a blue-print and definition of a timetable. S.P.T.A. representatives proposed the formation of a small joint working party to resolve several points to enable S.P.T.A. Council to re-consult its members. Both Councils agreed to adjourn the meeting for half an hour at this point.

On resumption of the meeting S.P.T.A. Council agreed to withdraw S.P.T.A. opposition to the S.S.P.A. application for statutory powers, subject to satisfactory resolution of certain points it held to be essential. For this latter purpose it was agreed to appoint a working party comprised of the three Office Bearers of S.P.T.A. with its Secretariat in attendance and the Chairman, Vice-Chairman and Chief Executive of the S.S.P.A.

The Joint Meeting of Councils was thereupon concluded.

The immediately following meeting of the new joint working party defined the following S.P.T.A. requirements for acceptance by the next full meeting of S.S.P.A. Council:-

- (a) that S.S.P.A.'s application for statutory powers be amended to specify that not less than one half of the composition of the proposed Development Council shall be appointed from nominations provided by S.P.T.A.;
- (b) that the application shall be considered by the working party to identify and agree other amendments found to be necessary.

It was agreed that S.S.P.A. would provide S.P.T.A. with copies of the application and would notify Lord Mansfield immediately of the understanding that had been reached. Subsequently, a News Letter to S.P.T.A. members and a jointly compiled Press Release would be issued simultaneously. It was further agreed that S.S.P.A. would be responsible for submitting amendments to its application to Lord Mansfield

The working party meeting then closed.