

MINUTE of MEETING of COUNCIL of the
SCOTTISH POTATO TRADE ASSOCIATION
in the Wheel Inn Motor Hotel, SCONE
at 2 p.m. on Thursday, 2nd JULY, 1987.

PRESENT: Messrs. G.S. Brass, J.E. Cook, R. Doig, J.R. McArthur, K.A. McKenzie, J.O. Robertson, and A.S. Whitehead, with R. David Hunter (Secretary) and D. Blackmore (Assistant) in attendance.

The President, Mr. K.A. McKenzie, took the Chair and welcomed those present to the meeting. Lack of a quorum was noted.

APOLOGIES: The Secretary submitted apologies for absence received from Messrs. W.T. Aitken, J.H. Barr, J.P. Deuchar, J.G.H. Fenton, D.H. Lindsay, D. Maxwell, P. Miller, T. McClung and J.M. Swinton.

MINUTES: The Minute of Meeting of Council in Scone on 7th May, 1987 (previously copied to each Member of Council) was taken as read. It was duly approved and signed to this effect by the Chairman.

MATTERS
ARISING:

(a) Quota Sales - The Secretary reported a misunderstanding had occurred over whether Mr. Robertson's draft letter was to be enlarged, sent as it was, or "deferred" pending Mr. McArthur's interview with the Board's Licensing Committee. Mr. Robertson's understanding had been that the Secretariat had sent the letter. Council confirmed the letter now be sent, without enlargement, forthwith. In subsequent discussion Mr. Robertson commented on several aspects of this subject and Mr. McArthur reported his views following his interview. It was also indicated that Mr. Craig Davie (PMB, Edinburgh) is believed to be developing sympathetic proposals in response to this problem.

(b) Membership and Subscriptions - The Secretary reported that of the five Subscriptions outstanding at the date of Council's last meeting, two had since been paid and a third (Philip Hudson Ltd., Kirriemuir) has formally resigned from Membership, reducing the total Roll to 102 Members. The remaining two Subscriptions, due by Messrs. MacLennans Potatoes, Portsoy and Messrs. J. & T. Stirrat, Larkhall, were still unpaid at today's date. After short discussion Council instructed immediate suspension of these two firms from Membership of the Association, thereby reducing the total Membership Roll to 100 Members.

Mr. Hunter further reported receipt of notification of applications for PMB Merchants Licences by Peter C. Grewar (Potatoes) Ltd., Meigle (Seed and Ware); Crawford's Fruit Markets, Leith (Ware); Ronald Wilkinson, Esq, Lauder (Ware); Colin Gray, Perth (Ware) and J.M. Menzies per J. McFarlane, Coldstream (Seed). During Council's considerations, note was taken of various PMB requirements (up to date accounts, Board Audits thereof, satisfactory financial status, etc.). It was agreed that provided these criteria were met in each case no objections to these applications would be raised, the results of each being reported to Council in due course and the last-named being invited, when granted a Licence, to seek Nomination for Association Membership.

(c) Seed Trade Working Party - This matter was deferred until later in the meeting.

(d) Minutes of SSPDC Meetings - Mr. Hunter reported a further response from Mr. Bethel is awaited. Representatives explained Mr. Bethel had been authorised earlier this week to provide the Association with a précis of the Minutes of that and each future SSPDC Meeting.

(e) GAFTA Draft Contracts - Agricultural Diagnostics Ltd. -) The Secretary confirmed these matters
had been dealt with as instructed.

(f) Office Bearers - This matter was deferred until later in the meeting.

S.S.P.D.C. : Mr. Hunter reported further on continuation of the SSPDC for the remaining two years of its statutory five-year term to 4th December, 1987. In their replies to his enquiry letter, all six of the Association's present representatives on the SSPDC had indicated their willingness, subject to Council's approval, to be re-nominated for re-appointment for that further two-year period. In respect of the position of Mr. David Lawson, as a special representative, it was agreed the other representatives should enquire into this. A question regarding Association Office Bearers also being representatives on the SSPDC was deferred until later in the meeting.

CHAIRMAN'S
COMMITTEE:

Council noted the Report on a meeting of the Chairman's Committee in Scone on 14th May, 1987 (a copy of which had already been sent to each Council Member). Mr. McKenzie announced that in response to overtures Mr. J.R. McArthur had agreed to offer himself for election by Council to the Office of Vice President of the Association with effect from 1st November, 1987. Those present expressed their unanimous appreciation of Mr. McArthur's decision and he, in turn, explained that if elected in due course, he would be willing in addition to continue as an Association representative on the SSPDC if Council so wished.

Mr. McKenzie explained he had already given much thought to devising a better distribution of workload among Office Bearers and Council Members, but he would like a little more time to investigate still further and to formulate proposals. In this context, Mr. McArthur offered to act as Deputy Vice President until 31st October, 1987 if and as required. The Secretary pointed out that although Council had power to fill the vacant Office of Deputy Vice President by interim appointment, today's meeting could not exercise that power without a quorum.

B.P.T.C. :

Council took note of the Minutes of a meeting of the British Potato Trades Consortium in London on 8th June, 1987 (a copy of which had already been sent to each Council Member). Mr. McKenzie explained that disruption due to industrial action by Air Traffic Control staff had prevented Association representatives' attendance at that meeting.

JOINT
CONSULTATIVE
COMMITTEE:

The Chairman enlarged on his Report on a meeting of the Joint Consultative Committee in London in the afternoon of 8th June, 1987 (a copy of which had already been sent to each Council Member). Council's subsequent prolonged discussion dealt first with Peeler Grade and the PMB's Consultative Paper entitled "Sale of Potatoes not conforming to the Board's Ware Standard". It was the unanimous view of those present that the Association should not support the Paper but should stand on its letter of 24th March, 1987. It was clearly agreed that no changes should be made until the present arrangements are seen to be being enforced and although it was envisaged that stocks of distinctive PMB-supplied sacks could be held by packers, potential impedance of commercial operations could still occur.

In respect of French Fries, as the Chairman's Report made clear, the Board's proposals are intended to replace imports with home production for this purpose. While accepting the undoubted merit of the intention, Council's discussion revealed unanimous doubts that the proposals described will achieve it.

The main difficulties envisaged were to distinguish between normal Quota and Special Quota production, inability to control import and home prices and to guarantee that rejected Special Quota production does not pass through or interfere with normal ware market to increase the supply and widen the choice of lower priced potatoes. It was also questioned whether Special Quota is necessary while purchase and transfer of normal Quota is freely available. Mr. Brass added a brief report on and Mr. Pooley's replies to several of these points during the Scottish Advisory Committee Meeting he had attended on 29th June, 1987.

It was agreed, in principle, therefore, that the proposals were not acceptable. The Secretariat was instructed to obtain a copy of the PMB's Paper/

Paper setting out the proposals, to draft a reply letter to Mr. Pooley and to copy these to each Council Member for observations. The Secretariat was also instructed to draft the Association's detailed response to the Board's Peeler Grade proposals, in readiness for submission to the Board before the next Joint Consultative Committee meeting.

In concluding discussion the meeting agreed with the Chairman's view that the Board's proposals for revision of Merchants' Licence Conditions were far too little and too late, missing a good opportunity for wider necessary reform.

SEED TRADE
WORKING
PARTY:

The Chairman and Mr. Brass reported on three meetings they had attended in Edinburgh in furtherance of the Working Party's proposals for a scheme of Market Support for Seed Potatoes. The first meeting, on 16th June, to consider English NFU reaction to the proposals had learned that their Mr. John Hoyle had circulated the proposals to all NFU Branches. Opposition created had included strong criticism of Scottish Seed quality. The meeting had felt the Working Party should give some ground in this respect, subject to Council's views.

The second meeting, with English NFU representatives on 23rd June following some revision of the proposals Paper, confirmed the reported polarisation of views and no progress was made. A third meeting the following day with DAFS and MAFF representatives, to consider the likely official (and Treasury) reactions, was a little less discouraging.

Following the Scottish Advisory Committee Meeting on 29th June, English opposition to the proposals remained most marked to the point where it was indicated that unless a "green light" for the proposals could be secured by October/November 1987, the Working Party would be forced to consider a separate Scottish Potato Scheme.

During Council's extensive discussions it was agreed the latter course could take up to five years to complete. It was also explained that the £2½m. cost quoted in the Paper was a "worst possible" figure and while Board Member, Mr. John Hay, had fully supported the proposals, he was realist enough to point out that Scotland had only seven Members on a Board of thirtyfour Members altogether. It was further explained that the Working Party accepted that its presentation of its proposals had to be improved.

Council complimented Messrs. McKenzie and Brass on the effort and time they had devoted to this initiative and authorised them to continue their participation. Mr. McArthur fully supported these remarks and decision but, echoing Mr. John Hay's reported views, urged serious consideration of the value of the Board to Scotland. He tabled copies of a rough draft of a brief Paper indicating present levy, etc. revenues from the Scottish Potato Industry and the advantages of a separate Scottish Potato Scheme, for consideration and reponse in due course.

SCOTTISH
ADVISORY
COMMITTEE:

Mr. Brass explained that the main points arising from the meeting of the Scottish Advisory Committee which he had attended at Gatehouse of Fleet on 29th June, 1987 had already been incorporated into Council's earlier discussions today.

A.O.C.B.:

(a) Ware Crops survey - Mr. Hunter read out a letter from the Department of Agriculture intimating that a survey on the plant health of randomly selected ware crops in the main seed producing areas in Scotland is to be carried out during a four to five week period from 8th July. Aggregated results will be reported later.

(b) PAYE/NIC - Adviser's Fee - Mr. Hunter also reported receipt of a Note of a further Fee of £130 plus V.A.T. from Messrs. Arthur Young, covering some/

some additional work since May, 1986. After brief discussion Council authorised payment of this fee on the basis that it includes reporting the result of the Secretary of State's review and that that firm's further services will only be engaged if required.

(c) Conditions of Sale - Mr. Hunter further reported receipt of a letter from NASPM erroneously asserting SPTA had been granted a licence to use NASPM's copyright Conditions of Sale and enclosing a printed copy of unilaterally amended version of those Conditions. The principal change retains property in the goods with the seller until full settlement of the price has been made. Mr. Hunter explained this derived from a very complex branch of law and in his professional view its application to living material could possibly risk undesirable consequences.

Council's discussion reviewed the history of the earlier joint revision of the original SPTA Conditions of Sale and deplored NASPM's non-consultation in this present instance. It was agreed Mr. Hunter give the matter further consideration and copy NASPM's letter and enclosure to each Member of Council before reply to NASPM.

(d) Curling - Mr. Blackmore reported receipt of confirmation of booking for the second leg of the 1987/88 Match in Perth Ice Rink at 3 p.m. on Friday, 4th March, 1988.

(e) Date of Next Meeting - Council confirmed it will meet again at 2 p.m. on Thursday, 3rd September, 1987 in the Wheel Inn, Scone and the Secretariat was instructed to make the necessary arrangements.

The meeting then concluded with a Vote of Thanks to the Chair.

(Signature)