

REPORT on an OPEN MEETING MEMBERS of
the SCOTTISH POTATO TRADE ASSOCIATION
in Glenhurst Hotel, SCONE at 10.30 a.m.
on Friday, 1st DECEMBER, 1989

PRESENT:

S.P.T.A. - A.H.S. (Packers) Ltd. - (W.P.Balfour, Esq.)
Messrs. A.W. Bayne & Son - (A.W. Bayne, Esq.)
G.S. Brass (Perth) Ltd. - (G.S. Brass, Esq.)
Cullen Allen Scotland Ltd. - (D.H.Lindsay, Esq.)
Dalgety Seed Potatoes - (D. Peebles, Snr. Esq.)
Robert J.S. Doig Ltd. - (R. Doig and R. Doig, Jnr.)
James Haggart & Sons Ltd. - (J.R. McArthur, Esq.)
J. Logan Milne (Potatoes) Ltd. - (J.L. Milne, Esq.)
Messrs. McKenzie Bros. - (K.A. McKenzie, Esq.)
Robertson of Perth Ltd. - (D.Y. Stewart, Jnr.)
Strathearn Seed Growers Ltd. - (H. England, Esq.)
Messrs. S. Thompson & Sons - (A. Fleming, Esq.)
W.C.F. - (J.M. Swinton, Esq.)
Secretariat - (D. Blackmore) in attendance

D.A.F.S. - Messrs. I.V. McEwan, D. Hall and A. Robb.

Mr. J.R. McArthur (President, S.P.T.A.) took the Chair and welcomed those present to the meeting, arranged in response to D.A.F.S.' request, and he introduced each of their representatives in turn.

PROPOSED
VOLUNTARY
HIGHER
QUALITY
SCHEME:

Explaining the background to the Department's proposals, Mr. McEwan stated the Minister is very interested in the seed potato industry. However, the proposals were for the Minister's information for political purposes as discussion proceeds. Mr. McEwan spoke of the traditional image of Scottish seed and the hard work that had been done to try to improve it. At the same time, D.A.F.S. receives information from many widespread sources and is thus able to take an objective view. He admitted that the proposals had been triggered by English N.F.U. pressure, despite D.A.F.S.' January-1989 Paper opposing any introduction of mandatory burning down dates under the existing crops inspections and classification Scheme, a view which D.A.F.S. still holds.

D.A.F.S. also still maintains that quality is the industry's own responsibility but, at the same time, D.A.F.S. has its own responsibility to meet the E.C. requirement to achieve 100% tuber inspections in Scotland by 1992. In D.A.F.S.' objective view, the Scottish industry is not responding sufficiently to adverse criticism and today's meeting has been requested to provide D.A.F.S. with an opportunity to determine and to discuss S.P.T.A.'s reasons for rejection of the proposals, before reporting back to the Minister in about two weeks' time. In due course thereafter a Ministerial decision to proceed or not will be made.

Mr. Lindsay agreed there is a problem and cited the Report on D.A.F.S.' Inspectorate's visit to England, which had also seen imported Dutch seed. D.A.F.S.' Burning Down Paper comments on aphid-borne diseases are not/

not acceptable universally, since the Dutch need to burn down to maintain their health standards whereas Scots do not. Nevertheless, he felt there is a case for individual early burning down and lifting on a voluntary basis, which not all can achieve. D.A.F.S. accepted this point, preferring a two-tier scheme to a single statutory scheme since, if the latter and any of the proposals failed, the whole statutory scheme would founder, which would clearly be unacceptable. Mr. McEwan re-emphasised that the burning down proposals are not a pre-cursor to their eventual incorporation into the statutory scheme.

Mr. Brass outlined and Mr. McArthur added details of discussion during a meeting on 27th November when S.P.T.A.'s views were given. It had been pointed out that early burning down is a contentious issue of long standing. The true reasons for the practice elsewhere are not well known in the south, where other motives are known to be fuelling pressure for its less necessary introduction in Scotland. Mr. McEwan reported that D.A.F.S.' proposals had received strong support from N.F.U.S. Area Meetings but he stressed yet again that D.A.F.S. in no way envisaged the proposals as eventually to become statutory.

Mr. McKenzie congratulated D.A.F.S.' representatives on their presentation of their proposals. While he agreed the industry's image is not good, he felt the problem emanated from the bottom level of the industry, at which a voluntary scheme could not and would not be taken up. He also felt the early burning down proposals would create a precedent and recalling the "Great Brits" scheme for ware, questioned the results of a similar failure of these seed proposals. In his own view, introduction of the proposed voluntary scheme before 100% tuber inspections under the statutory scheme has been achieved would be to put the cart before the horse. Mr. Robb pointed out that 50% of complaints are in respect of seed which has already been inspected in Scotland and one-third of all complaints to P.H.S.I. are found to be within tolerance, yet customers are still dissatisfied and the problem remains unsolved.

Mr. Peebles felt he may be expressing a lone view but in the light of Mr. Sprigge's recent comments regarding a statutory 100% or a higher voluntary scheme, serious fears are unfounded, since fewer dual-purpose seed and ware crops are grown nowadays anyway. Mr. England supported Mr. Peebles and stated that S.P.T.A.'s view was not unanimous. He felt the producer segment must choose a higher voluntary or statutory standard to eliminate the "idiot" element from the industry. Mr. Lindsay understood the Dutch target for annual seed imports into the U.K. is 100,000 tonnes within the next decade and Mr. England pointed out that the increase in Dutch seed production in the last few years already exceeded the whole Scottish seed production.

To avoid confusion in England between two schemes, Mr. Swinton urged acceleration of 100% statutory inspections and Mr. Milne supported this as the only effective way of dealing with the lower level complaints, it being preferable to do this now rather than three years hence, by which time the Dutch will be nearer their target. Mr. Robb pointed out that Dutch imports do not meet Scottish statutory standards but they do look better coming out of the bag, Mr. McEwan adding that this was not/

not only true at the bottom end. He believed the Dutch do fear the Scottish capacity for exports but confirmed that out-of-the-bag appearance is paramount and in his view there is very little time left. Mr. Robb also added that part of the Dutch penetration is due to varieties not health standards.

Mr. Brass felt it to be necessary to identify the source of the presentational problem and to decide how a voluntary scheme will remedy this. In his own view 60% of Scottish seed going south is already dressed to export standards, Mr. Smillie adding that the quality consignments did so at a much higher premium. Mr. Robb suggested that a two-price structure would also inhibit price-motivated complaints and Mr. Doig, Jnr. supported this while pointing out this would not solve the problems of disposing of the lower quality segment of the crop. Mr. McEwan agreed but felt that even if such a necessary restructuring of the Scottish marketing/merchandising function is wanted, there is insufficient time left to introduce it.

Mr. England stated that on-farm storage and handling must generate profit to allow source improvement. To this end he favoured a higher voluntary scheme, radical improvement of tolerances and a change in D.A.F.S.' attitude. Mr. Bayne, however, opposed amendment of the statutory scheme in respect of any localised and geographically complicated factor, in reply to which Mr. McEwan again re-iterated that the higher voluntary scheme proposals will not become statutory requirements eventually.

Mr. Swinton suggested a reduction in the number of points of inspections and Mr. Milne felt a second standard could not be introduced unless the Dutch offered two standards. Mr. Robb explained that the Dutch offered blemish (except scab) free imports, but Mr. Brass countered that pro rata, there are as many complaints about Dutch seed as there are about Scottish seed. He viewed the proposed scheme as a palliative but stated that early burning down is unacceptable. Mr. McEwan expressed the view that immediate introduction of statutory burning down could well wipe out the entire Scottish seed industry.

Mr. Doig, Snr. urged avoidance of the shortcomings of the "Great Brits" scheme, which had allowed large buyers to impose a voluntary standard over the whole ware industry. Mr. Balfour highlighted the commercial problems of "buying in" which Mr. Swinton supported, especially in the light of facilities for testing for latent diseases which are now becoming available. The ensuing lively and prolonged discussion again covered early burning down and English N.F.U. misunderstanding of its true purpose, in attempting to secure better presentation and improved appearance criteria. Mr. Fleming's suggestion to cede the English N.F.U. burning down within 28 days of final inspection was not supported, Mr. Brass pointing out that burning down date is less important than lifting date and a radical reform of presentation.

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In summary the Chairman felt that all views, both for and against the proposals, had been well aired. Mr. McEwan stated that D.A.F.S. will look again at speeding up 100% statutory tuber inspections and he remained confident that existing standards are as tight as practicable. He added that D.A.F.S. did not expect to issue a further consultative Paper. The Chairman then thanked D.A.F.S. representatives for their efforts and expressed the view that everyone appears to want the same things but would choose different routes to achieve them.

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