

MINUTES of the first MEETING of the
V.H.Q.S. Scheme sub-COMMITTEE of the
SCOTTISH POTATO TRADE ASSOCIATION in
25 South Methven Street, PERTH at 2
p.m. on Monday, 18th JUNE, 1990.

PRESENT: Messrs. J.R. McArthur and R. Doig (both ex officio),
J.B. Hollywood, D.H. Lindsay, J.M. Marshall and K.A.
McKenzie, with D. Blackmore (Assistant Secretary) in
attendance.

The President, Mr. J.R. McArthur, took the Chair and
welcomed those present to the meeting.

APOLOGIES: Mr. Blackmore submitted an apology for absence on
behalf of Mr. R.D. Hunter (Secretary).

V.H.Q.S.
SCHEME: The sub-Committee considered a Paper by the
Department of Agriculture and Fisheries (DAFS), pre-
copied to each sub-Committee Member, outlining the
proposed extent and requirements of the Voluntary Higher
Quality Seed Scheme (which DAFS now refers to as the
"Premium Scheme for Seed Potatoes") and how that Scheme
is to be administered.

TITLE: The discussions first disclosed wide objection to
the misleading use of "Premium" in the title of the
Scheme. It was felt that the Scheme will not add value
to its new produce but will lower the value of normal
(statutory) stocks. The majority view was to insist on
inclusion of "voluntary" and to resist inclusion of
"premium" in the finalised title, the preferred version
being "H.V.S. (Higher Voluntary Standards) Scheme".

PARA.1: Introduction - Apart from "Premium" (as above) the
Chairman pointed out that the outline scheme referred to
had been "discussed", not "agreed" with representative
bodies.

PARA.2: Objectives - It was agreed that the three criteria to
determine the "superior" product comprised burn down
date, harvest by date and export standard tuber
tolerances.

PARA.3: Continuity - The meaning of this paragraph caused some
difficulty. It was accepted that continuity could not be
ensured without some flexibility in burn down and harvest
by dates, but that flexibility on tuber tolerances and
quality must not be allowed. There was a discussion of
the dangers of forward contracting for HVS Stocks,
especially of certain varieties before they were actually
in store. It was also pointed out that only truly
professional buyers were generally early buyers.

PARA.4: Management - The sub-Committee felt this paragraph must
include a right to negotiate any aspects of the Scheme.
In particular, this must include an annual Review to
determine burning down by and harvest by arrangements, as
well as the "in store cut-off date" (beyond which date
stocks will not qualify for HVS Scheme status), for that
year. It was agreed the Review should take place in late
June/early July when timing of the development of the
crop is fairly accurately known. It was further agreed
that the Review should take place jointly between DAFS
and the Scottish Working Party representing NFUS, SPTA
and SSPDC.

PARA.5: Extent - It was agreed the Scheme should not be extended
beyond S.E. and E class crops and the three components
agreed at para.2 above were confirmed.

5(1) and (2) Harvest and Burn off dates - The sub-Committee unanimously rejected fixed calendar dates in favour of sequentially spaced first inspection, second inspection, third inspection (if required), burn off and harvest. The statutory scheme spacing between inspections were agreed to be appropriately acceptable for the HVS Scheme. In respect that the statutory scheme's three weeks burn off period is regarded as unacceptable to English customers (who place maximum emphasis on early burning down), it was agreed that the HVS should require burn off to be applied within three days of final inspection and for the crop to be harvested within twentyeight days of final inspection.

It was further agreed that the final inspection should be at the (voluntary) grower's request. Discussion envisaged that this might involve postponement, or even omission of, the second statutory inspection. Possible difficulties for DAFS' inspectorate over later inspections were also recognised. It was also foreseen that the H.V.S. Scheme could evolve into an obligatory three inspections scheme with burn off within three days. It was agreed that three day burn off would be officially publicised but that, in practice, up to five days may be unofficially allowed in certain difficult circumstances.

5(3) Tuber quality - The sub-Committee voiced surprise that listed export tolerances omitted an overall faults total (3% was generally acceptable) and that comparable statutory scheme tolerances were not shown. From other forums it was reported that a 2% tolerance for size will not be accepted by English customers. Discussion (a) agreed that undersize complaints are minimal, oversize constituting by far the major problems; (b) considered restriction of size-banding, run size and tuber count without decision and (c) agreed that pleasing appearance to the customer is of paramount importance and should be incorporated into the inspectorate's criteria.

- PARA.6: Control - The contents of this paragraph were generally acceptable to the sub-Committee, it being agreed that the fewer pieces of paper circulating within the Scheme the better the Scheme will be. It was also felt that SPTA must put its best into the Scheme to prevent the Scheme "falling on its face", it being agreed that should that outcome occur responsibility for it must fall elsewhere.
- PARA.7: Chemical Treatment - By virtue of its "no insistence" proviso, this paragraph was deemed acceptable but it was recognised that the topic causes disquiet in some quarters.
- PARA.8: Damage Control - This paragraph elicited no comment.
- PARA.9: Administration - While announcement of arrangements for the Scheme in April each year was not contested, the indication therein of calendar dates was firmly rejected (vide para.5(1) above).
- PARA.10: Labelling - Again rejecting use of the word "Premium", the sub-Committee agreed that labels should be over-printed with "HVS SCHEME".
- PARA.11: Dispute Inspections - It was felt this paragraph required explanation by DAFS to confirm its relevance to Arbitrations.
- PARA.12: Costs Charges - This paragraph was noted without comment.

The meeting was then concluded.

Verbal Report of the proceedings at a meeting of the NEW JOINT CONSULTATIVE COMMITTEE in LONDON on Tuesday, 10th JULY, 1990.

The object of this second meeting of this new Committee was to formulate recommendations for TARGET AREA and QUOTA for Season 1991/92 for submission to Ministers. Being its first-time exercise of this function, it was agreed the Committee should aim for unanimous recommendations.

The Chairman asked each round the table in turn to state both their preferred and their acceptable Target Area. Replies were given as follows:-

PMB and Farmers Unions	153,000 hectares
Processors and allied interests	157,000 - 157,500 hectares
S.P.T.A.	150,000 \pm 2% (3,000 hectares)

These figures were fed into a computer programmed to apply various variable factors to them. On his return, the Chairman stated the computer had given an indicated Target Area of 155,000 hectares. The P.M.B., the Unions and S.P.T.A. representatives all regarded this as an unacceptably high figure. After further discussion the Chairman proposed a compromise TARGET AREA figure of 154,000 hectares which won unanimous acceptance. It was also agreed this includes 4,000 hectares for use in special schemes to reduce the need for imports and that QUOTA should be fixed at 100% of target area.

These unanimous recommendations have been forwarded to Ministers for consideration.

James Robertson