

 <p>NATIONAL FARMERS' UNION OF SCOTLAND</p>	<h1>Position Statement</h1>	
<p>Rural Centre - West Mains, Ingliston, Newbridge, Midlothian EH28 8LT</p>	<p>Telephone: 031 335 3111 Fax: 031 335 3800</p>	

Serial No. 94/1 POT/12 TJB/VAE
22 February 1994

FUTURE OF POTATO MARKETING BOARD

- The Scottish NFU cannot agree with the pace of change set out in the Potato Marketing Board's 3 year plan for the Potato Marketing Scheme. But we think they are moving in the right direction.

The proposed £48 per hectare levy for the first year is too high and needs an urgent rethink.

- The Union has always wanted a meaningful intervention and quota system to bring stability to the marketplace. However, Government have made clear its intention to end the Scheme in three years.
- This political reality has caused growers seriously to question the sense of hanging on to the vestiges of the Scheme. The plain fact is that in the short time left for the Scheme to operate, more resources would be needed to put in place realistic market stability measures. Producers are just not prepared to consider higher levy rates under present conditions.
- The Union backs the idea of the PMB shifting its activities solely to the functions carried out by a Development Council (R & D, promotion and industry statistics). This should be done as quickly and efficiently as is consistent with an orderly transfer of the Board's assets and at a pace which does not stimulate disruption of the potato market.
- We think the Potato Marketing Board's strategy is basically sound but want it to operate sooner than presently envisaged at a levy rate appropriate to the services it will continue to deliver on the industry's behalf (R & D, promotion, statistics).

The Union does not support an immediate poll by producers - this could result in the early revocation of the Scheme. Government we think would be unwilling in these circumstances to sanction a Development Council. We want the industry's future to be determined in an orderly way and that can only come through patient discussion and agreement with all concerned with our future wellbeing.

(For further comments contact Bill Reid, Convener of the Union's Potato Committee, on 0738 71214.)

Contact : **Tom Brady**
Caroline Lang