

**MINUTE OF THE NINTEY FOURTH ANNUAL GENERAL MEETING OF  
THE SCOTTISH FEDERATION OF MEAT TRADERS' ASSOCIATIONS (INC.)  
HELD IN THE PARK HOTEL, KILMARNOCK  
ON SUNDAY 25<sup>th</sup> NOVEMBER 2012 AT 11.30am**

**PRESENT:**

President	Billy McFarlane
President Elect	Ian Faulds
Past Presidents	John Chapman, David Dickie, Adam McLay, Duncan Mackenzie, Jamie Chapman, Stuart Christie
Honorary Presidents	Arthur Matthew
Chief Executive:	Douglas Scott
Minutes:	Bruce McCall

Members and guests as per register. Malcolm Crawford AES Ltd, Elspeth MacDonald, Beaton Lindsay, Margaret Faulds, Jack Meade, Hugh Pender, Stewart Dempsie, George Lees, Mark Grant, Colin & Katy Hewitson KRH, Gordon Newlands, James Baillie, Neil Cameron, Ian Joliffe, Gordon King, David Darroch, Dalziel, Andrew McKenzie, Andrew Wright IAAS, Willie Paterson, Scott Jarron, Nigel Miller NFUS, Morag Robertson, Lynne Dunlop, Andrea Christie, Margaret McFarlane.

**WELCOME:** President Billy McFarlane welcomed guests and members to the Ninety Fourth Annual General Meeting of SFMTA.

**MINUTE OF THE PREVIOUS ANNUAL GENERAL MEETING:** The Minute of the Ninety Third Annual General Meeting was approved by Duncan Mackenzie and seconded by Stuart Christie.

**MATTERS ARISING:**

Stuart Christie stated that under Vice Presidents it was missed out for Glasgow District. Douglas asked who it should be and Stuart asked for Tom Dowson to be included.

**ANNUAL REPORTS AND ACCOUNTS:** Chief Executive Douglas Scott reported

This is the first set of accounts compiled by our new auditors, Finlay & Company. Their auditor Sajid Alimahomed has been very thorough and performed what I would have expected of an auditor. He asked lots of questions, came and raked through our invoices and files and came up with a set of accounts that we can have some faith in.

There were still some skeletons left behind in the cupboard by Morris and Young but the issues have all been resolved and going forward things should be much easier to compile and more consistent.

The accounts are in the same format as previous years so if you turn to page 8 you will see Operating Income and Expense for both Member Services and Training Services. Income from Member Services is down by £15,385, almost entirely due to there being no trade fair in these accounts. If we remove the income from trade fair from the equation income is down by £468 (less than half a percentage point). Operating expenses are down for the same reason and compensating for the 2011 trade fair costs, these year on year expenses are up by £5372. This can be attributed directly to the cost of Regional Meetings now being met by Member Services (in the absence of ESF grants in Lowland and Upland Scotland). On page 15 you will note at the very top, cost of Regional Meetings £5481. On page 14 opposite, operating deficit is £5817 but when investment income is taken into consideration that deficit is reduced to £1035

On Scottish Meat Training side operating income is down by £26,820 due to reduced funds from ESF grants. In this financial year we received just £61000 as opposed to £132000 in the previous accounting year. Thankfully we have reduced costs on training side from £443770 to £367811 a

saving of almost £76000. This means that there is an operating surplus for Scottish Meat Training reported on page 17 (first one) of £21713.

Back to page 8 and those operating surpluses and deficits translate into a result of £20678 surplus in contrast to deficit this time last year of £22457. Quite a turn around.

Looking into Member services a bit more deeply; on page 14 the income from subscriptions is down by £1500. Handbook advertising up by almost £1000, Sundry income is down because last year there was an extraordinary payment for commission for leads to Peninsula. Corporate membership income is slightly up which helps the cause. Newsletter income shows a good increase in income – a sum of almost £2000. There is income from golf because there was a SFMTA competition this year but there is a golf expense on the opposite page for £869 to offset against this.

Sale of merchandise has been at a lower level in this period. A profit of £553 was made as opposed to a £213 deficit the previous year. As stated earlier no Trade Fair income in year to 31<sup>st</sup> August 2012.

On the expenses side Regional Meetings for Lowlands and Uplands Scotland now appear here. Competition expenses are higher due to additional cost of photographs and cash prizes. Salaries and Wages are down but when compared to the figure in the 2010 accounts just under £1000 up. You may recall me saying last year that this figure was 25% up but no one got an increase. This discrepancy was one of the reasons we left Morris and Young.

Presidents outlays are higher because our President lives on an island. Postage increase reflects bigger Newsletters and more mail. To some extent this is covered by the increase in Newsletter income. The increase in Stationery and printing is for the same reasons.

Our promotions spend is £3000 higher mainly due to more posters and more certificates. Other expenses are pretty similar to previous years. So that totals £122254 and when put against income of £116437 and investment income of £4770, the outcome is a £1035 loss on Member services.

Training for once is a better story. Income from Skills Development Scotland is up by £46000 (more than 18%). This reflects much more productive assessors. When the Employer Recruitment Incentive was announced in December last year we decided to charge 10% to employers. This followed the previous year where the incentive ended up costing SMT a lot of money as employers took on trainees, we registered and visited them and then the employer denied us access or just didn't progress the trainees. In the previous accounting year, one member cost SMT over £3000 in registrations alone and virtually nothing was achieved.

There has been no demand for Intermediate Hygiene and Intermediate HACCP courses so the income and expenses for these are drastically reduced. As I mentioned earlier ESF grant income ceased in Lowlands and Uplands Scotland in March 2012 so that income is £61000 lower and the Highlands and Islands grant income lower as well. Private training shows a good increase – this was training with Falkirk ETU.

Under operating expenses Course expenses are down as I have just stated and cost of Skills Workshops down too since 2011 was an extremely active year for these and also because Regional Meetings outside the Highlands and Islands are now in the Member Services accounts. SVQ registrations shows an increase due to Employer Recruitment Incentives but the 2010 figure was actually £31030.

Under overheads Salaries and NI show a £34000 drop but then our Training Manager left at the end of March and we offloaded an assessor last December. Other costs are very similar to before and there has only been one bad debt written off.

So when all that is added up operating costs are duly £75959 less and a surplus from training of £21713. When the two sides are taken together this means overall a surplus on the year of £20678.

Stuart Christie asked why Lowlands did not have a project and Highlands did. Douglas said in the lowlands area there focus was on getting people into work. Where as Highlands area was about training people whom were in work. The current project in Highlands area gives us 45% of the costs back but the new one starting the 1<sup>st</sup> October gives 70% of the costs back. It is a very good deal and it is worth £118k over the next 2 years. Duncan Mackenzie asked if the Lowlands funding would return. Douglas did not think it was the case.

Ian Faulds asked if Douglas was comfortable working with the accountant. Douglas replied that he was.

**BUDGET PROPOSAL:** Douglas Scott reported.

Douglas Scott had put forward a proposal of no increase on the main shop £250 + Vat and no increase on branch shops at £65 + vat each which the finance and executive committees had proposed. There were no objections and the motion was passed.

Following a break for lunch invited guests joined the AGM which reconvened at 2.00pm

#### **WELCOME:**

**APOLOGIES:** Alan Kennedy, Bruce Brymer, Wilson Ferguson, Roy Baird, Ian Anderson – SAMW, Martin Morgan – SEERAD, Alan Stevenson, Jim Ewing, John Stewart, Duncan Fraser, Jonathan Honeyman, Frank Mudie, Joseph Findlay, Ian & Pamela Hunter, Ewen Dunbar, Gordon McDowall, Douglas Provan, Hamish Deans, Kenneth McAllister, Alex Campbell, Eric Campbell, Thomas M Smellie, Douglas Graham, Michael Malone, Michael Beaumont, NFMFT, Sandy Crombie, Alan Clarke – SAMB, Boghall Butchers, Alan McNaughton – SAMW, Gordon Picken, Colin Picken, Bruce Brymer, David Lindsay, Cameron Skinner, Douglas Graham, Cheynes Quality Foods

#### **TRAINING AND DEVELOPMENT REPORT:**

Chief Executive Douglas Scott reported

Scottish Meat Training is a wholly owned subsidiary of SFMTA and this is run as a Training Provider to the meat industry.

#### **Trainee Numbers**

We are at present working with a total of 223 trainees. We have 183 trainees funded through Skills Development Scotland for Modern Apprenticeships. We have 5 trainees registered through our involvement with Falkirk Employment Training Unit – one of these trainees, Steven Smith of Hollerans in Laurieston and Linlithgow not only picked up the Trainee of the Year Award at the Backing Falkirk's Future Awards 2012 but also walked off with the Provosts Award for exceptional achievement. Steven recently completed his Modern Apprenticeship and Craft Certificate with SMT.

There are still 38 trainees registered in Northern Ireland awaiting confirmation that we can resume service and all others are completing Craftsman Certificates. Apart from on the other side of the Irish Channel, all our trainees are making good progress through their training programmes.

In the year – since November 2011 - we have certificated a total of 131 Modern Apprenticeships with many of the certificates being presented at regional meetings held throughout the country. In some cases, whole businesses have successfully participated, from owners, to managers, to butchers and shop staff.

## **Skills Development Scotland Contract**

Our contract with Skills Development Scotland awarded in April this year, allowed us to register 195 candidates on to our Modern Apprenticeship programme in Scotland. The allocation of places was split as 74 places for 16 – 19 year olds, and 121 for those over 20.

Since the contract was awarded in April, our assessors have now registered 52 trainees on to our training programmes. So we still have places available throughout Scotland. It is very important that we fill as many of these places as possible this year in order that we can continue to ensure that Skills Development Scotland will support the training of all ages in our industry.

If we do not fill all of the places allocated to us, then future allocations of funded training places will be reduced and Scottish Meat Training will be forced to charge for our services or we will not be able to support any training for trainees over the age of 20.

Given that for the past two years Employer Incentives were announced in late December, it is no surprise that employers are holding back registering trainees to see if there will be a repeat this year. From what we have heard predicted from SDS there will be no repeat of the incentive scheme that brought in £107,000 in 36 businesses for 58 new starts.

## **Northern Ireland**

Unfortunately, there is no further progress to report regarding Northern Ireland. We are continuing to pursue A4e, the training provider who we hope to be working with together with our Northern Irish trainees.

In the meantime, our Irish Assessor Malachi McCann continues to work in Scotland assisting with our Scottish in-training numbers. He has had particular success working within plants and abattoirs where this week long attendance has enabled him to achieve a faster than normal 'turn around' rate with his trainees. The fact that his trainees are all in the 20+ age group and experienced workers has also been instrumental in allowing the swift progress of the qualification.

## **Courses**

We continue to provide distance learning opportunities for Level 2 Food Safety and HACCP for candidates and trainees who require this as part of their Modern Apprenticeship.

Two one day Meat Managers Hygiene & HACCP courses will be run in January on Tuesday 22<sup>nd</sup> January and Wednesday 23<sup>rd</sup> January. Currently we are assessing the demand and will locate venues to geographically suit those wanting to attend.

There are no other immediate plans for further day courses, and due to the cessation of ESF funding for Lowland Scotland, alternative funding arrangements will need to be arranged, but we are happy to take enquiries and will arrange courses in areas to suit demand.

The National Skills Academy have funding available through the Women and Work Programme which allows women to apply for funding up to a maximum of £800 to fund a training course. SMT have circulated details to members and we hope to be able to organise a course funded through this programme.

## **Incentives**

### **Adopt an Apprentice**

Skills Development Scotland have an incentive available for new employers of trainees who are made redundant. If a new employer agree a contract with the trainee to employ them for at least a year and also to allow them to complete their Modern Apprenticeship then they will be eligible for a £2,000 incentive. We have had three trainees re-employed through this scheme in this contract year.

## **The Youth Contract**

There are wage incentives available in some areas for employing an out of work young person. These are difficult to source though we do have a list of where some are available. They are primarily aimed at employing young people who have gone through a Work Programme with the local Jobcentre.

### **In order for employers to qualify for the incentive, clients must be:**

- Aged between 18-24 when starting work with the employer
- Attached on the Work Programme prior to starting work
- Starting work on or after 2<sup>nd</sup> April 2012
- Working 16 hours or more with the employer with a job that is a permanent role
- Willing to sign an employee consent form (a separate employee consent form) allowing the employer to claim the wage incentive
- Employed by private, voluntary community sectors, social enterprises, local governments or NHS trusts.
- Central Government Departments, Executive Agencies and Non-Departmental Public Bodies are excluded.

## **E-portfolios**

We have had two demonstrations from companies that supply web based e-portfolios – the option we have chosen to progress is from a company called Learning Assistant. The e-portfolio looked feasible and smart. Benefits could be seen for all members of staff. It would mean that all trainees work would be available on-line. The new system will go live in January 2013.

With Learning Assistant everything is online. Rather than work with paper portfolios all the time, learners and assessors access a web-based e-portfolio that contains all the relevant course material. Individual trainees upload evidence to the system allowing each person involved in the learning process to plan, give feedback, assess, verify and finally award the qualification.

The benefits of the e-portfolio include improved learner motivation, faster completions, better visibility, improved quality and reduced delivery costs. The trainee can work at their own pace through the on-line portfolio and the evidence presented would immediately be available to the assessor, no matter his location. Wasted journeys would be eliminated and it would be seen as a benefit for SMT.

### **What E-Portfolio's can do for SMT:**

- Reduce our travel time
- No waiting around for information
- Plan, book and track Assessor appointments
- Capture knowledge questions in a timely manner
- Share resources needed to support learning and centre management
- Continual IV and Assessor feedback on assessments, sampling, etc.

## **Tasty Jobs**

We are currently working with the National Skills Academy for Food & Drink who have stepped forward to support a new recruitment initiative designed to help food and drink manufacturing firms attract more local employees and get more young people into the industry.

Under the scheme, all candidates who successfully complete the training are guaranteed a job interview. While firms retain selection rights, the vast majority of trainees are expected to secure long-term employment at the company where they have trained.

The National Skills Academy for Food & Drink is now calling on more firms to take part in the pilot programme for Tasty Jobs which started in October and is intended to put at least 600 currently unemployed local people through pre-employment training that ensures they are both industry-ready and job-ready and most importantly company-ready.

Each firm taking part commits to host a mix of on-site and classroom training lasting up to six weeks. Candidates train in a "live" environment at company premises but away from main production lines and always under the guidance of SMT trainers.

There's no cost to participating companies but all the trainees will be there because they want to be. They'll still receive their normal benefits while training and thanks to the help of the Department for Work and Pensions, they will also have their travel and childcare costs covered.

Tasty Jobs is designed to give local people the chance to gain the skills and experience that local employers want without any fear of compromising unemployment benefit entitlement

## **COMMITTEE REPORTS:**

**MEMBERSHIP AND DEVELOPMENT REPORT:** Beaton Lindsay reported.

We have 322 members (327 in the previous year) with 99 branch shops (95 in the previous year). Back in January a booklet called "Federation Uncovered" was sent out to non members with an invitation to take up membership

The following members took up the opportunity to join during the year.

Neil Hoey, Rosyth

William Stark, Lochore.

Laxdale Foodservice, Stirling.

Lochalsh butcher, 3 shops in Kyle, Portree and Mallaig

The House of Bruar

Gleddoch Family Butchers, Pennilee, Glasgow

Dunnabie Farm Foods, Waterbeck near Lockerbie.

We have 26 corporate members of the Federation and we are grateful for their continued support

## **ANNUAL HANDBOOK**

The annual handbook was distributed with the May newsletter. Advertising was hard to secure and as a consequence, we made a loss on the production, of approximately £1000 plus the cost of cover design.

## **VENISON DEMONSTRATIONS**

Two venison cutting demonstration evenings took place in September presented by our Past President Bruce Brymer. We are hoping to build on their success in the new year. The Scottish Venison partnership are likely to be present at the Trade Fair on 12 May in the Dewars Centre where they want to do further cutting demonstrations and we will also hold a venison product competition.

## **REGIONAL MEETINGS:**

Regional meetings took place throughout the year and in all parts of Scotland. Round the table dinner events were held in Ayr, Kelso, North Queensferry, New Pitsligo, Inchtute, Oban, Stepps, Castle Douglas, Inverness, Kemnay, Stornoway, Kirkwall and Lerwick. These proved to be very popular and were very useful in meeting the membership and creating networking opportunities for members. In total almost a third of the membership attended these meetings. In the year ahead similar events will be held with possibly Selkirk and Oldmeldrum replacing Kelso and the two Aberdeenshire nights.

In April Rich Sauces, Capital Cooling and Scotweigh were the exhibitors at the nights in Kilmarnock, Broxburn, Inchtute and Inverness. In October demonstration evenings were held with Viv Harvey of Raps, John Gallagher from McDonnells in Dublin and Colin Hewitson from KRH.

Then just earlier this month business meetings were held to hear QMS present the findings of research as to why or why not consumers visit butcher shops. This revealed a great interest in the membership for more of these kind of events. The meetings were also a great success because eight members stood up on the night and explained what worked for their businesses. In this respect we should record our gratitude to Stewart Collins and Jim Royan, guest speakers in Dundee, Tom Courts and Scott Jarron speakers in Dalkeith, Katherine and Paul Greer and John Saunderson in Edinburgh and Jonathon Crombie and Paul Boyle in Forres. In every case the butchers were not asked to speak to their own local members and this led to a very frank revealing of the truths.

#### GOLF

The SFMTA Golf outing took place at the fantastic Strathaven Golf Club. 16 competitors took part in the pairs competition. Lanarkshire members Jim Preston and Hugh Pender were the winners. The longest drive was won by George Stuart from Dalziel and nearest the pin was won by Robert Watson of McAusland Crawford. Thank you for the attendance of all members and corporate members Dalziel, McAusland Crawford and Walkers Shortbread. William Sword donated a couple of bottles of whisky for prizes.

#### TRADE FAIR

The Trade Fair returns in 2013 at the Dewars Centre on the 12<sup>th</sup> May. We will be drawing up plans for the day to maximise the number of visitors.

#### COMMUNICATION

The office is contacted on a daily to give advice on a wide range of subjects including ticketing, posters, labelling requirements, HACCP.

Other members view the members only website we know this because members phone when they forget their log in details. We now have on email 200 of the 322 businesses in membership. Regular email updates are issued on news, competitions and other assistance.

The Federation News continues to be the main contact with members. It drops through our mailboxes on the first day of every month and the content is much appreciated by members and has led to greater interest in advertising and being featured within it.

**LIVESTOCK REPORT:** Douglas Scott read out Convenor Alan Kennedy's report.

Mr President, Honoured guests, ladies and gentlemen.

It would be nice to report some good news on the issues of livestock and supply, but I have none. The past year has seen a continued, gradual increase in the price of fat cattle and pigs. Only lamb has seen a modest decline.

Members are finding it impossible to pass on price increases to an already cash strapped public, and any margins are being squeezed to a minimum. As livestock levels are forecast to remain tight, there seems to be no foreseeable prospect of better trading conditions.

The dire condition of the wholesale market further compounds these problems. There is a widespread, well publicised contraction within the sector, which in the future is going to seriously restrict competition and choice for retail butchers. This week's news of Vion's withdrawal from the UK market only makes this worse. These chickens are coming home to roost!

For many years I have been suggesting that, where possible, members should be supporting their local livestock markets. The aforementioned problems will make it even more important that a vibrant and busy livestock market sector is maintained. If these markets are not supported, the entire supply chain will very quickly fall into the hands of a very few, very large wholesalers.

These wholesalers will mainly be supplying their customers in the multiple sector and the independent trade will lose all of the “personal” touch on which we rely.

Admittedly, it is very easy to attend my local market. Forfar is on my doorstep, and as long as a fat stock market exists there, I will support it. In conclusion, I suggest to other members that they do the same when possible, because, in my opinion, it is the only long term way to safeguard an independent supply of quality stock for our customers. This concludes my report.

Douglas Scott gave an update on St Andrews Abattoir which is likely to be closed in the new year and the potential to build a new facility at Forfar.

**LEGISLATION REPORT:** Douglas Scott reported.

The Federation continues to work with The Food Standards Agency to distribute the guidance notes on Avoidance of Cross Contamination. Unlike the National Federation we do **not** oppose the recommendations for separate complex equipment and areas for ready to eat foods. The Scottish Federation has never resisted this recommendation and support mitigation of risk even though it will cost. The science behind these recommendations is compelling and at the end of the day no butcher in Scotland wants to see Hugh Pennington commission to produce yet another report on an Ecoli O157.

The Federation has sent out each version of the guidance as updated by FSA. We do not feel that our members can be criticised by enforcement authorities for not knowing about current guidance. However, SFMTA continue to hear from members about implementation; EHOs leaning more heavily and demanding what we reckon is over the top. We are concerned about butchers being forced into speedy action without time for competitive tendering of jobs and we are continually appealing to members to get EHO feedback in writing. We do feel that there is gold plating and particular personal preferences emerging.

We do not see butchers any different from catering staff. There is a view that there is an uneven playing field and the guidance is being interpreted differently in other sectors. Preparation of raw vegetables has to be in the raw meat area before being moved for cooking. Of course this leaves a tricky situation for the likes of coleslaw producers where raw vegetables are prepared for this would sound like a third area.

The FSA seems to have realised that you cannot change clothes between handling cooked and raw but the way cooked meat is handled is requiring all sorts of different measures. What happens in a bakers deli in Saltcoats is vastly different from how cooked meat slicing is demanded in Dalbeattie and Forres.

For all these reasons we welcome the work being done by FSA Scotland to come up with further clear guidance on HACCP and measures required to avoid cross contamination. SFMTA has been consulted by FSAS and look forward to being involved again ahead of implementation.

The FSA Steering Committee for the Food Hygiene Information Scheme met in our office several times throughout the year. The scheme will soon have 100% coverage throughout Scotland, with North Lanarkshire being the last to enter the scheme.

**DESINUED MEAT:** Butchers may not use desinued meat but if they do not get enough from their own sides and have to buy beef flanks they will find that the price of beef flanks has moved up of late. The whole thing has come in from an FVO from the European commission, the FSA in the UK were quite happy with what was going on. Other countries have been supplying into the UK with it as well. It came as a surprise to the UK Food Standards Agency that there was a problem. They had to react in case all UK products got banned from Europe. They are currently working to re-dress this requirement.

#### FULL COST RECOVERY:

Strategy on Charging for Meat Official Controls is now at the “about what happens next” following the FSA’s proposals for the introduction of full cost recovery for meat official controls **not** receiving the necessary regulatory approvals.

Andrew described the current system as inequitable and said that three things would now happen:

1. Review of the Discount System. He claimed that £11.2m was locked into the system creating disincentives.
2. Review of efficiencies involving National Audit Office.
3. Explore derogations available to see if there are other ways to deliver these controls and provide better value for money.

#### SCOTTISH FOOD ADVISORY COMMITTEE:

SFMTA continues to attend these regular meetings and welcomes them and the approach of the Aberdeen office as good contact points where industry issues can be given a fair hearing.

#### FSA NEW BODY –

Douglas had attended a consultation meeting on Wednesday 21<sup>st</sup> November where Donald Henderson, Scottish Government gave a comprehensive introduction. The aim is to have the new body operational in the early part of 2015. Reason for delay is legislation and consultation timetable, royal consent summer 2014.

Charles Milne, Director FSA in Scotland also spoke saying that the staff in Aberdeen are up for the change, huge amount of enthusiasm.

Two consultation sessions followed looking at the Potential Scope of New Food Body and examining gaps in existing domestic law against a background of Better regulation.

**PROMOTIONS:** Duncan Mackenzie reported.

Since our last Executive Meeting members have received the Halloween and Bonfire Night posters. The products featured came from the specially staged product evaluation and so it was Paul’s Quality Butchers – Ogres Eyes in Swamp Sauce and Scott Brother’s Catherine Wheels that were featured. Both posters looked particularly attractive and I hope that they helped generate sales at the beginning of this month.

Christmas posters were reprinted and the three different versions sent out to members on the heels of the Halloween and Bonfire Night promotions. Christmas notices for opening and closing times during the Festive Season will be enclosed in December’s Newsletter to members. Looking ahead we will print and distribute the usual Haggis leaflet for Burns Night but will use the surplus Burns posters from previous years rather than printing and designing new ones.

During the year members received good publicity for awards won in product competitions. We are indebted to Lucas Ingredients for sponsoring the Beef Sausage Championship that was won by Gordon Little at Mogerleys in Dumfries. The Black Pudding Competition was sponsored by Dalziel Ltd and the Scottish champion was James Bailley from Saltcoats. The Sliced Sausage Competition was sponsored by McAusland Crawford and that winner was Hendries in Girvan. In all three competitions the regional winners were mystery shopped and re-judged. This is a feature that will be introduced in the forthcoming Scottish Pie Club Awards.

This year the Pie Club competition is being organised jointly between Scottish Bakers and SFMTA. The event this year will also include the new category for the best pie in Scottish football. The event will be held at Carnegie Conference Centre in Dunfermline on Tuesday 27<sup>th</sup> November 2012.

In October the Federation was pleased to be part of the Quality Meat Scotland stand at the BBC Good Food Show in Glasgow. Four members – Charles MacLeod from Stornoway, MacBeths in Forres, MacLeman from Lossiemouth and Stewart Collins from Muirhead had counters on the stand and they also provided meat on each of the three days that was used for meat cutting

demonstrations. These were performed by Richard Megaghy from Simon Howie, John Harvey from Hugh Black & Son in Cambuslang and Jamie Syme from Alex Mitchell Butchers, Glenrothes.

In the next twelve months we will have the usual Haggis and Pork Sausage competitions at the Meat Trade Fair in Perth. Steak Pies and Speciality Pie evaluations in the autumn and possibly a special sausage competition to create a sausage to promote during next year's National Sausage Week.

**LABOUR CONDITIONS REPORT:** Douglas Scott reported.

Peninsula currently provide our Employment Law Service. The usage rate by members has averaged at 24 calls per month.

Two thirds of the calls are in relation to conduct with the remaining calls on general queries, Redundancy, Absence, Grievance, Capability, Retirement, Terms & Conditions and Family Friendly entitlements.

We have had some feedback from our members that the current provider of Employment Law advice has been a bit of a treatment, just someone at the end of the phone ticking all the boxes. It maybe has nothing to do with the service but not getting what they want to hear, but there is a feeling we should move from Peninsula with this in mind we investigated changing our provider to an Edinburgh based firm when our current contract ends in October 2013.

After some very good cases put forward by provided our gut feeling was to give the contract to Davidson Chalmers. Their intention is to handle all the calls within around three people. It seems like this is more like a one to one services which we experienced with Gordon Kerr-Smith in the past. There is no fixed term to the contract so either party if they feel it is not working can move on. We look forward to working with Davidson Chalmers from October 2013. In meantime we will continue to use Peninsula for this provision.

With the departure of Sandra Giddy we were left without an advisory service for Health & Safety, Davidson Chalmers have provided a contact that we have been using since the beginning of November. It is with The National Health & Safety Company Ltd. Who are based in Uphall. We are urging members to use them as fully as they can.

It is early days for this services but we will monitor how effective the company is over the coming months.

**VALEDICTORY ADDRESS BY PRESIDENT BILLY McFARLANE:**

From the Northern Isles, to the Western Isles, to the Borders, what a great two years it has been for me as President of this Federation.

Margaret and I were met with kindness and good hospitality everywhere we went - and the memories will always be with us. I would like to thank the Perth office staff and conveners for all their help and guidance.

In Orkney I was pleased to learn that the butchers were taking charge of the abattoir and cutting plant. In Shetland we also visited their abattoir and had a look in their fridges where plenty of beef and lamb were hanging. I noticed their lambs were fairly small - between 9kg and 12kg.

I attended several regional meetings and visited members' shops in Fort William, Taynuilt and Dingwall. I also called at butchers on the Isle of Skye and at Kyle of Lochalsh and Fort Augustus. The conference of the Scottish Association of Meat Wholesalers was again held in Glasgow in April and Margaret and I thoroughly enjoyed their hospitality.

Oh yes! While I remember, a few of our members and their partners came to Islay in April on an unofficial visit and by all accounts had a nice time - if the number of bottles of the local gin that flew off the shelves is anything to go by!!

## **ELECTION OF PRESIDENT:**

Ian Faulds from Kilmarnock was nominated by Billy McFarlane and seconded by Stuart Christie.

## **PRESIDENTIAL ADDRESS BY PRESIDENT IAN FAULDS**

Thank you for the faith and confidence you all have shown in me - I wish I shared it. The first and very pleasant duty of any new president is to present his predecessor with his past president's jewel. Billy, you have brought great dignity and diligence to your role putting yourself about a lot, as we say in these parts. Travelling the length and breadth of the country, not always so easy when you live in Islay. How you can make that journey so often staggers me, a main-lander. If you are remembered for nothing else, and let's face it few presidents are remembered for anything I will never forget the fabulous few days you and Margaret organised on Islay last April, great fun from start to finish. Wear your badge with pride Billy, you deserve it.

I know you will all find it hard to believe but I can go back 50 years in our trade, starting as a part time message with a bike entering the business four years later after completing my highers and desperately wanting to join the Merchant Navy. However I was dissuaded by my father's unique selling point, 'In this business son you'll always have a pound in your pocket.' All these years later he was right. It's come full circle and all I have is a pound in my pocket.

I work in a small retail shop with two of a staff, one of whom is here today to watch me make a fool of myself. I am the fourth generation of my family to run the business over the the last 116 years and I have mixed feelings that I will probably be the last.

I became aware of the Federation and its work when my late father actively attended meetings in Glasgow with such characters as Bob Alexander, Willie McFarlane and John Chapman. I attended the Diamond Jubilee AGM, my first in Dundee. The last time the AGM 'roadshow' was in Ayrshire was in 1984. David Dickie from Irvine was that year's president and I'm delighted he's with us today and looking so well.

Enough of the past these are difficult and challenging times to be a butcher, what's new about that. The price of stock has never been higher and margins are hard to achieve, with customer resistance to increase prices over the counter.

Some members are having problems sourcing stock. Myself, for example, I buy at a livestock market, quality stock is scarce and finding 500-550kg quality cattle is hard and time consuming but I'm loathe to go down the wholesale route because I have bought live for 30 years. Change or stagnate, it's a difficult one.

I worry about the term 'butcher' being taken over, as if it were their right, by supermarkets. 'Butcher's Choice', Butcher Selected'

'As our friendly butcher for advice', 'Butcher's Sausage.' Beware the supermarkets, they control the distribution of petrol, alcohol, bread, fruit and veg. and most fish. I believe we are next on their target list. They're getting better all the time, especially Aldi and Lidl.

What was the quote of past president, T C Brechin, 'The price of freedom is eternal vigilance.'

I am looking forward to working with your executive in Perth under the benevolent dictatorship of Douglas and his enforcer Bruce, with Claire there keeping them both right. We are very fortunate to have such professional facilities only a phone call away. At this point I invite any member to come and see the Federation working at one of our regular meetings, especially the next generation of craft butchers. These are interesting times we are working with all parties on a standing alone food body for Scotland and the provision of abattoir facilities amongst other items.

Award winning butcher shops come to Scotland with great regularity, we must be doing something right and I would like, at this point, for the meeting to congratulate Stewart Collins of Muirhead, Scottish Butcher Shop of The Year 2012.

I remind members to support our corporate members as they give us great support and service. Three of the best are here today, Dalziel, AES and KRH, all longstanding corporate members. That's surely worth another 5% Colin, David and Malcolm.

Thank you all for travelling here today in such terrible conditions. I hope you all trade well in the next few weeks. I look forward to both serving and meeting you during my term in office and I will do that to the best of my abilities. Thank you very much for electing me as your president.

**PRESIDENT ELECT:**

Beaton Lindsay was nominated for President Elect by Ian Faulds and seconded by Billy McFarlane

**JUNIOR PRESIDENT ELECT:**

There were no nominations for Junior President Elect.

**VICE PRESIDENTS:**

Chief Executive Douglas Scott read out the list as nominated by their Local Association:

Ayrshire	W Paterson		
Glasgow United	S Christie	Borders	G Deans
Glasgow District	T Dowson	Lanarkshire	H Pender
Dumfries	J Meade	Moray	G Murdoch
Dundee	S Jarron	Paisley	N Ovens
Fife & Kinross	N Cameron	Perth	B Lindsay

The following nominations were adopted by the meeting.

**TREASURER:** Stuart Christie was appointed by the meeting.

**SECRETARY:** Douglas Scott was appointed by the meeting.

**AUDITORS:**

In compliance with the terms of the Companies Act 1985 the meeting approved the appointment of Messrs Findlay & Co. 11 Dudhope Terrace, Dundee DD3 6TS as auditors.

**NATIONAL FARMERS UNION SCOTLAND:** Nigel Miller reported.

Nigel described butchers as the “face of our industry” and claimed that butchers had an extraordinary role to play. “Butchers are the barometer of the market place and that interaction between farmers and butchers is key on the way ahead.” Having sat through the Federation reports to the AGM, Nigel said that he was heartened to learn of SFMTA’s proactive approach to a potential new abattoir at Forfar. He offered to help where possible since a landscape void of contract abattoirs especially up the east coast is not a situation that would good for anyone.

Farmers are depressed reported Nigel. The weather has dragged them down, crops have been submerged in mud and he estimated that forage stock was possibly down by 80% and was of a lesser quality. He said that it would be a challenge to see livestock through the winter. Lambs had experienced a poor year and the weather had also affected the fertility of spring calving cows and that coupled with lower cow numbers led him to predict a tighter supply situation. This challenge comes on the back of uncertainties of CAP reform and government attempts to pay farmers less money. He feared CAP cuts could destabilise businesses.

He also pointed out that the percentage of non Scottish kill in Scottish abattoirs had risen from 11% to 17%. Nigel termed September the wake up call when Beef price reached £3.58 per kilo in comparison to Northern Ireland’s £3. “Are we worth the 58p he asked?” and observed that some customers might be happy enough with red tractor endorsement at the expense of Scotch. Butcher and processor margins have been squeezed and some have gone altogether like Orkney Gold. The rationalisation at Inverurie could mean loss of diversity and loss of capacity in the future. He stressed that the butchers have a role in driving quality.

**QMS UPDATE:** Andy McGowan reported.

The Scottish Government is currently advertising for six new Board members to assist QMS in shaping a sustainable and prospering Scottish red meat industry.

The Board currently is looking to appoint six Members (two in April 2013 and four in April 2014). For an application pack and full details of this and other public appointments please visit the dedicated public appointments website at [www.appointed-for-scotland.org](http://www.appointed-for-scotland.org)

**ANY OTHER COMPETENT BUSINESS:**

There being no further business the meeting closed with a vote of thanks to the Chair.