

**MINUTE OF THE MEETING OF THE EXECUTIVE COMMITTEE HELD WITHIN 8/10
NEEDLESS ROAD PERTH ON WEDNESDAY 13 MARCH 2002**

PRESENT: **Duncan MacKenzie** **President (Chair)**
 Douglas Scott **Chief Executive**
 Moira Brady **Secretary**

Plus 12 Executive and Ordinary members as detailed below:

**RC Baillie, R Baird, B Brymer, J Chapman, S Christie, GJ Deans, J Hastie,
D Jarron, G Lees, A Matthew, C Murdoch and G Murdoch.**

APOLOGIES: Apologies were received from Mark Barnett, John Chapman, Wilson Ferguson and George Deans.

WELCOME: Prior to the commencement of the meeting President MacKenzie welcomed Mr Neil Griffiths of Law Labs, Birmingham, who was to address the meeting on the new QUID Regulations for meat content declaration.

Neil commenced his presentation on outlining the meaning of QUID – Quantitative Ingredient Declaration, which introduces a new European definition of meat. This will be applied to non-packed products. The new European definition of Meat is – Skeletal Muscle of mammalian and bird species recognised as fit for human consumption. Offals, such as liver and kidney and MRM will no longer count as meat. With a maximum fat and connective tissue content for ingredients designated by the term meat – Beef 25% fat, 25% connective tissue. Pork 30% fat, 25% connective tissue, Birds (poultry etc) 15% fat, 10% connective tissue. New Restrictive Definition of Meat – Heart/Tongue/ Tail excluded. The declarations are not talking minimums any more, but talking typicals (average). Under the new definition things like liver in pate will not count as meat now. Neil said that these Regulations are now law, and there will be no further discussions on them. He then circulated handouts of the new Regulations, also an article to concise them, together with a Food Standards Agency proposals on the new Reserve Descriptions.

Questions regarding the QUID Regulations were put to Neil, when it was noted that Haggis, Black Pudding etc. are not recognised as Meat Products and will continue not to be. Hamish Deans stated that he was amazed that the U K Government had opted into a meat content declaration against Europe.

MATTERS ARISING: Sunlight Services - The Chief Executive reported that we now have an agreement with Sunlight, with a preferred supplier price, which will be stated in the next Newsletter, when he will state the benefit to members with a price comparison in relation to other suppliers. The benefit to SFMTA will depend on the number of members using the service.

Stuart Christie mentioned that a previous Insurance Company recommended by the Federation to members, had stated to him when contacted, that they were too busy and that he should come back to them in one year's time! He hoped that we would not have a similar experience with Sunlight!

CHIEF EXECUTIVE' S REPORT: Douglas referred to the list circulated which detailed the various meetings he had attended since the last Executive. Most of those listed would be taken under relevant items in the Agenda.

Royal Environmental Health Institute of Scotland - The Chief Executive had been invited to give a presentation at their seminar, which addressed the Licensing of Food Premises. Douglas stated that it was a very interesting meeting held in Aberdeen on 7 March. The meeting was attended by 30 EHOs from around the area. All of the EHOs displayed a very practical approach and were very helpful. They also seem to have difficulty in interpreting rules with consistency! The EHOs came to the conclusion that butchers' licensing had seen real public health gains come to fruition, and that they wish to see licensing of all food premises. Douglas felt that we need to confirm our support for this view and that we also need to keep a dialogue going with EHOs, by giving them information on what we are doing for our members. This could be a good sales force to help increase our membership. It was agreed that the Federation would support moves to licence all food premises.

FINANCE REPORT: The Chief Executive reported that the committee had met earlier that day and had addressed the Bad Debt situation and had looked at the trading figures. The bad debt situation was not too serious and those outstanding were being pursued.

Income from subscriptions was £34,000, against £16,500 received in February. Bringing the current total to around £66,000. annual outcome turns out is going to depend on collecting those who remain unpaid.

On FTS side, we had an income of over £2500 for courses in January and our Skillseeker Income was in line with that budgeted. Despite this we traded at a loss in January. This was not good as it added to the accumulated deficit. However, Douglas stated that because of some good new business coming in the situation could improve over the course of the year. He felt it was imperative that we must work hard to bring this to fruition.

The committee had looked at the cost of courses, and despite members commenting about our costs being on the high side against competitors, it was recognised that our costs were insufficient to cover overheads. The committee agreed to take this on board next month as they recognised the difficulty to make money out of this activity.

MEMBERSHIP AND DEVELOPMENT: In the absence of convenor Mark Barnett the Chief Executive gave the report. As at the 13th March the total paid membership was 340, this was against 400 in total last year. The areas of membership requiring most attention were, Associate, Edinburgh, Dumfries and possibly Dundee which currently has 75% paid. A list of paid and unpaid members in each association area was circulated.

The Chief Executive reported on the 4 Regional Meetings he had attended to date. Dundee had gone very well, then Bellshill which also was a good meeting although not well attended. Last week was Melrose, which also was down in attendance but a good meeting. Minutes have been circulated to all members in catchment areas. The informal chats after the meetings were very positive. A resume from all events will go into the April newsletter.

The Handbook is now at the printers, but some more work is required to have it typeset by Friday. It is hoped to have it ready for Easter.

LEGISLATION: The Chief Executive reported from his attendance at an Improving Regulation in Scotland (IRIS) Seminar for Trade Associations on Tuesday 26 February in Glasgow. The group remit is to look at legislation to see whether it is operable. They give some ideas on where legislation is going. COSLA have nominated people in each local authority to work with IRIS. A presentation from Patrick Browne of the Scottish Retail Consortium highlighted Butchers licensing as how not to go about legislation. IRIS stated a desire to work with Trade Associations more closely. Representatives from most associations were present, possibly around 60 representing anything from Christmas trees to mechanical engineering.

The Chief Executive then drew attention to his Report of the Meeting with Scottish Executive on Thursday 28th February. At this meeting SFMTA were advised to encourage its members to become involved with the policy process for Planning matters. This would be to their benefit. Regarding Farmers Markets, the meeting was sympathetic to SFMTA's concerns and suggested that we should raise the issue with COSLA and FSA. David Crawley of SEERAD stated he would be happy to Chair a meeting.

Beef Labelling, SEERAD pointed out that the labelling requirements were statutory and said that the sourcing of high quality meat was important if the Scottish Meat industry was to move into the branded premium market. On the question of enforcement SEERAD advised a letter about beef labelling was to be issued shortly to all local authorities outlining the EHOs role in enforcement.

Butcher licensing, we raised our concerns about inconsistencies. The need for a more uniform HACCP was recognised. David Crawley agreed inconsistency did not seem helpful and he offered to send a note of the meeting to FSA(S)..

Livestock markets, concerned about the future because of lack of turn over. David Crawley said that the Scottish Executive was committed to getting markets up and running and he felt that they were likely to remain an integral part of the livestock scene for some years. Long term changes may be made given the drive to shorten the food chain.

In response to concerns about the supply of cattle the mid term review might provide an opportunity for improving the situation through changes to the beef regime, particularly the timing of the second Beef Special Premium payments. SEERAD were also looking at the options for increasing suckler cow quota.

QMS – SFMTA stated that they were not fully behind transfer of MLC money to QMS on the basis of dilution of the work carried out by MLC and the potential for duplication. David Crawley confirmed that the proposed new arrangements would retain a GB remit for MLC but give QMS scope to undertake its role more effectively. QMS would continue to contribute to central costs, essentially buying in services. Proposals for change would be subject to consultation and with would include SFMTA. David Crawley suggested that SFMTA should ensure that sufficient promotion is put behind the non Special Select Scotch product.

Hamish Deans questioned that QMS are only going to be responsible for promotional budget. Douglas replied that the plan is to bring back all the levy money collected in Scotland,

Bactericidal Agents: The Chief Executive referred to the copy letter circulated. This was a reply from Food Standards Agency that Douglas is taking back to David Cameron for continuous discussion.

TRAINING & DEVELOPMENT REPORT: Convenor Bruce Brymer reported that Dalziel of Bellshill had confirmed their intention to sponsor the Young Butchers' Skills Competition again this year.

He then reported on the success of achieving Lanarkshire Enterprise funding to enable 40 Scotbeef employees to undertake Management Training. He added that this had been an excellent achievement which would bring in a substantial amount of funding. Together with the 40 management staff, funding had also been achieved for 33 employees in the 18 to 24 age group to take SVQs at Level 2 and also 5 Skillseekers, within the 16 to 18 guarantee age group. All in all this would be quite a boost to Food Training Services income over the next 18 months.

Maira Brady reported on Skillseekers income for February 2002 and stated that the claim for this month had been favourable and was in line with that budgeted.

However, if all the paperwork, relating to visits made, had been completed, we would have exceeded our targets. Maira stated that she made this report as she felt it was important that the Executive understood that the Budget figures were realistic, but targets are very often not

achieved because of trainees not completing their paperwork for the assessor's visit. This then involves an additional expense of a further visit.

The Pub Club, Hotel & Catering Exhibition, Ingliston, Tuesday 26th to Thursday 28 February –

Moira reported that we attended this event as exhibitors. On Tuesday and Wednesday Moira, accompanied by Ian Thorburn was present and on Thursday Ian was accompanied by Bruce McCall. Douglas Scott also attended over the 3 days. Tuesday and Wednesday were very busy days with a lot of interest shown in Hygiene Courses and SVQs. A list of callers to the Stand, and their interests, was recorded and this has now been put into a database. Around 63 leads were obtained, To-date there have been some positive follow-ups, with 2 trainees from small hotels in Fife being signed up for SVQs. A very good enquiry came from the Catering Manager of an NHS Trust at Stirling Royal Infirmary for a quote for a Hygiene Introductory Course for Ward staff and Porters. The quotation has been sent and we await their response.

Dumfries and Galloway EHO - Discussions are progressing with them regarding the delivery of Level 3 SVQs within all food establishments. The aim is for one person in each company to be taken through this qualification. The EHO intends to get things moving by the end of this month, and this is likely also to boost Food Training Services income in the coming months.

Courses: Since the last Executive Meeting we have delivered 3 Essential Food Hygiene Courses, plus one Intermediate in Edinburgh and one in Glenrothes, both of which had commenced by the last Executive date. One Intermediate in Perth is currently running. Planned for this month is a Basic Course for Perth & Kinross Council, also one in Monkton, and two Awareness Course for a Potato Company in Abernethy.

A Health & Safety Course was also delivered in March. This was the first programme for this course and we plan to hold more during the year. An attendance of 13 was on the course, all from the food industry but none from the meat sector.

Over the past year Food Training Services Report has given the number of courses run and the projected income from these. However, there appeared to have been no measurement against the cost of running these courses. The Chief Executive and Moira have looked at this recently and have found that the courses are being run at a cost to Food Training Services. This cannot continue and a re-costing exercise will be carried out. Courses other than Food Safety were also examined and identified as running at a cost to Food Training Services. This has resulted in a decision to discontinue the delivery of the Business Development Courses.

Before concluding the report Moira stated that Meat Training Council's Chief Executive had contacted her as she was coming into the Executive Meeting. He reported that they have been given the go ahead by the government adviser to submit a meat bid for a Sector Skills Council. They will be the only food sector industry going for its own Sector Skills Council as the other 3 industry groups – the bakers, fish processors, food and drink have all agreed to form one group. SFMTA have been giving Meat Training Council their full support in going forward for this as we feel it is imperative that the Meat industry retains its independence to enable us to focus on the things that matter to our industry.

David Lindsay reported on the success of the First Aid Courses attended by his son and another member of staff. David mentioned that he had arranged for someone from the organisation delivering the programme to speak to Food Training Services about the 8 week course.

LIVESTOCK: Convenor Jamie Chapman reported from the meeting held earlier that day. Supplies of both cattle and sheep seem to be holding up well with none of the predicted shortages. Prices for the quality end of the market are still holding strong, but Jamie felt there had been a drop in price at the lower end. With no live export of sheep from auctions, it can

only be done direct from the holding of origin, or through an approved assembly centre; the price of hoggets has not been affected.

Hide prices are around £28.50 for cattle and £3.20 for hogs.

There is a resistance from some wholesalers to support live markets and deal direct with the farmers. This seems to Jamie to be short sightedness on behalf of the farmers, because, if this kills off the auctions then they will have no choice on how to price their cattle. Ask vegetable growers on how tight the supermarkets can squeeze the prices down, he suggested.

Jamie spoke of a report from a Cumbrian newspaper. A meeting in 1998 of UK Farm Ministers decided to recommend to the Commissioners that the UK cease all livestock farming and concentrate on arable farming. This was confirmed at a public meeting in Penrith by Dr Richard North, whose position is Director of Research Europe! Someone who was present at the meeting has since confirmed this statement but from the Government or DEFRA there is not a "dicky bird".

Jamie reported that he had written to Jack McConnell during the Foot and Mouth outbreak and had only received a reply last week, four months later.

David Lindsay mentioned how he sourced his cattle. He recommended discussion with farmers at Auctions as a good way to build a rapport with farmers and become knowledgeable about their animals.

Hamish Deans stated that St Boswells Market was operating again, but 25% of their throughput came from the South or Ireland. They had up to 200 cattle on Monday.

Stuart Christie remarked that at a Burns Club meeting recently members were stating how confused they were about what the supermarkets have in relation to a wide range of various quality standards.

Jamie asked if the 90 day rule was still on the country of origin. Douglas Scott replied that there were moves that Scotch Beef will be 100% reared and fattened in Scotland.

Outlook 2002 - The Chief Executive circulated a Report of this Conference, which has been held on Monday 11 March. The purpose was to examine the supply situation for beef, lamb and pork, which followed from the media reports on the authenticity of Scotch Beef.

Bob Bansback of MLC spoke on the supply situation, with Jane Conner's presentation based on the sheep situation and Duncan Sinclair reflecting on beef supply. Jane suggested that pre- FMD the industry showed a decline and although recovery is now likely it will not be to pre FMD levels. Duncan was more positive and felt recovery in Scotland was already happening.

Simon Howie's presentation was held up as the way to go forward.

LABOUR CONDITIONS: Convenor David Jarron reported on wage negotiations with USDAW. He remarked that we had proposed a 2% rise, but the Chief Executive had looked into the average earnings increase in the Service Sector for December 2000 to December 2001 which indicated 3.3%. We therefore felt we would have to go for 3%. We also propose an additional category for General Assistants at age 22. The meeting agreed to accept the proposals.

PROMOTIONS: Convenor Cheryl Murdoch reported from the meeting held earlier that day, which was attended by Maggie Mitchell and Malcolm Todd. Cheryl stated that it was a good meeting and had good dialogue with the visitors. We had established with them that there was a need to recognise that there were two promotion routes for independent butchers.

(1). There were those who subscribe to SSS and (2) Those who do not subscribe to it. Cheryl reminded members that at the last Executive meeting the two Logos were displayed, and she remarked that we were still awaiting confirmation for these. Hopefully this will come by next week. The "Cut Above the Rest" strapline will be generic, whether or not subscribe to SSS. They recognise the need to sell the benefits of the scheme to consumers as well as to butchers. There is a real need to create a demand! This has to be attractive to gain the independent butcher's support. They were committed to working with us, and we identified that there is now a dialogue between the two organisations which is a break through. The need to distinguish between the independent and supermarket was recognised. The PGI (Protected Geographical Indicator) problem is raising consumer awareness, whether they are heading towards 100%. However, it is still creating a market in a positive way that could be good for Scotland's butchers.

10th April was agreed for a further meeting to confirm all proposals in terms of benchmarking and agreeing to what the proposals will be for those who subscribe and those who do not. There will be a more attractive package for those who subscribe and this will be set to encourage those who do not do so to come forward. It could also help SFMTA attract non members as we will have an impact on promotional money. QMS are working their promotion strategy around our time frame. QMS confirmed their commitment to supporting the Make It With Meat Awards. What form this will take will be clear later.

Jamie Chapman asked if this could give us a guide as to the number of quality cattle would be available in Scotland etc. Cheryl replied that in time certainly, but at the moment these figures are probably not available. As SSS Brand becomes more wide spread more information will be available. With PGI butcher can only claim to be selling Scotch Beef, you require to buy into Special Select Scotch.

The Chief Executive reported from the QMS Board Meeting held on Friday 8 March and the debate on Scotch and Scottish. Is our Scotch beef really Scottish? The other discussion was on a replacement for Alastair Donaldson who is due to retire this year. They will also take on a Technical Assurance Manager.

Douglas circulated a press release from QMS referring to their proposal on Scotch Beef. The QMS Board Meeting had been chaired by Neil Kilpatrick with those present including two wholesalers and two farmers. A complaint made to the ASA into the Glen advertisement had been made by a Fife farmer based on the 90 day issue. The watchdog upheld the complaint and the word "raised" is to be removed. PGI for Scottish lamb is 60 days. QMS had conducted a survey within the farm assured sector to establish how many cattle come across the border and 4% was in doubt. Douglas stated that there is a need to inform everyone that the 90 day rule would change and promotion will require to be delayed. There is a legal implication here with the move to change needing EU application.

Wholesalers are concerned about various issues that could come out of this. It was felt that it was not achievable to guarantee 100% Scottish. This was all very much a consumer issue media driven. Less cattle bred in Scotland would push up prices and reduce the size of the industry in Scotland. Less killing, could see no British brand soon. It was felt that the Glen campaign had created a big problem.

Alistair Muir had stated that 80% of Scotch beef will qualify for SSS and possibly only 45% currently labelled as such. Eight week old calves brought up from the south will now not qualify for SSS, but until the PGI is changed the status quo remains although there had been consideration given that from 1st April 2002 any cattle crossing borders into Scotland would not qualify. Ross Finnie has supported the move to Scottish born and bred to give consumer safe healthy red meat with consistent eating quality. However, he felt it was wrong that a small percentage of imported livestock should create consumer uncertainties.

He appreciated concerns for farmers dependent on cross border trade, but he added that this should not stand in the way of change. He stated that the Scottish Executive would be issuing tenders for the Eating Quality project, fully funded by Scottish Executive working with

QMS The brand must be backed up with quality assurance. Douglas Scott hoped that this would work in the independent butchers' favour, and added that SFMTA would keep a watchful brief on this.

Ross Finnie reported that agreement would soon be reached which would make QMS legally responsible for MLC functions in Scotland. Between £4 and £5 million of all levies are raised in Scotland. He stated that this was a hard business decision not made for nationalistic reasons.

Hamish Deans remarked that it could be 6 months before QMS will receive levy monies and there will be a collection charge on this.

Guild of Q Meeting - The Chief Executive reported that they are still on the look out for a Regional Chairman and planned a Scottish meeting in early April. There was no Scottish representative at the last Regional Chairman's meeting. The Guild is running a Barbecue competition with Wilson Ferguson, Sandy Crombie, David McMahan, Robert Patrick and Graham Johnston all intending to take part.

There being no further business the meeting closed at 5.15 p.m. with a vote of thanks to the Chair.

The next meeting was arranged for 10 April and Cheryl Murdoch asked if her apologies could be taken forward.