



a bridge had been built. Uel Morton wrote saying how well the meeting had gone with 14 action points from it.

- Draft consultation on CAP health check.
- Market report for SFMTA newsletter 26/27 of the month
- Marketing update for the industry. Hard copy to be received twice a year.
- Press releases – relevant to forthcoming activities
- Pork Advert comments be passed on to the marketing department. We get the feeling it is pointing you to the supermarket.
- Consider some mechanism for Scotch Butcher Club membership. We have this ongoing problem members not wanting to pay. 95% of the promotional activity is centred on Scotch butcher club membership.
- Look to join discount of club for members
- Review criteria for Scotch butchers club
- Promotional plan for Scotch butchers club activity in specific months.
- Identify rising stars in the butchery sector. Bring them to the AGM and possibly executive members of the future
- Aussie butcher talk similar event to be held in the centre of Perth.
- Andy McGowan to continue dialogue with the SFMTA Executive
- Cutting Edge CD. Produce it to distribute it further.. Andy McGowan said the 6.5 hours of footage was on the website.
- A copy of materials going to Scotch butchers club members.

Stuart Christie said we can work with Uel Morton and Donald Biggar and we should have more contact with them.

John Chapman said the main thing that we asked years ago was how can you control what goes into cardboard boxes. Douglas said they can only control what goes under the Scotch beef label. If it is outwith Scotch there is no specification whatsoever.

Andy McGowan said the system is not 100% foolproof. The biggest priority in assurance schemes is to make sure people are not ripping it off for the brand. There is difficulty with various projects. If you take beef out the pack and there is no labels to tell what it is Scotch , Scottish, North of England, Irish whatever. Accepting those limitations on it we do inspect all the plants in the processing scheme three times a year. 80% of that day is doing forward and backward checks. Each of the reports goes in front of the committee which Jamie Chapman is on. Since cow beef came back on the market the assessor has been instructed to concentrate on tracing cows clearly since this is a new risk area. Because there are a limited number of plants doing big volumes of cows, we have been pleasantly surprised by the small number of problems coming forward.

We get far more English cattle going into Scotch boxes. We have changed the standards so it is not just the Scotch branded that is checked, it is any labeling claim they make, so we are checking their systems are proper. Andy said that he would like to think it was reasonable robust. He said it is given a high priority, there is no special cases or pleading from the big plant. Most of the big plants have good systems. Three or four days a year inspection is quite rigorous. Those who are not in the scheme are very much in the minority now and most of these are doing contract kill. As a result of the new contract the fees are now half of what they were last year. Stuart Christie said that in his experience if you are dealing with a Scotch abattoir you are more likely to get what should be in the box. The biggest problem is with the brokers. Hamish Deans said that the independent butcher's big problem was he does not want to buy, in good faith, boxed beef which is cow beef. Thousands of cows are killed every week and not one box says cow meat. Andy McGowan said it is getting sold as Scottish and it is perfectly legal. Hamish Deans said that independent has no way of telling it is cow beef or not. He suggested that QMS should make it a priority that cow meat is labeled as such and it would more benefit to the independent trader. Andy McGowan said it is always going to be a

balancing act between the different pressures in the chain. The new board is keen to do something more advanced with the brand. To that end he has put forward a paper and included in it. Standing still is not an option. Hamish Deans said he saw a paper which said that they were considering taking cow dice and mince away from the sector and into Scotch. Andy McGowan said SAMW were asked to consider it. Even they are moving back as it appears their customers do not want it. Hamish Deans said that it would be better to label it all cow beef and it should be made a law that it has to be marked to end all the problems. David Jarron felt the cow beef sector found a loophole by naming it Scottish. Andy McGowan said that Scotch and Scottish translated mean the same thing in French and their no difference in name in the export market, the point has been made time and time again to Scottish Government and they have a situation where Scotch has a criteria and everything else goes through as Scottish. The Government does not want to hear this at all. He said that he is a pragmatist and guided by a board. From an industry point of view then there might be a way of controlling it but from a consumer point of view it is either in or out. With mince and stew you would get all the downside and not any good. There is a general disquiet on a number of areas on the status quo. Douglas Scott said that this is a topic for a SMILG meeting possibly.

Q GUILD: Douglas addressed the Guild of Q Butchers Scottish Region meeting in September about costing and the beef ready reckoner on the Members' only website which has over 600 stories on it now. He handed out a leaflet on eight key ways to improve your business which is distributed today.

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

MEMBERSHIP: 349 members have paid to date.

Information packs have been sent to:

Castletown Meat Co

Dalziel butcher, Dundee

J Black & Son, Whitburn

CORPORATE MEMBERS: 21 corporate members have paid.

AA MEMBERSHIP: Cover for AA is £76 per vehicle from 1<sup>st</sup> October to 30<sup>th</sup> September details were distributed with the newsletter.

REGIONAL MEETINGS: There will be a discussion on trading conditions and a power point presentation on the Meat To Go Awards including presentation of prizes. The overall results from the beef sausage and black pudding competitions will be presented.

Attendees will become judges in a mock product competition on speciality sausages. We think this will be thought provoking, very interesting and enlightening.

Corporate members Dalziel Ltd, Trunet and Baro lighting will be present and they will update on new products and promotions. Lucas Ingredients will also be attending the Inverness Regional Meeting.

The meetings will be held at

|                                      |                                   |
|--------------------------------------|-----------------------------------|
| Monday 15 <sup>th</sup> September    | Inverness Caley Thistle Stadium   |
| Wednesday 17 <sup>th</sup> September | McDiarmid Park, Perth             |
| Monday 22 <sup>nd</sup> September    | Garfield House Hotel, Stepps      |
| Monday 29 <sup>th</sup> September    | Buccleuch Arms Hotel, St Boswells |

AGM: The Agm has been booked for the Swallow Hotel, Bellahouston on Sunday 30th November 2008.

**TRAINING AND DEVELOPMENT:** Sandra Lennox reported.

**TRAINEE NUMBERS:** Since I last reported to you, 19 of our trainees have completed their level 2 qualifications and we have presented Modern Apprenticeship Certificates to our first two apprentices for more than four years. Our third Modern Apprentice is due to complete his qualification this month.

We have 70 trainees in what was called Scottish Enterprise area and 23 in what was called Highlands and Islands. We have 65 registered in Northern Ireland.

I explained in my last report to you that the assessors were approaching the point where trainees could make no further progress until they had developed the skills necessary to complete their qualifications. I'm pleased to be able to say that trainee progress has continued unabated, with owners of businesses and managers going out of their way to provide opportunities for trainees to practice and develop their skills and allow the assessors access to observe this.

We have recruited more trainees onto our training programmes during the summer and we now have only 24 vacant training places in Scotland.

**Skills Development Scotland/SE area:** We were allocated a new Contract Manager in May. During the summer, the new Contract Manager was promoted and replaced by a lady called Shelley Huggins. Douglas and I met with Shelley and were reassured that she understood a little about our industry and that she would be working towards our best interests with us. There is now a degree of flexibility in the contract which is allowing us to continue to 'start' trainees in Lanarkshire, where previously I had reported that we had reached our limit.

Because of the progress our trainees have been making, we have almost claimed our full contract payment value for this training year. I have been highlighting this to the contract managers and have provided a forecast of trainee progress each month based on the information I receive in this office after each trainee visit is completed. I estimate that we will have 'spent' our contract value of £105k by mid November. Douglas and I have requested a meeting with our contract manager and her direct manager on 19<sup>th</sup> September and they have promised that they will put forward a case for us to receive additional funding to allow our trainees to continue to progress.

This is not a completely unexpected situation. When the contracts were issued in April of this year, we did inform SDS that the value was not sufficient – based on the information I had to hand at the time. Unfortunately, it was not possible to increase the contract value at the point of contract offer – we have had to prove that our forecasts were more accurate this year and that we would indeed require more funding. Contracts for all training providers are reviewed quarterly and it is at these points that amendments can be made, with unspent budgets from under-achieving providers being re-allocated to those who are over-achieving.

**Skills Development Scotland /HIE area:** The very same situation existed in SDS HIE area, with trainees progressing at a faster than previously pace. The result was that just last week; we reached and exceeded our contract ceiling for level 2 achievements for the year. I had already alerted the contract manager to the fact that we were within £10k of our allocated contract budget for the year. After providing a detailed profiling forecast of funds required to service our contract area, our contract value has been increased in this area by £30,000. Additionally, we can continue to recruit new trainees in the area and progress these with no further financial constraints.

**NORTHERN IRELAND:** We have invoiced for an amount totaling £20K for work completed with trainees to date. A total of 46 milestones have been achieved during the summer.

All age apprenticeships have been launched in Northern Ireland on 1<sup>st</sup> September and I have this week received the funding schedule for this and also for the level 3 progressions from the initial programme with ACBI.

All apprenticeships incur a £250 start payment and 4 milestone payments of £450 with a progression/start fee of £100 and a further 4 milestone payments of £450 for the Level 3. Outcome payments are £600 for the level 2 and level 3 and £1700 for the full framework (level 2 and 3 combined). We will receive a total of £6,800 for the combined level 2 and 3. Our assessors have already identified 9 trainees for this and the Food and Drink Training Council are currently requesting training credits in order to register them onto the apprenticeships.

Payment from Northern Ireland has continued to be slow, but this might actually benefit us during the winter months when access to trainees slows. I have received a cheque for £5,850 today, with a further £22,250 expected in October based on the forecasted progress information I receive every week.

Douglas and I travelled to Antrim on 25<sup>th</sup> June to host a presentation evening for the remaining Cross Border Initiative trainees to receive their certificates. The assessors working in Northern Ireland felt that the presentation would be a good investment in generating relationships and building future business.

Scottish Government Industry Training Meeting: Douglas and I attended this meeting along with Alan Kennedy and Duncan McKenzie to put forward the views of the Scottish Retail Butchers to the Government Minister Mr Jim Mathers. The event was hosted in SAMB training centre in Larbert and it brought together employers and training providers involved in the wider Food and Drink Industry in Scotland. The driving force behind government decisions is the economic advancement for Scotland. Therefore, funding and practical support has been diverted to those industries which the government consider will bring the greatest economic return. The result of this was the decision announced at the beginning of April to restrict funding to 16 – 19 year olds unless they were involved in the construction and engineering industries.

Jim Mather collated all information offered on the day and re-assured the audience that the results would be communicated back to us – to date this hasn't been received. Alan Kennedy made the point that he has an employee who has relocated from England, who was registered as an Apprentice and would like to continue with his qualification in Scotland. His employee is aged 20. We had been refused any form of funding support for this employee by SDS SE through our contract manager. Jim Mather asked me to write to him with the facts and he promised to at least provide us with a point of contact to pursue this. Last week I received a letter from Fiona Farr who is in the Work Based Vocational Training Team in the Lifelong Learning Directorate in which she confirmed that the Scottish Government has refocused Modern apprenticeship funding to construction and engineering related sectors only. She went on to state that while there is no public funding for this employee to complete his Modern Apprenticeship, there is no barrier to his employer investing to train him to the level required. The letter goes on to confirm that I had raised the same matter with Scottish Government at a meeting held on 17<sup>th</sup> July (more of this shortly) and giving me a further contact name to contact within Skills Development Scotland. I have been unable to speak to this contact, but have left my details and will continue to pursue.

VQ and Sector Skills Meeting: As I have just stated, I was invited to attend this meeting on behalf of the Federation and Scottish Meat Training on 17<sup>th</sup> July. The meeting was facilitated by Andy McGowan (QMS) and Alan Stevenson (MTC) with the aim of putting forward the particular views and funding needs of the Scottish Meat Industry. Other attendees from our industry were Marilyn Paterson, Group Training Manager, ANM Group and Duncan Perry on behalf of SVQ Board MTC/FDQ.

I put forward our constraints in terms of funding support in Scotland, including the example of Alan Kennedy's employee. Marilyn had examples of full funding support for her short courses being available in England, but not in Scotland and Duncan Perry explained the importance of funding in respect of the new BRC standards which were introduced this year. The large retailers demand compliance with the BRC standard and without this there is a very real danger of contracts being lost. This point raised the most interest from the Government Advisors present at the meeting and

so I believe it is to be the focus for the next meeting which Andy and Duncan are to have with the Government.

Awarding Body Progress: The submission for a joint partnership with SQA Awarding Body has now been submitted to SQA Accreditation Body for a final hearing on 25<sup>th</sup> September and I expect to be able to report a successful outcome at the next executive meeting.

QCA, the regulatory body in England does not support partnership Awarding Body applications and so SQA as the Lead Awarding Body in our partnership has applied for, and has just achieved, accreditation for the Food Manufacture NVQ's. Any further registrations for Northern Ireland will be through SQA and not MTC.

Worshipful Company of Butchers sponsored trip to Poland: We were invited to nominate trainees for one of 5 sponsored places on a study group trip to Poland. We duly did so and I have been informed that one of our trainees has been successful. Donald Wishart from RT Stuarts will be flying to Luton to join the other 4 successful nominees on their trip on 15<sup>th</sup>, 16<sup>th</sup> and 17<sup>th</sup> September.

Submission for *Meat Trades Journal* Young Butcher of the Year: Following the nominations for Poland, we were also invited to nominate for the *Meat Trades Journal* Young butcher of the Year and we have submitted 3 Scottish Nominations. The results have not yet been communicated to us.

Submission for Modern Apprentice of the Year: Last year, Derek McMahon, Tom Courts and I were guests of Improve our Sector Skills Council at an evening held to celebrate the achievements of the Scottish Modern Apprentices. This year, following the successful achievement of our two Modern Apprentices, we have been able to nominate them for the title 'Modern Apprentice of the Year 2008'.

Submissions for both Ian Cargill from Highland Country Foods in Forres and Darren Scott from PJ Scott Ltd in Laurencekirk have been forwarded for consideration.

Hamish Deans said that the response about Alan Kennedy's trainee was nonsense, a lot of time and effort goes into training the youngsters. Sandra Lennox agreed but said that one or two employers fund their employees' training and it is something the Government is encouraging to happen.

#### SERVICING NON FUNDED TRAINEES

Hamish Deans asked about Scottish Meat Training's policy of trainee moving from one business to another and is not given the opportunity to continue with their Level 2 qualifications and then moves to another employer a year and a half later where he is keen to work towards it. Sandra said that funding is available for 16 to the day before their 20 birthday and we have a contract level to sign these people up. As long as they stay registered with us they can continue with us they can complete their qualification. If a person chooses to leave the training through whatever the reason we cannot restart their direct funding once they are past their 20<sup>th</sup> birthday. Last year that was not too much of a problem as we had ESF funding. Up until December of last year we were quite confident we would have this funding available to continue with this training so we continued to register the people. The absence of an ESF project in Lowlands and Uplands Scotland has caused a huge difficulty in the availability of the funds. The position at the moment is she has to juggle the assessors and the assessors have to go where money is available. They have to go to where trainees are funded, if we do not do that we will run out of money this month. She cannot allow an assessor to go into a business which has only an ESF funded trainee. It is the same scenario as Alan Kennedy, as the trainee has come north of the border and there is no funding available. We do not have available funds to do that for people. Hamish Deans wondered how many trips an assessor did in a day and how many people are near on each trip. Sandra said it does depend which area they are in and how remote they are to each other. Assessors are asked to make three assessment visits per day. In places where businesses are closer together more

assessment visits take place. Hamish Deans said that there are only two roads into the Borders and you are passing the business on the way in or on the way back. He enquired if any effort has been made to visit the business since February. Sandra said she had a discussion before the meeting and also discussed with the assessor about two people in the Borders who had the same request. Sandra said we have 95 in this position left with no ESF funding and we cannot do it for all of them. Sandra added if she could do it any other way she would. Hamish Deans said we have 95 people who have a shop in the Federation and we are just letting them drift. He said we are spending money going down to England to try and train people there who are not members of the Federation. Sandra said we have not spent money in England for five months and we talked about this at the beginning of the year. Sandra said the money we bring in from Northern Ireland and the money we manage to bring in from England into a pot to allow us to progress everybody and that has not happened, we have had slow payments from Northern Ireland and absolutely nothing from England. So she has to balance what she is doing in Scotland in order to make this work.

Douglas Scott said that the Federation subscription does not pay for training. Hamish Deans agreed but training is part of SFMTA trying to service our members and we are trying to get members surely they should be given consideration. Douglas said we try and run training as a separate commercial organisation. Hamish Deans said it does not look too clever this year. Douglas Scott replied imagine how worse it would be servicing the 95 trainees who give us no income whatsoever. We have no alternative and cannot do it unless we are actually in the same premises looking at another trainee at the same time. Hamish Deans said we have to look after our members and money is being wasted elsewhere if you are passing the door and the youngster is of an exceptional high standard and it seems silly to discount that and chase other apprentices that may only last 6 months. Douglas Scott asked how we are going to do it and where is the working capital going to come from when the income is a lot less.

Hamish Deans said if someone brings the point up they should think a little bit more about it. We are trying to encourage youngsters into the trade as they are SFMTA future. If you get a good youngster how are you going to encourage them it is not their fault. Sandra said it is not their fault but how is she going to pay for it? Douglas said we only have 70 in the Scottish Enterprise area who are funded so to try and service the other 90. Hamish said by being near the business popping in, he was not so worried about the 90 but the ones whom are brought into contention - we have got to keep these people. Douglas said we would have to treat this consistently; as soon as one knows then they will all want visited. Sandra said there are some premises where there are a funded trainee and an ESF in the same premises. Douglas added ESF trainees are not assessed if this is not the case. Hamish thought we should have a different policy for SFMTA members to encourage youngsters to keep them in the trade. Sandra said we are encouraging them that are the reason why we are going to the VQ sector skills meeting to put forward the case to Jim Mathers as well so we are constantly banging on doors but we cannot do this for free. Hamish Deans that is outwith your control and you are letting someone else make your decision then.

Douglas Scott asked Hamish what he would like the policy to be? Hamish said if someone is concerned to highlight the problem with the apprentice that is the people we should be encouraging to keep in the trade. Douglas enquired if there is no funding then do we still take them on as a trainee? Hamish replied these people have already been trainees and gone through the first part of the qualification. Sandra said this particular one did not finish his first qualification he chose to leave it before he moved. Alan Kennedy said he had discussed the position with regard to his employee yesterday and he asked for a cost. Sandra said for a Level 2 qualification we are looking for £1600 as an employers' contribution. It would be in the same region for a Level 3 but his trainee has done half of the Level 3. We would have to work out how many visits it would take to complete. Alan Kennedy said he would be happy to contribute, as he wants his trainee to progress.

Douglas asked it clarified that candidates previously under ESF will only be assessed if SMT assessors are actually visiting funded trainees in that workplace. Hamish Deans said in that are town village etc. Douglas said that is not what we do as there is a cost implication.

## SCOTTISH GOVERNMENT MEETING

Andy McGowan gave an update to a meeting, which took place on Monday. At the original meeting there was a strong will for any new proposals coming forward to be different for what is currently there, so to go with Can you fund our SVQ structure? It is not even getting listened to. What they wanted was a new system, which is better than the English system. The age limit certainly in the processor side is a massive obstacle. In the last five years there has been an 80% reduction in the number of SVQ meeting industry across the board. In England the Train to Gain system has a 94% increase. It is quite clear you put the money in you get the result. We have put forward Scottish Credit Qualification Framework that is a means of recognizing from 1 to 12. SVQs fit into the mid to upper range of that. What we have said is hang the funding from say a person moving from a level 4 to a level 5. What we need to do is to work out on a basis of still the same level of income. What may be the outcome of that is still maybe have a number of modules over say 6 months and with a corresponding smaller amount of money. If added all together would have the same amount of work for the same amount of money. The letters sent earlier in the year to Jim Mather has obviously done the trick since the Ministers are all over this. The officials in that department are really quite enthusiastic to help. Skills Development Scotland is a different matter. There are the one who control the money and less enthusiastic.

**FINANCE REPORT:** Douglas Scott reported.

The Finance Committee discussed figures for July and August with these figures subject to change as some invoices may not be through yet.

SMT: Very much as reported at the last meeting. Income ESF Scottish Enterprise (SE) area just under £20k. which equates to a similar figure for last year of £71k. In Highland & Islands (H&I) we have had a payback of £7.5K although we have not had a claim through for this year's project as it has not yet been signed off to us so we would probably be able to claim for £8k immediately. Last year in H & I area we claimed £20K. SE are we claimed £124k for this year (last year £139K), in H&I £50K as opposed to 28.5K last year the Irish area we have £36,300 claimed as opposed to £15,268. What that means is that we have £260k of income and last year £285k our expenses amount to £396K as opposed £312k the year before. Which means there is a net operating loss on paper standing at £96K, it was £26k the previous year. The only good news going forward next year he is pretty confident of budgeting a surplus £50K and that is relying fairly heavily on an income of £175K coming from Northern Ireland.

ESF PROJECT H&I: The Finance Committee recommendation that match funding of £50K from SFMTA and £71,875 from SMT for the 2009-12 Cutting it in Scotland Project was **agreed**.

ESF PROJECT LUPS: The Finance Committee recommendation that match funding of £145K from SFMTA and £200K from SMT for the 2009-12 Cut it in Scotland Project was **agreed**.

MEMBER SERVICES: We have an income of £121k expenses which are £80k which is £31k plus in profit. Douglas said there was £10k of direct expenses. We still have over £5k committed to Ayrshire Master Butchers to be used in promotions in 2009. The overall picture at this moment in time looks like a £70K deficit.

Alan Kennedy asked how serious this was. Douglas Scott said it would be extremely serious if we did not see the way forward. If we did not have the income from Northern Ireland and only the income from Scotland it would be pretty desperate. The other good sign is we may well be able to get ESF funding from April. Duncan Mackenzie said £175k coming from Ireland would be helpful.

**LIVESTOCK REPORT:** Alan Kennedy reported.

I had hoped to bring you some better news after the summer break but unfortunately prices continue to rise. I would draw your attention to the enclosed beef costing chart which shows a steady but slower rise across the board, resulting in a 4.9% average rise since June. This completes a 20% rise in total since February this year. It has been taken from Scotch Premier's prices and is used as a bench mark with something to go by. It is a slow down with the rate of increase

Supplies are extremely scarce, this situation not being helped by current Bluetongue restrictions and for many finishers in the South of Scotland this has caused a stop in the supply of store cattle from England.

The breakdown of world trade talks has not helped, as the proposed cut in import tariffs will not be happening.

Lamb has shown its usual seasonal drop, which whole carcass lambs being quoted at 355ppk compared with 475ppk in June. Cuts tell a different tale as with beef cheaper cuts are holding higher prices. Fores cost 298ppk now. Some bargains can be had with gigots and the middle cuts.

Pork has continued to rise; whole pigs going from 176ppk to 190ppk over the summer, a rise of 8%.

Auction prices have shown a comparable rise. Approximate averages in June were 170ppk rising to 179ppk in August (Forfar Mart). Today at Forfar: Steers 180.7 Heifers 182.4 on average which he felt would be at the lower end of the spectrum.

Finally, my hide price is now sitting at £19 with skins at 30p.

Stuart Christie said in Paisley flanks of beef jumped from 165ppk to 176ppk. Forelegs remain 220ppk. It is the cheaper cuts that are selling. He said a lot of the hotels in his area switching off fillets or sirloin to stew, mince, to make lasagne, steak pie and the cheaper cuts are going "through the roof".

Andy McGowan said on the Bluetongue situation the official plan is no vaccination in Scotland until the period when the midges do not fly around which happened on the 20<sup>th</sup> December in 2007. There was a meeting two weeks ago where there was pressure to go when the transmission free period where they stop breeding which is six weeks earlier. It would help the hill sheep people allow the practicalities of vaccinating. What may overtake this is some suspected cattle in Northumberland, if they prove positive in the surveillance zone it will start the vaccinations straight away. They need 12m vaccinations and they have 1.5m but every country across Europe need the vaccination. 1.5m is enough to deal with an outbreak and keep a lid on it. In December there would be enough to do the country in a one go. There is a continual drip feed of farmers buying cheap pedigree cattle in Europe; they are probably cheap because they are in the middle of bluetongue areas. This is a risky thing particularly anything coming from France. The strain in England is Bluetongue 8 but in the South of France they have had Bluetongue 1. The vaccination we have is for Bluetongue 8.

David Jarron said he was at a stores sale at Caledonian marts last Friday night. These were spring born calves between four and six month old. The top price was £7k there were numerous cattle at over £3K and numerous between £2k and £3K. The average for 72 animals was just under £1.3K, these were calves at 200 kilos. He was shocked at the prices.

Alan Kennedy said the ready reckoner from the Members' only website is a brilliant tool which has thrown up a number of pluses and minus as far as he was concerned. Stuart Christie said that certain companies are offering to cut catering prices by 10% and wondered how they could do it as prices are rising. Alan Kennedy has said to these customers that they cannot cut prices but can you consider doing other things instead and other options available.

**LABOUR CONDITIONS REPORT:** David Jarron reported.

**NATIONAL MINIMUM WAGE RATES:** There will be an increase in rates from 1 October 2008, the new rates are as follows;

- Workers aged 22 and over – from £5.52 per hour to £5.73 per hour.
- Workers aged 18-21 – from £4.60 per hour to £4.77 per hour.

Workers aged 16-17 – from £3.40 per hour to £3.53 per hour.

David Jarron said the National Minimum Wage rates increase in October. Douglas said we would print rates in the newsletter.

**LEGISLATION REPORT:** Douglas Scott reported.

**BSE CONTROLS:** (White handout) FSA gave the background on the BSE situation. The EU has a roadmap on TSE based on the scientific information that we now have. The rules were amended in January 2007 to apply revise their BSE monitoring programme and it is now happening. Member States must demonstrate declining or low BSE for every six years. This option is restricted to the EU 15. EUFSA has been asked to look at the option of the testing age. Member States asked to apply by the 1<sup>st</sup> September and implement the requirement from 1<sup>st</sup> January 2009. We were shown the slides which has been circulated. In 1997 37,000 cases of BSE in 2007 there was 67 cases. The health cattle predicted up to 36 or 48 months. A huge amount of money was being spent to predict very little.

SRM controls would remain the same as a consumer protection measure. The industry were delighted that the cases had gone down astronomically from where they were. There were reservations that if we did create a new upper limit for testing at 48 months, it would create a third tier for administering. The paper will be discussed by the FSA board in September with a desire to change the controls.

Andy McGowan said that it is widely considered to wind these controls back without upset consumers so it is heading the right way.

The consultations have been submitted for Food Hygiene Information Scheme and The Implementation on CAP which are available on the Members' only website.

Stuart Christie said farmers are getting paid to kill and burn cattle pre 1996 and that stops at the end of the year. The markets are inundated with them, most appear to come from the hill cattle heard, will this make more of a deficit of cattle.

Douglas said there would be a rural abattoir seminar at Holyrood on Thursday 18 September.

John Chapman said he had been at a meeting on the future of MHS charges. It is very obvious two years from now we will be in serious trouble because will have to pay for everything fully. We will have increase three times on current. Hamish Deans said that we currently pay 30% approx of their costs; butcher slaughterhouses are going to suffer here. John Chapman said this should be the first item on the agenda with the NFU.

**PROMOTIONS REPORT:** Douglas Scott reported.

The Beef Sausage and Black pudding winners and Meat To Go results will be announced at the regional meetings with results going on the website and in the Newsletter. Scottish Food Fortnight posters have been distributed to members. British Sausage week materials will be distributed to members from BPEX branded with Scottish Craft butchers logo.

Breast Cancer Awareness Campaign:- we have order 300 aprons for use particularly on Friday 24<sup>th</sup> October with co-ordinated PR. The charity is quite excited about butchers in pink. EOSC will also have some pink bags available,

**QMS UPDATE:** Andy McGowan reported.

Next Tuesday there is a launch next Tuesday of the 5<sup>th</sup> quarter project. If we get some feedback on where we want industry wide efforts on this project for us to concentrate. It is at Stirling management center and starts at 10am.

Visit to pig unit at Glamis Castle and butchery demonstration - the key is to get contacts with the local producers which is on Tuesday 30<sup>th</sup> September.

Andy McGowan said Abertay have a healthy intake of food science people and they are all desperate for placements if you have projects on websites, packaging etc there is potential for you there the contact there is Anne Colquhoun.

Pig activity - the Government put forward a fund. One idea has been new product development, views would be useful on given a 5 figure sum of money what could we collectively give to help the cause of new product. Hamish Deans said it was possible ways to utilize pork fores. Douglas said his initial feedback was it was difficult to get butchers to go to places. Three to four years ago we produced a How to Make products colour booklet, he thought a similar booklet utilising fores of pork and pork in general could be distributed to all members. We could also put out promotional material of pictures of the product.

Alan Kennedy asked about bacon. Andy McGowan said bacon has been identified. Alan Stevenson has done a review and it highlights the demise of the Scottish pig share of the bacon market. Hamish Deans said since the dry cure there is a lot of butchers curing their own bacon now it is a good way to add value to what the butcher sells.

Tom Dowson said the bacon sirloin in the Meat to Go was a good product. Andy McGowan suggested the pork products in the Meat to go would be a good place to start. Douglas said that we had thought about evaluating bacon in advance of the trade fair next year. Andy McGowan said he could write into the proposal sponsorship of the competition if we were looking for sponsorship. Hamish Deans said a lot of people sell gammon steaks, pork chops, middle steaks, streaky bacon. Not many butchers cure the shoulder, so if we could do something with the shoulder, so maybe we could look at ways to get rid of the shoulders. Maybe cut it in a different way and take the eye muscle out.

#### **ANY OTHER COMPETENT BUSINESS:**

Ian Faulds complemented QMS on their new leaflet he had picked up which had some excellent recipes in it which he felt butchers wanted to use. Using lean braising, diced steak, steak mince, sirloins he picked the leaflet up at the chicken and bacon department at Tesco's. He said he would like to 250 of these leaflets without joining the Scotch Butchers Club. Andy McGowan said that the shops in the club need to sell an element of Scotch. He said that Tesco sell Scotch but also sell meat from all over the world, he suggested there may be double standards there. It is not going to happen over night but conversations which have been had on branding idea etc, he agreed that if it was good material, then we may be missing an opportunity to put it across. Tom Dowson asked if Tesco were charged for it. Andy McGowan confirmed that they got these for free. David Jarron said it was more likely that a consumer could pick up a foreign product from a supermarket than from a butcher. The Scotch Butcher Club members round the table all said they had not received the leaflets available to Tesco. Andy McGowan agreed to take back and ask the circulation of the leaflets. Stuart Christie said he had joined the Scotch Butchers Club.

Roy Baird mentioned that Mark Barnett had sent his best wishes and would be attending the regional meeting in Perth.

**DATE OF NEXT MEETING:** Wednesday 22 October 2008.

There was no further business and the meeting closed with a vote of thanks to the chair.