

**JERSEY POTATO EXPORT MARKETING SCHEME 2001 (P.68/2002): REPORT**

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**Presented to the States on 18th June 2002  
by the Agriculture and Fisheries Committee**

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**STATES OF JERSEY**

**STATES GREFFE**

150

2002

P.68 Rpt.

Price code: B

## Report

The proposition seeks the support of members of the States to request the Agriculture and Fisheries Committee to consider taking steps to revoke the Jersey Potato Marketing Scheme 2001.

In the report accompanying the Proposition P.68/2002, the Connétable of St. Helier makes it quite clear in the last paragraph on page 4 that it is not his "intention to re-open the debate on the merits or demerits of the approved scheme". This appears inconsistent with the wording of the proposition which if adopted by the House, would have the effect of "requesting the Agriculture and Fisheries Committee to consider taking steps.....to revoke the Jersey Potato Marketing Scheme 2001".

The scheme was developed over a lengthy period of consultation and debate by those involved in the growing and marketing of the Jersey Royal New Potato. To revoke a scheme, which seeks to create proper business agreements between the growers and the Marketing Organisations, without considering or debating the merits or demerits of the scheme cannot be a sensible way to deal with a complex subject. At the same time it cannot be appropriate for the States to debate any of the main issues whilst some are currently the subject of an appeal to the Royal Court.

The Connétable states in the report (3rd paragraph on page 3) that "the States were misled by the President of the Committee" and that this presents sufficient grounds for the States to consider whether or not the scheme should be revoked. The Connétable refers to the questions which he put to the President of the Agriculture and Fisheries Committee on Tuesday 26th February 2002. Those questions related mainly to the information available at the time of the debate on 18th December 2001.

The accusation that members of the States were misled by the President of the Agriculture and Fisheries Committee on 18th December is totally refuted and this report will deal with that matter and the events leading up to the debate in December.

During July of 2001 the Growers Association (not the Committee of Agriculture and Fisheries) published a draft of their Marketing Scheme proposals. The draft scheme was based on the existing Main Crop Potato Marketing Scheme and the Agricultural Marketing (Jersey) Law 1953. That particular draft contained provisions and powers, which were considered to be too draconian by many of the stakeholders who were contacted during the consultation process. They were subsequently withdrawn by the Growers Association and replaced by marketing and management agreements.

The letter referred to by the Connétable on page 4 of the report and dated 5/10/01, was obviously written as a result of the concerns expressed by many (both in and out of the Industry) about the powers which were contained in that first draft which had been published. The letter referred to was written by Mr. John Maylam, (Trading Manager, Sainsburys Supermarkets Ltd.) addressed to Mr. John Le Maistre, (Chairman of the Growers Association) and copied both to Senator J.A. Le Maistre and Mr. John Neal, (Chairman of J.P.M.O.)

This letter was written during the consultation process and in particular at the time that concern was being expressed about the powers being proposed. This letter was in stark contrast to the views expressed to Mr. Richard Bruce (of Hartington Group Ltd) by Mr. M. Attwood, Head of Fresh Produce, Sainsburys Supermarkets Ltd. Mr. Bruce had reported to the Growers Association that at a meeting, Mr. Attwood had intimated that he was prepared to come to the Island to talk to a gathering of Jersey growers about "initiatives that Sainsbury might suggest to improve the performance of the supply chain between growers and the consumer".

This visit did not go ahead because Mike Attwood was moved to another position within Sainsbury.

The revised scheme was lodged on 20th November 2001. This scheme had been modified by the Growers Association and all the alleged draconian measures had been withdrawn so that the main thrust of the scheme rested in simple and straightforward Marketing agreements and Management agreements between the Growers and the Marketing Organisations. Neither of the lists which contain the minimum terms for these agreements seek to interfere in any way with the relationship between the marketing groups and the supermarkets or wholesale markets. This, it would appear, has not been fully understood at that time by the Supermarkets. It became clear, when the opportunity was given to explain this important fact to Supermarkets, that they expressed an unwillingness to become involved in the local issues. These issues are those which are central to the marketing and management agreements and seek to set out the trading terms between the growers and the marketing groups.

It is widely believed that the second letter dated 23/11/00, quoted by the Connétable on page 4 of his report, was written before the actual scheme proposals (P.182/2001, lodged on 20th November 2001) had been received and fully studied by the authors of that letter. Therefore it is believed that the comments quoted in that letter still related to the draft scheme which had been circulated in July rather than the revised scheme

**Furthermore, the letter referred to and dated 23/11/00, was addressed to Mr. J. Neal, Jersey Potato Marketing Organisation Ltd., and was neither copied nor passed on to the President of the Agriculture and Fisheries Committee. The very first time that this letter was seen by the President was when a copy was handed to him by the Connétable on Tuesday 28th May 2002.**

A letter had also been written to Mr. Stuart Smith following a meeting which he had with Sainsburys (which took place on 16th November 2001) and this was also prior to the lodging of the amended scheme. This letter was not seen by the President of the Agriculture and Fisheries Committee until after the lodging of the proposition by the Connétable on 30th April, 2002.

It is important to note that the statement, in the report attached to the proposition on page 4, that the President was “in receipt of correspondence prior to 18th December 2001” is only correct as far as the first letter was concerned. As has been stated, this letter commented on the first draft of the scheme which was subsequently changed significantly, and the content of the letter was no longer relevant.

The quotation on page 3 of the report in the last paragraph is quite correct in that this was exactly what the Chief Executive of the Growers Association had said to the President. Mr. Stuart Smith stands by his statement made to the President at that time that “he believes that there is broad support among U.K. buyers for the aims of the scheme”.

Mr. Smith wrote to the President on 22nd February 2002 confirming that during meetings with major U.K. buyers, they had stated that this was their position. Mr. Smith further stated that, in his opinion, we would be likely to continue to develop their support when the Scheme was actually up and running, when they would be able to see for themselves that it was seeking to assist them in a number of areas, and was of no detriment to them whatsoever.

In conclusion, the Committee is satisfied that the President conveyed accurately to the States, all the information which had been made available to him at the time of the debate on 18th December 2001. Therefore, members of the States are urged by the Committee of Agriculture and Fisheries and the Board of the Jersey Potato Export Marketing Scheme, to reject the proposition.