

**JERSEY POTATO EXPORT MARKETING SCHEME 2001**

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**Lodged au Greffe on 30th April 2002  
by the Connétable of St. Helier**

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**STATES OF JERSEY**

**STATES GREFFE**

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## **PROPOSITION**

**THE STATES are asked to decide whether they are of opinion -**

to request the Agriculture and Fisheries Committee to consider taking steps under Article 7(5) of the Agricultural Marketing (Jersey) Law 1953, as amended to revoke the Jersey Potato Export Marketing Scheme 2001.

CONNÉTABLE OF ST. HELIER

## Report

On 12th March 2002 the Deputy of St. Ouen, Vice-President of the Agriculture and Fisheries Committee, began a Committee statement in the following terms -

“On the 18th December 2001, the States adopted by a unanimous vote the Jersey Potato Export Marketing Scheme (Approval) (Jersey) Act 2001.”

Since the debate on the potato marketing scheme, the President of the Agriculture and Fisheries Committee has set great store by the fact that the scheme was approved unanimously. Indeed, any member of the States who has since attempted to question the objectives and effects of the scheme has been reminded that they supported the Committee when the scheme was put to the Assembly at the end of last year. I, for one, would not have supported the scheme had I been informed by the President that the major customers for Jersey Royals had serious misgivings about the scheme.

It is my view that the States were misled by the President of the Committee both during the debate on 18th December 2001, and in his replies to questions posed by me on 26th February 2002.

Whether we like it or not, U.K. supermarkets are the major customer for our prime, highly reputed and very precious agricultural product, the Jersey Royal Potato. Over the years the major supermarkets have worked closely with Island growers and marketing organisations to achieve growing, packing and shipping procedures which allow them to meet the high expectations of the U.K. consumer. Indeed, at the present time, environmental improvements arising out of potato production locally (such as are highlighted in the Committee’s Policy Report lodged last August) can be said to be market-driven rather than implemented by government. We interfere in the relationship between U.K. supermarkets and their preferred local growers and marketing organisations at our peril.

On Tuesday 26th February I asked the President to confirm that he informed the States during the debate on the scheme that U.K. supermarkets were indifferent to it. In his reply, the President said that “he stated that the U.K. supermarkets had indicated that they did not wish to get involved in the debate in the Island about the proposed scheme which concerns growers and marketing organisations. That statement reflected the information available to me from the Chief Executive of the Jersey Growers Association who had been in direct contact with many of the potential major buyers in the U.K. More recently he has confirmed to me that they do not wish to take sides, and some have told him that they support the aims of the scheme. He believes that there is broad support among U.K. buyers for the aims of the scheme.”

What the President omitted to tell the States on 18th December 2001 and again on 26th February 2002, was that he was in receipt of correspondence from major U.K. supermarkets expressing their opposition to the scheme. To take one example, a major buyer of Jersey Royals stated in correspondence -

“We have a strong relationship with Jersey, through successful trading ... for over 30 years, and would not wish to see that relationship altered or damaged by the formation of such a board.” (5/10/01)

The supermarket repeated its concerns in a subsequent letter -

“(We) view the formation of your association as unnecessary and ultimately an additional cost to the producer. (We) place significant importance on the cementing of a permanent relationship and would again state that we are frustrated by your proposed action which clearly impedes this development. (We) would remind you that it is (name) alone who decide how any supply requirement from Jersey will be procured and any interference in this process could be detrimental to the Island’s agricultural industry.” (23/11/01)

The President of the Agriculture and Fisheries Committee should have informed the States in full with respect to the concerns raised by our U.K. customers, and the fact that he chose not to do so is the main reason I believe the States should require the Committee to reconsider the effects of the potato marketing scheme.

It is not my intention to re-open the debate on the merits or demerits of the approved scheme, particular as the matter is currently sub-judice. However, it is not surprising that some successful growers/marketing organisations have, to date, refused point-blank to comply with the demands of the scheme and are currently seeking a judicial review. For, notwithstanding the protests of the President of the Agriculture and Fisheries Committee during Question Time on 26th February 2002, the scheme does pass ultimate control over the business of a successful organisation into the hands of their competitors. While I support the creation of marketing organisations locally which may improve the profile of the smaller growers, and, subject to the development of a realistic and approved overall policy for agriculture, which may direct funds into their marketing efforts, I think that the current Committee’s proposals amount to States-sponsored interference in successfully run private businesses.

My views on the matter have not altered despite a meeting held with representatives of the Jersey Potato Export Marketing Board on 8th April. The objectives of the Board are laudable, but their methods, including meetings with U.K. supermarkets in an attempt to allay their fears, are doomed to failure. The facts are simple: some of those large marketing organisations and their associated growers which have developed, over the years, strong relationships with U.K. supermarkets, including high environmental standards and exacting quality control measures, will never bow to the yoke created by the States on the recommendation of the Agriculture and Fisheries Committee. They, and the Island, will lose the important outlets for new potatoes to other producers in Europe.

In my final supplementary question on 26th February, I asked the President of the Agriculture and Fisheries Committee whether he was comfortable with the prospect of the Island losing major customers for Jersey Royals should the marketing organisations with which they have built up relationships and with which they wish to continue to deal, find themselves unable to comply with the requirements of the scheme. In his reply, the President stated, "If people are not prepared to enter into what I have gone over too often I suspect this morning, laboured the point, of the basic minimum terms under which this law is framed for the contracts and the agreements, then frankly, if they then injure themselves as well as their colleagues they have to take full responsibility for that - I don't."

What is at stake is a substantial part of the export market for the Jersey Royal. I believe that the States must take responsibility for that, even though the Agriculture and Fisheries Committee declines to do so, and request that Committee to consider taking steps to revoke the scheme. The Committee is able to do that in accordance with the provisions of Article 7 (5) of the Agricultural Marketing (Jersey) Law 1953, as amended, which is in the following terms -

*(5) Without prejudice to any other powers conferred upon it by this Law, the Committee, if of opinion that any provision of a scheme or any act or omission of a board is contrary to the interests of consumers of the regulated produce, or is contrary to the interest of a substantial number of persons affected by the scheme and is not in the public interest, may recommend to the States that the scheme be revoked, and the States may, by Act, revoke the scheme and such revocation shall take effect on the date prescribed by the Act:*

*Provided that the Committee, before taking any action under this paragraph, shall give notice in writing to the board of the action which it proposes to take and shall take into consideration any representations which the board may make within such delay (not being less than two weeks) as may be specified in the notice.*

In its place, and following the long-delayed debate on our overall agricultural policy which we anticipate later this year, the Committee should consider implementing a potato marketing scheme which inspires confidence in our crop at home and abroad.

There are no financial or manpower implications for the States arising out of this proposition.