



NATIONAL BEEKEEPERS' ASSOCIATION
of NEW ZEALAND (INC.)

ANNUAL REPORT FOR
THE YEAR ENDED
31st DECEMBER 1981

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OFFICE BEARERS

PRESIDENT

Mr W.A. Clissold - Gore

VICE PRESIDENT

Mr M.G. Stuckey - Auckland

MEMBERS OF EXECUTIVE COMMITTEE

Representing the North Island

Mr I. Berry - Havelock North
Mr P. Marshall - Napier

Representing the South Island

Mr M.D. Cloake - Timaru
Mr S.J. Lyttle - Geraldine

EXECUTIVE SECRETARY

L.J. Jones

ASSOCIATION'S OFFICE

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Pastoral House
Lambton Quay
WELLINGTON

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WELLINGTON

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NATIONAL BEEKEEPERS' ASSOCIATION ANNUAL REPORT

Introduction

The year will be remembered by all as a major milestone towards the restructuring of the honey industry. The 1981 year saw

- The presentation of the Arbitrator's report on industry funds
- The commencement of the dissolution of the Honey Marketing Authority
- The establishment of a producer co-operative.

These were the factors which commanded attention and will be covered in more detail later in this report.

There is a very wide cross-section of interest within the Association and with the Executive Committee members being widely spread throughout the country, they are able to keep in contact with beekeepers at Branch meetings and field days.

Membership

The Association's membership for 1981 was 957. This was an increase over the previous year. Of these members, 567 were ordinary members with less than fifty hives and 390 were commercial members with more than fifty hives.

There are fifteen Branches throughout New Zealand and the membership of these Branches is as follows:

	<u>Commercial</u>	<u>U/50 Hives</u>	<u>Total</u>
Far North	9	10	19
Northland	19	35	54
Waikato	86	155	241
Bay of Plenty	24	27	51
Poverty Bay	5	19	24
Hawkes Bay	14	38	52
South West Districts	41	98	139
Nelson	21	22	43
Marlborough	6	9	15
West Coast	13	14	27
Canterbury	55	40	95
Sth. Canterbury	20	12	32
Nth. Otago	14	13	27
Otago	38	45	83
Southland	25	30	55
Total	390	567	957
1980 figures	377	541	918

Numbers of Beekeepers in New Zealand

In comparison with the membership of the Association, there are a large number of beekeepers in New Zealand. As at 31 May 1981, there were 5,578 beekeepers registered with the Ministry of Agriculture & Fisheries. This compares with 5,217 at the same time last year and represents an increase of 7 per cent. The average increase over the past four years had been 12 per cent. Of these

beekeepers, 5,124 had less than 50 hives each, with a total of 28,173 hives, and 454 beekeepers with over 50 hives each owned a total of 209,924 hives.

The increase in beekeepers continues in the 1-50 and 51-500 categories with the 500-plus group increasing very slowly over the past three years.

Honey Production

The honey crop for the 1980-81 honey season was 6,931 tonnes of which 3,251 tonnes were produced in the North Island and 3,680 tonnes produced in the South Island. This compares with a production of 7,489 tonnes in 1979-80 of which 4,600 tonnes were produced in the South Island.

"New Zealand Beekeeper"

Mr Trevor Walton and his staff at Agpress continue to publish a high quality journal for the Association. This publication is sought after by beekeepers in many countries of the world.

The "Beekeeper" is published quarterly and acts as a very useful extension medium for advisory officers and others. The journal has a good balance of articles dealing with technical matters and industry affairs. This year two of the journals carried full colour covers which made a change from the logo design generally used.

The Honey Marketing Authority and its future

The Association has maintained a very close liaison with the Honey Marketing Authority over the past twelve months as discussions regarding the arbitration and the eventual fate of the Authority proceeded. The Association would like to thank the Chairman of the Board for keeping the President fully informed on all matters relating to the future of the Authority.

As reported in the previous year's annual report, the Association made a submission to the Committee of Enquiry, (Mr David H. Kay). Early in 1981, Mr Kay's report became available. In broad terms this said that the assets of the Honey Marketing Authority must be attributed to the whole industry including packers and producers.

Mr Kay also recommended that the funds resulting from a reorganisation of the industry should be held in trust or in a statutory body administered by the National Beekeepers' Association.

It was also recommended that an independent feasibility study of the economic viability of a co-operative be carried out.

A number of other suggestions were made and in the conclusion the report stated that "the total demise of the Authority is inevitable" and that a "major responsibility of the industry was to ensure that the transition from Authority operation should be achieved with as little disruption as possible".

To the Association it did in fact seem inevitable that the Authority would cease its trading functions and that a Co-operative would develop in its place. The Association considered its position should be such as to allow full consideration of the future development of the industry by all concerned.

An injunction placed on the Board of the Authority by the High Court at the request of Arataki Honey Ltd and E.R. & B.A. Robinson prevented it from selling any assets to the proposed Co-operative until such time as the Committee's report was available. However, this did not prevent the Authority from requesting a fresh submission from the proposers of the Co-operative to be assessed by Mr Kay. On the basis of this report and the assessment received, decisions were made to sell the buildings and plant at Pleasant Point and Hornby to the Co-operative at realistic values.

By the time of the Annual Conference the way was clear for a transition to the new Co-operative provided the injunction was lifted.

In his opening address to the Annual Conference, Mr R.L.G. Talbot, Parliamentary Under-Secretary to the Minister of Agriculture, said that the Government had accepted the findings of the Committee of Enquiry and would take all possible steps to facilitate a smooth transition from the Honey Marketing Authority to the proposed Co-operative.

Later in the Conference a remit was passed unanimously approving the findings of the Kay report and the subsequent decision of the Honey Marketing Authority to obtain a revised proposal from the Steering Committee of the proposed Co-operative for the purchase of the Honey Marketing Authority's trading operations

Further to this, the Conference agreed unanimously to work within the guidelines of the report.

With these assurances from the Conference, Arataki Honey Ltd and the Robinsons indicated that they would not oppose an application for the removal of the injunction and from that time the transition to the Co-operative has progressed.

By the end of the year the trading functions of the Authority had effectively passed to the Co-operative. Apart from legal matters and the decisions about the trusteeship of the industry fund, the HMA was effectively at the end of its mission.

The Honey Marketing Authority Assets

Whilst the industry had agreed to abide by the guidelines of the Kay report, by the end of the year no satisfactory resolution of the method by which the funds realised from the HMA would be managed had been reached. With the eventual dissolution of the Authority, the income from the funds would become taxable and methods of managing these funds for the benefit of the industry in a manner which would create the least amount of tax were well under consideration.

The Ministry of Agriculture & Fisheries who were responsible for administering the HMA regulations also wanted to satisfy themselves that the funds were going to be expeditiously managed.

Export Controls

The controls over exports which were relaxed by the HMA in 1979/80 continued on this basis in 1980/81. There were however mixed feelings amongst beekeepers regarding the complete revocation of the export control regulations. It was generally considered that an export advisory body should be set up to act in an advisory capacity on marketing and pricing.

The Executive asked the Ministry to hold the present legislation in "cold storage" for twelve months until the industry was properly reorganised. However there was an aversion to holding unnecessary legislation on the Statute Books and it was suggested that if required the industry could request a Customs Export Prohibition Order to be put in place fairly quickly if it was considered that for any good reason some control of exports was required in the future.

Imports of Honey and Bee Products

The Executive in 1980 tried unsuccessfully to have European Brood Disease placed in Schedule 1 of the Apiaries Act. Beekeepers are generally very concerned that such a disease, if it came into the country, could seriously jeopardise the high health status enjoyed by the New Zealand beekeeping industry.

The Annual Conference again resolved that European Brood Disease be placed on Schedule 1 of the Apiaries Act.

In relation to disease control, the Conference also resolved that it re-affirm the present policy not to import bees or bee products in a form which places the industry at risk. The whole question of disease control is uppermost in the minds of beekeepers as significant exports of queen bees and honey can be made from New Zealand.

It is also very significant that bees are the main pollinating source for many horticultural crops. As a consequence, any introduction of a serious disease could have a flow-on effect if confinement and control of movement procedures were instituted.

The Executive is concerned at the lack of knowledge of travellers entering New Zealand and the need to declare bees and bee products on entry. The Customs Department was requested to include honey on the list of prohibited imports on the Customs Guide to travellers. It is pleasing to report that the Customs Department is making arrangements for this to be done at the next printing of the guide.

Tertiary Education

A sub-committee comprising Messrs Berry and Cloake was set up during the year and some progress was made toward the setting up of a correspondence course for beekeepers. Negotiations are currently being undertaken with the Technical Correspondence Institute and the Department of Education with the view to setting up a suitable course within two years.

Ministry of Agriculture & Fisheries

The Association would again wish to place on record its appreciation of the work carried out by officers of the Ministry of Agriculture & Fisheries.

Mr Pat Clinch continues to work vigorously for the industry and is particularly active in the area of insecticides and fungicides and their effects on honey bees.

The industry is serviced by seven Apicultural Advisory Officers who provide a good extension service to the industry. As Chief Apicultural Advisory Officer, Mr Walton provides a useful liaison

between the Association and the Ministry. Whilst the service is adequate, beekeepers are conscious of the necessity to maintain a good service, particularly in relation to disease control. The Association is continually keeping the industry's needs in bee health, research and advisory work before the Government.

Agricultural Chemicals Board

Mr P.W. Marshall continues to represent the Association on the Agricultural Chemicals Board. The Association is concerned that the requirements of the horticultural industry for pollination are not negated by the haphazard use of insecticides by that industry. The Bay of Plenty area has overcome many of the problems of bee damage by careful liaison between growers and beekeepers.

Just prior to the Annual Conference, a meeting was held between representatives of the National Executive, Ministry of Agriculture & Fisheries officers, and staff of the Agricultural Chemicals Board. This meeting reviewed the 270 chemicals registered by the Board and made recommendations for label changes for further consideration and hopefully adoption by the Board.

Financial Assistance for Research

The Executive continued its contribution to Ms Philippa Gerard during 1981. Ms Gerard is studying the biology and population ecology of the Passion Vine Hopper (*Scolypopa Australis*) for her Ph. D. degree. This work should be of value to the industry in the long term.

The Executive Committee

Three members came up for election in 1981. They were Messrs I. Berry, M.G. Stuckey and S.J. Lyttle. Mr Lyttle was elected unopposed and Messrs Berry and Stuckey were returned in a three-way election in which Mr A.D. Lorimer was the unsuccessful candidate.

The Executive Committee met four times during the year in March, July, September and December.

In his address to the industry Conference, Mr P.W. Marshall announced that he would not be seeking re-election to the office of President, as for financial reasons he had been advised to sell his beekeeping business.

In his address to the Conference, Mr Talbot placed on record his appreciation and that of the Government for the outstanding part that Mr Marshall had played as President of the National Beekeepers' Association in guiding the many structural changes which had taken place in the industry.

The Conference also endorsed these comments and acknowledged Mr Marshall's work as the Association's representative on the Agricultural Chemicals Board in his endeavours to tighten controls on poisonous sprays.

At the Annual Meeting of the Association, Mr W.A. Clissold was elected President and Mr M.G. Stuckey was elected Vice President.

Finance

The net deficit for the year was \$5,106 compared with \$5,487 last year. The deficits incurred should in no way be viewed as surprising since there has been only a marginal increase in levy over a considerable number of years whilst costs have been increasing in line with double figure inflation for quite a long period of time despite the vigilant efforts of the Executive to contain costs as tightly as possible without jeopardising the efficient operations of the Association. There seems to be a mistaken view in some quarters that the HMA funds once taken over by the Association will be partially used to offset the need for levy increases, whereas in fact it seems certain that the monies will be placed in trust for the benefit of the whole industry with no particular group (including levy payers) having specific claims upon the fund.

Branches

During the year there were fifteen active Branches. Because of its very low membership, the Executive suggested that the Central/Southern Hawkes Bay Branch should amalgamate with the Hawkes Bay Branch. This the Branch agreed to and effectively disappeared after the Annual Conference.

Legislation

A most important piece of legislation affecting beekeepers specifically to take effect in 1981 was the Honey Export Certification Regulations 1980. The Ministry of Agriculture & Fisheries will assist exporters to meet the certification requirements of importing countries upon request, by examining and certifying the honey in terms of these regulations.

Conclusion

The year 1981 will go down in the history of the beekeeping industry as one of the most significant on record.

Major changes to the structure of the industry occurred. Many changes have occurred during its history and these were outlined by Mr Dickinson, Chairman of the Honey Marketing Authority at the Conference.

The fundamental concept of free enterprise has come to the fore with the establishment of a Co-operative giving an alternative to beekeepers who do not wish to pack on their own account or supply private packers.

The industry now stands on the threshold of a very exciting future.

NATIONAL BEEKEEPERS' ASSOCIATION OF NEW ZEALAND (INC.)

STATEMENT OF ACCOUNTING POLICIES

General Accounting policy:

The general accounting policies recommended by the New Zealand Society of Accountants for the measurement and reporting of earnings and financial position on an historical cost basis have been followed in the preparation of these accounts.

Particular accounting policies:

The following particular accounting policies which materially affect the measurement of earnings and financial position have been applied.

Fixed assets and depreciation:

Office Furniture

Prior to the year ended 31 December 1981 fixed assets were valued at cost and depreciated according to the diminishing value method of depreciation; however in the current year, these assets, because of their low residual value, were entirely written off.

Library

This asset has been written down to a nominal value of \$500, and future purchases of books will be written off in the Income and Expenditure account.

Investments

All investments are valued at cost.

Saleable Publications

The sole publication - Nectar and Pollen Sources of New Zealand - is included at cost of publication less sales. The selling price is fixed to cover production costs.

AUDITOR'S REPORT

To the Members of the National Beekeepers' Association of New Zealand (Inc.)

I have examined the books and accounts of the Association for the year ended 31 December 1981. I have obtained all the information and explanations as required by me. In my opinion proper books of account have been kept and in my opinion the attached Balance Sheet and Income and Expenditure Account have been drawn up so as to show a true and fair view of the affairs of the Association.

N. Ryder _____

N. RYDER-LEWIS

15/3/82

NATIONAL BEEKEEPERS' ASSOCIATION OF NEW ZEALAND (INC.)
 INCOME AND EXPENDITURE ACCOUNT FOR THE
 YEAR ENDED 31 DECEMBER 1981

<u>\$</u> <u>1980</u>	<u>INCOME</u>	<u>\$</u>	<u>\$</u>
4,669	Subscriptions		5,253
20,000	Hive Levy Grants		23,000
2,434	Interest		2,446
4,052	Journal Income - Advertising	6,619	
1,396	- Subscriptions	1,597	8,216
499	Miscellaneous		472
33,050			39,387
	<u>LESS EXPENSES</u>		
8,040	Administration Fee		9,251
490	Audit Fee		828
1,823	Capitation to Branches		2,032
	Conference Expenses:		
1,193	- Accommodation	1,936	
1,340	- Travel	2,941	
431	- Sundry	-	
2,964			4,877
	Executive Meetings:		
1,021	- Accommodation	857	
4,329	- Travel	3,891	
144	- Sundry	99	
5,494			4,847
915	Grant, general		700
	Journal:		
9,954	- Printing	10,684	
4,282	- Editorial Fee & Sundry	5,443	
14,236			16,127
1,311	Postages & Tolls		2,740
800	President's Honorarium		800
1,793	Printing & Stationery		1,488
664	Sundry		745
7	Depreciation		58
18,537			44,493
5,487)	Net Surplus (Deficiency)		(5,106)

NATIONAL BEEKEEPERS' ASSOCIATION OF NEW ZEALAND (INC.)

BALANCE SHEET AS AT 31 DECEMBER 1981

\$	<u>ACCUMULATED FUNDS</u>	\$	\$
<u>1980</u>			
140	Conference Fund		140
226	Dormant Branches		226
133	Library Fund		227
590	Seminar Fund		590
250	Travel Bursary Fund		250
17,414	General Fund at 1.1.80	11,957	
31	Transfer from Library Fund	-	
<u>18,784</u>		<u>11,957</u>	
(5,487)	<u>Less</u> Excess of Expenses over Income 1981	(5,106)	6,851
<u>13,297</u>			<u>8,284</u>

These are represented by:

541	Cash in hand and Bank	7,736	
4,000	Short Term Investment - BNZ	3,000	
130	POSB Milton	211	
2,013	Sundry Debtors	3,288	
<u>6,684</u>		<u>14,235</u>	
2,167	Less Sundry Creditors	3,339	
3,062	Hive Levy Suspense Account	3,304	
50	Provision for Bad Debts	50	
179	Subscriptions in Advance	292	
<u>6,058</u>		<u>6,985</u>	
626	Net Current Assets		7,250
Other Assets are:			
11,000	NZ Government Stock (at cost)	-	
502	Library and Blocks (at valuation)	500	
58	Cabinets (at cost less deprn.)	-	
1,111	Publications (saleable)	534	
<u>12,671</u>		<u>1,034</u>	
<u>13,297</u>			<u>8,284</u>