



**NATIONAL BEEKEEPERS' ASSOCIATION
of NEW ZEALAND (INC.)**

ANNUAL REPORT FOR
THE YEAR ENDED
31st DECEMBER 1989

NATIONAL BEEKEEPERS' ASSOCIATION OF NEW ZEALAND INC

EXECUTIVE'S ANNUAL REPORT FOR THE YEAR ENDED

31 DECEMBER 1989

OFFICE BEARERS

PRESIDENT

Allen McCaw - Milton

VICE PRESIDENT

Gavin White - Takaka

MEMBERS OF THE EXECUTIVE

NORTH ISLAND

Gerard Martin - Murupara

Nick Wallingford - Tauranga

Dudley Ward - Dannevirke

SOUTH ISLAND

Keith Herron - Gore

EXECUTIVE SECRETARY

Steuart Goodman

ASSOCIATION'S OFFICE

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WELLINGTON

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WELLINGTON

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INTRODUCTION

1989 was the 150th anniversary of the introduction of honey bees to New Zealand. This event it is intended will be commemorated with a portrait of Miss Bumby, the person who first introduced the honey bee to this country, together with a suitable plaque of explanation. These it is hoped will be displayed at the Mangungu Mission Station.

Some time after Miss Bumby introduced the honeybee, the New Zealand Beekeepers' Association was formed as a national body, partly due to the Government of the day intimating that it would not negotiate with individuals in any industry, and expected industries and workers to organise themselves, and formulate proposals for improved conditions pertaining to their respective industries, etc.

Today the Government policy remains the same - and your national association has spent a large part of 1989 in discussions with, and preparing submissions to, the various government departments involved in several important pieces of legislation, which directly affect beekeepers. To name a few:

- * The Commodities Levy Bill
- * The Agricultural Securities Bill
- * The Transport Law Reform Bill
- * The Primary Products Bill

In addition Federated Farmers have been advocating a combined land user organisation to which the NBA may be affiliated in future.

As in previous years, such activities, along with the normal administrative functions of a national organisation, have highlighted the need for extra assistance to relieve the pressures placed on persons acting in a purely voluntary capacity. To this end, it is pleasing to note that, at Conference, approval was given to the appointment of a part-time Management Support Officer. This appointment will take effect at the beginning of 1990, and the appointee will work alongside the Executive and the Executive Secretary and his staff. Apart from alleviating the voluntary workload of the Chairman and Executive, the appointment will also reduce the unavoidably lengthy delays which sometimes occur in decision making.

PRODUCTION

Honey production for the 1988/89 season was again considerably reduced from previous years, due to the unusual climatic conditions operating - with severe drought in some regions and excessive rainfall in others. Comparative figures for the last three years are:

1988/89	5752 tonnes	(17.4 kg/hive)
1987/88	7748 tonnes	(23.1 kg/hive)
1986/87	10091 tonnes	(29.7 kg/hive)

(MAF figures)

MAF report that this was the lowest crop recorded since 1983, when only 5053 tonnes were produced (18.8 kg/hive)

Queen bee exports increased by 34% on the previous year, despite queen bee production being affected by the adverse weather.

A small quantity of drone semen was imported from Western Australia - this being the first legal importation of honey bee genetic material since 1956.

Beekeepers continue to develop valuable niche markets both at home and overseas, such as for specialty floral types, honey certified as organic, varieties of honey combs, high moisture honey, Queen bees and package bee exports.

BEEKEEPER NUMBERS IN NEW ZEALAND

Hobbyist beekeepers numbers decreased by 8% over the year to 31 May 1989, and overall there was a reduction in both apiaries and hives, the comparative figures being:

	1989	1988	1987
Registered beekeepers	6695	7191	7452
Registered apiaries	27082	27177	27620
Registered hives	330338	335702	340433

The reduction in hobbyist numbers can be attributable to a purging of MAF records, as well as the trend first noticed last year, where, due to less favourable economic conditions, several beekeepers have left the industry.

MEMBERSHIP

As at 31 December 1989 commercial membership of the Association totalled 514 with ordinary membership being 523. Comparison with previous year, by Branch, is shown on the following table.

	<u>ORDINARY</u>		<u>COMMERCIAL</u>	
	<u>88</u>		<u>88</u>	
Northland	32	22	31	34
Auckland	113	78	31	29
Waikato	67	51	66	78
Bay of Plenty	42	37	45	49
Poverty Bay	13	9	15	16
Hawkes Bay	43	38	16	17
S.W. Districts	154	129	46	44
Nelson	24	21	27	23
Marlborough	10	7	13	13
W. Coast	11	9	16	13
Canterbury	70	56	83	75
S. Canterbury	14	14	19	22
N. Otago	4	4	20	20
Otago	37	36	47	44
Southland	11	12	37	37
	<u>645</u>	<u>523</u>	<u>512</u>	<u>514</u>

ASSOCIATE MEMBERSHIP

As noted in last year's report Associate Membership has been offered to specialist beekeeping organisations who wish to be associated with the N.B.A.

N.B.A. EXECUTIVE

The three Executive members who retired by rotation during the year were North Island representatives Dudley Ward and Stan Young; and South Island - Allen McCaw.

Allen McCaw was re-elected unopposed, and congratulations are extended to him.

Three nominations were received for the North Island vacancies - Dudley Ward was re-elected, and Nick Wallingford of Bay of Plenty replaced Stan Young.

Appreciation is extended to Stan for his two years of work on the Executive.

The Executive met on five occasions during the year, commencing with a Planning Meeting held at Flock House in March. Progress over the past five years was reviewed with input from representatives of various invited specialist groups, and the Industry Plan was updated under two basic considerations:

- * what activities are essential to the industry and the association,

and

* what activities are desirable.

Guests invited to Executive Meetings for discussions on matters affecting the industry included Mr Don Crump, Senior Agricultural Economist, Policy Section, MAF Qual re: the Primary Industries Levy Bill; Mr David Penrose reporting on discussions with the Australian Honey Board in respect of possible exports of Australian honey to New Zealand.

The NBA has been represented at meetings of allied organisations by the following:

Pesticides Board	Mr Ian Berry
Apiary Advisory Committee	Tony Lorimer and Mike Stuckey
Federated Farmers	Gavin White
Ruakura Apicultural Research Advisory Committee	Tony Lorimer
Invermay Research Unit Committee	Allen McCaw
Telford Bee Unit Advisory Committee	Allen McCaw & Tony Clissold
BOP Beekeeping Certificate Supervisory Committee	Allen McCaw
NBA Marketing Committee	Stan Young, Dudley Ward Peter Bray, Keith Herron

APIARY REGISTRATION AND DISEASE SURVEILLANCE

Deliberations continued throughout 1989 on the necessity to provide funding to maintain the apiary register and bee disease surveillance systems. Inherent difficulties continued to be encountered in drafting suitable legislation to provide necessary funding for these activities. In September, a second letter was sent by the President to all beekeepers in New Zealand containing details of a proposed apiary fee. During all these discussions close liaison has been, and will continue to be, maintained with MAFQual through Mr Murray Reid and the Apicultural Advisory Officers.

The resignation of the Apicultural Advisory Officer stationed in Gore, Mr Clive Vardy, has left the South Island without such an Officer, and meant greater reliance on the voluntary efforts of beekeepers to maintain adequate disease

surveillance, as well as using MAF Field Officers. The Association expresses appreciation to Mr Clive Vardy for his work over the years.

Changes in the MAF financial year, budget cutbacks, and individual accountability for time and expenses has meant that Advisory Officers have had to diversify to earn sufficient revenue. This has involved some overseas consultancy work, meaning a lessening of activities in New Zealand, but to maintain financial viability this has been necessary, and it does help to reinforce the excellent reputation which the New Zealand beekeeping industry has overseas.

LEGISLATION

As mentioned earlier in this report, Acts and Regulations administered by MAF or producers, were reviewed and consolidated. Acts dealing with disease and pest control were brought under an Agricultural Security Bill while quality assurance came under a Primary Products Bill. The Apiaries Act 1969 came under both these Bills with Regulations covering aspects peculiar to apiculture. The introduction of the Commodity Levies Bill covering the agricultural sector may result in the Hive Levy Act being placed under this legislation in future. Other legislation dealing with pesticides, etc, came under a proposed Agricultural Compounds Bill.

Changes proposed to the Apiaries Act involve removing anomalies and introducing specific measures for a disease monitoring programme, such as redefining an apiary, defining a hive, establishing powers to impound and sell abandoned hives, changing the disease schedules. The NBA is grateful to Mr Murray Reid and his team for the considerable amount of effort afforded over the past year in assisting our industry with legislative matters.

MARKETING

The NBA marketing sub-committee has met several times during the year. Of concern to the committee was the reported loss of market share for honey against other spreads and products in the market place.

Consideration continues to be given to the generic promotion of honey. There is little doubt, however, that such promotional work will require a major commitment from the industry towards the provision of adequate funds and control systems.

Reports from the Statistics Department, International Honey Export Organisation, USDA National Honey Market News, have all proved invaluable in assessing international and

domestic trends for honey markets.

Unfortunately the criteria for the award of grants by the Agriculture and Marketing Research and Development Trust precluded this industry.

Your Executive is, however, seeking other avenues for funding of marketing research.

PROMOTIONS

During the year Mrs Jackie Ashcroft relinquished her role handling NBA promotions, and this has since been undertaken by Arataki Honey Ltd. Our grateful thanks are extended to Mrs Ashcroft for all her work on the NBA's behalf. Sales of promotional items have again been very slow.

BEEKEEPING EDUCATION AND TRAINING

The Government's policy of user-pays has had a devastating affect upon the number of students at Telford Farm Training Institute for the beekeeping course. At the present time only one student has enrolled, and a marketing strategy is being considered to attract students, possibly from overseas as well as domestically.

Mr Gavin McKenzie replaced Mr Paul Marshall as Manager of the Telford Apicultural Unit. Appreciation is extended to Paul for his work in the establishment of the beekeeping unit at Telford, and oversight of students who have attended the Telford course over the last five years.

The Bay of Plenty Beekeeping Course has had several students partly complete the course up to the last Oral and Practical stage, indicating that the course was being used primarily for beekeeping education rather than as a qualification.

In recognition of a need which exists amongst beekeepers, the subject of financial management skills for beekeepers has been suggested as a future conference seminar topic.

Enquiries of the various philanthropic and benevolent trusts relative to funding for beekeeping education and training revealed that their criteria precluded further investigation.

NBA LIBRARY

Book reviews, new purchases, cataloguing, etc are just a few of the tasks voluntarily undertaken by Mr John Heineman, the Association's librarian, to whom appreciation is extended. As well as books, papers and periodicals, the library now has one or two videos for hire. The library catalogue is currently being updated.

Thanks are given to those who, over the year, have kindly donated books and papers to the library collection.

BEEKEEPER CO-OPERATION AND COMMUNICATION

It is sad to note that some of the smaller branches are struggling to survive through lack of support. Branch support is vital to the industry as it is only by combining together that the industry can successfully overcome many of the obstacles that individual beekeepers can face. Conversely branch involvement can have immediate benefit for the individual member - the benefit of expert advice on such matters as disease identification; bulk purchasing; management techniques etc.

During the year your Executive supported Branch approaches to Government for disaster relief due to drought conditions.

Annual disease inspection days, field days, release of wasp parasite, Young Beekeeper of the Year award; visits to local processing plants; golf challenge matches; guest speakers on a number of topics - all ways in which branches have engaged in fellowship with beekeepers.

Branches will continue to play a major role in the Association's activities, particularly since they provide a vital link in the decision making process through voting and remit procedures.

ANNUAL CONFERENCE

In his report to Conference held in Dunedin, the President, Allen McCaw, remarked on the undoubted hardship suffered by many beekeepers due to the unusual weather conditions; consequent low production; fall in retail sales in New Zealand and emphasised the significant annual return exports were making, particularly specialty honeys. He further commented on reluctance encountered when trying to elicit data on honey stocks and prices, and suggested the Association should now concentrate its limited marketing resources on the development of honey and live bee exports. He advised on the establishment of a Beekeeping Research and Advisory Committee, and the proposed appointment of a part time Management Support Officer.

The Conference was opened by Hon. Mike Moore, Minister for External Trade.

Agreement was given by Conference to the establishment of an annual queen quality competition to encourage queen producers to produce queens of the maximum quality. This competition is to be fully self-supporting, and appreciation is extended to Mr Roy Clarke of Blenheim for his efforts in establishing this worthwhile industry activity.

Reports were also given by allied organisations and Mr Murray Reid, National Manager (Apiculture) MAF, detailed the organisation of the four major MAF units, as well as the financial situation; pointing out that since MAF adopted a user-pays policy very few beekeepers have paid to have their bees analysed for pesticides.

LIFE MEMBERS

Messrs Ian Berry and Ivan Dickinson were made Life Members of the Association in recognition of their many years of service to the industry.

PUBLICATIONS

N.Z. Beekeeper - thanks are extended to Michael and Elisabeth Burgess for their continued editorship of the N.Z. "Beekeeper" journal.

Profile Document - this has been particularly well received, and a reprint has been ordered. This document has proved useful for libraries, and careers information.

Buzzwords - thanks are extended to Andrew Matheson and Nick Wallingford for their production of Buzzwords, which has gained recognition amongst members as an important communication link on current matters affecting the Association.

PUBLIC RELATIONS

Jointly with the Pesticides Board and the NBA (through the Industry Trust) another advertisement was sponsored in the "Orchardist" concerning spray toxicity to bees.

Contacts have been maintained with various allied organisations throughout the year, including Federated Farmers, Pest Destruction Council, Kiwifruit Authority and Fruitgrowers Federation.

INDUSTRY TRUST FUNDS

Grants made from Industry Trust Funds during 1989 were:

Joint promotion with Pesticides Board	\$ 660
Reprint of Profile Document	\$ 1407
Drug Research Programme	\$ 500
Anti-Bacterial Spectrum of Honey - Dawn Willix	\$ 500 p.a. for 2 years
Ruakura Ap. Research Unit 1989/90	\$21200
DSIR - Entomology Division	\$14900
CSIRO Honey Bee Pathology	\$10000Aus
Sunflora Apiaries, Honey Bee Nutrition	\$ 1718

Honey Industry Trusts Investments as at 31 December 1989:

N.Z. Government Stock \$155,000 12% 15.5.94	149,500
Housing Corporation Bonds \$167,000 10% 15/9/94	149,500
N.Z. Honey Producers Cooperative Ltd Secured advance	270,000
D.F.C. Call bonds	70,000
Deposits at call	300,900
	<hr/>
	\$939,900

HIVE LEVY

The hive levy was maintained at 48 cents per hive for the 1989 year, and no application was made for an increase for the 1990 calendar year.

RESEARCH

Helen Murray continues the work on diseases and disorders of the honeybee at the DSIR which has been supported by funding through the Industry Trusts.

Under a joint arrangement between the CSIRO, Australia, and the NBA, Dr Denis Anderson will continue to undertake bee pathology projects for the next three years. The NBA portion of costs involved has been funded by the Industry Trust.

Both Ruakura and Invermay Research Centres have continued to make a valuable contribution to Apicultural research efforts, and the NBA has maintained close links with the organisations through Advisory Committees in both cases.

During the year an Apiculture Research Advisory Committee was formed, with representation from Ruakura, Invermay, University of Otago, MAF, with the NBA representatives being Allen McCaw and Nick Wallingford. This committee is structured to provide advice to the Executive in assessing research proposals submitted for financial support; will initiate research according to industry needs; and will assist in securing funding for beekeeping research.

Another of its terms of reference is to be the protection of the industry's interests in research funding, particularly where commercial considerations may apply.

CONCLUSION

1. It was reported last year that that was a year of dramatic climatic effects with extremes of weather causing disruption and destruction of bee colonies and feed resources. A similar situation existed for 1989 - we are informed the effect of the La Nina global situation.
2. A significant reduction in honey production during 1989 has resulted in an improvement in honey prices in the domestic market during the year. The maintenance of reasonable prices into 1990 will depend very much upon production levels and an improvement in export returns. The willingness of beekeepers to communicate and co-operate will also be a strong determining factor in achieving better returns from our industry.
3. Whilst we cannot control the effects of the weather and, to some extent, the effects of Government policies, we can control the direction in which we are heading. We must plan to move ahead as an industry as a whole - not as individuals. Only by combining our efforts under a national image can we expect to realise our goals.

NATIONAL BEEKEEPERS' ASSOCIATION OF NEW ZEALAND (INC)
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED
31 DECEMBER 1989

<u>1988</u>	<u>INCOME</u>	<u>\$</u>	<u>1989</u>
12330	Subscriptions		10595
65640	Hive Levy		113167
9003	Interest		9709
10002	Journal Income - Advertising	7854	
<u>3255</u>	- Subscriptions	<u>2854</u>	10708
371	Library		299
601	Commission Received		1779
1517	Conference Surplus & Sales 1987		-
<u>1301</u>	Conference Surplus & Sales 1988		-
183	Miscellaneous		22
461	Publications & Promotions		(233)
13000	Grant from Honey Industry Trust		-
10000	Grant from Min. of Ag & Fish		-
200	Insurance Claim Library		-
330	1987 Recovery		-
<u>128194</u>			<u>146046</u>
=====			=====
	LESS EXPENSES		
27500	Administration Fee		27500
1800	Audit Fee		2100
5364	Capitation to Branches		5240
	Conference Expenses:		
3868	Accommodation	3823	
2680	Travel	4164	
-----		-----	7987
	Executive Meetings:		
4811	Accommodation	6974	
8119	Travel	9811	
<u>401</u>	Sundry	<u>407</u>	17192
-	Grant, General		1500
	Journal:		
16789	Printing	18333	
<u>9572</u>	Editorial Fee and Sundry	<u>9067</u>	27400
223	Library		252
847	Newsletter - Buzzwords		9478
11673	Postages and Tolls		9936
1850	President's Honorarium		2000
7008	Printing and Stationery		6572
1819	Sundry (Note 2)		2003
118	Depreciation		151
300	Bad Debts Provision		-
8380	Computer Services		-
-	Advertising		478
1913	Profile Document		-
<u>115035</u>			<u>119789</u>
	Net Surplus Before Appropriations		26257
	Less:		
480	Terminal Tax	1	
(2572)	Provision for Tax	(2672)	
	Transferred to Educational		
(601)	and Technical Fund	(1779)	
<u>(148)</u>	Transferred to Library Fund	<u>(47)</u>	(4497)
-----		-----	-----
\$10318	Net Surplus to		21760
=====	Accumulated Fund		=====

NATIONAL BEEKEEPERS' ASSOCIATION OF NEW ZEALAND INC
BALANCE SHEET AS AT 31 DECEMBER 1989

1988	<u>ACCUMULATED FUNDS</u>	<u>\$</u>	1989
<u>\$</u>			<u>\$</u>
639	Dormant Branches (Note 3)		709
339	Library Fund		386
704	Seminar Fund		704
3690	Educational and Technical Fund		5470
20406	General Fund at 1 January	30725	
	Plus Excess of Income over Expenses	21760	52485
36096			59754
=====			=====
	These are represented by:-		
(427)	Cash in Hand and Bank - BNZ	1169	
639	Short Term Investment - BNZ	709	
532	POSB Milton	-	
350	POSB Milton Investment A/C	-	
-	Trust Bank Otago	790	
20470	Countrywide Building Society	9199	
11160	BNZ Finance Ltd	12495	
-	UDC Finance	30000	
4453	Sundry Debtors	4201	
	Air New Zealand Travel Card Account	488	
(125)		488	
5274	GST Refund	4219	
2947	Provisional Tax Paid	2222	
-	Withholding Tax Paid	475	
45273			65967
	LESS:		
5196	Sundry Creditors	3699	
1660	Terminal Tax	-	
2572	Provision for Tax	2672	
500	Trust Payment in Advance	-	
542	Subscription in Advance	253	
-	Hive Levy in Advance	59	
10470			6683
	Net Current Assets		59284
	Other Assets are:		
	Library (at cost less depreciation)	325	
250			
	Publications (saleable) and Promotional Material	145	
1043			
36096			470
=====			59754
			=====

The notes on pages 4 and 5 form an integral part of these financial statements

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED
31 DECEMBER 1989

	<u>1989</u>	<u>1988</u>
	\$	\$
Cash Flows From Operating Activities.		
Cash was Provided From:-		
Receipts From Hive Levy	112821	65507
" " Members Subs	10475	11137
" " Journal	11218	12827
" " Trustees	-	27075
" " M.A.F.	-	10000
" " Other Activities	3751	5180
" " G.S.T. (Net)	1576	-
	<u>139841</u>	<u>131726</u>
Cash was Disbursed to:		
Payments for Pork Ind. Board	27500	27500
" " Journal	27400	26360
" " Other Suppliers	50171	55749
" " Executive	13104	13258
" " Capitation	5820	4624
" " GST	-	1234
" " Taxes	3980	7163
	<u>127975</u>	<u>135888</u>
Net Cash From Operating Activities	11866	(4162)
Cash Flows From Investing Activities		
Cash was Provided From:-		
Proceeds From Investments	154850	85050
Proceeds From Interest	9702	8931
	<u>164552</u>	<u>93981</u>
Cash was Applied to:		
Purchase of Investments	174564	92006
Net Cash Used in Investing Activities	10012	1975
Net Increase in Cash Held	<u>1854</u>	<u>(2187)</u>
Add Opening Cash Brought Forward:		
B.N.Z.	(427)	2014
P.O.S.B.	532	278
Ending Cash Carried Forward	<u>\$1959</u> =====	<u>\$ 105</u> =====

NATIONAL BEEKEEPERS' ASSOCIATION OF NEW ZEALAND INC

NOTES TO FINANCIAL STATEMENTS

1. STATEMENT OF ACCOUNTING POLICIES

GENERAL ACCOUNTING POLICY:

In preparing these financial statements the going concern concept has been adopted. 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 financial statements. The accrual basis of accounting has been used to match revenue with expenses.

PARTICULAR ACCOUNTING POLICIES:

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

LIBRARY

Prior to the year ended 31 December 1982 this asset was written down to a nominal value of \$500. The asset is now being depreciated on the straight line basis at a rate of 20% per annum which is estimated to write off the cost of the asset over its natural life.

INVESTMENTS

All investments are valued at cost.

SALEABLE PUBLICATIONS

Saleable publications are valued at the lower of cost and realisable value.

SUNDRY DEBTORS

All doubtful items have been eliminated in stating accounts receivable.

TAXATION

The Association has now been assessed for taxation in line with Inland Revenue Department policy for other similar Associations and, as a consequence, an accrual has been made in these financial statements. The Association, as an incorporated society, is liable for taxation on income from dealings with non-members, and interest earned, which is calculated at 28¢ in the dollar after deduction of certain allowable expenses.

CHANGES IN ACCOUNTING POLICIES

There have been no significant changes in accounting policies applied by the Association during the period covered by these financial statements.

2. SUNDRY EXPENSES

	1989	1988
Legal & Collection Expenses	998	949
I.B.R.A.	270	122
Bank Charges	149	242
Royal Institute of Horticulture	45	50
Miscellaneous	470	392
U.S.D.A. Subscription	71	64
	<u>2003</u>	<u>1819</u>
	=====	=====

3. DORMANT BRANCHES

The sum of \$709 is held on account of the Far North Branch which went into recess during 1982.

**REPORT OF THE AUDITORS TO THE MEMBERS OF THE NATIONAL
BEEKEEPERS' ASSOCIATION OF NEW ZEALAND INC**

We have audited the financial statements set out on pages 1 to 5 in accordance with accepted auditing standards, and have carried out such procedures as we considered necessary.

In our opinion the financial statements give under the historical cost convention, a true and fair view of the financial position of the Association at 31 December 1989, and of the result and cash flows for the year ended on that date.

Wellington, New Zealand

19 March 1990

Coopers & Lybrand
CHARTERED ACCOUNTANTS