

PRESIDENT'S REPORT

As my second year as President of the NBA draws to an end, I look back on what has proved to be a difficult year for our industry in many respects. Your Executive have continued to work towards achieving the goals and objectives established for the association through the planning process, and to represent beekeepers in a number of critical areas of concern to us.

THE HONEY CROP AND MARKETING

Indications are that the honey crop for New Zealand this year was average or slightly below in most areas, resulting in an excess of production over expected domestic consumption. Along with some carry-over from last year's crop, this has again meant a proportion having to be committed to export sale.

I believe that we must come to terms with the annual production of a surplus of honey, and not allow this relatively minor portion of our crop to cause unnecessary difficulties for the marketing of the remaining majority, as it seems to at present.

On the domestic market, the fears I expressed last year of a possible price-war have unfortunately been realised in many cases. Some retail honey prices are now consistently at levels well below production costs, and appear to be dictated more by the demands of supermarket buyers than the requirements to maintain producer viability.

The NZ Consumer Price Index increased 6.3% over the year to April 30th 1988, whereas the surveyed price of honey to the consumer declined by 7% for the same period. This equates to a net loss of over 13% in the retail value of honey in New Zealand.

While bulk honey is presently selling at low prices in world markets, export statistics indicate better returns for specific floral source honeys, and specialty products such as comb and packed honey. An increase in the volume of these products sold to export has also been noted providing encouraging evidence of diversification in production to meet the demands of the market.

I believe the best opportunity for our industry lies in these speciality markets, and in the adoption of a co-ordinated approach to both export and domestic marketing. Our industry is too small to be competing with each other in our markets, and we certainly cannot begin to compete with the larger bulk honey producers on the world markets.

MARKET RESEARCH

With the completion of the four market studies undertaken over the past two years through universities, the development of a marketing strategy for our industry has now reached a critical decision point. The marketing committee has issued a report to Confer-

ence seeking a commitment towards further research into the effectiveness of a campaign to promote honey in New Zealand.

Part of this commitment would be to provide funding support for a promotional campaign, and a clear direction from Conference debate is sought. This may be the most vital question we have to consider, as the depressed situation many of us are facing presently can only be relieved by increasing returns to a level where future development and confidence is restored.

POLLINATION

The provision of hives for orchard pollination continues to play a major role in the economy of our industry, providing income for many beekeepers at a time when honey sales have declined. However, returns for kiwifruit have also fallen dramatically over the past season, and beekeepers should be mindful of the possible detrimental effects this may have upon the demand for pollination hives in the coming season.

The continued maintenance of high standards of quality control, professional service and co-operation will be the most effective counter against any threat of reducing pollination hive numbers. In this regard, I perceive that the activities of the pollination associations will continue to be vitally important to this industry sector.

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FUNDING FOR BEE DISEASE CONTROL

Negotiations towards resolving this most difficult question have occupied more of the Executive's time than any other over the past year. Unfortunately we cannot yet claim to have reached a satisfactory solution, although some positive progress has been made. The situation was again studied in depth at the industry planning meeting in March, and a recommendation for a Government contribution, coupled with a hive levy increase was submitted to the Minister of Agriculture in May.

We received a clear indication that Government would not be committed to long-term funding for our industry, and a number of hive levy payers also voiced concern at the projected 50 cent increase in their levy. The Minister expressed an opinion that all beekeepers should make a contribution towards disease control, despite having rejected a similar proposal last year.

On this basis, we now intend to seek changes to the Hive Levy Act to effect a fee or levy for all beekeepers, irrespective of hives owned, and probably on a graduated scale. This is expected to take some time to implement, and in the meantime we have sought direct Government financial support for the inspection and registration costs for this year. The MAFQual Management Board have indicated they will meet the cost of maintaining the Apiary Registers, estimated at around \$100,000, until legislation can be enacted to provide funding from the industry.

There is no doubt that such legislation will be controversial, especially amongst the 6,000 or so beekeepers who do not presently pay a levy; nor are they members of the NBA. A great deal of liaison and education on the importance of disease control will be necessary to counter this controversy.

The unanimous agreement of this

Conference for Executive to pursue this action is also required if a successful case is to be established. It is the firm policy of Executive that we must maintain a disease inspection system in New Zealand, involving all beekeepers, and that the MAF should be contracted to provide that service.

INDUSTRY PLANNING

As mentioned, the annual Industry Planning meeting was held in March this year, and Executive are again grateful for the valuable contribution from invited NBA members. The preparation of an "Industry Profile" document for public relations purposes has been proceeding, and the development of a monthly newsletter for beekeepers is also well underway. An outline of these proposals will be presented to this Conference, and financial support has been provided from the Trust funds.

It is my opinion that the provision of up-to-date information on critical topics such as production, honey prices, local and export markets, and industry developments, is an important responsibility of the NBA. Many of our former information sources have been diminished due to Government restructuring, and we must now plan to provide more for our own needs. Reliable information input from all sectors of beekeeping will be essential to ensure this venture succeeds.

I am of the opinion that in the near future, this industry must give careful consideration to the structure of its administration. As we are compelled to take greater responsibility for our own affairs, the reliance upon voluntary input increases the workload for those who are willing to be involved. Consideration should be given now to planning for a more professional structure, possibly including a full-time Executive Officer to ensure we are adequately represented in the future.

THE FUTURE

While the immediate future contains

many uncertainties for us all in the face of a difficult economic situation, I firmly believe there are positive signs ahead. There is sure to be some rationalisation within the industry, and some of us may be unable to continue in beekeeping. There is no doubt that the climate in which those who remain are expected to operate will be very different from the past. We are now obliged to manage our own affairs, and to solve our own problems with whatever resources we can muster.

In this respect, I would contend that our industry, through the existence of the NBA, is better placed than some others to face the challenges ahead with confidence. Much will depend upon the willingness of beekeepers to cooperate with each other, and to support their national organisation.

In conclusion, I would like to acknowledge the support of the many people who have assisted in the affairs of the association through the year. My thanks in particular to Steuart Goodman and Olive Hebron in Wellington; to the other five Executive members; to Murray Reid and his team for their important contributions; to Michael Burgess as magazine editor and to John Heineman as our national librarian. Thank you also to those who have provided me with hospitality on the occasions when I have attended meetings away from home.

Allen McCaw

HONEY CONTAINS MINERALS

Among the mineral elements found in honey are iron, copper, sodium, potassium, manganese, calcium, magnesium and phosphorus. These minerals are all essential to good nutrition of animals. They are all present in honey, although in some cases only in trace quantities.

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