

VOLUME ONE

NO. 6

N.Z. HONEY PACKERS ASSOCIATION INC.
MONTHLY BULLETIN
JUNE 1977

EXECUTIVE OFFICERS 1976-1977

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N.Z. HONEY PACKERS ASS. INC.,
P.O. BOX 52,
NGONGOTAHA.
EDITOR: LLOYD HOLT.

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EDITORIAL

The writer is trying to produce comb honey for export and recently visited three comb honey producers in the North Island to gain some information.

Returning south with new ideas and insight of this form of production. The marketing of comb honey has grown from a nill export 15 years ago to may be 200 tons plus this year. These men are to be congratulated on their achievement.

Honey Packers should follow this trade with interest as each ton of comb honey exported releaves the NZ market.

An increase in comb honey exports over the next ten years can be expected to reduce the exports of bulk honey to a stage that bulk honey exports will not be great enough to be used as the price determining factor on the NZ market. Even now sometimes 10% of NZ total honey production is all that is exported.

Keeping in mind the change in H.M.A. policy to allow the export of packed lines of honey the Honey Packers may well have a success story similar to comb honey.

The future concept of the H.M.A. will be on little resemblance to the existing system. Increased exports of comb honey and packed lines can be expected to reduce the volume of bulk honey for exports of bulk honey after a season of good production.

When this occurs the Industry will still require a honey grading system and advantages can be foreseen in supervising of prices, presentation, etc for particular markets.

This supervision could be expected to contain a service of connecting a buyers enquiry to a suitable producer, packer, or supplier of the required quality.

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This system would not be expected to involve reserve funds as the supply and demand position would equate the returns from export or local market. When any portion of the honey industry appeared to have a better return, then extra effort would be applied towards supplying that portion of the trade to ensure the honey producer would gain the best return's for his produce.

Keith Herron

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WORLD CROP REPORTS FROM AMERICAN BEE JOURNAL

United States

In general crop reports are good with prices for white honey ranging between 38c and 50c per pound for Bulk and between 32 and 45c per pound for amber and dark honey.

Crop prospects for California are poor with crop estimates at 75 per cent of the 1976 short crop.

Canada

Dry conditions early but much needed rain came to save most areas.

Prices for bulk honey mostly between 39c and 43c per pound.

Australia

Most states have a shortage of honey held on hand.

Export prices climbing another \$10.00 per tonne, with both Export and domestic markets active but very little honey to supply demand.

New Zealand

In general crops average for country as North Island rain areas had bumper crops with South Island having a short crop. Domestic and export market very strong.

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Argentina

Stocks of honey for export reduced therefore demand by wholesalers and exporters is strong in effort to obtain stocks to fill orders.

Export prices in neighborhood of 43c per pound C. & F. East Coast or between \$1,000 and \$1,100 per tonne C. & F. Japan.

During all of 1976 29,877 tonnes were exported from Argentina for a F.O.B. price of more than \$20.8 million.

West Germany

Poor crops for year but large carry over from large production last year resulting in decreased demand with lower prices resulting.

Greece - Spain - Sweden.

Honey demand is fair and prices have increased slightly. Honey stocks appears in general to be fairly low.

Rhodesia

Colonies are in good condition with domestic demand good. The overall production this year probably down as a result of

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the political situation with fewer beekeepers available to tend colonies.

Honey flows are good.

South Africa

Honey crops above average with prices in Natal low but expected to increase for bulk honey soon. With most of the aloe areas now closed to European beekeepers they will have to change their form of beekeeping.

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MINUTES OF THE N.Z. HONEY PACKERS ASSOCIATION INC. MEETING
HELD AT THE NGONGOTAHA HALL ON SATURDAY 25th JUNE 1977

The meeting began at 10.30 am. Present: L. Holt R. Hail
M. Haines J. Haines
R. Jansen.

Apologies T. Rowe.

GENERAL ACESMENT OF DISCUSSION

H.M.A. policy of packing South Island honey for the NZ market is having the effect of lowering the net return on honey handled in this way and further depressing the whole NZ market.

- (1) It costs more to ship honey from South Island to the North Island than it does to ship to overseas markets.
- (2) Honey packed by HMA for the local market is based on an in the tank value of approximately 69c. per kg. as confirmed by the HMA General Manager at a recent Waikato Branch HMA meeting. This is effectively keeping the same honey off a more lucrative export market.
- (3) This policy can only result in depressing the local market and reducing the returns to every bee-keeper in NZ.
- (4) It was felt that there are sufficient packing plants in the North Island to meet the demand and concern was expressed at information that the Authority is to spend \$30,000.00 upgrading its packing plant in Auckland, which could pack the whole of New Zealand's requirements.

Question - export incentives being denied to the Industry by the HMA acting as a trading body.

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Concern was expressed that submissions to the Minister of Agriculture marked confidential should not be passed to any Government Department employee connected with the HMA.

Discussion - re conditions for export by private packers this to be included on the next NZ HPA meeting in Dunedin.

re Honey Packers Assn. membership advertisement in NZ Beekeeper to let produce packers know how to join the Association.

on the Association employing a paid Secretary which would result in more efficient handling of the Association's affairs.

Group carton purchasing to come up at the next meeting.

Discussion - re current retail honey prices. Arataki Honey price list to be available at the next meeting per favour Mr Percy Berry to try to standardise retail prices.

New 500g plastic containers and the possibility of commission being obtained for the NZ HONEY PACKERS ASSOCIATION.

The Meeting closed at 3.30 pm.

SUGGESTED AGENDA FOR DUNEDIN MEETING

- (1) Discussion on honey prices.
- (2) Discussion of export policy.
- (3) Discussion on new plastic containers.
- (4) Discussion on membership increase - possible involvement of Comb Honey Producers.
- (5) Discussion on Group Carton Purchasing.
- (6) Policy for repayment of 2kg. loan monies.
- (7) Discussion on HMA policy of packaging South Island honey on the North Island market and the current improvement to its plant.
- (8) Discussion re export incentives.
- (9) Discussion re paid Secretary for the Association.

NOTICE OF N.Z. HONEY PACKERS ASSOCIATION MEETING

A meeting of the above Association will be held at the Federated Farmers building, Harvest Court, George St, Dunedin on Wednesday 27th July 1977 at 7.30 pm.

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SOME THOUGHTS ON THE HONEY INDUSTRY

A recent comment from a member of our Association that our members would only support our Association if they felt there was something in it for them made me give this matter some thought.

Firstly there is a solid principle that you will only get out of any organisation in relationship what you as a individual put into it.

Secondly dealing with a general attitude of many producer-packers who want higher prices charged on retail store honey sales while they have a field day from their back door direct sales at a much lower charge.

Some of these people charge the wholesale price on honey both at the back door and in lots of one ton or more to wholesale Merchants admitting that they are concerned mainly with promoting the back door sales.

I for one cannot see logic in this idea from a industry point of view as when there is extra honey on the market all honey sold will be forced down in price to retail at a comparison in price with the back door sale value.

Next there is the question of the H.M.A. controls effectively keeping our returns down by controls exercised though blocking exports by packers and creating a reserve pool from their own exports.

Also there appears to be evidence that honey packed on the retail market by the authority is sold at a below cost

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value using the export returns to cover the added costs of packing, capital expenditure etc. Lets take what happens in practice to the high export returns.

Firstly the payout is assessed in relation to what a local packer can pay for honey sold on the N.Z. Market.

Reserves left are held in a pool and any honey carry over appears to be valued at a low in store value.

These reserves with the exception of honey due to inflation are not worth the same value a year later and as the producer does not have access to these funds he is unable to improve his position or plant.

In this way the Government keeps control of inflation to some extent as the same principle applies to all primary producer boards who produce some 90% of all our exports on which the whole country depends on for its standard of living.

On the other side of the coin Manufacturers are given export incentives and are able to provide increased income to their companies and employees with which the primary producer has to compete for labour.

These primary producer boards have complete control over the primary industries and in all cases levy the producer so as to function.

The principle that should be examined is whether the producer boards are set up to support the producer or is the producer there

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to support the primary boards.

If the boards are there to benefit the producer then surely the producer has the right to condemn them if they do not carry out this function.

The primary boards should in no way prevent a producer exporting to the advantage of himself and the country if he is in a position to do so.

For a example of comparison we have only to look at the activities of the small body of comb honey producers and their results compared with the results achieved by the bulk honey producers through the H.M.A. with Government finance and controls.

It is time producers of bulk honey took back the control of their products and took full control of the H.M.A. demanding from Government full compensation for there product and labour.

The matter is in the hands of the producers and the oppertunity is at the N.B.A. conference in Dunedin this month followed by our own Association Meeting.

W. Lloyd Holt