

VOLUME FOUR :

No. 1

N.Z. HONEY PACKERS ASSOCIATION INC.

BULLETIN

JULY 1980

EXECUTIVE OFFICERS: 1980

<u>PRESIDENT:</u>	K. HERRON	GREENVALE APIARIES: R.D. 5 GORE
<u>VICE PRESIDENT:</u>	L. HOLT	P.O.BOX 52, NGONGOTAHA
<u>SECRETARY:</u>	MRS.BONNI WILDE	P.O.BOX 2134, ROTORUA
<u>EXECUTIVE MEMBERS:</u>	R. FELL	HONEYFIELD APIARIES R.D. 1 TE AROHA
	R. BERRY	ARATAKI APIARIES, WAIOTABU
	R. HALE	43 CHURCH STREET, TAURANGA

PUBLISHED FOR MEMBERS INFORMATION BY:

N.Z. HONEY PACKERS ASSCN. INC.

EDITOR: LLOYD HOLT.

(1)

EDITORIAL:

The honey market in the 1980's will be changed from the existing pattern. Firstly the H.M.A. can be expected to stop trading in honey : Secondly, another organisation, I expect a Co-op and several beekeeping companies will be the exporters of the future.

New Zealand honey producers, packers, traders, wholesalers and retailers must recognise that the key to stable honey marketing in New Zealand must be successful exporting of a volume of honey sufficient to create a shortage on the New Zealand market.

The only controls on exporting honey will be that it is of a suitable quality, and that it is traded at a suitable price.

QUALITY: The quality of the honey will be specified by the purchaser.

PRICE: The packer will ensure that he exports at a profit. If the exporter of the honey exports at a loss he will not affect the world market but he will affect his own ability to export honey again.

An organisation - i.e. a Co-op or Company, will export bulk honey. The biggest tonnage of honey will be exported by packers. The buyer will specify the quality of honey and the type and size of containers for the particular market.

Much of this honey will sell on the speciality market as New Zealand will never have enough honey to export and be a serious contender on the economy volume market of any other country.

WHY PACKERS WILL BE THE EXPORTERS: They have the plant to do the job, understand honey, can determine the quality for a special market, can acquire more honey of a suitable quality from another beekeeper. This means that several packers that are now packing a special flavour honey on the local market now will be able to export these at a premium as there may only be 100 or 200 tonnes of this special flavour of honey in the world each year it can command a very high price on the export speciality market. Do

(2)

not let it be sold in New Zealand at a price that is not equal to the price that can be obtained when it is sold by export.

The exports will be by several packers, some in each of the North and South Islands. The economics of packing for export will be what you make it. Freight and packaging costs will be higher and will be recovered. Successful trading will be rewarded by repeat orders resulting in a steady export trade. Packers who have a serious inquiry from overseas buyers should develop trade if possible.

As the proposal to be put to the honey industry by the advocates for the Co-op can be expected to require considerable investment by suppliers to the Co-op, either initially or by way of withholding money from the true return of the honey that they trade with to pay for an organisation, this will provide a very good service for some beekeepers and a less desirable service than is now provided by the H.M.A. for beekeepers with a problem of remote production area or a honey which is not easy to market because of flavour, colour, etc. This is the area where the private packer will succeed as the scale of operation will be in keeping with the situation.

The fact is that the time has come that beekeepers must decide whether to provide funds for a Co-op and supply the Co-op with all their production, or remain independent and sell their honey by exporting, packing or selling to a packer, or packer exporter. The local market can be ruined by many beekeepers each selling a few tonnes of honey at whatever price they can get. Beekeepers will not try to market their honey if the packers pay good prices for bulk honey.

(3)

It is now decision time for beekeepers. And time for packers to export more honey.

K.M. Herron-

PRESIDENT

NOTES FROM A MEETING HELD IN WELLINGTON ON 18/3/80

Lloyd Holt and I attended the Wellington meeting as representatives of the Honey Packers Association. Also present N.B.A. Executive, H.M.A. members, and representatives of Honey suppliers Association, Comb Honey Association, Honey Dew Association, G. Walton M.A.F Mr N. Dellow Accountant, Dr. D. Peer, Canadian.

Business of the meeting.

A letter from Mr. R. Talbot under Secretary Minister Agriculture & Fisheries. His message that the H.M.A. operation can be taken over by a Co-op of it is widely based and covers the New Zealand beekeeping scene. A number of smaller Co-op's may not get the approval of Government.

Dr. D. Peer spoke of Co-op operation in Canada, some of which are successful.

H.M.A. suppliers Association advised that many beekeepers who supplied H.M.A. have signed a paper indicating support for a Co-op. There has been a change of stance of the H.M.A. honey suppliers Association. At the previous combined meeting in Wellington the honey suppliers were in favour of the H.M.A. continuing as the H.M.A. but the same organisation is now in favour of a Co-op marketing organisation.

The H.M.A. chairman advised of the three motions passed by the H.M.A. meeting the day before. Mr Berry emphasised that the viability of the Co-op and the final support for it would influence the authorities final decision on the question of whether 80% of the H.M.A. assets would be loaned at 1% or a

(4)

different percentage finally agreed to as part of the finance for a Co-op to come from H.M.A. reserves in accordance with the three motions from the H.M.A. This would require the approval of the Minister.

Mr. N. Dellow study into the feasibility of a Co-op is expected to result in a prospectus being issued to beekeepers.

Signed K.M. Herron.

COMMENT ON THE WELLINGTON MEETING:

It is obvious that the Honey Packers Association could object to the proposal of distributing the H.M.A. reserves. If we object there is a serious possibility that the honey industry may lose honey industry reserves, as the honey industry has never been given any assurance that the industry reserves will be returned to the beekeepers of New Zealand or retained by the Honey Industry.

Industry reserves have been built up by withholding money from honey returns since the end of the seals levy. Most suppliers to the H.M.A. have found it convenient to forget that the H.M.A. would have collapsed years ago if the packers had not paid .834cents per pound seals levy on sales of honey through the market. The suppliers now claim that most of the reserves have been created by suppliers. Packers are aware that the thousands of dollars paid to the H.M.A. as seals levy, is the only reason that the H.M.A. managed to continue for many years. When the H.M.A. purchased the Hollands and Penrose packing plants they effectively reduced their subsidy from packers.

Signed KM Kerron.

(5)

THREE MOTIONS FROM H.M.A. AT THE WELLINGTON MEETING ON 18/3/80

1. That the Authority agrees in principle to the concept of a Honey Marketing Co-operative on a voluntary membership basis, and that the Minister's opinion be sought as to the status of the Authority's funds and assets if the Authority were to be disbanded.
2. Subject to the Authority being satisfied as to the viability of the proposed Honey Marketing Co-operative, the Authority agrees in principle to sell its operations at market valuation and to advance 80% of its equity to the proposed Honey Marketing Co-operative at 1% interest with the remainder advanced at Rural Bank Export rate.
3. That this meeting recommends that at the appropriate time the New Zealand Honey Marketing Authority be dissolved.

LETTER FROM FOOD INDUSTRY DATED 21 February /1980

Dear Mr Herron,

Many thanks for your letter.

Our journal will circulate free to about 4500 readers in New Zealand. Initially we will have no overseas readership but we are now corresponding with NZ's overseas trade consuls to start building up a paid overseas subscriber list.

Our advertising rate card is enclosed.

We do not need detailed reports from your association, just those news items your members would like read throughout the food industry. For example, figures on honey sales by type of honey, new extraction techniques, overseas sales successes, etc. We will ensure that you receive our journal regularly.

Yours sincerely,
N.F. Keating EDITOR

(6)

NOTICE OF MEETING:

A meeting of the New Zealand Honey Packers Association will be held at the Willow Park Motor Hotel, Willow Street, Tauranga on Wednesday 23rd July 1980 commencing at 6.00 p.m.

- Agenda
1. Apologies
 2. Minutes of Previous Meeting
 3. Correspondence
 4. Finance
 5. Discussion on proposed Co-operative
 6. General

Receipts and Payments for period 1st October 1979 to 13th June 1980

<u>Receipts</u>		<u>Payments</u>	
Balance B/F	3 016. 44	Audit Fees	45. 00
Subscriptions	688. 00	Printing & Stationery	34. 83
Commission	2 275. 74	Meeting Expenses	876. 35
Interest	20. 69	Secretarys Honorarium	500. 00
		Term Deposit	3 000. 00
		Bank Fees	20
		Balance C/F	1 544. 49
	<u>\$6 000. 87</u>		<u>\$6 000. 87</u>

(7)

REPORT TO THE REPRESENTATIVES OF HONEY INDUSTRY ORGANISATION

18th March 1980

INDUSTRY RESERVES:

The future of the Industry Reserves should be determined before the H.M.A. stops trading in honey.

The H.M.A. Reserves, which are industry reserves, are not only the reserves of suppliers to the H.M.A.

Many beekeepers have supplied honey in the past and have contributed to the Industry Fund and likewise during the time of the seals levy beekeepers who sold honey on the local market and paid seals levy contributed substantially to the Industry Fund.

The use of industry funds to provide a source of finance for a Co-op or alternative marketing structure cannot be considered acceptable until the industry knows how and when the reserves are to be finally dealt with.

RE-BUILDING AT PLEASANT POINT:

For a Co-op to establish a packing plant for the local market would appear to packers to be very expensive to provide that service as the market is now being serviced by a number of private packers. It is quite reasonable to assume that these businesses are able to provide as much packed honey as the market requires. In fact some of these businesses are preparing honey for the export trade.

EXPORT HONEY:

It is obvious that local market will find a level in relation to export, i.e. supply and demand.

The export of honey is of major importance to the New Zealand beekeeper whether packed or bulk.

As bulk honey sales are common throughout the world it would appear reasonable that New Zealand can produce and sell in bulk, top quality honey for top prices.

(8)

At this time it appears that a Co-op organisation should concentrate on exporting only bulk honey as this would not require large expenditure (in building and plant). A co-op could export honey by using storage and handling services which are now available in most cities, and in seasons of low production, overhead cost would be minimal, thus providing better financial return to the producer.

The Packers Association consider that retail packs of honey for the local market and the export market can be handled by the existing private honey packers. Some of the Packers Association members have indicated that they are willing to pack honey under contract to a suitable organisation (maybe a Co-op).

(Sgd) K. Herron
President N.Z. Honey Packers Association

LETTER:

57 Nevada Road
HAMILTON

22/1/80

Dear Mr Holt,

This year I am commencing a doctoral study at the Waikato University, the subject of my study being the Passion vine hopper (*Scolytopa australis*).

As this insect plays an intrinsic role in honey poisoning and is responsible for the closure of the Coromandel peninsula and a large area of the Bay of Plenty every summer for beekeeping because of the risk of poison honey, it is most likely of some interest to members of your Association. Because of this I am submitting to your organisation a request for some assistance to help with my study.

(9)

My proposed research will be based round the following three objectives :

1. To clearly define the life history of this pest
2. To investigate the factors that determine its abundance and relate the changes found in year to year population levels to climatic and other factors
3. To determine economic thresholds and other aspects of the insect's biology and behaviour relevant to the problem of honey poisoning.

This study will be conducted at the Waikato University in collaboration with the Soil and Plant Research Station, Ruakura. It is anticipated that Dr. R.P. Pottinger, IOOC, Ruakura will be associated with the university supervisors, Professor J.A. Pendergrast and Dr. J.D. Green in an advisory capacity.

I graduated from Lincoln College in 1975 with B. Hort. Sci. Hons. then was employed as an entomologist in the Insect Control Group, Ruakura from January 1975 till September 1979 when I resigned for family reasons.

The proposed study on the Passion Vine hopper appeals to me as it combines both horticultural and entomological aspects (being a pest of some note on kiwifruit and other crops). I intend to return to full-time employment once my doctorat is completed.

Because of my commitments, my study has to be undertaken on a part-time basis, thus I am not eligible for normal sources of monetary assistance available to other students. However the part-time aspect of my research will enable me to do longer term population studies that would normally be impossible for Ph.D students. The M.A.F. is giving me some assistance in equipment and materials but additional funds would be most welcome as I intend to sample selected hopper infested areas

(10)

on the Coromandel peninsula, and have little available for travel.

If your Association can spare any finance to help me with my study I would be very grateful. I can send a copy of the proposal prepared for the M.A.F outlining more fully the details of the study and further information about myself if this would help in any way.

Yours sincerely,

(Sgd) Philippa Gerard

REESE BROS PLASTICS LTDMAY 19802 KG HONEY CONTAINER - 1.5 LITRE MULTIBINHONEY PACKER MEMBERS:

Quantity	Base & Lid Price	Base Price	Lid Price
Any Quantity	\$0.33 each	\$0.215 each	\$0.115 each

NON MEMBERS:

0 - 200	0.42 each	0.26 each	0.16 each
200 - 1 000	0.38 each	0.24 each	0.14 each
1 000 - 2 000	0.36 each	0.23 each	0.13 each
2 000 - & over	0.35 each	0.225 each	0.125 each

Commission The Honey Packers Association will receive a 5%
on all sales

Colours Bases - White, Red, Yellow and Orange
Lids - White and Red

Packaging All packaging cartons are charged out at \$1.00 each
and credited at the same amount on return to our
factory.

Freight Included in the above prices.