"ORDERLY MARKETING" THE HONEY INDUSTRY

≺TTITUDE TO PRICE FIXATION

"WAPT AND SEE" POLICY

"Considerable progress has been made in the direction of applying a policy of orderly marketing of honey under a measure of State control,' said Mr Wallace Nelson, chairman of the New Zealand Honey Control Board, at the annual field day of the South Auckland branch of the National Beekeepers' Association, held in Hamilton yesterday. "The position as it stood at the time of your last assembly here was not entirely satisfactory, due mainly to the fact that while the Government had acceded to the request of the beekeepers for a reorganisation of marketing methods along lines that would give a payout from the pooled returns of the export and local market, there still remained the vitally important question of dealing with the problem of unrestricted competitive selling against the Honey Division of the Internal Marketing Department.

"Those selling outside the division were obtaining a payable price made possible only by reason of the control exercised by the division over the bulk of the production sent forward voluntarily by suppliers. These suppliers had to bear the full weight of the overhead costs of a division that was rendering indispensable service to

the entire industry.

"The Honey Control Board considered it to be its duty to direct the attention of the Government to the unsatisfactory position that was causing considerable anxiety to the great majority of commercial honey producers. At the annual conference of your association the board brought forward certain proposals which incorporated a method designed with the object of establishing a more equitable distribution of the cost of extending the sale of honey both in New Zealand and overseas, and in the general development of the industry.

"The proposals of the board were endorsed almost unanimously at your annual conference, and regulations embodying them have since been formally applied by the Government. It will be noted that the main feature of the regulations is the 1d per the

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stamp system now required on all honey sold outside the marketing division, excepting that sold direct by producers to consumers at the apiary that is not advertised.

"The board is in agreement with the principle of price fixation. To agree with a principle, however, does not justify the immediate application of every particular feature of it without consideration being given to the consequences of such action.

"We have just recently had applied far-reaching changes in our marketing procedure, and the board believes that one of the many advantages that will emerge from the application of the existing regulations will be that measure of price stability so much

desired by everyone.

"The Internal Marketing Department now handles the bulk of the commercially produced honey, and this department has made no representations to the board in favour of price-fixation regulations. This, together with the verdict of your own association on the question, would seem to indicate a desire of most producers to follow a wait-and-see policy meantime.

Board's Debt to Treasury

"I have been requested to make a statement concerning the position with respect to the board's indebted-

ness to Treasury.

"Of the £6000 loaned by the Government some years ago for the purpose of securing for the industry the goodwill of Imperial Bee brand at the time of the collapse of the Honey Producers' Association, there is £5142 9s 2d still owing to the Treasury.

"The view of the board is that the circumstances under which this debt was incurred, together with the terms of repayment, are such that the board feels justified in requesting the Treasury to reconsider the whole position. Following a discussion of the subject by the board with senior officers of the Treasury, the Department of Agriculture and the Internal Marketing Department, the board submitted certain recommendations, and these the Government will no doubt consider when it has had an opportunity to review the position. I am sure that the Government will not overlook the unfortunate plight of the great majority of honey producers, many of whom are in a parlous position, having just experienced one of the worst, if not actually the worst, honey producing season on record.

"In the general interest of producers it is of the utmost importance that your central marketing organisation should know the actual quantity of honey available to meet the market requirements.

"The Honey Control Board is satisfied that the honey section of the Internal Marketing Department is deserving of the support and confidence of the producers. This department accepted responsibility just over 12 months ago in a season of plenty. The volume of honey that came forward to the grade store exceeded expectations, and there is no doubt that but for the control exercised by the department returns to producers would have failen to a disastrous level.

"I do not know what the total returns will be from the division to last season's suppliers, but I do know they will be infinitely better than those obtained by the beekeepers of any other honey-exporting country," concluded Mr Nelson.