

In reply, please quote  
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158/92  
I.A.



DEPARTMENT OF INTERNAL AFFAIRS,  
P.O. BOX 7, GOVERNMENT BUILDINGS,  
WELLINGTON C.1.

51/F

3rd December, 1951

MEMORANDUM for:-

The Director,  
Marketing Department,  
WELLINGTON.

PARLIAMENTARY PETITIONS REFERRED TO GOVERNMENT

I wish to advise that Cabinet has considered the recommendations of the Cabinet Petitions Committee in respect of the petitions of the 1950 Session of Parliament which were referred to the Government, and has decided as follows with respect to the petition concerning your Department:-

W.B. Bray & * Others	No action. The proceeds of this levy are applied on the advice of a committee composed of three producers and two Government nominees, to those purposes believed to be of benefit to the industry generally.
-------------------------	---

Will you please arrange for the petitioners to be informed of this decision as soon as possible. Your file which was submitted in connection with this petition is returned herewith.

*J. W. Mace*  
Acting Assistant Secretary for Internal Affairs

*Discussions with the Dept.  
It will suffice if the Dept.  
only is informed. This is  
customary*

In Cabinet.

*No action*  
*W. R. K. R. K.*  
*R. K. H. G.*  
*W. R. K. R. K.*  
Secretary to Cabinet.



OFFICE OF MINISTER OF MARKETING,  
WELLINGTON, N.Z.,

- 2 MAY 1951

MEMORANDUM for:-

Hon. W.A. Bodkin,  
Minister of Internal Affairs,  
WELLINGTON

PARLIAMENTARY PETITION 1950, NO.18  
W.B. BRAY AND OTHERS

I have examined the Department's file dealing with this petition and after considering the case I am of the opinion the petition should be declined.

Minister of Marketing

In Cabinet.

*No action*

Petition No. (1950) No. 18.

Record No.

Name and Address of Petitioner: W.B. Bray and 11 others of Canterbury and other parts of New Zealand.

Subject of Petition: Praying for repeal of the Honey Marketing Regulations 1938 or other relief.

Nature of Order of House referring to Government: That the Report of the Agricultural and Pastoral Committee on the Petition of W.B. Bray and others be referred to the Government for consideration.

Precis of Department's Comment:

- X (1) Previous anomalies in voting rights have been corrected by giving seals buyers equal voting rights with suppliers to the pool.
- (2) With the exception of those in Canterbury (where the petitioner conducted his business) beekeepers in New Zealand support the principle of a compulsory seals levy.
- (3) The proceeds of this levy are applied on the advice of a committee composed of three producers and two Government nominees, to those purposes believed to be of benefit to the industry generally.
- X

Committee's Recommendation to Cabinet.

In Cabinet.

*No action*  
*W. B. Ross*  
*R. H. Hoie*  
*W. B. D. D. D.*

Secretary to Cabinet.

Minister of Internal Affairs.  
 Marketing Department  
 Parliamentary Petition 1950  
 No. 18, W.B. Bray & others  
 the MINISTER OF MARKETING  
 recommend that you sign the attached document.  
*K.B. Rayner*  
 Director.  
 30/4/1951  
 2,000/5/50-1317

Sold by Order and for Account of  
**MARKETING DEPARTMENT**  
 13.1.9.2.  
 F.O. Box 1260, WELLINGTON  
 Distributor:  
 1-2 MAY 1951  
 Town:  
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 OTHER NO:  
 VARIETY:  
*Blp 5-6-51 ✓*

Hon. W.A. Bodkin,  
 Minister of Internal Affairs,  
 WELLINGTON

**PARLIAMENTARY PETITION 1950. NO. 18**  
**W.B. BRAY AND OTHERS**

I have examined the Department's file dealing with  
 this petition and after considering the case I am of the  
 opinion the petition should be declined.

Total Fancy Grade  
 Total Commercial Grade  
 (Sgd.) K. J. HOLYOAKE  
 K. J. HOLYOAKE

THE HON. THE MINISTER OF MARKETING  
 I RECOMMEND THAT YOU SIGN THE ORIGINAL  
 OF THIS DOCUMENT,  
 Less Charges

Minister of Marketing

*K.B. Rayner*  
 Director of Marketing  
 30/4/1951

*Original together with  
 Petition file 13/1/1951  
 sent to Min. of Internal  
 Affairs.*





URGENT

Mr. L. C. Webb

The Minister wants a  
draft reply to attached  
memo by mid day  
Monday next.

*Pat*

27-4-57

Office of the Minister of Agriculture.

50 1945/5049-4182



Office of the Minister of Internal Affairs.

Wellington C. 1.

11th April, 1951.

MEMORANDUM for:-

Hon. K.J. Holyoake,  
Minister of Marketing.

It was decided last year by Cabinet that the Cabinet Committee on Parliamentary Petitions C.M. (50) 49, should invite the Ministers concerned to examine personally the papers dealing with those Petitions which were the immediate responsibility of their Department.

It is intended to adhere to this practice, and accordingly I attach hereto for your personal consideration the file relating to the Petition of the following:

W.B. Bray and others - Praying for repeal of the Honey Marketing Regulations, 1938, or other relief.

I shall be pleased if you will kindly return the file, together with your comments before the 30th April, as a meeting of the Cabinet Sub-Committee has been convened for that date for the purpose of making a report on Petitions to Cabinet.

*W. A. Rodkin*

*Langmuir  
Miss to J. C.*

AT/EP

13/1/9/2

24th January, 1951.

MEMORANDUM for:-

The Secretary of Internal Affairs,  
Internal Affairs Department,  
WELLINGTON

PARLIAMENTARY PETITION

I have to acknowledge your circular of the 18th January, 1951, regarding the petition, in which this Department was interested, and which was presented to Parliament last year.

As requested, I attach the relevant Departmental file and completed covering sheet.

Please return our file 13/1/9/2 when action is completed.

Mr. Doonan

File not yet returned.  
Please ascertain from:

Mr. Hughes:  
File will be away  
for some time yet

Rep say 907051  
Hay

A.C.W.  
DIRECTOR

DESPATCHED  
24 JAN 1951

MARKETING

13/1/9/3

Petition No: (1950) No. 18.

Name and Address of Petitioner: W.B. Bray and 11 others of Canterbury and other parts of New Zealand.

Subject of Petition: Praying for repeal of the Honey Marketing Regulations 1938 or other relief.

MEMORANDUM FOR:-

Nature of Order of House referring to Government:

Agricultural and Pastoral Committee on the Petition of W.B. Bray and others be referred to the Government for consideration.

That the Report of the

Precis of Department's Comment:

- (1) Previous anomalies in voting rights have been corrected by giving seals buyers equal voting rights with suppliers to the pool.
- (2) With the exception of those in Canterbury (where the petitioner conducted his business) beekeepers in New Zealand support the principle of a compulsory seals levy.
- (3) The proceeds of this levy are applied on the advice of a committee composed of three producers and two Government nominees, to those purposes believed to be of benefit to the industry generally.



13192

Director of Public

General Office  
Government Buildings  
Wellington C.I.  
In reply, please quote  
this number.  
I.A. 158/92



DEPARTMENT OF INTERNAL AFFAIRS,  
P.O. BOX 7, GOVERNMENT BUILDINGS,  
WELLINGTON C.I.

18th January, 1951

51/0

*Mr. Bray*

MEMORANDUM for-

The Director,  
Marketing Department,  
WELLINGTON.

PARLIAMENTARY PETITIONS REFERRED TO GOVERNMENT

The Cabinet Petitions Committee, which was appointed to inquire into and report to Cabinet on all petitions referred to the Government, will consider the petitions of the 1950 Session of Parliament which have not already been dealt with.

In accordance with the usual practice, this Department will be the agency through which reports on the petitions will be forwarded to the Committee. I shall accordingly be pleased if you will forward to this Department, as soon as possible, your relevant Departmental papers. Each file should be forwarded under a duly completed covering sheet, a supply of which is attached.

According to my records your Department was concerned with petitions last Session, one

*Copy has been sent. File 24/1/51*

*J. W. Blewett*  
Acting Assistant Secretary for Internal Affairs.

EXTRACT FROM THE JOURNALS OF THE HOUSE OF  
 REPRESENTATIVES, THURSDAY  
 30TH DAY OF NOVEMBER, 1950.

ORDERED:

*File*

That the Report of the Agricultural and Pastoral  
 Committee on the Petition of W.B. Bray and others be  
 referred to the Government for consideration.

On motion of Mr. Gillespie

A TRUE EXTRACT.

The Committee also recommends that (Sgd.) H. Dollimore  
 Association, together with the Marketing Department, give  
 consideration to an amendment  
Clerk of the House of Representatives.

concerning voting rights as they affect the honey producers within  
 The Director, in view of making provision that seals purchased  
 Marketing Department.  
 by the honey producer be credited to the individual honey producer for  
 voting purposes.

REFERRED.

G.L. O'Halloran

Acting Secretary for Internal Affairs.

1/12/50.

AGRICULTURAL AND PASTORAL COMMITTEE

REPORT ON THE PETITION  
OF

Petition No. 18.

W.B. BRAY & 11 OTHERS

PRAYING for repeal of the Honey Marketing Regulations 1938  
or other relief.

I HAVE THE HONOUR TO REPORT that the Committee has carefully  
considered the Petition and recommends that it be referred  
to the Government for consideration.

The Committee also recommends that the National Beekeepers  
Association, together with the Marketing Department, give  
consideration to an amendment to the present Honey Regulations  
concerning voting rights as they affect the honey producers within  
their own association by making provision that seals purchased  
by merchants be credited to the individual honey producer for  
voting purposes.

(Sgd.) W.H. Gilleapie  
CHAIRMAN.

30th November 1950

TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE  
HOUSE OF REPRESENTATIVES OF THE DOMINION OF  
NEW ZEALAND IN PARLIAMENT ASSEMBLED.

THE PETITION of WILLIAM BAYLEY BRAY AND OTHERS  
APIARISTS.

of CANTERBURY AND OTHER PARTS OF NEW ZEALAND.

HUMBLY SHOWETH:-

1. THAT WHEREAS THE PETITIONER AND OTHER BEEKEEPERS ASSEMBLED IN CONFERENCE AT TIMARU IN 1938 DID AGREE TO A PROPOSAL BY THE REPRESENTATIVES OF THE INTERNAL MARKETING DIVISION THAT A LEVY OF ONE HALFPENNY PER POUND SHOULD BE MADE ON ALL HONEY SOLD RETAIL FOR THE PURPOSE OF CONTRIBUTING TO ADVERTISING TO BE UNDERTAKEN BY THE SAID DIVISION IN ORDER TO BUILD UP A DEMAND FOR HONEY
2. AND WHEREAS THE HONEY MARKETING REGULATIONS, 1938, WERE ISSUED ON 9th NOV. 1938 IMPOSING SUCH LEVY, AND WERE CONFIRMED BY THE AGRICULTURAL EMERGENCY REGULATIONS CONFIRMATION ACT 1939
3. AND WHEREAS THE REGULATIONS AS ISSUED FAILED TO STATE THE PURPOSE OF THE MEANS BY WHICH THE SUMS RAISED WERE TO BE HELD AND DISBURSED
4. AND WHEREAS NONE OF THE MONEY SO RAISED HAS BEEN SPENT ON ADVERTISING BUT SUCH SUMS AS HAVE BEEN DISBURSED HAVE BEEN APPLIED TO THE HONEY POOL ACCOUNT OF THE MARKETING DIVISION
5. AND WHEREAS THIS ACTION HAS RESULTED IN TAKING AWAY MONEY COMPULSORILY FROM ONE GROUP OF PRODUCERS AND PAYING IT TO ANOTHER GROUP
6. AND WHEREAS SUCH ACTION IS A HINDRANCE AND RESTRAINT ON FAIR TRADING PRACTICES AND REACTS UNJUSTLY ON THOSE WHO ARE COMPELLED BY LAW TO CONTRIBUTE THE MONEY
7. AND WHEREAS THERE WOULD BE A GOOD DEFENCE IN THE COURTS THAT THE REGULATIONS EXCEEDED THE POWERS CONFERRED IN THE ENABLING ACT BUT FOR THE AGRICULTURAL EMERGENCY REGULATIONS CONFIRMATION ACT 1939 YOUR PETITIONERS THEREFORE HUMBLY PRAYS THAT YOUR HONOURABLE HOUSE WILL BE PLEASED TO REPEAL THE ABOVEMENTIONED PETITIONERS, AS IN DUTY BOUND, WILL EVER PRAY

(Sgd.)

W. B. Bray  
F. F. Penrose  
E. Smellie  
A. R. Gosset  
L. T. McEwen

Apiarist  
Apiarist  
Apiarist  
Apiarist  
Apiarist

Leeston  
Southbridge  
Riccarton  
Leeston  
Lakeside, R. M. D.

Henry Geddes	Apiarist	Box 225, Rotorua
Raymond E. Hansen	Apiarist	Beeville, Orini, R.D.
W.W. Betts	Apiarist	Hororata
L.A. Hantz	Apiarist	Lakeside, Leeston
M.A. Shepherd	Apiarist	"Shepherd & Hill" Rangiora
R.I. Woods	Apiarist	Rangiora.
A.R. Woods	Apiarist	Rangiora

Gilliespie.

PETITION LODGED BY MR. W.E. BRAY AND OTHERS.



(Marketing Dept. letterhead)

Mr. W. E. Gillespie, M.P.,  
Parliament Buildings,  
WELLINGTON.

Dear Mr. Gillespie,

PETITION LODGED BY MR. W. B. BRAY AND OTHERS.

The following notes are set out for your information, and are designed to be of special assistance in finalizing the recommendations in respect of the above petition:

- (1) The seals levy was operative before the Internal Marketing Division took over; the principal difference between the producer organizations' use of the funds collected and that of the Department was that the producers used them for equalization of payouts only, while the Division stated, on assuming control, that the funds were for the benefit of the industry as a whole plus advertising and publicity where necessary.
- (2) There appears to have been in 1958 general industry acceptance of the seals levy on local market sales, and the difference of opinion as represented by the petitioners is perhaps not so much against the seals levy itself as against the use to which the funds have been put.
- (3) The National Beekeepers' Association has always supported the principle of the seals levy. The only area and branch that has voiced disapproval with the seals levy has been the Canterbury branch which is composed largely of the petitioners. The other South Island branches have not, in recent years at least, voiced a contrary opinion on the seals levy question.
- (4) The Canterbury producers are also in a somewhat unique position for marketing honey. They are small in number and alongside a very large city which is capable of absorbing not only the whole of the local production, but also considerable quantities of outside honey.
- (5) The national honey marketing problems are therefore not so significant for Canterbury producers who are not so materially affected by surplus production in other areas.
- (6) Other areas in the South Island, particularly Otago, Southland and the West Coast, this year found it expedient to consign over 100 tons

- of honey to the central marketing organization at Auckland, and the bulk of this honey was of first quality; and had it been marketed in the South Island, over-supplied local markets would have resulted.
- (7) In our discussions on Friday, 10th November, the question of voting rights by persons who packed for the local market was raised; and the following points in this respect are set out in some detail:
- (a) The Regulations as amended just prior to the 1950 Honey Committee election provided for a system of equal votes for suppliers to the Department and for the purchasers of seals. A producer may qualify under both; and on this basis, may exercise a maximum of 40 votes.
  - (b) At the direct request of the National Beekeepers' Association, it is proposed to amend the Regulations further before the 1951 election by limiting the maximum number of votes that may be exercised by any one producer, irrespective of qualification, to 20 votes.
  - (c) There appears, on perusal of the list of persons and merchants who purchased seals in the year prior to the 1950 election, to be an anomaly, in that if a producer who merely packs his honey on behalf of merchants and does not purchase seals (the merchant does in these cases) loses his qualification.
  - (d) It is evident from the records that Canterbury merchants are fairly large buyers of seals on this basis, and therefore some producers are no doubt being disfranchised in that area as a result.
  - (e) In order to allow these producers to qualify for voting on the basis of honey packed for local market merchants, some further amendment to the Regulations would appear to be desirable.
  - (f) Producers selling honey on this basis could ~~xxx~~ achieve qualification by requesting merchants for whom they pack honey to purchase seals in their name; or alternatively, the merchants being required to name a producer at the time of the seals purchase.
- (8) The 1950 Conference of the National Beekeepers' Association also recommended that consideration be given to the simplification of the system of affixing seals, and already some discussions have taken place in this respect. It is hoped that better methods will be

evolved in the near future; but this would not overcome the difficulty of the producer who packs his honey on behalf of merchants who, in turn, actually purchase the seals.

4th December, 1950.

Yours sincerely,

HONEY.

Assistant Director.

PLEASE FIND COPY OF THE REPORT ON THE HONEY TRADE IN THE HOUSE OF REPRESENTATIVES CONCERNING THE SELLING OF HONEY

COPY.

EXTRACT FROM THE JOURNALS OF THE HOUSE OF  
REPRESENTATIVES, THURSDAY  
30TH DAY OF NOVEMBER, 1950.

ORDERED:

That the Report of the Agricultural and Pastoral  
Committee on the Petition of W.B. Bray and others be  
referred to the Government for consideration.

On motion of Mr. Gillespie

A TRUE EXTRACT.

(Sgd.) H. Dollimore

Clerk of the House of Representatives.

The Director,  
Marketing Department.

REFERRED.

G.L. O'Halloran

Acting Secretary for Internal Affairs.

1/12/50.

HOUSE OF REPRESENTATIVES

AGRICULTURAL AND PASTORAL COMMITTEE

REPORT ON THE PETITION

OF

Petition No. 18.

W.B. BRAY & 11 OTHERS

PRAYING for repeal of the Honey Marketing Regulations 1938  
or other relief.

I HAVE THE HONOUR TO REPORT that the Committee has carefully  
considered the Petition and recommends that it be referred  
to the Government for consideration.

The Committee also recommends that the National Beekeepers  
Association, together with the Marketing Department, give  
consideration to an amendment to the present Honey Regulations  
concerning voting rights as they affect the honey producers within  
their own association by making provision that seals purchased  
by merchants be credited to the individual honey producer for  
voting purposes.

(Sgd.) W.H. Gillespie

CHAIRMAN.

30th November 1950



TO THE HONOURABLE THE SPEAKER AND MEMBERS OF THE  
HOUSE OF REPRESENTATIVES OF THE DOMINION OF  
NEW ZEALAND IN PARLIAMENT ASSEMBLED.

THE PETITION of WILLIAM BAYLEY BRAY AND OTHERS  
APIARISTS.

of CANTERBURY AND OTHER PARTS OF NEW ZEALAND.

HUMBLY SHOWETH:-

1. THAT WHEREAS THE PETITIONER AND OTHER BEEKEEPERS ASSEMBLED IN CONFERENCE AT TIMARU IN 1938 DID AGREE TO A PROPOSAL BY THE REPRESENTATIVES OF THE INTERNAL MARKETING DIVISION THAT A LEVY OF ONE HALFPENNY PER POUND SHOULD BE MADE ON ALL HONEY SOLD RETAIL FOR THE PURPOSE OF CONTRIBUTING TO ADVERTISING TO BE UNDERTAKEN BY THE SAID DIVISION IN ORDER TO BUILD UP A DEMAND FOR HONEY
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7. AND WHEREAS THERE WOULD BE A GOOD DEPENDENCE IN THE COURTS THAT THE REGULATIONS EXCEEDED THE POWERS CONFERRED IN THE ENABLING ACT BUT FOR THE AGRICULTURAL EMERGENCY REGULATIONS CONFIRMATION ACT 1939 YOUR PETITIONERS THEREFORE HUMBLY PRAYS THAT YOUR HONOURABLE HOUSE WILL BE PLEASED TO REPEAL THE ABOVE MENTIONED REGULATIONS OR GRANT SUCH RELIEF AS IT THINKS FIT AND YOUR PETITIONERS, AS IN DUTY BOUND, WILL EVER PRAY

(Sgd.)	W.B. Bray	Apiarist	Leeston
	F.P. Penrose	Apiarist	Southbridge
	E. Smellie	Apiarist	Riccarton
	A.R. Gosset	Apiarist	Leeston
	L.T. McEwen	Apiarist	Lakeside, R.M.D.
	Henry Geddes	Apiarist	Box 225, Rotorua
	Raymond E. Hansen	Apiarist	Beeville, Orini, R.D.
	W.W. Betts	Apiarist	Hororata
	L.A. Hantz	Apiarist	Lakeside, Leeston
	M.A. Shepherd	Apiarist	"Shepherd & Hill", Rangiora
	R.I. Woods	Apiarist	Rangiora
	A.R. Woods	Apiarist	Rangiora

15th November, 1950.

Mr. W. H. Gillespie, M.P.,  
House of Representatives,  
WELLINGTON



Dear Mr. Gillespie,

PETITION LODGED BY MR. W. B. BRAY  
AND OTHERS

The following notes are set out for your information following our discussions on Friday last.

- (1) A system of seals levy was in operation on a voluntary basis before the Internal Marketing Division acquired any responsibility for honey. The principal difference between the producer organisations' use of the funds collected and that of the Department was that the producers used them for equalisation of payouts only, while the Division stated, on assuming control that the funds were for the benefit of the industry as a whole, including advertising and publicity where necessary.
- (2) In 1938, there appears to have been general industry acceptance of the seals levy on local market sales, and the difference of opinion as represented by the petitioners is perhaps not so much against the seals levy itself as against the use to which the funds have been put. The National Beekeepers' Association has always supported the principle of the seals levy. The only area and branch that has voiced disapproval of the seals levy has been the Canterbury Branch which is composed largely of the petitioners. The other South Island branches have not, in recent years at least, opposed the seals levy.
- (3) The Canterbury producers are also in a special position for marketing honey. They are small in number and near to a city which is capable of absorbing the whole of the local production, and also considerable quantities of outside honey. The national honey marketing problems are therefore not so significant for Canterbury producers who are not materially affected by surplus production in other areas.
- (4) Other areas in the South Island, particularly Otago, Southland and the West Coast, this year found it expedient to consign over 100 tons of honey to the central marketing organisation at Auckland, and the bulk of this honey was of first quality. Had it been marketed in the South Island, over-supplied local markets would have resulted.
- (5) In our discussions on Friday, 10th November, the

question of voting rights by persons who packed for the local market was raised. The following points are relevant:-

- (a) The Regulations as amended just prior to the 1950 Honey Committee election provided for a system of equal votes for suppliers to the Department and for the purchasers of seals. A producer may qualify under both, and on this basis, may exercise a maximum of 40 votes.
- (b) At the request of the National Beekeepers' Association, it is proposed to amend the Regulations before the 1951 election by limiting the maximum number of votes that may be exercised by any one producer, irrespective of qualification, to 20 votes.
- (c) There appears, on perusal of the list of persons and merchants who purchased seals in the year prior to the 1950 election, to be an anomaly, in that a producer who merely packs his honey on behalf of merchants and does not purchase seals (the merchant does in these cases) loses his qualification. It is evident from the records that Canterbury merchants are fairly large buyers of seals on this basis, and therefore some producers in that area are no doubt being disfranchised.
- (d) In order to allow these producers to qualify for voting on the basis of honey packed for local merchants, some further amendment to the Regulations would be necessary. Producers selling honey on this basis could achieve qualification by requesting merchants for whom they pack honey to purchase seals in their name; or alternatively, the merchants might be required to name a producer at the time of the seals purchase.
- (e) However, it is well established practice that amendments to the regulations are made at the request of the beekeepers' own organisation, or only after full consultation with them. Should this matter be raised at the next Conference and be agreed to there, an amendment to the regulations could be prepared without any difficulty.
- (6) The 1950 Conference of the National Beekeepers' Association also recommended that consideration be given to the simplification of the system of affixing seals, and already there have been some discussions about this. It is hoped that better methods will be evolved in the near future, but again, this is a matter on which the industry will have to express an opinion at its next Conference.

To sum up:

- (1) Previous anomalies in voting rights have been corrected by giving seals buyers equal voting rights with suppliers to the pool.
- (2) With the exception of those in Canterbury (where the petitioner conducted his business) beekeepers in New Zealand support the principle of a compulsory seals levy.
- (3) The proceeds of this levy are applied on the advice

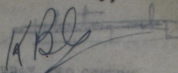
/of a committee

13/11/50. GAB.

of a committee composed of three producers and two Government nominees, to those purposes believed to be of benefit to the industry generally.

Mr. W.H. Gillespie, M.P.,  
Parliament Buildings,  
WELLINGTON.

Yours sincerely,



Dear Mr. Gillespie,

PETITION LODGED BY MR. ASSISTANT DIRECTOR

The following notes are set out for your information:  
designed to be of special assistance in financing the production.



*rice*  
H 350 24 OTOROHANGA 1 29' P ++

D  
DIRECTOR OF MARKETING  
HOTEL AVON BLDGS.  
WEBB INTERHEAD WELLINGTON +

Rec'd at

By

NEW ZEALAND POST OFFICE TELEGRAM

For Post Office use only.

ARM No.

267

Sent

To

By

Ackgd.

13/10/12  
DATE-STAMP



+ PREPARE TO GIVE EVIDENCE BEFORE PARLIAMENTARY  
COMMITTEE ON SEALS ISSUE STOP AWAIT  
YOUR ADVICE REGARDING DATE AND TIME  
OF MEETING ++ NELSON ++

Tel. 142 100,000 pade/7/50-47501



6th October, 1950.

Mr. W. Nelson,  
Otewa Road,  
OTOROHANGA

Dear Sir,

You may be aware that Mr. Wm. Brey has petitioned Parliament regarding the use of the honey seals levy. In the last issue of "The Beekeeper" you replied to the substance of his petition.

I should be glad if you would advise me whether you would be available to give evidence at the hearing in Wellington of the petition which will probably take place towards the end of next week, say about the 12th October. It is, of course, to be understood that your expenses would be paid through this Department.

I shall take the opportunity of telegraphing you as soon as a definite date and time is fixed.

Yours faithfully,



*L. G. G. G.*  
DIRECTOR *d*

*Return to C.C.*

Merchandise:

7 Purchased other than at by the Pool:

The total straight out purchases for the past season were  $305\frac{1}{2}$  cases which were taken in at £ 940-17-10. The honey purchased in this manner was mostly honey rejected by the grade (Dept of Agric) as being unsuitable for blending. ~~As~~ <sup>When</sup> this is the case the Dept usually negotiates with the producer concerned and in each case a satisfactory arrangement as to price etc have been agreed upon.

There were 7 cases of honey returned to producers this year as they were condemned as unfit for consumption. A further 12 cases of very strong birch honey at Greymouth was also rejected after samples had been tested at Auckland. In this case the producer was newly asked to take possession again.

L. Beard



The Editor,

Dear Sir,

In view of the confusion (fostered mainly by a bit of propaganda of half truths and a distortion of facts) that exists in the minds of a number of beekeepers regarding the origin and purpose of the "seal levy", kindly allow me space to briefly repeat the substance of the explanation I was requested to make to Conference on this important matter.

Past experience of the honey industry has proved that no producer marketing organisation can survive under conditions of unrestricted competitive selling by individual producers who contribute nothing to the organisation that exists solely for the purpose of establishing marketing stability and a payable price level to producers.

Whilst recognising the vital necessity for organised marketing, beekeepers have never been sympathetic towards any scheme of compulsion to supply the whole of their crop to the organisation. This was very plainly demonstrated at the conference of beekeepers in Wellington about 1932 to consider the formation of another producer marketing company following on the collapse of the H.P.A. At this meeting, I advanced the proposal of the 1d per lb. seal levy, obligation to apply to all honey which producer shareholders chose to retain and sell through the usual trade channels. The necessity for this seal levy fund was clearly understood by all producers. It was to be used by the Company to establish an equalisation fund from which the Company could draw upon to assist the pay-out to suppliers and thus ensure a return to them that would compare favourably with that of non-suppliers. This policy operated during the entire period of the Company's four years of existence. It can be truly said that this seal levy obligation was a vital and integral part of the Company's structure. The Company, however, had no control over the operations of non-shareholders who were of course free to sell their honey without either a seal levy charge or share capital obligations. This undermining factor had the obvious weakening effect on the position of the Company, and was one reason for the Company going into liquidation and disposing of its assets to the Internal Marketing Division. The seal levy obligation then became applicable to all non-suppliers and the I.M.D. continued the same policy as that practised by N.Z. Honey Ltd. as far as the collection and purpose of the seal levy money was concerned. In 1938 (shortly after the I.M.D. took over) the market, both overseas and local, was threatened with a glut that would tax the strength of the organisation to dispose of honey at a payable price to producers. The industry displayed considerable anxiety over the position and naturally looked to the Honey Board which served in an official advisory capacity to the Government, to provide an answer to the problem.

It was under these circumstances that in the course of my address as chairman of the Board to the 1938 Beekeepers' Conference I said that the seal levy would be used "mainly for advertising".

In view of the use to which the seal levy fund had been applied by the producers' own Company during its entire period of existence and the recognised necessity for that policy to continue, it seems incredible that anyone at that conference could possibly interpret my words "mainly for advertising" in regard to seal levy money as a binding policy for all time covering the disposal of seal levy money. War-time conditions that developed twelve months later completely altered the marketing position. Honey quickly became a commodity in short supply and the necessity for an advertising campaign no

/longer

longer existed. The seal levy fund was then free to be used for the purpose it had all along been applied to, namely, to stabilise the pay-out to suppliers at a level comparable to that obtained by non-suppliers.

The alternative to the seal levy would be for the Government to subsidise the pay-out to suppliers of the organisation. The industry, however, has never put forward such a proposal and we have good reason for believing that neither the late Government nor the present one would favourably consider subsidising the pay-out to honey suppliers of the Marketing Department.

Yours faithfully,

WALLACE NELSON.

The Clerk,  
Public Petitions & L. Committee,  
Parliament Buildings,  
WELLINGTON



Y  
For Publication

August Issue  
The N.Z. Beekeeper

WELLINGTON

Sir,

In view of the confusion (fostered mainly by a propaganda of half truths and a distortion of facts) that exists in the minds of a number of beekeepers regarding the origin and purpose of the "Seal Levy" kindly allow me space to briefly repeat the substance of the explanation I was requested to make to Conference on this important matter.

Past experience of the Honey Industry has proved that no producer marketing organization can survive under conditions of unrestricted competitive selling by individual producers who contribute nothing to the organization that exists solely for the purpose of establishing marketing, stability and a payable price level to producers.

Whilst recognizing the vital necessity for organized marketing, beekeepers have never been sympathetic towards any scheme of compulsion to supply the whole of their crop to the organization. This was very plainly demonstrated at the Conference of beekeepers in Wellington about 1932 to consider the formation of another producer marketing coy. following on the collapse of the N.P.A. At this meeting I advanced the proposal of the 10. per lb. seal levy obligation to apply to all honey which producer shareholders chose to retain and sell through the usual trade channels. The necessity for this seal levy fund was clearly understood by all producers. It was to be used by the Coy. to establish an equalization fund from which the Coy. could draw upon to assist the payout to suppliers and thus ensure a return to them that would compare favourably with that of non-suppliers. This policy operated during the entire period of the Coy's four years of existence. It can be truly said that this seal levy obligation was a vital and integral part of the Coy's structure. The Coy. however, had no control over the operations of non-shareholders who were of course free to sell their honey without either a seal levy charge or share capital obligation. This undermining factor had the obvious weakening effect on the position of the Coy. and was one reason for the Coy. going into liquidation and disposing of its assets to the Internal Marketing Division. The seal levy obligation then became applicable to all non-suppliers and the I.M.D. continued the same policy as that practiced by N.Z. Honey Ltd. as far as the collection and purpose of the seal levy money was concerned.

In 1938 (shortly after the I.M.D. took over) the market, both overseas and local was threatened with a glut that would tax the strength of the organization to dispose of honey at a payable price to producers. The Industry displayed considerable anxiety over the position and naturally looked to the Honey Board, which served in an official advisory capacity to the Government, to provide an answer to the problem. It was under these circumstances that in the course of my address as Chairman of the Board to the 1938 beekeepers Conference I said that the seal levy would be used "mainly for advertising".

In view of the use to which the seal levy fund had been applied by the producer's own Coy. during its entire period of existence and the recognized necessity for that policy to continue, it seems incredible that anyone at that Conference could possibly interpret my words "mainly for advertising" in regard to seal levy money as a binding policy for all time covering the disposal of seal levy money. War time conditions that developed twelve months later completely altered the marketing position. Honey quickly became a commodity in short supply and the necessity for an advertising campaign no longer existed. The seal levy fund was



House of Representatives  
WELLINGTON

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good reason for believing that neither the late Government nor  
present one would favourably consider subsidizing the payout to  
suppliers of the Marketing Department.

Wallace Nelson.

The Director,  
Marketing Department,  
WELLINGTON.

Copy for your information.

*W. A. H. H. H.*

EXPLANATORY MEMORANDUMHoney Marketing Regulations, 1938

These Regulations are introduced as the result of a thorough investigation into the marketing of honey in this country, which was conducted by the Internal Marketing Division under the direction of the Hon. Minister of Marketing.

The marketing plan envisaged by these Regulations was first recommended by the Honey Export Control Board and at the Annual Conference of the National Beekeepers' Association at Timaru in June last, received overwhelming approval.

When in operation it will mean that all honey sold through recognised trade channels but excepting purely domestic sales and honey in the comb, shall be required to have the seal affixed to the container on the basis of 1d per nett weight of honey packed.

These seals will be issued by and will be available from the Internal Marketing Division for cash sale and the resultant revenue will be utilised entirely for the further development of the industry and in particular to cover the cost of a National Publicity Campaign within New Zealand to stimulate the consumption of honey and also to further develop our growing markets overseas.

However, the actual revenue is not the main consideration, as the real objective of the scheme is to ensure that all producers who must benefit from the activities of the Internal Marketing Division in securing more orderly marketing, shall contribute their share towards the costs of these activities and of a publicity campaign.

At present time, Internal Marketing Division is functioning on a purely voluntary basis as far as honey marketing is concerned, and producers support the Division only if they wish to do so.

Unless a scheme such as this is applied, it will mean that those producers who sell quite apart from the Division will secure all the benefits available to producers supplying the Division, without making any contribution whatever. These proposals have the support of the great majority of beekeepers in this country, and will make for a greater degree of organised marketing during the coming season.

The authority for these Regulations is contained in Section 6 of the Primary Products Marketing Amendment Act of 1937 but the Solicitor-General advises that it would be wise to arrange for their validation at the first assembly of Parliament.

7/11/38  
APPROVED

(Sgd.) W. NASH

I hereby certify that this is a true copy of the original explanatory memorandum.

*Stan K. Langmore*  
ASSISTANT DIRECTOR