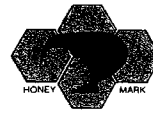


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# new zealand honey marketing authority



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4 AUGUST 1980

## CHAIRMANS NEWSLETTER

TO ALL HIVE LEVY PAYERS:

NOT FOR PUBLICATION

The H.M.A. met on 22nd and 25th July - before and after the N.B.A. Conference at Tauranga.

Matters of major interest discussed by the H.M.A. and Conference were - the formation of the proposed Co-operative and the application of H.M.A. funds for that purpose.

Persons from parties interested in the funds - Honey Marketing Authority, National Beekeepers' Association, Honey Packers' Association and the Steering Committee of the proposed Co-operative - met informally on 25th July.

They considered the question of arbitration for the purpose of providing an independent assessment of the appropriate use of the funds. This is to be followed up shortly.

Earlier suggestions that the members of the proposed Co-operative would automatically qualify for a high percentage of the H.M.A. funds appear to be well astray. Meanwhile no low interest rate money can be made available. If the proposed Co-operative wishes to buy the South Island operations or part of them at valuation it would seem reasonable that it do so by agreeing to borrow, if necessary, from the Authority, a sum equal to the purchase price at a rate of interest and on a repayment basis to be determined by arbitration. The sum of money involved would not be very great.

### SALE OF H.M.A. AUCKLAND PROPERTY

We have a situation where the Deputy Chairman and the Chairman agree that the valuable Auckland property should be sold on the open market for cash. Under these circumstances I could not agree to the property being sold to the proposed Co-operative unless the Minister, using his powers under the Primary Products Marketing Act, gives a written instruction to the Board that it must sell the property to the Co-operative.

### INDUSTRY FUNDS

During Conference I explained a suggestion I had previously made to the H.M.A. Board and others.

Basically, it is to convert the Board's assets to a cash fund (say \$800,000) which would be deposited with a bank and be interest bearing - the arrangement with the bank to provide that any part of the fund would be available to the trustees at any time to enable advances to be made at the appropriate interest rate against stocks of honey, wherever situated, to the satisfaction of the trustees.

When the fund is established and the H.M.A. disbanded the fund would be administered by the N.B.A. the net revenue from the fund could be used to reduce or replace the hive levy.

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In our planning for the future we are operating from a position of greater strength than our industry has ever known. There will be a further lift in the H.M.A. payout from the record 86¢ per kg last year to more than \$1.00 per kg this year. Private exports are increasing and are yielding to the producers even more satisfactory returns. Any new structure should consolidate our recent gains - there is no need for rush.

After so many years of industry stagnation it is pleasing to read in the report of the Chief Advisory Officer (Apiculture) that there has recently been a significant increase in the number of registered beekeepers and that the total number of hives in New Zealand now stands at 233,810.

There are ample export marketing opportunities for the limited quantity of honey New Zealand has to offer. I expect to find further confirmation of this when I again go overseas in the latter part of next month.

Last year's crop is now estimated as 1200 tonnes above average but stocks are short. Let's hope we can do much better this season.

PERCY BERRY  
CHAIRMAN