



28 August 1991

OFFICE OF THE MINISTER OF AGRICULTURE

WELLINGTON, N.Z.

Mr D Ward
President
National Beekeepers Association of New Zealand
P O Box 4048
WELLINGTON

Dear Mr Ward

NATIONAL ENDEMIC DISEASE CONTROL PROGRAMME

I am writing to update you on the Governments position regarding the funding of the above programme.

Firstly I must advise you that Government will not be contributing to funding of the endemic disease control programme.

The decision not to continue with Government funding, was made by MAF, in its implementation of Government policy to charge for services where a major beneficiary could be identified. This policy already is in place for inspection and certification services in both the meat and dairy industries and has recently been extended in the budget.

I am advised that MAF informed your Association last year that it would not be funding the disease control programme past 30 June 1991.

At our meeting in May I noted the very high costs you quoted for compliance with the Commodity Levies Act and suggested that you present your submission to the Government Agricultural Caucus for suggestions on alternative funding. However I also made it clear it would be very unlikely that the Government would reinstate funding for the programme.

The Agricultural Caucus Committee and I carefully considered your submissions. The caucus accepted that the whole of the agricultural industry benefited from the pollination provided by bees, but was unable to advise me on alternative funding methods.

I also accept that the whole of agriculture benefits from the pollination provided by bees. However I note that where bees are provided solely for the purpose of pollination this service is charged for. Where hives are placed without charge they would have been so primarily for the collection of honey rather than for pollination of crops.

As I mentioned, I was surprised at your quoted cost of compliance with the Commodity Levies Act. A possible way to reduce the compliance cost would be to consider a compulsory levy on owners of 50 or more hives (579 beekeepers) which would cover 90% of all hives, plus operate a voluntary levy for the remaining beekeepers. This may reduce the cost of collection and remove a possible disincentive for the remaining 5631 beekeepers to declare their hives. This option may work out cheaper for the 579 serious beekeepers than the option to levy all beekeepers.

Associate Minister of Agriculture