

**Application for a Levy Order**  
**Under the**  
**Commodity Levies Act 1990**

This application for a Levy Order under the Commodity Levies Act 1990 is submitted by the **NATIONAL BEEKEEPERS' ASSOCIATION OF NEW ZEALAND (Inc)**.

Under the Common Seal of the New Zealand Beekeepers' Association (Inc).

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President Nick Wallingford,

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Secretary Harry Brown, Executive

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## Summary of Levy Order Application

Industry Organisation	National Beekeepers' Association of New Zealand (Inc)	
Commodity	The commodity to be levied is honey, pollen, beeswax, propolis, bee venom and any other bee product.	
Membership	432 Commercial members (at 31 December 1995) and 466 Ordinary members	
Number of Levy Payers	1,276 (estimated, with additional unestimated additional Ordinary members)	
Levy Basis	The basis on which the levy is to be paid is the number of apiaries held.	
Levy Rate	The levy will be paid at two rates. Each leviable beekeeper's first apiary site will be levied at one rate. A second levy rate applies for each additional apiary site. The rate for the first year of the levy will be \$50 (excluding GST) for the first apiary site and \$22 (excluding GST) for each subsequent apiary.	
Referendum Results	% of referendum participants in support	72%
	% of apiaries of participants in support	73%
	% of hives of participants in support	73%

## The Industry Organisation

### **Authority to Apply for a Levy Order**

This application is made to the Minister is being made on behalf of the Executive of the National Beekeepers' Association of New Zealand (Incorporated). It is signed by the President, the Vice President and the Executive Secretary of the Association on behalf of the Executive, whose authority to act on the Association's behalf is provided for in the rules of the National Beekeepers' Association of New Zealand (Incorporated), rule 16(j).

### **Plan to Spend Funds for First Year**

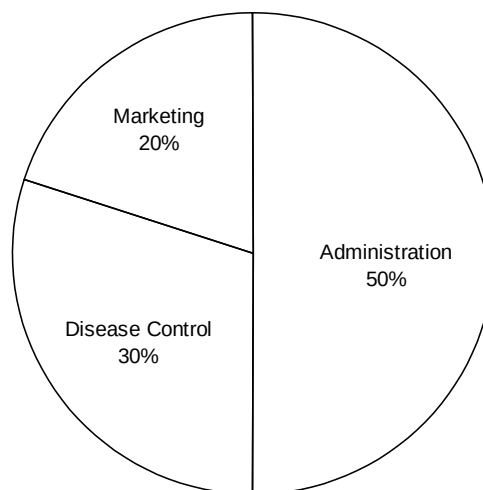
During the first year of the levy's collection, the Association anticipates spending the funds collected on the day to day administration of the organisation's activities (but not including any commercial or trading activities), promotional activities for the benefit of the beekeeping industry and activities related to the improvement of the health status of honey bees.

The Association will continue the current range and quantum of activities in the first year of the levy collection as during the last several years, while noting that changes will be made relating to:

- current expenditure related to obtaining the Commodity Levies order
- levels of expenditure related to Pest Management Strategy development and implementation
- potential income derived from the levy, given that the Association is using estimations of the number of levy payers, as described in Appendix 4.
- changes to management (specifically, changes to apiary sizes and numbers) may impact on potential income
- loss of income and an increase in expenditure related to non-compliance with a new levy and increased collection costs resulting from that non-compliance.

In Appendix 2 are the Annual Reports of the Association for 1993, 1994 and 1995. In Appendix 3 is the budget for 1996 and the financial reports for the first half of that year. In general terms, it is expected that the Association will continue to operate as during these years.

In the event of the items above impacting on the quantity of funds available, budgetary decisions will be made by the Executive with a prioritised view to maintaining a viable association and management agency role, providing for the implementation and operation of the Pest Management Strategy and funding any generic marketing initiatives.



## ***Representative Nature of the Organisation***

### **Membership: Existing Organisation, Expected Levy Payers [5(2)(s)]**

At 31 December 1995, the Association had 466 Ordinary members and 432 Commercial members.

In May 1994, the Executive of the Association attempted to estimate the number of potential levy payers and the number of apiaries represented in order to set the proposed levy rates. The memo that formed the basis of that discussion appears as Appendix 4. The Executive used a matrix table prepared by its Executive Officer in 1991 (based on June 1990 reporting), updated in light of changes included in the 1993 beekeeper and apiary statistics prepared by MAF Quality Management. Estimates were made regarding expected consolidation of hives onto fewer apiaries in order to minimise levy payable by individual beekeepers.

The analysis concluded that there would be approximately 1,276 potential levy payers (516 of whom were already Commercial members of the Association and an unknown number of the remainder were existing Ordinary members). No attempt was made to estimate the number of Ordinary members that would remain after the imposition of a levy based on apiary sites.

### **Types of Membership**

According to the Association rules, there are five categories of membership: Ordinary, Commercial, Life, Honorary and Associate.

- **Ordinary** membership is open, effectively, to anyone, whether a beekeeper or not, through the payment of a subscription. For the 1996 year, the subscription rate for Ordinary members was set at \$38.00 (GST inclusive). Ordinary members currently have 1 vote, though a remit has recommended to Executive that rule changes be investigated to effect a change this being a magazine subscription membership only.
- **Commercial** members are those liable to pay a fee under the (current) Hive Levy Act or under the levy order to be imposed through this application. The fee payable by Commercial members is the amount of levy due under the relevant Act. Rule changes have been effected in order that the rules would still remain workable with the change from Hive Levy Act to Commodity Levies Act. Commercial members have voting rights depending on the number of hives (currently) or apiaries (under this order).

Under the Hive Levy Act, a Commercial member receives one vote for each 100 hives or part thereof on which hive levy for the current year has been paid, with a maximum of 12 votes. Under this order, a Commercial members will have one vote for each 10 apiaries or part thereof on which a levy for the current year has been paid, with a maximum of 25 votes.

- **Life** membership is bestowed as a mark of esteem and in recognition of outstanding service to the New Zealand beekeeping industry by the Association's Annual Meeting upon the recommendation of the Executive. A Life member is entitled to one vote.
- **Honorary** membership is bestowed by the Executive as a mark of esteem and in recognition of services to the New Zealand Beekeeping Industry. Honorary members are not entitled a vote.
- **Associate** membership is open to any specialist beekeeping organisation at the discretion of the Executive. Associate members are not entitled a vote.

## ***Voting on Levy Rates and Uses***

Levy rates in future years could only be changed by a vote at the Association's Annual Meeting or any Special Meeting called specifically for that purpose. Voting at the Annual Meeting is on the basis of one vote for each member of the Association. Voting at a Special Meeting is initially a by branch delegates, but in the event of a poll, the votes carried by the branch delegate are cast. These votes include the weighted votes of Commercial members as discussed under the Types of Membership heading.

Decisions on the specific use of levy money are made by the Executive of the Association. The Executive is strongly influenced by remits (in the form of recommendations to the Executive) that come from members, branches and the Executive. These remits form the basis for a remits discussion meeting at each branch prior to Conference. The remits are then discussed and voted upon during the annual Conference of Branch Delegates. Under this order, every beekeeper who is liable to pay a levy is deemed to be a Commercial member of the Association. Upon payment of the levy, the member becomes eligible to vote on levy matters, either during the remit voting process or at the Annual Meeting or for any Special Meeting.

## **Composition and Election of Executive**

The Executive of the Association consists of six persons who are either members of the Association or the representatives of corporations which are members. Three are resident in the North Island and three in the South Island. Members of the Executive hold office for two years, and are eligible for re-election. Elections are by a postal ballot of members conducted by the Executive Secretary (acting as the Returning Officer). Voting is weighted to reflect hive holdings (under the existing Hive Levy Act) or apiary numbers (under the proposed levy order). Rule changes have been made to effect that change. Appointments to casual vacancies and appointments in the case of insufficient nominations are handled by the Executive.

## **Other Groups that Represent the Levy Payers**

There are other clubs and associations that represent sub-sections of the beekeeping industry. Included in these are a number of hobbyist clubs and industry sector groups including:

- New Zealand Queen Bee Producers Association
- New Zealand Honey Packers Association
- New Zealand Honey Exporters Association
- New Zealand Comb Honey Producers Association
- Beech Honeydew Association
- New Zealand Honey Bee Pollination Association
- Commercial Pollination Association
- New Zealand Honey Producers' Association
- Kiwifruit Pollination Association
- Hawkes Bay Pollination Association
- Auckland Pollination Association

None of these organisations attempt to or claim to represent the entire beekeeping industry in the manner of the National Beekeepers' Association.

## **Advantages and Disadvantages of Compulsory Levy**

### ***How Uses of the Levy Will Be in the Interest of Levy Payers***

#### **The Need for an Industry Association**

The National Beekeepers' Association of New Zealand (Incorporated) has represented the interests of all New Zealand beekeepers since 1913. The continued existence of the National Beekeepers' Association is vital to the development of New Zealand's beekeeping industry.

The industry supplies all of New Zealand's honey requirements (estimated 7,000 tonnes) and exports any production in excess of that amount (up to 4,000 tonnes). In 1993 the domestic honey sales was estimated at \$27.8 million and the export value at \$7.5 million. Because of seasonal variations, the amount available for export can vary dramatically.

Only by having a single industry organisation can the industry work co-operatively and establish strategic direction.

### **History of Levies Within the Industry**

Since the late 1930's there has been some form of compulsory levy within the beekeeping industry. Initially, the Seals Levy required packers of honey to affix stamps or seals to containers destined for the retail trade.

With the Hive Levy Act 1978, the levy basis was changed to be beekeepers with 50 or more hives. There have been a number of remits to the Annual Conference since that time calling for a reduction in the number of hives upon which levy should be paid. The arguments have related to the perception of hobby versus commercial intent, and the level of beekeeping activity at which a distinction can be made.

### **Hobbyist and Commercial Intent**

With the Commodity Levies Act the Association has attempted to address those concerns and ensure that beekeepers who are part of 'the commercial industry' contribute to the benefits they receive from the activities of the Association.

The average honey production in New Zealand is about 30 kg per hive. Any beekeeper with more than 10 hives produces considerably more honey than would be consumed by family members. If the hives were to be placed into paid pollination, 10 hives would produce a substantial income to the beekeeper, and still potentially provide a surplus honey crop.

Any beekeeper with more than 10 hives on more than 3 apiary sites is deemed to be a part of the 'more than a hobbyist' commercial beekeeping industry. While the degree of commercial activity is small, each such beekeeper affects industry well-being and is affected by industry profitability.

### **Benefits of a Levy**

All beekeepers directly benefit from the activities of the Association. Activities are 'generic' in nature making it impossible to effectively capture the benefits for those who would choose to pay a voluntary levy **[5(2)(t)(ii)]**.

Other areas where benefits can be captured initially (such as research results and market information) encounter problems even in the short term with the dissemination of information to non levy payers through informal communication systems **[5(2)(t)(ii)]**.

Beekeepers are distributed throughout New Zealand, making the collection of voluntary levies difficult **[5(2)(t)(i)]**.

Beekeeping as a commercial activity can be entered with a relatively small amount of capital investment, with the enterprise being developed and increased in size over time. This also would make a voluntary levy system difficult if not impossible **[5(2)(t)(i)]**.

A voluntary levy would result in substantially increased collection costs as a percentage of levy, and would create budgetary and planning uncertainty, especially for disease control where longer term commitments are vital **[5(2)(t)(i)]**.

The strong support for the levy proposals in the referendum illustrates the value and benefits beekeepers get from the Association. While the financial return to beekeepers as a result of Association activity is often difficult to measure there is little doubt that it is many times greater than the levy.

### **Marketing Activities to be Funded by the Levy [5(2)(q)]**

Beekeepers with more than 10 hives would either give away or sell the surplus honey and any other bee products. The industry marketing activities involve generic promotion, and attempt to maintain and improve the return to all beekeepers who sell honey.

In the 1993-94 honey season, there was a New Zealand record honey crop estimated at 11,819 tonnes. The Association believes that the lack of price cutting and the willingness by beekeepers and packers to retain stocks indicates a degree of confidence in the marketing efforts. In previous 'big crop' seasons, beekeepers were willing to accept considerable reductions in payouts, and packers were loathe to acquire stocks in excess of immediate requirements.

### **Disease Control Activities to be Funded by the Levy [5(2)(q)]**

Since the 1991-92 season, the Association has funded the endemic bee disease control programme that was prior to that a government funded service.

The proposed Pest Management Strategy being developed under the Biosecurity Act will, in fact, provide benefit to all beekeepers. Even a relatively minor or localised reduction in American foulbrood levels would be of demonstrable benefit to beekeepers in reduced loss caused by destruction of diseased hives and eventually through changes to management procedures as areas of the country effectively eliminate American foulbrood.

## ***Accountability [5(2)(u)]***

### **Contact with Beekeepers**

Each member of the Association has the opportunity for input into industry direction at a number of points. There are currently 16 branches of the Association throughout New Zealand:

- Far North
- Northland
- Auckland
- Waikato
- Bay of Plenty
- Poverty Bay
- Hawkes Bay
- Southern North Island
- Nelson
- Marlborough
- West Coast
- Canterbury
- South Canterbury
- North Otago
- Otago
- Southland

Activities at branch level include meetings and field days. Voting at the remits meeting allows each beekeeper to participate in the voting that occurs at the Conference of branch delegates.



Any member may put forward a personal remit that will be considered by the other branches and will then be discussed and voted upon at the Conference. The remits are in the form of recommendations to the Executive.

Any member is eligible to stand for branch office. Any member is eligible to stand for the Executive. Any member is able to attend any other branch meeting, the Annual Meeting, the Conference of Branch delegates and any Special Meeting of the Association, and participate in the discussions and voting in accord with the Association's rules.

## **Reporting**

Members of the Association receive *The New Zealand Beekeeper* magazine, the industry journal. This magazine contains industry and association news and information, as well as general beekeeping content. The magazine is used for dissemination of levy information and provides a forum for active discussion on the direction and effectiveness of the industry and the Association.

Members of the Association receive the Annual Report of the Association, which includes the financial reports for the year **[25(5)]**.

## **Consultation [5(3)]**

### **Prior to Commodity Levies Act**

The concept of a levy to replace that imposed by the Hive Levy Act has been discussed extensively within the beekeeping industry for a period going as far back as July 1986. At the Annual Conference the MAF Apicultural Advisory report described that current disease inspection services would soon be charged for. The major remit that came out of that conference was that the executive should 'negotiate the best possible agreement with the MAF to provide for the funding of an improved programme of apiary registration, disease control and quality assurance for the benefit of the whole industry'.

At that time, and for the next few years, the initial intent was to levy for the disease control programme separately from the administration levy. Only several years later, when the industry became aware the Hive Levy Act was to be replaced did the discussions focus more closely on an overall levy proposal.

In September 1988 a letter was sent to all registered beekeepers indicating the hope to have the Hive Levy Act amended to allow for a sliding scale of collection still based on declaration of hives owned (including all beekeepers, with a 1-50 range included). Beekeepers with more than 50 hives would also pay the current hive levy for the administration of the NBA.

In September 1989 a letter was sent to all registered beekeepers explaining the intention to use the (not yet enacted) Commodities Levy Bill to levy on a per apiary site (\$20 for first apiary, \$6 for each after that).

In August 1990 a Buzzwords article stated: "The NBA will probably propose an apiary fee of \$20 for the first apiary and \$6 for each additional apiary and will most likely begin collecting these in 1991. These moneys (which are quite distinct from the hive levy) will be used to contract MAF to maintain the apiary registers (sic: should read 'register') and hive inspections service and possibly to provide funding for research."

In September 1990 a letter was sent to all registered beekeepers indicating the intention to apply for a Commodities Levy order based on apiaries owned.

### **Since Commodity Levies Act**

As the Association had, through the long period of discussing the levy intentions, decided to move to a levy base including beekeepers with 'commercial intent', consultation had one major difficulty: the Association did not have a mailing list of the beekeepers who

would be liable to pay the new levy. Most of the material written about the proposed levy was within the existing Association publications (Buzzwords and the New Zealand Beekeeper).

As the Association continued to develop the proposal, two major postings were done using the 'all registered beekeepers' apiary register maintained by MAF Quality Management. These two issues of the magazine contained information about the levy, as well as a questionnaire to gauge initial support and canvas for ideas.

The April 1994 issue of the NZ Beekeeper magazine was sent to all registered beekeepers with initial information about the proposed levy.

The June 1994 issue of the NZ Beekeeper magazine was also sent to all beekeepers, with further developed descriptions of how the proposed levy would be collected and spent.

Over the next two years a number of articles and editorials appeared in the New Zealand Beekeeper magazine, but not sent to all people who would be potential levy payers.

Copies of the articles and magazines referred to appear in Appendix 9.

## **The Support Referendum**

### ***Posting of Voting Papers***

The ballot paper for the referendum was devised in consultation with MAF Policy.

The referendum ballot paper was posted to 5,359 (all of the beekeepers registered in New Zealand) on 15 April 1996 along with a postage paid reply envelope and supporting material provided by the Association (copy of April 1996 NZ Beekeeper magazine and brochure encouraging support for the proposal).

An advertisement was placed in the Public Notices section of the following metropolitan daily newspapers:

- The New Zealand Herald
- The Wellington Dominion
- The Christchurch Press
- The Otago Daily Times

The notices appeared on Monday 15 April 1996 and again on Saturday 20 April 1996 to inform any beekeepers who for whatever reason may not have received a set of voting papers.

### ***Return of Voting Papers***

Responses were sent directly to the referendum scrutineer, Dent Robertson and Partners (Chartered Accountants). The responses were collated and analysed by Mr Alan Berry for Dent Robertson and Partners following the closing date of the referendum, 7 May 1996.

### ***Procedures for Counting of Voting Papers***

Procedures for counting voting papers were discussed with MAF Policy prior to the ballot.

Prior to the referendum, relevant details related to the counting of the ballot were agreed with Mr Berry. Details of the procedures appear as Appendix 7.

The scrutineer's statement is appears as Appendix 8.

### ***Analysis of Returned Voting Papers - By Papers Returned***

5,359 voting papers were sent out. 839 beekeepers returned voting papers. Six of these were incomplete to the extent that the scrutineer could not determine whether they came from potential levy payers or not.

Another 527 came from people who will not be levy payers. That is, they had not more than 10 hives nor more than 3 apiaries.

Of the 306 valid voting papers, 219 were in support of the levy proposal. These beekeepers had, in total, 5,895 apiaries with a total of 90,321 hives.

Only 87 voting papers came from beekeepers who opposed the levy. These beekeepers had 2,235 apiaries with 33,139 hives. Included in these 'no' votes were 2 from potential levy payers but which were incomplete or invalidly completed. The Commodity Levy Act requires such votes to be counted as 'no' votes.

The positive votes were consistent as percentages of the total: 72% of beekeepers, 73% of apiaries and 73% of the hives represented in the ballot.

### ***Returned Voting Papers to National Total Beekeepers/Apiaries/Hives***

At the end of June 1995, there were 5,409 beekeepers, with 24,764 apiaries and 293,080 hives. This means that the seemingly small number of valid voting papers represents 6%

of all beekeepers, but 33% of all the apiary numbers and about 42% of the country's beehives.

### **Returned Voting Papers to Expected Levy Paying Beekeepers/Apiaries/Hives**

Without access to the MAF Qual maintained apiary register, there is currently no practical manner of determining exactly how many beekeepers and apiaries are to be levied at this stage. Based on the Association's estimated numbers of levy payers, about 24% of the people who will pay a levy participated in the ballot, but they own 41% of the apiaries and 43% of the beehives to be levied.

### **Summary of Voting in Referendum**

<b>Total number of voting papers returned</b>	839	
Unable to establish if potential levy payers (5 blank or 'anonymous', one deceased)	6	
From non-levy payers	527	
Invalid votes	2	(3 apiaries in total)
Valid votes ("participating voters")	306	

#### **Voting by beekeepers**

Yes	219	72%
No	87	28%

#### **Voting by apiaries**

Yes	5,895	73%
No	2,235	27%

#### **Voting by hives**

Yes	90,321	73%
No	33,139	27%

#### **Totals at 30 June 1995**

	Number	% participating
Bkprs	5,409	6%
Apiaries	24,764	33%
Hives	293,080	42%

#### **Potential levy payers (est. May 1994)**

	Number	% participating
Bkprs	1,277	24%
Apiaries	19,775	41%
Hives	288,508	43%

## Compliance with Aspects of Section 5 of the Commodity Levies Act

The National Beekeepers' Association of New Zealand (Incorporated) asks the Minister of to recommend the making of a levy order under the provisions of the Commodity Levies Act 1990. This document forms the basis for that request. **[5(1)(a)]**.

During the first full year of collection of the levy, the levy collected will be spent on the day to day administration of the organisation's activities (but not including any commercial or trading activities), promotional activities for the benefit of the beekeeping industry and activities related to the improvement of the health status of honey bees. Specific activities carried out over the last few years are described in the Annual Reports of the Association included in Appendix 2. With the change to the levy base for the Association, there is some uncertainty as to the amount of levy that will be collected so indicative budgetary information for the first year only is provided. **[5(1)(b)]**.

In April/May 1996 the Association conducted a support referendum in relation to the proposal that a levy should be imposed **[5(2)(a)]**. The support referendum was competently devised and developed over a period of time involving legal advice and consultation with MAF Policy regarding wording and contents **[5(2)(b)]**.

The ballot paper described the proposal clearly and specified all of the matters required by section 6(1) of the Commodity Levies Act and clearly described that the levy was to be imposed on the basis of the number of a specified thing or things used in connection with the production of the commodity, being the number of apiaries **[5(2)(c)]**. The ballot paper and the accompanying information sheet appears in Appendix 5.

The support referendum was publicised so that potential levy payers had a reasonable opportunity to be adequately informed about its holding, nature and possible consequences. On various occasions prior to the referendum, material was posted to all beekeepers in New Zealand to inform them as to the proposed levy. During the referendum notices appeared in the main centre newspapers to alert any beekeepers who wished to participate but had not received a voting paper **[5(2)(d)]**.

Potential levy payers were given a reasonable opportunity to participate in the support referendum. In order to ensure the widest possible distribution, voting papers were distributed to all registered beekeepers in New Zealand **[5(2)(e)]**.

The voting in the support referendum was conducted on the same basis as that of the proposed levy's imposition, with beekeepers declaring the number of apiaries held to determine the counting of votes based on the commodity to be levied **[5(2)(f)]**.

More than half of the participants in the support referendum were supporters as determined by the scrutineer of the ballot **[5(2)(g)]**.

**[5(2)(h)]** not applicable.

**[5(2)(i)]** not applicable.

**[5(2)(j)]** not applicable.

The total number of the specified thing used in connection with the production of the commodity, being the number of apiaries, used by supporters was more than half of the total number used by all participants in the ballot, again as determined by the scrutineer of the ballot **[5(2)(k)]**.

**[5(2)(l)]** not applicable.

The matters specified in this request for an order pursuant to section 6(1) of the Commodity Levies Act do not differ in any material way from those specified in the ballot paper **[5(2)(m)]**.

The Association consulted with the persons likely to be affected by the payment of the levy over a considerable period of time regarding the general aspects of the levy. Consultation methods included direct mailing of letters, provision of copies of the industry magazine describing the proposal, extensive consultation with the Association itself in publications and in the form of remits to the Conference of Branch Delegates. Details of that consultation are contained in the Appendix 9 **[5(3)]**.

## Information to be Contained in the Levy Order

### *The Levy Payers*

The name of the industry organisation to which the levy is to be paid is the National Beekeepers' Association of New Zealand (Incorporated) **[6(a)]**.

The levy payers will be beekeepers who have more than 10 hives or more than 3 apiaries **[6(c)]**.

Beekeepers who provide a statutory declaration declaring that they own 10 beehives or less, and keep them on 3 apiary sites or fewer will be exempt from paying the levy **[6(e)]**.

The Association will not be permitted to release commercially sensitive information which it obtains as a result of the levy collection activities, except for the purposes of enforcing its rights under the levy order **[6(h)]**.

Conscientious objectors should be dealt with using the mechanism adopted in other levy orders promulgated already (eg the Commodity Levies (Eggs) Order 1993, Regulation 15), being payment to a third party collector. The Association proposes that the recipient of such funds should be a firm or firms of chartered accountants as is appointed for the purpose by the Executive of the Association **[8]**.

### *Levy Rates and Notification*

The commodity to be levied is honey, pollen, beeswax, propolis, bee venom and any other bee product **[6(b)]**.

The basis on which the levy is to be paid is the number of apiaries held **[6(d)]**.

The levy will be paid at two rates. Each leviable beekeeper's first apiary site will be levied at one rate. A second levy rate applies for each additional apiary site **[6(l)(i)]**.

The rate for the first year of the levy will be \$50 (excluding GST) for the first apiary site and \$22 (excluding GST) for each subsequent apiary. Either levy rate could only be changed in future years by a vote at the National Beekeepers' Association Annual Meeting or any Special Meeting called specifically for the purpose **[6(m)(ii)]**.

The levy rates will be notified by publication in the New Zealand Beekeeper (the industry journal, sent to each levy payer) and in the New Zealand Gazette **[6(n)]**.

The minimum amount of levy payable is the levy payable for a leviable beekeeper's first apiary, being \$50 (excluding GST). No maximum amount of levy payable is specified **[6(3)(b)]**.

The levy is not payable on a basis that relates to quantities of the commodity, and the levy does not apply to quantities imported into New Zealand **[6(3)(c)]**.

### *Levy Expenditure*

The Association will spend the money on a bee disease control/elimination programme, generic promotional and marketing programmes and administration of the Association. In general terms, 30% of the levy collected will be used for a bee disease control/elimination programme, 20% for generic promotional and marketing programmes and 50% for administration of the association (including the costs associated with producing the industry journal to communicate with and inform members) **[6(i)(i)]**, **[6(3)(a)]**.

The levy will be spent by the head office of the Association and by the branches of the Association **[6(j)]**.

### *Mechanisms for Levy Payment*

The levy will be paid directly to the Association by the beekeepers to be levied.

As the levy is to be paid by the persons primarily responsible for paying it no mechanism is necessary for recovery from them by other parties **[6(f)]**.

As the levy is to be paid by the persons primarily responsible for paying it no fee is to be paid to persons required to collect the levy **[6(g)]**.

The levy is to be paid annually on the apiary sites that were registered (or were liable to be registered) on the previous 1 June **[6(k)]**, **[6(p)]**.

The levy will be due on 20 February of each year. The final date for payment will be 31 March **[6(q)]**.

Provision for payment by installments will be made by the National Executive Committee of the Association **[6(3)(e)]**.

If a levy is not paid when due it will incur a 10% penalty for the first month it remains unpaid and a further 1 ½ % for each subsequent month it remains unpaid **[6(3)(f)]**.

As the levy is to be paid by the persons primarily responsible for paying it no returns to the Association from other parties are required **[6(o)]**.

### ***Disputes***

If disputes arise the facility for resolution should be mediation as per Regulations 16-24 of the Commodity Levies (Eggs) Order 1993 **[11]**.

### ***Records***

As the levy is to be paid by the persons primarily responsible for paying it no description of accounts and records from a third party levy collector are required.

Beekeepers are required to maintain sufficient records to substantiate declarations of apiary numbers and locations **[6(3)(d)]**.



## Appendices

- Appendix 1 National Beekeepers' Association of New Zealand (Incorporated) Rules
- Appendix 2 National Beekeepers' Association of New Zealand (Incorporated) Annual Reports 1993, 1994, 1995
- Appendix 3 Budget for 1996 (with comparative year end figures for 1994 and 1995, budget for 1995 and actual figures to 30 June 1996)
- Appendix 4 Estimation of Levy Payers, Apiaries
- Appendix 5 Voting Paper and Information Sheet Provided to Satisfy Parts of Sections 5 and 6 of the Commodity Levies Act 1990
- Appendix 6 Magazine and Brochure that Accompanied the Voting Paper and Information Sheet
- Appendix 7 Procedures for Counting Referendum Results
- Appendix 8 Referendum Results
- Appendix 9 Consultation with Industry over Proposed Levy
- Appendix 10 Remits and Discussions at NBA Annual Conferences Related to Commodity Levy Proposal