3<sup>rd</sup> July 2007

Mr. Bill Pender
Secretary
Standing Committee on Agriculture, Fisheries & Forestry
P.O. Box 6021
Parliament House
CANBERRA ACT 2600

Dear Sir,

## **Re Inquiry into Beekeeping Industry**

Please find attached my submission to the upcoming inquiry into the Australian Beekeeping Industry.

Please feel free to contact me for any additional information.

Yours Sincerely

Ken Grossman

## Pender, Bill (REPS)

From:

Helen and ken Grossman [/

Sent:

Monday, 4 June 2007 9:41 Fivi

To:

Committee, Aff (REPS)

Subject: Enquiry into the future of the Australian Honey Bee Industry

The Australian honey industry is in clear economic decline.

This is recognisable by the average age of Beekeepers becoming progressively older. Many young Beekeepers are leaving the industry to more lucrative careers. I believe the average age of Beekeepers has been quoted at 58 years. Government must look at why.

Returns of honey prices to Beekeepers has not kept pace with costs and has in fact declined from \$4 - \$4.50 per kilogram three years ago to approximately \$2.50 currently.

This decline started with the imports of honey into Australia and has not recovered since, and will not whilst there is not a level playing field.

The Australian supermarkets and Governments are increasingly demanding higher standards for food products including honey. Yet has not shown any inclination to impose quality assurance on products that come into Australia. The European Union are currently programming that imports of honey come from quality assured (HACCP) facilities. Yet our industry and Government are sitting on their hands with imports. I recently questioned an AQIS Government official on this matter. Quote: J Barnes Date..17/04/2007 "Please also be aware that the introduction of the scheme is to ensure ongoing access to these markets as the countries identified have either introduced new import requirements or amended existing requirements that require AQIS to attest to the food safety aspects of honey and other bee products intended for human consumption."

How can our Government be so hypocritical as to not give the same protection to consumers in Australia.

It is interesting to note that the honey processors and supermarkets in Australia are only too willing to import honey to gain cost advantage currently there has not been much honey imported because honey prices here are so low.

Soon as the result of the drought Australia will face a shortfall. In the past supply shortfall have increased prices to Australian Producers. However, now all packers need to do is again import inferior products at cheaper prices.

In the past the major packer in Australian (owned by the beekeepers) has been the price setter. In shortfall situations they traditionally lifted prices, but when they are also prepared to import rather than lift prices. The only result can be economic disaster to producers.

In the long term there will not be enough bees for pollination of crops. A looming threat also will be the impact of varroa mites that are in every country in the world except Australia. I will not project the impact of decline here, I believe that this is already understood by authorities. I will however reflect on the problems of imports and the unlevel playing field.

Why haven't Producers and Government recognised this. There is no collaboration of the Beekeeping Industry on this matter. This is due to the Beekeepers having no direct channel to Government. Most Beekeepers know all this. The major packer and packers control state associations (AHBIC, RIDRC) and the voice of Government.

This enquiry must recognise the points made and get the grass roots Beekeepers opinions and rectify and help them get better returns or very shortly there will be not enough bees for either honey or pollination.

To put it simply, better returns to Beekeeper will mean that there will be adequate bee numbers maintained or even grow with the needs of pollination.

Quality Assurance costs without better returns also is an issue that could finally drive many more from the industry some Beekeepers who have already gone down that path are saying they wish they had not gone to the expense. I would like to thank the Government for the opportunity for a review of The Honey Industry and hope that views like mine are listened to seriously before all agriculture suffers long term financial damage from the present situation.

Yours faithfully

Ken Grossman