**HONEY MARKETING BILL 1949**

**Legislative Assembly, 4 October 1949, pages 742-5**

Second reading

**The Hon. Sir GEORGE JENKINS (Newcastle—Minister of Agriculture)—**For some years those interested in the production and marketing of honey in South Australia have been urging the Government to introduce a Bill for the marketing of honey. Until the Government was satisfied that there was a genuine desire on the part of both honey producers and those marketing it, it was not prepared to accede to the request for legislation. The Government is satisfied that there is a desire today on the part of those engaged in production and marketing of honey for a Bill and has had one prepared. It is a marketing Bill of the usual type and provides the setting up of a board for the marketing of honey produced in South Australia. Producers of honey will be required to deliver to the board all honey produced, except such as is exempted for the purpose of local sales. The board will sell the honey, pool the proceeds and pay the producers an equalized price.

Members are, I think, familiar with the purposes for which boards of this kind are established. The main purposes are to ensure producers get a steady return from the sale of their products, to prevent undue price fluctuations, to find markets and to assist the industry generally. In recent years we have had boards relating to eggs, barley, potatoes, and wheat and the main features of this Bill are similar to those which have been ;approved by Parliament in the Acts relating to those other boards. Before I explain the details of the Bill I would like to read the fallowing report I have received from the the Australian Apiarists’ Association setting out their case in support of it:—

In 1938 the leading apiarists in South Australia became very concerned as to the future of the beekeeping industry. At that time the price of honey was very low; as low as l0s. per tin and the then heavy production of less palatable honeys, which added to the already existing State surplus, placed bee keepers in a position where, because of lack :of organization they were forced to go into the metropolitan area and hawk their honey from door to door in competition with one another. These leaders realized that to stabilize their industry, they must introduce some form of organization and so on July 15 1939, they formed the Australian Honey Producers’ Co-op. Society Ltd., a co-operative society comprised solely of beekeepers, which has grown in strength over the years. This society made contracts with importers in the UK. and commenced to dispose of part of the South Australian surplus . As the exports improved, so price for honey improved and the livelihood of the beekeepers was restored. Realizing the benefits that could be obtained from organization, the beekeepers decided to

reform their old association and in April, 1943,beekeepers formed the South Australian

Apairists’ Association, which has a membership throughout the State and branches in all the mainl honey-producing areas. The association has grown in strength and is linked rough the Federal Council of Australian Apiarists’ Associations, with similar associations in all States of the Commonwealth. This association has taken active steps to bring about Commonwealth co-operation in all matters appertaining to the industry and in keeping with the other States, has in conjunction with the packers established the South Australian Honey Advisory Council, which is a member of the Australian Honey Advisory Council, through which Commonwealth marketing matters have been handled. Two years ago the honey packers in South Australia formed the South Australian Honey Packers’ Association and have co-operated with the Apiarists’ Association in furthering the needs of beekeepers, so it can be seen that over the period of 10 years the beekeepers have become well organized. During this time, perhaps due to a little better organization, but in the main due to the buoyant overseas market, the industry has gone ahead as is evidenced by the fact that in 1938-1939 the production was 2,940,877 lb. of honey, while in 1948-1949 it was 10,906,372 lb. of honey. Overseas exports, negligible in 1938-1939, rose to 5,738,116 lb. in 1948-1949 an all-time record.

Beekeepers during the past three years have realized that this buoyant position will not continue and have therefore given careful consideration to the introduction of some scheme of marketing which will protect the industry against the sudden drop in price. In 1947 as a result of conferences in each State a “Ways and Means Committee” composed of delegates from each State in the Commonwealth considered a proposal for the introduction of legislation in each State to establish a Honey Marketing Board which, through a Commonwealth Equalization Company, would be able to provide a scheme for the equalization of prices realized overseas and throughout Australia, so that beekeepers in all States would be paid the same price for their honey according to grade.

Queensland already has a Honey Board, which has been re-extended by the beekeepers in that State until March 8, 1950, but in the other States no such board existed, and the beekeepers in those States preferred to allow South Australia to seek the introduction of their Act and to wait and see the results. If it proved successful then they would give consideration to following our example. The South Australian executive consulted the packers and decided that in the interests of the industry in this State they should proceed with the drafting of a proposed Marketing Act, and the Bill you have before you, in the main, is as they have drafted it. This draft has been considered by all branches of the association and reviewed at both the 1948 and 1949 conferences and has received the full support of the commercial apiarists.

The beekeepers seek the introduction of a Marketing Act to stabilize their industry and to prevent any return to the former prices below the efficient cost of production. The Marketing Act will enable the effective control of the exportable surplus, which invariably caused periodical recessions in price. It will enable the introduction in South Australia of an equalization scheme among the packers and beekeepers and so give equity to all beekeepers, who will receive the same price per grade of honey over a given period.

Beekeepers are encouraged to sell as much honey as possible locally and each can obtain an exemption from the board from the need to supply to the board all the honey produced by him. Subject to this exemption, all honey is purchased by the board through its agents and is sold by the board to the agents for packing, blending, and distribution. The board will not itself blend and pack honey for sale, nor will it interfere with established businesses or established markets.

Mr. Macgillivray—Is there to be equalization in connection with honey sold in Australia and honey exported ?

The Hon. Sir GEOEGE JENKINS—A considerable quantity of honey is sold to other States. None is exported to the United Kingdom. The equalization will apply to all sales made on behalf of those who supply honey to the board. The report continues:—

The finance for the board’s operations can be arranged in the normal trade manner and will be handled through the board’s agents, as is the case with other primary industries. Thus it will be seen that the board will act in an administrative capacity and its cost of administration should be reasonably small.

The board will be in a position to bring about an improvement in the standards of honey packed for export and thereby improve the consumption of South Australian honey. It will be able to establish a proper grading system for determining the value of the various types of honey. The board will be available to watch the interests of beekeepers in this State, by representing them in all State, Commonwealth, and overseas matters connected with the marketing of honey.

I will now explain the main provisions of the Bill The first thing to be noticed is that in accordance with usual practice it will not come into operation until a poll has been held and unless a majority of the producers who vote at the poll indicate that they are in favour of the proposed marketing scheme. The poll will be conducted by the returning officer for the State in the same way as previous polls. The Government believes that this Bill is largely supported by all sections of the honey industry, but the taking of the poll will allow the matter to be thoroughly canvassed. In clause 3, which contains a number of definitions, I draw members’ attention to the definition of "producer.” This term is defined to mean any person who keeps 10 or more colonies of bees, and a colony is, I understand, what is popularly called a “hive”.

Clause 4 sets out the constitution of the proposed South Australian Honey Board. There will be seven members. Four members will be nominees of the South Australian Apiarists’ Association, that is to say, they will be representative of producers, and three members shall be nominees of the South Australian Honey Packers’ Association. The procedure for appointing the board will be that whenever it is necessary to make appointments each association will submit to the Minister a panel containing the names of twice as many nominees as the number of members required, and the Government will make a selection. One of the producer representatives will be appointed by the Government as chairman. Clause 5 provides for the incorporation of the board and clause 6 provides that the board will not represent the Crown except in any matter in which it is specially appointed as the agent of the Crown.

Clause 7 provides that the members of the board are to hold office for four years and their retirements are staggered so that three members of the board retire in the second year after the Bill comes into force, four members in the fourth year, three in the sixth year, and so on. The usual provisions about casual vacancies, the chairman, quorum, meetings, and the remuneration of the board are contained in clauses 8 to 13 inclusive. Clause 13 provides for the appointment of the staff of the board. Clause 15 provides that the board is to keep proper financial accounts and have them audited at least once a year by an auditor holding a licence under the Companies Act. By clause 16 the board is empowered to co-operate with other organizations, whether in South Australia or elsewhere, formed for the protection or advancement of the interests of persons in the honey industry.

Clause 17 sets out some general powers of the board, e.g., to buy and sell property, borrow money, act as agent, and the like, while clause 18 provides that the board is not to establish or maintain any honey floor unless the Minister gives his permission on the ground that a honey floor is necessary in a particular locality, and no-one other than the board will provide it. Clause 19 provides for registering agents of the board. The board is empowered to register such persons as it thinks fit to act as its agents, and persons who hold export licences for honey will be entitled to be registered as of right. The registration of persons other than those who hold export licences is in the discretion of the board. The board, however, cannot capriciously refuse an application for registration.

Clauses 20 to 32 inclusive deal with the control and marketing of honey. They provide that the board may fix a day on which its operations will commence and, after that day, if a honey producer desires to sell his honey it must sell it to the board unless he obtains a special exemption. The Government understands that the board desires to give exempts on a fairly generous scale in order to encourage and build up local sales. When honey is delivered to the board a certificate will be issued to the producer or any person nominated by him, and such a certificate will entitle the holder of it to payment for the honey. Delivery of honey to the board will, in practice, be effected by delivering it to the board’s registered agents. A registered agent must grade all honey delivered to him, it the producer will have a right of appeal to the board against an agent’s grading. Advances will be made to producers upon delivery of the honey and final settlements will subsequently be made at intervals determined by the board. The board is required to sell all the honey delivered to it and in doing so to pay due regard to the reasonable trade requirements of registered agents of the board. In practice, of course, the board will effect the sales through agents. The only other matter to which I need draw special attention is the last clause, which sets out that the Bill will expire on June 30, 1954.

I commend the Bill to the favourable consideration of hon. members. It was not asked for by producers, but people in the wholesale trade in South Australia who, I understand,were unanimously behind it. As far as I am aware every person interested in the wholesale marketing of honey in South Australia favours the legislation. Those members representing primary producers know of the benefits that accrued to the producing interests through the passing of legislation for the setting up of boards to handle their produce. Because of I appeal to the House to pass this Bill.

I am sure hon. members will agree that it is wise legislation. It will not be put into operation until those interested in the business give their approval. I move the second reading.

The Hon. R. S. RICHARDS secured the adjournment of the debate.