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SUBMISSION

AGRICULTURAL COMPETITIVENESS GREEN PAPER

Submission prepared on behalf of the Australian Honey Bee Industry Council Inc.

Introduction

It has come as a disappointment to our Honeybee industry that beekeeping has not been recognised in the Agricultural Competitiveness Green Paper. Although statistics will show the Honeybee industry would produce around \$100 million dollars worth of honey in an average year, the value of the agricultural and horticultural crops grown in Australia that rely on honey bees for pollination is valued at \$4-6 billion. As such, the importance of the Honeybee industry to the greater agricultural scene is immense and distinctly out of proportion to the measured size of the industry itself, which is quite small. Any detrimental effect on the Honeybee industry will have flow on effects to those pollination dependant agricultural industries that rely on honeybees for the production of their crop.

As with many other agricultural businesses, beekeeping businesses are usually family affairs and often employ labour to assist them with their farm business. They can be multigenerational operations or a new starter to beekeeping.

Similar to other farmers, beekeepers have a keen sense of attachment to the land from which they derive their income. Beekeepers have been to the front on conservation issues for many years, long before it became popular to be a conservationist. We have been actively promoting the sustainable and sensible approach to harvesting the native forests where the majority of Australia's honey derives from as well as being at the forefront of conserving individual species of tree, such as the Yellow Box (*Eucalyptus melliodora*), one of the premium Australian table honeys.

Industry is often seen as a backyard operation and it is not recognised that beekeeping does have many commercial enterprises that have a lot of money invested in capital. Honey production enterprises can range from multi-million dollar enterprises down to hobbyist beekeepers who keep bees for pleasure. They also employ labour and there is the spin off for the Australian economy when operations such as the honey packers, transport companies and commodity suppliers is taken into consideration. The Honeybee industry covers the full agricultural supply chain from initial production through packaging to retails sales.

Infrastructure

For beekeepers, access to areas of nectar and pollen production is vital. Many of the areas accessed are Crown and private lands that are serviced by the Local Governments and state public land managers, so the targeting of major infrastructure improvements in this section will have little effect for the Honeybee industry.

Good communication is vital for beekeepers. Working in remote areas means that satellite communication is the only way out. From an occupation health and safety point of view, it is vital that there is a good system of communication in rural and remote areas.

AHBIC strongly supports Policy idea 3.

Working with States and Territories

This is an area that is of great importance to beekeeping. A large component of beekeeping is focussed on honey production and the majority of honey production comes from native forests. The provision of pollination services is another major component of beekeeping though each pollination service occupies only a small part of the beekeeping calendar. Native forests play a major role in allowing the honeybees to recover/maintain for further pollination services. As such, native forests need to be considered to be "prime agricultural land" for beekeeping.

As the Crown land in each State that the beekeepers access is controlled by the States, there have been problems with access to some of these lands. There needs to be a standard approach by States. Without access to these lands, beekeeping as we know it will cease to exist and the pollination dependant industries that rely on honeybees to produce their crop will suffer.

There have been two Inquiries into the beekeeping industry in recent years.

• The first by the House of Representatives Standing Committee on Primary Industries and Resources presented a report titled "More than Honey – the future of the Australian honey bee and pollination industries" published in May 2008. This report contained several recommendations on resource security. They were:-

Recommendation 5

The Committee recommends that the Australian Government, in conjunction with State and Territory governments, establish guidelines for beekeeper access to public lands and leasehold lands, including national parks, with a view to securing the floral resources of the Australian honey bee industry and pollination dependent industries.

Recommendation 6

The Committee recommends that the Australian Government provide incentives for the planting and conservation of melliferous flora under Commonwealth funded revegetation projects and carbon credit schemes.

Recommendation 7

The Committee recommends that the Australian Government fund research into the impact of fire management on the Australian honey bee industry with a view to establishing honey bee industry friendly fire management practices.

Action on these recommendations are usually the provenance of the States. Recommendation 5 has had some discussion but with changes in State Governments, the problem of getting a standard access policy reduces.

For recommendation 6 whilst the Federal Government can help here it is also the States that need to be active.

For recommendation 7, it is the States that decide the fire management regime for Crown land under their control.

• The Senate Rural and Regional Affairs and Transport References Committee put out a report titled "Future of the beekeeping and pollination service industries in Australia." This was in July, 2014. One recommendation from that report was:-

Recommendation 2

2.50 The committee recommends that the Government liaise with state and territory land management agencies to establish relevant guidelines to clarify access to public lands for beekeepers within the next 12 months.

So it can be seen that there was no real progress between reports i.e. 2008 and 2014 on this issue and it remains to be seen whether there will be any further progress made from 2014 onwards.

- In the green paper on page xix, it says under Policy idea 5
- a. limiting the adverse impacts of mining on the agriculture sector, including by providing a royalty stream for land holders affected by mining, ensuring that access to freehold land is granted with the agreement of the landowner and ensuring that no long-term damage is done to aquifers so as to change the agricultural capacity of the district as a result of extraction activities;

Whilst there has been much publicity on the loss of agricultural land to mining, and in particular coal seam gas, there has been little attention drawn to the loss of vegetation on Crown land as a result of exploration, drilling of wells, putting in of pipelines and access roads. Beekeepers rely heavily on the natural vegetation on these Crown lands and any clearing has a deleterious effect on beekeeping.

There have also been problems on freehold land.

AHBIC strongly supports Policy idea 5.

Competition and regulation

In the area of regulation, the beekeeping industry has had problems with enforcement of regulations by various authorities.

In recent years, there have been imports of so called honey from Turkey. Complaints to the ACCC have resulted in two (2) fines being issued there are still some issues that need to be resolved.

The main issue being that when identified, the product still remains on the shelf for the duration of the investigation and so the public is still exposed to the product that purports to be honey but is not.

Another area is that the States enforce the Australia New Zealand Food Standards Code but will not take action unless the product is seen as a health issue. This selective enforcement of the Code is seen as highly unsatisfactory and needs to be changed.

The Australian beekeeping industry has no problems competing with imported product provided it is true to label.

Another area that is cause for concern is the campaign for the "removal of unnecessary red tape". Whilst AHBIC is in agreement with the broad principle, what seems to be happening is that the emphasis is on red tape removal but the "unnecessary" part seems to be being overlooked. It is recognised that for things such as Quality Assurance (QA) programs there has to be an auditable trail of paperwork. In the area of Biosecurity there is often the need for record keeping but prudent assessment will determine what is required and what is excess to the requirements.

The Honeybee industry has been preparing for exotic pests and diseases for many years. As part of this some chemicals for the control of some of these pests, such as the varroa mite, have been approved for use in an emergency and for the National Bee Pest Surveillance Program. In order to be better prepared the Honeybee industry is trying to get further chemicals approved for these purposes as well as trying to remove duplicitous permits. The current approval processes for chemicals is complicated, expensive, laborious and obscure and any improvements that can be made in this area would be welcome.

In recent times our industry has an issue where we are looking to try to maintain overseas markets for live bee exports. One of the factors stopping us is the presence of Asian bees in north Queensland. Industry is proposing a biosecurity zone but the main reason being put up to not do this is the red tape issue. Whilst industry has pointed out there will be very little red tape, this excuse of red tape reduction is being used. As has been previously pointed out it is "unnecessary" red tape, not all red tape, that should be the target.

AHBIC strongly supports Policy ideas 9 (a) and 9 (b) but would caution that some red tape is needed in some circumstances as has been pointed out above.

Finance, business structures and taxation

Beekeeping is the same as any other agricultural pursuit, the profit margin is variable from year to year and is highly dependent on the weather and prices for a bulk commodity. To insulate beekeeping businesses from this variability good management skills and facilities, including financial skills, are required.

The ability of the Farm Management Deposits Scheme (FMDs) to assist in the smoothing of the variability in farm income as well as access to counselling and training in good business practices will enable the Honeybee industry to continue to develop.

AHBIC strongly supports Policy idea 11 b.

AHBIC strongly supports Policy idea 12.

Education, skills, training and labour

Education

Education within the school system is not easy particularly for beekeeping. First up most schools no longer keep honey bees. This is for two reasons.

One is that there is a perceived public risk for students.

Secondly there are not many teachers who have enough beekeeping experience to be able to conduct beekeeping projects.

In the "old days" most rural schools had a beehive at the school and the students did get to learn something about beekeeping. Nowadays there are small number of rural schools or schools with rural programs where the beekeeping program is run by either the teacher or a beekeeper comes to the school to impart the knowledge.

Beekeeping associations also take part in some programs run by various bodies. An example of this is the Queensland Beekeepers Association participating in the Rural Discovery Day run the Royal National Association at the Brisbane Exhibition grounds.

AHBIC would strongly support the Policy idea 14.

Skills

There is now a Certificate III in Beekeeping that is available. However most learning for the beekeeper is on the job.

• Training

The beekeeping industry is no different to other primary industries in that the average age of beekeepers is not getting any younger. There are many reasons why our industry is not attracting new participants.

- One is the amount of money needed to enter the industry.
- O Two is that many are not attracted to the lifestyle and many cannot put up with bee stings which are a part of successful beekeeping.
- Three is, that for some, there is not the security of resources as has been mentioned above.
- Four is that up until a couple of years ago there was no recognised training path for beekeepers. There is now in place the Certificate III in Beekeeping available.

Labour

There is a labour shortage for the beekeeping industry in Australia. There are many advertisements in beekeeping journals looking for staff and the employment agencies are also approached looking for staff.

One way of overcoming this staff shortage has been to employ people who come out on the 457 visas. Recently the Government decided to increase the English requirement for people who are employed on a 457 visa. This has been to the detriment of the beekeeping industry. In beekeeping the requirement for English is to be able to communicate. Written English is not as important. The beekeeping knowledge is what is being asked for when employing staff. This is universal and working the bees correctly does not require a high level of English.

AHBIC would strongly support Policy idea 15 with the addition of the points above.

Drought

After resource security, drought would be the next biggest factor in problems within the beekeeping industry. Like other livestock industries, beekeepers are fortunate in that they can load their bee hives on a truck and shift them to somewhere where there may be some relief from drought and access to food sources, in the honeybee case, nectar and pollen.

However when there is a widespread general drought, which has been the case in recent years, it is difficult to be able to find suitable foraging conditions. In the past beekeepers have been eligible for assistance and some have availed themselves of the opportunity.

In the past some beekeepers have had problems accessing assistance because beekeepers were not classed as farmers. Beekeepers are very much primary producers and should be included in any definition of farmers.

Another problem that beekeepers can come across is that where they live is not in a drought declared area but where they work their resources e.g. a State Forest, is in a drought declared area.

Other than building up financial reserves for use when there is a drought or poor production seasons, there is nothing that the beekeeper can do to improve the yielding capacity of flora.

AHBIC would strongly support the Policy idea 16.

AHBIC would strongly support the Policy idea 17.

Water and natural resource management

In the section above, "Working with State and Territories" the problems with natural resource access has been highlighted. Access and subsequently how these resources are managed is the number one issue for beekeepers. Loss of resources will result in a dramatic reduction in the number of hives kept in Australia and a reduction of the number of hives will have a flow on impact for pollination dependent industries.

In addition, one of the major reasons why the pollination service costs are relatively low in Australia is due to beekeeping businesses not being totally dependent on pollination services for their total business income. Honey production from Australia's natural resource base provides additional income. Any reduction in access to the natural resource base and hence access to income will have to be compensated with higher pollination services charges.

Improvements in the competiveness of Australia's irrigation industries will have a flow on effect for the Honeybee industry. Increased availability of irrigation will provide opportunities for further pollination services and access to agricultural crops for pollen and nectar sources. In addition, environmental flows through native forests may provide some return to yielding frequency of some of the native forest reserves, particularly in the Murray-Darling Basin.

Management comes in various forms.

1. There is fire management which was covered in Recommendation 7 of the More than honey report.

- 2. There are logging regimes. In Queensland under the South East Queensland Forest Agreement (SEQFA) many areas were logged to a prescription that left not many mature trees. This then makes these areas not suitable for beekeeping for many years to come.
- 3. Clear fell logging regimes have been in place throughout Australia.
- 4. Locking up of areas of public land, specifically forests, is a disastrous outcome for beekeepers and all agricultural industries that rely on honeybees.

AHBIC would strongly support the Policy idea 18.

Research, Development and Extension (R, D&E)

Research and Development (R&D) and the subsequent Extension that goes with the R&D is vital for the beekeeping industry. Currently R&D is carried out under the auspices of the Rural Industries Research and Development Corporation (RIRDC). Within RIRDC there is a Honey Bee and Pollination Advisory Committee (HBAPAC). When beekeepers look back on some of the results out of this R&D it can be seen the beekeeper has benefitted greatly by much of the work that has been carried out. It is vital that this R&D continues.

- AHBIC has just put in a submission to the Rural and Regional Affairs and Transport References Committee looking at "Industry structures and systems governing the imposition of and disbursement of marketing and research and development (R&D) levies in the agricultural sector." One of the aspects being canvassed is that there should be polls of levy payers. This would take up most of the levy funds collected by the Honeybee industry to hold this poll and would severely limit the amount of R&D that could be carried out.
- In the More Than Honey Report published by the Standing Committee on Primary Industries and Resources in May 2008, there were two recommendations on R&D and training:-

Recommendation 24

The Committee recommends that the Australian Government establish a national centre for honey bee and pollination industry research, training and extension, funded as per Recommendation 16

Recommendation 25

The Committee recommends that the Australian Government alter research funding arrangements to allow for:

- Voluntary contributions to research funding to be matched by government funding;
 and
- A levy on pollination services to be allowed under law.

To date none of these recommendations have been enacted even though they tie in exactly with the policy ideas listed in this section.

AHBIC would strongly support the Policy idea 20.

AHBIC would strongly support the Policy idea 21.

Biosecurity

Like most primary industries, biosecurity is vital to the wellbeing of the beekeeping industry. Australia is the last major beekeeping country in the world that does not have varroa mites. The major biosecurity issue for our industry is to keep this mite as well as other exotic pests out as long as possible.

There are also endemic diseases that have biosecurity implications and the beekeeping industry is trying to address these. In the past there has been good work carried out by State Departments but they are now withdrawing from these fields. Any improvements and increase in the money spent in the protection from exotic pests and diseases that is counterbalanced with a corresponding decrease in support for endemic pest and disease control can still result in the degradation of an industry. Any pest or disease, whether exotic or endemic, that is detrimental to an essential industry, such as beekeeping, should be adequately funded to ensure the industry can continue to operate effectively.

Biosecurity is also linked to food security. There is a saying in the beekeeping industry that "Food security needs bee security". For the \$4-6 billion dollars of agricultural and horticultural crops that rely on honey bees for pollination, biosecurity within the beekeeping industry is an important issue.

AHBIC strongly supports Policy idea 23.

Accessing international markets

Over the years, exporting of the surplus honey from Australia has been a vital aspect of marketing honey. In a normal year, Australia can export up to half of the honey produced in Australia. This has not been the case in recent years due to drought conditions.

Access to as many overseas markets as possible makes the exporting of honey more effective.

To this end the Free Trade Agreements (FTA) are a crucial part of accessing those overseas markets. Australia does not charge any tariff on honey coming to Australia

yet there are overseas countries who charge a tariff on imported honey from Australia. Often this tariff is not universal and some countries can have a lower rate of tariff, maybe even none, imposed on honey.

Honey was left out of the Korean FTA but has been included in the Japan and China FTA. This will benefit our industry. There are moves to have discussions with India and the European Union (EU) on a FTA. In particular the EU is an important market for Australian honey exports but Australia is up against tariffs which are often lesser or not changed at all on our competitors. Therefore it puts our honey a price disadvantage.

All beekeeping products should be incorporated into any future free trade discussions.

AHBIC strongly supports Policy idea 24.

AHBIC strongly supports Policy idea 25.

Conclusion

To sum up the Honeybee industry's position it is felt that the following important point should be noted in regards to the Honeybee industry and its place within the agriculture environment of Australia:

- 1. The Honeybee industry should be recognised as an essential part of the agricultural environment of Australia due to its pollination benefits across a wide variety of the traditional agricultural industries.
- 2. The Honeybee industry is small in terms of its own production and so its current capacity to generate funds to support itself is severely restricted. Its benefits to the wider agricultural industries through pollination services are much larger but through current restrictive legislation it is unable to generate funds from this. As such it requires increased governmental support to continue, a fact confirmed through numerous parliamentary inquiries.
- 3. The Honeybee industry requires continued and improved access to the native forest resource base across Australia.
- 4. Beekeepers, the original conservationists.
- 5. Food security need bee security.

The Australian Honey Bee Industry Council (AHBIC) supports the following policy ideas put forward in this Green Paper:

Policy idea 3.

Policy idea 5.

Policy idea 9 (a) & (b)

Policy idea 11 b.

Policy idea 12.

Policy idea 14.

Policy idea 15.

Policy idea 16.

Policy idea 17.

Policy idea 18.

Policy idea 20.

Policy idea 21.

Policy idea 23.

Policy idea 24, and

Policy idea 25.

Australian Honey Bee Industry Council Inc. 18 December, 2014