

2003 - 2004



Australian Honey

Australia's Liquid Gold

WELCOME

Welcome to the Annual Report of the AUSTRALIAN HONEY BEE INDUSTRY COUNCIL (AHBIC).
The objective of this report is to:

- Keep the industry better informed of what your Executive is doing.
- Allow the industry an opportunity to seek information from AHBIC on matters of general interest.
- Provide a communication avenue to enable a sharing of ideas and information.

If you would like to provide feedback please contact:

Stephen Ware
Executive Director
PO Box R838
Royal Exchange NSW 1225
Phn: 02 9221 0911
Fax: 02 9221 0922
Email: ahbic@honeybee.org.au

YOUR AHBIC EXECUTIVE

Chairman - Mr Greg Roberts

PO Box 6137
GOULBURN NTH NSW 2580
Phn/Fax: 02 4821 9022
Mob: 0407 246 193
Email: gc.apiaries@bigpond.com

Executive – Mr Don Keith

Capilano Honey Limited
PO Box 66
RICHLANDS QLD 4077
Phn: 07 3712 8282
Fax: 07 3712 8286
Email: kabee@gil.com.au

Executive - Mr Craig Scott

294 Ogilvie Avenue
ECHUCA VIC 3625
Phn: 03 5482 5617
Mob: 0407 341 287
Email: stickystuff@origin.net.au

Executive - Mr Col Wilson

PO Box 180
KURRI KURRI NSW 2327
Phn/Fax: 02 4930 4950
Email: honeybee100@optusnet.com.au



Deputy Chair - Mr Ian Stephens

PO Box 4
MOLE CREEK TAS 7303
Phn: 03 6363 1170
Fax: 03 6363 1304
Email: k.l.honeybee@microtech.com.au

Executive - Mr Harold Ayton

38 James Street
ULVERSTONE TAS 7315
Phn: 03 6425 2089 Fax: 03 6425 2052
Mob: 0417 267 456
Email: hayton@southcom.com.au

Executive - Mr Stephen Fewster

28 Strathalbin Way
GIN GIN WA 6503
Phn: 08 9575 2307
Fax: 08 9575 2608
Mob: 0407 920 954
Email: sfewster@iinet.com.au

	Chairman's Report	2
	B-Qual Australia P/L	3
	AQBBA Report	3
	FCAAA Report	4
	NCPA Report	5
	Apimondia 2007 P/L	6
	Inside this issue: AHBIC AGM	7
	HPMAA Report	9
	Committee Reports	10
	Financial Statements	18
AHBIC Sponsors	20	

CHAIRMAN'S REPORT

It is never easy to take on the position of the Australian Honey Bee Industry Council (AHBIC) Chair, however, I am thankful to most people for their support over the past twelve months. Within that twelve months there have been many issues to deal with issues such as the reduced funding of AHBIC, the increased cost of the National Residue Survey (NRS) programme and the very public debate on honey and nitrofurans. It was this last issue which proved to be the most damaging to the Australian apiary industry and I can only express my disappointment in some members of the industry who placed their own agenda forward without consulting with our national peak body. After all, our leaders are chosen by industry.

Nitrofurans were first reported at the Apimondia Congress in Slovenia in August 2003. The testing process for this drug at that time was not good with a very high error rate because the methods were based on protein or animal tissue testing. The testing for nitrofurans in honey had yet to be validated.

AHBIC, on 12th November 2003, set up our National Residue Prevention Committee (NRPC) and part of this committee's responsibility was to try to find and help set up a reliable validated scientific method of testing for drugs such as nitrofurans. NRPC is made up of government bodies such as NRS, Food Standards Australia and New Zealand (FSANZ), Australian Quarantine and Inspection Service (AQIS) as well as the Honey Bee Research and Development Council (HBRDC) and industry representatives. A wonderful example of industry and government working together in a cooperative and productive manner was set by Dr Ben McKee and Mr Marc Higgins. These two industry members, even though business rivals, proved that working together was the only way that industry could achieve real results.

Honey labelled as "Product of Australia" was subjected to a voluntary recall in Canada because of reported levels of nitrofurans. It must be understood that the honey packed was tested by two independent laboratories with nil detectable results. We should also be aware that the laboratory methods for testing for nitrofurans in Canada were under scrutiny because of a number of deficiencies reported by other independent laboratories.

The work being done by our own National Residue Prevention Committee to set up here in Australia a reliable validated scientific method for the testing for drugs such as nitrofurans is very important.

Again, our NRPC proved its worth when they went to work dealing with the proposed increased charges for the industry honey testing programme under NRS with the end result being a testing programme that industry can afford.

The Industry Reference Group, led by Mrs Jodie Goldsworthy, is again another fine example of industry working together for the benefit of industry. My congratulations and thanks go to this committee.

I would also like to thank Messrs Laurie Dewar, Ray Phillips and Stephen Fewster who formed the sub-committee of AHBIC to look at organisational change. A paper has been produced which will be discussed at the AHBIC annual general meeting and should provide industry food for thought in terms of the future representation of industry.

Unfortunately, there was another incursion of Asian honey bees in North Queensland which was handled very well by AQIS. There had been, in the past, some excellent work done by industry on quarantine and this work must continue. AHBIC is in negotiations with Animal Health Australia (AHA) to have the bee pests *Apis cerana*, *Apis dorsata* and *Africanised bees* included in the AHA deed of agreement.

Finally, I would like to thank the Deputy Chairman, Ian Stephens and our National Executive for their support. I would also thank all industry committees formed by AHBIC. Special thanks goes to the AHBIC Executive Director, Stephen Ware, and his office staff for their support and loyalty.

Greg Roberts – Chairman, Australian HoneyBee Industry Council

B-QUAL AUSTRALIA PTY LIMITED

The last twelve months has seen more workshops for NSW beekeepers held by the new training team, B White and R Stern. This team has helped the B-Qual program reach many more beekeepers.

There still is a need for more trainers and auditors as there are still a large number in the industry that need to be brought on board.

The directors of B-Qual took on board the concerns that came out of the review process and are confident that many of the issues raised are being addressed.

In the last few months the board has been negotiating with Aus-Qual who I feel can take B-Qual to the next level of advertising, training and marketing. B-Qual will still be known as B-Qual - it is only a partnership arrangement that could be made if all parties agree. Talks are still being held while this report is being written. If agreed there will be more trainers and auditors available to industry.

This year has seen the appointment of two new Directors which the AHBIC Executive appointed - they are Dawn Smith and Kieren Sunderland.

I would like to thank Ed Planken for the contributions that he made to the programme, prior to his retirement from the board. He will be missed.

I would also like to thank all the directors for working as a team for the benefit of the programme for the industry.

Ken Gell - Chairman B-Qual Australia Pty Limited

AUSTRALIAN QUEEN BEE BREEDERS ASSOCIATION

The past year has been another active year for the Australian Queen Bee Breeders Association (AQBBA). The Association represents the majority of queen bee

breeders and more new members have joined this year. The AQBBA has two branches – Northern and Southern. The Executive for the past year was Col Wilson – President, Trevor Weatherhead – Secretary with Messrs Dennis Kidd, David Roots and Greg Mulder the Executive members.

Orders for queen bees in Australia were very high with members being able to sell all queens produced. With good honey prices, some queen breeders are now producing less queens and producing more honey for a better financial return. This will continue to happen until queen prices increase.

The incursion of small hive beetle (SHB) did have an affect on the export of package bees and queens. Some markets were lost while other countries placed some restrictions regarding SHB.

The AQBBA is still trying to open new markets. Access to the USA is still being pursued.

This year a new levy was introduced on the sale of every queen bee. The levy is to be paid to Levies Revenue Service. The levy will go to Rural Industries Research & Development Corporation (RIRDC) for research projects for our industry.

Col Wilson- President

FEDERAL COUNCIL OF AUSTRALIAN APIARISTS' ASSOCIATIONS

Nitrofurans

Laboratories in Sydney and Melbourne have now developed a fully reliable and effective test for nitrofurans in honey. AQIS has commenced testing imported honey. Nitrofurans are not used in the Australian industry. Imported honey containing levels of nitrofurans has been blended with Australian honey and marketed. Unfortunately, this has given Australia a bad name. OUR CLEAN GREEN IMAGE IS AT RISK.

Small Hive Beetle

Reports from industry have so far indicated that the spread of SHB has been very slow. It may take a few years to build the numbers up and then really take off. The management plan has now been adopted and sent out to industry. Work is being done in Victoria on dried fruit beetle, which is very similar to our SHB. The researcher is confident the work being done could be adopted to help control SHB.

Australian Tax Office

The Australian Tax Office (ATO) is seeking to include the value of bees as trading stock. They believe bees are acquired to carry on the business of primary production and for the purpose of honey production. This means they are considered to be trading stock. While this has not been implemented yet, I don't think it will have a major affect on us because the value of the bees in the hive at the end of June each year does not vary enough.

Promotional Funds

All states had the opportunity to apply for promotional funds allocated from the AHBIC budget. There were only three States that applied. Education booklets were

printed in NSW and handed out at their Easter show, Posters to be used at ports in SA and Tasmania for a leatherwood advertisement in a journal were the items which were agreed to.

Vendor Declarations

These were sent to all States for any changes or amendments. Now they have been agreed to, they can be adopted at the AGM held in July.

National AFB Program

A meeting was held in Canberra in September to discuss the development of a National AFB Program. The industry's desired outcome would be to have a 50% reduction in AFB in four years; this will be difficult until we establish what current levels are. The problem we have is that AFB is a disease of bees and as such poses no problems to human health. For this reason some States are moving away from an involvement in such diseases leaving them to industry to sort out. Industry will need to be fully committed if we want to continue with this program.

Apimondia 2007

As most people would be aware Australia has been successful with their bid to host Apimondia in 2007. The Board of Apimondia 2007 has been appointed by AHBIC. A contract has recently been signed with The Meeting Planners who are Professional Conference Organisers. It will be important that all FCAAA member bodies be involved to take advantage of delegates travelling to other States before going on to Melbourne. This is our chance to showcase our industry to the rest of the world. FCAA has provided a loan of \$40,000 to be used for expenses incurred in the organising stages.

Asian Apiculture Association Conference 2006

WA won their bid to host the AAA conference in Perth in 2006. It is hoped to attract up to 300 participants, WA Farmers Beekeepers Section has formed an organising committee. Anyone who is available to assist in some way should contact WA Farmers. The Conference will be held on March 20th – 24th 2006.

NSWAAA Occupational Health & Safety

I would like to congratulate the NSWAAA on being proactive on this issue. As with Quality Assurance many beekeepers have been trying to avoid these issues, but it is important that these programs are implemented to your business as soon as possible. A manual has been produced and is hoped to be included with B-Qual.

I have enjoyed my first year as President. It has been a little challenging keeping up to date with some issues being in the West. Special thanks must go to FCAAA secretary Harold Ayton for all his work; he has helped me out immensely throughout the year.

Stephen Fewster - National President

NATIONAL COUNCIL OF POLLINATION ASSOCIATIONS

The pollination sector of the apiculture industry has been through a busy season with enquiries for its services coming from across Australia. The drought has seen a decline in feral bee populations, and this coupled with growers implementing quality assurance system programmes have been attributed to the increased demand for pollination services.

The main enquiries were from stone and pome' fruit growers seeking to improve the quality of their product so as to achieve a better market price.

Enquiries were received in the following states:

Queensland:

- Plums
- pumpkins
- water melons.

Victoria:

- Plums
- pears
- apples
- buckwheat
- celery (seed production)

South Australia:

- Cherries

Western Australia:

- Plums

The demand for bees to pollinate the expanding almond industry is ongoing with the Victorian planting requiring 55000 hives by 2010 to service their needs. This gives beekeepers the opportunity to work their bees and obtain cash flow at a time of year when normally there is very little production occurring.

One problem that could face the pollinators is that of the proposed import of apples from New Zealand. Fire Blight if introduced will decimate Australia's pear industry, and make growing apples a very difficult prospect. Bees are transportation vectors of the Fire Blight bacteria, so the spread of the bacteria could take place while pollinating these two crops. The NCPA is monitoring the progress of the import risk analysis reports from Bio Security Australia so as we can be fully informed on the fire blight situation and the possible effects on the pollination industry.

The pollination sector has a bright and expanding future ahead in all areas of pollination as growers are becoming more aware of the added benefits associated with using hives of bees in their production regimes.

Craig Scott

APIMONDIA 2007 PTY LIMITED

PCO Contract

The contract between The Meeting Planners, (TMP) who will act as Professional Conference Organiser, and the Apimondia 2007 Pty. Ltd Board has been signed.

Apimondia 2007 Combined Meeting

Apimondia 2007 Board will be conducting a meeting on Sunday July 12th at 2.00pm 2004. Venue to be announced.

Colleen Wenn and Andrew Peters from TMP will be attending the AHBIC Annual Meeting in Brisbane in July to have discussions with AHBIC and all concerned as to how the Apimondia 2007 Board, sub-Committees and TMP can best work together to maximise our combined efforts.

The major emphasis will be on the need to sell Australia as a unique beekeeping experience/destination in 2007 and as a great destination for a holiday.

All interested people including AHBIC delegates, Apimondia 2007 sub -Committee members and others are cordially invited to be in attendance.

All members of the Apimondia 2005 (Dublin) sub -Committee who may not be able to attend will be invited to participate by telephone.

Melbourne Convention and Visitors Bureau

Lisa Patroni from MCVB - who has ably assisted us in our efforts to firstly, present the 2005 Bid in Durban South Africa and secondly, in our successful Bid to win Apimondia 2007 in Slovenia - is no longer working with MCVB.

MCVB have guaranteed further assistance in Dublin, Ireland. Together with TMP, I am following up this commitment.

Theme for Apimondia 2007

There is a need for consideration of a possible Theme for Apimondia 2007 in Australia.

Previous themes have been

- South Africa 2001 “Beekeepers Meet Africa”.
- Slovenia 2003 “Beekeeping A Way of Living”

The Theme needs to be simple, but also appropriate to Australia.

Possible aspects to consider – to name just two -

- * The uniqueness of our honey produced from our native flora; or
- * The superb quality assurance systems we are building into our honey production and honey packing facilities,.

There is no doubt there will be people out there with a range of ideas .

Please make your idea known to the AHBIC office for consideration and selection by the Apimondia 2007 Board of Directors.

Bob McDonald- Chairman

ANNUAL GENERAL MEETING

The AHBIC Annual General Meeting and Conference will be held on the 13th July 2004 in Queensland at Michael's Oriental, 223 Padstow Road, Eight Mile Plains, Qld. This is to be followed by an AHBIC Executive Meeting on Wednesday¹⁴ July 2004. Details of accommodation arrangements are as follows:

Venue: Sunnybank Star Motel 223 Padstow Road, Eight Mile Plains Qld 4113
Telephone: 07 3341 7488
Facsimile: 07 3341 7630

Delegates should make their own travel and accommodation bookings direct and delegates are provided with this information early so that they can obtain the best airfares.

Notice of Election of Chairperson- Australian Honey Bee Industry Council

In accordance with the constitution notice is hereby given that nominations for the position of Chairperson of AHBIC open on Wednesday 26th May 2004 and close on COB Thursday 10th June 2004. Candidates are advised of Section 5.2 of the constitution and, in particular: -

A Chairperson of AHBIC shall be elected at each Annual General Meeting as follows:

- 5.2.1 Nominations of candidates for election as Chairperson of AHBIC: -
- (a) shall be made in writing, signed by one voting delegate and accompanied by the written consent of the candidate.
 - (b) each nominee may submit a two hundred (200) word statement.
 - (c) the nomination shall be delivered to the Secretary of AHBIC not less than twenty eight days prior to the date fixed for the holding of the Annual General Meeting. All delegates are to be notified of all nominations at least fourteen days prior to the holding of the Annual General Meeting.
 - (d) If no nominations are received as required under 5.2.1 (a) and 5.2.1 (c), nominations shall be taken from the floor at the next Annual General Meeting.

Notice is also given that the following Special Resolutions will be put forward:

CONSTITUTION AMENDMENTS FOR 2004 AGM

- 3.2 AHBIC may rebate to Industry National Sector Organisations up to ten percent of their respective **Sector's** contributions to run, where applicable, functions not taken over by AHBIC. **Terms and conditions of such rebate to be determined by the AHBIC Executive Committee.**

Section 4 be renumbered as 4 (a) and a new section be added as Section 4 (b) . (This was passed at last years AGM as a motion, not as a Constitution Amendment.)

4 (b) Every delegate, or the business he/she represents, should be a contributor to their sectors voluntary contributions before he/she can be elected as a delegate to represent their sector on the Council.

Annexure 1

Rule 1.1, first line, delete "at formation" and "initial" so as it reads, **"The contribution to AHBIC shall be:**

Second line, change "1.5" to "2".

Annexure 2

Section 7.2, first line read **"The contribution shall be:"** and the second line change **"1.5" to "2".**

Delete **Section 7.5.**

Section 7.2, add

- **The beekeeper is responsible for the payment of the honey contribution either by themselves or through their packer.**
 - **For sales to packers who do not collect/pay the contribution, the beekeeper is responsible for payment of the 1.5c/kg contribution.**
 - **For sales other than to a packer, the beekeeper is responsible for the full 2c/kg contribution as a packer producer.**

HONEY PACKERS AND MARKETERS ASSOCIATION OF AUSTRALIA

Two general meetings have been held during the last twelve months in Melbourne – September 5th & March 19th. The December meeting was cancelled due to bad timing and the television program exposing nitrofurans in Honey.

The ramifications of this disastrous publicity have been felt by the whole industry and in particular the Honey Packers & Marketers Association. The proposed withdrawal of the major packer in Australia 'Capilano', from our association, has been very frustrating and an ongoing issue.

Our commitment as packers to support in full AHBIC, by the payment of levies, has been put under pressure by the aforementioned packer and we look to a speedy resolution of this matter.

Consumer sales showed a steady decline in the early months of 2004, due to the bad publicity, but at the moment appear to be showing a slight increase. However I feel consumer confidence has not been restored and some packers have resorted to new labelling to reassure the public.

There are many important items to be discussed at the AHBIC AGM and input is required from members of the HPMAA on these vital industry concerns, which should be discussed at our AGM on May 28th at Ballina, NSW. Perhaps three of the most important are listed below.

1. Restructure of AHBIC. At the AHBIC AGM a committee will be set up to examine the re structure of AHBIC.
2. Statutory Levies are on producers at the farm gate and packers are collection only. FCAAA, the producing sector will need to make a decision.
3. The National A.F.B. plan. Animal Health Australia are not prepared to approve the implementation unless there is a widespread support from industry and/or government. I ask the question, do packers want honey with AFB spores in it?

I take this opportunity to thank all members of HPMAA for their support, interest and input, which has been greatly appreciated, particularly during a very difficult period. My Vice President Carmel Barlow, although quite ill was very supportive and helpful in mediation talks. Thank you Carmel. Our Secretary Kevin Webb, has been very efficient and I am grateful to him for the smooth running of the Association. Thank you Kevin.

Ian R Stephens- President HPMAA

COMMITTEE REPORTS

DISEASE COMMITTEE

American Foul Brood

The Australian Animal Health Association convened a meeting in September 2003 to try to establish a National AFB Plan to assist in the control, or eradication, of this disease. The membership of this committee consisted of State Departmental people as well as some industry people.

Unfortunately, most of the State Departmental people were not very supportive of the idea as they considered that as it was not a human health issue, they were not overly interested in it, they were more interested in diseases which had a human health issue.

A Business Plan was drawn up after the meeting. After input, especially from State Departments, AHA have made the following statements in regard to this plan:

“The general response from the State government parties is that AFB is an endemic, contagious, production-limiting disease with no trade or human health implications. Most State departments are moving away from committing resources to the management these types of diseases and concentrating on diseases with potential impact on trade and market access or human health and those of greater general community concern.”

“It needs to be said that despite this not all parties are of the view that the case for a national program is particularly convincing either in terms of clear strategies with a high likelihood of achieving a reduction in AFB prevalence or a strongly favourable cost benefit ratio. It was also apparent to us in preparing the business case that even with stronger strategies and greater enthusiasm on the part of the jurisdictions the success of a national program would rely very heavily on a high level of participation throughout the honey bee industry production chain.”

It would appear that in most cases, if industry wants to get on top of this disease they will have to rely heavily on themselves.

Ausvetplan

The writing group involved in updating the beekeeping section of the Ausvetplan have now forwarded it to the Technical Review Group for their consideration. It is about twice the size of the original plan as it includes additional pests and diseases.

This plan covers *Tropilaelaps*, *Varroa*, *Braula* and *Tracheal mites*, and Asian and Africanised bees together with Principals of Control and eradication as well as Appendices covering associated matters.

Small Hive Beetle

The Small Hive Beetle seems to be continuing its spread slowly. Reports have been made that it has now reached Victoria and South Australia.

Harold Ayton- Chair

EDUCATION SUB COMMITTEE

- During the period since the last AHBIC AGM, it is pleasing to report that sound progress has been made on the development of standards that form the basis of training modules for our industry. The standards will be used to provide training in Certificate II, III and IV in Agriculture – specialising in beekeeping.
- Ms Jude Nettleingham is to be commended for her efforts in developing the drafts of the specialist beekeeping standards. She has provided drafts of the standards developed to date for initial review by the Education Industry Reference Group and sought other industry members to assist her with specific information. The material that has been developed to date is of a high standard and should only require minimal changes by the working group to formalise a final draft that is due to the Australian National Training Authority (ANTA) on the 1st of August 2004.
- The Industry Reference Group and other interested industry members will be meeting with Ms Nettleingham at Ballina in May to review standards that are still being written. Final comments from the working group are to be received by June 5th so that the ANTA deadline can be met.
- The draft of the standards will be available for review by all industry members from August to December 2004. It is expected that in December 2004 the standards will be finalised.
- I strongly encourage the wider industry to take the opportunity of a final industry review by looking up the draft standards on the AHBIC website, where they will be posted some time after August, or by requesting a copy of specific sections from one of the Education Industry Reference Group members or the AHBIC office.
- Any comments can be provided to either Jodie Goldsworthy, the AHBIC office or any of the Industry Reference Group members.
- The current Education Industry Reference Group members are Jodie Goldsworthy, Rod Pavy, Paula Dewar, Stephen Fewster, Julian Wolfhagen, Keith Gibbs, Neil Bingley, Bill Winner, Graeme Matthews and Keith McIlvride.

Jodie Goldsworthy – Chair Industry Reference Group

FOOD SAFETY COMMITTEE

It goes without saying that the 2003 –2004 year was the most difficult one encountered by the Australian honey industry. For the first time in our industry's history we were forced by continuous poor seasons and droughts to import honey from various origins. Then at the Apimondia conference held in August 2003 came the shock news of a new antibiotic called Nitrofurantoin being found in Argentinean honey (which was the major imported origin to Australia). The rest is now history - what with the constant media focus on Nitrofurantoin being found in blended honey sold in Australia. In January products from Australia were subject to product recalls in Canada after a detection Nitrofurantoin metabolites were found in them. While much speculation or argument continues on whether the testing procedure used was or was not accurate, it is sad that now all Australian honey that is going (or will potentially go) into that market may be seen by the public in a very different light.

Australia's image of having a clean honey industry is changed forever! Already questionable levels of OTC have been recorded against Australian honey internationally along with detectable levels of Chloramphenicol in Royal Jelly sold

into the EU that was purported to be “Australian”. As modern communication travels so quickly around the world there are others noting that maybe Australia is not so “Clean and Green” even this is not the case of the majority of our honey.

So what’s next??

If Australia is to be a world leader we must take the stance of showing the world both by words and actions that we are serious about quality and demand the same from other countries. Certainly the B-Qual program will assist in this manner however it is up to us to control our own destiny. We must all be vigilant and ensure no short cuts are taken in relation to food safety. Our industry must continue to deal with the ongoing important issue of food safety at the highest level possible for its future survival. To claim “Clean & Green” we must be just that.

Let’s look at the current import testing. Now AQIS demands a test for Nitrofurans or any of its metabolites at a level of 1ppb. The honey packaging industry in the EU has accepted 0.5ppb as a level for Nitrofurans even though there is a reporting level of 1 ppb in the EU. I believe this leaves Australia out of step with EU honey packer’s requirements. Here we as an industry should be leading the way and strive to lower the bar to our commercial advantage. Industry has the opportunity to ask AQIS to lower the rejection level set. I take this opportunity to congratulate AQIS on the detections of Chloramphenicol found in honey that was imported. Those lots of honey were destroyed or shipped back to the country of their origin.

As a result of the problems encountered by this industry, primarily caused by the nitrofurans issue, FSANZ has urgently sought to change their own rules in the food standards code. This was out for consultation at the time of writing. The changes proposed take two paths but the most difficult for the food industry is the second part of the change which state:

inserting after subclause 2(2)–

2(3) If a chemical is not listed in this Standard there must be no detectable residue of that chemical in food (whether or not the food is listed in Schedules 1, 2 or 4).

My response to FSANZ request for input on the above is as follows:

“This point is probably the most contentious of the changes - for what is not detectable? At a measuring level of parts per million at zero we would have a cut off point but what if the level is found below that at parts per billion? A 0.3ppb level is actually below the zero level. Now even better what if the level was correct at zero for parts per billion but now we measure at parts per trillion as is possible. Clearly as detection levels keep falling two problems emerge that is a greater risk of error during the sampling and analytical process and a situation arises where the level of detection is so minute that there is no harm to public safety.

To resolve the problem it would be better to modify the Code to state that where a “chemical” is not listed in the Standard, there must be no detectable residue of that chemical in the food above 0.5ppb unless it is toxicologically proven that the detected substance has a potential impact on public health and safety”.

“No longer can the food industry operate on the simple premise of “no detectable residue” being found in their products without a defined parameter. Common sense and practicality should prevail and there needs to be a cross point set between the needs of primary producers of food along with manufacturers who source these ingredients and public health and safety. Setting MRPL’s and Action Limits therefore on unspecified “Chemicals” will go a long way in solving the problems faced by the food industry in having to deal with ever reducing detection limits as technology to analyse substances keeps on improving”.

Having returned from the recent Residues in Honey Symposium in Celle, Germany, it was clear to me that after talking with some of the leading laboratory owners and chemical analysts that there is a need globally (and Australia wide) to have a standardisation of techniques used in analysis and prescribed MRPL and action limits set. This is particularly the case when dealing with such an issue as nitrofurans in honey but it applies to any “chemical” residue. Australia can take a leading role in this regard.

It is pleasing to see the formation within AHBIC of the National Residue Prevention Committee. This initiative will go a long way in restoring confidence in our industry. It was, however, disappointing that your elected Food Safety Committee Chair was not asked to participate in any manner to this forum, or since its inception has been privileged to any information or outcomes of this residues committee, as this is what food safety is all about.

I make a clear closing remark to those opposed to honey imports – there is nothing wrong with Australia importing honey and making a dollar for the betterment or survival of this industry (particularly if we have further poor years such as encountered). What the industry and public needs, and demands, is a safe and wholesome honey that has been carefully tested with the best procedures known. Industry must be prepared to first look at the impact to consumers and the longer effects to our industry when deciding what to say, do or propose. Our customers remember bad reports long after any media coverage and don’t want to take any risk in eating a food that is even rumoured to be contaminated (even if it will cause no harm). Time will ultimately tell what the outcome of decisions made during this difficult period in our industry will have. Let’s be a leader in food safety.

Eduard Planken– Chairman, Food Safety Committee

AUSTRALIAN PREVENTION OF RESIDUES COMMITTEE

Introduction

The Australian Prevention of Residues Committee (APRC) was set up by AHBI C to help address the major international residue issues that became evident in the honey industry in 2003. The Committee aims to provide AHBIC with advice on residue issues so that appropriate policy can be formulated and Government can be informed of industry’s opinion. The Committee includes the following industry members:

- Ben McKee (Chair)
- Marc Higgins
- Keith McIlvide
- John Gill

The recent Australian drought has resulted in lower production by beekeepers, which directly led to a substantial increase in honey price as packers competed for supply. It soon became evident that the market for honey exceeded the Australian supply and packers were left with two choices; a) not supply and leave the customer without the opportunity to purchase honey, or b) import honey to meet customer requirements and retain market. If customers are not supplied, they may seek alternatives to honey and the market would be reduced. Most packers chose to import honey and retain markets so that when normal seasons return, a market for Australian honey would remain.

The APRC was set up in November 2003, prior to the beginning of negative publicity that the residue issues in honey have been subjected to. In our first Committee meeting we involved Food Standards Australia and New Zealand (FSANZ) and Australian Quarantine Inspection Service (AQIS) representatives from the Market Maintenance Group, National Residue Survey and Imported Food Program. At this meeting we discussed in detail the problems associated with identifying and quantifying chemical residues in honey, especially nitrofurans. Also at this meeting, APRC supported initiatives by FSANZ and AQIS to commence further import testing of honey for antibiotics, including chloramphenicol, nitrofurans, sulphonamides, tetracyclines and streptomycin. This will be one of the most stringent import testing programs for honey in the world.

Nitrofurans Contamination of Honey

The antibiotic nitrofurans soon became the major priority for industry to face. Nitrofurans are synthetic chemotherapeutic drugs that have broadspectrum antibacterial action against Gram-positive and Gram-negative bacteria, such as the causative bacterium of American Foulbrood (AFB) and European foulbrood (EFB). There are four nitrofurans drugs (furazolidone, furaltadone, nitrofurazone, nitrofurantoin) which have been widely used for the treatment of gastrointestinal infections (eg. *E. coli*, *Salmonella*, *Giardia*), urinary tract infections and other bacterial infections in chickens, cattle, turkeys, ducks, fish, shrimp, sheep and swine. Nitrofurans are also used in human medicine to treat some infections (eg. Cystitis).

The perceived advantage of using nitrofurans antibiotics was their limited degree of susceptibility to bacterial resistance and rapid metabolism within a short time frame of several minutes to a few hours. Thus it was assumed that no residue would result from treatment. However, following insufficient toxicity data on review of three nitrofurans antibiotics, the European Union (EU) prohibited the use of all nitrofurans antibiotics in food producing animals. Many other countries followed in banning their use due to the potential health concerns.

The fast metabolism of the parent nitrofurans drug in food-stuffs led scientists to develop methods for the detection of its metabolites or degradation products. Studies have shown that the nitrofurans metabolites can become bound to proteins, which results in an intact residue of the metabolite. Due to the higher stability and longer half-life of the bound metabolites with protein, their detection is still possible when concentrations of the parent drug are well below the level of detection.

Suggestions of the potential contamination of honey with nitrofurans antibiotic metabolites became evident in mid 2003. At Apimondia in August 2003, nitrofurans detection was confirmed in honey of origin from China, Mexico, Pakistan, Poland, Thailand, Turkey and Argentina. Following this meeting, or before, most Australian honey packers importing began to source testing methods and laboratories to undertake raw product testing prior to import.

After initial investigations, it became apparent that no validated or published analytical protocol existed for the detection of nitrofurans in honey. Initial analytical techniques currently used were based on the method for detecting nitrofurans in animal tissue, as developed by Leitner *et al.* (2001). The error in these analytical honey methods ranged up to approximately 1000%, with unexplainable positive and negative results common. There was no validation of analytical protocols, inconsistencies in test results and commercial barriers to the exchange of information between laboratories. Without validation, publication and review of an appropriate method for the determination of nitrofurans in honey it is presently very hard to reliably detect the residue with any degree of certainty.

Industry's APRC set about resolving the issues facing the detection of nitrofurans in honey so as to quickly implement the AQIS imported food testing program and improve the reliability and replication of test results for industry. The following actions were taken by APRC:

- *A scientific literature search on nitrofurans detection methods was conducted*
- *Communication and relationships were developed with overseas laboratories and scientists involved in the detection of nitrofurans in honey*
- *Communication and relationships were developed with domestic regulatory authorities such as FSANZ and AQIS*
- *An independent Australian laboratory with the necessary capabilities was engaged to develop testing protocols for nitrofurans in honey*
- *The APPLICA GmbH honey analytical laboratory in Germany was visited to discuss the issues and to investigate testing methods*
- *An international inter-laboratory trial was initiated with over 20 laboratories from around the world undertaking routine nitrofurans tests in honey*
- *A Nitrofurans Symposium was held in March 2004 with technical representatives from Australian Government (AQIS & Aust High Commission), Canadian Food Inspection Agency (CFIA), Argentine Government (SENASA), Applika Analytical Laboratory (Germany), Leeder Laboratories (Australia) and AgriQuality Laboratories (New Zealand). This Symposium was a technical discussion on the methodologies and instrumentation employed by laboratories to detect nitrofurans.*
- *Presentation of inter-laboratory findings to the Prevention of Residues Apimondia Symposium, Celle, Germany, April 2004.*

It has become clear from the inter-laboratory trials conducted that the detection methods for nitrofurans in honey have developed over time and those laboratories participating in the recent inter-laboratory study showed competence in their methods and results. However, errors and problems with exact replication of results can be expected at these low levels of detection (0.5 part per billion). Experience with the method and most importantly with honey as a sample is essential for quality results, in association with the conduct of inter-lab studies and harmonisation of the best analytical protocols between labs.

National Residue Survey

Part of the responsibilities of the APRC has been to work with AQIS and National Residue Survey, Department of Agriculture, Fisheries & Forestry (NRS) to develop a good honey residue survey of Australian production. Results of this survey aim to provide quality assurances to the European Union and other exporting countries on Australian honey.

A new costing model was developed by NRS that was going to see an increase in levy expenditure from about \$50,000 to \$90,000 as a primary result of increases in administration and staffing costs passed onto industry by NRS. Following much negotiation, industry has negotiated both the program and the pricing structure of the survey to keep costs to a sustainable level of about \$60,000. Industry needs to be aware that all communication with NRS should be via AHBIC or APRC, so that only

recommended contact is made, as all time spent by the honey program of NRS is charged back to industry funds.

Australian honey is likely the cleanest in the world. APRC aims to develop the NRS program to provide assurances that no unregistered veterinary drug products are used in Australian beekeeping. However, this program needs to be economically feasible so that our current NRS reserve funds are not spent unnecessarily and are kept for emergency responses to residue issues. Special thanks to Marc Higgins, for his efforts to resolve this issue.

Apimondia Residues Symposium, Celle, Germany, April, 2004

The first Residues Symposium was held in October 2002. This Meeting was primarily an opening forum for Industry, Scientists and Government to present honey residue data and regulations from their respective countries and to initiate the discussion on honey contamination issues. This second Symposium was more directed at the establishment of working groups and for the provision of a strategic plan for industry to address the current residue crisis. Approximately 300 participants attended the Symposium.

In summary, the Symposium set to resolve:

- The practices of the beekeeping sector with respect to the continual use of antibiotics.
- Substantially improve quality and quantity of training to beekeepers internationally.
- Standardised HACCP Food Safety Programs for beekeeping worldwide (eg. B-QUAL).
- Analytical methods for residue detection require harmonisation and lab quality systems and inter-lab studies need to be promoted.
- Minimum Required Performance Limits (MRPLs) for analytical protocols need to be defined internationally. Action levels and maximum residue limits should be promoted and legally defined. Zero needs to be defined legally.
- The International Codex Honey Standard should be expanded to include Veterinary drugs, including the provision of appropriate action limits (eg. 1ppb for nitrofurans).
- A working party will be set up by the Symposium to report back on these issues within 6 months.

APRC will provide support to achieving the above changes to European Union legislation so that legitimate chemical use can occur, which will ensure unregistered use will not occur by beekeepers. Eddy Planken (AHBIC – Food Safety Committee) made a presentation to the Symposium on behalf of the Australian Honey Industry. Much interest was expressed in the B-QUAL system from delegates from around the world.

A Honey International Packer's Association (HIPA) has been set up at the instigation of leading honey packers and traders to try and address the problems facing residues in honey and beekeeper use of antibiotics.

The Future

The APRC will continue working in the best interests of industry with some primary aims for the future:

- *Monitor the effectiveness of the AQIS imported food program*
- *Investigate with AQIS changes to export requirements to provide more assurances as to the residue status of honey exported from Australia*
- *Work with FSANZ to review in detail the current Honey Standard*
- *Make submission to Food Standards Act, Standard 1.4.2 – Maximum Residue Limits.*

Conclusions

The last 6 months have seen residue issues, in particular nitrofurans, used as an opportunity to launch political and media campaigns against the use of imported honey, even during a period of short supply. The source of the negative publicity has been from within our industry and has been damaging to the industry as a whole.

As a result of recent negative publicity, the industry has seen significant decreases in honey sales from the category leading to decreased demand and lower prices being paid to Australian beekeepers.

It has been very sad to watch a few individuals within this industry succeed in ruining the clean, green and wholesome perception of honey. Consumers who previously bought honey are now turning to other spreads, such as jams and peanut butter, instead of honey. In the past, where residue issues are involved, the industry has quietly proceeded to fix the problem without unreasonably alarming consumers. I wonder if the individuals responsible for the constant honey testing, publication of results and political pressure have a plan to resurrect the honey category's image to our consumers? Who will restore the image of honey as a natural product? It is simply bizarre to think that public recall of honey products from shelves is in the best interests of this industry.

AHBIC would like to show its public appreciation of both AQIS and FSANZ for their support and recognition of the APRC and for working with industry to achieve practical solutions to resolve the current issues. Recent Australian honey production has seen a decrease in the need for imported honey. Australia now has appropriate border control for honey imports that will see stringent quality controls in place, instigated before the negative publicity and in respect to nitrofurans, now addressing the knowledge attained from the International Symposium held in March 2004.

Dr Ben McKee- Chairman



AHBIC FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION AS AT 30TH APRIL 2004

Assets		
Cash on hand – Cheque account	\$2,314.05	
- Premium account	<u>33,322.39</u>	\$35,636.44
 Other Assets		
Term Deposit 50178856	6,082.61	
Term Deposit 50057304	50,000.00	
AMP Diversified Growth Fund	51,104.34	
Rental Bond	7,000.00	
B-Qual Australia Pty Limited	<u>100.00</u>	114,286.95
Fixed Assets		
Furniture and Fixtures at cost	21,752.66	
Accumulated Depreciation	<u>-17,993.32</u>	<u>3,759.34</u>
Total Assets		<u>\$153,682.73</u>
 Current Liabilities		
Trade Creditors	1,160.88	
Provisions	15,652.96	
GST Collected	295.33	
GST Paid	<u>-778.30</u>	
Total Liabilities		<u>\$16,330.87</u>
 Net Assets		 <u>\$ 137,351.86</u>
 Equity		
Retained Earnings	255,959.61	
Current Year Earnings	<u>-118,607.75</u>	
Total Equity		<u>\$137,351.86</u>

AHBIC has two wholly owned subsidiaries – Apimondia 2007 Pty Limited and B - Qual Australia Pty Limited whose financial years end on June 30. They will also be audited at that time. At the time of writing they have no debts and are ongoing commercial concerns

**STATEMENT OF FINANCIAL PERFORMANCE
FOR THE YEAR ENDED APRIL 30, 2004**

Income		
Combined industry	\$145,517.52	
Interest	4,450.27	
AMP distribution	6,256.65	
Miscellaneous income	1,390.69	
Membership dues	300.00	
Promotional video income	<u>50.00</u>	
Total Income		<u>\$157,965.13</u>
Expenses		
AFB Conference	2,290.91	
Annual leave expense	-569.15	
Annual meeting	10,623.69	
Apimondia 2007	6,362.38	
Audit fees	2,011.95	
Bank charges	486.45	
Consultancy fees	825.00	
Couriers	36.35	
Depreciation expense	2,391.36	
Directors' sitting fees	1,615.41	
Electricity	495.12	
Filing fees	265.00	
Insurance	4,393.40	
Legal fees	839.13	
Long service leave expense	7,126.23	
Office supplies and email	1,189.75	
Postage	2,801.21	
Printing and stationery	5,733.23	
Remuneration expenses	108,365.73	
Rent	25,100.04	
Repairs and maintenance	271.82	
Special projects	8,654.54	
Staff amenities	143.86	
Subscriptions	7,386.68	
Superannuation	37,516.00	
Telephone	7,984.43	
Travel	<u>32,232.36</u>	
Total Expenses		<u>\$276,572.88</u>
Operating Loss		<u>\$(118,607.75)</u>

VOLUNTARY CONTRIBUTORS TO AHBIC

AHBIC THANKS ITS SUPPORTERS

AB's Honey
Harold Ayton
Beechworth Honey
Boyd, Andrew and Margeurite
Cannon, D and J
Capilano Honey Limited
Crop Pollination Association Inc
Dewar Apiaries
Gells Honey Maryborough
Gell, RG
Honey DownUnder
HL Hoskinson
Hunter Valley Apiaries
Koonoomoo Apiaries
Leabrook– Spring Gully Pickles P/L
Leahy, Michael and Gayle
McDonald, R and E

McPherson, PB and CM
Oakley, IJ and PA
Phillips, RC & DJ
Pollination Association of WA
Queen Bee Ann Apiaries
Scotts Apiaries
Stephens, R
Superbee Honey Factory
Swan Settlers
Tasmanian Crop Pollination Association
Tasmanian Honey Company
Taylor, Stan
Warral Apiaries
Weatherhead, T and M
Weerona Apiaries
Wescobee Limited
Winkels, J & F

AHBIC acknowledges the **beekeeper suppliers** who contribute via their packer and queen bee supplier to AHBIC. We also urge beekeepers to support those packers/queen bee breeders who contribute to AHBIC.

**Does your honey buyer's or queen bee supplier's
name appear on this list?
If not, then ask 'why not?'**

**SUPPORT THOSE WHO SUPPORT
YOUR INDUSTRY!**