



## **2022 Strategic Planning Forum**

# **WA Honey Bee and Pollination Industry**

June 2022

**Agknowledge®**

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## Agenda

Thursday 23<sup>rd</sup> June 2022

9.30am - 3.30pm

DPIRD Theatre at Baron-Hay Court

### Participants:

- Stephen Fewster APC BPC
- Dave Christensen APC BPC
- Mat Welch APC BPC
- Matt Colvin APC BPC
- Kynan Ridley APC BPC
- Brendon Fewster BICWA
- Christine Spycher BICWA
- Shane McLinden BICWA
- Mike Bellman Capilano
- Tiff Bates UWA
- James Sheehan DPIRD
- Kim Philips House of Honey
- Mikey Cernotta Pemberton Honey
- Jess Bikaun DPIRD
- Michael Schmook DPIRD

**Facilitators - Agknowledge®:** Peter Cooke, Nicol Taylor and Julia Ashby

**Purpose: A forum to develop the draft strategic plan for the WA Honey Bee and Pollination Industry**

**Introduction and expectations** Stephen Fewster – Chair

- What is the industry looking to achieve?

### 1. Current Situation - determine and prioritise issues

- Presentation by Agknowledge
- Group discussion and interaction on the WA Honey Bee and Pollination Industry
  - ✓ **Situation Report 2021**
  - ✓ **Stakeholders Report 2022**
  - ✓ **Beekeepers Report 2022**
  - ✓ **Consultation Overview May 2022**

### 2. Review the Vision and Purpose

- **Vision:** The Western Australian bee, honey and pollination industry will be vibrant, dynamic, diverse and profitable.
- **Purpose:** Promote and participate in the improvement of the standard of the Western Australian bee, honey and pollination production, processing and manufacturing, through leadership, advocacy, research and active participation in education, policy and planning.

### 3. Plan the Image and Message

- What image/s do we think the industry must convey?
- The key messages to convey to the industry and community.

### 4. Develop the business objectives

- Financial, social and environmental.

### 5. Develop the strategies

- **Build industry resilience** – biosecurity management, targeted R&D, quality and integrity systems.
- **Grow existing honey businesses** – build capacity, productivity/efficiency, markets and resource access.
- **Raise consumer loyalty to WA honey** – marketing/promotion of WA honey's unique features, products.
- **Engage amateur beekeepers** – training, biosecurity, standards/regulation, transition to commercial.
- **Support industry leadership and cohesion** – secure funding for 'industry good' functions, employ an EO, advance industry, improve advocacy, engagement and communication, source and analyse industry data.

### 6. Outline and prioritise the Tactics

- Determine how to support the strategies

**3.30pm - End of day**

**The purpose of the forum is to develop a Strategic Plan to guide the future direction of the Western Australian bee, honey and pollination industry.**

### Introduction by Stephen Fewster – APC BPC

The value of the work that has been done is that we now have the data that demonstrates the majority of the industry agrees on what the problems are for the industry, so our challenge is to turn them into opportunities to move the industry forward. There was a clear message that people don't understand what the APC does.

### Current Situation

AgKnowledge presentation (attached) gave an overview of the background project work that provides the evidence base for the industry strategic plan:

- ✓ **Situation Report 2021**
- ✓ **Stakeholders Report 2022**
- ✓ **Beekeepers Report 2022**
- ✓ **Consultation Overview May 2022**

The DPIRD-produced Business Opportunity Outline for Western Australian Premium Honey Products 2022 was referenced as identifying the opportunities for the industry.

An analysis of current industry funding through the APC shows a FFS income of \$113,000 in 2022 from 2461 registrations, with an average paid per member of \$46.

# Hives	Members	APC Fee	Hive Fee	FFS Paid	Av/member
<b>Current Registrations</b>		<b>\$25</b>	<b>46,811</b>	<b>hives</b>	
>1000	5	\$125	\$7,896	\$8,021	\$1,604
500-999	7	\$175	\$5,016	\$5,191	\$742
250-499	27	\$675	\$10,330	\$11,005	\$408
100-249	51	\$1,275	\$8,646	\$9,921	\$195
50-99	59	\$1,475	\$4,408	\$5,883	\$100
25-49	108	\$2,700	\$4,144	\$6,844	\$63
10-24	306	\$7,650	\$5,011	\$12,661	\$41
1-9	1844	\$46,100	\$6,042	\$52,142	\$28
0	54	\$1,350	\$0	\$1,350	\$25
<b>Totals</b>	<b>2461</b>	<b>\$61,525</b>	<b>\$51,492</b>	<b>\$113,017</b>	<b>\$46</b>

Note: DPIRD believes that is around 2000 fewer registrations than there should be. The hive fee has increased for the past two years from \$1.25 per hive.

### Action: *Financial data on FFS needs to be updated?*

### Situation analysis

How can the industry demonstrate its economic value to the State?

A key challenge for the industry is that it is extremely difficult to quantify its production and value. The best available data indicates an average production of honey per hive in WA of \$35/kg, and total WA production of 1,176,630kg if WA is 7% of national production.

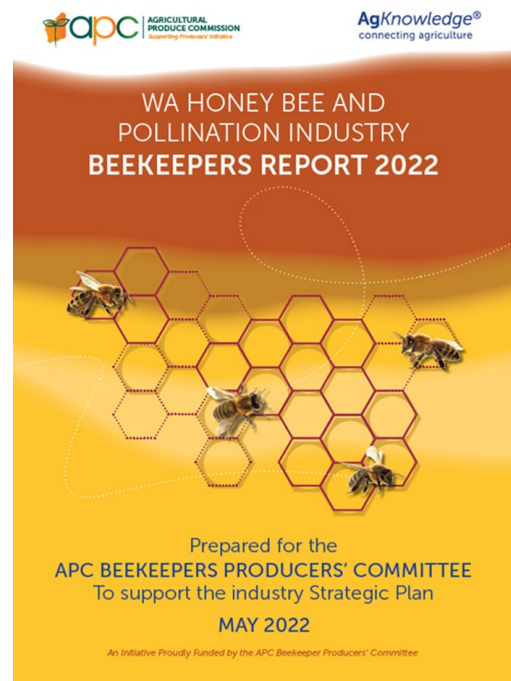
CRCHBP *Valuing ecosystem services for beekeepers in Western Australia 2020-21 data* has made an estimate of backyard or hobbyist beekeeping that suggests yield per hive averages 25-30kg/hive for an average price of \$12-14/kg. The average yield for commercial (40+ hives) is 35kg/hive and up to 60kg.

Cost of production is estimated at \$5/kg for a commercial beekeeper. We need 60kg/hive to be profitable.

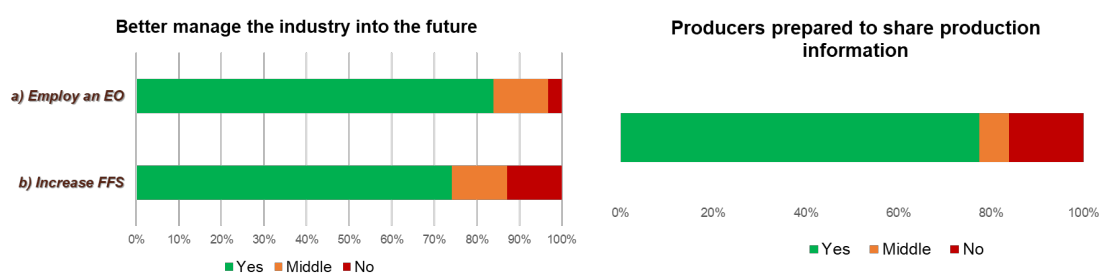
Commercial beekeeping is migratory so it is driven by the higher yield average, hobbyists largely keep hives in one spot so yield is lower.

## Beekeepers report feedback

- Interesting that there is an all-pervading perception that the industry is fragmented, when that has improved in the past five years.
- It is clear people are not reading what is sent to them, they are not aware of what is happening.
- Communication is key.
- Everyone wants more sites, not sure where they think these will be found.
- There is so much misunderstanding of functions and how things actually work. It presents challenges in trying to have a discussion when no one is on the same page. The biosecurity and registration systems are often misunderstood.
- WA is the only place in the world with government sites on tap in the way we do, industry sees that as a right, and should be expanded, but maybe it is more that these sites could be used more effectively, there may be other ways of accessing government sites. There is a lot of private land involved as well.
- The logging industry abused the social licence and it has had consequences. We are guests in the forest, it should not be taken for granted. We need better utilisation of what we have got, and get better at sharing what is available. Until we are utilising all those sites, we don't have a position to argue access with DBCA. We don't want to become like NZ and end up with people dumping hives on top of each other.
- There was a lot about communication in the report – is that a lack of information, or is the channel not right for people to consume information, or are people swamped with the volume? It is more about the information not going out in the right channels, people are not engaged.
- When I came into the industry, I noticed there is a personality type attracted to the industry – older generation who like to keep to themselves and don't use technology – how do we break that cycle when most of the audience are out in the bush and don't get electronic communication. In spring you won't see a beekeeper for three months.
- The same people tend to get the same level of information, there's probably ten people who are across everything, then a vast majority who are not engaged or don't use the mediums we are communicating in.
- We have six – eight months to service hives.
- *Much of the communication confusion arose from people getting multiple information sources from the range of industry sources.*
- That is improving with the new structure.
- The ownership of multiple sites over multiple regions is seen as a right for a commercial beekeeper, and we can't force a supplier to ensure registration. We need to be careful about what we can enforce in the commercial space, and there is history and legislation involved in the access to DBCA sites.
- *Technology can surely assist and the last two years have shown new attitudes to public compliance so that conversation needs to be had in a changing environment.*
- We struggle with government departments delaying decision making and we are so frustrated by getting the changes industry requires in a timely way.
- There needs to be a serious discussion about how AFB is better managed in WA. That conversation needs to be opened up.



- There is a disconnect in the feedback from industry: half the industry wants to be clean and green; the other half wants access to antibiotics to deal with AFB when they are not really the answer to AFB management and will be extremely detrimental to the reputation of the clean industry. A lot of the management can be done with other methods.
- We question how big is the AFB issue in WA? We need to understand the impact better.
- The industry basically imploded 10 years ago and the department shut everything down, the relationship broke down between the industry and the department. There is a question who is in charge, for a long-time industry was told to drive itself, suddenly we have four people in the room saying they can help. That confusion and held over history may be having an impact.
- There is a lot better relationship between industry and DPIRD now than there was previously.
- Rob Manning – said he was not aware the industry was engaged in strategic planning; it is important not to drop the strategic people off.
- The top two issues – adulterated honey and imported honey – are all about social licence. Interesting that the big picture issues rated lower in importance, for example social licence, climate impact which are directly linked to production but maybe that's because the industry doesn't feel it can influence these big issues.
- *The key roles seen for industry bodies were clearly identified as industry advocacy, peak body, resource access and management, biosecurity, communication and training.*
- *There was a clear majority mandate to employ an Executive Officer, increase FFS to support this, and that producers are prepared to share production information.*

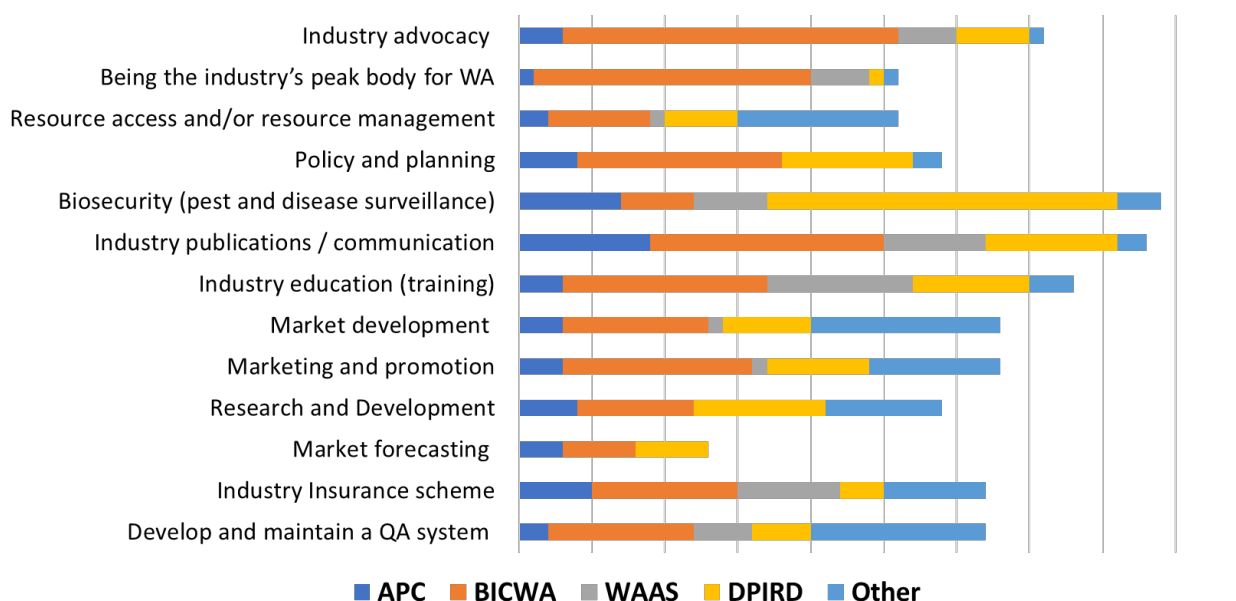


- *The citrus industry has been prepared to leverage their FFS funds to employ the resources to develop the industry against the industry's strategic plan with extraordinary results for the industry with 30% of the crop exported now. The industry also has a large number of semi-commercial or small hobbyist producers.*
- The challenge for the beekeeping industry is that there are a large number of producers with low number of hives who will never receive the same level of service as the large commercial producers.
- Who does APC represent or respond to with huge disparity between producers? Historically the representation on the APCBPC has been the large commercials.
- APC's mandate is to service the fee for service payers, if the functions are to be expanded beyond biosecurity and registration the levers can be pulled if the priorities change in future. You can only appoint people to the APCBPC who nominate, there is no reason WAAS and the hobbyists are not represented but they have to nominate.
- I think the yearly review would only confuse the issues, the FFS can be directed to functions that deliver value for the majority of producers, it won't always be benefiting every producer on a specific issue like export, but the others will still drive results and benefits from research or initiatives that drive benefit for the whole industry.
- Is there any modelling for the sweet spot of ensuring people will still be prepared to pay the FFS?
- When we get to a debate about price, we have lost the argument – where they perceive there is value, they will be much more prepared to invest. The wine industry sets their fees by GI as there are different levels of expectation from the different regions so the level is set to match the expectation of service.

## Improving industry structure and membership

- WAAS has 1000 members, there are around 3000 beekeepers who are not registered or part of any industry organisation.
- BICWA opened up membership to encourage hobbyists to become engaged in the industry.
- Would WAAS be represented to the Minister through BICWA? *Ideally the industry has one representative voice to government to demonstrate alignment on priority issues. Specific issues for hobbyists can be addressed, but the door opens once to the Minister.*
- Does it make a difference calling a position an Industry Development Officer compared to an Executive Officer? *No, clear definition of the position description to match industry expectations for delivery and the quality of the candidate selected is the key. The perception of industry development implies an industry driving forward.*
- It was awesome to have feedback being driven back from the industry, I found great value in hearing what they had to say.
- In the research space there are conversations around how much of what producers want is actually extension and adoption support – that is not what scientists produce from research. What research means to people is important: what they actually mean is optimisation of research so it can improve what producers do.
- It was concerning that there’s a perception of a disconnect with AHBIC, when BICWA is engaged.
- At the national conference there was a sense that WA is invisible, as NSW is so huge in honey and they are not aware of what we are achieving with initiatives like Honey Month. We have been communicating, but we are lost in the noise.

### Degree of importance of respective activities



## Building the vision

- Opening the strategic plan up to be an industry plan (I thought it was an APC plan) allows me to think bigger.
- Functions of the APC BPC currently engage only part of the range of functions available under the APC Act, it is pre-emptive to assume the 168 APC members will approve extending the functions.
- There is a chicken and egg scenario in terms of sequencing, what is the point of a plan if we don't have the fees to fund it, but equally how can you ask industry for funds if you haven't got an idea of how it will be invested. The range of strategic objectives identified in the plan may be funded in a range of ways, some of which will be through APC FFS funds, the balance through leveraging to attract other funding sources. This plan is about making sure this is genuinely industry lead, that is the principle of why APC has supported the strategic planning process. The starting point for a FFS and function change begins with the Committee identifying it has an evidence base for requesting the change, then there are clear steps to progress through the industry polling required to reset the FFS which may include information events and presentations, agreement reached across industry on what polling looks like (based on hives, or production etc.) so it is reflective of what industry wants. That recommendation from the poll which is about the range of functions, not the level the FFS is set at, then goes back to the APC to ensure alignment and then implementation. If industry is able to agree it has a collective strategic direction and has agreed it is prepared to support an extension of the range of functions undertaken for industry through the FFS, then it has the best chance of success to achieve the desired outcome.
- Think of the APC as an enabler – we collect industry funds on behalf of the industry. There is no conflict or crossover. The idea of having a singular vision for the industry means that when APC/BPC sets the fee it has alignment with the expectations of the industry so it can deliver against the priorities for industry using the industry's own funds.
- Initially the functions were restricted because biosecurity risk was the driver for industry: the other functions were restricted because it was seen that marketing was a function for Capilano, and lobbying was handled by WAFF.
- Across the range of APC committees, they hold a portion of funds specifically for biosecurity as a function, you can continue to do that for BPC with an isolated funds. The strategic plan becomes very important as that is what the BPC will use when it determines the allocation of the balance of the funds to deliver functions that align with industry agreed priorities. It is up to the BPC to apply the funding with the strategic plan as the measure for assessing funding applications. The BPC is held accountable for ensuring the funding is directed to service the interests of the FFS payers. A portion of the fees collected can be tied to particular functions and outcomes, that can be determined once you have approval to extend the functions. The amount that has been collected to date has not covered the APC collection costs, there will need to be a conversation around how the APC is recovering costs in this industry. The commission has agreed to absorb the shortfall for the next 18 months, but the model is supposed to be a cost recovery. DPIRD doesn't currently charge for collection of the fee, but it is entitled to. At the moment it is support in kind by DPIRD, as is the support in kind by the APC to cover the shortfall (\$18k in 2022). Because we don't charge a levy or a tax, there has to be alignment between what APC collects and what it is spent on in a given year. There may be capacity to carry over a balance, if it can be demonstrated how it will be spent. Biosecurity funds for example can be set aside in a biosecurity account with a determination on how those funds may be used in future in the event of an incursion for example, as is done in citrus, or another example of the banana compensation fund as money set aside to deal with a disaster to ensure industry resilience. That priority is agreed by the industry sector, but it is an option for the beekeeping industry to consider.
- FFS is always based on production, it was set per hive. Nationally it has been determined the pollination sector is not to be levied.
- Native title will become increasingly important – can we add 'responsible' to the vision as we access a resource that we don't own. The reality is that we have an introduced species in a natural environment, so we need to reflect our responsibility to the environment we rely on.

## Review the Vision and Purpose

- We need to talk about longevity, resilience, sustainability of the industry. The vision is for the whole industry, for the future.
- Stewardship implies responsibility, longer term management of the resource.
- The vision needs to reflect the unique aspects of the industry: the provenance, the floral species, the TA properties of the honey.
- Cohesion is something we have been lacking, it is included in the strategies.
- The social licence of the industry needs to be part of the conversation, we think it is pretty good at the moment.
- *Caution that the broader community perception of the honey bee population will be largely influenced by messaging from the northern hemisphere, that halo effect leads to perceptions that the 'bees are dying' so a lot of work needs to be done to distinguish the unique aspects of the WA industry, products, provenance etc.*
- *This is an opportunity to modernise, professionalise, mature the WA industry. That can be supported with more effective communication, utilising technology to quantify and manage.*

## Developing the business objectives

- *Objectives need to be measurable, yet this industry is devoid of accurate production and consumption data which makes it impossible to set achievable targets.*
- Need to make the distinction on consumption of WA honey – the price will drive consumer purchasing of the cheapest honey so national consumption figures are meaningless.
- It will be difficult to be able to trace every hive in WA. Change to every registered hive.
- An objective around keeping the industry pest free – why wouldn't you aim for the highest standard? You set the bar high and naturally drag people up with it.
- Most people don't want people to know where you are going with hives, it is secretive, so would they identify hive and locations?
- Biosecurity risk is reflective of scale, if you had 1000 and only lost 10 you would bear the loss, if you only had five and lost one it has greater impact.
- Zero risk is infinitely expensive, so you need to determine the level of risk you are comfortable with.
- There is resistance to the concept of tracing every hive, yet industry has been investing in traceability with BQual.
- From a biosecurity standpoint to know where every hive is in the state is the key to managing an incursion.
- *Traceability provides a strong story to even the hobbyists around the need to protect the industry and the bees. It could be a cohesive driver between sectors.*
- Traceability to every hive would be the gold standard, I'm happy for that to be an objective to work towards, but it needs to be achievable, and I worry it may drive more people away.
- OBJ 4 – Industry biosecurity is managed with traceability to every hive in WA.
- OBJ 5 – Work with the horticulture sector to support food security by advancing the pollination services sector – tbc. The day rate is comparable to other states.
- OBJ 5 - An incursion of a pest would impact all the other objectives; industry needs to maintain the level of current pest freedom with surveillance.
- As an industry it is important to talk about looking after the environment as we are so dependent on it.
- Stewardship of the environment.



## Developing the key messages and image of the WA industry

- |                   |                              |   |
|-------------------|------------------------------|---|
| ✓ Stewards        | ✓ Known                      | ✓ Dynamic                               |
| ✓ Professional    | ✓ Inclusive                  | ✓ Potential / opportunity to grow       |
| ✓ Premium         | ✓ Romantic                   | ✓ Critical to the growth of agriculture |
| ✓ Responsible     | ✓ Growing                    | ✓ Passionate                            |
| ✓ Clean and green | ✓ Important to food security |   |

## Developing the Strategies and Tactics

- 1. Build industry resilience**  
- biosecurity management, targeted R&D, quality and integrity systems.
- 2. Grow existing businesses**  
build producers' capacity, productivity, efficiency and resource access.
- 3. Engage hobbyist beekeepers**  
- training, biosecurity, standards, regulation, transition to commercial production.
- 4. Raise consumer loyalty to WA honey** –  
marketing and promotion of WA honey's unique features, product range.
- 5. Support industry leadership and cohesion** – secure funding, improve advocacy, engagement and communication, source data.

Michael Schmook is keen to open the conversation with beekeepers around their investment and development interests.

Industry Resilience	Business growth	Hobbyist development	Customer loyalty	Industry leadership
Biosecurity	DBCA Resource access	WAAS training programs	Communications and marketing	Expand APB BPC functions
Best practice, QA and B Qual	Private and government land access	Registration of hives	Increasing farm gate value	Coordinate FFS and industry engagement
R&D needs and CRC	Pollination development	Incentives and penalties	Processors, Packers and Retailers	BICWA peak industry body
TA Testing and labelling	Diversification pollen, propolis	Local council regulation	Export and promotion	WAAS hobbyist body
Automate hive registration	Production efficiencies	Foster development	Import agreements	Information and data collection
	Leadership development			

### Priority to invest in:

- Biosecurity and promotion
- Biosecurity and surveillance, registration of hives
- Biosecurity and training for all beekeepers
- BICWA peak body, resource access
- Increasing farm gate value, BICWA
- Comms and marketing and resource access
- Biosecurity and FFS
- Information and data collection, communication and marketing
- Farm gate value and Hive registration
- Biosecurity and resource access
- Industry engagement FFS, Farm gate value
- Best practice and B-Qual, Industry engagement FFS
- APC functions and FFS growth

## Exploring funding options – the case for increasing the FFS

- The industry has grown significantly in five years with new participants engaging in honey production, there are increasing demands on industry leadership and development to manage the impacts of this growth. (2000+ new beekeepers, small proportion of producers contribute to FFS).
- There is huge need for increased communication and engagement of all stakeholders to ensure the resource is responsibly managed, the biosecurity risks are well managed, rates of hive registrations are improved.
- Flow hive costs \$800, recreational fishing licence is \$80.
- They got into honey to save the bees, if you are not working with the industry, you are not helping the bees.
- The aim is to keep funding collection simple, through the APC keeps it simple in one existing system.
- Online registration and fee collection enables an opportunity to talk directly to beekeepers and save significant costs in the process.

## Model for proposed FFS structure – requires adjustment for actual Beekeeper numbers

### Confidential

**The revised FFS model is available on request to the Chair of either the APC, BICWA and WAAS.**

## Next steps

1. Next board meeting to sign off on the strategic plan on behalf of the industry.
2. Outcomes of the meeting circulated to the participants. Funding option will be removed.
3. APC BPC will formulate their plan based on the industry strategic plan.
4. Engage with BICWA and WAAS.
5. Presentation to DPIRD executive on the strategic plan.
6. Present the plan to industry – PC can assist.
7. Determine the DPIRD current investment in the bee industry.