

only pollinators that can be controlled. They can be moved from one crop to another. For instance, an economical crop of alfalfa seed cannot be produced without the use of honeybees.

One might ask where can sufficient numbers of bees be obtained to pollinate a large acreage of one single seed or fruit crop. The commercial beekeeper is the answer. His importance in this area far outweighs his importance as a honey producer. For instance, the commercial apple production in the United States is valued at approximately \$240 million. The total estimated value of the 1966 Honey Crop in the United States was \$43 million.

PRODUCTION AND SALES DATA

Production and marketing of honey occurs in practically all states. It is estimated that 200,000 beekeepers owning 4,770,000 colonies produced 246,972,000 pounds of honey in 1966.

This approximate ownership and production can be divided as follows:

- 185,000 hobbyists (25 colonies or less) produces 19% of the total production;
- 12,000 side-liners (25-399 colonies) produces 37% of the total annual production;
- 1,200 commercial (400-30,000 colonies) produces 44% of the total annual production.

No reliable figures are available on the methods used for selling and distributing honey. Perhaps 50% of the total production is sold by the producer direct to consumers and nearby grocery stores. Producer-packers and commercial bottlers handle the balance.

HONEY EXPORTS

Before World War II, the United States was usually a net exporter. During the war, because of the demand for sweets of all kinds, imports were greatly increased. Beekeepers responded to this demand by increasing production. This increase in production and imports continued after the war, but the demand for honey declined sharply. This decline was caused mostly by industrial users discontinuing the use of honey when other sweets became available. Consequently, beekeepers found themselves in a tight cost price squeeze with honey selling at pre-war levels.

In 1949, the American Beekeeping Federation asked Congress for assistance. Congressional response was favorable. Honey was included in the Agricultural Act of 1949 as one of the "Designated Nonbasic Commodities" to be supported at a level between 60 and 90 percent of parity. Justification for this action was based on the pollination value of the beekeeping industry. The House Committee on Agriculture had this to say:

"Since the close of the war, the price of honey has dropped to the point where beekeepers are finding it impossible to obtain their cost of production. It appears obvious to the committee that, if these vitally important insects are to be maintained in sufficient numbers to pollinate our crops, the beekeeping industry must have immediate assistance. Until the time comes when beekeepers can receive an adequate return from pollination services, the committee believes that a price support program for honey, as provided for in this bill, is the only answer to this problem."

During the past 18 years since honey was included in the act, the program has worked quite well and beekeepers generally feel that it has provided the industry with a degree of stability. However, the industry has felt that the support rate should have been higher.

In an attempt to build a much needed honey export business, the Federal Government subsidized honey exports during the crop years of 1950 through 1954. The subsidy, which was paid out of Section 32 funds, varied from 2½ to 4½ cents per pound. Table I shows that this program caused exports to reach a peak of 32.9 million pounds in 1953.

This subsidy program was perhaps the greatest influence on our honey export program, but since its expiration in 1954, our exports have dwindled to an average of 13 million pounds during the last 8 years. Our 1967 exports fell below this 8 year average to 11,673,000 pounds. We expect this downward trend to continue since our average market price is considerably above the world market and our costs are increasing daily.