Canadian honey, half of which comes from Alberta, is being stung by fake Chinese stuff: Beekeepers

DAN HEALING, THE CANADIAN PRESS

FIRST POSTED: FRIDAY, SEPTEMBER 02, 2016 01:42 PM MDT | UPDATED: FRIDAY, SEPTEMBER 02, 2016 01:53 PM MDT



(Barrie Examiner)

CALGARY — As they finish harvesting this year's crop, Canadian honey producers say they are being stung with prices that have fallen by about 50 per cent since a year ago, a devastating blow that some are blaming on a global glut of what they say is cheaper, low-quality Chinese exports.

While Prime Minister Justin Trudeau promotes closer business ties during his visit to China, the Canadian Honey Council accuses the Asian giant's honey marketers of improper trading practices, including disguising the origin of its products by shipping them through other countries and "adulterating" the product by adding syrup made from other sugars.

China, for its part, says it takes strict steps to ensure quality inspections for its export products.

"We've definitely tightened our belts and we're a little nervous if the price doesn't come up how many years we can keep going on," said Dani Glennie, a 20-year veteran of the Saskatchewan honey industry who has been working with her parents in a beekeeping operation since she was 11 years old.

"What it takes to produce the honey in our operation is \$1.27 per pound and right now we're getting \$1.13 per pound. So we're losing money and at that rate we won't be in business very long."

She said the farm was getting more than \$2 per pound last summer.

Industry participants say demand for bulk Canadian honey is low and storage capacity is limited because of unsold product from last year. Statistics Canada estimates 95.3 million pounds of honey worth about \$232 million were produced last year. Alberta produced about half of that — 42.8 million pounds — up 20 per cent from 2014.

Producers say this year's crop is at least as big as last year's.

Ron Phipps, a global honey markets expert based in New York and member of the U.S. National Honey Board, says prices have tumbled as world honey exports rose by 60 per cent in the past 10 years. But he says modest growth in the number of hives and a declining productivity rate per hive due to bee health issues can't fully explain the honey glut.

He, too, blames Chinese shippers, alleging that they have been routing product through dozens of countries around the world for years, in part to avoid U.S. anti-dumping levies on Chinese honey imports that have been in place for more than a decade.

Phipps, who heads an import-export company, alleges there is mislabelled honey coming into Canada and the U.S. and

new technologies are making it more difficult to identify it because they wash out pollen, antibiotics and other country-specific markers. New processes can make the product lighter in colour and remove strong flavours so that it resembles high-quality Canadian white honey and commands a higher price, he says.

Canada was the largest exporter of honey to the U.S. in 2015 with about 17 million pounds at an average price of about US\$1.89 per pound, he said.

The Chinese embassy in Ottawa said it was unaware of allegations that Chinese honey producers engaged in improper trade practices.

"We currently have no information about the issue," spokesman Yang Yundong said in an email.

"The Chinese government and enterprises have always taken strict quality inspection measures for export products."

Kevin Nixon, a central Alberta beekeeper and chairman of the Canadian Honey Council, said he wants the federal government to increase the number of inspectors looking at honey imports and give them the advanced testing equipment needed to see through disguised shipments.

He said he is scheduling meetings with officials from Agriculture Canada to press for changes to labelling regulations that would clarify for consumers whether they are buying 100 per cent Canadian honey products in grocery stores.

According to the Canadian Food Inspection Agency, labels on honey products must show the country of origin for imported honey used in the product. The honey must also be given a quality grade of either Canada No. 1, Canada No. 2 or Canada No. 3, whether the honey in the product is domestic or imported.

Nixon said some manufacturers put origin information on the back of the label and place the grading information on the front. That may leave some consumers with the impression the product is 100 per cent Canadian when it isn't, he said, adding that his organization would like to see the grading designation clarified by getting rid of the word "Canada."

Dani Glennie, the Saskatchewan honey producer, said her family is dealing with the lower prices by putting as much honey as possible into storage.

"Luckily we built a storage facility last year, otherwise we would have to liquidate whatever we could at rock-bottom prices," she said.

She said the honey harvest at her farm, Glory Bee Honey, in Landenburg, Sask., wraps up this week, after which her family will feed and medicate its 4,000 colonies of bees and winterize their hives.

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