

May 10, 2018

Mr Gerard McMullen
Pulse Australia Standards Committee
Via email: gerardmcmullen@optusnet.com.au

cc: Nick Goddard, CEO Pulse Australia, via email admin@pulseaus.com.au, nick@pulseaus.com.au

Dear Gerard,

RE: Pulse Standard Review. Defective tolerance - CSP – 5.2.1 FABA BEANS – NO.1 GRADE MINIMUM RECEIVAL STANDARD FARMER DRESSED (herein referred to “No.1 Domestic”).

Thank you for the opportunity to make this submission to the Pulse Australia Standards Committee.

The current difference in “non-colour” defects (“all other defects”) tolerance between No.1 Domestic standard the No.1 Export standard is up to 7% wide. This difference in tolerance between the domestic standard and the export is unnecessarily and unreasonably large, and over-reaches any possible damage that should occur to faba beans during the course of normal storage and handling processes.

GrainGrowers proposes that this issue can be resolved very simply, resulting in an acceptable outcome for the Australian faba bean industry, covering growers, domestic marketers, storage and handling companies, exporters and consumers.

GrainGrowers recommends that the Committee adjust the Defective tolerances applied to No.1 Domestic to be more consistent with the other faba bean standards published by Pulse Australia. In particular, we recommend that the No.1 Domestic standard be simplified and include only (1) Defective (colour only); and (2) Total Defective (includes colour).

Under the current standards, No.1 Domestic has a maximum “colour defects” of 3% and a maximum “all other defects” tolerance of 3%. In contrast, the No.1 Export standard does not specify an “all other defects” limit, but instead specifies only a “total defective” tolerance. Therefore, by definition, the No.1 Export standard includes an “all other defects” allowance of up to 10% (assumes 0% “colour defects”).

Box A: Example of the Current Discrepancy in Domestic and Export Standards for Faba Beans

Under current standards, a farmer who delivers faba beans with 0% “colour defects” and 3.1% “other defects” will be graded as No.2 Domestic. The buyer of those same faba beans, even if they were to somehow incur a further 6.9% damage (due to subsequent storage and handling) will still be able to sell those beans as No.1 Export (bulk) as the “total defective” is still only 10%. In this scenario, the trader who sells those beans as No.1 Export profits from the differences in standards at the detriment of the farmer.

It is unnecessarily and unreasonably imbalanced to have a 7% difference in the non-colour defects (“all other defects”) tolerance between No.1 Domestic and No.1 Export standards for Faba beans.

GrainGrowers recognizes that damage to faba beans can occur in the storage and handling process. As a result, GrainGrowers recognizes that there should be a difference in the defective tolerances between domestic receival standards and export receival standards. However GrainGrowers strongly believes that there must be reasonable balance between the two standards. The current difference is not reasonable.

GrainGrowers recommends Pulse Australia adopt the following change in No.1 Domestic standards:

Table 1: Recommended changes to Faba Beans No.1 Domestic standards

	Current Standard 2017/18 (No.1 Domestic)	Proposed Standard for 2018/19 (No.1 Domestic)
Defective	6% Max by weight Includes 3% Max by weight Poor Colour 3% Max by weight total of all other Defects except Mould	6% Max by weight Includes 3% Max by weight Poor Colour

The following tables summarise the current and proposed standards for maximum defective tolerances for faba beans in Australia:

Table 2: Current Standards (2017/18)

	Faba No.1 Domestic	Faba No.2 Domestic	Faba No.1 Export (bulk)	Comments
Defective (colour)	3%	7%	3%	No difference in No.1 Domestic and No.1 Export Standard
Defective (all other defects)	3%	Not specified (thus up to 10%)	Not specified (thus up to 10%)	Up to 7% difference...
Defective (total, includes colour)	6%	10%	10%	4% difference

Table 3: Proposed Standards (2018/19)

	Faba No. 1 Domestic	Faba No.2 Domestic	Faba No. 1 Export (bulk)	Comments
Defective (colour)	3%	7%	3%	No difference in No.1 Domestic and No.1 Export Standard
Defective (all other defects)	Not specified (thus up to 6%)	Not specified (thus up to 10%)	Not specified (thus up to 10%)	n/a
Defective (total, includes colour)	6%	10%	10%	4% difference



To reiterate, GrainGrowers believes this recommended improvement to No.1 Domestic standards is necessary and proves is an acceptable outcome for the Australian faba bean value chain.

I encourage the Pulse Australia Standards Committee to adopt this recommendation and to implement the changes for the upcoming 2018/19 season.

Yours sincerely,

Luke Mathews

GrainGrowers Trade and Economics Manager

