

Vegetable Spotlight – Beans

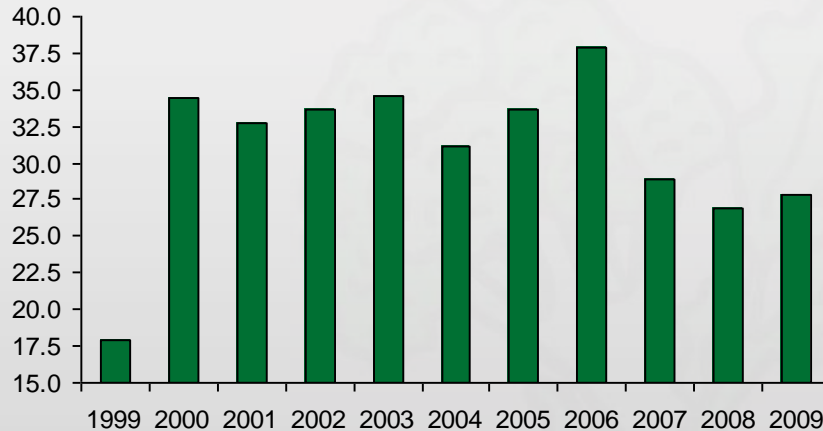
Snapshot

- The value of French and runner bean production fell by 2.7% to \$72.7 million in 2008-09.
- Beans were Australia's 10th largest vegetable crop in 2008-09, accounting for 2.4% of total vegetable production by value.
- Area planted and production rose in 2009, but yields declined.
- Production is concentrated in Queensland and Tasmania, which produce over four-fifths of the national bean crop.
- Based on production estimates consumption of beans has fallen modestly in recent years.
- Prices on both domestic and export markets declined in 2009.
- The total number of growers declined from 366 in 2008 to 337 in 2009 with major variations in the size of operations between the States.
- Exports have risen strongly over the past two years, while imports fell in 2009-10. Australia still has a negative balance of trade, but the deficit in 2009-10 was the smallest since 2000-01.

Production

National Production

Tonnes ('000s)

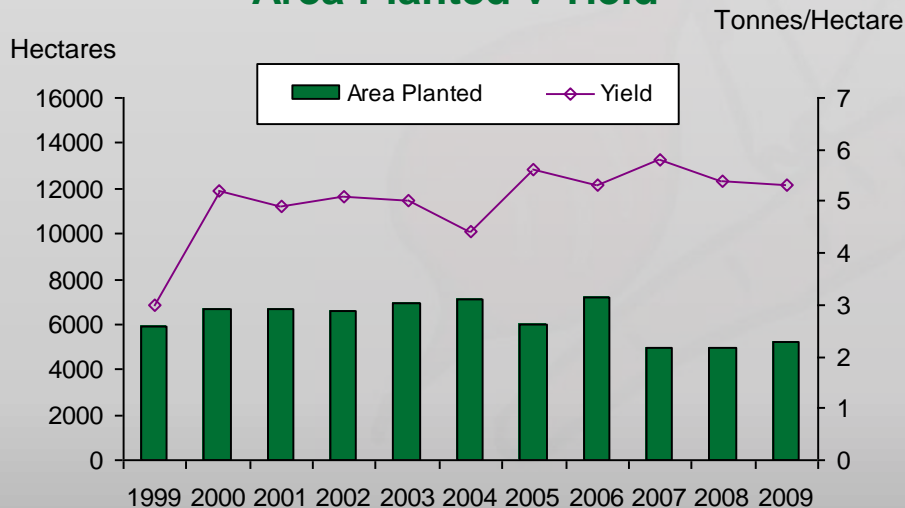


The Australian Bureau of Statistics employed a new methodology in collecting data for the 2005/06 Agricultural Census. As a result, the data generated from the census – such as production volumes, area planted and yields – are not directly comparable to historical statistics. Readers should use this material with caution.

Current Australian Bean Production

- Australian production of French and runner beans totalled 27,779 tonnes in 2009.
- The area planted to beans was 5,248 hectares.
- The average yield per hectare over the year was 5.3 tonnes.

Area Planted v Yield

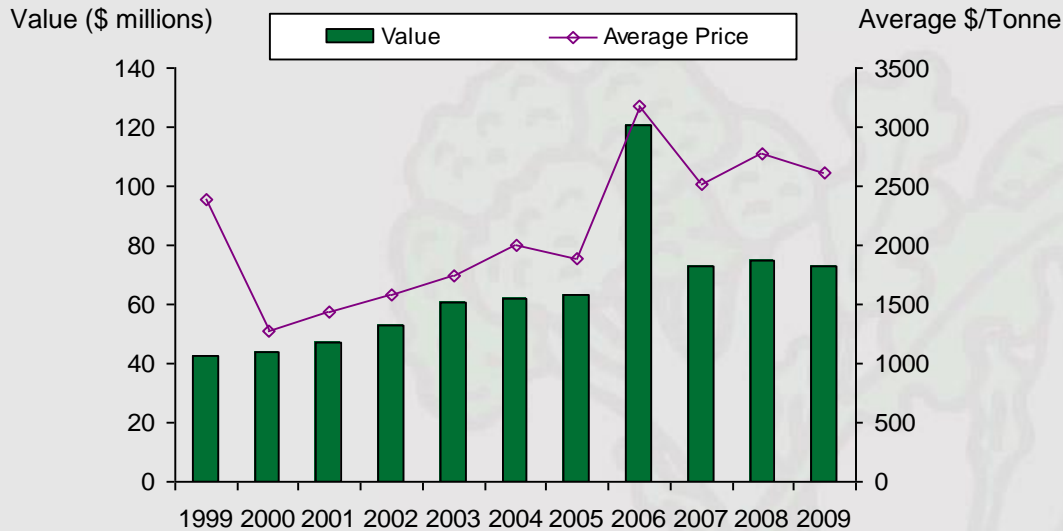


Long Term Production Trends

- National production rose between 2004 and 2006, reaching a peak of almost 38,000 tonnes in 2006. Production declined by 24% and 6.7% respectively in 2007 and 2008, but rose by 3.2% in 2009.
- Area planted fell by 30% in 2007 from its 2006 peak, with little change in 2008. Area planted rose by 5.7% in 2009. Yields rose strongly in 2007 to 5.8 tonnes per hectare, but declined in 2008 and 2009.

Value and Pricing

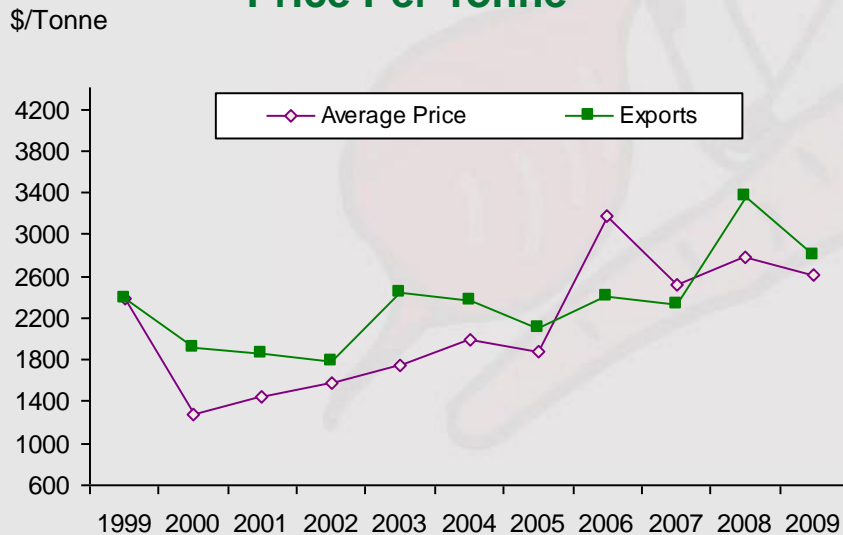
Value of Production



Domestic Value of Production

- The gross value of beans grown in Australia in 2009 was \$72.7 million.
- This is 2.7% less than in the previous 12 months, reflecting lower prices.
- The national gross unit value (average price per tonne), which rose by 10% in 2008, fell by 5.7% in 2009 to \$2617.

Price Per Tonne

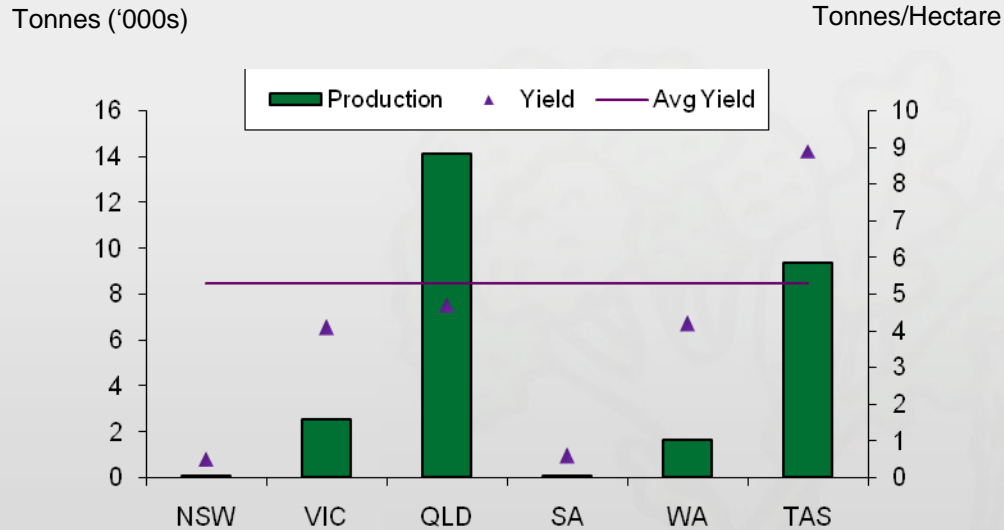


Beans Pricing

- Average prices based on production estimates of \$2617 in 2009 were 6% higher than the average price of \$2471 in the previous five years.
- Average export prices in Australian dollars were \$2796 per tonne in 2009, down 17% from the previous year.
- Export prices were above the average price until 2005 but since then no clear pattern has been evident.

State production and national consumption

Production v Yield



State Production of Beans

- Queensland (51%) and Tasmania (34%) produce over four-fifths of the national bean crop. Victoria and Western Australia account for most of the remaining production.
- Production fell in Tasmania and Victoria in 2009, but there were increases of 43% and 13% respectively in Western Australia and Queensland.
- There are sharp fluctuations in yields in individual states from year to year. The highest yield in 2009 was in Tasmania, almost 70% above the national average.

Bean Consumption

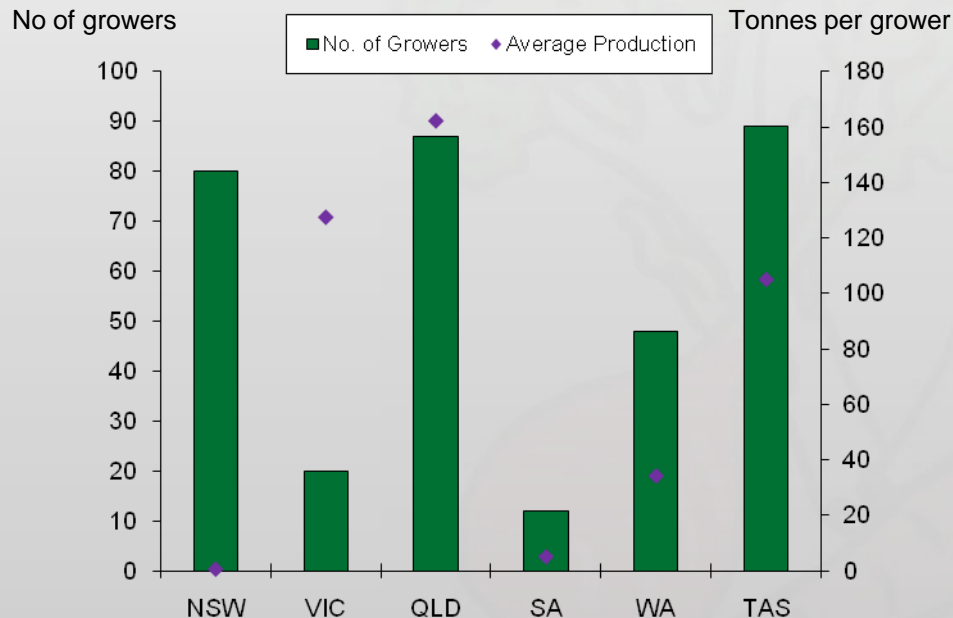
- Data on consumption is fragmented and anecdotal.
- Based on official production data and population statistics it is estimated that annual consumption has fallen in recent years to around 1.7 kg per capita.
- Comparisons with estimates of per capita consumption of some other major vegetables are presented in the table to the left.

Vegetable	Average for 3 years ending 1999(kg)	Average for 3 years ending 2009(kg)
Beans	2.0	1.7
Carrots	11.1	9.8
Potatoes	70.5	61.6
Tomatoes	22.0	20.9

Grower numbers and production

Bean Growers by State

2009



- The total number of bean growers in Australia fell from 366 in 2008 to 337 in 2009.
- There were declines in the number of growers in all states in 2009 except New South Wales and South Australia where production remains small scale. The biggest decline was in Victoria where the number of growers halved from 41 in 2008 to 20 in 2009.
- Of the 337 growers recorded as growing beans in 2009 Tasmania (26%), Queensland (26%) and New South Wales (24%) have roughly equal numbers of growers but bean production is mainly a sideline activity in New South Wales.
- Production in Queensland is large scale with average production per grower double the national average of 82 tonnes. Tonnages in Victoria and Tasmania are also above the national average.
- Average production per grower is extremely low in New South Wales at just 0.5 tonnes and in South Australia at 5 tonnes respectively in 2009 reflecting the relatively small bean plantings of most growers in those states.

Exports and Imports

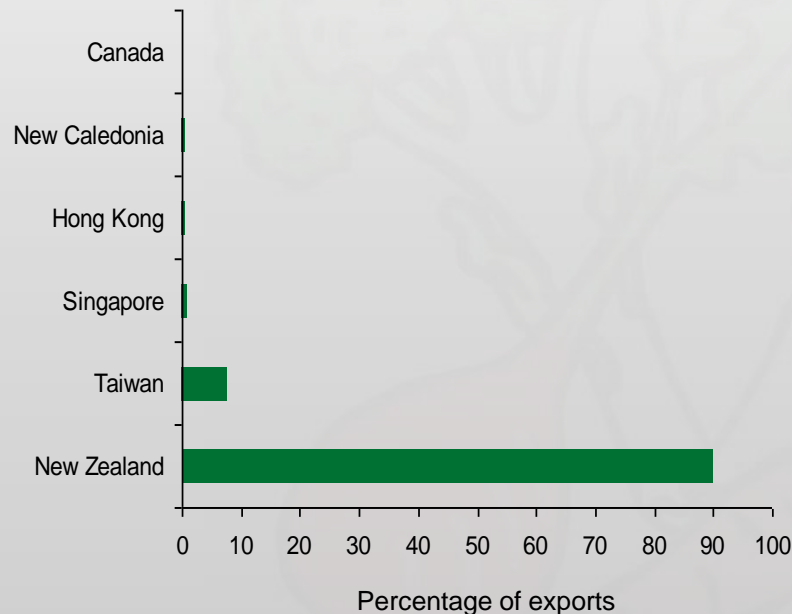
Value of Exports & Imports of Beans



- Imports of beans consistently exceed exports so Australia runs a negative balance of trade. The trade deficit narrowed to \$2.8 million in 2009-10, down sharply from a record \$7.1 million in 2007-08 and \$5.9 million in 2008-09. The deficit in 2009-10 was the smallest since 2000-01.
- Exports have been on a gradual upward trend over recent years. This has gathered momentum over the past two years with exports rising to \$4.6 million in 2008-09, an increase of 32% on the previous year, and by 27% to \$5.8 million in 2009-10. Exports of fresh beans accounted for 68% of total exports of green beans in 2009-10.
- Imports rose strongly in 2007-08 to a record \$10.5 million, up by 56% on the previous year. There was little change in 2008-09, but imports fell by 17.5% in 2009-10 to \$8.6 million. Imports are dominated by frozen beans, which accounted for 89% of total green bean imports in 2009-10.

Export markets in 2009

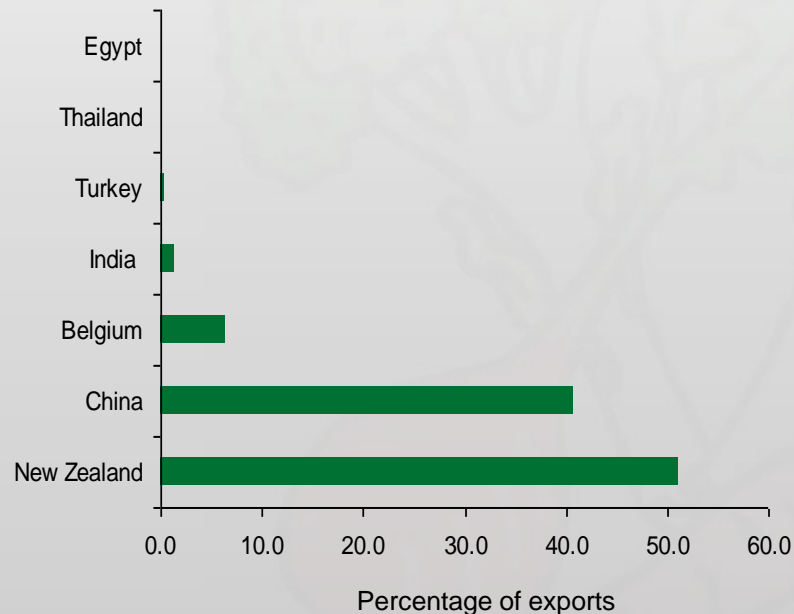
Destination of Australian Exports of Fresh Beans in 2009-10



- Exports of fresh beans have risen over recent years, reaching a record \$3.9 million in 2009-10, an increase of 20% on the previous year.
- Exports of fresh beans are mainly to New Zealand. In most recent years, New Zealand has accounted for 97-99% of exports, but this proportion dipped to a still-dominant 90% in 2009-10.
- The decline in New Zealand's share in 2009-10 reflected the emergence of Taiwan as a significant market. Exports to Taiwan rose from \$18,000 (0.6% of the total) in 2008-09 to \$0.3 million (7.7%) in 2009-10.
- Exports to other markets are modest, ranging from 0.4% of the total to Canada in 2009-10 to 0.8% in Singapore.

Import markets in 2009

Country of Origin of Australian Imports of Frozen Beans in 2009-10



- Imports of frozen green beans declined to \$7.7 million in 2009-10, a fall of 18% from the previous year and the first decline since 2005-06.
- Imports from New Zealand in 2009-10 were 5.8% down on the previous year, while imports from China fell by 35%. As a result, New Zealand regained its position as the main source of frozen bean imports which it had lost to China in 2008-09.
- Belgium's share of this market rose to 6.3% in 2009-10, up from 1.3% in the previous year. Imports from other countries are small, with India in fourth position with a share of 1.4% in 2009-10.

Market

Market Segments

- Beans are produced for either the fresh or processed market. Fresh market production is concentrated in Queensland while processing production is concentrated in northern Tasmania.
- 35 - 40% of the crop is produced for the processed market although the area planted is less at around 22- 25% of the total. The gap is due to the higher yields achieved in Tasmania.

	2007/08			2008/09		
	Area sown (ha)	Production (tonnes)	No. of businesses	Area sown (ha)	Production (tonnes)	No. of businesses
Processing	1,224	10,514	137	1,179	10,003	138
Fresh Market	3,739	16,403	230	4,070	17,776	201
Total	4,963	26,917	367	5,249	27,779	337
Processing (% of total)	24.7	39.1	37.3	22.5	36.0	40.7
Fresh Market (% of total)	75.3	60.9	62.7	77.5	64.0	59.3

Market Access

- Beans both fresh and frozen enter Australia tariff free.
- Tariffs on Australian exports of beans in most near neighbours are either zero or being phased out under the Australia New Zealand ASEAN Free Trade agreement although in 2011 they are 20% in the Philippines , 25% in Vietnam and 7% in Thailand.

For further details on these statistics please contact AUSVEG on (03) 9882 0277.



The data and information in this document has been put together by Industry Data Economic Analysis. Industry Data Economic Analysis is contracted by Horticulture Australia Limited to provide economic services to the vegetable industry including collation and analysis of data provided by other sources. Information is to be communicated to the industry through a number of channels, the AUSVEG website being one. Industry Data Economic Analysis, its principal, contractors and employees, does not guarantee the accuracy or completeness of any data or information contained in the document and does not accept legal liability for its contents or any loss or damage which may result. Professional advice is recommended for all strategic and financial decisions. This document does not represent professional advice.
