

Australian Oilseeds Federation

Crop Report



September 2007

Canola 2007/08

The canola crop has been impacted by the very dry conditions through July/August. Estimates for production have been reduced, with further downside to occur if September continues to remain dry. Across the eastern states, August was very dry and rain in the next week or two is critical. Much of NSW and parts of Victoria hang in the balance and if September remains dry, further area will be lost to hay and yield potential will drop significantly.

Given the current state of the crop, it is difficult to determine likely area harvested and yields accurately. This month's estimates still have the crop at around 1.2 million tonnes, which is seen as possible if conditions return to average rainfall for the remainder of the season. However, industry estimates already have the crop at closer to 1 million tonnes and further downside is possible. Without rain in the next week or so, yields will be reduced. Variance around the estimates is discussed in the specific State comments.

	2006/07 Production (tonnes)	2007/08 Estimates		
		Area Planted (hectares)	Area Harvested (hectares)	Production (tonnes)
NSW	30,000	240,000	175,000	160,000
VIC	42,000	270,000	270,000	430,000
SA	75,000	160,000	160,000	200,000
WA	365,000	390,000	390,000	475,000
Total	512,000	1,060,000	995,000	1,265,000

Source: Industry Estimates, 14/09/07

The overall situation in **NSW** is becoming critical as crops begin to run out of moisture. The north western region which has received scattered falls of rain over the past month has the best prospects with the area being maintained at this stage. There has been significant aphid activity with many crops requiring spraying. In the central western region, the severe dry conditions and lack of subsoil moisture have had a major impact with likely area harvested being cut by up to 50% since August. Most failed crops are being cut for hay or silage as growers try to recoup some of their costs to date. In some districts crops are too thin to be suitable for cutting for hay or silage and have had stock turned in on them. Across the south west region, there are very low to zero subsoil moisture levels even on the more favoured upper slopes districts and unless widespread falls of rain of at least 25mm are received within the next week many more crops will fail. At this stage area harvested for the State has been reduced to 175,000 hectares for production of 160,000 tonnes, however, this will fall rapidly if it continues to be dry. Overall there is the potential of a further significant down grading of the NSW crop and it is quite possible that production could be 100,000 tonnes or less.

After an ideal start, the potential for the **Victorian** crop has been hit by a record dry winter. The rainfall decile for North West and parts of North East of the state for August was 1 (i.e. lowest 10% of rainfall records). In the Western district, August rainfall was decile 2-5. Many crops were top-dressed too late, but the crops in general have good moisture levels and are not stressed, after 6-10 mm rain this week, with further rain forecast. In the Mallee, it is estimated that 10% of the crop has been lost and a further 20% committed to hay. If there is no rain in the next ten days, then it is expected that the vast majority of the crop will be cut for hay. In the Wimmera, the yields have been cut back by about 35% due to dry and warm, windy conditions. In the North Central, crops are at full flower and could reach 1.5 t/ha on average with an average finish.

While yields across the State have been reduced, the higher rainfall areas still have reasonable potential and account for a significant proportion of the area planted. The estimates presented here are viewed as achievable if average rainfall is received for the remainder of the season. However, there is considerable variance around the estimates in Victoria and some industry players are calling the crop as low as 260,000 tonnes, with other estimates ranging up to 320,000 tonnes.

Crops in the low rainfall areas of **South Australia** are struggling. While they were planted early on good moisture, there has been little follow up rain. In the medium to high rainfall areas, crops are still in reasonable condition but it has been dry over the past month and thus, will be relying on good rain to see them through. The potential for hot windy days will further impact crops. Yields have been revised down.

Estimates have been left unchanged for **Western Australia**. The Southern Port Zones in WA are going well and have received odd light showers over the past few weeks, supporting their continued development. There are parts of the Albany and Kwinana zone that are looking very good. The Geraldton zone remains very dry, with little prospects for any real production this season. The Esperance zone also recently received some rain, but had a tough month previously, with stored soil moisture being critical to support the crop. Good spring rains are required to achieve potential.

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