

Australian Oilseeds Federation

Crop Report



October 2009

Canola 2009/10

	2008/09	2009/10 Estimates	
	Production (tonnes)	Area Planted (hectares)	Production (tonnes)
NSW	262,000	220,000	264,000
Vic	251,000	219,000	438,000
SA	227,000	187,000	271,000
WA	1,138,000	630,000	825,000
Total	1,878,000	1,256,000	1,798,000

Source: Industry Estimates, 09/10/09

Cool seasonal conditions in **NSW** over the past two weeks has reduced the potential for further yield loss. Unseasonal very cold weather in the first week of October (w/c 8/10) where a number of crop areas recording sub zero temperatures may have impacted some crops in the South West Slopes but any impact was unknown at the time of writing. Harvest in the north west is soon to commence with windrowing underway. In the south, 10-15mm of rain over recent weeks has given crops a much needed boost for a better than anticipated finish, though in areas that missed the rain, conditions are still very dry. Of the crops that have failed this season, little has been cut for hay as low prices for feed provides no attraction.

Aphids reported in earlier months prevail, although the colder weather has knocked these back somewhat in the later finishing districts. Heliothis grubs are reported to be on the increase.

Windrowing is being undertaken earlier than would be optimum, with a knock on effect of a potential oil loss of up to 2-3%. The NSW DPI/DII will issue a notice to district agronomists advising them to alert growers to the risk of windrowing too early. The AOF, through the Better Oilseeds project, will also issue a press release to the rural press to this effect.

In **Victoria**, temperatures remain cool, yielding one of the best crops in many years. If the last few weeks remain favourable, Victoria could have the largest crop (at 438,000t) since the 1999/2000 season (450,000t). If the 2t/ha yield comes to fruition, this will be the highest yield on record (AOF records dating back to 1997/98). The western district is looking particularly good with yields reaching 3t/ha, while the Wimmera is also looking very good, with yields over 2t/ha. Good September rainfall in the Mallee has led to a good finish for the crop, with windrowing about to start. Notwithstanding a patchy crop performance in the north east/central regions,

forecast rains of 25-50mm over the coming week is expected to lift the overall canola performance for Victoria from "gold" to "platinum", as one seasoned observer noted.

The **South Australian** situation is little changed from last report, with a good season overall expected. Temperatures remain cool, with some recent rains giving the crop good prospects for a productive finish. The good moisture levels throughout the season, while being very good for crop growth through the season, has raised the prospect of blackleg as a possible unknown factor towards the season close.

In **Western Australia**, swathing (windrowing) has commenced in the Geraldton zone, and the first trickle of canola will be in the CBH receival points in the North of the State by the time this crop report is issued. This does not mean that harvest is earlier than normal, this is just the first receivals of the season, but not in any considerable volume.

Global Snapshot

There will be shortages in soybeans oil and meal in the near future, due in part to late harvest in the US and reduced exports from South America. While this can be expected to place pressure on short term pricing, the prospects of a large South American crop next year will have a softening impact on prices from Q2 2010.

Sunoil supplies are becoming tighter with world production down nearly 8% on last year driven by both smaller plantings in South America and smaller production in central Asia. This could result in the lowest global sunoil supplies for 5 years.

Rapeseed production in the EU was higher than expected, further increasing the reliance on Asia for Australian exporters.

Concern over GM in the EU continue, with the EU 'zero tolerance' approach to non-approved events impacting supplies. Supplies of soy meal are becoming tight in the EU as imports of US soybeans and meal are not permitted. The use of Canadian flaxseed in Europe has also been impacted by the detection of GM flaxseed in shipments.

Source: Oil World Sept/Oct reports

Canola Exports to China:

At the end of September, AQIS received notification of emergency measures that the Chinese quarantine authorities have initiated on canola imports from Australia. This relates to the presence of *Leptosphaeria maculans* ('blackleg') being detected on seed exported from Australia. From October 15, all exports of canola seed to China will require a phytosanitary certificate.

The AQIS Industry Advice Notice can be found at <http://www.daff.gov.au/aqis/export/plants-grains-hort/ian/2009-grain/g2009-06>

Industry is advised to contact AQIS for exports of canola seed to China and to consider the implications of the emergency measures when negotiating future canola contracts. Contact: Ms Jenny Dunn at AQIS on Telephone (02) 6272 5102.

Upcoming Events:

Fourth International Conference on Coexistence between GM and non GM Agricultural Supply Chains (GMCC-09)

Melbourne: November 10-12, 2009.

The GMCC-09 conference will address the issue of GM and non-GM coexistence across the entire agricultural supply chain.

Day four of the conference will feature Australian experiences of GM Canola (Rapeseed) and coexistence. **Chris Preston** *University of Adelaide* will provide an overview of GM Canola in Australian farming systems, followed by **Rick Roush** *University of Melbourne* discussing the 2008-2010 trials and details of results. A grower perspective of the test market will be given by **Andrew Weidemann** *Farmer, VFF Grains Group* and **Robert Green** *Australian Oilseeds Federation* will provide insight into a grain handler/market perspective of the test market.

GMCC-09 offers a unique experience to examine GM and non-GM canola coexistence across the entire agricultural supply chain, offering lessons ahead of implementation of new crops.

For more details and to register, visit: www.gmcc-09.com

AOF Crop Report is provided free due to the support of the Oilseed Development Fund (ODF).

Meadow Lea Foods	Peerless Foods	ABB Grain
Cargill Australia	Atlantic Pacific Foods	Alba Edible Oils
Riverland Oilseeds	MSM Milling	Cootamundra Oilseeds
Grain Pool WA		