

Australian Oilseeds Federation

Crop Report



April 2005

Sunflowers 2004/05

The poor finish to the season and continued dry conditions in Central Queensland has seen sunflower production estimates revised down by around 10%. The crop is expected to be approximately 70% mono type, 8% confectionary/birdseed type and the balance poly type.

	Area Planted (hectares)	Production (tonnes)
Queensland	19,270	21,010
NSW	23,415	40,545
Total	42,685	61,555

Source: Industry Estimates, 12/04/05

Central Queensland did not receive sufficient rain to enable the anticipated area to be planted. Conditions continue to be dry and this is impacting yield potential. The southern Downs crops have also suffered due to the continued dry weather, with yields reducing. Harvest is underway.

Hot dry conditions are also continuing in **northern NSW**, with no rain in sight. As a result, yields for dryland crops will be below average at around 0.8–1.0t/ha. However some irrigated crops west of Moree will boost the yield average, with yield potential around 3.0t/ha. Crops are currently at physiological maturity.

Similarly conditions on the **Liverpool Plains** have continued to be hot and dry and crops have been suffering from moisture stress for some time reducing the yield potential. Many of the later sown crops were double cropped into cereal stubble following a very wet December where many places received 6–9 inches of rain. The average yield for the district is likely to be in the order of 1.8t/ha, however rain in the next week to 10 days would boost the potential of the later sown crops. Crop stages are from between physiological maturity to late budding. At this stage insect pressure has not been very high, although a number of crops have been sprayed for Rutherglen bugs. There is quite a high number of whitefly present in crops.

Soybeans 2004/05

The adverse finish to the season has seen a further reduction in production estimates, by around 10%. This should see just less than 60,000 tonnes produced.

State	Area Planted (Ha's)	Production (Tonnes)
Queensland	8,250	16,150
NSW	17,250	42,257
Victoria	440	1,100
Total	25,940	59,507

Source: Industry Estimates, 8/04/05

Continuing dry conditions in **Queensland** has seen further reduction in harvested acreage as beans are cut for hay or used as green manure crops. The greatest impact on yields has been through the Lockyer and Fassifern Valleys and the Downs region.

The **North Coast** region of NSW was set for an excellent season, however, significant rainfall on the verge of harvest may impact yields. Some beans have been harvested and are generally of good quality, albeit size is slightly small. Harvest in **northern slopes and tablelands** region is still 3–4 weeks away and while the irrigated crops will yield generally above average, the dryland crop has deteriorated rapidly over the past 2–3 weeks. Crops in the **Riverina** are still looking good, with the exception of small areas lost for water logging. The early varieties have been harvested and quality has generally been good.

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Meadow Lea Foods	Unilever Australasia	Peerless Foods
Cargill Australia	Atlantic Pacific Foods	Riverland Oilseed Proc.
Bartter Enterprises	Ridley Agriproducts	Millmaster
Grain Pool WA	GrainCorp	Louis Dreyfus
AWB Ltd	ABB Grain	

Canola 2005/06

The next month is critical for canola plantings. If a good general break occurs across the eastern states, then the area planted should only be slightly below last year. However, if this does not occur, then area planted projections could fall away quite rapidly.

	2004-05 production (tonnes)	2005/06 Planting Intentions Area (hectares)
NSW	420,000	230-260,000
VIC	395,000	250-300,000
SA	226,000	170-180,000
WA	490,000	380-400,000
Total	1,531,000	1,020-1,114,000

Source: *Industry Estimates, 15/0405*

In **NSW** the combination of lack of subsoil moisture and low canola prices is expected to see canola plantings fall in 2005/06. The north has variable soil moisture and will require rain to see canola planted. In the central and southern regions there is no sub soil moisture – a situation that has now occurred for 2–3 consecutive seasons. Good rain in the next 2–3 weeks will make a difference. On preliminary estimates it is felt that the area could be down by 15–25% on last year and thus, the range is forecast at 230–260,000 hectares. [Note: This range does not reflect a 15–25% drop from area planted estimates last year of 279,000 hectares. The 2004/05 figure has been adjusted based on production. It is estimated that the area planted last year was closer to 310,000 hectares and this has been used as a base for estimates for 2005/06. This situation applies to Victoria also, where the base for 2005/06 has been estimated at 300,000 hectares.]

The canola industry in **Victoria** is shifting and is now largely based in the higher rainfall areas, with average yields for the State trending upwards. Rain is required in the next four weeks to see the upper range of the estimates achieved. If this does not occur, the area in the Wimmera and Mallee is likely to drop off rapidly. The areas in the higher rainfall areas of north east/north central and the Western Districts will have more resilience. At this stage, estimates are for plantings in the range of 250–300,000 hectares.

It is expected that there will be a small drop in area in **South Australia** based on price. If a break to the season occurs in the next three weeks, an area close to last year is possible, but this will drop off if rain is not timely. The estimated range is 160–180,000 hectares.

There has been a good break across the wheat-belt in **Western Australia** with falls from 2–10 inches. Similarly to SA, a small drop is expected based on price, but in general, canola is still competitive against other crop options. There is expected to be a slight drop in the medium rainfall area, a slight expansion in the low rainfall areas and area maintained in the higher rainfall areas.

Market Comment

There is little bullish news for canola in the near term. Canadian canola planting intentions are due to be released this week and early indications are that there will only be a small drop in area due to lower prices. This is largely due to the fact that canola is still a profitable option for growers given the outlook for other crops. In addition, the South American soybean harvest is progressing smoothly. Looking to the longer term, there are some concerns over the impact of Asian rust in soybeans in North and South America, but it is too early to tell whether this will have any impact on prices.

Upcoming Events

19-20 July 2005, Grains West conference, Hotel Rendevous Observation City, Perth. Contact John Duff 08 9475 0753

9 & 10 August 2005 Agriculture Australia - the grains industry's annual conference will be held in Melbourne. Contact Rosemary Richards 02 9405 2340 or Geoff Honey 02 9402 9402

3-7 October 2005, ARAB14, Port Lincoln, South Australia

12 October 2005 AOF Forum. The AOF's annual conference will be held in Sydney. For further information contact AOF on 02 9405 2340

13 October 2005 AOF Annual General Meeting