

Australian Oilseeds Federation

Crop Report



October 2006

Canola 2006/07

	2005/06 Production (tonnes)	2006/07 Estimates		
		Area Planted (hectares)	Area Harvested (hectares)	Production (tonnes)
NSW	253,750	180,000	45,000	45,000
VIC	337,500	213,000	150,000	165,000
SA	217,500	150,000	130,000	91,000
WA	630,000	400,000	300,000	260,000
Total	1,438,750	943,000	625,000	561,000

Source: Industry Estimates, 11/08/06

The Australian canola crop has been revised down by a further 30% to its lowest level in well over a decade. The falls have been greatest in NSW and South Australia, although crops are being grazed or cut for hay/silage in all states. The current scenario will see the east coast short of canola for its domestic market and essentially removes Australia from the export market, with the exception of some tonnage from WA. To further compound the problems, the hot dry finish to the season is likely to see oil contents below average, although there are some offsetting factors to this as identified in the state reports. It should be noted that given the current conditions and the lack moisture experienced by crops, it is difficult to estimate the yield potential and thus, variation to final numbers can be expected. Overall, the estimates for WA would appear to relatively stable while there is still further downside potential for the east coast.

NSW continues to experience desperate conditions, with 94% of the states drought declared. There is no subsoil moisture and there has been little or no rain over the winter and this has impacted the total cropping sector including canola. The recent hot windy conditions are seeing crops deteriorate daily. The north is holding up with the small area of 10,000 hectares expected to see yields in excess of 1 tonne per hectare. The central region is estimated to have less than 10,000 hectares that will be harvested and yield potential is well below average. In the south, the traditional dryland area has been most impacted and large areas grazed or cut. The combined yield from the irrigated area plus the north will account for half the total crop in NSW. In total, it is estimated that only 45,000 hectares will be harvested, however, with the crop still some weeks from harvest this area could decline.

Conditions in **Victoria** have not been as bad as NSW. Despite this, there will be virtually no canola harvested in the Mallee and areas in the Wimmera and North East have been reduced by 50% and yields downgraded significantly. However, on the positive front, the western district is holding up quite well. This region does need rain to finish the crops, but proportionally the rain required is relatively low compared to this region's normal rainfall. At this stage, area has been left unchanged for the western districts and yields revised down slightly. Overall, Victoria is estimated to produce 165,000 tonnes, but this is dependent on the western district crops receiving a kind finish to the season.

Conditions in **South Australia** are variable. There are some areas that are still looking reasonable - higher rainfall areas of the mid and lower north and the lower end of the Eyre Peninsula. However, in the low rainfall areas, yields are only expected to be in the region of 0.2-0.3 tonnes per hectare. The state has been experiencing very hot temperatures and this will further adversely impact the crops. Windrowing is about 2-3 weeks off, although there are reports of growers looking to direct head crops. Insect damage has also been an issue, in particular, diamond back moth and aphids. Both area harvested and yields have been revised down to an estimated 90,000 tonnes, with further downside possible.

Production outlook in **Western Australia** has improved a little with some continuing lighter rainfall, in particular, crops south of the Great Eastern Highway have benefited from this. Crops in the North, where they still exist will be being swathed or may be being harvested next week - a few days rainfall or hot weather will delay or bring it on. Harvest is close to commencing in Esperance and thus, long season varieties that started late may not benefit from a soft finish as had been hoped for. There have been widespread reports of rising canola aphid numbers requiring control this season. It appears that the current season has favoured the rapid build up of the aphids whilst the natural predators and parasites are, at present, lagging behind in their effectiveness. WA estimates show less variability than the east coast. Harvestable crop area is estimated at around 300,000 hectares and production estimates have been increased slightly to 260,000 tonnes. Oil content, while down on the excellent figures of recent seasons, is expected to average around 42%.

Watch the canola crop progress at the Virtual Canola Crop site.
http://www.australianoilseeds.com/info/virtual_canola_crop

Upcoming Events

AOF Forum and AGM 10-12 October 2006. For further details go to www.australianoilseeds.com.

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

Meadow Lea Foods	Unilever Australasia	Peerless Foods
Cargill Australia	Atlantic Pacific Foods	Alba Edible Oils
Riverland Oilseeds	MSM Milling	Barter Enterprises
Ridley Agriproducts	Milmaster	Grain Pool WA
GrainCorp	Louis Dreyfus	ABB Grain
AWB Limited		

Please note that regular sunflower and soybean estimates will start next month.