

# Australian Oilseeds Federation Crop Report



July 2022

## Canola 2022/23

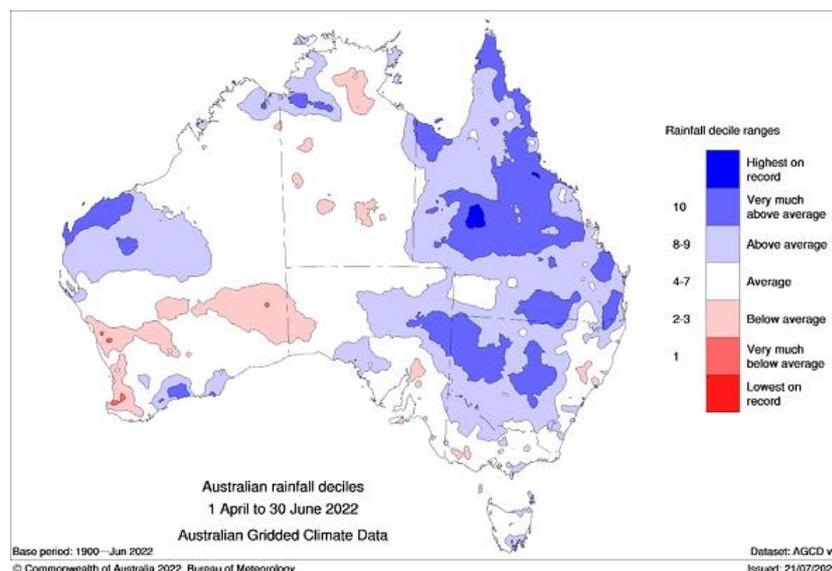
	2021/22 Final		2022 July Estimate	
	Harvested Area (hectares)	Production (tonnes)	Sown Area (hectares)	Production (tonnes)
NSW	700,000	1,637,000	880,000	1,584,000
VIC	500,000	1,144,000	525,000	892,500
SA	230,000	418,000	270,000	405,000
WA	1,540,000	3,130,000	1,750,000	2,625,000
<b>Total</b>	<b>2,970,000</b>	<b>6,329,000</b>	<b>3,425,000</b>	<b>5,506,500</b>

Source: Industry Estimates, GIWA; NSW DPI, DEDJTR (Vic)

Expectations remain for Australian canola production to exceed the five-year average of 3.7 million tonnes, in light of continuing favourable seasonal conditions and increased area planted on 2020-21. At 3,425 million Ha sown, this season represents the largest area sown to canola on record.

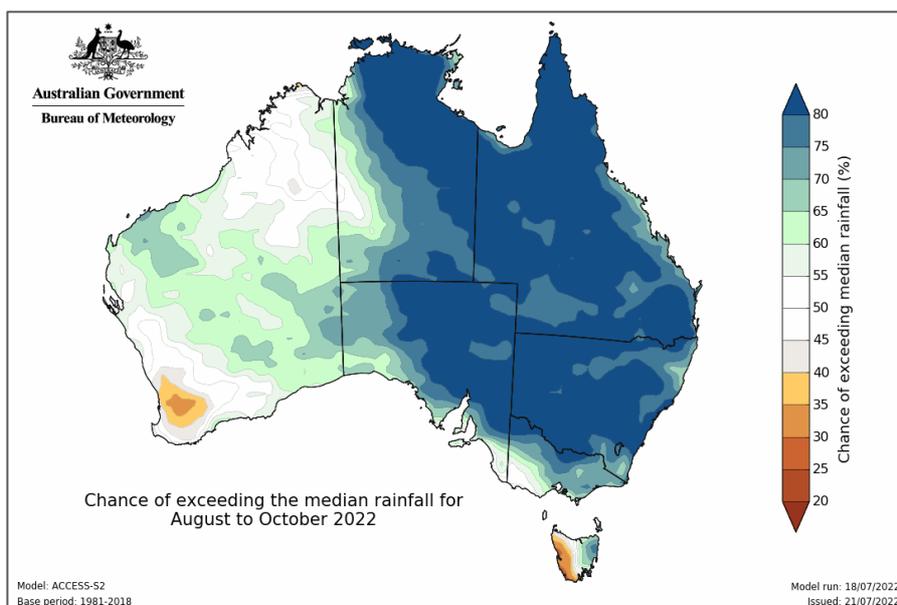
Above-average rainfall has continued across large parts of NSW in the four months to June, impacting planting and establishment in some areas, while more average rainfall has been recorded in VIC, SA and WA (Figure 1). Wetter-than-average conditions are expected to continue throughout winter and into spring for much of south-eastern Australia and patches of south-east WA, creating a strong outlook for regions with good plant populations. However, more neutral conditions are expected for south-western VIC and south-eastern SA, which have not experienced above-average rainfall so far this year (Figure 2).

Figure 1: Seasonal Rainfall (1 April to 30 June 2022)



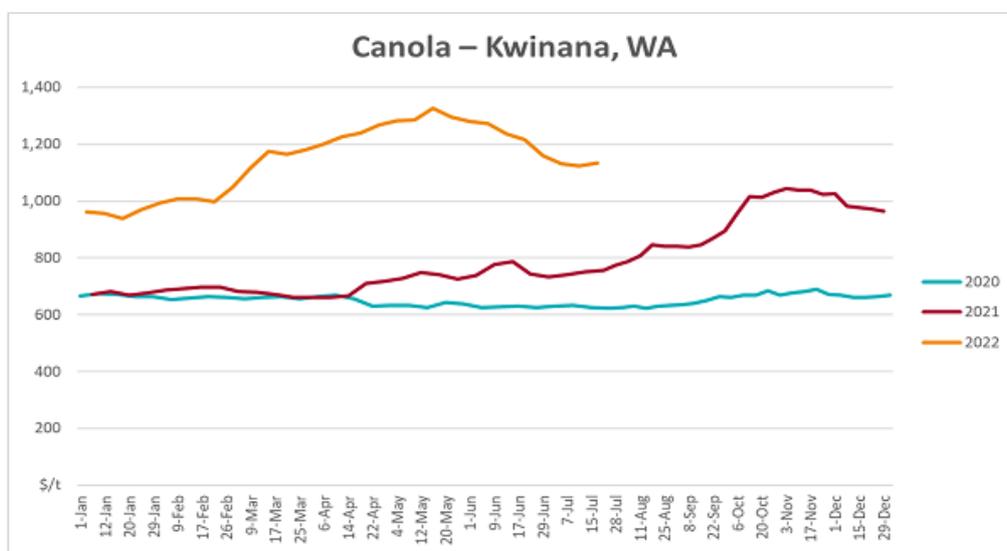
Source: BOM

**Figure 2: Forecast Chance of Exceeding Median Rainfall**



The price of canola exported from WA has eased from the mid-May peak of AUD \$1300/t to around AUD \$1160/t currently (Figure 3). Indonesian tax cuts on palm oil exports, the move to reduce biofuel blending mandates in eight European Union member countries, and an expected return to a more typical Canadian canola crop have put downward pressure on domestic and international canola prices.

**Figure 3: Price of canola exported from Kwinana port in WA**



*Price of canola exported from Kwinana port in WA.*

Source: International Grains Council

In **NSW**, more challenging weather conditions in some regions have impacted overall production potential. In the Central West, a wetter-than-normal autumn limited sowing windows, while heavy rain events caused poor plant populations and compelled some growers to re-sow. Poor germination, particularly of retained seed, has also been an issue. Established canola in the region is estimated to be around 50-60% of intended planting, while in the Riverina around 20% of crops are compromised by waterlogging. Severe nitrogen deficiency has occurred in many paddocks with limited or no post planting nitrogen management due to a lack of trafficability. Crop establishment is significantly better in northern parts of the state with limited areas affected by wet conditions. Only minor pressure from slugs and slaters has been observed.

In **VIC**, crops in the main canola growing regions across the NE, NC and SW are generally progressing well. Cold and overcast weather along with a dry spell has slowed crop growth over the past two months. Crops in the Wimmera are good but require continued rainfall due to variable soil moisture and limited moisture accession this season. Drier conditions in the Mallee due to limited carry-over soil moisture from 2021 and no significant rainfall events in the past six weeks have stressed isolated crops. In the Elmore region, recent sub-10mm falls and timely urea application has lifted crop growth, however, some resistance to applying yield-maximising levels of urea due to easing canola prices has been observed. Insect pressure, including from slugs, earwigs, millipedes, slaters, snails and some mice have impacted many crops in the area.

**SA** has experienced a later start to the season with average rainfall in May and June but reduced rainfall to date in July. Crop growth is varied between districts but is progressing with reasonable levels of soil moisture. In the south-east, later plantings due to a dry March and April are growing well, however slugs have impacted crops as far north as Bordertown, and into the mid and lower south-east. Growth in the Southern Mallee is good due to excellent rain in the 2-3 leaf stage which has encouraged growers to apply reasonable rates of nitrogen, some targeting around 1.5t/ha yield. Crops sown south of Giles Corner have had an earlier start than northern plantings given good early rainfall, however excellent germination has occurred across both regions. The upper Eyre Peninsula had a much earlier start than the rest of the state due to timely rainfall around Easter and ANZAC Day. Establishment has been more staggered and patchier on the lower EP due to less significant rainfall. First flowers are emerging across most of the region, while considerable blackleg lesions have been observed on varieties grown in large areas for the past 2-3 years.

The warmest June conditions in 30 years for many canola growing regions in **WA** has accelerated crop growth beyond stages normally seen at this time of year. Soil moisture deciles are very low for most regions due to rapid plant development and below-average growing season rainfall. Crops in the southern regions are in very good shape, however, the northern regions require rainfall. Post-sowing management operations are well underway, and many growers will be finished in the next 2-3 weeks. The warm conditions have favoured sclerotinia and diamondback moth, with southern regions expecting pressure in the coming weeks. Other risks to yield potential include late frosts in the south due to earlier-than-normal crop development, and continuing dry conditions in the north. However, the outlook for WA remains positive with production potential still considerably higher than the long-term average.

## Soybeans 2021/22

	2020/21 Final		2021/22 Estimate	
	Harvested Area (hectares)	Production (tonnes)	Harvested Area (hectares)	Production (tonnes)
NSW	15,600	31,200	17,000	26,000
VIC	500	1,000	500	1,100
QLD	7,500	11,500	8,000	14,700
<b>Total</b>	<b>23,600</b>	<b>43,700</b>	<b>25,500</b>	<b>41,800</b>

Source: ABARES/AOF

The season started strongly with solid planting in the traditional Northern Rivers and Queensland cane district and expanded planting into the NSW Tablelands, MIA and northern Victorian irrigated areas. In total, around 25,000 Ha is estimated to have been planted for the season.

Unfortunately, the 'rain bomb' events and resultant extensive flooding during March on the Northern Rivers severely impacted many soybean crops, with significant crop losses and quality downgrades. Heavy rain in May on the Atherton Tablelands and particularly in the Burdekin/Mackay area also impacted crops and ability to harvest.

Consequently, from what was projected to be possibly a 60,000t soybean crop has been reduced to 40-45,000t which will be sufficient for domestic demand, but leave little surplus for export markets.

## Sunflowers 2021/22

The Ukraine war has continued to maintain a strong interest in growing sunflowers in relevant areas. Seed production companies (Barenbrug and S&W) have advised that all seed has now been all sold/contracted for the coming season, with hybrid seed production being increased for subsequent seasons.

To support the strong interest in sunflowers the Sunflower Committee of the AOF is organising grower workshops in the the Riverina for August-September aimed at building capability among growers and advisors.

However, crushing capacity for non-canola is limited and AOF is working with the relevant crushers to ensure crushing capacity is available ahead of growers commencing seeding.

## Safflower 2021/22

Interest in super high oleic safflower continues to grow, with expansion into WA this season following positive trials last season. Around 1.5-2,000 Ha is expected to be planted. The wet conditions in Northern NSW has also provided an opportunity for a spring safflower plant in cases where ground was too wet and growers were unable to sow a winter crop. There is also expected to be a reasonable spring plant in Victoria.

In total, up to 20,000 Ha of safflower could be planted for the 2022/23 season.

