

## **Briefing Note**

# **Australian Crop Report - September**

**131001**

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## Introduction

This Briefing Note is a summary of the Australian Department of Agriculture, Fisheries and Forestry (ABARES) "Australian Crop Report" for September 2013. It provides an overview of those sections that are relevant to irrigated agriculture in NSW.

This Briefing Note does not seek to independently verify the data contained within it. All data presented is reproduced from the ABARES publication. This Briefing Note does not in any way constitute advice, it is provided solely as a service.

The full ABARES "Australian Crop Report" is available under:

[http://data.daff.gov.au/data/warehouse/aucrpd9abcc003/aucrpd9abcc003201309/AustCropReport20130910\\_v1.0.0.pdf](http://data.daff.gov.au/data/warehouse/aucrpd9abcc003/aucrpd9abcc003201309/AustCropReport20130910_v1.0.0.pdf)

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## Overview

Prospects for total winter crop production remain positive, despite variable growing conditions over winter. Production is forecast to increase in Victoria, South Australia and Western Australia but fall in NSW and Queensland.

Seasonal conditions have been very favourable in South Australia and total winter crop production in that state is forecast to increase by 34 per cent, which is an upward revision from ABARES' June forecast. In contrast, seasonal conditions have been dry in large areas of the Western Australian cropping zone and the production forecast has been revised down from June. However, this new forecast is still an increase of 6 per cent from the drought affected production of last year.

In Victoria, rainfall in autumn and early to mid winter was favourable for crop development and an increase in yields is expected. In NSW, above average rainfall fell in June but the remainder of winter was dry. In Queensland, good autumn rainfall was favourable for crop development but winter was dry.

Total winter crop production is forecast to increase by 7 per cent in 2013-14 to around 39.2 million tonnes. This represents a downward revision of around 2 per cent as compared to ABARES' June forecast. For the major winter crops, wheat production is forecast to rise by 11 per cent to 24.5 million tonnes and barley production is forecast to rise by 13 per cent to 7.7 million tonnes. In contrast, canola production is forecast to fall by 18 per cent to 3.3 million tonnes.

Given the hot and dry conditions experienced in some areas, sufficient and timely spring rainfall will be critical to realizing the forecast winter crop production. The Australian Bureau of Meteorology's latest rainfall outlook, issued on 21 August 2013, favours a wetter than average spring across most of the winter cropping zones in the eastern states and around average spring rainfall for Western Australia.

The summer cropping regions are presently dry. Sufficient and timely rainfall will be needed in the lead up to, and during, the planting window for summer crops. If this occurs, the total area planted to summer crops is forecast to rise by 3 per cent in 2013-14 to around 1.4 million hectares. This reflects a forecast 12 per cent increase in the area planted to grain sorghum to around 634 000 hectares. In contrast, the areas planted to cotton and rice are forecast to fall by 2 per cent to around 434 000 hectares and 11 per cent to around 100, 000 hectares, respectively.

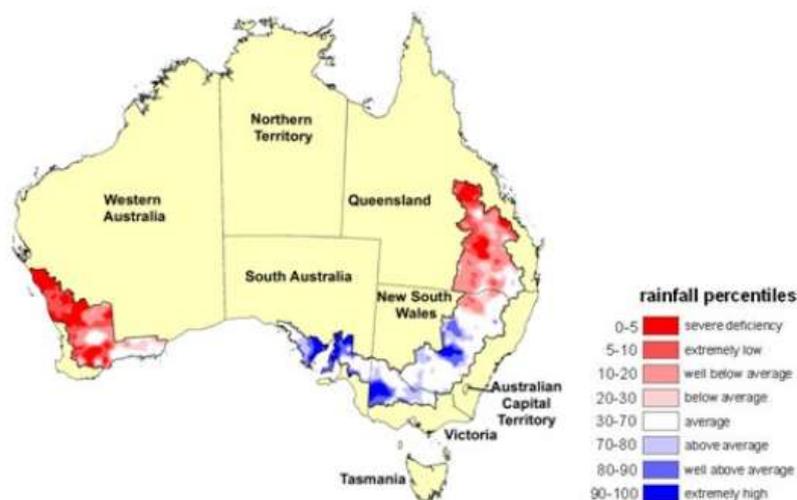
Assuming the forecast planted areas and average yields are achieved total summer crop production is forecast to decline modestly to around 4.9 million tonnes.

|        | Production          |
|--------|---------------------|
| Wheat  | 24.5 million tonnes |
| Barley | 7.7 million tonnes  |
| Canola | 3.3 million tonnes  |

## Climate and Agronomic Conditions

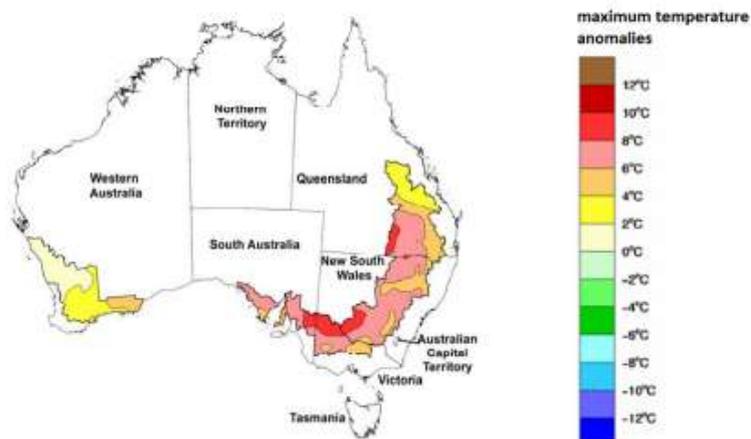
Winter (June to August) 2013 rainfall ranged from average to extremely high across most cropping regions in NSW, Victoria and South Australia. Winter rainfall was below average to severely deficient over large parts of the cropping zone in Western Australia and Queensland, with below average to well below average rainfall in part of the north-west cropping region of NSW.

June 2013 rainfall was at least average over most of Australia's winter cropping regions. During August, average rainfall was recorded in most cropping regions in Victoria, South Australia and Western Australia, while cropping regions in NSW and Queensland generally recorded below average to severely deficient falls.



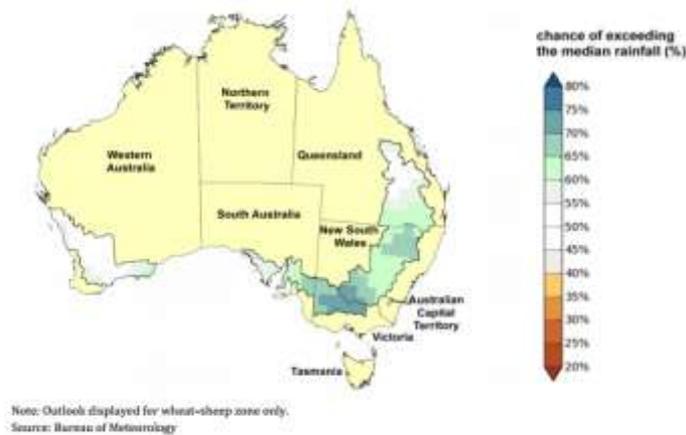
Note: Rainfall percentiles displayed for wheat-sheep zone only.  
Source: Bureau of Meteorology

Well above average temperatures across widespread areas, were recorded during late August and early September 2013. For the week ending 3 September 2013, maximum temperature anomalies of between 4 degrees and 10 degrees above average were recorded across the wheat-sheep zones of NSW, Queensland, Victoria and South Australia. These unseasonably warm temperatures are likely to have substantially reduced soil moisture levels in many regions and resulted in moisture stress in crops where soil moisture levels were already limited.



Note: Maximum temperature anomalies displayed for wheat-sheep zone only.  
Source: Bureau of Meteorology

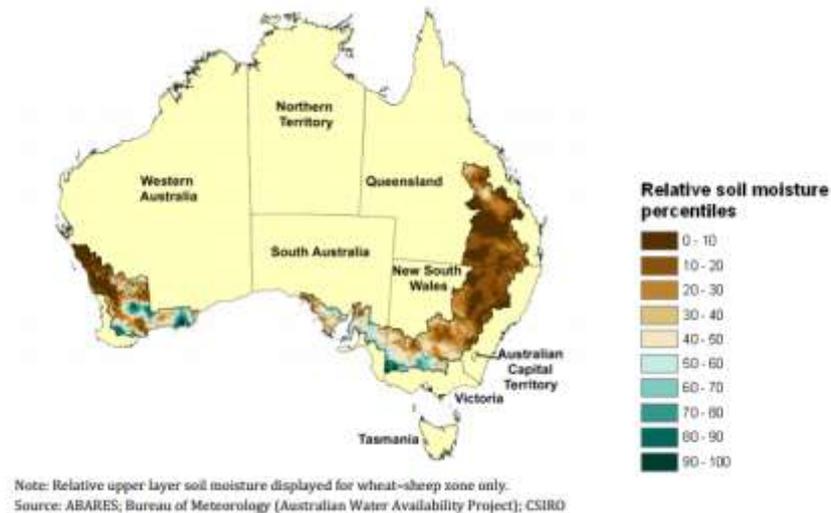
The Bureau of Meteorology's seasonal rainfall outlook for spring (September to November) 2013 favours wetter than average conditions for cropping regions in NSW, Victoria, southern Queensland and South Australia. The outlook favours average conditions across most cropping regions in Western Australian and the remainder of Queensland during spring 2013.



The seasonal temperature outlook for spring (September to November) 2013, favours average daytime temperatures across most cropping regions, with warmer than average days more likely in cropping regions in the west of Western Australia, while below average daytime temperatures are like more likely in Victorian cropping regions. Warmer than average night-time temperatures are generally favoured over most cropping regions, except in Victoria where cooler than average temperatures are more likely.

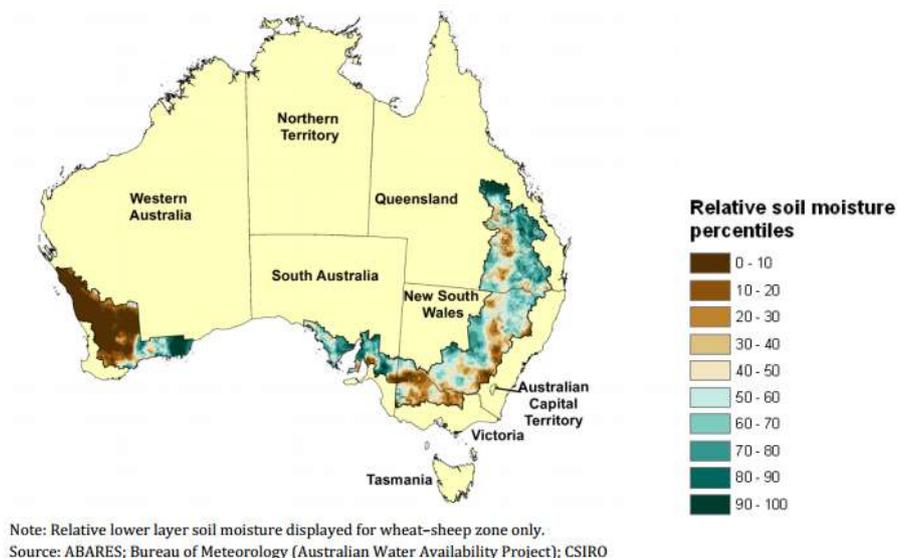
## Upper Layer Soil Moisture

Relative upper layer soil moisture at the end of August 2013 was predominantly below average throughout most of the cropping regions in NSW and Queensland, and in northern and central Western Australia. Relative upper layer soil moisture during August 2013 was average to above average in the southern cropping regions in Western Australia, and most cropping regions in South Australia and south Victoria.



## Lower Layer Soil Moisture

Relative soil moisture in the lower layer at the end of August 2013 was average to above average in many areas of the cropping zone in the eastern state (including South Australia). However, large areas of the cropping zone in Victoria and in some areas of NSW, Queensland and South Australia were below average meaning producers will be reliant on timely in-crop rainfall in these areas. In Western Australia, most of the cropping zone had below average lower layer soil moisture. Producers in these areas are generally more reliant on in-crop rainfall due to the sandy nature of the soils.



## Winter Crop Production

Prospect for total winter crop production remain positive, despite variable growing conditions over winter. Nevertheless, given the hot and dry conditions experienced in some areas, sufficient and timely spring rainfall will be critical to realizing the forecast winter crop production. Relative to production in 2012-13, production in 2013-14 is forecast to increase in Victoria, South Australia and Western Australia but fall in NSW and Queensland.

Seasonal conditions have been very favourable in South Australia and production is forecast to increase by 34 per cent, which is an upward revision from ABARES June forecasts. In contrast, seasonal conditions have been dry over large areas of the Western Australian cropping zone and the production forecast has been revised down from June. This new forecast still represents an increase of 6 per cent from the drought affected production of last year.

In Victoria, rainfall in autumn and early to mid-winter was favourable for crop development and increase in yields is expected. In NSW, above average rainfall fell in June but the remainder of winter was dry. In Queensland, good autumn rainfall was favourable for crop development but winter was dry.

Total Australian winter crop production is forecast to increase by 7 per cent in 2013-14 to around 39.2 million tonnes.

**Table 2 Winter crop production, Australia**

|                             | New South<br>Wales | Victoria | Queensland | South<br>Australia | Western<br>Australia | Australia |
|-----------------------------|--------------------|----------|------------|--------------------|----------------------|-----------|
|                             | kt                 | kt       | kt         | kt                 | kt                   | kt        |
| 2003-04                     | 10 797             | 6 965    | 1 451      | 7 360              | 16 677               | 43 324    |
| 2004-05                     | 10 715             | 4 219    | 1 392      | 5 298              | 12 979               | 34 681    |
| 2005-06                     | 11 984             | 6 271    | 1 435      | 7 518              | 13 946               | 41 236    |
| 2006-07                     | 3 796              | 1 751    | 925        | 2 793              | 8 279                | 17 588    |
| 2007-08                     | 4 001              | 4 695    | 1 195      | 4 706              | 10 762               | 25 423    |
| 2008-09                     | 9 441              | 3 890    | 2 327      | 4 864              | 13 786               | 34 386    |
| 2009-10                     | 7 789              | 5 892    | 1 618      | 7 036              | 12 944               | 35 352    |
| 2010-11                     | 14 786             | 7 629    | 1 822      | 9 317              | 8 045                | 41 681    |
| 2011-12                     | 11 955             | 7 348    | 2 330      | 7 368              | 16 599               | 45 666    |
| 2012-13 s                   | 10 989             | 5 611    | 2 269      | 6 563              | 11 037               | 36 543    |
| 2013-14 f                   | 10 424             | 6 013    | 2 176      | 8 781              | 11 750               | 39 210    |
| % change 2012-13 to 2013-14 | -5                 | 7        | -4         | 34                 | 6                    | 7         |

f ABARES forecast. s ABARES estimate.

Note: Includes barley, canola, chickpeas, faba beans, field peas, lentils, linseed, lupins, oats, safflower, triticale and wheat.

**Table 3 Winter crop area, Australia**

|                             | New South<br>Wales | Victoria | Queensland | South<br>Australia | Western<br>Australia | Australia |
|-----------------------------|--------------------|----------|------------|--------------------|----------------------|-----------|
|                             | '000 ha            | '000 ha  | '000 ha    | '000 ha            | '000 ha              | '000 ha   |
| 2003-04                     | 6 104              | 3 141    | 1 034      | 3 966              | 7 683                | 21 953    |
| 2004-05                     | 6 441              | 3 195    | 861        | 3 965              | 7 933                | 22 417    |
| 2005-06                     | 5 595              | 2 972    | 969        | 3 868              | 7 408                | 20 837    |
| 2006-07                     | 5 673              | 3 085    | 810        | 4 141              | 6 478                | 20 215    |
| 2007-08                     | 6 314              | 3 378    | 876        | 4 131              | 7 266                | 21 988    |
| 2008-09                     | 6 296              | 3 494    | 1 212      | 3 979              | 7 900                | 22 909    |
| 2009-10                     | 6 108              | 3 491    | 1 176      | 3 783              | 8 272                | 22 853    |
| 2010-11                     | 6 159              | 3 460    | 1 220      | 3 821              | 7 716                | 22 401    |
| 2011-12                     | 5 968              | 3 408    | 1 208      | 3 840              | 8 251                | 22 693    |
| 2012-13 s                   | 6 196              | 3 490    | 1 266      | 3 922              | 7 629                | 22 525    |
| 2013-14 f                   | 5 964              | 3 393    | 1 295      | 3 968              | 7 757                | 22 396    |
| % change 2012-13 to 2013-14 | -4                 | -3       | 2          | 1                  | 2                    | -1        |

f ABARES forecast. s ABARES estimate.

Note: Includes barley, canola, chickpeas, faba beans, field peas, lentils, linseed, lupins, oats, safflower, triticale and wheat.

## Summer Crop Production

The summer cropping regions are presently dry. Sufficient and timely rainfall will be needed in the lead up to, and during, the planting window for summer crops. Providing this rainfall occurs, the total area planted to summer crops is forecast to rise by 3 per cent in 2013-14 to around 1.4 million hectares. This reflects a forecast increase in the area planted to grain sorghum. In contrast, the areas planted to cotton and rice are forecast to fall.

The area planted to grain sorghum is forecast to rise by 12 per cent in 2013-14 to around 634 000 hectares. This forecast rise is largely driven by relatively high domestic grains prices and the availability of fallow land in NSW. Production of grain sorghum is forecast to increase by 17 per cent to around 2 million tonnes, assuming average yields.

The area planted to cotton is forecast to fall by 2 per cent in 2013-14 to around 434 000 hectares. Production of cotton seed is forecast to remain relatively unchanged at around 1.4 million tonnes. An expected decline in available supplies of irrigation water from last year is forecast to result in a decline in the area planted to rice. The area planted to rice is forecast to fall by 11 per cent in 2013-14 to a little more than 100 000 hectares.

Assuming the forecast planted areas and average yields are achieved total summer crop production is forecast to decline modestly to around 4.9 million tonnes.

|                             | New South Wales |       | Queensland |       | Australia |       |
|-----------------------------|-----------------|-------|------------|-------|-----------|-------|
|                             | '000 ha         | kt    | '000 ha    | kt    | '000 ha   | kt    |
| 2002-03                     | 518             | 1 578 | 541        | 1 231 | 1 074     | 2 835 |
| 2003-04                     | 457             | 1 779 | 765        | 1 867 | 1 231     | 3 664 |
| 2004-05                     | 521             | 2 020 | 812        | 1 842 | 1 343     | 3 878 |
| 2005-06                     | 776             | 2 791 | 645        | 1 516 | 1 433     | 4 351 |
| 2006-07                     | 338             | 1 037 | 545        | 1 099 | 918       | 2 166 |
| 2007-08                     | 398             | 1 668 | 791        | 2 877 | 1 199     | 4 567 |
| 2008-09                     | 402             | 1 430 | 746        | 2 350 | 1 156     | 3 794 |
| 2009-10                     | 381             | 1 405 | 513        | 1 342 | 903       | 2 764 |
| 2010-11                     | 713             | 2 514 | 790        | 1 901 | 1 514     | 4 446 |
| 2011-12                     | 769             | 3 078 | 792        | 2 379 | 1 578     | 5 508 |
| 2012-13 <b>s</b>            | 627             | 2 911 | 688        | 2 043 | 1 328     | 4 989 |
| 2013-14 <b>f</b>            | 662             | 2 841 | 697        | 2 052 | 1 372     | 4 925 |
| % change 2012-13 to 2013-14 | 6               | -2    | 1          | 0     | 3         | -1    |

**f** ABARES forecast. **s** ABARES estimate.

Note: State production includes grain sorghum, rice, cottonseed, maize and sunflower. Total for Australia also includes small areas and volume in other states. Total for Australia includes grain sorghum, rice, cottonseed, maize, sunflower, peanuts, mung beans and navy beans. Summer crop production figures include northern wet season rice and northern dry season cotton and rice.

## NSW Forecast

In July rainfall was average in the NSW cropping zone but during August below to very much below average rainfall was received. Above average rainfall in June lifted total winter rainfall to average or above average in most regions but such a concentration of rainfall is not ideal for crop production. Sufficient and timely rainfall in spring will be needed to achieve prospective yields.

Despite the unfavourable rainfall patterns over winter, a favourable start to the season in central and southern NSW has allowed for good crop development with the prospect of above average yields in most parts of these regions. As temperatures increase, crops will be drawing significantly on subsoil moisture reserves so sufficient rainfall will be needed in September before soil moisture reserves are exhausted.

In the north-west cropping region of NSW, dry conditions persisted throughout winter, which have significantly reduced crop production in that region.

The Bureau of Meteorology's rainfall outlook for September to November 2013 indicates a 60 per cent to 65 per cent chance of exceeding average rainfall across most winter cropping regions in NSW.

Total winter crop production in NSW is forecast to fall by 5 per cent in 2013-14 to around 10.4 million tonnes, assuming sufficient spring rainfall is received to achieve prospective yields. The total area planted to winter crops is estimated to have fallen by 4 per cent to around 6 million hectares.

Total wheat production is forecast to increase by 2 per cent in 2013-14 to around 7.2 million tonnes. The area planted to wheat is estimated to have increased by around 4 per cent to 3.9 million hectares, which is expected to more than offset the effect of a forecast decline in the average yield.

Barley production is forecast to increase by 3 per cent in 2013-14 to around 1.3 million tonnes, reflecting an estimated increase in planted area. The area planted to barley is estimated to have increased by 6 per cent to 700 000 hectares. The late rainfall in the planting window resulted in some areas being planted to barley that were initially intended to be planted to canola.

Canola production is forecast to decrease by 39 per cent in 2013-14 to 900 000 tonnes. The area planted to canola is estimated to have decreased by 39 per cent this season to around 600 000 hectares, reflecting insufficient rainfall during the planting window.

The area planted to summer crops in NSW is forecast to increase by 6 per cent in 2013-14 to around 660 000 hectares. Current high feed grain prices are making summer crops financially attractive, provided there are adequate levels of soil moisture. Total summer crop production is forecast to be around 2.8 million tonnes.

The area planted to grain sorghum is forecast to increase by 40 per cent in 2013-14 to around 200 000 hectares, reflecting high feed grain prices and the availability of fallow land. However, following such a dry July-August, adequate and timely rainfall during spring will be crucial in order for planting intentions to be realised. Grain sorghum production is forecast to reach around 720 000 tonnes, assuming the forecast increase in planted area and average yields are achieved.

Cotton production in NSW is forecast to decline by 1 per cent in 2013-14 to around 654 000 tonnes of cotton lint and 924 000 tonnes of cottonseed. This reflects a forecast 2 per cent decline in the area planted to cotton and an assumed 1 per cent rise in average yield to 2.3 tonnes a hectare for cotton lint.

The area planted to rice is forecast to fall by 12 per cent in 2013-14 to around 100 000 hectares, which reflects an expected reduction in supplies of irrigation water. Production is forecast to decline by 22 per cent to around 900 000 tonnes, assuming a return to average yields.

**Table 5 Winter crop forecasts, 2013–14, New South Wales**

|        | Area    | Yield | Production | Area change from<br>2012–13 | Production change<br>from 2012–13 |
|--------|---------|-------|------------|-----------------------------|-----------------------------------|
|        | '000 ha | t/ha  | kt         | %                           | %                                 |
| Wheat  | 3 900   | 1.85  | 7 215      | 4                           | 2                                 |
| Barley | 700     | 1.83  | 1 281      | 6                           | 3                                 |
| Canola | 600     | 1.50  | 900        | -39                         | -39                               |

Note: Yields are based on areas planted.

**Table 6 Summer crop forecasts, 2013–14, New South Wales**

|               | Area    | Yield | Production | Area change from<br>2012–13 | Production change<br>from 2012–13 |
|---------------|---------|-------|------------|-----------------------------|-----------------------------------|
|               | '000 ha | t/ha  | kt         | %                           | %                                 |
| Grain sorghum | 200     | 3.60  | 720        | 40                          | 57                                |
| Cotton lint   | 278     | 2.35  | 654        | -2                          | -1                                |
| Cottonseed    | 278     | 3.32  | 924        | -2                          | 0                                 |
| Rice          | 100     | 9.00  | 900        | -12                         | -22                               |
| Sunflower     | 20      | 1.29  | 26         | 5                           | -15                               |

Note: Yields are based on areas planted.