

# Australian Canola - An Established Crop

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Canola has found its niche in Australian agriculture and is now the foundation of oilseed crushing in the country. Previously crushing plants in Australia have been reliant on the production of soybeans and sunflower (both summer grown crops) to provide the raw material for their throughput and would top up seed requirements with rapeseed, linseed and safflower (all winter grown crops) as needed November through to January.

Unfortunately for the oilseed industry several factors have effected the decline of production of our summer oilseeds, the most important factor has been the recent drought now into its fifth year in Queensland and parts of NSW impacting severely on the main growing areas. The other major factors have been the swing to cotton, sorghum and livestock in the growing areas.

Meanwhile the grain belt in the southern half of Australia with a predominant winter rainfall had been suffering from depressed cereal grain prices and a fall off in cereal crop yields due to a build up of soil born root diseases and a lack of alternative crops to grow in their cropping rotation. (Re: Map)

The culmination of the above events along with the release of the first double zero varieties bred for Australian conditions with "blackleg" resistance presented canola as a viable alternative to farmers, crushers, refiners and packers all looking for reliability of supply and demand. Through close industry co-operation a great deal of research and development has been undertaken in Australia from breeding issues to consumer education resulting in a high degree of awareness about canola in a very short period of time.

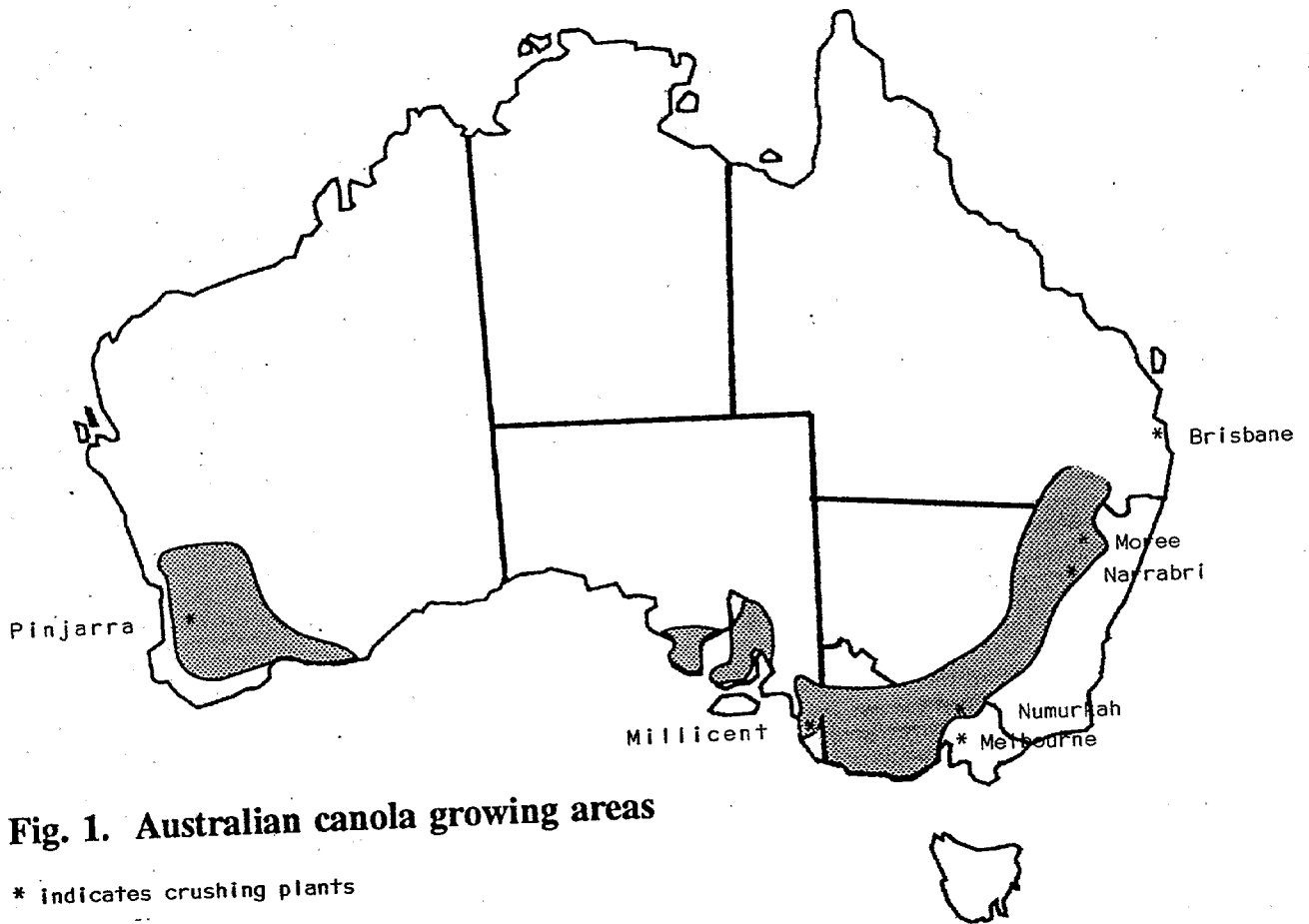
Last season in Australia we crushed approximately 220,000mt to produce about 90,000mt of oil all of which was consumed domestically. Cargill is the major oilseed crusher in Australia accounting for around 90% of the crush and owns plants in Brisbane, Moree, Narrabri\* and Melbourne with plans to build a new plant at Newcastle in the near future. Along with the reliability of supply there is more interest in crushing with expansion being carried at several of the smaller mills including Riverland Oilseeds at Numurkah (Vic) and Seedex at Millicent (SA) and Davidson Industries (WA).

*\*Process's mainly cotton.*

Currently canola oil accounts for 25% of soft oil used in Australia and concentrating on the health aspects for the human diet and using canola oil as a displacement for some imported soybean and palm oil we believe we can push this percentage to 50% by the turn of the century. This would see considerable expansion in the crushing industry by pushing the crush to nearly 1/2 a million tonnes per annum.

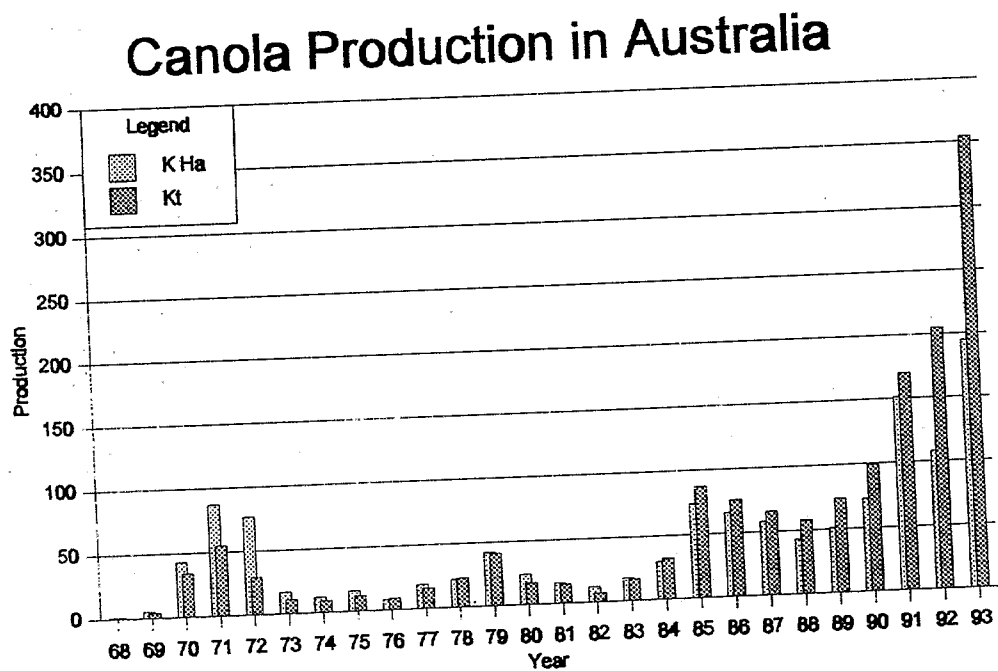
There is also a growing demand for Australian canola by export markets around the world as our canola is harvested in November/December (middle of summer) we have a trace to nil chlorophyll content in our oil as well as offering freight advantages to some market destinations.

We have the farmland, crushing facilities and technology to continue the rapid development of canola in Australia to meet the growing demand for our products both domestically and internationally.



**Fig. 1. Australian canola growing areas**

\* indicates crushing plants



**Fig. 2. Increases in canola production since 1968. A dramatic increase in production per ha is apparent from the graph.**