

GIWA Oat Council

PRESS RELEASE

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Export growth for Western Australian oat industry steady at 5-10% pa

In the current high price environment for Western Australian cereals including feed barley, over 70 growers, breeders, researchers, agronomists, oaten grain and hay processors, oat traders and container exporters participated in a discussion about Western Australia's oat supply and demand outlook at the GIWA Oat Spring Forum in Narrogin on Tuesday 11th September, and again at the spring GIWA Oat Council meeting in Perth on 15th October 2018.

WA oats: a reputational point of difference GIWA Oat Council Chair and Narrogin oat grower Ash Wiese explained "Increasingly Western Australian oats have a reputational point of difference in Asian markets for their brightness, plumpness, cleanliness and food safety standards, so the demand outlook for oats is positive. With WA annual production estimates ranging between 550,000 and 750,000 tonnes, we have to remember that oats is a niche product globally with only 1% of the global grains market."

Demand outlook steady Consensus at the GIWA Oat Council October meeting was that demand was growing by approximately 5-10% per annum. Ash added "For traditional oat growers, 10% demand per annum is a good signal, but be conservative. As a niche market it is so easy to oversupply, and as we've seen in recent years, oat pricing can dramatically fall in years of oversupply. It means if you are planning 10 paddocks to oats in your program for 2019 you could add one more paddock."

Specialised oat agronomy The Council also discussed the distorting price effect this season of the unfortunate drought conditions on the east coast and the agronomic pressure on oats as opposed to barley. Hilary Wittwer, GIWA Oat Council member, Facey Group grower member and Planfarm agronomist commented "If we can get a good knockdown in an early break with oats, this will be good for oat production in 2019. It depends how our agronomic package works with a dry start. Across the board it's going to be a dirty start to the season next year with a significant legacy weed burden from this year. Preferred contracts and early price signals are a great way to reward the consistent or traditional oat growers."

WA oat receival standards 2019/2020 tightening in response to market demand Oat receival standards were up for discussion, with the impending changes to WA Oat2 screenings and groat count for the 2019/2020 harvest as a result of processors and industry feedback into the GIWA Standards Review 2018 <http://www.giwa.org.au/standards>:

- 2019/20 Oat 2 groat count 72 per 2x black plastic measure, down from current 144
- 2019/20 Oat 2 screenings limit of 15%, tightened from current no limit

Caution re cliff face outside Oat2, adjust varietal selection and harvesting practices In the context of standards changes, Georgie Troup, DPIRD National Oat Agronomy research leader reiterated "These tightening of standards for 2019/20 mean there's a cliff face outside the Oat2 specifications.

It's imperative that oat growers choose a variety at the higher end of the weight spectrum. You have to harvest in the heat of the day and take sufficient harvest operator care that you are not thrashing the oats so hard you will increase the groat count."

On-farm hygiene was also the subject of discussion. John Orr from Premium Grain Handlers reported "We've had an incident involving chemical residues which originated from an auger that had previously been used for seed, and not properly cleaned, which caused rejection at a port in Japan. It's important to make the point that chemical residues are tested in decimal points of parts per million so on-farm hygiene has to be extremely rigorous to ensure we don't contaminate our grain destined for the food industry."

Chemical residue management means market access Both the GIWA Oat Spring Forum and GIWA Oat Council meeting saw lively discussion about the negative impact of the potential for glyphosate residues in Western Australian oats. Larissa Taylor, CEO of GIWA commented "Increasingly consumers are saying they don't want chemical residues in their foods and are shopping for brands which provide trust and traceability. In-crop application of glyphosate on oats (dessication, or crop topping) is off-label and illegal. Glyphosate residues can potentially have a damaging impact on the Western Australian oat industry. More generally, growers and agronomic advisors need to be aware of the Maximum Residue Limits for chemicals in export markets, hence the chemical residue testing regime and three strikes policy of CBH <https://www.cbh.com.au/harvest-information/chemical-residue-management>."

Oat milling accreditation The GIWA Oat Council is responsible for oat milling accreditation of new varieties in Western Australia and will be conducting a milling trial for new SARDI oat variety 06204-16 in the first quarter of 2019.

International Oat Conference 11th -15th October 2020 The Council progressed planning with international oat researchers and industry organisations for the International Oat Conference 2020 which GIWA is hosting in Western Australia <http://www.internationaloat.org/>.

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Pictured: GIWA Oat Spring Forum in Narrogin, September 2018



Pictured: Ash Wiese, Chair GIWA Oat Council