

Cotton production to scale up

By Peter Barr

In 2002–03, for the second season in succession, cotton growing was hit hard in most areas. But one can be guardedly optimistic about the prospects for the future.

For a start the Bureau of Meteorology announced on May 6 that the El Niño of 2002–03 has finished. While a regeneration of El Niño cannot be ruled out entirely, this scenario would seem to be the least likely this year so, according to the BOM, most drought affected areas should see appreciably more winter and spring rains in 2003 compared to last year.

Prevailing weather conditions last season saw many farmers either reduce or suspend their cotton production and grow grain. But according to Darling Downs grower Paul McVeigh, growing grain is an easy option but there are many reasons why people are going to go back into cotton.

“New cotton varieties with the ability to resist insect and disease pressures are helping to change management practices and reduce costs. Even some of the conventional varieties had limited sprays last season because of better management.

“If you look at the potential of new cotton varieties, some are capable of five to six bales an acre, and the gross that’s made out of corn and sorghum is the net that’s made out of cotton. A large area of land is lying fallow and in some areas water storages are beginning to fill. There are a lot of positives that are going to help the industry recovery.”

Ian Sharpe of Queensland Cotton believes there will be a big turnaround. “Providing there’s water

and the cotton prices are good, growers will be attracted back into cotton," he forecast. Cotton is now around the \$500 mark.

"The big thing on the Downs and elsewhere is water. With grain prices coming down, both dryland and irrigation farmers have been saying they'll grow cotton," Ian continued. "The irrigation guys may go into next spring with limited water in storage but they may be starting with a good profile and all being well we'll see cotton planted fence to fence.

"Farmers are waiting to feel a bit better about the change in the El Niño. They seem to be saying the worst is over and are starting to plan ahead."

Recovery

While we may be cautiously optimistic about the outlook for growing cotton, there are several areas where recovery may not be quite so straightforward — employment being one.

Brisbane based Rimfire Resources are specialists in recruitment and consulting across the agricultural food and fibre chain. Managing Director Mick Hay said there has been a considerable reduction in staff appointments in the cotton industry.

"In certain sectors such as crop protection, dramatic improvements in plant technology have resulted in changes to the way the crop is managed," Mick added. "As a result the industry has had a major re-think about the role of agronomists and sales agronomists. But there has been no wholesale slashing of jobs. Companies have relied on natural attrition while being more reticent about putting new people on.

"On the grower service side there has been a move away from full time staff to agency type agreements. Close scrutiny of jobs has flowed across all sectors as growers have battened down the hatches.

"Another area is ginning," Mick continued. "Last season many ginning operations closed completely or went onto a five-day week,

ginning only at night. When the industry gears up to run 24 hours a day again, seasonal staff may be difficult to find.”

Ian Sharpe agrees. “The permanent staff at the gins are not a problem. You don’t have a very large permanent staff in a gin and you still need a baseline number in a quieter season. It’s when the gins start to operate again over 24 hours that you have to take on a lot of unskilled staff.

“Many may be new to the business so a great deal of effort will have to be put into training to enable them to do their jobs efficiently and safely. Compliance with Workplace Health and Safety requirements is a very demanding task for management and appropriate training is a key to ensuring that staff can work safely.”

Ian added that if an increased crop materialises next season, farmers may have to train new staff to replace those who may have drifted away from the industry and found new jobs.

Contractors and machinery shortage

According to picking contractor Craig Ellison, the collective view of the contractors he knows is that when it rains there will be wall-to-wall cotton.

“If you’d wanted to get out of the business it’s difficult because you can’t sell a cotton picker,” he says. “You’re more likely to sell it when it’s working.”

Toowoomba based John Deere dealer Vanderfield Pty Ltd is closely aligned with the cotton industry. Managing Director Bruce Vandersee is optimistic about the prospects for cotton next season.

“We have seen some contractors withdraw or reduce their picker numbers and cotton growers will have to increase their reliance on contractors. One major grower has reduced his picking capacity by two thirds (48 rows) and will rely on contractors. This means fewer contractors will be available to service the smaller growers.

“If cotton is planted fence to fence, there will be

extra demand for pickers. Over the past three years we estimate that less than 30 new pickers have been imported into Australia, and new four row pickers will cost in the region of \$500,000 in 2003.

“Australia is facing a real shortage of good late model pickers. That shortage will translate into higher prices for used models. Growers or contractors who are in cotton for the long haul and who decide to buy a quality used picker now in anticipation of more cotton and higher yields, will be able to take the pick of the good used units still currently available.

“At present we are dealing with used picker inquiries and those buyers are acquiring the best units,” says Bruce.

Final word from Paul McVeigh who believes this is the drought we had to have.

“There are positive things to come out of a lower production year. We can have a setback and come back stronger to benefit the whole industry.”