



Area Unit = 1ha

POTATO - Fresh Summer

2013

| | | | | | | standard budget | your budget |
|----------------------------------|---------------------------|--------------------------|--------------------------|-----------------|--------------|---------------------|-------------|
| INCOME: | | | | | | | |
| | Item | Quantity | Rate | Price | | | |
| Anticipated Yield | 1st Grade | 500 bags/ ha | @ | \$ 26.00 / bag | | \$ 13,000.00 | |
| | 2nd Grade | 100 bags/ ha | @ | \$ 23.00 / bag | | \$ 2,300.00 | |
| | Total | 600 bags/ ha | Weighted Average | \$ 25.50 / bag | | | |
| A. Gross Income/ha | | | | | | \$15,300.00 | |
| OPERATING COSTS: | | | | | | | |
| | | | | \$ Cost | | | |
| Seed and Plants | Seed (certified) | | 3000 kg/ha | \$ 0.67 /kg | | \$ 2,010.00 | |
| Fertiliser | Lime | | 2500 kg/ha | \$ 0.63 /kg | | \$ 1,575.00 | |
| | Complete | | 1000 kg/ha | \$ 0.98 /kg | | \$ 980.00 | |
| | Starter Fertiliser | | 500 kg/ha | \$ 1.06 /kg | | \$ 530.00 | |
| | Urea | | 250 kg/ha | \$ 0.86 /kg | | \$ 215.00 | |
| Fuel | Ground/Bed Preparation | 15 L/hr | 0.4 hr/ha | \$ 1.15 /L | | \$ 6.90 | |
| | Sowing/Planting | 15 L/hr | 0.35 hr/ha | \$ 1.15 /L | | \$ 6.04 | |
| | Harvester | 12 L/hr | 4.0 hr/ha | \$ 1.15 /L | | \$ 55.20 | |
| | Chemical Applications | 12 L/hr | 0.8 hr/ha | \$ 1.15 /L | | \$ 11.04 | |
| | Fertiliser Applications | 12 L/hr | 2.0 hr/ha | \$ 1.15 /L | | \$ 27.60 | |
| | Bin Trailer (at harvest) | 12 L/hr | 8.0 hr/ha | \$ 1.15 /L | | \$ 110.40 | |
| | Slash | 12 L/hr | 0.3 hr/ha | \$ 1.15 /L | | \$ 4.14 | |
| Chemicals | Pre-emergent Herbicide | 1 application | 0.6 kg/ha | \$ 36.09 /kg | | \$ 21.65 | |
| | Post-emergent Herbicide | 1 application | 3.2 L/ha | \$ 9.18 /L | | \$ 29.38 | |
| | Insecticide | 1 application | 0.2 L/ha | \$ 88.49 /L | | \$ 17.70 | |
| | Insecticide | 1 application | 0.75 L/ha | \$ 11.00 /L | | \$ 8.25 | |
| | Fungicide | 2 applications | 0.5 L/ha | \$ 133.00 /L | | \$ 133.00 | |
| Water | Centre Pivot Irrigation | | 5 ML/ha | \$ 60.00 /ML | | \$ 300.00 | |
| Labour | Tractor Driving | 1 person | 7.9 hr/ha | \$ 25.00 /hr | | \$ 197.50 | |
| | Harvester Driving | 1 person | 4.0 hr/ha | \$ 25.00 /hr | | \$ 100.00 | |
| | Harvest/Bin Pickup | 2 people | 4.0 hr/ha | \$ 18.00 /hr | | \$ 144.00 | |
| | Grading/Packing (on farm) | 5 people | 120 bags/ha | \$ 2.75 /bag | | \$ 1,650.00 | |
| Electricity/Gas | Irrigation Pumps | | 5 ML/ha | \$ 82.80 /ML | | \$ 414.00 | |
| | Packing Shed | | 25.0 hr/ha | \$ 1.05 /hr | | \$ 26.25 | |
| Packaging | Package Materials | | 600 bags | \$ 0.95 /bag | | \$ 570.00 | |
| Freight/Transport | Truck | bags/ pallet 19 space | cost per pallet space | \$ 115.00 space | \$ 6.05 /bag | \$ 3,630.00 | |
| Other Costs | Levies | | 0.50% | | | \$ 76.50 | |
| | Agents Commission | | 15% | | | \$ 2,295.00 | |
| B. Total Operating Costs | | | | | | \$ 15,144.55 | |
| Gross Margin per ha (A-B) | | | | | | \$ 155.45 | |
| Gross Margin /ML | | | | | | \$ 31.09 | |

| | |
|------------------|---|
| Break-even Price | \$25.20 / bag for 600 bags / ha (weighted average) |
| Break-even Yield | 584 bags / ha @ \$25.50 / bag |

PRODUCT TRADE NAMES

The product trade names in this publication are omitted on the understanding that no preference between equivalent products is intended and that the inclusion of a product does not imply endorsement by NSW DPI over any other equivalent product from another manufacturer.



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SENSITIVITY ANALYSIS

TABLE 1- Effect of Yield and Price on Gross Margin /ha

| YIELD (bags) | DELIVERED PRICE (\$/bag) | | | | | |
|-----------------|--------------------------|----------|--------------|---------|---------|---------|
| | 21.50 | 23.50 | 25.50 | 27.50 | 29.50 | 31.50 |
| 500 | -\$2,714 | -\$1,869 | -\$1,024 | -\$179 | \$666 | \$1,511 |
| 550 | -\$2,293 | -\$1,364 | -\$434 | \$495 | \$1,425 | \$2,354 |
| 600 | -\$1,873 | -\$859 | \$155 | \$1,169 | \$2,183 | \$3,197 |
| 650 | -\$1,452 | -\$353 | \$745 | \$1,844 | \$2,942 | \$4,041 |
| 700 | -\$1,031 | \$152 | \$1,335 | \$2,518 | \$3,701 | \$4,884 |

NOTES:

Authors - This budget was prepared by T.Napier, G.Kelly and S.Watts and outlines production for inland NSW.

Area - Riverina is the main growing area (70 %) with production also in the tablelands (20%) and the coast (10 %).

Production - Potatoes are sown from early August to the end of November for an early December to the end of March harvest.
 - Plants are spaced 19 to 22 cm apart in rows 90 cm apart (this plant population can be a bit higher than the winter crop to give a higher percentage of smalls for seed).
 - The main white skinned variety grown is 'Coliban' while the main red skinned variety is 'Desiree'.
 - Water usage is 4 to 6 ML/ha and varies with soil, location and season.

Pests, Diseases

& Disorders - Aphids and potato moths are the main insect pests with target spot the most common disease.

Harvesting

- Harvesting usually commences in December.
 - Potatoes can be graded on the back of the harvester or in the packing shed.
 - If being sold as a washed product, they will need to be graded in the shed.
 - In the higher elevation 'Tablelands District' the entire summer crop is sold on the fresh market. In the rest of the state (as presented in this budget) the summer crop also provides seed for the following winter crop.
 - The small potatoes (40 to 80 g) are kept for seed while the rest of the crop is sold on the fresh market.

Packaging

- Potatoes are usually marketed in **50kg bags** with 1 tonne bulk bags and 5 or 10 kg consumer packs also used.

Yields

- Paddock yields vary from 30 to 40 tonne per hectare.
 - Production in the tablelands can expect 20 % higher yields than in the Riverina.

Economic

- **This budget is ONLY A GUIDE** and is specific to the regions specified. Costs and income can be altered for changes in crop management or input prices. Farmers should use their own figures.
 - The budget uses a format similar to the Method 2 calculator in the VegTool Gross Margin program.
 - Average prices for 2012 were used for this budget. Overhead costs or GST are not included.

Trim Reference: INT13/37820