



Department of Primary Industries

WHEAT: ASW/AH1 (Flood Irrigated - Border Check / Direct Drilled) Irrigated Winter - 2012 Murray Valley

1. GROSS MARGIN BUDGET:

INCOME:

3.50 tonnes/ha @ \$200 /t (on farm)

Standard Budget \$/ha	Your Budget \$/ha
\$700	

A. TOTAL INCOME \$/ha:

\$700	
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VARIABLE COSTS:

See following page for detail

Cultivation.....	\$0	
Sowing.....	\$98	
Fertiliser.....	\$188	
Herbicide.....	\$49	
Fungicide.....	\$19	
Contract harvesting.....	\$59	
Levies.....	\$7	
Crop insurance.....	\$16	
Irrigation.....	\$6	
B. TOTAL VARIABLE COSTS \$/ha:	\$443	

C. GROSS MARGIN (A-B) \$/ha:

\$257	
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D. GROSS MARGIN \$/ML:

\$206	
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SENSITIVITY TABLES

2. EFFECT OF YIELD AND PRICE ON GROSS MARGIN PER HECTARE:

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$160 /t	\$180 /t	\$200 /t	\$220 /t	\$240 /t	
2.00	-\$110	-\$71	-\$33	\$6	\$45	
2.50	-\$33	\$16	\$64	\$112	\$161	
3.00	\$45	\$103	\$161	\$219	\$277	
3.50	\$122	\$190	\$257	\$325	\$393	
4.00	\$196	\$273	\$351	\$428	\$505	
4.50	\$267	\$354	\$441	\$528	\$615	
5.00	\$339	\$435	\$532	\$629	\$725	

3. EFFECT OF YIELD AND PRICE ON GROSS MARGIN PER ML*:

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ML)
	\$160 /t	\$180 /t	\$200 /t	\$220 /t	\$240 /t	
2.00	-\$88	-\$57	-\$26	\$5	\$36	
2.50	-\$26	\$13	\$51	\$90	\$129	
3.00	\$36	\$82	\$129	\$175	\$221	
3.50	\$98	\$152	\$206	\$260	\$314	
4.00	\$157	\$219	\$280	\$342	\$404	
4.50	\$214	\$283	\$353	\$423	\$492	
5.00	\$271	\$348	\$426	\$503	\$580	

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Murray Valley
Irrigated Winter - 2012

CALENDAR OF OPERATIONS:		Machinery			Inputs			Total Cost
Operation	Month	hrs/ha	Cost \$/hour	Total \$/ha	Rate/ha	Cost \$	Total \$/ha	Total Cost \$/ha
Fallow broadleaf and grass weed control eg ground spray glyphosate 450	Dec/Jan	Contract		\$10.00	1.00 L/ha	\$4.42/L	\$4.42	\$14.42
spray Metsulfuron methyl (eg Ally)	with above				0.005kg/ha	\$66/kg	\$0.33	\$0.33
spray Triclopyr (eg Garlon)	with above				0.160 L/ha	\$20.30/L	\$3.25	\$3.25
Fallow broadleaf and grass weed control eg ground spray glyphosate 450	Feb	Contract		\$10.00	1.00 L/ha	\$4.42/L	\$4.42	\$14.42
Pre-sowing weed control eg ground spray glyphosate 450	May	Contract		\$10.00	1.00 L/ha	\$4.42/L	\$4.42	\$14.42
spray Trisulfuron (eg Logran)	with above				0.030kg/ha	\$64/kg	\$1.91	\$1.91
Sow	Apr/May	0.17	\$62.38	\$10.48	90kg/ha	\$0.97/kg	\$87.30	\$97.78
Apply starter fertiliser (<i>eg. DAP</i>)	with above				125kg/ha	\$0.760/kg	\$95.00	\$95.00
Topdress nitrogen fertiliser (<i>eg. broadcast urea</i>)	Jun/July	0.17	\$62.38	\$10.48	125kg/ha	\$0.662/kg	\$82.75	\$93.23
Spray Fungicide Stripe Rust (<i>eg. Triadimefon</i>)	Sept/Oct	contract		\$10.00	1.00 L/ha	\$9.00/L	\$8.00	\$19.00
Contract harvest	Nov/Dec	contract		\$49.42				\$49.42
Chaser Bin		0.22	\$45.05	\$9.91				\$9.91
Irrigation					1.25ML/ha	\$5.15/ML	\$6.44	\$6.44
Crop Levies					1.02% of on-farm value			\$7.11
Crop Insurance					2.280% of on-farm value			\$15.96

This budget is ONLY A GUIDE and should be altered for movements in crop and input prices, changes in seasonal conditions and the farm characteristics.

AGRONOMIC NOTES:

Use of a particular brand name does NOT imply a recommendation of that brand by NSW DPI.

Always read chemical labels and follow directions carefully, as it is your legal responsibility to do so.

- Rotation:**
- This is the first crop following a break crop.
- Varieties**
- Refer to the "*Winter crop variety sowing guide 2012*", varieties are reviewed annually for suitability, disease resistance and quality characteristics. If using own seed, treat with a registered seed dressing. A germination test is recommended.
- Weed Control:**
- This budget includes a full summer weed control program to maximise stored moisture
 - A knock down herbicide may be required at sowing.
 - An additional broadleaf herbicide may also be required.
 - Refer to NSW DPI *Weed control in winter crops 2012* for alternate herbicides.
- Disease control:**
- Budget for at least one fungicide spray in the spring.
 - Preference is for varieties with Stripe Rust ratings MR - MS and above.
 - Total number of sprays required will depend on crop yield potential and seasonal conditions and Stripe Rust resistance rating of the variety.
- Fertiliser:**
- A soil test should be taken for determination of Phosphorus levels. Colwell P levels of less than 35mg/kg require higher starter fertiliser rates.
 - If Colwell P <15 mg/kg, and sowing after 7th May, increase fertiliser to 75 kg DAP/ha.
 - Topdressed urea in cropped paddocks by plane could cost additional \$16.00/ha to apply.
 - No more than 30 kg N/ha to be sown with the seed on normal row spacing.
- Irrigation:**
- The budget assumes a pre-watering in autumn of 1.5ML/ha
 - Budget uses 1 spring irrigation at 1.25ML/ha.
 - For spring irrigation timing ensure adequate moisture between head emergence and flowering.
 - Layouts should ensure that the crop can be drained within 15 hours of irrigation
 - **Budget uses Murray Irrigation Area total variable water costs only.**
 - **For water costs in other areas, refer to the water prices section.**
- Machinery:**
- Machinery costs include variable costs only for the tractor, implements and header.
 - Contract harvesting does not include the cost of fuel.
- Labour:**
- The labour required for machinery operations is 1.09 hr/ha.
 - Using a labour cost of \$22/hr, an additional \$24/ha can be deducted from the budget.
- Economic note:**
- These gross margins are only a guide. They do not include overhead costs or GST.
 - Input and crop prices are correct at the time of writing (April 2012). Market uncertainty makes estimation of future pricing impractical.
 - **Use your own figures and price assumptions to determine your own gross margin.**