



WHEAT: Grazing and Grain

Southern Zone - east

Dryland Winter: 2012

1. GROSS MARGIN BUDGET:

INCOME:				
2.50	tonnes/ha@	\$200.00	/tonne on farm	
20.0	hd/ha @	0.15 kg/day	x 75 days	x \$2.50/kg

A. TOTAL INCOME \$/ha:

VARIABLE COSTS:
See following page for detail

Cultivation	\$0.00
Sowing	\$36.41
Fertilizer & application	\$137.60
Herbicide & application	\$84.81
Insecticide, fungicide & application	\$28.56
Contract harvesting	\$37.07
Levies	\$5.10
Crop Insurance	\$11.12
Cartage	\$0.00

B. TOTAL VARIABLE COSTS \$/ha:

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

Standard Budget \$/ha	Your Budget \$/ha
\$500.00	
\$562.50	
\$1,062.50	
\$0.00	
\$36.41	
\$137.60	
\$84.81	
\$28.56	
\$37.07	
\$5.10	
\$11.12	
\$0.00	
\$340.66	
\$721.84	

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$140 /t	\$170 /t	\$200 /t	\$230 /t	\$260 /t	
1.00	\$374	\$403	\$432	\$461	\$490	
1.50	\$441	\$485	\$528	\$572	\$615	
2.00	\$509	\$567	\$625	\$683	\$741	
2.50	\$577	\$649	\$722	\$794	\$867	←
3.00	\$644	\$732	\$819	\$906	\$993	
3.50	\$712	\$814	\$915	\$1,017	\$1,119	
4.00	\$776	\$892	\$1,009	\$1,125	\$1,241	

PRODUCT TRADE NAMES

The product trade names in this publication are supplied 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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CALENDAR OF OPERATIONS:								
Operation	Month	Machinery			Inputs			Total Cost \$/ha
		hrs /ha	Cost \$/hour	Total \$/ha	Rate/ha	Cost \$	Total \$/ha	
Fallow broadleaf & grass weed control eg ground spray glyphosate 450	Jan/Feb	0.05	\$70.67	\$3.81	1.50 L/ha	\$4.20/L	\$6.30	\$10.11
Triclopyr 600 (Garlon @ 600)	With above				0.12 L/ha	\$20.30/L	\$2.44	\$2.44
Fallow broadleaf & grass weed control eg ground spray glyphosate 450	Feb/Mar	0.05	\$70.67	\$3.81	1.25 L/ha	\$4.20/L	\$5.25	\$9.06
Broadleaf and grass weed control eg ground spray glyphosate 450	Mar/Apr	0.05	\$70.67	\$3.81	1.50 L/ha	\$4.20/L	\$6.30	\$10.11
Pre-emergent residual soil herbicide eg spray chlorsulfuron (Glean®)	Mar/Apr	with above			0.020kg/ha	\$132.20 /kg	\$2.64	\$2.64
Sow (seed cost is based on farmer's own seed)	Mar/Apr	0.17	\$91.67	\$15.41	70kg/ha	\$0.30 /kg	\$21.00	\$36.41
Apply starter fertiliser eg. DAP	Mar/Apr	with above			100kg/ha	\$0.76 /kg	\$76.00	\$76.00
Apply cereal seed dressing eg Fluquinconazole (Jockey®)		with above			450ml/100kg	\$50.00/L	\$15.75	\$15.75
In crop grass weed control eg ground spray Tralkoxydim (Achieve®)	June	0.05	\$70.67	\$3.81	0.400 L/ha	\$60.60/L	\$24.24	\$28.05
In crop broadleaf weed control eg ground spray terbuthryn (Igran®)	July	0.05	\$70.67	\$3.81	0.850 L/ha	\$18.75/L	\$15.94	\$19.74
& MCPA 500	July				0.30 L/ha	\$8.90/L	\$2.67	\$2.67
Apply nitrogen eg. urea ground spread	July	contract		\$5.50	85kg/ha	\$0.660 /kg	\$56.10	\$61.60
Apply rust spray i.e. triadimefon 125g/L	July	0.05	70.67	\$3.81	1.00 L/ha	\$9.00/L	\$9.00	\$12.81
Contract harvest	Dec	contract		\$37.07				\$37.07
Board & Research Levies					1.02%	of on-farm value		\$5.10
Crop Insurance					2.22%	of on-farm value		\$11.12

NOTES:	
	<i>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.</i>
Topcrop:	- Adjust sowing rate and plant density to match rainfall zone and target yield/protein. - Monitor and record crop performance.
Varieties:	- See "Winter crop variety sowing guide 2012". When choosing varieties consider the stripe rust resistance rating and risk of a stripe rust epidemic occurring in your area. Caution: Some seed dressing may reduce coleoptile length so growers should avoid deep sowing, especially on small or low vigour seed or on short coleoptile varieties. Check seed dressing crop withholding periods especially for grazing varieties. See seed dressing label for further information.
Herbicide Resistance Management:	- Record herbicide groups and rotate groups where possible to avoid developing herbicide resistance on your farm.
Seed:	- Budgets are based on cost of using own seed. Consider retail seed price at \$920/tonne, if growing a new variety.
Economic note:	- To calculate a grazing value consider the stocking rate, length of grazing time and the value of grazing (eg. agistment rate).
Fertiliser:	- Fertiliser rates should be tailored to the paddocks individual history, with rates varied accordingly on soil phosphorus and nitrogen levels. Soil nutrient tests are recommended prior to any major changes in fertiliser rates, particularly phosphorus as this is very important for early crop growth and potential crop yields
Sowing time:	- March to April depending on soil moisture
Rotation:	- Winter clean with simazine and paraquat eg. Gramoxone® to remove grasses from pasture and minimise disease risk.
Prices:	- Monitor market prices throughout the season as prices fluctuate widely. Set target prices.
Labour:	- The labour required for the machinery operations 0.48 hrs/ha. - At \$22/hour this costs: \$11 /ha changing the gross margin to \$711.29 /ha
Machinery:	- A tractor with 141kW (190 HP) pto power and 148 kW (225 HP) engine power is assumed. - Machinery costs refer only to variable costs: fuel, oil, filters, tyres, batteries & repairs.
Economic note:	- These gross margins are only a guide. They do not include overhead costs or GST. Note: 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 estimate your own gross margin.