



DRYLAND ALBUS LUPINS (no-till)

Farm Enterprise Budget Series - North West NSW

Winter 2012

1. GROSS MARGIN BUDGET:

INCOME:

1.40 tonnes/ha@ \$300.00 /tonne (on farm)

Crop prices were correct at the time of writing (Feb 2012), world market volatility makes estimation of future pricing impractical.

Sample Budget \$/ha	Your Budget \$/ha
\$420.00	

A. TOTAL INCOME \$/ha:

\$420.00	
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VARIABLE COSTS:

See next page for detail

Sowing.....

\$118.09	
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Herbicide.....

\$79.93	
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Insecticide.....

\$26.43	
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Contract harvesting.....

\$62.24	
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Levies.....

\$4.28	
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Insurance.....

\$5.38	
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B. TOTAL VARIABLE COSTS \$/ha:

\$296.34	
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C. GROSS MARGIN (A-B) \$/ha:

\$123.66	
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Water use efficiency example

Growing season rainfall (ie in-crop): mm

189	
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Stored fallow moisture: mm (25% of rainfall in fallow period)

69	
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Early crop water use: mm

130	
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Total crop water use mm

128	
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Gross margin per mm

\$0.69	
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kg of grain per mm

10.9	
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Please refer to the NSW DPI webpage
["About gross margin budgets"](#)
for more information on water use efficiency
assumptions used at right.

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)				
	\$100 /t	\$200 /t	\$300 /t	\$350 /t	\$400 /t
0.80	- \$209	- \$130	- \$52	- \$13	\$26
1.00	- \$189	- \$91	\$6	\$55	\$104
1.20	- \$169	- \$52	\$65	\$124	\$182
1.40	- \$150	- \$13	\$124	\$192	\$260
1.70	- \$121	\$46	\$212	\$295	\$378
2.00	- \$91	\$104	\$300	\$397	\$495
2.30	- \$62	\$163	\$387	\$500	\$612

Gross margin is zero when income is reduced by 29%
or variable costs are increased by 42%

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CALENDAR OF OPERATIONS:		Machinery			Inputs			Total
Operation	Month	hrs /ha	Cost	Total	Rate/ha	Cost	Total	Total Cost \$/ha
			\$/hour	\$/ha		\$	\$/ha	
broadleaf and grass weed control eg: glyphosate 450 g/L	Dec	0.03	56.21	1.69	1.2 L	4.67/L	5.60	7.29
broadleaf weed control eg 2,4-D amine 475 g/L	Dec	with above			1.2 L	5.82/L	6.98	6.98
wetter - non-ionic surfactant	Dec	with above			0.25 L	6.77/L	1.69	1.69
broadleaf and grass weed control eg: glyphosate 450 g/L	Jan	0.03	56.21	1.69	1.0 L	4.67/L	4.67	6.36
broadleaf weed control eg triclopyr 600g	Jan	with above			0.12 L	19.57/L	2.35	2.35
wetter - non-ionic surfactant	Jan	with above			0.25 L	6.77/L	1.69	1.69
broadleaf and grass weed control eg: glyphosate 450 g/L	Feb	0.03	56.21	1.69	1.0 L	4.67/L	4.67	6.36
broadleaf weed control eg 2,4-D amine 475 g/L	Feb	with above			1.2 L	5.82/L	6.98	6.98
wetter - non-ionic surfactant	Feb	with above			0.25 L	6.77/L	1.69	1.69
broadleaf and grass weed control eg: glyphosate 450 g/L	Apr	0.03	56.21	1.69	1.0 L	4.67/L	4.67	6.36
wetter - non-ionic surfactant	Apr	with above			0.25 L	6.77/L	1.69	1.69
sowing (albus)	Apr	0.12	78.21	9.39	100 kg	1.09/kg	108.70	118.09
post-sowing pre-emergent broadleaf and grass weed control eg. simazine	Apr	with above			1.5 L	7.26/L	10.89	10.89
incorporation	Apr	0.13	60.02	7.80				7.80
grass weed control eg haloxyfop-R 520	Jun	0.03	56.21	1.69	0.085 L	99.00/L	8.42	10.10
aerial spray (1 year in 4)	Sep	aerial spray		20.00				20.00
insect control eg. deltamethrin EC	Sep	with above			0.5 L	12.85/L	6.43	6.43
contract harvest	Nov	contract		62.24				62.24
crop levies	Nov			1.020%	of on-farm value			4.28
crop insurance				1.280%	of on-farm value			5.38

Input prices were correct at the time of writing (Feb 2012). Current fertiliser and chemical market uncertainty makes estimation of future pricing impractical.

AGRONOMIC REQUIREMENTS:

Growers should assess soil moisture profiles and fertility levels to assist with yield targets.

Soil type:

Adapted to sandy acid soils and loamy soils.

Stored soil moisture at sowing reduces the risk of crop failure due to variable in crop rainfall. To reduce this risk, crops should be sown with the maximum amount of stored soil moisture. Red soils in the North west can store approximately 120-160 mm in the rooting zone, this can be roughly measured at sowing using a push probe.

Rotation place:

Suitable with cereals to break disease and weed cycles and improve soil nitrogen.

There can be substantial benefits to the yields of following crops.

Inoculation:

With Group G is essential

Sowing time:

Mid April to mid-May is optimal. Avoid early sown crops in northern areas since they are more susceptible to aphid activity and *Cucumber mosaic virus*.

In these areas, Albus varieties are preferred.

Seed price used above is for purchased seed; if using own retained seed adjust budget accordingly.

Insects:

Monitor heliothis from flowering through to pod fill.

Weed control:

Weeds must be controlled as lupins are poor competitors

Simazine pre-emergent herbicide treatment to control capeweed and ryegrass.

To reduce the risk of herbicide resistance, rotate herbicide groups and weed management techniques.

Refer to the NSW DPI booklet *Weed Control in winter crops 2012* for options.

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

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

MACHINERY ASSUMPTIONS:

Tractor:

170 kW PTO (230 HP) and 200 kW engine (265 HP)

Machinery costs refer only to variable costs: fuel, oil, filters, tyres, batteries & repairs.

Contract harvesting does not include the cost of fuel.

LABOUR REQUIREMENTS: - labour is not costed in this budget.

According to the above operations, labour required is 0.18hrs/ha. Then multiplying this by 1.25 to allow for machinery repair time etc, and using a labour cost of \$21/hr, the cost of labour is \$4.73/ha, reducing the gross margin to \$118.94/ha.