



## SURFACE IRRIGATED SORGHUM (diesel pump from bore)

Farm Enterprise Budget Series - Northern Zone

Summer 2012-2013

### 1. GROSS MARGIN BUDGET:

#### INCOME:

8.00 tonnes/ha at \$210.00 /tonne (on farm)

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

Sample Budget \$/ha	Your Budget \$/ha
\$1,680.00	

**A. TOTAL INCOME \$/ha:**

<b>\$1,680.00</b>	
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#### VARIABLE COSTS:

see following page(s) for details

Cultivation.....	\$9.32	
Sowing.....	\$46.55	
Fertiliser.....	\$267.60	
Herbicide.....	\$108.89	
Insecticide.....	\$32.08	
Irrigation.....	\$253.27	
Harvest.....	\$121.24	
Levies and insurance.....	\$99.86	
<b>B. TOTAL VARIABLE COSTS \$/ha:</b>	<b>\$938.81</b>	

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

<b>\$741.19</b>	
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**D. GROSS MARGIN \$/ML:**

<b>\$195.05</b>	
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### 2. EFFECT OF YIELD AND PRICE ON GROSS MARGIN PER HECTARE:

YIELD tonnes/ha	On Farm Price						
	\$170 /t	\$190 /t	\$210 /t	\$230 /t	\$250 /t	\$270 /t	\$290 /t
5.00	-\$46	\$53	\$152	\$251	\$350	\$449	\$548
6.00	\$111	\$230	\$348	\$467	\$586	\$705	\$824
7.00	\$268	\$406	\$545	\$683	\$822	\$961	\$1,099
<b>8.00</b>	\$424	\$583	<b>\$741</b>	\$900	\$1,058	\$1,216	\$1,375
9.00	\$581	\$759	\$938	\$1,116	\$1,294	\$1,472	\$1,650
10.00	\$738	\$936	\$1,134	\$1,332	\$1,530	\$1,728	\$1,926
11.00	\$895	\$1,113	\$1,330	\$1,548	\$1,766	\$1,984	\$2,201

### 3. EFFECT OF YIELD AND PRICE ON GROSS MARGIN PER MEGALITRE:

YIELD tonnes/ha	On Farm Price						
	\$170 /t	\$190 /t	\$210 /t	\$230 /t	\$250 /t	\$270 /t	\$290 /t
5.00	-\$12	\$14	\$40	\$66	\$92	\$118	\$144
6.00	\$29	\$60	\$92	\$123	\$154	\$185	\$217
7.00	\$70	\$107	\$143	\$180	\$216	\$253	\$289
<b>8.00</b>	\$112	\$153	<b>\$195</b>	\$237	\$278	\$320	\$362
9.00	\$153	\$200	\$247	\$294	\$340	\$387	\$434
10.00	\$194	\$246	\$298	\$350	\$403	\$455	\$507
11.00	\$235	\$293	\$350	\$407	\$465	\$522	\$579

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CALENDAR OF OPERATIONS:		Machinery			Inputs			Total
Operation	Month	hrs/ha	Cost \$/hour	Total \$/ha	Rate/ha	Cost \$	Total \$/ha	Total Cost \$/ha
Herbicide - ground spray, 450 g/L glyphos	Jan	0.05	51.87	2.59	1.6 L	4.50	7.20	9.79
Herbicide - 2,4-D i.p.a. 300 g/L	Jan	with above			0.66 L	4.20	2.77	2.77
Wetter - non-ionic surfactant	Jan	with above			0.2 L	6.72	1.34	1.34
Herbicide - ground spray, 450 g/L glyphos	Mar	0.05	51.87	2.59	1.2 L	4.50	5.40	7.99
Herbicide - triclopyr	Mar	with above			0.08 L	19.46	1.56	1.56
Wetter - non-ionic surfactant	Mar	with above			0.2 L	6.72	1.34	1.34
Herbicide - ground spray, 450 g/L glyphos	May	0.05	51.87	2.59	1.0 L	4.50	4.50	7.09
Wetter - non-ionic surfactant	May	with above			0.2 L	6.72	1.34	1.34
Herbicide - ground spray, 450 g/L glyphos	Aug	0.05	51.87	2.59	1.2 L	4.50	5.40	7.99
Wetter - non-ionic surfactant	Aug	with above			0.2 L	6.72	1.34	1.34
Fertiliser -Bulk Urea	Sep	0.12	74.99	9.00	325 kg	0.68	221.00	230.00
Pre-Irrigate #	Oct				1.4 ML	66.65	93.31	93.31
Sowing - thiamethoxam + Concep II treated seed	Oct	0.12	78.38	9.41	3 kg	12.38	37.14	46.55
Fertiliser - Granulock SuPreme Z	Oct	with above			40 kg	0.94	37.60	37.60
Herbicide - metolachlor, PSPE	Oct	0.03	56.38	1.69	2.0 L	6.91	13.82	15.51
Herbicide - atrazine 600 g/L	Oct	with above			3.0 L	6.97	20.91	20.91
Wetter - non-ionic surfactant	Oct	with above			0.2 L	6.72	1.34	1.34
Inter-row cultivate	Nov	0.15	62.13	9.32				9.32
Irrigate	Dec				1.2 ML	66.65	79.98	79.98
Irrigate	Jan				1.2 ML	66.65	79.98	79.98
Insecticide -Nuclear polyhedrosis virus	Jan	aerial spray		20.00	0.25 L	48.33	12.08	32.08
Crop insurance *	Jan						4.21%	70.73
Desiccant - aerial spray, 450 g/L glyphosat	Mar				1.6 L	4.50	7.20	27.20
Wetter - non-ionic surfactant	Mar	with above			0.2 L	6.72	1.34	1.34
Harvest **	Mar	contract		121.24	per ha incl fuel		121.24	121.24
Grains Research Levy				1.020%	of farm gate value		17.14	17.14
GrainCorp Levy \$/t				\$1.50	/tonne		12.00	12.00

<b>AGRONOMIC NOTES:</b>	*Sorghum is sensitive to zinc deficiency. Zinc treatment should be included where necessary, in this example zinc is applied 1 year in 5.
<b>Planting time:</b>	Planting sorghum after the end of December significantly increases the chances of sorghum ergot, which can cause a substantial decline in yields and unsaleable grain.
<b>Insects:</b>	Heliothis control may be required.
<b>Weeds:</b>	To reduce the likelihood of herbicide resistance, rotate herbicide groups and weed management techniques.
<b>Insurance:</b>	* Varies with Local Government Area and postcode, check with your insurer.
	** Harvest costs based on \$66/ha for a crop up to 2.5 t/ha with estimated increment of \$1.00 per extra 100 kg/ha above 2.5 t/ha. Includes estimate of harvester fuel cost.
	For further information see the NSW DPI "Summer Crop Production Guide 2012-13"
	<i>Use of a particular brand name does NOT imply recommendation of that brand by NSW DPI.</i>
	<i>Always read chemical labels and follow directions, as it is your legal responsibility to do so.</i>
<b>LABOUR REQUIREMENTS:</b>	- labour is not costed in this budget. If labour costs \$21.70 /hr, total labour cost would be \$16.82, reducing the gross margin to \$724 /ha.
	This does not include labour required to irrigate since this is more likely to be an overhead cost.
<b>MACHINERY ASSUMPTIONS:</b>	
Tractor:	170 KW PTO (230 HP) and 200 KW engine (265 HP)
	Machinery costs refer to variable costs of: fuel, oil, filters, tyres, batteries and repairs.
	You may need to add overhead costs as well, please refer to the Tractor and Implement Costs Guide
<b>IRRIGATION:</b>	# Water usage charge of \$9.20 per ML assumed, your charges may be different.
Water pumping costs:	calculated using a flood/furrow system with diesel powered pumping from a bore.
Water requirements	3.80 ML/ha is sufficient to adequately irrigate sorghum 4 out of 5 years.

This budget should be used as a GUIDE ONLY and should be changed by the grower to take account of movements in crop and input prices, changes in seasonal conditions and individual farm characteristics. Estimated prices are GST exclusive.