



**CANOLA: (Furrow Irrigated - Beds)**  
**Irrigated Winter - 2012**

**Murrumbidgee Valley**

**1. GROSS MARGIN BUDGET:**

**INCOME:**

3.00 tonnes/ha @ \$520 /t (on farm, 42% oil)

Standard Budget \$/ha	Your Budget \$/ha
\$1,560	

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

<b>\$1,560</b>	
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**VARIABLE COSTS:**

See following page for detail

Cultivation.....	\$44	
Sowing.....	\$68	
Fertiliser.....	\$373	
Herbicide.....	\$43	
Insecticide.....	\$21	
Contract windrowing.....	\$30	
Contract harvesting.....	\$84	
Levies.....	\$20	
Crop insurance.....	\$51	
Irrigation.....	\$46	
<b>B. TOTAL VARIABLE COSTS \$/ha:</b>	<b>\$781</b>	

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

<b>\$779</b>	
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**D. GROSS MARGIN \$/ML:**

<b>\$223</b>	
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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)
	\$480 /t	\$500 /t	\$520 /t	\$540 /t	\$560 /t	
1.50	-\$17	\$12	\$41	\$70	\$98	
2.00	\$212	\$251	\$289	\$327	\$365	
2.50	\$507	\$555	\$602	\$650	\$698	
<b>3.00</b>	\$736	\$793	<b>\$925</b>	\$908	\$965	←
3.50	\$965	\$1032	\$1099	\$1166	\$1233	
4.00	\$1194	\$1270	\$1347	\$1423	\$1500	
4.50	\$1423	\$1509	\$1595	\$1681	\$1767	

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ML)
	\$480 /t	\$500 /t	\$520 /t	\$540 /t	\$560 /t	
1.50	-\$5	\$3	\$12	\$20	\$28	
2.00	\$61	\$72	\$83	\$93	\$104	
2.50	\$145	\$158	\$172	\$186	\$199	
<b>3.00</b>	\$210	\$227	<b>\$264</b>	\$259	\$276	←
3.50	\$276	\$295	\$314	\$333	\$352	
4.00	\$341	\$363	\$385	\$407	\$429	
4.50	\$406	\$431	\$456	\$480	\$505	

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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
Scarify	Jan/Feb	0.17	\$45.05	\$7.71				<b>\$7.71</b>
Apply sulphur fertiliser ( <i>eg. broadcast gypsum</i> )	Mar	0.26	\$46.38	\$12.08	500kg/ha	\$0.056/kg	\$28.00	<b>\$40.08</b>
Shape beds, fertilise urea		0.26	\$46.38	\$12.08				<b>\$12.08</b>
Apply nitrogen fertiliser ( <i>eg. Urea</i> )	Mar	with above			125kg/ha	0.662kg/ha	\$82.75	<b>\$82.75</b>
Pre-emergent weed spray ( <i>eg. trifluralin</i> )	Apr	contract		\$10.00	1.70 L/ha	\$8.50/L	\$14.45	<b>\$24.45</b>
Additional bed shape		0.26	\$46.38	\$12.08				<b>\$12.08</b>
Sow treated seed	Apr/May	0.17	\$62.38	\$10.48	4kg/ha	\$14.50/kg	\$58.00	<b>\$68.48</b>
Apply phosphorus fertiliser ( <i>eg: MAP</i> )		with above			150kg/ha	\$0.93/kg	\$140	<b>\$140.10</b>
Construct tail drains		0.26	\$46.38	\$12.08				<b>\$12.08</b>
Apply earthmite spray <i>eg. bifenthrin (Telstar®)</i>		contract		\$10.00	0.075 L/ha	\$46.00/L	\$3.45	<b>\$13.45</b>
Broadleaf weed spray <i>eg. Chlopyralid (Lontrel®)</i>	Jun	contract		\$10.00	0.30 L/ha	\$27.32/L	\$8.20	<b>\$18.20</b>
Apply nitrogen fertiliser ( <i>eg. urea</i> )	Jul	contract		\$24.46	125kg/ha	\$0.662/kg	\$82.75	<b>\$109.75</b>
Apply heliothis spray synthetic pyrethroid <i>eg. lambda-cyhalothrin (Karate Z®)</i>	Sep/Oct	contract	(1 year in 3)	\$6.05	0.036 L/ha	\$163.64/L	\$1.96	<b>\$8.01</b>
Contract windrowing	Nov	contract		\$30.00				<b>\$30.00</b>
Contract harvest	Nov/Dec	contract		\$74.30				<b>\$74.30</b>
Chaser Bin		0.22	\$45.05	\$9.91				<b>\$9.91</b>
Irrigation					3.5ML/ha	\$13.27/ML	\$46.45	<b>\$46.45</b>
Crop Levies			\$1.50 /t	+	1.02% of on-farm value			<b>\$20.33</b>
Crop Insurance					3.27% of on-farm value			<b>\$51.01</b>

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.

<b>Cropcheck:</b>	- Monitor and record crop performance. Key checks include establishment, weeds, insects, disease and grain fill.
<b>Varieties:</b>	- For new varieties available, see NSW DPI " <i>Winter crop variety sowing guide 2012</i> " and consult with your district agronomist.
<b>Sowing Time:</b>	- Ideal sowing time of 20th April to 10th of May is crucial for profitable yields.
<b>Rotation:</b>	- Usually follows a winter cereal. Costs are lower if sowing into permanent beds. Check soil pH and lime if the pH(CaCl <sub>2</sub> ) is less than 5.
<b>Oil Content:</b>	- An oil bonus/discount of 1.5% of price is applied for every 1% above/below 42% oil content. - Irrigated crops require high fertiliser inputs for good yields and quality.
<b>Disease management</b>	- Use variety and paddock selection and seed treatments to minimise the effects of blackleg - See latest variety blackleg ratings available from your District Agronomist.
<b>Fertiliser:</b>	- Due to canola's high sulphur requirements, gypsum is preferred. - Aim to apply 40 - 60% of total nitrogen requirements before sowing. - If deep soil N test indicates 100 units N consider a split N topdressing strategy.
<b>Weed Control:</b>	- Herbicides are boomsprayed in a dry year and aerial sprayed in a wet year. Aerial spray used later in the season. Refer to " <i>Weed control in winter crops 2012</i> " for alternative herbicides.
<b>Pest Control:</b>	- Apply synthetic pyrethroid spray before Nov 7 to comply with Heliothis IRM Strategy. - Use imidacloprid (eg. Goucho®) treated seed to suppress mites and aphids in low pressure situations. See NSW DPI " <i>Insect and mite control in field crops 2012</i> ".
<b>Irrigation:</b>	- Schedule spring irrigations according to plant water use. Use soil moisture monitoring equipment. - *Budget allows establishment irrigation (1.5ML/ha) and 2 spring irrigations 1ML/ha each. - <b>Irrigation cost includes the variable cost only.</b> - <b>Water costs used in the MIA budgets are based on 2011-12 prices.</b> - <b>For water costs in other areas, refer to the water prices section.</b>
<b>Windrowing:</b>	- Reduces risk of crop loss from shattering and adverse weather conditions.
<b>Bedcropping:</b>	- Bed cropping produces high yields but may require additional capital investment in equipment from \$2,000 to \$20,000.
<b>Machinery:</b>	- Machinery costs include variable costs only for the tractor, implements and header. - Contract harvesting does not include the cost of fuel.
<b>Labour:</b>	- The labour required for machinery operations is 2.00 hr/ha. - Using a labour cost of \$22/hr, an additional \$44/ha can be deducted from the budget.
<b>Economic note:</b>	- 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. - <b>Use your own figures and price assumptions to determine your own gross margin.</b>