



OATS: GRAIN ONLY (Flood Irrigated - Contour Bay / Direct Drill)
Irrigated Winter - 2012 Murray Valley

1. GROSS MARGIN BUDGET:

INCOME:

3.00 tonnes/ha @ \$140.00 /t (on farm)

Standard Budget \$/ha	Your Budget \$/ha
\$420	

A. TOTAL INCOME \$/ha:

\$420	
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VARIABLE COSTS:

See following page for detail

Cultivation.....	\$0	
Sowing.....	\$55	
Fertiliser.....	\$115	
Herbicide.....	\$42	
Contract harvesting.....	\$59	
Levies.....	\$4	
Crop insurance.....	\$10	
Irrigation.....	\$13	
B. TOTAL VARIABLE COSTS \$/ha:	\$299	

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

\$121	
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D. GROSS MARGIN \$/ML:

\$48.60	
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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)
	\$100 /t	\$120 /t	\$140 /t	\$160 /t	\$180 /t	
1.50	-\$140	-\$111	-\$82	-\$53	-\$24	
2.00	-\$91	-\$53	-\$14	\$25	\$63	
2.50	-\$43	\$5	\$54	\$102	\$151	
3.00	\$5	\$63	\$121	\$180	\$238	
3.50	\$54	\$121	\$189	\$257	\$325	
4.00	\$99	\$176	\$253	\$331	\$408	
4.50	\$141	\$228	\$315	\$402	\$489	

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ML)
	\$100 /t	\$120 /t	\$140 /t	\$160 /t	\$180 /t	
1.50	-\$56	-\$44	-\$33	-\$21	-\$9	
2.00	-\$37	-\$21	-\$6	\$10	\$25	
2.50	-\$17	\$2	\$22	\$41	\$60	
3.00	\$2	\$25	\$49	\$72	\$95	
3.50	\$22	\$49	\$76	\$103	\$130	
4.00	\$39	\$70	\$101	\$132	\$163	
4.50	\$56	\$91	\$126	\$161	\$196	

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Murray Valley

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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	1.00 L/ha	\$4.42/L	\$4.42	\$14.42
spray LV Ester 680	with above				0.800 L/ha	\$9.45/L	\$7.56	\$7.56
spray Triclopyr (eg Garlon)	with above				0.160 L/ha	\$20.30/L	\$3.25	\$3.25
Pre-sowing weed control (Glyphosate)	April/May	contract		\$10.00	1.00 L/ha	\$4.42/L	\$4.42	\$14.42
Sow	May	0.17	\$62.38	\$10.48	60kg/ha	\$0.75/kg	\$45.00	\$55.48
Apply starter fertiliser (eg. DAP)	with above				50kg/ha	\$0.760/kg	\$38.00	\$38.00
Topdress nitrogen fertiliser (eg. broadcast urea)	Jun/Jul	0.17	\$62.38	\$10.48	100kg/ha	\$0.662/kg	\$66.20	\$76.68
Spray Chlorsulfuron (eg Glean)	Jun/Jul				0.020kg/ha	132kg/ha	\$2.64	\$2.64
Contract harvest	Nov	contract		\$49.42				\$49.42
Chaser Bin		0.22	\$45.05	\$9.91				\$9.91
Irrigation					2.50ML/ha	\$5.15/ML	\$12.88	\$12.88
Crop Levies					1.02% of on-farm value			\$4.26
Crop Insurance					2.280% of on-farm value			\$9.58

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:** - Oats are often favoured on difficult soils due to their good seedling vigour.
- Varieties:** - Refer to the NSW DPI "*Winter crop variety sowing guide 2012*". Varieties are reviewed annually for disease resistance and quality characteristics
- Lodging often reduces yield potential of tall varieties.
- Weed Control:** - An additional broadleaf herbicide may be required.
- Apply chlorsulfuron at the 2 - 3 leaf stage of oats and check variety for chlorsulfuron sensitivity.
- Irrigation:** - This budget assumes a pre-watering in Autumn at 1.5ML/ha and 1 spring irrigation at 1.0ML/ha water use.
- **Budget uses Murray Irrigation Area total variable water costs only.**
- **For water costs in other areas and districts, 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 2.42 hr/ha.
- Using a labour cost of \$22/hr, an additional \$53 /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 (March 2012). Market uncertainty makes estimation of future pricing impractical.
- **Use your own figures and price assumptions to determine your own gross margin.**