



OATEN HAY: (Flood Irrigated - Border Check / Conv. Sown)

Irrigated Winter - 2012

Murray Valley

1. GROSS MARGIN BUDGET:

INCOME:

11.80 tonnes/ha @ \$165.00 /t (on farm)

Standard Budget \$/ha	Your Budget \$/ha
\$1,947	

A. TOTAL INCOME \$/ha:

\$1,947	
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VARIABLE COSTS:

See following page for detail

Cultivation.....	\$73	
Sowing.....	\$108	
Fertiliser.....	\$225	
Herbicide.....	\$13	
Contract cutting, raking & baling.....	\$504	
Cartage.....	\$84	
Irrigation.....	\$10	
B. TOTAL VARIABLE COSTS \$/ha:	\$1,017	

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

\$930	
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D. GROSS MARGIN \$/ML:

\$465	
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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)
	\$125 /t	\$145 /t	\$165 /t	\$185 /t	\$205 /t	
10.30	\$345	\$551	\$757	\$963	\$1169	
10.80	\$383	\$599	\$815	\$1031	\$1247	
11.30	\$420	\$646	\$872	\$1098	\$1324	
11.80	\$458	\$694	\$930	\$1166	\$1402	
12.30	\$495	\$741	\$987	\$1233	\$1479	
12.80	\$533	\$789	\$1045	\$1301	\$1557	
13.30	\$571	\$837	\$1103	\$1369	\$1635	

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ML)
	\$125 /t	\$145 /t	\$165 /t	\$185 /t	\$205 /t	
10.30	\$173	\$276	\$379	\$482	\$585	
10.80	\$191	\$299	\$407	\$515	\$623	
11.30	\$210	\$323	\$436	\$549	\$662	
11.80	\$229	\$347	\$465	\$583	\$701	
12.30	\$248	\$371	\$494	\$617	\$740	
12.80	\$266	\$394	\$522	\$650	\$778	
13.30	\$285	\$418	\$551	\$684	\$817	

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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
Rip banks	Nov/Dec	0.22	\$48.80	\$10.89				\$10.89
Disc plough	Dec/Jan	0.35	\$42.85	\$14.88				\$14.88
Scarify	Feb	0.17	\$45.05	\$7.71				\$7.71
Landplane or roll	Mar	0.17	\$45.05	\$7.71				\$7.71
Bank up		0.26	\$46.38	\$12.08				\$12.08
Scarify	Mar/Apr	0.17	\$45.05	\$7.71				\$7.71
Sow	Jun/Jul	0.17	\$62.38	\$10.48	130kg/ha	\$0.75/kg	\$97.50	\$107.98
Apply starter fertiliser (<i>eg. DAP</i>)		with above			125kg/ha	\$0.760/kg	\$95.00	\$95.00
Tail drains		0.26	\$46.38	\$12.08				\$12.08
Grass weed control (<i>eg. Boom spray chlorsulfuron</i>)	Jun	contract		\$10.00	0.02kg/ha	\$132.00/kg	\$2.64	\$12.64
Topdress nitrogen fertiliser (<i>eg. broadcast urea</i>)	Jun/Jul	0.17	\$62.38	\$10.48	180kg/ha	\$0.662/kg	\$119.16	\$129.64
Contract cut, rake, & bale	Oct/Nov	contract	16.82 bales/ha @		30.00 \$/bale		\$504.45	\$504.45
Irrigation					2.0ML/ha	\$5.15/ML	\$10.30	\$10.30
Cartage	Oct/Nov	contract	16.82 bales/ha @		5.00 \$/bale		\$84.08	\$84.08

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:	<ul style="list-style-type: none">- This is the first crop following a cereal, subclover or lucerne. It requires a level seed bed, hence the need to roll or landplane operation.
Varieties:	<ul style="list-style-type: none">- Refer to the NSW DPI "<i>Winter crop variety sowing guide 2012</i>". Varieties are reviewed annually for disease resistance and quality characteristics- Select more than one variety with at least one from the early maturing group and another from mid or late group.
Weed Control:	<ul style="list-style-type: none">- An additional broadleaf herbicide may be required.- Apply chlorsulfuron at the 2 - 3 leaf stage of oats and check variety for chlorsulfuron sensitivity.
Fertiliser:	<ul style="list-style-type: none">- A higher rate of urea is applied to improve dry matter quality and quantity of production.- A split application of urea may improve hay quality, colour and reduce lodging.
Irrigation:	<ul style="list-style-type: none">- Schedule 2 spring irrigations (1ML/ha each).- *Budget uses Murray Irrigation Area total variable water costs only.- For water costs in other areas and districts, refer to the water prices section.
Risk:	<ul style="list-style-type: none">- The production of good quality hay involves significant weather risk.- Later sowing can reduce the risk of rain during conservation but may increase water use
Machinery:	<ul style="list-style-type: none">- Machinery costs include variable costs only for the tractor, implements and header.- Contract harvesting does not include the cost of fuel.
Bale Weights:	<ul style="list-style-type: none">- This budget uses large 8' x 4' x 3' (240cm x 20cm x 90cm) bales at 1.425 bale/t = 16.245 bales/ha
Labour:	<ul style="list-style-type: none">- The labour required for machinery operations is 2.43 hr/ha.- Using a labour cost of \$22/hr, an additional \$53/ha can be deducted from the budget.
Economic note:	<ul style="list-style-type: none">- 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.- Use your own figures and price assumptions to determine your own gross margin.