



DRYLAND WHEAT (Long Fallow, No Till, After Sorghum)

Farm Enterprise Budget Series - North East NSW

Winter 2012

1. GROSS MARGIN BUDGET:

INCOME:

3.50 tonnes/ha@ \$265.00 /tonne (AH, on farm)

| Sample Budget \$/ha | Your Budget \$/ha |
|---------------------|-------------------|
| \$927.50 | |

This estimated yield figure is for unconstrained better soils and with a full moisture profile from long fallow.

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

A. TOTAL INCOME \$/ha:

\$927.50

VARIABLE COSTS:

See next page for detail

| | | |
|--------------------------|----------|--|
| Sowing..... | \$57.66 | |
| Fertiliser..... | \$175.24 | |
| Herbicide..... | \$65.59 | |
| Fungicide..... | \$24.58 | |
| Contract harvesting..... | \$78.44 | |
| Levies..... | \$9.46 | |
| Insurance..... | \$19.01 | |

B. TOTAL VARIABLE COSTS \$/ha:

\$429.99

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

\$497.51

Water use efficiency example

Growing season rainfall (ie in-crop): mm

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

Early crop water use: mm

Total crop water use mm

Gross margin per mm

kg of grain per mm

| | |
|---------------|--|
| 317 | |
| 154 | |
| 110 | |
| 361 | |
| \$1.38 | |
| 9.70 | |

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 | | | | |
|--------------------|---------------|--------------|---------------------|--------------|--------------|
| | \$165 /tonne | \$215 /tonne | \$265 /tonne | \$315 /tonne | \$365 /tonne |
| 1.5 | - \$149 | - \$77 | - \$4 | \$69 | \$141 |
| 2.2 | - \$43 | \$62 | \$167 | \$272 | \$377 |
| 2.8 | \$60 | \$197 | \$334 | \$472 | \$609 |
| 3.5 | \$158 | \$328 | \$498 | \$667 | \$837 |
| 4.3 | \$281 | \$491 | \$701 | \$911 | \$1,121 |
| 5.2 | \$404 | \$655 | \$905 | \$1,156 | \$1,406 |
| 6.0 | \$528 | \$818 | \$1,109 | \$1,400 | \$1,691 |

Gross margin is zero when income is reduced by 54%
or variable costs are increased by 116%

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| CALENDAR OF OPERATIONS: | | Machinery | | | Inputs | | | Total Cost \$/ha |
|--|-------|--------------|-----------------|----------------|------------------|------------|----------------|---------------------|
| Operation | Month | hrs /ha | Cost \$/hour | Total \$/ha | Rate/ha | Cost \$ | Total \$/ha | |
| harvest sorghum* (desiccated) | Mar | | | | | | | |
| # broadleaf and grass weed control eg: glyphosate 450 g/L | Jun | 0.05 | 54.96 | 2.75 | 0.6 L | 4.67/L | 2.80 | 5.55 |
| wetting agent | Jun | with above | | | 0.25 L | 7.47/L | 1.87 | 1.87 |
| broadleaf weed control eg. dicamba 700g/kg | Jun | with above | | | 150 g | 0.06/g | 9.20 | 9.20 |
| # broadleaf and grass weed control eg: glyphosate 450 g/L | Aug | 0.05 | 54.96 | 2.75 | 1.2 L | 4.67/L | 5.60 | 8.35 |
| wetting agent | Aug | with above | | | 0.25 L | 7.47/L | 1.87 | 1.87 |
| broadleaf weed control eg 2,4-D amine 475g/L | Nov | 0.05 | 54.96 | 2.75 | 0.6 L | 5.82/L | 3.49 | 6.24 |
| broadleaf and grass weed control eg: glyphosate 450 g/L | Nov | with above | | | 1.5 L | 4.67/L | 7.01 | 7.01 |
| wetting agent | Nov | with above | | | 0.25 L | 7.47/L | 1.87 | 1.87 |
| nitrogen fertiliser (anhydrous ammonia) | Feb | 0.17 | 53.44 | 9.08 | 122 kg | 0.90/kg | 109.76 | 118.84 |
| pre-sowing weed control eg. glyphosate 450g/L | May | 0.05 | 54.96 | 2.75 | 1.2 L | 4.67/L | 5.60 | 8.35 |
| wetting agent | May | with above | | | 0.25 L | 7.47/L | 1.87 | 1.87 |
| sowing | May | 0.17 | 75.66 | 12.86 | 50 kg | 0.90/kg | 44.80 | 57.66 |
| fertiliser (eg Supreme 12Z) | May | with above | | | 60 kg | 0.94/kg | 56.40 | 56.40 |
| broadleaf weed control eg. MCPA LVE | Jun | 0.05 | 54.96 | 2.75 | 1.0 L | 10.32/L | 10.32 | 13.07 |
| broadleaf weed control eg metsulfuron- methyl | Jun | with above | | | 5 g | 0.07/g | 0.35 | 0.35 |
| # fungicide for stripe rust eg. propiconazole | Aug | aerial spray | | 20.00 | 0.25 L | 18.33/L | 4.58 | 24.58 |
| harvest (contract) | Nov | | | 78.44 | | | | 78.44 |
| levies | Nov | | | 1.020% | | | | 9.46 |
| crop insurance | | | | 2.050% | of on-farm value | | | 19.01 |

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

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AGRONOMIC REQUIREMENTS:

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

Sowing Time: Sowing at the optimum time for the selected variety is critical for maximum yield. There is a 4 – 7% yield loss for every weeks delay past the optimum sowing time. Sowing time involves a tradeoff between frost risk with early sowing and moisture/heat stress with later sowing. Refer to NSW DPI *Winter crop variety sowing guide 2012* for sowing guidelines.

Fertiliser: Adequate phosphorus is essential before applying extra nitrogenous fertiliser. Nutrient requirements should be assessed with soil tests, strip trials and paddock records. There must be adequate stored soil moisture before applying extra nitrogen.

Disease: Crop rotation is necessary to minimise yield loss due to disease. Effective grass weed control is also essential to control diseases such as crown rot. Variety selection also plays a role in minimising the impact of disease on yield and quality. # An optional stripe rust control is used, but other control and preventative measures are available. Refer to the NSW DPI Disease Management Guide *Stripe Rust: Understanding the disease in wheat* for more information.

Harvest: Yields over 2.5 t/ha are assumed to cost a further \$1.22 per extra 100kg of grain harvested.

Long fallow: *In this example, sorghum is desiccated prior to harvest, if there is a frost this may not be needed. In a long fallow situation winter cropping cannot be carried out annually. Fallow sprays allow weed control and moisture conservation.

Weed Control: Weed control, if required, should be timely to be cost effective. To reduce the risk of herbicide resistance, rotate herbicide groups and weed management techniques.

Efficacy of desiccant herbicide can be reduced in cold conditions, check with your agronomist.

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

**Check with your agronomist before applying herbicides in unsuitable conditions, particularly where there are sensitive crops in the area.

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.

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

According to the above operations, labour required is 0.54hrs/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 \$14.18/ha, reducing the gross margin to \$483.33/ha.

MACHINERY ASSUMPTIONS:

Tractor:

- pto power: 130 kW (175 HP); engine power: 146 kW (196 HP)

Contract harvesting costs include \$6.24/ha worth of fuel.

Machinery costs refer to variable costs of: fuel, oil, filters, tyres, batteries and repairs.