

# GROSS MARGIN BUDGET

#### Area Unit = 1ha

## **ONIONS - Hand Harvest**

2013

budget

									standard		
INCOME:	Item	Quantity	R	ate		Pric	ce		budget		
Anticipated Yield	Harvest*	2500 bags/ha									
,	Graded & Packed	2000 bags/ha		@	\$	12.50	/bag	\$	25,000.00		
		-		A. Gross II	າດດ	me/ha			25,000.00		
OPERATING CO						\$ Co					
Seed and Plants	Seed		3.5	kg/ha	\$	400.00	/kg	\$	1,400.00		
Fertiliser	Starter (base fertiliser)		400	kg/ha	\$	1.06	/kg	\$	424.00		
	Urea (side dressing)		300	-	\$	0.86	/kg	\$	258.00	ĺ	
	Micro Nutrients		5	_	\$	6.50	/L	\$	32.50		
EI	O	45	0.7		Φ	4.05		Φ	50.00		
Fuel	Ground/Bed Preparation	15 L/hr		hr/ha	\$		/L	\$	50.63	ĺ	
	Sowing/Planting	15 L/hr		hr/ha	\$	1.25	/L	\$	41.25	ĺ	
	Chemical Applications	12 L/hr		hr/ha	\$	1.25	/L	\$	63.00	ĺ	
	Fertiliser Applications	12 L/hr	1.0		\$	1.25	/L	\$	15.00	ĺ	
	Harvesting/Bin Pick Up	12 L/hr	5.0	hr/ha	\$	1.25	/L	\$	75.00		
Chemicals	Pre-emergent Herbicide	2 applications	1.0	L/ha	\$	10.10	/L	\$	20.20		
	Post-emergent Herbicide	1 application	2.5	L/ha	\$	63.00	/L	\$	157.50	ĺ	
	Post-emergent Herbicide	2 applications	2.0	kg/ha	\$	83.31	/kg	\$	333.24	ĺ	
	Post-emergent Herbicide	2 applications	2.8	L/ha	\$	53.10	/L	\$	297.36	ĺ	
	Insecticide	2 applications	0.04	L/ha	\$	154.80	/L	\$	12.38	ĺ	
	Insecticide	2 applications	0.75	L/ha	\$	11.00	/L	\$	16.50	ĺ	
	Fungicide	3 applications	2.2	kg/ha	\$	8.24	/kg	\$	54.38	ĺ	
	Fungicide	1 application	2.5	kg/ha	\$	50.00	/kg	\$	125.00	ĺ	
	Fungicide	1 applications	1.0	kg/ha	\$	161.00	/L	\$	161.00	ĺ	
	Fungicide	2 applications	2.3	L/ha	\$	20.25	/L	\$	93.15		
Water	Furrow Irrigation		5	ML/ha	\$	60.00	/ML	\$	300.00		
Labour	Tractor Driving	1 person	15.1	hr/ha	\$	25.00	/hr	\$	377.50		
	Field (weeding)	1 person	5.0	hr/ha	\$	18.00	/hr	\$	90.00	ĺ	
	Irrigation	1 person	1.0	hr/ha	\$	25.00	/hr	\$	25.00	ĺ	
	Harvest	4 people	25	bins	\$	55.00	/bin	\$	5,500.00	ĺ	
	Pre Grade	4 people	20	bins	\$	3.20	/bin	\$	256.00	ĺ	
	Packing (on-farm)	5 people		bags/ha	\$	1.25	/bag	\$	2,500.00		
Electricity/Gas	Packing Shed		32.0	hr/ha	\$	1.25	/hr	\$	40.00		
	Curing Fans			bags/ha	\$	0.18	/hag	\$	360.00		
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Packaging	Package Materials		2000	bags	\$	0.40	/bag	\$	800.00		
	Accessories (pallet wrap)		5	rolls	\$	20.00	/roll	\$	100.00		
		bags/ pallet		cost per pallet							
Freight/Transport	Truck	48 space	\$ 115.00	space		\$2.40	/bag	\$	4,800.00		
Other Costs	Levies			t/ha	\$	2.00	/tonne	\$	80.00		
	Commissions		15%					\$	3,750.00		
	Bin Hire	24 days	110	bins/ha	\$	0.40	/bin/day	\$	1,056.00		
				B. Total O	oer	ating Co	sts	\$	23,664.59		
Break-even Price \$11.71 / bag for 2000 bags / ha Gross Margin per ha (A-B)								\$	1,335.41		
Break-even Yield 1616 bags / ha @ \$12.50 / bag Gross Margin /ML							\$	267.08			
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#### PRODUCT TRADE NAMES

The product trade names in this publication are omitted on the understanding that no preference between equivalent products is intended and that the inclusion of a product does not imply endorsement by NSW DPI over any other equivalent product from another manufacturer.





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2013

#### SENSITIVITY ANALYSIS

TABLE 1- Effect of Yield and Price on Gross Margin /ha

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YIELD											
(bags)	10.50	11.50	12.50	13.50	14.50	15.50					
1500	-\$2,953	-\$1,678	-\$403	\$872	\$2,147	\$3,422					
1750	-\$2,509	-\$1,021	\$466	\$1,954	\$3,441	\$4,929					
2000	-\$2,065	-\$365	\$1,335	\$3,035	\$4,735	\$6,435					
2250	-\$1,620	\$292	\$2,205	\$4,117	\$6,030	\$7,942					
2500	-\$1,176	\$949	\$3,074	\$5,199	\$7,324	\$9,449					

#### **NOTES:**

- Authors This budget was prepared by T.Napier, G.Kelly and S.Watts and outlines production for inland NSW.
  - Area Riverina is the main growing region in NSW.
- **Production** Aim for 50 to 60 plants/m² on 1.5 to 1.8 m beds. Sowing commences in May with early varieties and continues to late July with late maturing varieties. Gladalan types and early hybrids should be sown from 1st to 15th May. Early and late 'Creamgolds' should be sown after 15th May. Early sowings can cause crops to bolt.
  - Onions undergoing long term storage should be graded to remove diseased and damaged bulbs.
  - Weed control during establishment and the early growth stages is essential to produce adequate yields.
  - Monitoring weather conditions and protective spray programs are critical to disease management.
  - Water usage is 4 to 6 ML/ha and varies with soil, location and season.
- **Pests, Diseases** Thrips are the main insect pest. Downy mildew is the main disease problem. Black mould (*Aspergillus*) and **& Disorders** neck rot (*Botrytis*) can be problems in some seasons.
  - Harvesting Avoid irrigating within 3 weeks of harvest. Commence harvest at 90% tops down.
    - Harvesting usually commences in November and runs through to the end of February. The growing period depends on variety and time of sowing and ranges from 25 to 30 weeks.
    - -\* 50 tonne (2500 bags) yield is required to grade and pack 40 tonne (2000 bags) of onions.
    - **Curing** Onions have traditionally been cured in bins in open windy sheds.
      - If black mould is a problem, forced air curing is recommended.
  - Packaging Onions are normally marketed in 20 kg netted bags. Avoid long term storage of Gladalan types.
    - 'Creamgolds' for export should have good leaf coverage, at least 1 cm neck, uniform in colour, shape and firmness. Avoid delays in harvest which could result in sunburn. Coolstores at low humidity preferable for export onions.
    - Yields Range from 35 to 50 tonne per hectare. Higher yields and quality obtained with hand harvesting.
  - **Economic This budget is ONLY A GUIDE** and is specific to the regions specified. Costs and income can be altered for changes in crop management or input prices. Farmers should use their own figures.
    - The budget uses a format similar to the Method 2 calculator in the VegTool Gross Margin program.
    - Average prices for 2012 were used for this budget. Overhead costs or GST are not included.



