



Cereal Rye: Short Fallow

Central Zone - East

Winter 2012

1. GROSS MARGIN BUDGET:

INCOME:

1.60 tonnes/ha @ \$970.00 /tonne (on farm)

A. TOTAL INCOME \$/ha:

VARIABLE COSTS:

See opposite page for detail

Cultivation.....	\$9.77
Sowing.....	\$72.50
Fertiliser.....	\$89.80
Herbicide.....	\$34.71
Insecticide.....	\$0.00
Contract-harvesting.....	\$48.00
Levies.....	\$15.60
Crop Insurance.....	\$31.82
Cartage, grading & bagging.....	\$0.00

B. TOTAL VARIABLE COSTS \$/ha:

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

Standard Budget \$/ha	Your Budget \$/ha
\$1,552.00	
\$1,552.00	
\$9.77	
\$72.50	
\$89.80	
\$34.71	
\$0.00	
\$48.00	
\$15.60	
\$31.82	
\$0.00	
\$302.20	
\$1,249.80	

2. EFFECT OF YIELD AND PRICE ON GROSS MARGIN PER HECTARE:

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$890 /t	\$930 /t	\$970 /t	\$1,010 /t	\$1,050 /t	
0.40	\$90	\$106	\$121	\$137	\$152	
0.80	\$435	\$466	\$498	\$529	\$560	
1.20	\$781	\$827	\$874	\$920	\$967	
1.60	\$1,126	\$1,188	\$1,250	\$1,312	\$1,374	←
2.00	\$1,471	\$1,548	\$1,626	\$1,704	\$1,781	
2.40	\$1,811	\$1,904	\$1,997	\$2,090	\$2,183	
2.80	\$2,151	\$2,260	\$2,369	\$2,477	\$2,586	

PRODUCT TRADE NAMES

The product trade names in this publication are supplied 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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CALENDAR OF OPERATIONS:

Operation	Month	Machinery			Inputs			Total Cost \$/ha
		hr/ha	Cost \$/hour	Total \$/ha	rate/ha	Cost \$	Total \$/ha	
Weed control eg: glyphosate 450 g/L (Roundup CT®)	Dec/Jan	0.05	53.40	\$2.88	1.20 L	\$4.68/L	\$5.62	\$8.49
Wetter eg. alkoxyated alcohol 1000 g/L (BS 1000®)	Dec/Jan	with above			0.20 L	\$7.00/L	\$1.40	\$1.40
Weed control eg: triclopyr 600 g/L (Garlon®)	Dec/Jan	with above			0.08 L	\$19.60/L	\$1.57	\$1.57
Cultivation	Feb	0.17	57.07	\$9.77				\$9.77
Weed control eg: glyphosate 450 g/L (Roundup CT®)	Apr/May	0.05	53.40	\$2.88	1.20 L	\$4.68/L	\$5.62	\$8.49
Wetter eg. alkoxyated alcohol 1000 g/L (BS 1000®)	Apr/May	with above			0.20 L	\$7.00/L	\$1.40	\$1.40
Sowing	May	0.17	74.40	\$12.50	60 kg	\$1.00/kg	\$60.00	\$72.50
Nitrogen fertiliser eg: urea	May	with above			40 kg	\$0.70/kg	\$28.00	\$28.00
Starter fertiliser eg: MAP	May	with above			60 kg	\$1.03/kg	\$61.80	\$61.80
Early post-emergent weed control eg: chlorsulfuron 750 g/L (Glean®)	Jun	0.05	53.40	\$2.88	20 g	\$0.08 /g	\$1.60	\$4.48
Broadleaf weed control eg: LVE Agritone® 500g/L	Jul	0.05	53.40	\$2.88	0.60 L	\$10.00/L	\$6.00	\$8.88
Contract-harvest	Dec	contract		\$48.00				\$48.00
Crop Levies					1.01%	of on-farm value		\$15.60
Crop Insurance					2.05%	of on-farm value		\$31.82

*** Input and crop prices are correct at the time of writing (March 2012). Market uncertainty makes estimation of future pricing impractical.

NOTES:

Paddock selection:

- Light textured acid soils with moderate to high aluminium levels where it will out-yield both wheat and barley.
- On wheat growing soils, cereal rye will generally yield 50 - 60% of wheat yield.
- Short Fallow: Fallow or weed free period of 5-6 months between harvest of one crop and sowing of the next crop. For example, a paddock harvested in November would allow for a 5-6 month fallow until sowing in May.

Seed:

- Seed price used above is for purchased seed; if using retained seed adjust budget accordingly.

Weed control:

- Weed control should be implemented 6 - 8 weeks after sowing to avoid yield loss.
- Chlorsulfuron can be applied early post-emergent for grass and broadleaf weed control.
- Rotate herbicide groups and use other non-chemical methods to avoid herbicide resistance developing.

Grazing:

- Does not recover as well as oats from heavy grazing. Grain yield may be 50% of ungrazed crops.

Marketing:

- Due to variation in prices it should be grown under contract with millers.

Machinery:

- Machinery costs refer only to variable costs: fuel, oil, filters, tyres, batteries & repairs.
- A tractor with 153 kW (181 HP) pto power and 166 kW (225 HP) engine power is assumed.
- Contract-harvesting does not include the cost of fuel.

Labour:

- The labour required for machinery operations is 0.69 hr/ha
- Using a labour cost of \$22/hr, an additional \$15.26 can be deducted from the budget

Important notes:

- These gross margins are only a guide. They do not include overhead costs.
- **Use your own figures and price assumptions to estimate your own gross margin.**
- Use of a particular brand name does not imply a recommendation of that brand by NSW DPI.