



DRYLAND DURUM WHEAT (Short Fallow, No Till)

Farm Enterprise Budget Series - North East NSW

Winter 2009

1. GROSS MARGIN BUDGET:

INCOME:

2.75 tonnes/ha@ \$321.00 /tonne (DR1 on farm)

Crop prices were correct at the time of writing (Mar 17 2009), world market volatility makes estimation of future pricing impractical.

Sample Budget \$/ha	Your Budget \$/ha
\$882.75	

A. TOTAL INCOME \$/ha:

\$882.75	
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VARIABLE COSTS:

See next page for detail

Sowing.....	\$77.88	
Fertiliser.....	\$241.50	
Herbicide.....	\$106.28	
Insecticide.....	\$0.00	
Contract harvesting.....	\$57.52	
Levies.....	\$9.00	
Insurance.....	\$18.10	
B. TOTAL VARIABLE COSTS \$/ha:	\$510.29	

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

\$372.46	
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Water use efficiency example

Growing season rainfall (ie in-crop): mm	317	
Stored fallow moisture: mm (25% of rainfall in fallow period assumed)	75	
Early crop water use: mm	110	
Total crop water use mm	282	
Gross margin per mm	\$1.32	
kg of grain per mm	9.75	

Please refer to the "Water Use Efficiency in Northern NSW Winter Crop Enterprise Budgets" summary 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	\$221 /tonne	\$271 /tonne	\$321 /tonne	\$371 /tonne	\$421 /tonne
1.0	- \$243	- \$195	- \$146	- \$98	- \$49
1.6	- \$118	- \$41	\$35	\$112	\$189
2.2	\$7	\$112	\$217	\$322	\$427
2.8	\$127	\$260	\$393	\$527	\$660
3.5	\$273	\$443	\$612	\$782	\$952
4.2	\$419	\$625	\$831	\$1,037	\$1,243
5.0	\$566	\$808	\$1,050	\$1,293	\$1,535

Gross margin is zero when income is reduced by 42%
or variable costs are increased by 73%

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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 previous crop	Nov							
broadleaf and grass weed control eg: glyphosate 450 g/L	Dec	0.05	45.64	2.28	1.2 L	7.43/L	8.92	11.20
broadleaf weed control eg 2,4-D amine 300g/L	Dec	with above			1.80 L	4.23/L	7.61	7.61
wetting agent	Dec	with above			0.25 L	8.84/L	2.21	2.21
broadleaf and grass weed control eg: glyphosate 450 g/L	Jan	0.05	45.64	2.28	0.60 L	7.43/L	4.46	6.74
broadleaf weed control eg. dicamba 700g/kg	Jan	with above			150 g	0.05/g	8.23	8.23
wetting agent	Jan	with above			0.25 L	8.84/L	2.21	2.21
broadleaf and grass weed control eg: glyphosate 450	Feb	0.03	45.23	1.36	1.0 L	7.43/L	7.43	8.79
broadleaf weed control eg 2,4-D amine 300g/L	Feb	with above			1.2 L	4.23/L	5.08	5.08
wetting agent	Feb	with above			0.25 L	8.84/L	2.21	2.21
nitrogen fertiliser eg. anhydrous ammonia	Mar	0.17	45.91	7.80	150 kg	1.09/kg	163.50	171.30
broadleaf and grass weed control eg: glyphosate 450 g/L	Apr	0.05	45.64	2.28	1.2 L	7.43/L	8.92	11.20
wetting agent	Apr	with above			0.25 L	8.84/L	2.21	2.21
broadleaf and grass weed control eg: glyphosate 450 g/L	May	0.05	45.64	2.28	1.00 L	7.43/L	7.43	9.71
wetting agent	May	with above			0.25 L	8.84/L	2.21	2.21
sowing *	June	0.17	66.34	11.28	60 kg	1.11/kg	66.60	77.88
fertiliser (Starter 12Z)	June	with above			60 kg	1.17/kg	70.20	70.20
wild oat control (1 year in 2)	Jun	0.05	45.64	2.28				1.14
wild oat control eg Fenoxaprop-p-ethyl	Jun	with above			0.35 L	82.67/L	28.93	14.47
broadleaf weed control eg. MCPA LVE	Jul	0.05	45.64	2.28	0.8 L	9.74/L	7.79	10.07
broadleaf weed control eg metsulfuron-methy	Jul	with above			5 g	0.20/g	1.00	1.00
contract harvest	Nov			57.52				57.52
levies	Nov			1.020%				9.00
crop insurance				2.050%	of on-farm value			18.10

Input prices were correct at the time of writing (Mar 17 2009). Current fertiliser and chemical market uncertainty makes estimation of future pricing impractical.

AGRONOMIC REQUIREMENTS:

Sowing Time: Refer to NSW DPI "Winter Crop Variety Sowing Guide 2009" for sowing guidelines.

* Seed purchase costs vary widely with variety and whether growers have kept their own seed from previous seasons. Growers should assess soil moisture profiles and fertility levels to assist with yield estimates.

Weed Control: All volunteer barley and bread wheat plants should be eliminated during summer fallow.

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

Herbicides: Durum varieties have a low safety margin to some chemicals: eg. chlorsulfuron, tri-allate. A low safety margin means that an application rate above that recommended will cause crop damage. Refer to the NSW DPI booklet "Weed Control in Winter Crops 2009" for options.

Fenoxaprop-p-ethyl has been included for wild oats, control by rotation is preferable.

To reduce the likelihood of herbicide resistance, rotate herbicide groups and weed management techniques.

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.

Disease: Crop rotation is necessary to minimise loss of yield due to disease. Effective grass weed control is also essential to control diseases such as crown rot. Current durum varieties are more sensitive to crown rot than most bread wheats. Check varieties for differences in quality.

Harvest: Care needs to be taken when threshing, since the hard grain has a greater tendency to fracture than bread wheats. Yields over 2.5 t/ha are assumed to cost a further \$1.92 per extra 100kg of grain harvested.

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

According to the above operations, labour required is 0.59hrs/ha. Then multiplying this by 1.25 to allow for machinery repair time etc, and using a labour cost of \$19/hr, then the cost of labour is \$13.65/ha, reducing the gross margin to \$358.81/ha.

MACHINERY ASSUMPTIONS:

- Tractor:
 - pto power: 130 kW (175HP); engine power: 146 kW (196 HP)
 - machinery costs refer only to variable costs (running costs), not overhead costs.