



NSW DEPARTMENT OF PRIMARY INDUSTRIES

WHEAT: ASW/APW/AH

(Flood Irrigated - Landformed Contour Bay / Conv. Sown)

Irrigated Winter - 2009

Murrumbidgee Valley

1. GROSS MARGIN BUDGET:

INCOME:

4.00 tonnes/ha @ \$221 /t (on farm)

Standard Budget \$/ha	Your Budget \$/ha
\$884	

A. TOTAL INCOME \$/ha:

\$884	
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VARIABLE COSTS:

See following page for detail

Cultivation.....	\$62	
Sowing.....	\$101	
Fertiliser.....	\$233	
Herbicide.....	\$28	
Fungicide.....	\$24	
Contract harvesting.....	\$68	
Levies.....	\$9	
Crop insurance.....	\$20	
Irrigation.....	\$74	
B. TOTAL VARIABLE COSTS \$/ha:	\$619	

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

\$265	
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D. GROSS MARGIN \$/ML*:

\$132	
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* Note. The method of calculation of gross margin per ML for the Murrumbidgee budgets varies because of the difficulty of identifying an alternative dryland alternative on specialist flood irrigated land. It is recommended where farmers can identify a dryland alternative that they subtract the gross margin of the dryland alternative from the gross margin of the irrigated crop and then divide by the number of ML. This will give a better indication of the contribution the irrigation water has made to increasing returns.

SENSITIVITY TABLES

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$181 /t	\$201 /t	\$221 /t	\$241 /t	\$261 /t	
2.50	-\$149	-\$101	-\$52	-\$4	\$44	
3.00	-\$62	-\$4	\$54	\$113	\$171	
3.50	\$26	\$94	\$161	\$229	\$297	
4.00	\$110	\$187	\$265	\$342	\$419	
4.50	\$191	\$279	\$366	\$453	\$540	
5.00	\$273	\$370	\$466	\$563	\$660	
5.50	\$355	\$461	\$567	\$674	\$780	

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ML)
	\$181 /t	\$201 /t	\$221 /t	\$241 /t	\$261 /t	
2.50	-\$75	-\$50	-\$26	-\$2	\$22	
3.00	-\$31	-\$2	\$27	\$56	\$85	
3.50	\$13	\$47	\$81	\$115	\$148	
4.00	\$55	\$94	\$132	\$171	\$210	
4.50	\$96	\$139	\$183	\$226	\$270	
5.00	\$136	\$185	\$233	\$282	\$330	
5.50	\$177	\$230	\$284	\$337	\$390	

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CALENDAR OF OPERATIONS:		Machinery			Inputs			Total Cost
Operation	Month	hrs/ha	Cost \$/hour	Total \$/ha	Rate/ha	Cost \$	Total \$/ha	\$/ha
Disc Plough	Dec/Jan	0.35	\$42.85	\$14.88				\$14.88
Scarify	Feb	0.17	\$45.05	\$7.71				\$7.71
Grade	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	May	0.17	\$62.38	\$10.48	100kg/ha	\$0.91/kg	\$91.00	\$101.48
Apply starter fertiliser <i>eg. DAP</i>		with above			125kg/ha	\$1.048/kg	\$131.00	\$131.00
*Seed Treatment <i>eg: Triadimenol (Baytan®)</i>		with above			100kg/ha	\$0.060/kg	\$6.00	\$6.00
Push ends		0.26	\$46.38	\$12.08				\$12.08
Grass weed control <i>eg. boom spray fenoxaprop-p-ethyl (Wildcat ®)</i>	Jun	contract		\$10.00	0.35 L/ha	\$51.27/L	\$17.94	\$27.94
Topdress nitrogen fertiliser <i>eg. broadcast urea</i>	Jun/Jul	0.17	\$62.38	\$10.48	125kg/ha	\$0.734/kg	\$91.75	\$102.23
* Spray Fungicide Stripe Rust <i>eg. Triadimefon (Bayleton)</i>	Sept/Oct	contract		\$10.00	1.00 L/ha	\$8.00/L	\$8.00	\$18.00
Contract harvest	Dec	contract		\$57.89				\$57.89
Chaser Bin		0.22	\$45.05	\$9.91				\$9.91
Irrigation*					2.0ML/ha	\$36.78	\$73.55	\$73.55
Crop Levies					1.02% of on-farm value			\$8.97
Crop Insurance					2.280% of on-farm value			\$20.16

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.

Cropcheck	- Monitor and record crop performance. Key checks include establishment , weeds, insects, tiller numbers, disease and grain fill.
Rotation	- This is the first crop following a rice fallow.
Varieties	- See Winter Crop Variety Sowing Guide 2009 for approved varieties for southern NSW. <i>Varieties include: Carinya, Ellison, EGA Gregory, EGA_Wedgetail, Ventura and Chara. EGA_Wedgetail has a winter growth habit.</i>
Seed + Treatment	- If using own seed, treat with registered seed dressing. Germination test recommended. Stripe rust now affects these varieties so consider fungicide seed dressings such as Triadimenol (eg. Baytan®) or Fluquinconazole (eg. Jockey®) to prevent yield loss. With susceptible varieties in-furrow treatments (eg: Uptake® may also be an option) - Budgets are based on seed purchased at \$910/tonne.
Protein & Payments	- Protein levels for first crop following rice can be low - around 8.5 - 9.5%. - Budget price is for APW 10% protein. Premiums/discounts are paid on a sliding scale for protein above and below 10%. AH grade (11.5% protein) attracts a higher price but is more difficult to achieve.
Sowing Time	- EGA_Wedgetail, EGA Gregory - Mid April, Chara (early May), Carinya and Ellison - Mid May till end of May, Ventura (after mid May). Sow at correct time. See 'Winter Crop Variety Sowing Guide 2009' for recommended sowing windows for each variety.
* Disease Control	Budget for a stripe rust seed dressing and at least 1 fungicide spray for stripe rust in the spring. (The total number of sprays depends upon seasonal conditions and varietal susceptibility)
Weed Control	- Herbicides are boomsprayed in a dry year and aerial sprayed in a wet year. - An additional broadleaf herbicide may be required if vetch, wireweed, thistles and toadrush are a problem. - Refer to "Weed Control in Winter Crops 2009" for alternative herbicides.
Irrigation	- Schedule spring irrigations according to plant water use. - Budget allows for two spring waterings. - *The budget uses MIA total water costs based on 50% allocation. - Irrigation cost includes the variable cost and fixed water costs of \$19.18/ML. - Water costs used in the MIA budgets are based on 2008-09 prices. - For prices in other areas, refer to the water prices section.
Machinery	- Machinery costs include variable costs only for the tractor, implements and header. - Contract harvesting does not include the cost of fuel.
Labour	- The labour required for machinery operations is 2.42 hr/ha. - Using a labour cost of \$14 /hr, an additional \$34 /ha can be deducted from the budget.
Economic note:	- 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 (March 2009). Market uncertainty makes estimation of future pricing impractical. - Use your own figures and price assumptions to determine your own gross margin.