

Enterprise **ASPARAGUS - PROCESSING** **2001**  
 Unit ha **Spray Irrigation**

**GROSS MARGIN BUDGET:  
 YEAR 4 & BEYOND**
**1 ha**

| Standard Budget | Your Budget |
|-----------------|-------------|
|-----------------|-------------|

**INCOME:**

|                   |              |   |                    |  |
|-------------------|--------------|---|--------------------|--|
| 4175 kg/ha        | Grade 1 A    | @ | \$1.80 /kg         |  |
| 250 kg/ha         | Grade 1 B    | @ | \$1.05 /kg         |  |
| 550 kg/ha         | Grade 2      | @ | \$0.65 /kg         |  |
| 300 kg/ha         | Export Fresh | @ | \$2.50 /kg         |  |
| <u>5275 kg/ha</u> |              |   | <u>\$1.68 /kg*</u> |  |

|                   |
|-------------------|
| \$7,515.00        |
| \$262.50          |
| \$357.50          |
| \$750.00          |
| <u>\$8,885.00</u> |

**A. Total Income/ha**
**\$8,885.00**
**VARIABLE COSTS:**
**Seed**

Nil

**Tractor costs**
**Small equipment including labour, fuel, oil, etc**

|                    |           |             |         |
|--------------------|-----------|-------------|---------|
| 1 Cultivate        | 2.5 hr/ha | \$24.50 /hr | \$61.25 |
| 1 Drill Fertiliser | 2.0 hr/ha | \$24.50 /hr | \$49.00 |
| 1 Disc hilling     | 2.0 hr/ha | \$24.50 /hr | \$49.00 |
| 2 Sidedressing     | 2.0 hr/ha | \$24.50 /hr | \$98.00 |
| 1 Slashing         | 2.0 hr/ha | \$24.50 /hr | \$49.00 |
| 4 Boomspray        | 0.5 hr/ha | \$24.50 /hr | \$49.00 |

**Irrigation**

|               |         |             |          |
|---------------|---------|-------------|----------|
| Water         | 8 ML/ha | \$17.36 /ML | \$138.88 |
| Pumping costs | 8 ML/ha | \$30.00 /ML | \$240.00 |

**Fertiliser**

|                    |           |            |         |
|--------------------|-----------|------------|---------|
| Starter Fertiliser | 200 kg/ha | \$0.45 /kg | \$89.40 |
| Muriate of Potash  | 100 kg/ha | \$0.42 /kg | \$41.50 |
| Urea               | 200 kg/ha | \$0.38 /kg | \$75.00 |

**Pest control**

|               |          |            |         |
|---------------|----------|------------|---------|
| 2 Insecticide | 0.8 L/ha | \$14.90 /L | \$23.84 |
|---------------|----------|------------|---------|

**Weed Control**

|             |           |             |          |
|-------------|-----------|-------------|----------|
| 1 Residual  | 2.5 L/ha  | \$49.20 /L  | \$123.00 |
| 1 Knockdown | 4.0 kg/ha | \$11.25 /kg | \$45.00  |

**Harvesting (40 cuts needed)**

|                    |            |             |            |
|--------------------|------------|-------------|------------|
| 1 Slashing         | 2 hr/ha    | \$24.50 /hr | \$49.00    |
| 40 Hand harvesting | 7 hr/ha    | \$14.50 /hr | \$4,060.00 |
| 40 Bin Pick up     | 2 hr/ha    | \$14.50 /hr | \$1,160.00 |
| Cooling            | 5275 kg/ha | \$0.02 /kg  | \$105.50   |

**Freight**

Transported by processors

**B. Total Variable Costs**
**\$6,506.37**

|                  |            |
|------------------|------------|
| Break-even price | \$1.23 /kg |
|------------------|------------|

**Gross Margin per ha (A-B)**
**\$2,378.63**

|                  |            |
|------------------|------------|
| Break-even yield | 3863 kg/ha |
|------------------|------------|

**Gross Margin per ML**
**\$297.33**

\* weighted average price used

**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 Agriculture over any other equivalent product from another manufacturer.

Enterprise

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Spray Irrigation

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

| YIELD<br>(kg) | DELIVERED PRICE (\$/kg) |         |                |         |         |         |
|---------------|-------------------------|---------|----------------|---------|---------|---------|
|               | 1.28                    | 1.48    | 1.68           | 1.88    | 2.08    | 2.28    |
| 4275          | -\$996                  | -\$141  | \$714          | \$1,569 | \$2,424 | \$3,279 |
| 4775          | -\$364                  | \$591   | \$1,546        | \$2,501 | \$3,456 | \$4,411 |
| <b>5275</b>   | \$269                   | \$1,324 | <b>\$2,379</b> | \$3,434 | \$4,489 | \$5,544 |
| 5775          | \$901                   | \$2,056 | \$3,211        | \$4,366 | \$5,521 | \$6,676 |
| 6275          | \$1,533                 | \$2,788 | \$4,043        | \$5,298 | \$6,553 | \$7,808 |

**TABLE 2- Effect of Yield and Price on Gross Margin /ML**

| YIELD<br>(kg) | DELIVERED PRICE (\$/kg) |       |              |       |       |       |
|---------------|-------------------------|-------|--------------|-------|-------|-------|
|               | 1.28                    | 1.48  | 1.68         | 1.88  | 2.08  | 2.28  |
| 4275          | -\$124                  | -\$18 | \$89         | \$196 | \$303 | \$410 |
| 4775          | -\$45                   | \$74  | \$193        | \$313 | \$432 | \$551 |
| <b>5275</b>   | \$34                    | \$165 | <b>\$297</b> | \$429 | \$561 | \$693 |
| 5775          | \$113                   | \$257 | \$401        | \$546 | \$690 | \$834 |
| 6275          | \$192                   | \$348 | \$505        | \$662 | \$819 | \$976 |

The weighted average price shown in bold is based on the Flemington Market prices over a recent 12 month period.

**NOTES:**

- Area** - Cowra, Sunraysia and Bathurst are the main growing areas.
- Production** - Variation in spear size is less strict and spear length is shorter (20cm) than as for fresh market. The main canned products are whole spears (full length), tips and cuts. A Portion of the crop is usually sold on the export market. Weeds can be a major problem and good control is critical for optimum production.
- Pests** - Thrips are the main insect pest with Stemphylium the most common disease.
- Harvesting** - Mainly occurs between July and December with a natural dormancy period occurring during the colder winter months
- Yields** - Yields will vary depending on plant population and arrangements (18000 to 54000 plants/ha).
- Packaging** - Canneries are located at Cowra, Batlow and Shepparton.
- Economic note** - **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.  
- This budget does not include overhead costs or GST.