



Wheat: Short Fallow

Central Zone - East

Winter 2009

1. GROSS MARGIN BUDGET:

		PREVIOUS CROP:	CEREAL Standard Budget \$/Ha	CANOLA Standard Budget \$/Ha	PULSE Standard Budget \$/Ha	Your Budget \$/Ha
After	INCOME:					
Pulse	3.50 tonnes/ha @ \$271.00 /tonne (on farm) (PH)				\$948.50	
Canola	3.30 tonnes/ha @ \$244.00 /tonne (on farm) (AH)			\$805.20		
Cereal	2.80 tonnes/ha @ \$244.00 /tonne (on farm) (AH)		\$683.20			
	A. TOTAL INCOME \$/ha:		\$683.20	\$805.20	\$948.50	
	VARIABLE COSTS:					
	See opposite page for detail					
	Cultivation.....		\$8.05	\$8.05	\$8.05	
	Sowing		\$56.72	\$56.72	\$56.72	
	Fertiliser.....		\$220.07	\$220.07	\$160.57	
	Herbicide.....		\$40.06	\$35.38	\$35.38	
	Insecticide.....		\$0.00	\$0.00	\$0.00	
	Contract-harvesting.....		\$51.60	\$57.60	\$60.00	
	Levies.....		\$6.97	\$8.21	\$9.67	
	Crop Insurance.....		\$14.01	\$16.51	\$19.44	
	Cartage, grading & bagging.....		\$0.00	\$0.00	\$0.00	
	B. TOTAL VARIABLE COSTS \$/ha:		\$397.47	\$402.53	\$349.83	
	C. GROSS MARGIN (A-B) \$/ha:		\$285.73	\$402.67	\$598.67	

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 Department of Primary Industries over any other equivalent product from another manufacturer

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$204 /t	\$224 /t	\$244 /t	\$264 /t	\$284 /t	
After Cereal						
1.80	-\$17	\$18	\$53	\$88	\$123	
2.30	\$82	\$126	\$171	\$216	\$260	
2.80	\$177	\$231	\$286	\$340	\$394	←
3.30	\$270	\$334	\$398	\$462	\$526	
3.80	\$363	\$437	\$510	\$584	\$658	

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$204 /t	\$224 /t	\$244 /t	\$264 /t	\$284 /t	
After Canola						
1.80	-\$12	\$23	\$58	\$92	\$127	
2.30	\$87	\$131	\$176	\$220	\$265	
2.80	\$182	\$236	\$290	\$345	\$399	
3.30	\$275	\$339	\$403	\$467	\$531	←
3.80	\$368	\$441	\$515	\$589	\$662	
4.30	\$460	\$544	\$627	\$711	\$794	
4.80	\$553	\$646	\$739	\$832	\$926	

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$231 /t	\$251 /t	\$271 /t	\$291 /t	\$311 /t	
After Pulse						
2.00	\$87	\$126	\$164	\$203	\$242	
2.50	\$186	\$234	\$283	\$331	\$379	
3.00	\$278	\$337	\$395	\$453	\$511	
3.50	\$371	\$439	\$599	\$575	\$643	←
4.00	\$464	\$542	\$619	\$697	\$774	
4.50	\$557	\$644	\$732	\$819	\$906	
5.00	\$650	\$747	\$844	\$941	\$1,038	

NOTES:

Place in rotation:

- The performance of short fallow wheat crops can vary depending on the previous crop.
- Pulse and canola crops can provide an effective disease break if grass weeds are adequately controlled before and during canola/pulse crop. Additionally, a pulse crop improves soil nitrogen thereby reducing the amount of fertiliser required to achieve PH quality.
- Short Fallow: Fallow or weed-free period of 5-6 months between harvest of one crop and sowing of the next crop. For example, canola harvested in November would be under a 5-6 month fallow until sowing the next May.

Sowing time:

- Sowing at the optimum time for the selected variety is critical for maximum yield potential.
- There is a 4 to 7% yield loss for every week delay past the optimum sowing time.
- Seed price used above is for purchased seed; if using retained seed, adjust budget accordingly.

Weed control:

- Weed control, if required, should be implemented either pre-emergent or within 4 to 6 weeks after sowing time to limit yield loss.
- Rotate herbicide groups and use other non-chemical methods to avoid herbicide resistance developing.

Fertiliser:

- Adequate phosphorus is essential before applying extra nitrogen fertiliser.
- To achieve AH quality, wheat must have a protein level of 11.5% or higher. Seasonal conditions will also have a large effect on protein content.
- Nitrogen fertiliser applications may be split i.e. some applied pre-sowing and some post-emergent.
- The later nitrogen fertiliser is applied to a crop, the greater its effect on raising protein levels, and the less effect it has on increasing yield.

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.

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Winter 2009

CALENDAR OF OPERATIONS:

Operation	Month	Machinery			Inputs			Total Cost \$/ha
		hrs /ha	Cost \$/hour	Total \$/ha	Rate/ha	Cost \$	Total \$/ha	
Weed control eg: glyphosate 450 g/litre	Jan	0.05	43.36	\$2.34	1.20 L	\$7.38/L	\$8.85	\$11.19
Weed control eg: Garlon®	Jan	with above			0.12 L	\$29.93/L	\$3.59	\$3.59
Cultivation	Mar	0.17	47.03	\$8.05				\$8.05
Weed control eg: glyphosate 450 g/litre	Apr	0.05	43.36	\$2.34	0.80 L	\$7.38/L	\$5.90	\$8.24
Weed control eg: 2,4-D amine (Surpass®)	Apr	with above			1.20 L	\$6.22/L	\$7.46	\$7.46
Nitrogen Fertiliser- After Canola eg: Urea	May	0.17	64.36	\$10.82	120 kg	\$0.85/kg	\$102.00	\$112.82
Nitrogen Fertiliser- After Cereal eg: Urea	May	0.17	64.36	\$10.82	120 kg	\$0.85/kg	\$102.00	\$112.82
Nitrogen Fertiliser- After Pulses eg: Urea	May	0.17	64.36	\$10.82	50 kg	\$0.85/kg	\$42.50	\$53.32
Sowing	May	0.17	64.36	\$10.82	50 kg	\$0.92/kg	\$45.90	\$56.72
Starter fertiliser eg: MAP	May	with above			110 kg	\$0.98/kg	\$107.25	\$107.25
Weed control pre-emergent eg: Chlorsulfuron (Glean®)	May	0.05	43.36	\$2.34	20.0 g	\$0.12/g	\$2.35	\$4.69
Broadleaf weed control eg: MCPA LVE®	Jun/July	with above			0.50 L	\$9.81/L	\$4.90	\$4.90
Contract-harvest - After Canola	Nov	contract		\$57.60				\$57.60
Contract-harvest - After Cereal	Nov	contract		\$51.60				\$51.60
Contract-harvest - After Pulse	Nov			\$60.00				\$60.00
Crop Levies - After Canola					1.02%	of on-farm value		\$8.21
Crop Levies - After Cereal					1.02%	of on-farm value		\$6.97
Crop Levies - After Pulses					1.02%	of on-farm value		\$9.67
Crop Insurance - After Canola					2.05%	of on-farm value		\$16.51
Crop Insurance - After Cereal					2.05%	of on-farm value		\$14.01
Crop Insurance - After Pulses					2.05%	of on-farm value		\$19.44

*** Input and crop prices are correct at the time of writing (March 2009). Market uncertainty makes estimation of future pricing impractical.

NOTES (cont):

- Machinery:**
- A tractor with 149 kW (200 HP) pto power and 177 kW (240 HP) engine power is assumed.
 - Contract-harvesting does not include the cost of fuel.
- Labour:**
- The labour required for machinery operations is 1.26 hrs/ha
 - Using a labour cost of \$14/hr, an additional \$17.59 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 recommendation of that brand by NSW Department of Primary Industries.

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