

**DRYLAND COTTON (Roundup Ready Flex® Bollgard II® - Double skip)**  
**Farm Enterprise Budget Series - North West NSW**  
**Summer 2009-2010**

**1. GROSS MARGIN BUDGET:**

**INCOME:**

<b>Lint:</b>	2.70	bales/ha at	\$380.00	*/bale (at gin).....
<b>Seed:</b>	0.97	tonnes/ha at	\$275.00	/tonne (at gin).....

Standard Budget \$/ha	Your Budget \$/ha
\$1,026.00	
\$267.30	

\* \$20/bale reduction assumed due to quality reduction compared to irrigated cotton

**A. TOTAL INCOME \$/ha:**

<b>\$1,293.30</b>	
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**VARIABLE COSTS:**

see following page(s) for details

Cultivation.....	\$47.34	
Sowing.....	\$37.34	
Crop insurance.....	\$19.21	
Fertilizer & application.....	\$102.73	
Herbicide & application.....	\$214.55	
Insecticide & application.....	\$22.96	
Licence fees.....	\$195.00	
Contract harvesting.....	\$294.53	
Cartage to gin.....	\$31.76	
Ginning charges.....	\$148.50	
CA and Research Levy.....	\$12.15	
Consultant.....	\$60.00	
Unsprayed cotton refuge crop, 10% of area.....	\$25.75	

**B. TOTAL VARIABLE COSTS \$/ha:**

<b>\$1,211.83</b>	
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**C. GROSS MARGIN (A-B) \$/ha:**

<b>\$81.47</b>	
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**Breakeven yield, bales/ha**

<b>2.5</b>	
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**2. EFFECT OF YIELD AND PRICE ON GROSS MARGIN PER HECTARE:**  
**SENSITIVITY TABLE**

Lint Yield bales/ha	Seed Yield t/ha	At Gin Price					Lint price Seed price
		\$320 /bale \$235/t	\$350 /bale \$255/t	<b>\$380 /bale \$275/t</b>	\$410 /bale \$285/t	\$440 /bale \$295/t	
1.70	0.6	-\$449	-\$386	-\$323	-\$266	-\$208	<b>Gross Margin (\$/ha)</b>
1.90	0.7	-\$383	-\$313	-\$242	-\$178	-\$114	
2.30	0.8	-\$251	-\$166	-\$80	-\$3	\$74	
<b>2.70</b>	<b>1.0</b>	-\$119	-\$19	<b>\$81</b>	\$172	\$263	
3.20	1.2	\$45	\$165	\$284	\$391	\$499	
3.70	1.3	\$210	\$348	\$486	\$610	\$734	
4.20	1.5	\$375	\$532	\$688	\$829	\$970	
4.70	1.7	\$540	\$715	\$890	\$1,048	\$1,206	

# DRYLAND COTTON (Roundup Ready Flex® Bollgard II® - Double skip)

## Farm Enterprise Budget Series - North West NSW

Summer 2009-2010

CALENDAR OF OPERATIONS:		Machinery			Inputs				Total
Operation	Month	hrs /ha	Cost	Total	Rate/ha	Band Width	Cost	Total	Cost \$/ha
			\$/hour	\$/ha			\$	\$/ha	
Cultivation - chisel plough	Jan	0.14	56.21	7.87					<b>7.87</b>
Cultivation - chisel plough	Apr	0.14	56.21	7.87					<b>7.87</b>
Cultivation - scarifier	Jun	0.12	65.67	7.88					<b>7.88</b>
Herbicide - glyphosate CT ground spray	Aug	0.03	47.06	1.41	0.7 L	100%	5.21	3.65	<b>5.06</b>
Wetter - non-ionic surfactant	Aug	with above			0.2 L	100%	6.86	1.37	<b>1.37</b>
Fertiliser - MAP plus potassium blend	Aug	0.15	52.81	7.92	50 Kg	100%	0.87	43.50	<b>51.42</b>
Cultivation - harrow	Sep	0.12	65.67	7.88					<b>7.88</b>
Herbicide - trifluralin ground spray	Sep	with above			2.1 L	100%	8.16	17.14	<b>17.14</b>
Planting - precision planter	Sep	0.14	55.30	7.74					<b>7.74</b>
Planting- Roundup Ready Flex® Bollgard II®	Sep	with above			8 kg	50%	7.40	29.60	<b>29.60</b>
Urea application	Sep	with above	40 kgN		87 kg	100%	0.59	51.30	<b>51.30</b>
Herbicide - fluometuron+prometryn (440 & 400 g/L)	Sep	with above			2.9 kg	50%	14.14	20.50	<b>20.50</b>
Roundup Ready® Roundup	Oct	0.03	47.06	1.41	1.5 kg	100%	15.64	23.46	<b>24.87</b>
Roundup Ready® Roundup	Oct	0.03	47.06	1.41	1.5 kg	100%	15.64	23.46	<b>24.87</b>
Cultivation - interrow	Nov	0.15	52.81	7.92		100%			<b>7.92</b>
Insecticide - # fipronil 200g/L	Nov	0.03	47.06	1.41	0.06 L	50%	371.33	11.70	<b>11.70</b>
Cultivation - interrow	Nov	0.15	52.81	7.92		100%			<b>7.92</b>
Herbicide - diuron (900 g/kg)	Dec	0.03	47.06	1.41	1.5 kg	50%	10.61	7.96	<b>9.37</b>
Herbicide - prometryn (500 g/L)	Dec	with above			2.20 L	50%	16.31	17.94	<b>17.94</b>
Bollgard II® Licence fee *	Jan					50%	315.00	157.50	<b>157.50</b>
Roundup Ready Flex® Licence fee *	Jan					50%	75.00	37.50	<b>37.50</b>
Insecticide - fipronil (200g/L)	Jan	0.03	47.06	1.41	0.06 L	50%	371.33	7.72	<b>9.13</b>
Crop insurance	Sep								<b>19.21</b>
Insecticide - dimethoate (400g/L)	Feb	0.03	47.06	1.41	0.5 L	50%	4.37	0.72	<b>2.13</b>
Defoliant - thidiazuron	Apr	aerial spray		17.00	0.25 L	100%	189.00	47.25	<b>64.25</b>
Defoliant - crop oil	Apr	with above			2.0 L	100%	4.09	8.18	<b>8.18</b>
Defoliant - salt defoliant-aerial	Apr	aerial spray		17.00	2.0 L	100%	2.00	4.00	<b>21.00</b>
Contract picking and module building	Apr	contract		\$285	/ha				<b>285.00</b>
Contract Module lifting	May	contract		\$60	/module @ 17 bales per module				<b>9.53</b>
Contract module cartage to gin	May	contract		\$200	/module @ 50km from gin				<b>31.76</b>
Ginning charges	May	contract		\$55	/bale				<b>148.50</b>
Consultant	May	contract							<b>60.00</b>
ACF levy and Research levy	May			\$4.50	/bale				<b>12.15</b>
Refuge crop - unsprayed conventional cotton @ 10%									<b>25.75</b>
<b>TOTAL COSTS:</b>									<b>1,212</b>

This budget should be used as a GUIDE ONLY and should be changed by the grower to take account of movements in crop and in prices, changes in seasonal conditions and individual farm characteristics. Estimated prices are GST-exclusive.

**NOTES:**

**Insects:** Various insecticides are available for early season pest control (eg thrips, wireworms) but not included here, since they are not always required.

# fipronil applied for mirid control

The selection of insecticides is highly dependent on the insect spectrum, growers should be aware this is a generic program and selection of products should be made with IPM strategies in mind. Refer to the "Integrated Pest Management Guidelines for Australian Cotton" Rotation of insecticides should be followed as per industry strategy, which changes each year due to changes in insect resistance to chemicals from season to season.

For more detailed information, see the Industry & Investment NSW "Cotton Pest Management Guide 2009-2010".

*Use of a particular brand name does NOT imply recommendation of that brand by I&I NSW .*

*Always read chemical labels and follow directions, as it is your legal responsibility to do so.*

**Management:** This budget is for a long fallow following a winter cereal crop. Skip row allows significant cost savings to be made during the growing season and at harvest, but there is a yield trade-off.

**Seed:** Seed costs per kg will vary with the time of ordering and the seed treatment chosen.

**Fertiliser:** Fertiliser requirements should be based on paddock records and soil tests.

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

**Price:** Dryland cotton sometimes receives a price discount due to staple length and trash content. An average discount of \$20/bale has been used in this budget.

**LICENCE FEES:** \* The technology licence fees for Bolgard II® for 2009-10 is \$315/ha per green hectare and \$75/ha for Roundup Ready Flex® (GST-exclusive).

**DEFOLIANT:** Good conditions are required to get the best performance. The choice of defoliant and rate used depends on the moisture status of the plant and seasonal conditions.

**LABOUR REQUIREMENTS:** - labour is not costed in this budget. If labour costs \$20.00 /hr, total labour cost would be \$22.50/ha, reducing the gross margin to \$1,271 /ha.

**MACHINERY ASSUMPTIONS:**

Tractor: 165-170 KW PTO (225-230 HP)

Machinery costs refer to variable costs of: fuel, oil, filters, tyres, batteries and repairs.

You may need to add overhead costs as well, please refer to the Tractor and Implement Costs Guide

## DRYLAND COTTON - Refuge for Bollgard II®

### Farm Enterprise Budget Series - North West NSW

### Summer 2008-2009

#### GROSS MARGIN BUDGET:

#### INCOME:

<b>Lint:</b>	0.00 bales/ha at	*/bale (at gin).....
<b>Seed:</b>	0.0 tonnes/ha at	/tonne (at gin).....

Sample Budget \$/ha	Your Budget \$/ha
\$0.00	
\$0.00	

#### A. TOTAL INCOME \$/ha:

<b>\$0.00</b>	
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#### VARIABLE COSTS:

see Calendar of Operations below for details

Cultivation.....	\$37.18	
Sowing.....	\$41.99	
Crop insurance.....	\$0.00	
Fertiliser & application.....	\$60.24	
Herbicide & application.....	\$118.09	

#### B. TOTAL VARIABLE COSTS \$/ha:

<b>\$257.50</b>	
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#### C. GROSS MARGIN (A-B) \$/ha:

<b>(\$257.50)</b>	
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CALENDAR OF OPERATIONS:			Machinery			Inputs			Total
Operation	Month	hrs /ha	Cost \$/hour	Total \$/ha	Rate/ha	Band Width	Cost \$	Total \$/ha	Cost \$/ha
Herbicide - glyphosate CT	Jul	0.03	47.06	1.41	1.0 L	100%	5.21	5.21	<b>6.62</b>
Wetter - non-ionic surfactant	Jul	with above			0.2 L	100%	6.86	1.37	<b>1.37</b>
Herbicide - trifluralin (480 g/L)	Aug	0.03	47.06	1.41	2.8 L	100%	8.16	22.85	<b>24.26</b>
Plus incorporation	Aug	0.15	52.81	7.92		100%			<b>7.92</b>
Urea incorporation	Aug	0.17	52.56	8.94	87 kg	50%	0.59	51.30	<b>60.24</b>
Cultivation - scarifier	Sep	0.17	52.56	8.94					<b>8.94</b>
Herbicide - trifluralin (480 g/L)	Sep	with above			3.2 L	100%	8.16	26.11	<b>26.11</b>
Planting - precision planter	Oct	0.14	55.30	7.74					<b>7.74</b>
Planting - seed	Oct	with above			10 kg	50%	6.85	34.25	<b>34.25</b>
Herbicide - fluometuron+prometryn (440 & 400 g/L)	Oct	with above			3.5 L	100%	14.14	49.49	<b>49.49</b>
Cultivation - inter-row	Nov	0.15	52.81	7.92					<b>7.92</b>
Herbicide - shielded sprayer	Dec	0.09	55.81	5.02					<b>5.02</b>
Herbicide - glyphosate (450 g/L)	Dec	with above			2.0 L	50%	5.21	5.21	<b>5.21</b>
Slashing	Apr	0.20	62.01	12.40					<b>12.40</b>
<b>TOTAL COSTS \$/HA:</b>									<b>258</b>
<b>TOTAL COSTS for 10% hectare:</b>									<b>25.75</b>

#### AGRONOMIC NOTES:

MANAGEMENT:- Each grower is required to grow a refuge crop as part of the resistance management plan for the Roundup Ready Flex® Bollgard II® cotton varieties.

For the purposes of this example, we have used unsprayed (ie no insecticides) conventional cotton at 10% of the RR Bollgard II® area.

Please refer to the Monsanto Bollgard II® Resistance Management Plan for more information on refuge crops and minimum requirements.

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