



DRYLAND CANOLA (No Till)

Farm Enterprise Budget Series - North East NSW

Winter 2009

1. GROSS MARGIN BUDGET:

INCOME:

1.60 tonnes/ha@ \$490.00 /tonne (on farm)

Oil bonuses and discounts may also need to be considered in canola pricing.

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
\$784.00	

VARIABLE COSTS:

See next page for detail

A. TOTAL INCOME \$/ha:

\$784.00	
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Sowing.....	\$38.28	
Fertiliser.....	\$241.50	
Herbicide.....	\$45.81	
Insecticide.....	\$42.98	
Contract harvesting.....	\$79.72	
Levies.....	\$8.00	
Insurance.....	\$28.15	

B. TOTAL VARIABLE COSTS \$/ha:

\$484.44	
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C. GROSS MARGIN (A-B) \$/ha:

\$299.56	
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Water use efficiency example

Growing season rainfall (ie in-crop): mm
 Stored fallow moisture: mm (25% of rainfall in fallow period assumed)

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.

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	\$1.06	
kg of grain per mm	5.67	

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

YIELD tonnes/ha	On Farm Price				
	\$390 /tonne	\$440 /tonne	\$490 /tonne	\$540 /tonne	\$590 /tonne
0.5	-\$262	-\$238	-\$215	-\$191	-\$167
0.9	-\$113	-\$71	-\$28	\$15	\$58
1.3	\$35	\$97	\$159	\$221	\$283
1.6	\$147	\$223	\$300	\$376	\$452
2.0	\$296	\$391	\$487	\$582	\$677
2.4	\$445	\$559	\$673	\$788	\$902
2.9	\$624	\$762	\$900	\$1,039	\$1,177

Gross margin is zero when income is reduced by 38%
 or variable costs are increased by 62%

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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
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	1.00 L	7.43/L	7.43	4.86
wetting agent	Apr	with above			0.25 L	8.84/L	2.21	2.21
sowing	May	0.17	66.34	11.28	3 kg	9.00/kg	27.00	38.28
Fertiliser - Starter Z	May	with above			60 kg	1.17/kg	70.20	70.20
grass weed control eg haloxyfop-R 520g/L	Jul	0.05	45.64	2.28	75 ml	0.164/ml	12.27	14.55
crop oil	Jul	with above			0.50 L	6.35/L	3.18	3.18
aerial spray (1 year in 2)	Aug			14.50				7.25
insect control eg Pirimicarb®	Aug	with above			1 kg	55.40/kg	55.40	27.70
aerial spray (1 year in 4)	Oct			14.50				3.63
insect control eg. methomyl	Oct	with above			1.5 L	11.75/L	17.63	4.41
harvest (contract-windrowed)	Dec			79.72				79.72
levies	Nov			1.020%	of income			8.00
crop insurance				3.590%	of on-farm value			28.15

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:

Paddock selection: Only plant canola on country with high levels of soil moisture and fertility.

Growers should assess soil moisture profiles and fertility levels to assist with yield estimates.

Canola can benefit a winter cereal rotation by reducing cereal root diseases.

However, canola can reduce VAM levels which are required by summer crops.

Ensure that the seedbed is reasonably fine and firm. Select a paddock relatively free of broadleaf weeds.

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

Fertilisers: Canola needs more nitrogen than wheat does. N should be applied well in advance of planting. Apply very little or no N in contact with the seed since fertiliser burn may result.

Phosphorus is critical for canola and trials in the north have shown large responses on alkaline soils. Canola also requires high levels of available sulphur.

Sowing time: Sow mid-maturing varieties from early May and early maturing varieties from mid May.

Finish sowing about June 1 at Moree and June 15 south of Gunnedah.

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

Insects: Aphids need to be monitored from early flowering, when isolated colonies begin to spread. Control may be needed. Check for heliothis post flowering. Check for beneficial biological control agents such as ladybird larvae, hover fly larvae and fungal diseases.

For more information, refer to the agnote "Canola in northern NSW" or contact your local district agronomist.

Herbicides: Refer to the NSW DPI booklet "Weed Control in Winter Crops 2009" for options.

- 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.

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

According to the above operations, labour required is 0.49hrs/ha. Then multiplying this by 1.25 to allow for machinery repair time etc, and using a labour cost of \$19/hr, the cost of labour is \$11.34/ha, reducing the gross margin to \$288.22/ha.

MACHINERY ASSUMPTIONS:

Tractor: - pto power: 130 kW (175HP); engine power: 146 kW (196 HP)

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

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