



# NSW DEPARTMENT OF PRIMARY INDUSTRIES

## GUIDE TO HEADER COSTS

### Example header : Case IH 6088, JD 9670

New price: \$377,241  
 Trade-in price: 50% of new = \$188,621  
 Interest rate: 10%

Yearly work: 500 hrs/yr  
 Age at trade-in: 2000 hrs = 4.00 years  
 Average value: \$282,930

Tractor Overhead Costs		per year cost	per hour cost
Depreciation = (\$377241-\$188621)/4 yrs =		\$47,155	\$47,155 /500hrs/yr= \$94.31
Interest = ((\$377241+\$188621)/2)*10% =		\$28,293	\$28,293 /500hrs/yr= \$56.59
Insurance = ((\$10/\$1000)*(\$377241+\$188621)/2) =		\$2,829	\$2,829 /500hrs/yr= \$5.66
		\$78,277	Tractor Overhead Costs: \$156.55/hr
Tractor Variable Costs		Variable Costs Summary	
Item	No.	Cost	Use
Diesel fuel		\$1.12/L	36 L/hr
Engine oil		\$6.20/L	23L/200hrs
Transmission oil		\$6.00/L	17L/450hrs
Hydraulic oil		\$5.30/L	40L/450hrs
Hydrostatic oil		\$5.30/L	40L/450hrs
Final drive oil		\$5.30/L	10L/450hrs
Coolant		\$5.00/L	12L/450hrs
Air filter-inner	1	\$62/filter	1000 hrs/filter
Air filter-outer	1	\$152/filter	1000 hrs/filter
Fuel filter	2	\$65/filter	500 hrs/filter
Hydraulic oil filter	1	\$70/filter	500 hrs/filter
Oil filter	1	\$30/filter	500 hrs/filter
Water filter	1	\$39/filter	500 hrs/filter
Tyres - 800 - 65R32	2	\$4,050/tyre	3000 hrs/tyre
Tyres - 16.9 x 24	2	\$1,200/tyre	2000 hrs/tyre
Tubes - large	2	\$210/tube	6000 hrs/tube
Tubes - small	2	\$85/tube	4000 hrs/tube
Batteries	2	\$285/battery	1000hrs/battery
Repairs		2% tractor price/yr	
			FUEL: \$40.27/hr
			OIL: \$2.00/hr
			COOLANT: \$0.13/hr
			FILTERS: \$0.75/hr
			TYRES: \$3.90/hr
			TUBES: \$0.11/hr
			BATTERIES: \$0.57/hr
			REPAIRS: \$15.09/hr
			Header Variable Costs: \$62.83/hr
			TOTAL Header Costs per hour: \$219.38/hr
			(Based on 500 hours work per year)

### SENSITIVITY TABLE FOR TOTAL HEADER COSTS PER HOUR

Yearly hours work:	Age at Trade-in (yrs); Value at Trade-in (% of new price)				
	1 years	2 years	3 years	4 years	5 years
	70%	62%	56%	50%	45%
400	\$433.94	\$326.05	\$282.07	\$258.52	\$241.78
450	\$392.70	\$296.80	\$257.71	\$236.78	\$221.90
500	\$359.71	\$273.40	\$238.22	\$219.38	\$205.99
550	\$332.72	\$254.26	\$222.27	\$205.15	\$192.97

### SENSITIVITY TABLE FOR TOTAL HEADER COSTS PER HECTARE

Yearly hours work:	Age at Trade-in (yrs); Value at Trade-in (% of new price)				
	1 years	2 years	3 years	4 years	5 years
	70%	62%	56%	50%	45%
400	\$75	\$56	\$48	\$44	\$42
450	\$67	\$51	\$44	\$41	\$38
500	\$62	\$47	\$41	\$38	\$35
550	\$57	\$44	\$38	\$35	\$33

NOTE: 9m front travelling at 8km/hr @ 80% efficiency = 5.82 ha per hour