


**DRYLAND WHEAT (Undersown with lucerne)**  
**Farm Enterprise Budget Series - North East NSW**
**May 2008****1. GROSS MARGIN BUDGET:****INCOME:**

2.00 tonnes/ha@ \$270.00 /tonne (AH12, on farm)

Sample Budget \$/ha	Your Budget \$/ha
\$540.00	

**A. TOTAL INCOME \$/ha:****\$540.00****VARIABLE COSTS:**

See next page for detail

Sowing.....	\$75.90	
Fertiliser.....	\$130.00	
Herbicide.....	\$69.80	
Contract harvesting.....	\$42.36	
Levies.....	\$5.48	
Insurance.....	\$11.07	

**B. TOTAL VARIABLE COSTS \$/ha:****\$334.61****C. GROSS MARGIN (A-B) \$/ha:****\$205.39****2. EFFECT OF YIELD AND PRICE ON GROSS MARGIN PER HECTARE:**

YIELD tonnes/ha	On Farm Price				
	\$170 /tonne	\$220 /tonne	<b>\$270 /tonne</b>	\$320 /tonne	\$370 /tonne
1.1	- \$137	- \$83	- \$30	\$23	\$76
1.4	- \$87	- \$19	\$48	\$116	\$184
1.7	- \$38	\$44	\$127	\$209	\$292
<b>2.0</b>	\$12	\$108	<b>\$205</b>	\$302	\$399
2.3	\$61	\$172	\$284	\$395	\$507
2.6	\$109	\$235	\$361	\$487	\$613
2.9	\$154	\$295	\$435	\$576	\$716

Gross margin is zero when income is reduced by 38%  
 or variable costs are increased by 61%

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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	
<i>Type &amp; timing of fallow weed control required will depend on previous crop type and weeds present.</i>								
broadleaf and grass weed control eg: glyphosate 450 g/L	Jan	0.04	50.36	2.01	1.50 L	12.50/L	18.75	<b>20.76</b>
wetting agent	Jan	with above			0.25 L	7.50/L	1.88	<b>1.88</b>
broadleaf and grass weed control eg: trifluralin	Apr	0.42	23.28	9.78	1.0 L	7.02/L	7.02	<b>16.80</b>
sowing-wheat seed	May	0.17	64.21	10.92	30 kg	0.95/kg	28.50	<b>39.42</b>
sowing-lucerne seed					4 kg	9.12/kg	36.48	<b>36.48</b>
fertiliser (DAP sulphur)	May	with above			100 kg	1.30/kg	130.00	<b>130.00</b>
broadleaf weed control* (2,4-DB 500g/L)	Jun	0.04	50.36	2.01	2.10 L	13.50/L	28.35	<b>30.36</b>
harvest (contract)	Nov			42.36				<b>42.36</b>
levies	Nov			1.015%				<b>5.48</b>
crop insurance				2.050%	on-farm value			<b>11.07</b>

## AGRONOMIC REQUIREMENTS:

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

**Sowing :** Sowing at the optimum time for the selected variety is critical for maximum wheat yield. There is a 4% to 7% yield loss for every weeks delay past the optimum sowing time.

Refer to NSW DPI "Winter Crop Variety Sowing Guide 2008" for wheat sowing guidelines and NSW DPI "Current Lucerne Varieties 2007" Primefact 705, for lucerne variety information.

Good lucerne seed placement and thus germination can be achieved with adequate sowing equipment.

**Fertiliser:** Nutrient requirements should be assessed with soil tests, strip trials and records.

**Weed Control:** Weed control, if required, should be timely to be cost effective. To reduce the likelihood of herbicide resistance, rotate herbicide groups and weed management techniques.

\* 2,4-DB 500g/L used for broadleaf weed control as example only, appropriate chemicals and label rates differ for different weeds with undersown legumes so refer to the NSW DPI booklet "Weed Control in Winter Crops 2008" 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.*

**Harvest:** Yields over 2.5 t/ha are assumed to cost a further \$1.48 per extra 100kg of grain harvested.

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

According to the above operations, labour required is 0.67hrs/ha. Then multiplying this by 1.25 to allow for machinery repair time etc, and using a labour cost of \$16/hr, the cost of labour is \$13.40/ha, reducing the gross margin to \$191.99/ha.

## MACHINERY ASSUMPTIONS:

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

Contract harvesting costs include \$6.36/ha worth of fuel.

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