

Oats-grain: Short Fallow [No-till] Central Zone - West

Winter 2010

1. GROSS MARGIN BUDGET:

INCOME:

1.60 tonnes/ha @ \$150.00 /tonne (on farm) (feed)

A. TOTAL INCOME \$/ha:

VARIABLE COSTS:

See opposite page for detail

Sowing.....	\$67.79
Fertiliser.....	\$52.80
Herbicide.....	\$0.00
Insecticide.....	\$4.96
Contract-harvesting.....	\$48.00
Levies.....	\$2.44
Crop Insurance.....	\$2.46
Cartage, grading & bagging.....	\$0.00

B. TOTAL VARIABLE COSTS \$/ha:

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

Standard Budget \$/ha	Your Budget \$/ha
\$240.00	
\$240.00	
\$67.79	
\$52.80	
\$0.00	
\$4.96	
\$48.00	
\$2.44	
\$2.46	
\$0.00	
\$178.44	
\$61.56	

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$110 /t	\$130 /t	\$150 /t	\$170 /t	\$190 /t	
0.80	-\$87	-\$72	-\$56	-\$40	-\$25	
1.00	-\$66	-\$46	-\$27	-\$7	\$13	
1.20	-\$44	-\$21	\$3	\$26	\$50	
1.60	-\$1	\$30	\$62	\$93	\$124	←
2.00	\$42	\$81	\$120	\$160	\$199	
2.60	\$99	\$150	\$201	\$252	\$303	
3.00	\$138	\$197	\$255	\$314	\$373	

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 Industry & Investment NSW over any other equivalent product from another manufacturer.

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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/L	Dec/Jan	0.03	79.73	\$2.61	1.20 L	\$4.97/L	\$5.96	\$8.57
Weed control eg: Garlon®	Dec/Jan	with above			0.12 L	\$27.50/L	\$3.30	\$3.30
Weed control eg: glyphosate 450 g/L	Dec/Jan	0.03	79.73	\$2.61	1.20 L	\$4.97/L	\$5.96	\$8.57
Weed control eg: 2,4-D amine (Surpass®) 300 g/L	Dec/Jan	with above			1.00 L	\$5.15/L	\$5.15	\$5.15
Nitrogen fertiliser eg: Urea	May	0.12	107.73	\$12.62	40 kg	\$0.59/kg	\$23.60	\$36.22
Sowing	May	0.12	107.73	\$12.62	45 kg	\$1.23/kg	\$55.17	\$67.79
Starter fertiliser eg: MAP	May	with above			60 kg	\$0.88/kg	\$52.80	\$52.80
Early post-emergent weed control eg: (Glean®)	Jun	0.03	79.73	\$2.61	20 g	0.12 /g	\$2.35	\$4.96
Contract-harvest	Nov	contract		\$48.00				\$48.00
Crop Levies					1.02%	of on-farm value		\$2.44
Crop Insurance					1.03%	of on-farm value		\$2.46

*** Input and crop prices are correct at the time of writing (March 2010). Market uncertainty makes estimation of future pricing impractical.

NOTES:

Soil type:

- Oats is more suited to the light sandy acid soils than wheat or barley (except Coolabah).

Seed:

- Seed price used above is for purchased seed; if using retained seed adjust budget accordingly.

Place in rotation:

- Useful acid soil tolerant cereal crop.

- 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 in the next May.

Weed control:

- Timing of fallow herbicide applications will vary according to rainfall.

- Many grassweed control options available in wheat and barley are not able to be used in oats.

- An additional knockdown herbicide application (i.e. Glyphosate 450® @ 1.0 L/ha) should be considered if weeds are present at the time of sowing.

- Chlorsulfuron (i.e. Glean®) however, can be used (post emergent) to control annual ryegrass.

- Chlorsulfuron also controls some broadleaf weeds.

- Rotate herbicide groups and use other non-chemical methods to delay herbicide resistance.

Machinery:

- A tractor with 203 kW (272 HP) pto power and 242kW (325 HP) engine power is assumed.

- Machinery costs refer only to variable costs: fuel, oil, filters, tyres, batteries & repairs.

Labour:

- The labour required for machinery operations is 0.19 hr/ha

- Using a labour cost of \$21/hr, an additional \$3.93 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 a recommendation of that brand by Industry & Investment NSW.