



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

Winter 2009

1. GROSS MARGIN BUDGET:

INCOME:

1.60 tonnes/ha @ \$190.00 /tonne (on farm) (feed)

A. TOTAL INCOME \$/ha:

VARIABLE COSTS:

See opposite page for detail

Cultivation.....	\$0.00	
Sowing.....	\$67.79	
Fertiliser.....	\$58.50	
Herbicide.....	\$0.00	
Insecticide.....	\$4.96	
Contract-harvesting.....	\$48.00	
Levies.....	\$3.09	
Crop Insurance.....	\$3.12	
Cartage, grading & bagging.....	\$0.00	

B. TOTAL VARIABLE COSTS \$/ha:

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

Standard Budget \$/Ha	Your Budget \$/Ha
\$304.00	
\$304.00	
\$0.00	
\$67.79	
\$58.50	
\$0.00	
\$4.96	
\$48.00	
\$3.09	
\$3.12	
\$0.00	
\$185.44	
\$118.56	

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$150 /t	\$170 /t	\$190 /t	\$210 /t	\$230 /t	
0.80	- \$62	- \$46	- \$30	- \$15	\$1	
1.00	- \$32	- \$13	\$7	\$26	\$46	
1.20	- \$3	\$21	\$44	\$68	\$91	
1.60	\$56	\$87	\$119	\$150	\$181	←
2.00	\$115	\$154	\$193	\$232	\$271	
2.60	\$196	\$247	\$297	\$348	\$399	
3.00	\$250	\$308	\$367	\$426	\$485	

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 NSW Department of Primary Industries 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/litre	Dec/Jan	0.03	79.73	\$2.61	1.20 L	\$7.38/L	\$8.85	\$11.46
Weed control eg: Garlon®	Dec/Jan	with above			0.12 L	\$29.93/L	\$3.59	\$3.59
Weed control eg: glyphosate 450 g/litre	Dec/Jan	0.03	79.73	\$2.61	1.20 L	\$7.38/L	\$8.85	\$11.46
Weed control eg: 2,4-D amine (Surpass®)	Dec/Jan	with above			1.00 L	\$6.22/L	\$6.22	\$6.22
Nitrogen fertiliser eg: Urea	May	0.12	107.73	\$12.62	40 kg	\$0.85/kg	\$34.00	\$46.62
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	\$0.98/kg	\$58.50	\$58.50
Early post-emergent weed control eg: (Glean®)	Jne	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		\$3.09
Crop Insurance					1.03%	of on-farm value		\$3.12

*** Input and crop prices are correct at the time of writing (March 2009). 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 hrs/ha

- Using a labour cost of \$14/hr, an additional \$2.62 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 NSW Department of Primary Industries.