



# DRYLAND OATS (No Till)

## Farm Enterprise Budget Series - North East NSW

Winter 2009

### 1. GROSS MARGIN BUDGET:

**INCOME:**

2.00 tonnes/ha@ \$230.00 /tonne (Milling Oats)

Sample Budget \$/ha	Your Budget \$/ha
\$460.00	

Crop prices were correct at the time of writing (Mar 17 2009), world market volatility makes estimation of future pricing impractical.

**A. TOTAL INCOME \$/ha:**

<b>\$460.00</b>	
-----------------	--

**VARIABLE COSTS:**

See next page for detail

Cultivation.....	\$0.00	
Sowing.....	\$72.58	
Fertiliser.....	\$139.04	
Herbicide.....	\$47.09	
Contract harvesting.....	\$54.72	
Levies.....	\$4.69	

**B. TOTAL VARIABLE COSTS \$/ha:**

<b>\$318.12</b>	
-----------------	--

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

<b>\$141.88</b>	
-----------------	--

Water use efficiency example

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	90	
Total crop water use mm	302	
Gross margin per mm	<b>\$0.47</b>	
kg of grain per mm	6.62	

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.

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

YIELD tonnes/ha	On Farm Price				
	\$130 /tonne	\$180 /tonne	<b>\$230 /tonne</b>	\$280 /tonne	\$330 /tonne
1.0	-\$185	-\$135	-\$86	-\$36	\$13
1.3	-\$142	-\$76	-\$10	\$56	\$122
1.7	-\$99	-\$16	\$66	\$148	\$231
<b>2.0</b>	-\$56	\$43	<b>\$142</b>	\$241	\$340
3.0	\$63	\$211	\$360	\$508	\$657
4.0	\$172	\$370	\$568	\$766	\$964
5.0	\$282	\$529	\$777	\$1,024	\$1,272

Gross margin is zero when income is reduced by 31%  
or variable costs are increased by 45%

# DRYLAND OATS (No Till)

Farm Enterprise Budget Series - North East NSW

Winter 2009

CALENDAR OF OPERATIONS:		Machinery			Inputs			Total Cost \$/ha
Operation	Month	hrs /ha	Cost \$/hour	Total \$/ha	Rate/ha	Cost \$	Total \$/ha	
harvest previous crop	Dec							
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	<b>11.20</b>
broadleaf weed control eg 2,4-D amine 300g/L	Dec	with above			1.80 L	4.23/L	7.61	<b>\$7.61</b>
wetting agent	Dec	with above			0.25 L	8.84/L	2.21	<b>2.21</b>
nitrogen fertiliser eg. anhydrous ammonia	Feb	0.17	45.91	7.80	56 kg	1.09/kg	61.04	<b>68.84</b>
broadleaf and grass weed control eg: glyphosate 450 g/L	Apr	0.05	45.64	2.28	1.0 L	7.43/L	7.43	<b>9.71</b>
wetting agent	Apr	with above			0.25 L	8.84/L	2.21	<b>2.21</b>
sowing	May	0.17	66.34	11.28	50 kg	1.23/kg	61.30	<b>72.58</b>
Fertiliser eg. starter 12Z	May	with above			60 kg	1.17/kg	70.20	<b>70.20</b>
broadleaf and grass weed control eg: chlorsulfuron 750g + wetter	Jun	0.05	45.64	2.28	20 g	0.14/g	2.80	<b>5.08</b>
broadleaf weed control eg. MCPA 500	Aug	0.05	45.64	2.28	1.0 L	6.78/L	6.78	<b>9.06</b>
contract harvest	Nov			54.72				<b>54.72</b>
levies	Nov			1.020%	of farm gate value			<b>4.69</b>

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:

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

**Rotation Place:** Very useful as a first crop after the pasture phase to break disease cycles such as "take all" in wheat.

**Soil Type:** Oats are more suited to the light sandy acid soils than wheat or barley.

**Herbicides:** When oats are used as a disease break crop, annual grass weeds must be controlled with a herbicide.

Chlorsulfuron is used early post emergence for annual phalaris and wireweed control. Glyphosate CT is for fallow weed control.

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

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

*Use of a particular brand name does NOT imply a recommendation of that brand by NSW DPI.*

*- Always read chemical labels and follow directions, as it is your legal responsibility to do so.*

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

According to the above operations, labour required is 0.54hrs/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 \$12.49/ha, reducing the gross margin to \$129.38/ha.

## MACHINERY ASSUMPTIONS:

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

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