



DRYLAND CANOLA (no till)

Farm Enterprise Budget Series - North West NSW

Winter 2009

1. GROSS MARGIN BUDGET:

INCOME:

1.30 tonnes/ha@ \$490.00 /tonne (on farm)

Oil bonuses and discounts may also need to be considered in canola pricing.

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

Sample Budget \$/ha	Your Budget \$/ha
\$637.00	

A. TOTAL INCOME \$/ha:

\$637.00	
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VARIABLE COSTS:

See next page for detail

Sowing.....	\$26.07	
Fertiliser.....	\$119.88	
Herbicide.....	\$60.30	
Insecticide.....	\$50.23	
Contract harvesting.....	\$75.00	
Levies.....	\$6.50	
Insurance.....	\$11.08	

B. TOTAL VARIABLE COSTS \$/ha:

\$349.07	
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C. GROSS MARGIN (A-B) \$/ha:

\$287.93	
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Water use efficiency example

Growing season rainfall (ie in-crop): mm 253

Stored fallow moisture: mm (25% of rainfall in fallow period) 60

Early crop water use: mm 110

Total crop water use mm 203

Gross margin per mm **\$1.42**

kg of grain per mm 6.4

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				
	\$390 /tonne	\$440 /tonne	\$490 /tonne	\$540 /tonne	\$590 /tonne
0.50	- \$109	- \$85	- \$61	- \$36	- \$12
0.75	- \$15	\$22	\$58	\$95	\$131
1.00	\$80	\$129	\$177	\$226	\$275
1.30	\$194	\$257	\$320	\$384	\$447
1.70	\$346	\$428	\$511	\$594	\$676
2.10	\$497	\$599	\$702	\$804	\$906
2.50	\$649	\$771	\$892	\$1,014	\$1,135

Gross margin is zero when income is reduced by 45%
or variable costs are increased by 82%

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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	
harvest previous crop	Nov							
broadleaf and grass weed control eg: glyphosate 450	Dec	0.03	45.23	1.36	1.2 L	7.43/L	8.92	10.27
broadleaf weed control eg 2,4-D amine 300g/L	Dec	with above			1.80 L	4.23/L	7.61	7.61
wetter - non-ionic surfactant	Dec	with above			0.04 L	6.86/L	0.27	0.27
broadleaf and grass weed control eg: glyphosate 450	Jan	0.03	45.23	1.36	1.0 L	7.43/L	7.43	8.79
broadleaf weed control eg triclopyr 600g	Jan	with above			0.12 L	43.63/L	5.24	5.24
wetter - non-ionic surfactant	Jan	with above			0.04 L	6.86/L	0.27	0.27
broadleaf and grass weed control eg: glyphosate 450	Feb	0.03	45.23	1.36	1.0 L	7.43/L	7.43	8.79
broadleaf weed control eg 2,4-D amine 300g/L	Feb	with above			1.2 L	4.23/L	5.08	5.08
wetter - non-ionic surfactant	Feb	with above			0.04 L	6.86/L	0.27	0.27
nitrogen fertiliser eg. urea	Feb	0.13	50.64	6.58	80 kg	0.76/kg	60.80	67.38
broadleaf and grass weed control eg: glyphosate 450 g/L	Apr	0.03	45.23	1.36	0.5 L	7.43/L	3.72	2.54
sowing	May	0.12	67.23	8.07	2.0 kg	9.00/kg	18.00	26.07
fert. (Granulock 15)	May	with above			50 kg	1.05/kg	52.50	52.50
grass weed control eg haloxyfop-R 520g/	Jul	0.03	45.23	1.36	0.06 L	163.59/L	9.82	11.17
insect control eg pirimicarb	Aug	aerial spray		14.50	0.5 Kg	55.40/kg	27.70	42.20
aerial spray (1 year in 4)	Oct	aerial spray		14.50				3.63
insect control eg. methomyl	Oct	with above			1.5 L	11.75/L	17.63	4.41
harvest (contract-windrowed)	Dec			75.00				75.00
crop levies	Nov			1.020%				6.50
crop insurance				1.740%	of on-farm value			11.08

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:

Moisture considerations: Growers should assess soil moisture profiles and fertility levels to assist with yield estimates. At least 90cm to 1m of soil moisture is needed before sowing canola.

Paddock selection: Where possible, grow under zero-tillage management. Only plant canola on the best country with high levels of soil moisture and fertility.

Canola can benefit a winter cereal rotation by reducing cereal root diseases. However, canola can reduce VAM levels which are required by summer crops.

Select a paddock relatively free of broadleaf weeds following cereal crops or pulses.

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

Fertilisers: Soil testing for nitrogen (N) and sulfur is essential to adequately budget for fertiliser. Canola needs more N than wheat. N should be applied well in advance of planting. Apply very little or no N in contact with the seed since fertiliser burn may result. Phosphorus is critical for canola and trials in the north have shown large responses. Canola requires high levels of available sulfur. Granulock 15 is used in the budget for increased sulfur (S), gypsum is a good alternative source of S.

Sowing time: Sow mid-maturing varieties from early May and early maturing varieties from mid May.

Finish sowing about June 1 at Moree and June 15 south of Gunnedah. Refer to NSW DPI "Winter Crop Variety Sowing Guide 2009" for sowing guidelines.

Insects: Check for beneficial biological control agents such as ladybird larvae, hover fly larvae and fungal diseases. Aphids need to be monitored from early flowering, when isolated colonies begin to spread control may be needed. Check for heliothis post flowering.

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

For more information, refer to the Primefact "Canola in northern NSW", or contact your local district agronomist.

- 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.

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

According to the above operations, labour required is 0.31hrs/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 \$7.17/ha, reducing the gross margin to \$280.76/ha.

MACHINERY ASSUMPTIONS:

Tractor: 170 KW PTO (230 HP) and 200 KW engine (265 HP)
 machinery costs refer only to variable costs (running costs), not overhead costs.