

DRYLAND GRAIN SORGHUM (No-Till)

Farm Enterprise Budget Series - North East NSW

Summer 2009-2010

1. GROSS MARGIN BUDGET:

INCOME:

4.50 tonnes/ha at \$160.00 /tonne (on farm).....

Sample Budget \$/ha	Your Budget \$/ha
\$720.00	

8 t/ha achievable on the Liverpool Plains, but an average range of 3.5 to 4 t/ha is more likely in other areas.

Cartage costs will vary with distance, so have not been included. The on-farm price is after cartage.

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

A. TOTAL INCOME \$/ha:

\$720.00	
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VARIABLE COSTS:

see following page(s) for details

Sowing.....	\$43.20	
Fertiliser & application	\$132.50	
Herbicide & application.....	\$128.55	
Insecticide & application.....	\$28.72	
Harvesting.....	\$84.94	
Levies and insurance.....	\$44.41	

B. TOTAL VARIABLE COSTS \$/ha:

\$462.32	
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C. GROSS MARGIN (A-B) \$/ha:

\$257.68	
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SENSITIVITY TABLE

YIELD tonnes/ha	On Farm Price						
	\$120 /t	\$140 /t	\$160 /t	\$180 /t	\$200 /t	\$220 /t	\$240 /t
2.50	-\$135	-\$86	-\$36	\$13	\$63	\$112	\$162
3.00	-\$81	-\$22	\$37	\$97	\$156	\$216	\$275
4.00	\$26	\$105	\$184	\$263	\$343	\$422	\$501
4.50	\$80	\$169	\$258	\$347	\$436	\$525	\$614
5.00	\$133	\$232	\$331	\$430	\$529	\$628	\$727
6.00	\$240	\$359	\$478	\$597	\$716	\$834	\$953
7.00	\$348	\$486	\$625	\$763	\$902	\$1,041	\$1,179
8.00	\$455	\$613	\$772	\$930	\$1,088	\$1,247	\$1,405
9.00	\$562	\$740	\$919	\$1,097	\$1,275	\$1,453	\$1,631

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CALENDAR OF OPERATIONS:		Machinery			Inputs			Total
Operation	Month	hrs /ha	Cost	Total	Rate/ha	Cost	Total	Cost
			\$/hour	\$/ha		\$	\$/ha	\$/ha
Herbicide - ground spray, glyphosate CT	Jan	0.05	47.19	2.36	1.5 L	5.21	7.82	10.17
Wetter - non-ionic surfactant	Jan	with above			0.2 L	6.86	1.37	1.37
Herbicide - ground spray, glyphosate CT	Apr	0.05	47.19	2.36	1.2 L	5.21	6.25	8.61
Herbicide - 2,4-D i.p.a. 300g/L	Apr	with above			0.8 L	4.18	3.34	3.34
Wetter - non-ionic surfactant	Apr	with above			0.2 L	6.86	1.37	1.37
Herbicide - ground spray, glyphosate CT	Jun	0.05	47.19	2.36	1.2 L	5.21	6.25	8.61
Wetter - non-ionic surfactant	Jun	with above			0.2 L	6.86	1.37	1.37
Herbicide - ground spray, glyphosate CT	Sep	0.05	47.19	2.36	1.2 L	5.21	6.25	8.61
Wetter - non-ionic surfactant	Sep	with above			0.2 L	6.86	1.37	1.37
Seed - thiamethoxam + Concep II treated	Oct	0.18	66.67	12.00	2.6 kg	12.00	31.20	43.20
Fertiliser - Starter 12Z	Oct	with above			40.0 kg	1.10	44.00	44.00
Fertiliser - Urea (bulk)	Oct	with above			150 kg	0.59	88.50	88.50
Herbicide - ground, PSPE	Oct	0.05	47.19	2.36				2.36
Herbicide - S-metolachlor+atrazine	Oct	with above			3.2 L	13.49	43.17	43.17
Herbicide - fluroxypyr 333g/L	Nov	0.05	47.19	2.36	0.3 L	28.10	8.43	10.79
Wetter - non-ionic surfactant	Nov	with above			0.1 L	6.86	0.69	0.69
Insecticide -spray coupe (contract)	Jan			16.00				12.80
Nuclear polyhedrosis virus (NPV, 4 yrs in 5)	Jan	with above			0.375 L	53.07	19.90	15.92
Crop insurance *	Jan			4.21%				30.31
Desiccant - aerial spray, glyphosate CT	Feb/Mar			17.00	1.6 L	5.21	8.34	25.34
Wetter - non-ionic surfactant	Feb/Mar	with above			0.2 L	6.86	1.37	1.37
Harvest #	Mar/Apr	contract		84.94	per ha incl fuel			84.94
Grains Research Levy		1.020%	of farm gate value				7.34	7.34
GrainCorp Levy \$/t				\$1.50	per tonne			6.75

AGRONOMIC NOTES:

No-Till sorghum requires a high level of management and greater input of herbicide and fertiliser than "conventional tillage" sorghum. However, it results in higher yields (often 15%) and allows more planting opportunities (due to longer retention of sowing moisture). It is also an excellent means of reducing soil erosion through stubble retention.

Insects: Heliothis control assumed to be required in 4 out of 5 years, thus 80% of area in the budget.

Fertiliser: Fertiliser requirements should be based on paddock records, soil tests and planting region.

Sowing: Seed price is assumed to include pre-treatment with insecticide and seed safener.

Planting time: Planting sorghum after the end of December significantly increases the chances of sorghum ergot, which can cause a substantial decline in yields and unsaleable grain.

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

Wetter rate assumes spray rate of 100L/ha.

Insurance: * Varies with local government area and postcode, check with your insurer.

Harvest costs based on \$60/ha for a crop up to 2.5 t/ha with estimated increment of \$1.00 per extra 100 kg/ha above 2.5 t/ha.

For further information refer to the NSW Department of Primary Industries "Summer Crop Production Guide 2009-10" and the Grain Sorghum Agfact, P3.3.5

Use of a particular brand name does NOT imply recommendation of that brand by I&I NSW.

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. If labour costs \$20.00 /hr, total labour cost would be \$10.75/ha, reducing the gross margin to \$247 /ha.

MACHINERY ASSUMPTIONS: Tractor assumption: 130-140 KW PTO (173-180 HP)

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

You may need to add overhead costs as well, please refer to the Tractor and Implement Costs Guide

This budget should be used as a GUIDE ONLY and should be changed by the grower to take account of movements in crop and input prices, changes in seasonal conditions and individual farm characteristics. Estimated prices are GST-exclusive.