



Barley: Short Fallow

Central Zone - East

Winter 2009

1. GROSS MARGIN BUDGET:

INCOME:

2 Row Feed	3.00 tonnes/ha @	\$170.00 /tonne (on farm) (feed)
Malt	3.00 tonnes/ha @	\$200.00 /tonne (on farm) (malt)

A. TOTAL INCOME \$/ha:

VARIABLE COSTS:

See opposite page for detail

Cultivation.....	\$8.05	\$8.05
Sowing.....	\$64.37	\$64.37
Fertiliser.....	\$167.82	\$167.82
Herbicide.....	\$58.10	\$58.10
Insecticide.....	\$0.00	\$0.00
Contract-harvesting.....	\$54.00	\$54.00
Levies.....	\$10.59	\$9.68
Crop Insurance.....	\$12.30	\$10.46
Cartage, grading & bagging.....	\$0.00	\$0.00

B. TOTAL VARIABLE COSTS \$/ha:

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

Malt Standard Budget \$/Ha	2 Row Feed Standard Budget \$/Ha	Your Budget \$/Ha
	\$510.00	
\$600.00		
\$600.00	\$510.00	
\$8.05	\$8.05	
\$64.37	\$64.37	
\$167.82	\$167.82	
\$58.10	\$58.10	
\$0.00	\$0.00	
\$54.00	\$54.00	
\$10.59	\$9.68	
\$12.30	\$10.46	
\$0.00	\$0.00	
\$375.22	\$372.47	
\$224.78	\$137.53	

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

Malt Barley

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)				
	\$160 /t	\$180 /t	\$200 /t	\$220 /t	\$240 /t
1.50	-\$116	-\$87	-\$58	-\$29	\$0
2.00	-\$39	\$0	\$38	\$77	\$116
2.50	\$38	\$86	\$135	\$183	\$232
3.00	\$108	\$167	\$225	\$283	\$341
3.50	\$179	\$247	\$315	\$383	\$451
4.00	\$250	\$328	\$405	\$483	\$560
4.50	\$321	\$408	\$495	\$583	\$670
5.00	\$392	\$489	\$586	\$682	\$779

Gross Margin (\$/ha)

2 Row Feed Barley

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)				
	\$130 /t	\$150 /t	\$170 /t	\$190 /t	\$210 /t
1.50	-\$160	-\$130	-\$101	-\$72	-\$43
2.00	-\$97	-\$59	-\$20	\$19	\$58
2.50	-\$35	\$13	\$62	\$110	\$159
3.00	\$21	\$79	\$138	\$196	\$254
3.50	\$77	\$145	\$213	\$281	\$349
4.00	\$134	\$211	\$289	\$366	\$444
4.50	\$190	\$277	\$364	\$452	\$539
5.00	\$246	\$343	\$440	\$537	\$634

Gross Margin (\$/ha)

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	Jan	0.05	43.36	\$2.34	1.20 L	\$7.38/L	\$8.85	\$11.19
Weed control eg: Garlon®	Jan	with above			0.12 L	\$29.93/L	\$3.59	\$3.59
Cultivation	Mar	0.17	47.03	\$8.05				\$8.05
Weed control eg: glyphosate 450 g/litre	Apr/May	0.05	43.36	\$2.34	0.80 L	\$7.38/L	\$5.90	\$8.24
Weed control eg: 2,4-D amine (Surpass®)	Feb	with above			1.00 L	\$6.22/L	\$6.22	\$6.22
Nitrogen fertiliser eg: Urea	May	0.17	64.36	\$10.82	70 kg	\$0.85/kg	\$59.50	\$70.32
Sowing	May	0.17	64.36	\$10.82	50 kg	\$1.07/kg	\$53.55	\$64.37
Starter fertiliser eg: MAP	May	with above			100 kg	\$0.98/kg	\$97.50	\$97.50
Grass weed control eg: Diclofop-methyl (Hoegrass®)	Jun	0.05	43.36	\$2.34	1.00 L	\$17.33/L	\$17.33	\$19.67
Broadleaf weed control eg: MCPA LVE®	Jul	0.05	43.36	\$2.34	0.70 L	\$9.81/L	\$6.86	\$9.20
Contract-harvest	Nov	contract		\$54.00				\$54.00
Crop Levies - 2 row feed					\$1.50/tonne + 1.015% of on-farm value			\$9.68
Crop Levies - malt					\$1.50/tonne + 1.015% of on-farm value			\$10.59
Crop Insurance - 2 row feed					2.05% of on-farm value			\$10.46
Crop Insurance - malt					2.05% of on-farm value			\$12.30

*** Input and crop prices are correct at the time of writing (March 2009). Market uncertainty makes estimation of future pricing impractical.

NOTES:

Place in rotation:

- Barley is a useful crop to follow wheat in the rotation as it does not share the same leaf diseases.
- Barley will respond to good soil fertility, however it is better adapted to lower nitrogen fertility situations than wheat. Barley is more sensitive to acid soils than other cereals.
- Select lower nitrogen fertility paddocks for malting barley (less than 80-100 kg mineral soil N/ha at planting)
- Tulla and Yambula have some tolerance to acid soils.
- Barley is a useful break crop where root lesion nematode and cereal cyst nematode are a problem.
- Short Fallow: Fallow or weed-free period of 5-6 months between harvest of one crop and sowing of the next crop. For example, a paddock harvested in November would create a 5-6 month fallow until sowing in May.

Sowing time:

- Ideally late April to June. However, barley is more adapted to late plantings than wheat.
- Seed price used above is for purchased seed; if using retained seed adjust budget accordingly.

Fertiliser:

- Moderate nitrogen rates can be applied to barley without greatly affecting the malting quality.

Variety:

- Obtain advice from district agronomist or see Winter Crop Variety Sowing Guide-2009

Weed control:

- There are a wide range of herbicide combinations which can be used.
- Rotate herbicide groups and use other non-chemical methods to avoid herbicide resistance.
- A tractor with 149 kW (200 HP) pto power and 177 kW (240 HP) engine power is assumed.
- Machinery costs refer only to variable costs: fuel, oil, filters, tyres, batteries & repairs.
- Contract-harvesting does not include the cost of fuel.

Labour:

- Using a labour cost of \$14/hr, an additional \$12.65 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.