



**DRYLAND MALTING BARLEY (no till)**

Farm Enterprise Budget Series - North West NSW

Winter 2009

**1. GROSS MARGIN BUDGET:**

**INCOME:**

1.85 tonnes/ha@ \$200.00 /tonne (Malting barley, on farm)

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
\$370.00	

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

<b>\$370.00</b>	
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**VARIABLE COSTS:**

See next page for detail

Cultivation.....	\$0.00	
Sowing.....	\$50.91	
Fertiliser.....	\$45.60	
Herbicide.....	\$84.37	
Insecticide.....	\$0.00	
Contract harvesting.....	\$54.72	
Levies.....	\$3.77	
Insurance.....	\$3.81	

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

<b>\$243.19</b>	
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**C. GROSS MARGIN (A-B) \$/ha:**

<b>\$126.81</b>	
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Water use efficiency example

Growing season rainfall (ie in-crop): mm  
 Stored fallow moisture: mm (25% of rainfall in fallow period)

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.

Growing season rainfall (ie in-crop): mm	253	
Stored fallow moisture: mm (25% of rainfall in fallow period)	60	
Early crop water use: mm	90	
Total crop water use mm	223	
Gross margin per mm	<b>\$0.57</b>	
kg of grain per mm	8.3	

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

YIELD tonnes/ha	On Farm Price				
	\$100 /tonne	\$150 /tonne	\$200 /tonne	\$250 /tonne	\$300 /tonne
0.50	- \$187	- \$162	- \$138	- \$113	- \$89
0.90	- \$147	- \$103	- \$59	- \$15	\$29
1.30	- \$108	- \$45	\$19	\$83	\$146
<b>1.85</b>	- \$54	\$36	<b>\$127</b>	\$217	\$308
2.40	- \$1	\$117	\$235	\$352	\$470
3.00	\$49	\$196	\$342	\$489	\$636
3.50	\$88	\$259	\$431	\$602	\$774

Gross margin is zero when income is reduced by 34%  
 or variable costs are increased by 52%

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Winter 2009

Operation	Month	Machinery			Inputs			Total Cost \$/ha
		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	<b>10.27</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>
wetter - non-ionic surfactant	Dec	with above			0.04 L	6.86/L	0.27	<b>0.27</b>
broadleaf and grass weed control eg: glyphosate 450	Jan	0.03	45.23	1.36	1.0 L	7.43/L	7.43	<b>8.79</b>
broadleaf weed control eg triclopyr 600g	Jan	with above			0.12 L	43.63/L	5.24	<b>5.24</b>
wetter - non-ionic surfactant	Jan	with above			0.04 L	6.86/L	0.27	<b>0.27</b>
broadleaf and grass weed control eg: glyphosate 450	Feb	0.03	45.23	1.36	1.0 L	7.43/L	7.43	<b>8.79</b>
broadleaf weed control eg 2,4-D amine 300g/L	Feb	with above			1.2 L	4.23/L	5.08	<b>5.08</b>
wetter - non-ionic surfactant	Feb	with above			0.04 L	6.86/L	0.27	<b>0.27</b>
nitrogen fertiliser eg. urea	Mar	with above			60 kg	0.76/kg	45.60	<b>45.60</b>
broadleaf and grass weed control eg paraquat+diquat	May	0.03	45.23	1.36	2.0 L	12.25/L	24.50	<b>25.86</b>
sowing	Jun	0.12	67.23	8.07	40 kg	1.07/kg	42.84	<b>50.91</b>
herbicide (application)	Aug	0.03	45.23	1.36				<b>1.36</b>
broadleaf weed control eg MCPA LVE	Aug	with above			1.0 L	9.74/L	9.74	<b>9.74</b>
wetter - non-ionic surfactant	Aug	with above			0.12 L	6.86/L	0.82	<b>0.82</b>
harvest (contract)	Dec			54.72				<b>54.72</b>
crop levies	Dec			1.020%				<b>3.77</b>
crop insurance				1.030%	of on-farm value			<b>3.81</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:

**Rotation Considerations:** Most barley on the plains is feed quality, however malt can be achieved with the right season and management. In some areas eg Walgett, Coonamble, significant in-crop rainfall will be needed to achieve these yield targets. Growers should assess soil moisture profiles and fertility levels to assist with yield estimates.

Barley is a good host for crown rot, it is not advisable to plant wheat following barley.

**Sowing Time:** Ideally May/June. However, barley is more adapted to late plantings than wheat.

**Fertiliser:** Soil testing and nitrogen budgeting is crucial if malt grade is to be achieved.

**Disease:** Crop rotation is essential to minimise yield loss due to diseases such as net blotch.

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

Black oat control is not included in budget. Barley is more competitive with weeds than wheat and should be rotated away from wheat in the following season.

\*Check with your agronomist before applying herbicides in hot, dry conditions where there are sensitive crops in the area.

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

**- 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 0.18hrs/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 \$4.16/ha, reducing the gross margin to \$122.65/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.