



**WHEAT: Biscuit (Flood Irrigated - Border Check / Conv. Sown)**

Irrigated Winter - 2012

Murrumbidgee Valley

**1. GROSS MARGIN BUDGET:**

**INCOME:**

5.50 tonnes/ha @ \$200 /t (on farm)

Standard Budget \$/ha	Your Budget \$/ha
\$1,100	

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

<b>\$1,100</b>	
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**VARIABLE COSTS:**

See following page for detail

Cultivation.....	\$73	
Sowing.....	\$107	
Fertiliser.....	\$224	
Fungicide.....	\$54	
Herbicide.....	\$48	
Contract harvesting.....	\$81	
Levies.....	\$11	
Crop insurance.....	\$25	
Irrigation.....	\$46	
<b>B. TOTAL VARIABLE COSTS \$/ha:</b>	<b>\$670</b>	

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

<b>\$430</b>	
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**D. GROSS MARGIN \$/ML:**

<b>\$123</b>	
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**SENSITIVITY TABLES**

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$160 /t	\$180 /t	\$200 /t	\$220 /t	\$240 /t	
4.00	\$51	\$128	\$206	\$283	\$360	
4.50	\$122	\$209	\$296	\$383	\$470	
5.00	\$194	\$290	\$387	\$484	\$581	
<b>5.50</b>	\$265	\$371	<b>\$430</b>	\$584	\$691	
6.00	\$336	\$452	\$569	\$685	\$801	
6.50	\$408	\$533	\$659	\$785	\$911	
7.00	\$479	\$615	\$750	\$885	\$1021	

**3. EFFECT OF YIELD AND PRICE ON GROSS MARGIN PER ML:**

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ML)
	\$160 /t	\$180 /t	\$200 /t	\$220 /t	\$240 /t	
4.00	\$15	\$37	\$59	\$81	\$103	
4.50	\$35	\$60	\$85	\$110	\$134	
5.00	\$55	\$83	\$111	\$138	\$166	
<b>5.50</b>	\$76	\$106	<b>\$123</b>	\$167	\$197	
6.00	\$96	\$129	\$162	\$196	\$229	
6.50	\$117	\$152	\$188	\$224	\$260	
7.00	\$137	\$176	\$214	\$253	\$292	

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CALENDAR OF OPERATIONS:		Machinery			Inputs			Total Cost
Operation	Month	hrs/ha	Cost \$/hour	Total \$/ha	Rate/ha	Cost \$	Total \$/ha	Total Cost \$/ha
Rip Banks	Nov/Dec	0.22	\$48.80	\$10.89				<b>\$10.89</b>
Disc Plough	Dec/Jan	0.35	\$42.85	\$14.88				<b>\$14.88</b>
Scarify	Feb	0.17	\$45.05	\$7.71				<b>\$7.71</b>
Landplane	Mar	0.17	\$45.05	\$7.71				<b>\$7.71</b>
Bank up	Mar	0.26	\$46.38	\$12.08				<b>\$12.08</b>
Scarify	Mar/Apr	0.17	\$45.05	\$7.71				<b>\$7.71</b>
Sow	May	0.17	\$62.38	\$10.48	100kg/ha	\$0.97/kg	\$97.00	<b>\$107.48</b>
Apply starter fertiliser (eg. <i>DAP</i> )		with above			150kg/ha	\$0.760/kg	\$114.00	<b>\$114.00</b>
Seed treatment eg <i>Triadimenol</i> ( <i>Baytan</i> ®)		with above			100kg/ha	\$35.30/kg	\$35.30	<b>\$35.30</b>
Tail Drains		0.26	\$46.38	\$12.08				<b>\$12.08</b>
Grass weed spray eg. <i>Pinoxaden+cloquintocetmexyl</i> ( <i>Axial</i> ®)	Jun	contract		\$10.00	0.30 L/ha	\$127.23/L	\$38.17	<b>\$48.17</b>
Topdress nitrogen fertiliser (eg. <i>broadcast urea</i> )	Jul	0.17	\$62.38	\$10.48	150kg/ha	\$0.662/kg	\$99.30	<b>\$109.78</b>
Spray Fungicide Stripe Rust eg. <i>Triadimefon</i> ( <i>Bayleton</i> ®)	Sept/Oct	contract		\$10.00	1.00 L/ha	\$9.00/kg	\$9.00	<b>\$19.00</b>
Contract harvest	Dec	contract		\$70.95				<b>\$70.95</b>
Chaser Bin		0.22	\$45.05	\$9.91				<b>\$9.91</b>
Irrigation					3.5ML/ha	\$13.27/ML	\$46.45	<b>\$46.45</b>
Crop Levies					1.02% of on-farm value			<b>\$11.17</b>
Crop Insurance					2.280% of on-farm value			<b>\$25.08</b>

This budget is ONLY A GUIDE and should be altered for movements in crop and input prices, changes in seasonal conditions and the farm characteristics.

## AGRONOMIC NOTES:

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

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

<b>Cropcheck:</b>	<ul style="list-style-type: none"><li>- Monitor and record crop performance. Key checks include establishment, weeds, insects, tiller numbers, disease and grain fill.</li></ul>
<b>Rotation:</b>	<ul style="list-style-type: none"><li>- This is the first crop following a rice fallow. Therefore, the budget shows higher land preparation costs.</li></ul>
<b>Varieties:</b>	<ul style="list-style-type: none"><li>- See NSW DPI "<i>Winter crop variety sowing guide 2012</i>" for approved varieties in SNSW</li><li>- QAL2000 and Yenda. Contact end user for preferred varieties.</li></ul>
<b>Seed + treatment:</b>	<ul style="list-style-type: none"><li>- If using own seed treat with a registered seed dressing. Germination test recommended.</li><li>- Stripe rust now affects the above biscuit varieties. If sowing stripe rust susceptible varieties, consider fungicide seed dressings such as Triadimenol (eg Baytan®) or Fluquinconazole (eg Jockey®) to prevent yield losses.</li><li>- With susceptible varieties in-furrow treatments (such as Intake®) may also be an option.</li><li>- Budgets are based on seed purchased at \$970/tonne.</li></ul>
<b>Protein:</b>	<ul style="list-style-type: none"><li>- Aim for a protein content of 8.0 to 9.5% to optimise returns.</li></ul>
<b>Sowing Time:</b>	<ul style="list-style-type: none"><li>- Yenda for grain only (from late April to mid May) and QAL2000 (2nd week of May till end of May).</li><li>- See "<i>Winter crop variety sowing guide 2012</i>" for recommended sowing times for each variety.</li></ul>
<b>Disease Control:</b>	<ul style="list-style-type: none"><li>- Budget for a stripe rust seed dressing &amp; at least 1 fungicide spray for stripe rust in the spring. (the total number of sprays depends upon seasonal conditions and varietal susceptibility)</li></ul>
<b>Weed Control:</b>	<ul style="list-style-type: none"><li>- Herbicides are boomsprayed in a dry year and aerial sprayed in a wet year.</li><li>- An additional broadleaf herbicide may be required if vetch, wireweed, thistles and toadrush are a problem. Refer to "<i>Weed control in winter crops 2012</i>" for alternative herbicides.</li></ul>
<b>Irrigation:</b>	<ul style="list-style-type: none"><li>- Schedule spring irrigations according to plant water use.</li><li>- Budget allows for a pre-irrigation (1.5ML) and two spring waterings (1ML each).</li><li>- Spring irrigations will depend on seasonal conditions.</li><li>- Growers can reduce the effect of waterlogging problems by only pre-irrigating a proportion of intended winter crop area.</li><li>- <b>Irrigation cost includes the variable cost only.</b></li><li>- <b>Water costs used in the MIA budgets are based on 2011-12 prices.</b></li><li>- <b>For water costs in other areas, refer to the water prices section.</b></li></ul>
<b>Machinery:</b>	<ul style="list-style-type: none"><li>- Machinery costs include variable costs only for the tractor, implements and header.</li><li>- Contract harvesting does not include the cost of fuel.</li></ul>
<b>Labour:</b>	<ul style="list-style-type: none"><li>- The labour required for machinery operations is 2.70 hr/ha.</li><li>- Using a labour cost of \$22/hr, an additional \$59/ha can be deducted from the budget.</li></ul>
<b>Economic note:</b>	<ul style="list-style-type: none"><li>- These gross margins are only a guide. They do not include overhead costs or GST.</li><li>- Input and crop prices are correct at the time of writing (April 2012). Market uncertainty makes estimation of future pricing impractical.</li><li>- <b>Use your own figures and price assumptions to determine your own gross margin.</b></li></ul>