



WHEAT: Biscuit (Flood Irrigated - Border Check / Conv. Sown)
Irrigated Winter - 2009

Murrumbidgee Valley

1. GROSS MARGIN BUDGET:

INCOME:

5.50 tonnes/ha @ \$300 /t (on farm)

Standard Budget \$/ha	Your Budget \$/ha
\$1,650	

A. TOTAL INCOME \$/ha:

\$1,650

VARIABLE COSTS:

See following page for detail

Cultivation.....	\$73
Sowing.....	\$101
Fertiliser.....	\$278
Fungicide.....	\$24
Contract harvesting.....	\$86
Levies.....	\$17
Crop insurance.....	\$38
Irrigation.....	\$129
B. TOTAL VARIABLE COSTS \$/ha:	\$745

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

\$905

D. GROSS MARGIN \$/ML*:

\$259

* Note. The method of calculation of gross margin per ML for the Murrumbidgee budgets varies because of the difficulty of identifying an alternative dryland alternative on specialist flood irrigated land. It is recommended where farmers can identify a dryland alternative that they subtract the gross margin of the dryland alternative from the gross margin of the irrigated crop and then divide by the number of ML. This will give a better indication of the contribution the irrigation water has made to increasing returns.

SENSITIVITY TABLES

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$260 /t	\$280 /t	\$300 /t	\$320 /t	\$340 /t	
4.00	\$333	\$410	\$488	\$565	\$642	
4.50	\$453	\$540	\$627	\$714	\$801	
5.00	\$572	\$669	\$766	\$862	\$959	
5.50	\$692	\$798	\$905	\$1011	\$1118	
6.00	\$812	\$928	\$1044	\$1160	\$1276	
6.50	\$931	\$1057	\$1183	\$1309	\$1434	
7.00	\$1051	\$1187	\$1322	\$1457	\$1593	

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ML)
	\$260 /t	\$280 /t	\$300 /t	\$320 /t	\$340 /t	
4.00	\$95	\$117	\$139	\$161	\$184	
4.50	\$129	\$154	\$179	\$204	\$229	
5.00	\$164	\$191	\$219	\$246	\$274	
5.50	\$198	\$228	\$259	\$289	\$319	
6.00	\$232	\$265	\$298	\$331	\$365	
6.50	\$266	\$302	\$338	\$374	\$410	
7.00	\$300	\$339	\$378	\$416	\$455	

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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				\$10.89
Disc Plough	Dec/Jan	0.35	\$42.85	\$14.88				\$14.88
Scarify	Feb	0.17	\$45.05	\$7.71				\$7.71
Landplane	Mar	0.17	\$45.05	\$7.71				\$7.71
Bank up	Mar	0.26	\$46.38	\$12.08				\$12.08
Scarify	Mar/Apr	0.17	\$45.05	\$7.71				\$7.71
Sow	May	0.17	\$62.38	\$10.48	100kg/ha	\$0.91/kg	\$91.00	\$101.48
Apply starter fertiliser (eg. DAP)		with above			150kg/ha	\$1.048/kg	\$157.20	\$157.20
Seed treatment eg Triadimenol (Baytan®)		with above			100kg/ha	\$0.060/kg	\$6.00	\$6.00
Tail Drains		0.26	\$46.38	\$12.08				\$12.08
Grass weed spray eg: fenoxaprop-p-ethyl (Wildcat®)	Jun	contract		\$10.00	0.35 L/ha	\$51.27/L	\$17.94	\$27.94
Topdress nitrogen fertiliser (eg. broadcast urea)	Jul	0.17	\$62.38	\$10.48	150kg/ha	\$0.734/kg	\$110.10	\$120.58
* Spray Fungicide Stripe Rust eg. Triadimefon (Bayleton®)	Sept/Oct	contract		\$10.00	1.00 L/ha	\$8.00/kg	\$8.00	\$18.00
Contract harvest	Dec	contract		\$75.89				\$75.89
Chaser Bin		0.22	\$45.05	\$9.91				\$9.91
Irrigation*					3.5ML/ha	\$36.78/ML	\$128.71	\$128.71
Crop Levies					1.02% of on-farm value			\$16.75
Crop Insurance					2.280% of on-farm value			\$37.62

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.

Cropcheck	Monitor and record crop performance. Key checks include establishment, weeds, insects, tiller numbers, disease and grain fill.
Rotation	- This is the first crop following a rice fallow. Therefore, the budget shows higher land preparation costs.
Varieties	See <i>"Winter Crop Variety Sowing Guide 2009"</i> for approved varieties in SNSW - Qal2000, Bowie, Snipe, Thornbill, Yenda, Bahram and QAL 3362. Snipe and Thornbill have - a winter growth habit. Contact end user for preferred variety.
Seed + treatment	- If using own seed treat with a registered seed dressing. Germination test recommended. Stripe rust now affects the above biscuit varieties. Qal2000 is rated 8 for stripe rust but 1 for Y 17 strain. If sowing stripe rust susceptible varieties, consider fungicide seed dressings such as Triadimenol (eg Baytan®) or Fluquinconazole (eg Jockey®) to prevent yield losses. - With susceptible varieties in-furrow treatments (such as Intake®) may also be an option. - Budgets are based on seed purchased at \$970/tonne.
Protein	- Aim for a protein content of 8.0 to 9.5% to optimise returns.
Sowing Time	- Thornbill and Yenda for grain only (from early April), Snipe for grain only (from mid-April) and Qal2000 sowing time is 2nd week of May till end of May. See <i>Winter Crop Variety Sowing Guide 2009</i> for recommended sowing times for each variety.
Disease Control	Budget for a stripe rust seed dressing & at least 1 fungicide spray for stripe rust in the spring. (the total number of sprays depends upon seasonal conditions and varietal susceptibility)
Weed Control	- Herbicides are boomsprayed in a dry year and aerial sprayed in a wet year. - An additional broadleaf herbicide may be required if vetch, wireweed, thistles and toadrush are a problem. Refer to "Weed Control in Winter Crops 2009" for alternative herbicides.
Irrigation	- Schedule spring irrigations according to plant water use. - Budget allows for a pre-irrigation (1.5ML) and two spring waterings (1ML each). Spring irrigations will depend on seasonal conditions. - Growers can reduce the effect of waterlogging problems by only pre-irrigating a proportion of intended winter crop area. -*The budget uses MIA total water costs based on 50% allocation. - Irrigation cost includes the variable cost and fixed water costs of \$19.18/ML - Water costs used in the MIA budgets are based on 2008-09 prices. - For prices in other areas and districts, refer to the water prices section.
Machinery	- Machinery costs include variable costs only for the tractor, implements and header - Contract harvesting does not include the cost of fuel.
Labour	- The labour required for machinery operations is 2.70 hr/ha. - Using a labour cost of \$14/hr, an additional \$38/ha can be deducted from the budget.
Economic note:	- These gross margins are only a guide. They do not include overhead costs or GST. - Input and crop prices are correct at the time of writing (March 2009). Market uncertainty makes estimation of future pricing impractical. - Use your own figures and price assumptions to determine your own gross margin.