



NSW DEPARTMENT OF PRIMARY INDUSTRIES

WHEAT: Biscuit (Furrow Irrigated - Beds) Irrigated Winter - 2009

Murrumbidgee Valley

1. GROSS MARGIN BUDGET:

INCOME:

6.00 tonnes/ha @ \$300.0 /t (on farm)

Standard Budget \$/ha	Your Budget \$/ha
\$1,800	

A. TOTAL INCOME \$/ha:

\$1,800

VARIABLE COSTS:

See following page for detail

Cultivation.....	\$12
Sowing.....	\$101
Fertiliser.....	\$303
Herbicide.....	\$77
Fungicide.....	\$24
Contract harvesting.....	\$92
Levies.....	\$18
Crop insurance.....	\$41
Irrigation.....	\$129
B. TOTAL VARIABLE COSTS \$/ha:	\$798

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

\$1,002

D. GROSS MARGIN \$/ML*:

\$286

* 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	
4.50	\$411	\$498	\$585	\$672	\$759	
5.00	\$530	\$627	\$724	\$820	\$917	
5.50	\$650	\$756	\$863	\$969	\$1075	
6.00	\$770	\$886	\$1002	\$1118	\$1234	←
6.50	\$889	\$1015	\$1141	\$1267	\$1392	
7.00	\$1009	\$1144	\$1280	\$1415	\$1551	
7.50	\$1129	\$1274	\$1419	\$1564	\$1709	

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	
4.50	\$117	\$142	\$167	\$192	\$217	
5.00	\$151	\$179	\$207	\$234	\$262	
5.50	\$186	\$216	\$246	\$277	\$307	
6.00	\$220	\$253	\$286	\$319	\$353	←
6.50	\$254	\$290	\$326	\$362	\$398	
7.00	\$288	\$327	\$366	\$404	\$443	
7.50	\$323	\$364	\$405	\$447	\$488	

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Irrigated Winter - 2009

CALENDAR OF OPERATIONS:		Machinery			Inputs			Total
Operation	Month	Cost		Total	Rate/ha	Cost		Total
		hrs/ha	\$/hour	\$/ha		\$/ha	\$/ha	
Burn Stubble	Apr/May							
Broadleaf & grass weed control (<i>eg. boom spray glyphosate 450</i>)	May	contract		\$10.00	1.00 L/ha	\$8.15/L	\$8.15	\$18.15
Sow	May	0.17	\$62.38	\$10.48	100kg/ha	\$0.91/kg	\$91.00	\$101.48
Apply starter fertiliser (<i>eg. DAP</i>)		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
Clean furrows		0.26	\$46.38	\$12.08				\$12.08
<i>Grass weed control eg. Boom spray fenoxaprop-p-ethyl (wildcat®)</i>	Jun	contract		\$10.00	0.35 L/ha	\$51.27/L	\$17.94	\$27.94
Broadleaf weed control (<i>eg. boom spray MCPA + dicamba</i>)	Jun/Jul	contract		\$10.00	1.70 L/ha	\$12.52/L	\$21.28	\$31.28
Topdress nitrogen fertiliser (<i>broadcast urea</i>)	Jun/Jul	0.17	\$62.38	\$10.48	185kg/ha	\$0.734/kg	\$135.79	\$146.27
* Spray Fungicide Stripe Rust eg. Triadimefon (Bayleton 125EC)	Sept/Oct	contract		\$10.00	1.00 L/ha	\$8.00/L	\$8.00	\$18.00
Contract harvest	Dec	contract		\$81.90				\$81.90
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			\$18.27
Crop Insurance					2.280% of on-farm value			\$41.04

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	<ul style="list-style-type: none">- Monitor and record crop performance. Key checks include establishment , weeds, insects, tiller numbers, disease and grain fill.
Rotation	<ul style="list-style-type: none">- Sod seeded into burnt maize or soybean stubble. Costs will be higher where beds are constructed for this crop.
Varieties	<ul style="list-style-type: none">- See "Winter Crop Variety Sowing Guide 2008" for approved varieties in SNSW.- Snipe,Thornbill, Yenda, Barham, QAL 3362 and QAL 2000. Snipe and Thornbill have winter growth habits. Contact end user for preferred variety.
Seed	<ul style="list-style-type: none">- If using own seed treat with registered seed dressing. Germination test is recommended.- If sowing stripe rust susceptible varieties, consider fungicide seed dressings such as Triadimenol (eg Baytan®) or Fluquinconazole (eg Jockey®). With susceptible varieties in-furrow treatments (such as Intake®) may also be an option.- Budgets are based on seed purchased at \$910/tonne.
Protein	<ul style="list-style-type: none">- Aim for a protein content of 8.0 to 9.5% to optimise returns.
Sowing Time	<ul style="list-style-type: none">- Thornbill and Yenda (from early April). Snipe (from mid-April). Bowie (from early May).- See "<i>Winter Crop Variety Sowing Guide 2009</i>" for recommended sowing windows for each variety.
*Disease Control	<ul style="list-style-type: none">- Budget for a stripe rust seed dressing and at least 1 fungicide spray for stripe rust in spring. (The total number of sprays depends upon seasonal conditions and varietal susceptibility)
Weed Control	<ul style="list-style-type: none">- Herbicides are boomsprayed in a dry year and aerial sprayed in a wet year.- Post-emergent herbicides may not be required on crops following maize.- Refer to "Weed Control in Winter Crops 2009" for alternative herbicides.
Irrigation	<ul style="list-style-type: none">- Schedule spring irrigations according to plant water use. Budget allows for three spring waterings. Irrigation requirements will depend on seasonal conditions.-*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	<ul style="list-style-type: none">- Machinery costs include variable costs only for the tractor, implements and header.- Contract harvesting does not include the cost of fuel.
Bed Cropping	<ul style="list-style-type: none">- Bed cropping may require additional capital investment in equipment from \$2,000 to \$20,000.
Labour	<ul style="list-style-type: none">- The labour required for machinery operations is 1.02 hr/ha.- Using a labour cost of \$14/hr, an additional \$14/ha can be deducted from the budget.
Economic note:	<ul style="list-style-type: none">- 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.