CANOLA: Long Fallow
Southern Zone - West

Dryland Winter 2012

1. GROSS MARGIN BUDGET:

INCOME:

1.5 tonnes/ha @ $520 /t on farm

A. TOTAL INCOME $/ha:

VARIABLE COSTS:
see opposite page for details

Cultivation $34
Sowing $44
Fertiliser $141
Herbicide $38
Insecticide $13
Contract windrowing $50
Contract harvesting $54
Levies $10
Crop Insurance $30
Cartage $0

B. TOTAL VARIABLE COSTS $/ha:

$414

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

$366

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

<table>
<thead>
<tr>
<th>YIELD tonnes/ha</th>
<th>ON FARM PRICE ($/tonne)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$440 /t</td>
</tr>
<tr>
<td>-----------------</td>
<td>---------------</td>
</tr>
<tr>
<td>0.00</td>
<td>-$374</td>
</tr>
<tr>
<td>0.50</td>
<td>-$165</td>
</tr>
<tr>
<td>1.00</td>
<td>$43</td>
</tr>
<tr>
<td>1.50</td>
<td>$252</td>
</tr>
<tr>
<td>2.00</td>
<td>$461</td>
</tr>
<tr>
<td>2.50</td>
<td>$689</td>
</tr>
<tr>
<td>3.00</td>
<td>$898</td>
</tr>
</tbody>
</table>

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## CANOLA: Long Fallow
### Southern Zone - West Dryland Winter 2012

### CALENDAR OF OPERATIONS:

<table>
<thead>
<tr>
<th>Operation</th>
<th>Month</th>
<th>hrs /ha</th>
<th>$/hour</th>
<th>$/ha</th>
<th>Rate/ha</th>
<th>$/ha</th>
<th>Total Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Broadleaf &amp; grass weed control eg: glyphosate 450</td>
<td>Jul</td>
<td>0.05</td>
<td>$53.37</td>
<td>$2.87</td>
<td>1.25 L/ha</td>
<td>$4.20/L</td>
<td>$5.25</td>
</tr>
<tr>
<td>Chisel Plough</td>
<td>Oct</td>
<td>0.22</td>
<td>$78.09</td>
<td>$17.18</td>
<td></td>
<td></td>
<td>$17.18</td>
</tr>
<tr>
<td>Wideline</td>
<td>Dec/Jan</td>
<td>0.20</td>
<td>$85.84</td>
<td>$17.17</td>
<td></td>
<td></td>
<td>$17.17</td>
</tr>
<tr>
<td>Broadleaf &amp; grass weed control eg: glyphosate 450</td>
<td>Mar</td>
<td>0.05</td>
<td>$53.37</td>
<td>$2.87</td>
<td>1.25 L/ha</td>
<td>$4.20/L</td>
<td>$5.25</td>
</tr>
<tr>
<td>Nitrogen and sulphur fertiliser eg: Canola Special®</td>
<td>Apr</td>
<td>0.17</td>
<td>$91.67</td>
<td>$15.58</td>
<td>150 kg/ha</td>
<td>$0.53/kg</td>
<td>$79.65</td>
</tr>
<tr>
<td>Broadleaf and grass weed control eg: trifluralin</td>
<td>Apr</td>
<td>0.05</td>
<td>$53.37</td>
<td>$2.87</td>
<td>1.50 L/ha</td>
<td>$4.20/L</td>
<td>$7.50</td>
</tr>
<tr>
<td>Sow</td>
<td>Apr/May</td>
<td>0.17</td>
<td>$91.67</td>
<td>$15.58</td>
<td>2.20 kg/ha</td>
<td>$0.53/kg</td>
<td>$11.56</td>
</tr>
<tr>
<td>Apply starter fertiliser eg: DAP Mite control eg: bifenthrin (Talstar®)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grass weed control: eg haloxyfop (Verdict®)</td>
<td>Jun</td>
<td>0.05</td>
<td>$53.37</td>
<td>$2.87</td>
<td>0.06 L/ha</td>
<td>$49/L</td>
<td>$2.93</td>
</tr>
<tr>
<td>Insect control eg: aerial spray alpha-cypermethrin (Dominex 100 EC®) (1 in 3 years)</td>
<td>Aug/Sep</td>
<td>contract</td>
<td>$18.15</td>
<td></td>
<td>0.20 L/ha</td>
<td>$7.95/L</td>
<td>$1.59</td>
</tr>
<tr>
<td>Contract windrow</td>
<td>Oct</td>
<td>contract</td>
<td>$50.00</td>
<td></td>
<td></td>
<td></td>
<td>$50.00</td>
</tr>
<tr>
<td>Contract harvest</td>
<td>Nov/Dec</td>
<td>contract</td>
<td>$54.36</td>
<td></td>
<td></td>
<td></td>
<td>$54.36</td>
</tr>
<tr>
<td>Crop levies</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$1.50/tonne + 1.015% of on-farm value</td>
</tr>
<tr>
<td>Crop insurance</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3.80% of on-farm value</td>
</tr>
</tbody>
</table>

### NOTES:

- **Cropcheck:**

- **Rotation:**
  - Canola is the first crop following a legume pasture phase or fallow.
  - Maintain a three-year break between canola crops; remove canola stubble to control disease.
  - Blackleg risk is greater when canola is grown every second year.

- **Varieties:**
  - See NSW DPI *Winter crop variety sowing guide 2012*.

- **Sowing time:**
  - Late April/mid May, reduce seeding rates if sowing early.

- **Soil:**
  - Canola is sensitive to acidic soils. Preferred soils are those with a pH above 5.0 (CaCl2).

- **Fertilisers:**
  - Ensure sulphur requirements are met before or at sowing.
  - Apply 150 kg/ha of Canola Special (33%N:12%S).
  - Use nitrogen soil tests as a guide to nitrogen requirements.
  - Treflan® and/or Avadex BW® is incorporated when applying fertiliser.

- **Oil Content:**
  - An oil bonus/discount of 1.5% of price is applied for every 1% above/below 40% oil content.

- **Weed control:**
  - See Weed control in winter crops 2012. Will vary between paddocks and seasons.

- **Pest control:**
  - A bare earth spray may be necessary if mites are not controlled the previous spring.

- **Windrowing:**
  - Reduces the risk of seed loss at harvest due to shattering.

- **Prices:**
  - Prices may fluctuate. Consider forward selling some of crop if prices are high.

- **Machinery:**
  - A tractor with 149 kW (200 HP) pto power and 177kW (240 HP) engine power is assumed.
  - Machinery costs refer to variable costs: fuel, oil, filters, tyres, batteries & repairs.

- **Labour:**
  - The labour required for machinery operations is 1.29 hrs/ha.
  - At $22/hour this costs $28.31/ha changing the gross margin $337.88/ha

- **Economic note:**
  - These gross margins are only a guide. They do not include overhead costs or GST.
  - Use your own figures and price assumptions to estimate your own gross margin.

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**FARM ENTERPRISE BUDGET SERIES**