### 1. GROSS MARGIN BUDGET:

#### INCOME:

- 2.50 tonnes/ha @ $460.00 /tonne (on farm)  
  - **A. TOTAL INCOME $/ha:** $1,150.00

#### VARIABLE COSTS:

- See opposite page for detail

<table>
<thead>
<tr>
<th></th>
<th>Standard Budget $/ha</th>
<th>Your Budget $/ha</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cultivation</td>
<td>$43.14</td>
<td></td>
</tr>
<tr>
<td>Sowing</td>
<td>$56.00</td>
<td></td>
</tr>
<tr>
<td>Fertiliser</td>
<td>$234.27</td>
<td></td>
</tr>
<tr>
<td>Herbicide</td>
<td>$50.61</td>
<td></td>
</tr>
<tr>
<td>Insecticide</td>
<td>$26.45</td>
<td></td>
</tr>
<tr>
<td>Irrigation</td>
<td>$55.98</td>
<td></td>
</tr>
<tr>
<td>Contract windrowing and harvesting</td>
<td>$135.00</td>
<td></td>
</tr>
<tr>
<td>Levies</td>
<td>$15.42</td>
<td></td>
</tr>
<tr>
<td>Crop Insurance</td>
<td>$41.26</td>
<td></td>
</tr>
<tr>
<td>Cartage, grading &amp; bagging</td>
<td>$0.00</td>
<td></td>
</tr>
</tbody>
</table>

- **B. TOTAL VARIABLE COSTS $/ha:** $658.13
- **C. GROSS MARGIN (A-B) $/ha:** $491.87
- **D. GROSS MARGIN FOR ALTERNATIVE DRYLAND CROP (SF CANOLA) $/ha:** $546.67
- **E. EXTRA GROSS MARGIN DUE TO IRRIGATION (C-D) $/ha:** -$54.80
- **F. GROSS MARGIN /ML (E÷ML WATER APPLIED) $/ML:** -$18.27

*See agronomic notes on irrigation*

### 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>
<th>Std. Budget $/t</th>
<th>Your Budget $/t</th>
<th>$460 $/t</th>
<th>$480 $/t</th>
<th>$500 $/t</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.60</td>
<td>$47</td>
<td>$75</td>
<td>$108</td>
<td>$139</td>
<td>$169</td>
<td></td>
</tr>
<tr>
<td>1.90</td>
<td>$167</td>
<td>$203</td>
<td>$239</td>
<td>$276</td>
<td>$312</td>
<td></td>
</tr>
<tr>
<td>2.20</td>
<td>$283</td>
<td>$325</td>
<td>$367</td>
<td>$409</td>
<td>$451</td>
<td></td>
</tr>
<tr>
<td><strong>2.50</strong></td>
<td><strong>$396</strong></td>
<td><strong>$444</strong></td>
<td><strong>$492</strong></td>
<td><strong>$540</strong></td>
<td><strong>$587</strong></td>
<td></td>
</tr>
<tr>
<td>2.80</td>
<td>$510</td>
<td>$564</td>
<td>$617</td>
<td>$670</td>
<td>$724</td>
<td></td>
</tr>
<tr>
<td>3.10</td>
<td>$624</td>
<td>$683</td>
<td>$742</td>
<td>$801</td>
<td>$861</td>
<td></td>
</tr>
<tr>
<td>3.40</td>
<td>$738</td>
<td>$803</td>
<td>$867</td>
<td>$932</td>
<td>$997</td>
<td></td>
</tr>
</tbody>
</table>

**Gross Margin ($/ha)**

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

<table>
<thead>
<tr>
<th>YIELD tonnes/ha</th>
<th>On Farm Price ($/tonne)</th>
<th>Std. Budget $/t</th>
<th>Your Budget $/t</th>
<th>$460 $/t</th>
<th>$480 $/t</th>
<th>$500 $/t</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.60</td>
<td>$166</td>
<td>$156</td>
<td>$146</td>
<td>$136</td>
<td>$126</td>
<td></td>
</tr>
<tr>
<td>1.90</td>
<td>$127</td>
<td>$114</td>
<td>$102</td>
<td>$90</td>
<td>$78</td>
<td></td>
</tr>
<tr>
<td>2.20</td>
<td>$88</td>
<td>$74</td>
<td>$60</td>
<td>$46</td>
<td>$32</td>
<td></td>
</tr>
<tr>
<td><strong>2.50</strong></td>
<td><strong>$50</strong></td>
<td><strong>$34</strong></td>
<td><strong>$18</strong></td>
<td><strong>$2</strong></td>
<td><strong>$14</strong></td>
<td></td>
</tr>
<tr>
<td>2.80</td>
<td>$12</td>
<td>$6</td>
<td>$23</td>
<td>$41</td>
<td>$59</td>
<td></td>
</tr>
<tr>
<td>3.10</td>
<td>$26</td>
<td>$45</td>
<td>$65</td>
<td>$85</td>
<td>$105</td>
<td></td>
</tr>
<tr>
<td>3.40</td>
<td>$64</td>
<td>$85</td>
<td>$107</td>
<td>$129</td>
<td>$150</td>
<td></td>
</tr>
</tbody>
</table>

**Gross Margin ($/ML)**

---

**PRODUCT TRADE NAMES**

The product trade names in this publication are supplied on the understanding that no preference between equivalent products is intended and that the inclusion of a product does not imply endorsement by NSW DPI or other equivalent product from another manufacturer.

---

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.
### CALENDAR OF OPERATIONS:

#### Operation | Month | hrs/ha | Cost/hour | $/ha | Cost/ha | Rate/ha | Cost | Total Cost/ha | $/ha
--- | --- | --- | --- | --- | --- | --- | --- | --- | ---
Off-set disc | Jan | 0.35 | 60.82 | $21.12 | $21.12 | $21.12 | $21.12
Chisel plough | Feb | 0.22 | 54.87 | $12.25 | $12.25 | $12.25 | $12.25
Gypsum (Sulfur) | Mar | contract | $7.50 | 0.3 t | $30.00/t | $9.00 | $9.00 | $16.50
Light Cultivation | Mar | 0.17 | 57.07 | $9.77 | $9.77 | $9.77 | $9.77
Pre-irrigation | Mar | 1.50 ML | $18.66/ML | $27.99 | $27.99 | $27.99 | $27.99
Weed control eg: glyphosate 540 g/L (Roundup PowerMAX®) | Apr | 0.05 | 53.40 | $2.88 | 1.50 L | $8.67/L | $13.01 | $15.88
Nitrogen fertiliser eg: Urea | May | 0.17 | 57.07 | $9.77 | 150 kg | $0.70/kg | $105.00 | $114.77
Weed control eg: glyphosate 540 g/L (Roundup PowerMAX®) | May | 0.05 | 53.40 | $2.88 | 1.50 L | $8.67/L | $13.01 | $15.88
Sowing | May | 0.17 | 74.40 | $12.50 | 3.00 kg | $1.03/kg | $16.50 | $56.00
Start fertiliser eg: MAP | May with above | 100 kg | $1.03/kg | $103.00 | $103.00 | $103.00 | $103.00
Insecticide eg: omethoate 290 g/L (Le-mat®) | May | 0.05 | 53.40 | $2.88 | 0.10 L | $30.00/L | $3.00 | $5.88
Broadleaf weed control eg: Clopyralid (Lontrel®) | Jun | 0.05 | 53.40 | $2.88 | 0.30 L | $32.86/L | $9.86 | $12.73
Grass weed control eg: haloxyfop-R (Verdict®520) | Jun with above | 0.0 | 0.00 | $0.00 | 0.10 L | $61.09/L | $6.11 | $6.11
Irrigation | Aug | 1.50 ML | $18.66/ML | $27.99 | $27.99 | $27.99 | $27.99
Heliothis control eg: alpha-cypermethrin (Fastac Duo®) | Sept | Aerial applic | $18.15 | 0.30 L | $8.07/L | $2.42 | $2.42 | $20.57
Contract Windrow | contract | $75.00 | $75.00 | $75.00 | $75.00
Contract-harvest | contract | $60.00 | $60.00 | $60.00 | $60.00
Crop Levies | | | | | | | | | $1.50/tonne + 1.03% of on-farm value | $15.42
Crop Insurance | | | | | | | | | 3.59% of on-farm value | $41.26

---

**NOTES:**

- **Soil type:** Suitable for all good fertility wheat soils. Avoid acid soils containing high levels of exchangeable aluminum.
- **Fertiliser:** Adequate phosphorus is essential for canola.
- Canola requires more nitrogen than wheat and also has high sulfur requirement. This can be applied as either two separate products (eg gypsum pre-sowing, urea at sowing or top dressed in-crop), or as a combined product at sowing or in-crop (eg, sulfate of ammonia).
- For maximum yield response both nitrogen and sulfur should be applied prior to early budding.
- **Sowing time:**
  - Sow canola as early as possible to maximise yield potential, either after pre-irrigation or after the first autumn rains from mid-April.
  - There is a 10% yield loss for every weeks delay in sowing after early May.
  - Seed price used above is for purchased seed (open pollinated variety). Do not use retained canola seed.
- **Weed control:**
  - Trifluralin for grass weed and wireweed/fumitory control can be incorporated by sowing.
  - Can use wide range of herbicides for grass control.
  - Clopyralid for capeweed and saffron thistle control.
  - Rotate herbicide groups and use other non-chemical methods to avoid herbicide resistance developing.
- **Insect control:**
  - Earthmite control is essential at establishment.
  - Check for insect pests at flowering time.
  - Aphids need to be monitored from early budding, when colonies begin to spread control may be needed.
  - Monitor for heliothis from flowering onwards.
- **Windrowing:**
  - Windrowing is strongly recommended to reduce shattering losses and allow earlier harvest.
- **Irrigation:**
  - Pre-irrigation, dependent on stored moisture levels following summer rainfall.
  - This budget is applicable for the Central Zone east, a higher water requirement may be required for the central zone/west.
  - In-crop irrigation: timing and amount dependent on in-crop winter rainfall; generally one spring irrigation (1.5 ML/ha) is sufficient but must be timed to ensure that there is adequate moisture over the critical flowering period.
  - Some of the yield response for irrigated crops is due to stored soil moisture and growing season rainfall which can be sufficient to grow a dryland crop. Thus the gross margin per ML is obtained by (GM/HA irrigated crop – GM/HA dryland crop)÷ML of irrigation water applied.
- **Machinery:**
  - A tractor with 57 kW (77 HP) pto power and 66kW (90 HP) engine power is assumed.
  - Machinery costs refer only to variable costs: fuel, oil, filters, tyres, batteries & repairs.
  - Contract-harvesting does not include the cost of fuel.
- **Labour:**
  - The labour required for machinery operations is 1.75 hr/ha
  - Using a labour cost of $22/hr, an additional $38.57 can be deducted from the budget
- **Important notes:**
  - These gross margins are only a guide. They do not include overhead costs.
  - Use your own figures and price assumptions to estimate your own gross margin.
  - Use of a particular brand name does NOT imply a recommendation of that brand by NSW DPI.

---

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.