



## OATS: Grazing & Grain (Short Fallow)

Southern Zone - east

Dryland Winter: 2012

### 1. GROSS MARGIN BUDGET:

**INCOME:**

|      |            |             |                       |
|------|------------|-------------|-----------------------|
| 2.50 | tonnes/ha@ | \$140.00    | /tonne on farm (feed) |
| 20   | sheep/ha@  | 0.15 kg/day | x 75 days x \$2.50/kg |

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

**VARIABLE COSTS:**

See following page for detail

Cultivation

Sowing

Fertiliser & application

Herbicide & application

Insecticide & application

Contract harvesting

Levies

Crop Insurance

Cartage & grading

**B. TOTAL VARIABLE COSTS \$/ha:**

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

| Standard Budget \$/ha | Your Budget \$/ha |
|-----------------------|-------------------|
| \$350.00              |                   |
| \$562.50              |                   |
| <b>\$912.50</b>       |                   |
|                       |                   |
| \$31.83               |                   |
| \$36.41               |                   |
| \$122.40              |                   |
| \$40.36               |                   |
| \$0.00                |                   |
| \$37.07               |                   |
| \$3.57                |                   |
| \$7.78                |                   |
| \$0.00                |                   |
| <b>\$279.41</b>       |                   |
|                       |                   |
| <b>\$633.09</b>       |                   |

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

| YIELD<br>tonnes/ha | ON FARM PRICE (\$/tonne) |          |                 |          |          | Gross<br>Margin<br>(\$/ha) |
|--------------------|--------------------------|----------|-----------------|----------|----------|----------------------------|
|                    | \$100 /t                 | \$120 /t | <b>\$140 /t</b> | \$160 /t | \$180 /t |                            |
| 1.00               | \$391                    | \$411    | \$430           | \$449    | \$469    |                            |
| 1.50               | \$440                    | \$469    | \$498           | \$527    | \$556    |                            |
| 2.00               | \$488                    | \$527    | \$565           | \$604    | \$643    |                            |
| <b>2.50</b>        | \$536                    | \$585    | <b>\$633</b>    | \$681    | \$730    |                            |
| 3.00               | \$585                    | \$643    | \$701           | \$759    | \$817    |                            |
| 3.50               | \$633                    | \$701    | \$769           | \$836    | \$904    |                            |
| 4.00               | \$678                    | \$755    | \$833           | \$910    | \$988    |                            |

### 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 over any other equivalent product from another manufacturer.

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## CALENDAR OF OPERATIONS:

| Operation  | Month      | Machinery  |              |             | Inputs                  |             |             | Total Cost \$/ha |
|--|------------|------------|--------------|-------------|-------------------------|-------------|-------------|------------------|
|  |            | hrs /ha    | Cost \$/hour | Total \$/ha | Rate/ha                 | Cost \$     | Total \$/ha |                  |
| Broad leaf and grass weed control eg ground spray glyphosate 450 and             | Jan/Feb    | 0.05       | 70.67        | \$3.81      | 1.50 L/ha               | \$4.20/L    | \$6.30      | <b>\$10.11</b>   |
| 2,4-D 600LVE   | With above |            |              |             | 0.90 L/ha               | \$11.61/L   | \$10.45     | <b>\$10.45</b>   |
| Burn   | March      |            |              |             |                         |             |             |                  |
| Cultivation - Scarify / Harrow   | March      | 0.35       | 91.67        | \$31.83     |                         |             |             | <b>\$31.83</b>   |
| Sow (seed cost is based on farmer's own seed)                                    | March      | 0.17       | 91.67        | \$15.41     | 70kg/ha                 | \$0.30 /kg  | \$21.00     | <b>\$36.41</b>   |
| Apply starter fertiliser eg. MAP   | March      | with above |              |             | 80kg/ha                 | \$0.76 /kg  | \$60.80     | <b>\$60.80</b>   |
| In crop broadleaf and grass weed control eg. ground spray chlorsulfuron (Glean@) | May        | 0.05       | 70.67        | \$3.81      | 20 g/ha                 | \$132.2 /kg | \$2.64      | <b>\$6.45</b>    |
| & eg. ground spray MCPA 500  | May        | with above |              |             | 1.50 L/ha               | \$8.90/L    | \$13.35     | <b>\$13.35</b>   |
| Apply nitrogen eg. urea ground spread  | July       | contract   |              | \$5.50      | 85kg/ha                 | \$0.660 /kg | \$56.10     | <b>\$61.60</b>   |
| Contract harvest   | Dec        | contract   |              | \$37.07     |                         |             |             | <b>\$37.07</b>   |
| Board & Research Levies  |            |            |              |             | 1.015% of on-farm value |             |             | <b>\$3.57</b>    |
| Crop Insurance   |            |            |              |             | 2.224% of on-farm value |             |             | <b>\$7.78</b>    |

## 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.*

### Varieties:

- See NSW DPI "Winter crop variety sowing guide 2012".

### Herbicide Resistance Management:

- Record herbicide groups and rotate groups where possible to avoid developing herbicide resistance on your farm.

### Seed:

- Budgets are based on cost of using own seed. Consider retail seed price at \$850/tonne, if growing a new variety.

### Economic note:

- To calculate a grazing value consider the stocking rate, length of grazing time and the value of grazing (eg. agistment rate).

### Herbicides:

- Good weed control is required in previous years.

### Prices:

- Prices for this crop can fluctuate widely.

### Labour:

- The labour required for machinery operations is 0.71 hrs/ha.  
 - At \$22/hour this costs: \$15.65 /ha changing the gross margin to \$617.43 /ha

### Machinery:

- A tractor with 141kW (190 HP) pto power and 148 kW (225 HP) engine power is assumed.  
 - Machinery costs refer only to variable costs: fuel, oil, filters, tyres, batteries & repairs.

### Economic note:

- These gross margins are only a guide. They do not include overhead costs or GST.

**Note: Input and crop prices are correct at the time of writing (April 2012). Market uncertainty makes estimation of future pricing impractical.**

- Use your own figures and price assumptions to estimate your own gross margin.