



Department of Primary Industries

BARLEY: Feed or Malting (Flood Irrigated - Border Check / Direct Drill)

Irrigated Winter - 2012

Murray Valley

1. GROSS MARGIN BUDGET:

INCOME:

4.00 tonnes/ha @ \$150 /t (on farm)

Standard Budget \$/ha	Your Budget \$/ha
\$600	

A. TOTAL INCOME \$/ha:

\$600	
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VARIABLE COSTS:

See following page for detail

Cultivation.....	\$0	
Sowing.....	\$102	
Fertiliser.....	\$172	
Herbicide.....	\$66	
Contract harvesting.....	\$63	
Levies.....	\$12	
Crop insurance.....	\$14	
Irrigation.....	\$13	
B. TOTAL VARIABLE COSTS \$/ha:	\$442	

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

\$158	
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D. GROSS MARGIN \$/ML:

\$63	
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SENSITIVITY TABLES

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ha)
	\$110 /t	\$130 /t	\$150 /t	\$170 /t	\$190 /t	
2.50	-\$150	-\$102	-\$54	-\$5	\$43	
3.00	-\$98	-\$40	\$18	\$76	\$134	
3.50	-\$46	\$22	\$90	\$158	\$225	
4.00	\$3	\$81	\$158	\$235	\$313	←
4.50	\$50	\$137	\$224	\$311	\$398	
5.00	\$96	\$193	\$290	\$386	\$483	
5.50	\$143	\$249	\$355	\$462	\$568	

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

YIELD tonnes/ha	ON FARM PRICE (\$/tonne)					Gross Margin (\$/ML)
	\$110 /t	\$130 /t	\$150 /t	\$170 /t	\$190 /t	
2.50	-\$60	-\$41	-\$21	-\$2	\$17	
3.00	-\$39	-\$16	\$7	\$30	\$54	
3.50	-\$18	\$9	\$36	\$63	\$90	
4.00	\$1	\$32	\$63	\$94	\$125	←
4.50	\$20	\$55	\$90	\$124	\$159	
5.00	\$38	\$77	\$116	\$155	\$193	
5.50	\$57	\$100	\$142	\$185	\$227	

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.

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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
Fallow broadleaf and grass weed control eg ground spray glyphosate 450	Dec/Jan	Contract		\$10.00	1.00 L/ha	\$4.42/L	\$4.42	\$14.42
spray Metsulfuron methyl (eg Ally)	with above				0.005kg/ha	\$66/kg	\$0.33	\$0.33
spray Triclopyr (eg Garlon)	with above				0.160 L/ha	\$20.30/L	\$3.25	\$3.25
Fallow broadleaf and grass weed control eg ground spray glyphosate 450	Feb	Contract		\$10.00	1.00 L/ha	\$4.42/L	\$4.42	\$14.42
Pre-sowing weed control eg ground spray glyphosate 450	May/June	Contract		\$10.00	1.00 L/ha	\$4.42/L	\$4.42	\$14.42
Trifluralin (180g/L)	with above				1.50 L/ha	\$10.10/L	\$15.15	\$15.15
Sow	May/June	0.17	\$62.38	\$10.48	90kg/ha	\$1.02/kg	\$91.80	\$102.28
Apply starter fertiliser (<i>eg. DAP</i>)	with above				125kg/ha	\$0.760/kg	\$95.00	\$95.00
Seed dressing	with above				0.13kg/ha	\$35.30/kg	\$4.41	\$4.41
Topdress nitrogen fertiliser (<i>eg. broadcast urea</i>)	Jun/Jul	0.17	\$62.38	\$10.48	125kg/ha	\$0.530/kg	\$66.25	\$76.73
Contract harvest	Nov	contract		\$52.94				\$52.94
Chaser Bin		0.22	\$45.05	\$9.91				\$9.91
Irrigation					2.5ML/ha	\$5.15/ML	\$12.88	\$12.88
Crop Levies			\$1.5 /t	+	1.02% of on-farm value			\$12.09
Crop Insurance					2.280% of on-farm value			\$13.68

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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.

- Rotation:** - This is the first crop following wheat.
- Varieties:** - Refer to the NSW DPI "*Winter crop variety sowing guide 2012*". Varieties are reviewed annually for disease resistance and quality characteristics
- Weed Control:** - Herbicides are boomsprayed in a dry year and aerial sprayed in a wet year.
- This budget includes a full summer weed control program to maximise stored moisture
- An additional broadleaf herbicide may be required if wireweed and toadrush are a problem.
- Incorporate by sowing required within 24 hours of application of trifluralin
- Seed Dressing:** - Seed dressing is required for the control of leaf diseases, especially scald.
- Irrigation:** - This crop is pre-irrigated with one spring irrigation.
- Growers can reduce the effect of waterlogging problems by only pre-irrigating a proportion of intended winter crop area.
- Barley is the most susceptible winter cereal to waterlogging, ideally the crop should be flooded and drained within 12 hours. Some varieties handle waterlogging better than others eg Gairdner.
- Yield in the absence of pre-irrigation following a cereal crop yield is restricted to 2.5-3.5 t/ha depending on rainfall. Therefore, pre-irrigation gives 1.0-1.5 t/ha extra yield in drier years.
- **Budget uses Murray Irrigation Area total variable water costs.**
- **For water costs in other areas, 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 1.88 hr/ha.
- Using a labour cost of \$22/hr, an additional \$41/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 (April 2012). Market uncertainty makes estimation of future pricing impractical.
- **Use your own figures and price assumptions to determine your own gross margin.**