

Northern Territory Department of
Primary Industry and Fisheries

**CROP GROSS MARGIN BUDGETS
FOR THE DOUGLAS-DALY REGION
1993-94**

SHIW MURTI
Agricultural Economist
Phone: (089) 89 2372

OCTOBER 1993

SUSTAINABLE AGRICULTURE

THE DEPARTMENT OF PRIMARY INDUSTRY AND FISHERIES IS COMMITTED TO THE PRINCIPLES AND PRACTICES OF SUSTAINABLE AGRICULTURE

Definition:

Sustainable agriculture is the use of practices and systems which maintain or enhance:

- the economic viability of agricultural production;
- the natural resource base; and
- other ecosystems which are influenced by agricultural activities.

Principles:

1. Agricultural productivity is sustained or enhanced over the long term.
2. Adverse impacts on the natural resource base of agricultural and associated ecosystems are ameliorated, minimised or avoided.
3. Harmful residues resulting from the use of chemicals for agriculture are minimised.
4. The nett social benefit (in both dollar and non-dollar terms) derived from agriculture is maximised.
5. Agricultural systems are sufficiently flexible to manage risks associated with the vagaries of climate and markets.

SUSTAINABLE AGRICULTURE IN THE NORTHERN TERRITORY

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1. INTRODUCTION AND SOME IMPORTANT NOTES

Standardised gross margin budgets for the Douglas-Daly region are presented in this booklet. They are a guide to the costs and returns that can be expected if specific conditions (relating to climate, prices, management, etc.) prevail. If these conditions are not met, then the gross margin estimates can be wide of the mark. That doesn't mean we're wasting our time, though. For instance, the budgets can be looked at more closely to see how variations in yields and prices affect cropping returns. They can also be used as a basis for assessing the risk associated with planting a certain crop measured in dollar terms. *In any case, farmers are encouraged to prepare gross margin estimates based on their own situation, experience, and expectations since these are likely to be different from those assumed in the standardised budgets.*

Standardised gross margin (GM) budgets provide a benchmark for comparing farm specific gross margins (eg. you can compare your GM for sorghum against the 'standardised GM' budget for sorghum) and are useful for comparing the profitability of different crops (eg. maize vs sorghum).

GM analysis is a simplified budgeting technique since it ignores overhead costs. Overhead costs can be safely ignored, however, if comparing activities of a similar nature (eg. no-till maize vs no-till sorghum) that use existing farm plant and equipment. If new capital equipment is required (eg. installation of irrigation equipment, purchase of minimum tillage equipment, purchase of livestock) or if activities are not of a similar nature (eg. fattening steers vs no-till maize), then more complicated budgeting is required. Contact the DPIF for further information.

As a rule of thumb, a GM of between \$150 - \$250/ha is required for a broadacre farm in the Douglas-Daly region to breakeven (ie to cover overhead costs). Cattle enterprises can operate profitably at much lower GMs/ha. The requirement for specialty cropping areas is variable. In general, a large component of overhead costs may be loan repayments and interest charges.

Once the techniques of farm budgeting have been mastered, they become second nature in evaluating the uncertain outcomes that a farmer faces. Budgeting after all, is merely attaching dollar values to those decisions that need to be made during the production process. Very few people in the farming game today are in a position where they don't need to keep a close eye on their finances.

The alternative option, making decisions on the basis of gut-feeling or guess-timation, seems foolhardy, especially under the deteriorating terms of trade faced by farmers these days.

2. WHAT IS A GROSS MARGIN?

A gross margin is the difference between gross income and total variable costs for a farm activity.

The total gross margin for a farm is the sum of all individual activity gross margins.

Gross Income can be measured by total receipts received from the sales of produce plus the value of any retained output.

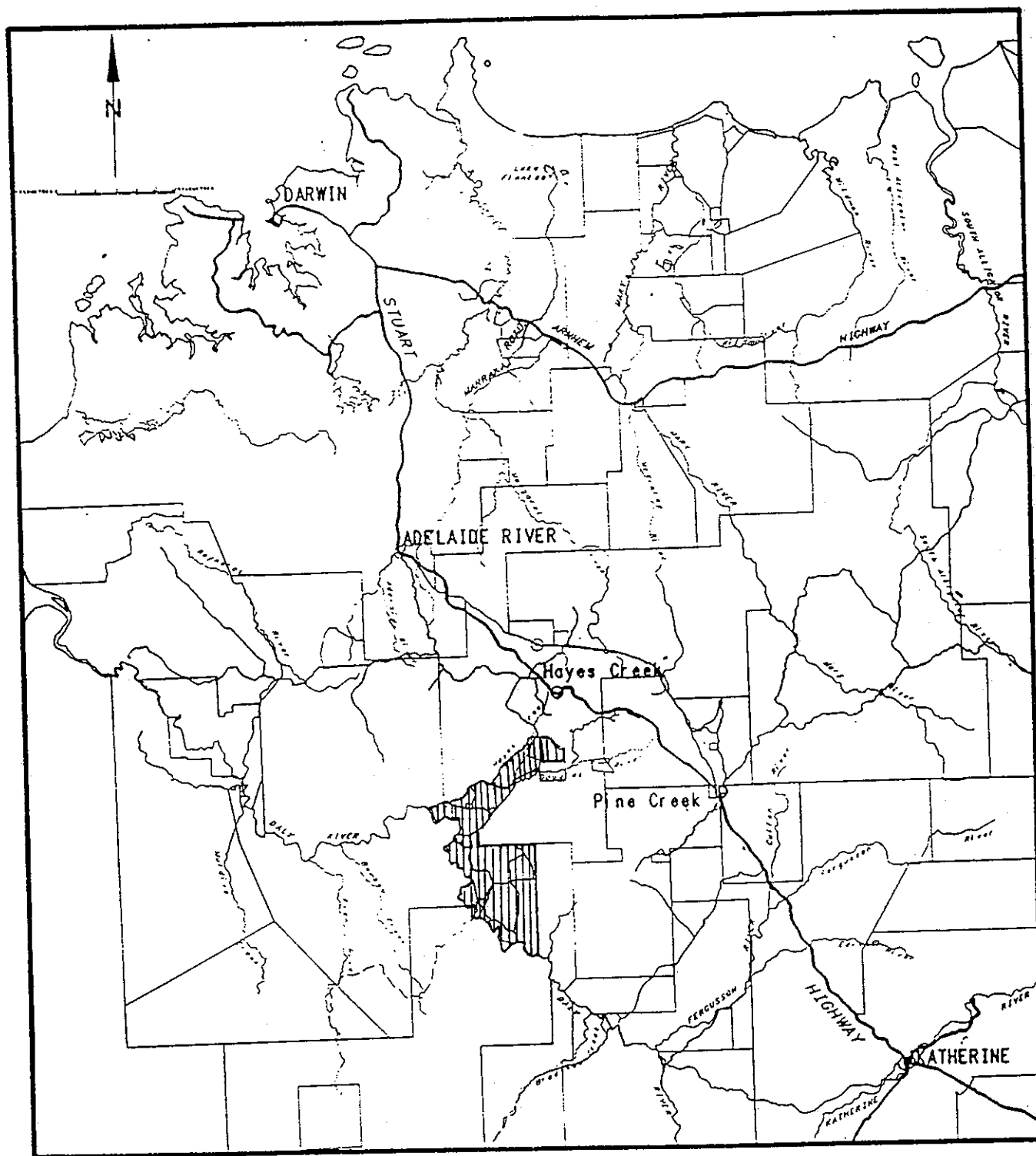
Variable Costs (also known as running costs). As the name implies, these costs vary with the size of farm activities. For example, if the area sown to sorghum is increased from 200 hectares to 400 hectares then roughly twice the amount of seed and fertiliser will be required. Other variable costs include: fuel, oil and repair and maintenance to machinery; casual labour costs; weed and pest control; harvesting and marketing costs. Variable costs are distinct from overhead costs.

Farm Activity refers to the particular method employed in producing a commodity. For example, minimum tillage maize and conventional tillage maize are two different farm activities. Both, however, are described by the more general expression of a maize enterprise.

Overhead Costs (or fixed costs). These costs are difficult to avoid each year and are unlikely to vary with changes in the levels of different farm activities, unless some capital expenditure is required for these changes to occur. Overhead costs include the wages of permanent workers, living expenses of the family, finance costs, insurance, telephone, replacement of buildings and machines, business expenses, rates and land taxes. Overhead costs plus variable costs represent total costs.

The relationship between the total gross margin and farm overhead costs provide a useful guide when computed on a per hectare basis. The average gross margin per hectare should be greater than the average overheads per hectare for the farm to make money.

Gross margins alone do not provide a basis for farm planning. Crop rotations, demands on farm labour, finance, risk and other constraints need to be considered in the context of farm objectives. Gross margins are simply the most commonly used, first-step, budgeting technique.



THE DOUGLAS DALY REGION

3. THE DOUGLAS-DALY REGION

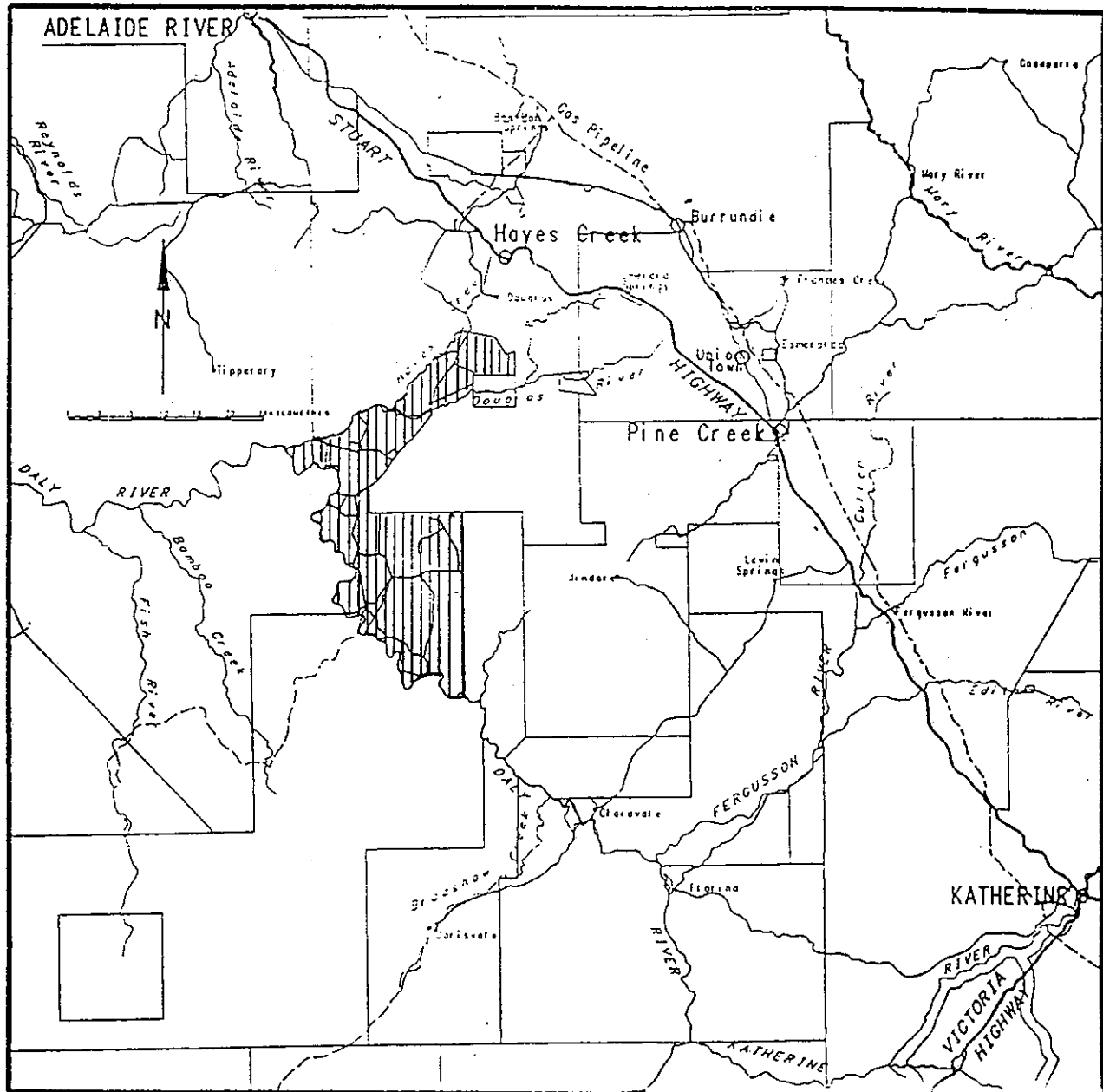
The area surrounding the junction of the Douglas and Daly river systems has been the major crop growing area in the Northern Territory in recent years. The general location of the region is given in Figure 1, and in more detail in Figure 2. The other major cropping area in the NT is around Katherine.

Cropping on a broadacre scale was initiated on Tipperary Station in the 1960's. It was not until the early 1980's, however, that major new agricultural developments occurred. The initiative came from the NT government, which acquired 20,000 hectares of Douglas Station and subsequently the whole of Ooloo and Fish River Stations. The Douglas-Daly and Ooloo acquisitions were subdivided into individual farm lots each comprising approximately 1,000 hectares of arable land and larger areas of non-arable scrub, resulting in blocks ranging in size from 4,500 to 14,000 hectares. The attractiveness of the region was considered to be its relatively good soils (commonly known as 'Blain' and 'Tippera' soil types), permanent water, proximity to the Douglas-Daly Research Farm and road access. Available soil water, soil temperatures, erosion factors and soil fertility (Williams, Day, Isbell and Reddy, 1985) have been considered the limiting agronomic factors in farm production to date.

Arable land areas in the region were cleared and farmed either under contract to then Agricultural Development and Marketing Authority (ADMA), or in some cases independently, after purchasing the land from the government.

In 1993-94 there are six broadacre farms in the Douglas-Daly acquisition area, all of which are now operating independently of government. Most of the farms now have mixed farming enterprises with grain forage crops, cattle and improved pastures.

Crop production in the NT is still at development phase and is small relative to the Australian States. The farmers readily testify that broadacre - scale farming in the semi-arid tropics is quite a challenge, and there is very little experience world-wide to draw upon. An appraisal of the long term economic potential for the industry would be premature at this stage without more experience and results in the field. Farm-gate production costs seem likely to remain higher than most Australian States, however, there are cost advantages in proximity to the local and Asian markets. Current local demand for stockfeed grains and pulses remain unmet, whilst there is interstate and export market potential for some of the high value crops from the NT (especially sesame, peanuts and mung beans).



LOCATION MAP
Douglas - Daly

4. SOME COMMENTS ON THE STANDARDISED BUDGETS

- (a) Not all machinery costs are included in the gross margins. Only repairs and maintenance costs to machinery plus fuel and oil costs are included. All other costs, including depreciation, interest, provision of shelter, operators labour and insurance costs are treated as overhead costs. The ability to cover this latter group of costs is usually measured by preparing a whole farm budget.

The fuel, oil, and repair and maintenance bill was calculated as an average of 10,000 rated hours of use from tractors purchased new and 1,200 - 2,400 rated hours use from new implements. This is merely a simple accounting technique. Individual growers should have better idea of their own fuel, oil, repairs and maintenance costs. Actual machinery running costs for a particular farm may be much higher if old, worn-out equipment is used.

Fuel cost have been budgeted at 43¢/L. This is net of the NT government tax rebate and the customs and excise rebate for on-farm use.

- (b) Seeding rates will vary, depending on the weight of seed, germination percentage and individual's sowing practices.
- (c) Fertiliser rates should be varied with the nutrient status of the soil and particular crop requirements. Ask your district agronomist if you need advice on this matter.

The NT fertiliser freight subsidy for 1993-94 has been approved at \$95.00/ tonne or actual freight cost (whichever is lower). Claims should be submitted before June 1994. The minimum claim is for 2 tonnes, the maximum is 300 tonnes per producer.

- (d) Herbicide and pesticide application rates vary with climate, incidence of insects, etc. It is illegal to use any herbicide or pesticide that is not registered for use in the NT and to use registered chemical contrary to their label specifications. Contact the DPIF for further information if required.
- (e) The NT Grain Marketing Board has grain storage, grading and marketing facilities at Katherine and a storage facility at Douglas-Daly. The functions of the Board are to acquire, process, treat, market and generally deal with commodities grown or produced in the NT and to administer the Marketing Scheme for commodities declared and vested in the Board. The crops currently declared and vested in the Board are grain sorghum and maize. The Board announces indicative prices for most crops prior to the beginning of the cropping season. Payment for vested crops is made in instalments. The first advance, based on the indicative price, is paid soon after delivery and the final adjustment, including interest charges, is paid when the grain is sold.

- (f) Trade names are used in this publication solely for the purpose of providing specific information. Mention of a registered trade name does not constitute a guarantee or warranty of the product by DPIF, nor does it endorse the product over brand names not mentioned. Trade names have been included because producers seem to identify more readily with these than with chemical names.
- (g) Costs and Returns may not add up exactly due to rounding of numbers.

GROSS MARGIN BUDGET

ENTERPRISE NAME: Zero-Till Sorghum

REGION: Douglas/Daly

ENTERPRISE UNIT: 1 hectare

DATE: October 1993

INCOME		\$/ha	Your Estimate
Yield	2.70 t/ha @ \$230/tonne	621	
Other Income			
- Fertiliser Subsidy	275 kg @ \$95/tonne	26	
- Agistment	1 head/ha @ \$1.50/head/week for 17 weeks	26	
A. TOTAL INCOME		673	
VARIABLE COSTS			
Land Preparation			
Control Grazing			
1 Knock Down Spray (RoundupCT)	2 L/ha @ \$11.00/L	22	
1 application	9.36 ha/h @ \$14.44/h	2	
Sowing			
Seed	8 kg/ha @ \$4.25/kg	34	
Sowing Operation	4.2 ha/h @ \$15.18/h	4	
Fertilisers			
NPKS (19-10-0-13)	150 kg/ha @ \$512/tonne	77	
Urea	75 kg/ha @ \$492/tonne	37	
MOP	50 kg/ha @ \$459/tonne	23	
2 application (pre-planting)	7.2 ha/h @ \$13.57/h	4	
1 application (post-planting)	7.2 ha/h @ \$13.57/h	2	
Weed Control			
Atrazine	3 L/ha @ \$5.10/L	15	
1 application	9.36 ha/h @ \$14.44/h	2	
Harvesting			
Heading	3.15 ha/h @ \$70.87/h	22	
Marketing			
Freight to Depot	@ \$10/tonne	27	
Handling charges	@ \$12/tonne	32	
B. TOTAL VARIABLE COSTS		302	
C. GROSS MARGIN PER HECTARE (A-B)		370	

Sensitivity of Sorghum Gross Margin (\$/ha) to Varying Yields and Prices

Price	Yield (tonnes per hectare)				
(\$/t)	1.5	2.0	2.5	3.0	3.5
125	-37	15	66	118	169
175	38	115	191	268	344
235	128	235	341	448	554
285	203	335	466	598	729
335	278	435	591	748	904

Breakeven Analysis (Gross Margin Breakeven)

Breakeven Yield at a price of \$230/tonne = 0.92 t/ha

Breakeven Price at a yield of 2.7 t/ha = \$92.81/tonne

GROSS MARGIN BUDGET

ENTERPRISE NAME: Zero-Till Maize
 ENTERPRISE UNIT: 1 hectare

REGION: Douglas/Daly
 DATE: October 1993

INCOME		\$/ha	Your Estimate
Yield	2.50 t/ha @ \$245/tonne	613	
Other Income			
- Fertiliser Subsidy	300 kg @ \$95/tonne	29	
- Agistment	1 head/ha @ \$1.50/head/week for 17 weeks	26	
A. TOTAL INCOME		667	
VARIABLE COSTS			
Land Preparation			
Control Grazing			
1 Knock Down Spray (RoundupCT)	2 L/ha @ \$11.00/L	22	
1 application	9.36 ha/h @ \$14.44/h	2	
Sowing			
Seed (Hycorn 90)	17 kg/ha @ \$7.00/kg	119	
Sowing Operation	4.2 ha/h @ \$15.18/h	4	
Fertilisers			
NPKS (19-10-0-13)	150 kg/ha @ \$512/tonne	77	
Urea	150 kg/ha @ \$492/tonne	74	
1 application (pre-planting)	7.2 ha/h @ \$13.57/h	2	
1 application (post-planting)	7.2 ha/h @ \$13.57/h	2	
Weed Control			
Atrazine	3 L/ha @ \$5.10/L	15	
Dual	2 L/ha @ \$17.00/L	35	
1 application (post-planting)	9.36 ha/h @ \$14.44/h	2	
Harvesting			
Heading (own harvester)	2.1 ha/h @ \$70.87/h	34	
Marketing			
Freight to Depot	@ \$10/tonne	25	
Handling charges	@ \$12/tonne	30	
B. TOTAL VARIABLE COSTS		441	
C. GROSS MARGIN PER HECTARE (A-B)		226	

Sensitivity of Maize Gross Margin (\$/ha) to Varying Yields and Prices

Price	Yield (tonnes per hectare)				
(\$/t)	1.5	2.0	2.5	3.0	3.5
200	-35	64	163	262	361
280	55	184	313	442	571
340	145	304	463	622	781
400	235	424	613	802	991
460	325	544	763	982	1201

Breakeven Analysis (Gross Margin Breakeven)

Breakeven Yield at a price of \$245/tonne = 1.49 t/ha

Breakeven Price at a yield of 2.5 t/ha = \$154.77/tonne

GROSS MARGIN BUDGET

ENTERPRISE NAME: Sesame
 ENTERPRISE UNIT: 1 hectare

REGION: Douglas/Daly
 DATE: October 1993

INCOME		\$/ha	Your Estimate
Yield	0.5 t/ha @ \$1000/tonne	500	
Other Income -Fertiliser Subsidy	225 kg @ \$95/tonne	21	
A. TOTAL INCOME		521	
VARIABLE COSTS			
Land Preparation			
1 Disc Ploughing	4.48 ha/h @ \$28.18/h	6	
1 Cultivation	6.30 ha/h @ \$28.27/h	4	
1 Harrowing	8.40 ha/h @ \$12.88/h	2	
Sowing			
Seed	3 kg/ha @ \$1.90/kg	6	
Sowing Operation	3.84 ha/h @ \$15.22/h	4	
Fertilisers			
NPKS (19-13-0-9)	155 kg/ha @ \$534/tonne	83	
Urea	70 kg/ha @ \$492/tonne	34	
1 application (pre-planting)	7.2 ha/h @ \$13.57/h	2	
Weed Control			
Allowance for weed control (1 application)		30	
Pest Control			
Methomyl	225 g.a.c./L/ha @ \$14.00/L	14	
1 aerial application	1 h/ha @ \$35.00/h	35	
Harvesting			
Heading (own harvester)	2.10 ha/h @ \$70.87/h	34	
Marketing			
Clean & Grade	@ \$50/tonne	25	
Bag	@ \$25/tonne	13	
Freight to Depot	@ \$25/tonne	13	
Handling charges	@ \$12/tonne	6	
B. TOTAL VARIABLE COSTS		310	
C. GROSS MARGIN PER HECTARE (A-B)		212	

Sensitivity of Sesame Gross Margin (\$/ha) to Varying Yields and Prices

Price	Yield (tonnes per hectare)				
(\$/t)	0.2	0.35	0.5	1.0	1.5
700	-115	-27	62	356	650
800	-95	8	112	456	800
900	-75	43	162	556	950
1000	-55	78	212	656	1100
1100	-35	113	262	756	1250

Breakeven Analysis (Gross Margin Breakeven)

Breakeven Yield at a price of \$1000/tonne = 0.26 t/ha

Breakeven Price at a yield of 0.5 t/ha = \$576.88/tonne

GROSS MARGIN BUDGET

ENTERPRISE NAME: Zero-till A Grade Mung Beans
 ENTERPRISE UNIT: 1 hectare

REGION: Douglas/Daly
 DATE: October 1993

INCOME		\$/ha	Your Estimate
Yield	0.80 t/ha @ \$500/tonne	400	
	0.20 t/ha @ \$295/tonne	59	
Other Income			
Fertiliser Subsidy	200 kg @ \$95/tonne	19	
A. TOTAL INCOME		478	
VARIABLE COSTS			
Land Preparation			
Control Grazing			
1 knock down spray	2 L/ha @ \$11.00/L	22	
RoundupCT (1 application)	9.36 ha/h @ \$14.44/h	2	
Sowing			
Seed (Putland)	15 kg/ha @ \$1.75/kg	26	
Sowing Operation	3.84 ha/h @ \$15.22/h	4	
Fertilisers			
Superphosphate	200 kg/ha @ \$337/tonne	67	
1 application (pre-planting)	7.2 ha/h @ \$13.57/h	2	
Pest Control			
Thiodan	2 L/ha @ \$8.50/L	17	
1 aerial application	@ \$35/ha	35	
Harvesting			
Heading (own harvester)	2.10 ha/h @ \$70.87/h	34	
Marketing			
Clean & Grade	@ \$40/tonne	40	
Bag	@ \$25/tonne	25	
Cartage to Depot (Kath)	@ \$25/tonne	25	
Handling charges	@ \$12/tonne	12	
B. TOTAL VARIABLE COSTS		311	
C. GROSS MARGIN PER HECTARE (A-B)		167	

**Sensitivity of A-Grade Mung Beans Gross Margin (\$/ha) to Varying Yields and Prices
(assuming 80% B Grade & 20% Splits and A Grade Price + \$295/tonne for Splits)**

Price	Yield (tonnes per hectare)					
(\$/t)	0.5	0.8	1.5	2.0	2.5	3.0
400	-51	32	226	364	503	641
500	-11	96	346	524	703	881
600	29	160	466	684	903	1121
700	69	224	586	844	1103	1361
800	109	288	706	1004	1303	1601
900	149	352	826	1164	1503	1841
1000	189	416	946	1324	1703	2081

Breakeven Analysis (Gross Margin Breakeven)

Breakeven Yield at the Grade A price of \$500/tonne = 0.53 t/ha

Breakeven Price at a yield of 1.0 t/ha = \$290.98/tonne Grade A Mung Beans

GROSS MARGIN BUDGET

ENTERPRISE NAME: Cavalcade Hay
ENTERPRISE UNIT: 1 hectare

REGION: Douglas/Daly
DATE: October 1993

INCOME		\$/ha	Your Estimate
Yield	7.00 t/ha @ \$135/tonne	945	
Other Income -Fertiliser Subsidy	170 kg @ \$95/tonne	16	
A. TOTAL INCOME		961	
VARIABLE COSTS			
Land Preparation			
1 Disc Ploughing	4.48 ha/h @ \$28.18/h	6	
2 Cultivation	6.30 ha/h @ \$28.27/h	9	
Sowing			
Seed	10 kg/ha @ \$10.00/kg	100	
Sowing Operation	3.84 ha/h @ \$15.22/h	4	
Fertilisers			
Super + Cu + Mo + Zn (10)	120 kg/ha @ \$429/tonne	51	
MOP	50 kg/ha @ \$459/tonne	23	
2 applications (pre-planting)	7.2 ha/h @ \$13.57/h	4	
Weed Control			
Basagran (post-sowing)	2 L/ha @ \$29.97/L	60	
Treflan (pre-sowing)	2 L/ha @ \$6.50/L	13	
2 application	9.36 ha/h @ \$14.44/h	3	
Harvesting			
Mow/Condition	0.84 ha/h @ \$19.77/h	24	
Round Baling	0.58 ha/h @ \$18.89/h	33	
Wrapping	4 bale/t @ \$2.63/bale	74	
B. TOTAL VARIABLE COSTS		403	
C. GROSS MARGIN PER HECTARE (A-B)		558	

Sensitivity of Cavalcade Hay Gross Margin (\$/ha) to Varying Yields and Prices

Price	Yield (tonnes per hectare)					
(\$/t)	4.0	5.0	6.0	7.0	8.0	9.0
115	104	209	313	418	522	627
125	144	259	373	488	602	717
135	184	309	433	558	682	807
145	224	359	493	628	762	897
155	264	409	553	698	842	987

Breakeven Analysis (Gross Margin Breakeven)

Breakeven Yield at a price of \$135/tonne = 2.52 t/ha

Breakeven Price at a yield of 7 t/ha = \$55.32/tonne

NOTE: This gross margin relates to first time cultivation. In subsequent cultivations the cost of production will be lower.

GROSS MARGIN BUDGET

ENTERPRISE NAME: Rice
ENTERPRISE UNIT: 1 hectare

REGION: Marrakai
DATE: October 1993

INCOME		\$/ha	Your Estimate
Yield	3.00 t/ha @ \$245/tonne	735	
Other Income -Fertiliser Subsidy	300 kg @ \$95/tonne	29	
A. TOTAL INCOME		764	
VARIABLE COSTS			
Land Preparation			
1 Disc Ploughing	4.48 ha/h @ \$28.18/h	6	
2 Cultivation	6.30 ha/h @ \$28.27/h	9	
1 Laser Levelling (assume one third of area levelled per year)	1 ha/h @ \$45.00/h	15	
Sowing			
Seed	100 kg/ha @ \$0.40/kg	40	
Sowing Operation	3.84 ha/h @ \$15.22/h	4	
Fertilisers			
Urea	200 kg/ha @ \$492/tonne	98	
Double Super + Zinc	100 kg/ha @ \$531/tonne	53	
1 application (with sowing)	3.84 ha/h @ \$15.22/h	4	
1 aerial application	1 ha @ \$35.00/ha	35	
Weed Control			
Propanil	8 L/ha @ \$8.80/L	70	
Saturn	2 L/ha @ \$11.75/L	24	
1 aerial application	1 ha @ \$35.00/ha	35	
Pest Control			
Ammunition (for birds)		10	
Allowance for Insect Control		35	
Harvesting			
Contract Harvester	2.33 ha/h @ \$180/h	77	
Marketing			
Freight to Depot	@ \$25/tonne	75	
Handling charges	@ \$12/tonne	36	
B. TOTAL VARIABLE COSTS		627	
C. GROSS MARGIN PER HECTARE (A-B)		137	

Sensitivity of Rice Gross Margin (\$/ha) to Varying Yields and Prices

Price	Yield (tonnes per hectare)				
(\$/t)	1.0	2.0	3.0	4.0	5.0
210	-314	-141	32	205	378
220	-304	-121	62	245	428
230	-294	-101	92	285	478
240	-284	-81	122	325	528
250	-274	-61	152	365	578
260	-264	-41	182	405	628

Breakeven Analysis (Gross Margin Breakeven)

Breakeven Yield at a price of \$245/tonne = 2.34 t/ha

Breakeven Price at a yield of 3.0 t/ha = \$199.45/tonne

Appendix A: Field Crop Yields Douglas-Daly: Historical Data**GRAIN SORGHUM****Areas Sown, Commercial and Test Yields by Season**

Year	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92	92/93
Area Sown (ha)	637	612	992	2335	1845	2382	2590	1207	1085	990
Commercial Yield/ Area Sown (t/ha)	2.3	2.5	1.8	1.6	2.1	1.8	1.3	1.98	2.33	1.77
Test Yield/ Test Area Sown	4.8	3.8	4.1	-	5.1	5.2	5.4	5.2	6.69	3.7

MAIZE**Areas Sown, Commercial and Test Yields by Season**

Year	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92	92/93
Area Sown (ha)	978	1304	1701	1100	1740	310	380	85	145	114
Commercial Yield/ Area Sown (t/ha)	2.3	2.7	0.8	1.5	0.7	1.8	0.45	1.74	1.94	1.41
Test Yield/ Test Area Sown	5.3	5.8	2.9	2.4	4.0	3.3	1.7	3.8	4.98	4.4

SESAME**Areas Sown, Commercial and Test Yields by Season**

Year	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92	92/93
Area Sown (ha)	-	-	145	480	585	602	205	370	158	30
Commercial Yield/ Area Sown (t/ha)	-	-	0.8	0.2	0.4	0.2	0.23	0.19	0.32	0.62
Test Yield/ Test Area Sown	-	-	-	0.7	1.2	0.8	0.3	1.0	1.0	-

MUNG BEANS**Areas Sown, Commercial and Test Yields by Season**

Year	83/84	84/85	85/86	86/87	87/88	88/89	89/90	90/91	91/92	92/93
Area Sown (ha)	202	117	264	63	238	311	0	10	40	46
Commercial Yield/ Area Sown (t/ha)	0.6	1.2	0.4	-	0.8	0.7	NA	1.1	1.05	0.59
Test Yield/ Test Area Sown	1.9	1.7	1.2	-	1.3	1.0	0.25	1.1	1.80	0.9

Appendix B: Machinery Work Rates

Operation	Implement	Tractor Details		Implement Details			Field Eff. %	Work Rate ha/h
		PTO (kW)	Price (\$)	Width (m)	Price (\$)	Speed (kph)		
Ploughing	Offset Discs	145	122000	8	45000	8.0	70	4.48
Chisel Ploughing	Chisel Plough	145	122000	8	46000	8.0	70	4.48
Cultivation	Cultivator	145	122000	10	46000	9.0	70	6.30
Harrowing	Harrows	66	65000	12	13000	10.0	70	8.40
Sowing	Combine	66	65000	6	24000	8.0	80	3.84
Sowing	Row Crop Planter	66	65000	6	35000	10.0	70	4.20
Spreading	Spreader	66	65000	10	9000	12.0	60	7.20
Spraying	Boom Spray	66	65000	12	12500	12.0	65	9.36
Harvesting	Header (sorghum)			6	180000	7.0	75	3.15
Harvesting	Header (Maize, Sesame etc)			6	180000	5.0	70	2.10
Harvesting Hay	Mower/Conditioner	66	65000	2.8	30000	4.0	75	0.84
Baling Hay	Baler	66	65000	3.2	26500	3.0	60	0.58
			A	B	C	D	E	F

Notes

$$\text{Work Rate (ha/h)} = \frac{\text{Width} \times \text{Speed} \times \text{Field efficiency (\%)}}{1000}$$

Appendix C:

Machinery Operating Costs

Implement	Fuel (\$/L)	Repairs & Maint. Prop. of Price		Expected Life		Fuel Used (L/h)	Fuel & Oil (\$/h)	Repairs & Maint.		Total Operating Cost (\$/h)
		Tractor (%)	Implement (%)	Tractor (h)	Implement (h)			Tractor (\$/h)	Implement (\$/h)	
Offset Discs	0.43	72	20	10000	2400	33	15.65	8.78	3.75	28.18
Chisel Plough	0.43	72	20	10000	2400	33	15.65	8.78	3.83	28.27
Cultivator	0.43	72	20	10000	2400	33	15.65	8.78	3.83	28.27
Harrow	0.43	72	20	10000	2400	15	7.11	4.68	1.08	12.88
Combine Planter	0.43	72	20	10000	2400	18	8.54	4.68	2.00	15.22
Row Crop Planter	0.43	72	20	10000	2400	16	7.59	4.68	2.92	15.18
Spreader	0.43	72	30	10000	1200	14	6.64	4.68	2.25	13.57
Boom Spray	0.43	72	30	10000	1200	14	6.64	4.68	3.13	14.44
Header (sorghum)	0.43	72	50	10000	1800	44	20.87	-	50.00	70.87
Header (Maize, sesame etc)	0.43	72	50	10000	1800	44	20.87	-	50.00	70.87
Mower/Conditioner	0.43	72	30	10000	1200	16	7.59	4.68	7.50	19.77
Baler	0.43	72	30	10000	1200	16	7.59	4.68	6.63	18.89

G H I J K L M N O P

Notes

- Columns F and P provide estimates used in the standardised GM budgets.
- Reductions in field operating efficiency occur due to; turning at the end of a paddock, failure to use full implement width, time taken to load seed and fertiliser, unloading of harvested crops, minor adjustments and repairs and lubrication whilst in the field.
- Actual header speed and efficiency will vary for each crop.
- The fuel price is calculated net of fuel rebates.
- R&M costs are expressed as a percentage of the new purchase price.
- $$M = 1.1 \text{ G} \times L$$

$$N = (A \times H) / (J \times 100)$$

$$O = (C \times D) / (K \times 100)$$

$$P = M + N + O$$

Appendix B

Farm Costs And Prices Used In Budgets

Fertiliser	
Mop	\$459/t
Urea	\$492/t
Superphosphate	\$337/t
Double Superphosphate	\$467/t
Double Super + Zinc	\$531/t
Super + Cu + Mo + Zn (10)	\$429/t
NPKS (10-10-0-13)	\$512/t
NPKS (19-13-0-9)	\$534/t
Herbicide	
Treflan	\$6.50/L
Atrazine	\$5.10/L
Dual	\$17.40/L
Roundup CT	\$11.00/L
Basagran	\$29.97/L
Satum	\$11.75/L
Propanil	\$8.80/L
Insecticide	
Methomyl	\$14.00/L
Thiodan	\$8.50/L
Seed	
Sorghum	\$4.25/kg
Maize (Hycorn 90)	\$7.00/kg
Sesame	\$1.90/kg
Mung Beans (Putland)	\$1.75/kg
Calvacade Hay	\$10.00/kg
Rice	\$0.40/kg
Contracts	
Cleaning & grading	
- Mung Beans	\$40.00/t
- Sesame	\$50.00/t
Bagging	\$25.00/t
Cartage	\$10.00/t
Cartage (Katherine)	\$25.00/t
Aerial Spraying	\$35.00/ha
Harvesting	\$180.00/h
Handling Charges	\$12.00/t
Other	
Bale wrap	\$2.63/bale
Fertiliser subsidy	\$95.00/t
Diesel fuel	71.9 cents/L
Comm. diesel rebate	26.789 cents/L
NT diesel rebate	2 cents/L
Laser Levelling	\$45.00/h
Produce	
Mung Beans - Grade 'A'	\$500/t
Mung Beans - Splits	\$295/t
Sorghum	\$230/t
Maize	\$245/t
Sesame	\$1,000/t
Cavalcade Hay	\$135/t
Rice	\$245/t
Expected Yield	
Mung Beans	1.00 t/ha
Mung Beans - Grade A	0.80 t/ha
Mung Beans - Splits	0.20 t/ha
Sorghum	2.70 t/ha
Maize	2.50 t/ha
Sesame	0.50 t/ha
Cavalcade Hay	7.00 t/ha
Rice	3.00 t/ha
Miscellaneous	
Agistment	\$1.50/hd/week and 1 AE/ha

Appendix D:**Acknowledgements**

The following information and expertise provided by the following individuals and organisations is greatly appreciated:

Agserv Industries, Berrimah
Australian Customs Service, Darwin
Tom Price
Bruce Sawyer
Northern Territory Treasury
Top End Rural Supplies Pty Ltd, Katherine
Chris Kraus
Barnyard Trading, Darwin
Valerie Hristova