

Crops,
Environment
and Land-Use
Programme

Kildalton

CROPS COSTS AND RETURNS 2015

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AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY

Crop Margins

The margins given here should provide a useful guide to profits but land suitability, rotation, risk avoidance and husbandry should also be considered. There is little difference in margins between spring and winter feed cereals.

Non-cereal break crops offer benefits in terms of rotation, workload and risk-spreading but the sale of inter-farm produce needs careful planning to ensure profitable crops. In the case of malting barley, food-grade oats and milling wheat, the availability of contracts and fulfilment of specific contract requirements need to be appraised in conjunction with the guideline margins here.

The most recent CAP Reform continues to decouple the entitlement value from the crop being grown. However, Crop Diversification (2/3-Crop Rule) is influencing cropping programs and needs to be considered over at least a 5-year time frame (to 2020), to avoid future rotational issues such as pest, weed or disease build-up.

Under the Basic Payment and Greening rules, the land you claim entitlements on must be maintained in "good agricultural and environmental condition" as heretofore.

Stacking is no longer available as an option under the Basic Payment Scheme.

Note: The margins shown here do not include the Basic or Greening payments, however Beans/Peas do include the Protein Crop subsidy (€3 million over 12,000 ha = €250/ha)

For more information see <http://www.teagasc.ie/crops/greening/>

Conacre appraisal

The following table will provide a guide for growers and land owners as to the value of conacre.

1	Entitlement Value	
2	Gross Margin achievable	
3	Land issues* e.g. fertility, pH, P, K, trace elements, scutch, Wild Oats, other grass-weeds	
4	€ available for rent + farming	(1+2)-3

* Growers need to evaluate potential costs due to Greening when considering land rental.

Costs

Level of yield has a major influence on profitability. Decisions on input strategies must be tailored for individual fields and farms. **The prices of grain and fertilisers may vary considerably from those predicted.** Fertiliser strategies contained within are guidelines only, hence growers are advised to complete a nutrient management plan and utilise organic manures where feasible.

Timeliness and attention to detail in carrying out all operations are vital to maintaining profitability in crop production. All material costs should be optimised, consistent with good husbandry practices. Investments in machinery and land/conacre require a thorough financial appraisal before a decision is taken. The average machinery cost (incl. repayments, depreciation, fuel and repairs) on 38 tillage farms (7,000 ha) in 2013 was €314/ha. The machinery costs on these farms was analysed using the Teagasc Machinery Cost Program and is available from your local Teagasc Tillage Advisor.

Fixed costs are unique to each farm but as a guide, the average of the Teagasc National Farm Survey (mainly tillage group) is close on €160/ha.

2015 CEREAL CROP MARGINS

Variable Costs excl. VAT (€/ha)

	WHEAT		FEED BARLEY		MALTING BARLEY	FEED OATS	
	Feed Winter	Milling Spring	Winter	Spring		Winter	Spring
MATERIALS	790	650	707	547	534	595	486
Seed	71	84	82	84	91	79	79
Fertilisers	435	376	388	323	298	346	280
Sprays:							
Herbicides	56	45	56	45	45	27	27
Fungicides	190	125	130	90	95	105	80
Insecticides	23	10	31	5	5	5	5
Growth Regulators	15	10	20	0	0	15	15
HIRE MACHINERY	452	433	414	395	395	414	414
Plough, Till, Sow & Roll	170	170	170	170	170	170	170
Spray	95	76	76	57	57	76	76
Fertiliser Spreading	57	57	38	38	38	38	38
Harvesting	130	130	130	130	130	130	130
MISCELLANEOUS	92	71	83	59	59	80	58
Interest (6%)	32	17	29	14	14	26	13
Transport (€/Tonne)	60	54	54	45	45	54	45
TOTAL VARIABLE COSTS	1335	1154	1204	1001	988	1089	958
Break-even yield (grain only)	8.9	7.2	8.6	7.2	5.8	7.8	6.8
Cost per tonne @ target yields*	121	128	127	125	132	121	128
Net Price (€/Tonne)	150	160	140	140	170	140	140
AID (SFP) = NOT included	0	0	0	0	0	0	0
Straw (€/ha)	90	80	140	100	100	100	90

Gross Margins (€/hectare)

(Incl. Straw)

Tonnes/hectare	WHEAT		FEED BARLEY		MALTING BARLEY	FEED OATS	
	Feed Winter	Milling Spring	Winter	Spring		Winter	Spring
6.0	-345	-114	-224	-61	132	-149	-28
7.5	-120	126	-14	149	387	61	182
8.0	-45	206	56	219	472	131	252
9.0	105	366	196	359	642	271	392
9.5	180	446	266			341	
11.0	405						

*Crop margins are underlined for the various crop target yields.

Totals may not agree due to rounding-off.

An online version of this calculator is available at www.teagasc.ie/crops/crops_margins

EXPLANATORY NOTES

Fixed or Overhead Costs per Hectare

Scutch Control €18/ha, Lime €20/ha, Maintenance of Land and Fences, Car, Phone, ESB, regular hired labour and professional/agronomist fees etc (Total €160/ha).

Fixed costs/land rental to be deducted. .

Vat is excluded from input costs and outputs

A. INPUT COSTS: CEREAL CROP

Seed: €510 /t Blue Label. (Extra dressings/ton: Deter €160; Latitude: €210 barley, €310 wheat)

Rate: W. Wheat - 140 kg/ha; W. Barley - 160 kg/ha; W + S Oats - 155 kg/ha

S. Barley & S. Wheat - 165 kg/ha.

Fertiliser:	Total Fertiliser (kg/ha)			Fertiliser Bags (No. of 50kg bags/ha)			€/ha
	N	P	K	CAN + S	Cmpnd*	50%K	
W. Wheat	230	37	110	14.3	7.4	1.4	€435
W. Barley	200	37	100	12.0	7.4	-	€388
W. Oats	160	37	130	9.1	7.4	2.2	€364
S. Wheat	190	29	110	9.3	9.8	0.5	€376
S. Barley	155	29	100	6.7	9.8	-	€323
Malt Barley	135	29	100	5.3	9.8	-	€298
S. Oats	110	29	115	3.4	9.8	0.7	€280

CAN + S €340/t; *S. Cereals 13-6-20 €425/t; *W. Cereals 10-10-20 €440/t; 50% K €410/t

N = Index 1 + yield/milling bonus; P & K = Index 3 + yield bonus . Based on SI No. 31 of 2014

	€/ha
Herbicides: W. Wheat & W. Barley €56/ha; S Wheat & S Barley €45/ha; Oats €27/ha	
Fungicides:	
Winter Wheat:	
T0: Chlorothalonil (CTL)+/- Morph	€10
T1: Eyespot + B.S. + CTL @ 3rd last leaf emerged	€60
T2: Broad Spectrum (B.S.) + CTL. G.S. 37-39	€70
T3: B.S. (incl. triazole) Growth Stage 55-60	€50
Spring Wheat:	
T1: 1/2 rate (B.S. + Morph. + CTL) GS 30-32	€30
T2: B.S. + CTL. Growth Stage 37-39	€55
T3: B.S. (incl. triazole) Growth Stage 55-60	€40
S. Barley: T1: Red rate(Triazole + mildew); T2: SDHI.+ triazole+ CTL	= €90
Winter Barley: 3 Fungicides (Triazole/SDHI/Strob) G.S. 30/31, 32-37, 49	= €130
W. Oats: Triazole + morph at T1+T2, Triazole + Strob at T3	= €105
S. Oats: Reduced Rates W. Oats	= €80
Insecticides: Winter wheat: Red. Slug Pellets (€13/ha) + Aphicide (€10/ha)	
Winter barley: Deter €26/ha + contact €5/ha	
Other Cereals: Aphicide (€5 - €10/ha) +/- Leatherjackets €11/ha	
Growth Regulators: W. Wheat, W & S Oats	= €15
Spring Wheat	= €10
Winter Barley	= €20
Hire Machinery: Plough (€85/ha), Till, Sow & Roll (€85/ha)	= €170
Spraying (@ €19/ha):	
W. Wheat: Weeds + Aphids, PGR, Fungicide x 3	= €95
S. Wheat: Weeds + Aphids, Fungicide x 3	= €76
W. Barley: Aphids + Weeds, Fungicide x 3	= €76
S. Barley: Weeds + Aphids, Fungicide x 2	= €57
W. Oats: Weeds Aphids, Fungicide x 3	= €76
Fertiliser Spreading (@ €19/ha)	= €38-57
Harvesting	= €130
Interest 6%: Seed + Fertiliser + 0.5 Sprays; Winter - 10 months; Spring - 6 months	

2015 CEREAL CROP MARGINS

Variable Costs excl. VAT (€/ac)

	WHEAT		FEED BARLEY		MALTING BARLEY	FEED OATS	
	Feed Winter	Milling Spring	Winter	Spring		Winter	Spring
MATERIALS	<u>320</u>	<u>263</u>	<u>286</u>	<u>221</u>	<u>216</u>	<u>241</u>	<u>197</u>
Seed	29	34	33	34	37	32	32
Fertilisers	176	152	157	131	121	147	113
Sprays:							
Herbicides	23	18	23	18	18	11	11
Fungicides	77	51	53	36	38	42	32
Insecticides	9	4	13	2	2	2	2
Growth Regulators	6	4	8	0	0	6	6
HIRE MACHINERY	<u>183</u>	<u>175</u>	<u>168</u>	<u>160</u>	<u>160</u>	<u>168</u>	<u>168</u>
Plough, Till, Sow & Roll	69	69	69	69	69	69	69
Spray	38	31	31	23	23	31	31
Fertiliser Spreading	23	23	15	15	15	15	15
Harvesting	53	53	53	53	53	53	53
MISCELLANEOUS	<u>37</u>	<u>29</u>	<u>34</u>	<u>24</u>	<u>24</u>	<u>32</u>	<u>23</u>
Interest (6%)	13	7	12	6	6	10	5
Transport (€ 6/Tonne)	24	22	22	18	18	22	18
TOTAL VARIABLE COSTS	<u>540</u>	<u>467</u>	<u>487</u>	<u>405</u>	<u>400</u>	<u>441</u>	<u>388</u>
Break-even yield (grain only)	3.6	2.9	3.5	2.9	2.4	3.1	2.8
Cost per tonne @ target yields*	123	130	128	127	133	122	129
Net Price (€/Tonne)	150	160	140	140	170	140	140
AID (SFP) = NOT included	0	0	0	0	0	0	0
Straw (€/ha)	36	32	57	40	40	40	36

Gross Margins (€/ac)

(Incl. Straw)

Tonnes/acre	WHEAT		FEED BARLEY		MALTING BARLEY	FEED OATS	
	Feed Winter	Milling Spring	Winter	Spring		Winter	Spring
<u>2.4</u>	<u>-144</u>	<u>-51</u>	<u>-95</u>	<u>-29</u>	<u>49</u>	<u>-64</u>	<u>-15</u>
<u>3.0</u>	<u>-54</u>	<u>45</u>	<u>-11</u>	<u>55</u>	<u>151</u>	<u>20</u>	<u>69</u>
<u>3.2</u>	<u>-24</u>	<u>77</u>	<u>17</u>	<u>83</u>	<u>185</u>	<u>48</u>	<u>97</u>
<u>3.6</u>	<u>36</u>	<u>141</u>	<u>73</u>	<u>139</u>	<u>253</u>	<u>104</u>	<u>153</u>
<u>3.8</u>	<u>66</u>	<u>173</u>	<u>101</u>			<u>132</u>	
<u>4.4</u>	<u>156</u>						

*Crop margins are underlined for the various crop target yields.

Totals may not agree due to rounding-off.

An online version of this calculator is available at www.teagasc.ie/crops/crops_margins

2015 NON CEREAL CROP MARGINS

Variable Costs excl. VAT (€/acre)

	F. BEET	Potatoes Main Crop	MAIZE	PEAS	BEANS	OILSEED RAPE	
						Winter	Spring
MATERIALS	<u>395</u>	<u>991</u>	<u>294</u>	<u>182</u>	<u>190</u>	<u>266</u>	<u>161</u>
Seed	65	421	75	62	70	32	36
Fertilisers	225	238	193	60	60	147	109
Sprays:							
Herbicides	77	57	26	28	28	38	12
Fungicides	12	223	0	29	29	36	0
Insecticides	16	53	0	3	3	12	3
HIRE MACHINERY	<u>248</u>	<u>933</u>	<u>225</u>	<u>163</u>	<u>159</u>	<u>203</u>	<u>187</u>
Plough, Till and Sow	101	304	101	69	69	69	69
Roll	0	0	0	7	7	7	7
Spray	31	138	8	23	23	31	23
Fertiliser Spreading	15	15	15	8	8	23	15
Swathing/Dessication	0	0	0	0	0	20	20
Harvesting	101	476	101	57	53	53	53
MISCELLANEOUS	<u>160</u>	<u>132</u>	<u>132</u>	<u>22</u>	<u>19</u>	<u>23</u>	<u>11</u>
Interest (6%)	14	35	10	5	6	9	4
Transport (€6/Tonne)	146	97	121	12	13	11	7
Bird Control	0	0	0	5	0	3	0
TOTAL VARIABLE COSTS	<u>803</u>	<u>2055</u>	<u>651</u>	<u>367</u>	<u>369</u>	<u>491</u>	<u>360</u>
Break-even yield	20.1	10.3	14.5	1.5	2.0	1.6	1.2
Net Price (€/Tonne)	40	200	45	250	180	310	310
AID (Protien Crop Subsidy)	0	0	0	101	101	0	0

Gross Margins (€/ac)

Tonnes/acre (Beet, Potatoes & Maize)	Tonnes/acre Pulses/ OSR	F. BEET	Potatoes Main Crop	MAIZE	PEAS	BEANS	OILSEED RAPE	
							Winter	Spring
	1.0							-50
12	1.2		345	-111			-119	12
14	1.6		745	-21	134	21	5	136
16	2.0	-163	1145	69	234	93	129	260
20	2.2	-3	1945	249	284	129	191	
24	2.4	157		429	334	165		
26	2.6	237		519	384	201		
28		317						

Totals may not agree due to rounding-off.

An online version of this calculator is available at www.teagasc.ie/crops/crops_margins

GROWER'S OWN CROP BUDGET

Variable Costs excl. VAT (€/Acre)

		WINTER WHEAT		SPRING BARLEY		ANOTHER CROP	
		Your Figures	Teagasc Figures	Your Figures	Teagasc Figures	Your Figures	Teagasc Figures
MATERIALS (A =B+C+D+E+F+G)	A		<u>320</u>		<u>221</u>		
Seed	B		29		34		
Fertilisers	C		176		131		
Sprays:							
Herbicides	D		23		18		
Fungicides	E		77		36		
Insecticides	F		9		2		
Growth Regulators	G		6		0		
HIRE MACHINERY (H = I+J+K+L)	H		<u>183</u>		<u>160</u>		
Plough, Till and Sow	I		69		69		
Spray	J		38		23		
Fertiliser Spreading	K		23		15		
Harvesting	L		53		53		
MISCELLANEOUS (M =N+O)	M		<u>37</u>		<u>24</u>		
Interest (6%)	N		13		6		
Transport (€/Tonne)	O		24		18		
TOTAL VARIABLE COSTS (P = A+H+M)	P		<u>540</u>		<u>405</u>		
Tonnes to cover variable costs (Q = P/R)	Q		3.6		2.9		
Net Price (€/Tonne)	R		150		140		
AID (€/Acre)	S		0		0		
Straw (€/Acre)	T		36		40		
Projected yield	U		4.4		3.2		
Gross Margins (€/Acre) (V = (R*U)+S+T-P)	V		<u>156</u>		<u>83</u>		
Gross Margins (€/Acre)							

An excel version of this calculator is available (free) from www.teagasc.ie/crops/crops_margins
Totals may not agree due to rounding

Share Farming Crop Budget

		Crop Budget (€/ac)	=	Land-owner Share (€/ac)	+	Share Farmer Share (€/ac)
Variable Costs excl. VAT (€/Acre)						
MATERIALS (A= B+C+D+E+F+G)	A	<input style="width: 100%; height: 40px;" type="text"/>		<input style="width: 100%; height: 40px;" type="text"/>		<input style="width: 100%; height: 40px;" type="text"/>
Seed	B	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Fertilisers	C	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Sprays:						
Herbicides	D	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Fungicides	E	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Insecticides	F	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Growth Regulators	G	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
MACHINERY COSTS (H =I+J+K+L)	H	<input style="width: 100%; height: 40px;" type="text"/>		<input style="width: 100%; height: 40px;" type="text"/>		<input style="width: 100%; height: 40px;" type="text"/>
Plough, Till and Sow	I	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Spray	J	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Fertiliser Spreading	K	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Harvesting	L	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
MISCELLANEOUS COSTS (M =N+O)	M	<input style="width: 100%; height: 40px;" type="text"/>		<input style="width: 100%; height: 40px;" type="text"/>		<input style="width: 100%; height: 40px;" type="text"/>
Interest	N	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Transport	O	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
TOTAL VARIABLE COSTS (P =A+H+M)	P	<input style="width: 100%; height: 40px;" type="text"/>		<input style="width: 100%; height: 40px;" type="text"/>		<input style="width: 100%; height: 40px;" type="text"/>
Tonnes to cover variable costs (Q =P/R)	Q	<input style="width: 100%; height: 40px;" type="text"/>		<input style="width: 100%; height: 40px;" type="text"/>		<input style="width: 100%; height: 40px;" type="text"/>
Net Price (€/Tonne)	R	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
AID (€/Acre)	S	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
REPS €/Acre)	T	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Straw (€/Acre)	U	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Projected yield	V	<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>		<input style="width: 100%; height: 20px;" type="text"/>
Gross Margins (€/Acre)	W	<input style="width: 100%; height: 40px;" type="text"/>	=	<input style="width: 100%; height: 40px;" type="text"/>	+	<input style="width: 100%; height: 40px;" type="text"/>
(W = (R*V)+S+T+U-P)						

2015 NON CEREAL CROP MARGINS

Variable Costs excl. VAT (€/hectare)

	F. BEET	Potatoes Main Crop	MAIZE	PEAS	BEANS	OILSEED RAPE	
						Winter	Spring
MATERIALS	976	2448	726	450	470	657	397
Seed	160	1040	185	153	173	80	90
Fertilisers	556	588	476	148	148	362	269
Sprays:							
Herbicides	190	140	65	70	70	95	30
Fungicides	30	550	0	72	72	90	0
Insecticides	40	130	0	7	7	30	8
HIRE MACHINERY	614	2305	557	404	394	501	463
Plough, Till and Sow	250	750	250	170	170	170	170
Roll	0	0	0	18	18	18	18
Spray	76	342	19	57	57	76	57
Fertiliser Spreading	38	38	38	19	19	57	38
Swathing/Dessication	0	0	0	0	0	50	50
Harvesting(grading into store incl)	250	1175	250	140	130	130	130
MISCELLANEOUS	394	326	325	53	47	56	28
Interest (6%)	34	86	25	11	14	23	10
Transport (€/Tonne)	360	240	300	30	33	27	18
Bird Control	0	0	0	12	0	6	0
TOTAL VARIABLE COSTS	1984	5079	1608	907	911	1214	888
Break-even yield	49.6	25.4	35.7	3.6	5.1	3.9	2.9
Net Price (€/Tonne)	40	200	45	250	180	310	310
AID (Protein Crops Scheme)	0	0	0	250	250	0	0

Gross Margins (€/ha)

Tonnes/hectare (Maize, beet & potatoes)	Pulse/ OSR	BEET	Potatoes Main Crop	MAIZE	PEAS	BEANS	OILSEED RAPE	
							Winter	Spring
	2.0							-268
	2.5							-113
30	3.0		921	-258			-284	42
35	4.0		1921	-33	343	59	26	352
40	4.5	-384	2921	192	468	149	181	507
50	5.0	16	4921	642	593	239	336	
60	5.5	416		1092	718	329		
65	6.0	616		1317	843	419		
70		816						

Covering Maize with plastic mulch will cost an extra €300/ha but will improve quality and increase yield.

Totals may not agree due to rounding-off.

An online version of this calculator is available at www.teagasc.ie/crops/crops_margins

B. INPUT COSTS: NON CEREAL CROPS

€/ha

Beet:	1,000 kg Beet cmpnd @	€420 /t	=	€420	}	€556
	400 kg CAN + S @	€340 /t	=	€136		
Maize:	620 kg 0-7-30 @	€400 /t	=	€248	}	€476
	670 kg CAN		=	€228		
Beans/Peas:	370 kg 0-7-30					€148
Winter OSR:	370 kg 10-10-20 @	€440 /t	=	€163	}	€362
	250 kg Urea @	€405 /t	=	€101		
	280 kg ASN @	€350 /t	=	€98		
Spring OSR:	370 kg 13-6-20 @	€425 /t	=	€157	}	€269
	330 kg CAN+S @	€340 /t	=	€112		

Interest 6%: Beet, Maize, WOSR & Potatoes = 7 Months; Beans = 6 Months; SOSR & Peas = 5 Months

2015 FORAGE CROP MARGINS

Variable Costs excl. VAT (€/Hectare)

	F. BEET	SWEDES	KALE	RAPE	STUBBLE TURNIPS	MAIZE
MATERIALS	976	493	525	290	222	726
Seed	160	80	102	30	78	185
Fertilisers	556	248	363	260	144	476
Sprays:						
Herbicides	190	105	60	0	0	65
Fungicides	30	35	0	0	0	0
Insecticides	40	25	0	0	0	0
HIRE MACHINERY	664	255	208	189	99	607
Seedbed Prep + sow	250	200	170	170	80	250
Spray	76	36	19	0	0	19
Fertiliser Spreading	38	19	19	19	19	38
Harvesting+COVERING	300	0	0	0	0	300
TOTAL VARIABLE COSTS`	1640	748	733	479	321	1333
GREEN YIELD (Tonnes/hectare)						
Leaves(+roots)	124	74	37	42	25	55
DRY MATTER (Tonnes/hectare)						
UTILISED	13.0	5.2	6.0	3.5	2.5	12.5
COST (€/Tonne util DM)	126	144	122	137	128	107

Covering Maize with plastic mulch will cost an extra €300/ha but will improve quality and increase yield. Forage crops should be also evaluated on net energy, protein content etc. to discern a more complete value Totals may not agree due to rounding-off.

COMMENT ON FORAGE CROP COSTS

Grazed Grass continues to be the cheapest fodder at about €50/tonne DM utilised. It has the advantage of producing very good yields in most locations and of course is extremely convenient to produce and utilise.

Grass Silage: First cut grass silage can be produced at reasonable costs - approximately €130/tonne DM utilised. Grass silage costs vary considerably depending on yields. Second and third cut silage are more expensive forms of fodder (circa €150/t). Moreover, the variability in yield and quality of second and third cut silage has forced many farmers to consider alternatives such as maize, whole crop wheat and fodder beet.

Non Grass Silage: The cost per tonne dry matter utilised for maize is approximately €107 and whole crop wheat is €130. Fodder Beet roots are estimated to cost €126/tonne DM utilised.

Production from Brassicas such as swedes, kale and stubble turnips will not match the main fodder crops and have a reasonable cost at around €130 per tonne of DM utilised. Recent trial work in Moorepark has achieved high yields (8 -10 t DM/ha) with excellent husbandry and early (May) drilling.

Maize produces a high yield of quality feed at lower costs than second or third cut grass silage giving improved animal performance. There are no rotational constraints and it utilises slurry very efficiently. Where maize is grown for sale, the most prudent option is to grow on contract for an end-user.

The convenience of growing, storing and feeding as well as animal performance are important considerations when deciding which fodder crop to grow.

The opportunity cost of land needs to be taken into account when making comparisons of fodder and bought in feed. Thus a rental charge of €350/ha may be applied for a full year in the case of grazed grass but proportionally less in the case of grass silage and brassicas

Share farming

Share Farming is an agreement between two individuals (or two businesses) to jointly manage a farming operation. This legal agreement allows both the grower and the landowner to farm as separate legal entities but share in the risks and rewards of growing crops. As both individuals remain separate business entities, they can continue to claim the Single Farm Payment, REPS etc in their own name as normal.

Key points:

- Share Farming is fully compliant with EU/DAFM schemes
- The agreement is **not** land rental or a Partnership agreement
- The output generated from the land are to reward the
 - Landowner for the land, labour and inputs supplied
 - Share farmer for labour, expertise and inputs supplied
- Both parties are separate business entities and must not open or operate joint accounts to run the farming operation
- Share farming is compatible with the Basic Payment Scheme and Greening, subject to conditions.

All tillage growers and landowners who are currently involved in land rental should familiarise themselves with this agreement and assess whether it is a viable option for the future.

A template of a Share Farm Agreement is available (www.teagasc.ie) and sets out how an example agreement can operate. Contact your local advisor for more details.

Organic Tillage

Organic tillage has been a profitable enterprise over the last number of years. A stockless tillage system can be practised; however a mixed stock and tillage organic system is most sustainable due to the availability of slurry and farmyard manure.

Rotations are used to:

1. replenish nitrogen (with clover or other legumes)
2. manage weeds and diseases
3. build organic matter
4. allow diversity and spread financial risk

Crop nutrients include legumes and permissible organic manures and mineral fertilizers. Pests, diseases and weeds are controlled by planting disease resistant varieties, mechanical weeding and false/stale seedbed techniques. There is a strong demand for organic cereals both for livestock and human consumption. The demand for organic cereals is expected to continue for the foreseeable future.

Output is lower than conventional units but costs tend to be lower and prices for grain are higher.

The Organic Farming Scheme (OFS) and organic capital scheme for on and off-farm investment are support payments that may be claimed by organic farmers. Both schemes are planned to open in early 2015. Under the OFS, the proposed standard rate of payment for tillage is €220/ha for conversion (up to 2 years) with maintenance rate of €170/ha up to 60ha. In addition a top-up of €30/ha will be available for the first 20ha of tillage during conversion. A top –up of €30/ha for red-clover will also be available.

Under the organic capital investment scheme, a general grant aid rate of 40% will apply, with 60% available for young farmers. An investment ceiling of €60,000 and €50,000 will apply for on-farm investment and off-farm investments respectively. Consult www.agriculture.gov.ie for further details and updates. Further information on organic farming can be obtained from the Teagasc organic specialist advisors.

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