Making the Tough Calls in 2025: Cropping Decisions in a Dry Start Year

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This season's shaping up as one of the toughest in recent memory. For many growers, the hard part isn't sowing—it's deciding what not to sow.

With one of the driest starts on record and stored soil moisture sitting near zero, the 2025 season is already demanding careful judgment. Across the EP, some growers have delayed sowing altogether, while others are adjusting crop mixes or pulling back on paddocks. This newsletter brings together insights from conversations across the region—grounded in practical experience, supported by data, and focused on managing risk without closing off opportunity.

1. The Season So Far: Delayed, Dry, and Full of Tough Decisions

EP has had a slow and dry start. Soil tests show very low PAW across most areas, and herbicide residues are an added complication. Some growers in districts like Buckleboo are well advanced with sowing, while others in on calcareous, non-wetting sands and other areas are only just beginning—if at all.

A few growers have reflected on past dry years, like 2017, when holding back on certain paddocks made sense financially—though not without trade-offs such as reduced ground cover or lost grazing. In 2025, those same questions are coming up again.

2. Costs Are Up - But Which Costs Really Count Now?

Since 2022, input costs have remained stubbornly high. But at this point in the season, the most important question isn't:

"What's my full cost of production?"

It's:

"What will it cost me from today forward to grow this paddock—and what are the chances I'll get that money back?"

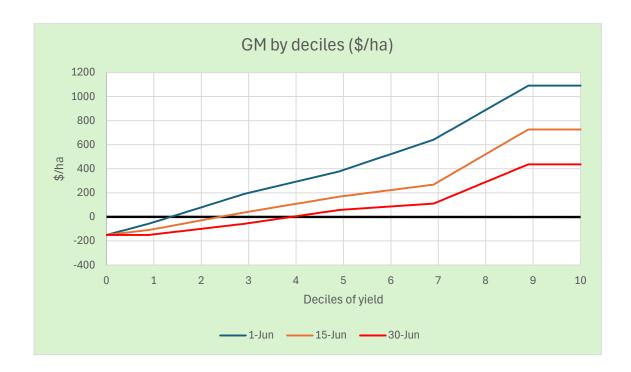
Example: If it costs around **\$200/ha** to manage a crop from now until harvest, and you're only likely to yield **0.5 t/ha**, that's break-even at best.

Some growers are choosing to lock in lower, known costs—through fallow or pasture—rather than chase a marginal crop outcome. That decision becomes clearer when paired with yield decile data and a quick gross margin check.

3. New Modelling for Minnipa Shows the Numbers

The SARDI climate applications team used APSIM to simulate wheat yields at **Minnipa**, **Cummins**, and **Wirrulla** for a 30 May sowing with low soil water.

Here's what that looks like for Minnipa (allowing for 10mm of stored soil water), where yield outcomes were plugged into a simple gross margin model:

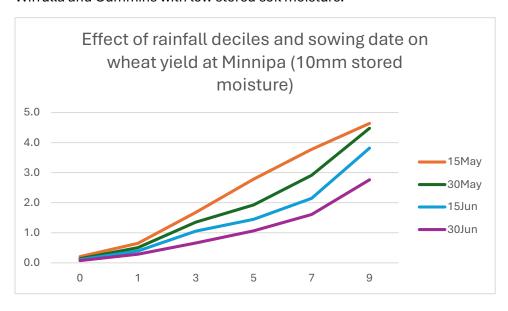


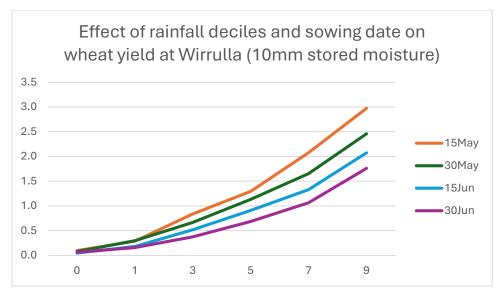
This kind of chart helps growers visualise:

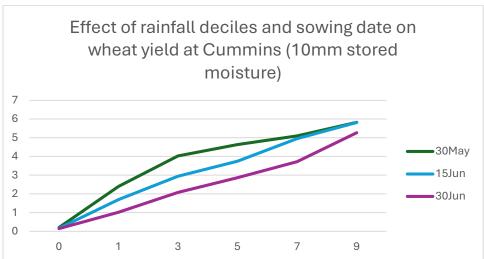
What are the odds I'll end up in the black? And what happens if I don't?

The gross margin for each decile requires an estimate of yield, price of wheat and growing cost. The idea of RiskWi\$e is that we look at the gross margin spread across deciles. Although it might feel like it will never rain again, past records show that the start of the season tells us nothing about the finish. The late start and dry summer are taken into account in these calculations and so each decile is equally likely to happen. Growers should use their own numbers, and many have already worked with their adviser to do this.

The team also modelled the effect of rainfall deciles and sowing date on wheat yield at Minnipa, Wirrulla and Cummins with low stored soil moisture.







This is the expected **trend** for each region where no or limited subsoil moisture exists. Consider some of your poorer paddocks and the ability to any recover costs incurred from now on if they are sown. Get professional advice.

4. What We're Seeing on the Ground

Growers across the EP are adapting in real time:

- Dropping lentils out of the sowing program on salty or heavy soils.
- Swapping canola for feed barley.
- Prioritising lighter soils or paddocks with the cleanest rotations.
- In some cases, reducing the total cropped area for the year.

There's no one-size-fits-all approach. Every farm has different risk settings—shaped by debt, labour, equipment, paddock history, and mindset.

5. The Tools Help, But Judgment Still Matters

Models like <u>Yield Prophet</u> and <u>CliMate</u>, or even a quick gross margin (GM) calculator, help guide the conversation:

- What's my realistic break-even?
- What's the upside—and the downside?
- If I fallow now, what could I gain in 2026?

One grower joked that our analysis didn't do much for his mental health - until he saw that pulling back gave him a better shot at a profitable 2026. That's a good reminder: **it's not about being alarmist—it's about having a clear-eyed view of what's possible**.

6. Playing the Long Game

It's worth remembering that **2–3 years out of every 10** will be loss-makers. That's part of the game. This year might be one of them.

But that doesn't mean doing nothing. It means being intentional - taking a strategic pause in some paddocks if it improves your odds longer-term.

What RiskWi\$e is Doing

Over the next few weeks, RiskWi\$e will be releasing:

- Yield decile simulations for more districts.
- Gross margin templates to help frame decisions.
- Case studies from growers making tough but smart calls.
- A discussion of how seasonal forecasts can be included in risk assessments.
- A historical analysis of the break of season on EP.

If you've run the numbers or taken a different approach this year, we'd love to hear from you.

Final Thoughts

There's no right answer this season - but there are better ways to weigh up the options.

Take a breath. Ask the hard questions. And know that choosing not to crop a paddock isn't giving up.

It's backing yourself to be in a better position for what comes next.

Acknowledgements

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