

III DEFINITIONS

Brassica napus varieties: Argentine varieties

Brassica rapa varieties: Polish varieties

Break-even/cost per bushel: The price needed per bushel to cover the variable costs at the stated yield per acre of production.

Co-efficient of variation (CV): The standard deviation expressed as a percentage of the mean.

Contribution margin: The amount of total revenue less variable costs that directly relate to the business operation available to contribute to fixed costs and return on investment, labour and management.

Contribution margin per bushel: The extra revenue per unit of production, which is available to service fixed costs. This illustrates to the producer the importance of a well-planned marketing strategy.

Contribution margin per acre: The amount of revenue remaining per acre after variable costs have been serviced, allowing the producer to manage other financial commitments, such as fixed costs.

Damaged seed: The percentage of seeds that were damaged, including green and brown seed, determined by a crush strip test.

Days to maturity: Actual calendar days from the date of seeding to approximately 30% seed colour change on the main stem.

Fixed costs: Costs that remain relatively unchanged regardless of the volume of production (eg. land taxes, mortgage interest and machinery depreciation).

Growing degree-days (GDD): Heat accumulated above canola's base temperature. The heat accumulated each day is determined by adding the maximum and minimum temperatures and dividing the total by two to obtain a daily average. The base temperature for canola of 5°C is subtracted from the average to arrive at the number of growing degree-days. The total growing degree-days required for Argentine canola on average is 1040 growing degree-days. Polish canola on average requires 850 growing degree-days.¹

Least significant difference (LSD): The difference required for one treatment to be statistically different from another at the 90% confidence level, expressed in identical units. For example, if Variety A yielded 30 bu/ac and Variety B yielded 34 bu/ac and the LSD for that trial was 2.25, then Variety A is statistically different from Variety B because $34 - 30 = 4$, which is greater than 2.25. If the difference were less than 2.25, then the varieties would not be statistically different from each other.

¹ Source: Canola Growers Manual

Lodging ratio: Crop canopy height divided by actual plant length. It is a measure of the lodging resistance of a particular variety.

Opportunity costs: The opportunity cost of a resource is the return the resource can earn when put to its best alternative.

Variable costs: Costs that vary directly with the volume of production or activity (eg. seed, fertilizer, fuel and repairs).

Definitions provided by the ROYAL BANK in consultations with the Canola Council with reference from the Farm Accounting Standardization Manual©.