



The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<http://ageconsearch.umn.edu>
aesearch@umn.edu

Papers downloaded from AgEcon Search may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

No endorsement of AgEcon Search or its fundraising activities by the author(s) of the following work or their employer(s) is intended or implied.

Role and value of including lucerne (*Medicago sativa* L.) phases in crop rotations for the management of herbicide-resistant *Lolium rigidum* in Western Australia

Graeme J. Doole^{1,2,3} and David J. Pannell^{1,2}

¹ School of Agricultural and Resource Economics, Faculty of Natural and Agricultural Sciences, University of Western Australia, 35 Stirling Highway, Crawley, Western Australia 6009.

² Cooperative Research Centre (CRC) for Plant-Based Management of Dryland Salinity, University of Western Australia, 35 Stirling Highway, Crawley, Western Australia 6009.

³ CRC for Australian Weed Management, Waite Road, Urrbrae, PMB 1, Waite Campus, Glen Osmond, South Australia 5064.

3 July 2007
Working Paper 0703
School of Agricultural and Resource Economics
<http://www.are.uwa.edu.au/>



THE UNIVERSITY OF
WESTERN AUSTRALIA

Doole, G.J. and Pannell, D.J. (2007). *Role and value of including lucerne (*Medicago sativa* L.) phases in crop rotations for the management of herbicide-resistant *Lolium rigidum* in Western Australia*, Agricultural and Resource Economics Working Paper 0703, School of Agricultural and Resource Economics, University of Western Australia, Crawley, Australia.

1 **Abstract.** Use of lucerne (*Medicago sativa* L.) pastures in crop rotations has been
2 proposed as a method to enhance weed management options for growers facing
3 herbicide resistance in Western Australia. An existing model for analysing herbicide
4 resistance in the important crop weed annual ryegrass (*Lolium rigidum* Gaud.) is
5 consequently extended to include lucerne, used for grazing by a sheep enterprise. Seven
6 rotational options are analysed, including various combinations of lucerne, annual
7 pastures, and crops. Lucerne provides additional weed management benefits across the
8 rotation, but in the region studied these benefits are only sufficient to make lucerne
9 rotations the most profitable option in situations where ryegrass is resistant to multiple
10 herbicide groups, and/or livestock prices are very high.

11 **Key words.** Herbicide resistance, integrated weed management, economics, weed
12 population dynamics.

13 Readers are encouraged to make use of the material in this document, but must
14 acknowledge this paper as the source of this information. The author(s) retain copyright
15 of the article and any associated work.

16 **1. Introduction**

17 In recent years, farmers in Western Australia have been encouraged to include phases of
18 lucerne (*Medicago sativa* L.) pasture within their crop production systems (Latta et al.,
19 2001; Pannell and Ewing, 2006). Lucerne offers the prospect of enhancing the
20 management of major crop weeds. Most importantly, it is likely to assist in the control
21 of herbicide-resistant annual ryegrass (*Lolium rigidum* Gaud.) as it permits the use of a
22 broader range of control strategies to exhaust weed seedbanks. Primary methods of
23 control that may be implemented during a perennial pasture phase are grazing, hay and
24 silage production, mowing, sterilisation of weed seed through the application of a non-
25 selective herbicide to flowering plants (spray-topping), and the use of non-selective
26 herbicides to kill the entire pasture prior to weed seed-set (brown-manuring) (Powles
27 and Bowran, 2000). In addition, lucerne has been promoted for its role in preventing
28 soil degradation arising from dryland salinisation (e.g., Pannell and Ewing, 2006; Ward
29 et al., 2006).

30 Past analyses of the economics of lucerne have focused on its role as a feed supply, and
31 have not considered its particular contributions to weed management (e.g., Bathgate and
32 Pannell, 2002; Kingwell et al., 2003). The objective of this research is to investigate the
33 profitability of a lucerne pasture phase, relative to alternative systems available to
34 producers in the central wheatbelt of Western Australia, when its benefits for the
35 management of herbicide-resistant weeds are considered. This provides valuable insight
36 into the profitable integration of lucerne pasture phases (and the forms of weed control
37 implemented therein) with practical integrated weed management (IWM) strategies
38 currently employed in this region. This study extends recent research indicating the high
39 profitability of an annual pasture plant, French serradella (*Ornithopus sativus* Brot. cv.

40 *Cadiz*), for the control of herbicide-resistant weeds in Western Australian farming
41 systems (Doole and Pannell, 2007).

42 The research problem addressed here is complex, involving the (a) dynamics of weed
43 populations, (b) dynamics of herbicide-resistance development, (c) alternative crop and
44 pasture options in many possible sequences, (d) competitive effects of weeds, (e)
45 phytotoxic effects of treatments, (f) many possible weed management strategies, and (g)
46 economic consequences. The complexity makes it difficult for farmers to assess
47 alternative strategies through trialling, and this may inhibit the adoption of new
48 practices (Pannell et al., 2006). Field experiments have a limited role in the
49 development of robust management strategies, since there are too many possible
50 strategies to physically trial. For these reasons, the study is based on bioeconomic
51 modelling, integrating experimental and other information into a systems analysis. This
52 multidisciplinary approach is important given the economic implications of on-farm
53 weed management, but its intrinsic links to agronomic, biological, and chemical
54 processes.

55 Section 2 includes descriptions of the model, the weed control options and the
56 alternative rotations used to determine the relative profitability of sequences containing
57 lucerne pasture. The results of the analysis are presented and discussed in Section 3.
58 Key findings are summarised in Section 4.

59 **2. Model**

60 *2.1 Model description*

61 This application employs the resistance and integrated management (RIM) model to
62 investigate the profitability of alternative IWM strategies to control herbicide-resistant

63 annual ryegrass on a single field in the central wheatbelt of Western Australia (Pannell
64 et al., 2004). This description of the model is based on typical explanations of the RIM
65 model in the existing literature (e.g., Pannell et al., 2004; Doole and Pannell, 2007). The
66 RIM framework is a deterministic simulation model representing the multiple-cohort
67 dynamics of ryegrass plants and seeds, their interactions with crops and pastures, and
68 the effects of a broad range of weed control strategies (see Section 2.2). The model
69 allows the simulation of management strategies over a twenty-year period to capture the
70 dynamic nature of weed populations and resistance development.

71 The representation of the onset of herbicide resistance is simple but realistic (Pannell et
72 al., 2004). Each herbicide mode-of-action can only be used a limited number of times in
73 the model before resistance occurs. For this application, the assumed numbers of
74 applications of each selective herbicide group available before resistance develops are
75 as follows: 2 doses of each type of ACCase inhibitor herbicides (“fops” and “dims”, or
76 Group A in the Herbicide Resistance Action Committee system (Kramer and Schirmer,
77 2007)), 2 doses of sulfonylurea herbicides (e.g., chlorulfuron, Group B), 5 doses of
78 photosynthesis inhibitor herbicides (e.g., simazine, Group C), and 5 doses of
79 dinitroanaline herbicides (e.g., trifluralin, Group D). (However, these assumptions and
80 most other parameters in the model can be altered by the user to adapt the model to a
81 given situation.)

82 Seven different enterprise options are represented in the standard RIM model. These are
83 wheat (*Triticum aestivum* L.), barley (*Hordeum vulgare* L.), canola (*Brassica napus* L.),
84 lupins (*Lupinus angustifolius*), self-regenerating subterranean clover (*Trifolium*
85 *subterraneum* L.), French serradella, and a volunteer pasture consisting mainly of
86 grasses, herbs, and some legumes. The model is extended in this study to incorporate

87 lucerne pasture. The user selects the rotation to plant over the twenty-year horizon and
88 then is able to compare the profitability of alternative IWM strategies (combinations of
89 weed treatments). It is assumed here that the producer wishes to maximise the
90 profitability of the field over the twenty-year planning horizon.

91 Monetary values are discounted to a present value at the beginning of the planning
92 horizon. The present value of income (I) earned in year t is $I_t \times (1+r)^{-t}$, where r
93 represents a discount rate. The economic rationale behind discounting is that \$ I invested
94 over t years at rate r will yield $\$I(1+r)^t$ after t years, so income earned earlier in the
95 horizon is more valuable than that received later. The profitability of each rotation is
96 therefore represented in terms of net present value (NPV), where $NPV = \sum_{t=1}^{20} (1+r)^{-t} I_t$.

97 Crop yield is enhanced if a crop or pasture is killed with herbicide (“brown-manured”)
98 or ploughed in while still green (“green-manured”) in the preceding year to obtain
99 highly-effective weed control. In addition, yield increases if pasture or crop legumes are
100 included in the rotation in the preceding two years. In contrast, yield is depressed by
101 late-sowing, if barley or canola is not swathed, or because of phytotoxic damage from
102 selective-herbicide application. Crop yield (ϑ^L) is also reduced through competition
103 with annual ryegrass. This is defined in the relationship (Cousens, 1985),

$$104 \quad \vartheta^L(w_t) = (1-z) + z \left(\frac{(1+a^L)}{d_s} \right) \left(\frac{d_o}{a^L + d_o + kw_t} \right), \quad (1)$$

105 where w_t is the weed population present at harvest, z is the maximum proportion of
106 grain yield lost at high weed density, a^L is the background competition factor for land
107 use L , d_s is the standard crop density, d_o is the observed crop density, and k is a

108 constant representing the degree of competition between the weed population and the
109 grain crop. General costs include those for broadleaf weed control, crop insurance,
110 cultivation, fertiliser, fuel, insecticide, machinery maintenance, seed, and weed
111 treatments.

112 The profitability of a given year of pasture is determined by the multiplication of the
113 standard gross margin received for sheep farming in the study area (measured in dollars
114 per dry sheep equivalent ($\$ \text{ DSE}^{-1}$)) and the relevant stocking rate (measured in DSE
115 ha^{-1}). A DSE is a standard measure of livestock representing one non-lactating sheep of
116 average size. Stocking intensity varies by pasture type and the age of the sward.

117 Simulation involves experimenting with the decision parameters in the model of a
118 system to understand its management. This method is used in the standard RIM model
119 (Pannell et al., 2004) to identify profitable combinations of weed control treatments.
120 This can be challenging since the decision space is large. For example, there are around
121 10^{119} possible combinations of treatments in the continuous-cropping rotation studied in
122 this paper. This problem motivates the use of compressed annealing (Ohlmann et al.,
123 2004; Doole and Pannell, 2007) to identify the most profitable combination of weed
124 treatments in a given rotation. Compressed annealing identifies a highly profitable
125 solution in a large and/or complex model by randomly sampling different configurations
126 of the decision variables (Doole, 2007a; Doole and Pannell, 2007). Unprofitable and/or
127 infeasible solutions identified through this random walk are accepted, together with
128 more profitable configurations, as updated estimates of the most profitable set of the
129 decision parameters early in the search procedure, allowing escapement from local
130 maxima. However, the probability of accepting these inferior solutions is reduced over

131 time, therefore the algorithm focuses more effort on improving profitable solutions in
132 the feasible region as the search proceeds.

133 This implementation of the compressed annealing algorithm converges to different near-
134 optimal solutions, even from the same initial configuration, because the large size of the
135 model prevents the identification of a global maximum (i.e., the single set of the
136 decision parameters that maximises profit for a given rotation) and the procedure is
137 probabilistic. Accordingly, the result reported for each problem instance is the most
138 profitable configuration identified from ten runs of the algorithm.

139 A terminal condition is introduced to reduce the probability that the system will be
140 mismanaged towards the end of the horizon under the optimal strategy. The terminal
141 seed population must be under the initial seed population if this initial seed burden is
142 below 500 seeds m⁻². And, the terminal seed population must be below 500 seeds m⁻² if
143 the initial seed population is above 500 seeds m⁻². A seed population of 500 seeds m⁻² is
144 an estimate of the average number of seeds present in the soil in central wheatbelt
145 farming systems (Pannell et al., 2004).

146 *2.2 Weed control options*

147 The version of RIM used includes 50 weed treatment options, including a broad range
148 of selective herbicides, non-selective herbicides and cultural methods considered
149 relevant to the study region. The model does not permit incompatible configurations of
150 treatments; for example, a wheat crop cannot be grazed.

151 Apart from standard herbicide options, a feature of the model is its representation of a
152 wide range of non-chemical control methods. Of these, most of the following will
153 feature in results presented later:

154 1. *Knockdown herbicide application*: The application of a non-selective herbicide
155 prior to crop emergence can reduce early weed competition.

156 2. *High intensity grazing*: Grazing a field at high stocking rates so that sheep graze
157 the seed heads of flowering weeds can reduce seed production.

158 3. *Winter-cleaning*: Non-selective herbicide can be applied during winter to reduce
159 annual ryegrass populations prior to seed production.

160 4. *Swathing*: Cutting a crop prior to maturity can encourage consistent drying of
161 the crop and simultaneously cut weed seed heads prior to seed production.

162 5. *Seed catching*: Weed seeds can be collected at harvest to prevent their return to
163 the soil.

164 6. *Windrowing*: Harvest residue can be collected in rows for subsequent burning.

165 7. *Brown-manuring*: A pasture or crop may be killed with a non-selective herbicide
166 to prevent annual ryegrass plants setting seed.

167 8. *Green-manuring*: A pasture or crop that is actively growing may be ploughed
168 into the soil to prevent weed seed production.

169 9. *Hay/silage production*: A pasture or crop may be cut for hay or silage to prevent
170 annual ryegrass plants from setting seed.

171 2.3 *Extension of RIM to include lucerne*

172 Much of the following information is taken from unpublished work provided by the
173 Department of Agriculture and Food Western Australia (DAFWA) and relevant
174 extension publications (e.g., Devenish, 2001; Latta et al., 2003). Some parameter
175 estimates are based on the expert opinions of experienced scientists and agronomists,
176 where insufficient firm field data is available.

177 It is assumed that lucerne is sown fifty days after the break of season to obtain good
178 weed control prior to emergence (Devenish, 2001). In this region, lucerne may be sown
179 with (1) an autumn “tickle” (shallow cultivation) to promote weed germination and
180 separate applications of two knockdown herbicides (paraquat/diquat and glyphosate)
181 prior to sowing, or (2) an autumn tickle and incorporation of trifluralin into the soil at
182 seeding (Devenish, 2001; Latta et al., 2003). Each of these methods is assumed to kill
183 80 per cent of annual ryegrass plants (DAFWA, unpublished data). The cost of lucerne
184 establishment (not incorporating weed management costs) is A\$88.30 (Doole, 2007b).

185 The stocking rate for the lucerne pasture is $1.1 \text{ DSE ha}^{-1} \text{ yr}^{-1}$ in the first year and 7 DSE
186 $\text{ha}^{-1} \text{ yr}^{-1}$ in the second and third years of the pasture (DAFWA, unpublished data). Only
187 three-year lucerne phases are studied in this paper since (1) lucerne persistence beyond
188 three years is harmed by disease and drought in the study region, and (2) the high
189 profitability of cropping motivates farmers against a longer pasture phase.

190 No ryegrass control is achieved by grazing in the first year of a lucerne phase since the
191 stocking rate is very low. In the second and third years, grazing pressure is sufficiently
192 high to reduce seed set substantially, at rates assumed to be equivalent to those for
193 subterranean clover under intensive grazing (e.g., 92 and 95 per cent reduction in the
194 second and third years of pasture, respectively) (Pannell et al., 2004). This provides a
195 conservative estimate of the level of weed control as lucerne is more competitive with
196 weeds than annual pasture (Lyons and Latta, 2003).

197 Nitrogen fixation by lucerne is valued using the method of Pannell and Falconer (1988).
198 These authors recognise interdependence between biologically fixed and fertiliser
199 nitrogen; thus, they quantify (a) the reduction in the amount of nitrogenous fertiliser
200 required following N fixation by legumes, and (b) the increase in the yield of cereal

201 crops that follow the legume in rotation (independent of N fertiliser rate). Lucerne
202 increases cereal crop yield by 40 per cent (cf. 30 per cent) in the first (cf. second) crop
203 that follows this pasture (DAFWA, unpublished data). In addition, 30 kg N ha⁻¹ (cf. 10
204 kg N ha⁻¹) is saved in the first (cf. second) cereal crop (DAFWA, unpublished data).
205 These values are similar to those identified in field trials conducted throughout the
206 Western Australian wheatbelt (e.g., Latta et al., 2001).

207 A winter-cleaning option, involving the application of Spray.Seed® herbicide, is also
208 incorporated in the model. Spray.Seed® is applied at 1.5 L ha⁻¹ (0.2025 kg a.i. ha⁻¹
209 paraquat and 0.1725 kg a.i. ha⁻¹ diquat) and is assumed to kill 95 per cent of annual
210 ryegrass plants (DAFWA, unpublished data).

211 Effective removal of lucerne is necessary to reduce competition in the subsequent
212 cropping phase. Lucerne is removed in spring with a mixture of 1 litre of glyphosate
213 (0.4 kg a.i. ha⁻¹) and 1.5 litres of 2,4-D Amine (0.9375 kg a. i. ha⁻¹) per hectare (Latta et
214 al., 2003). It is assumed that this treatment also kills 98 per cent of adult annual ryegrass
215 plants (DAFWA, unpublished data). Herbicide costs are A\$5 L⁻¹ for glyphosate and
216 A\$7.59 L⁻¹ for 2,4-D Amine (Agriculture Western Australia, 2004). The application
217 cost is A\$2.50. Thus, the total cost to remove lucerne is A\$18.90.

218 *2.4 Rotations*

219 The value of perennial pasture for weed control in the study region is determined
220 through the evaluation of seven rotations (Table 2). These are based on typical
221 sequences in the study region and on the results of previous research (e.g., Monjardino
222 et al., 2004). Each rotation is represented using a short label for ease of reference.

223 The continuous cropping rotation is representative of farming systems in which very
224 high pressure is placed on the herbicide resource through limiting the diversity of
225 permissible weed management strategies. Similar to lucerne, serratula supports
226 grazing, fixes nitrogen from the atmosphere, and permits high weed kill through brown-
227 manuring (Doole and Pannell, 2007). However, its establishment cost is lower than that
228 for lucerne, at around A\$34 ha⁻¹. This arises mainly due to the lower cost of seed, which
229 may be harvested on-farm using a standard harvester. It therefore provides an
230 interesting pasture enterprise to which lucerne can be compared.

231 [Insert Table 1 here]

232 Practices implemented at seeding for all pastures and crops and the removal of lucerne
233 are all selected exogenously in the model. This allows the employment of sowing
234 patterns generally adopted in the study region and allows for simpler coding of the
235 search algorithm because many of the enterprises represented in the RIM model require
236 different seeding practices. For example, in relation to the latter, serratula and lucerne
237 are both sown at the beginning of a phase, but their timing of seeding relative to the
238 primary crops differs markedly, with lucerne typically being sown up to a month later
239 than serratula.

240 **3. Results and discussion**

241 This section presents the results of the model and discusses their implications for farms
242 in the study region. The profitability of each rotation is presented for a range of initial
243 ryegrass seed densities (Table 2), a range of livestock profitability levels (Table 4), and
244 various degrees of initial herbicide resistance (Table 5). The standard assumptions are
245 initial seed density 500 seeds m⁻²; sheep gross margin A\$15 DSE⁻¹; and no initial

246 herbicide resistance. In the simulations, resistance develops over time as the available
247 stock of herbicide applications for each herbicide group is exhausted. Profitability is
248 represented as a difference relative to a baseline determined by the net present value (in
249 A\$ ha⁻¹) of the continuous-cropping rotation.

250 *3.1 Initial weed-seed density*

251 Given no initial herbicide resistance and base-case livestock profitability (Table 2), the
252 continuous-cropping rotation is the most-profitable sequence at low to moderate initial
253 weed densities. In this situation, selective herbicide applications are sufficiently
254 effective at containing weed competition. However, the relative profitability of
255 including a pasture phase generally increases as the initial seed burden increases (Table
256 2).¹ The S+7C rotation is the most profitable sequence of those simulated in this study
257 at initial seed densities above 1000 seeds m⁻² as the pasture phase provides effective,
258 regular weed control (particularly through brown-manuring and grazing) without
259 displacing many years of crop.

260 [Insert Table 2 near here]

261 Serradella is more profitable than lucerne pasture in these initial results for two reasons:
262 (a) the economic returns from cropping in the absence of initial herbicide resistance
263 means that a three-year lucerne phase involves a higher income sacrifice or “opportunity
264 cost” than a single year of serradella; and (b) lucerne has a higher establishment cost. Of
265 the two lucerne rotation options, the 3L+7C system is much more valuable than the
266 3L+3C rotation in these results, given the latter system’s significant displacement of
267 crop.

¹ The results presented in Table 2 display significant variability given that the search algorithm is probabilistic and is unable to identify the single configuration of the decision variables that maximises profit in this model due to its enormous size.

268 Table 3 lists the integrated weed management strategies identified by the search
269 algorithm in the first three runs performed for the $3L+7C$ rotation. The employment of
270 knockdown herbicide applications, high-intensity grazing, applications of non-selective
271 herbicides for pasture topping in the lucerne phase, and harvest treatments (i.e., seed
272 catching and windrowing) is remarkably uniform across the three strategies (Table 3),
273 and also in the remaining runs (data not shown). This identifies a set of critical weed
274 management techniques that may be used within a profitable IWM strategy in a lucerne-
275 crop rotation. Also, it demonstrates the high potential value of using a search algorithm
276 to identify profitable IWM strategies in a complex simulation model (Doole and
277 Pannell, 2007). However, though these three runs are very similar in value, there is a
278 wide diversity in the timing and type of selective herbicide application (Table 3). In
279 particular, the third run identifies that the adoption of a regular lucerne phase and
280 consistent use of knockdown herbicide applications and post-harvest treatments in
281 cereal crops can achieve profitable levels of weed control, even relative to those that
282 may be achieved with much higher chemical use. Also, this diversity is valuable as
283 producers may conceptually select the IWM strategy most suitable for their personal
284 situation with some knowledge of its profitability relative to alternative approaches.

285 [Insert Table 3 near here]

286 *3.2 Livestock profitability*

287 Increases in livestock profitability can greatly promote the attractiveness of pasture
288 phases, including lucerne. If the sheep gross margin is A\$22.50 or higher, $3L+7C$
289 becomes the most profitable rotation option, even without the initial presence of
290 herbicide resistance. However, this is higher than the A\$21.50 DSE⁻¹ estimate computed
291 by Agriculture Western Australia for 2002, a year of particularly strong sheep meat

292 prices. Such substantial increases are considered unlikely to be sustained in the long
293 term given forecast reductions in the global demand for wool (Sackett, 2004) and low
294 rates of productivity growth in existing Australian sheep flocks (Banks, 2005).
295 Nevertheless, relatively high livestock profitability, combined with the other factors
296 identified in this analysis, should encourage the use of either of the pasture types studied
297 here.

298 [Insert Table 4 near here]

299 *3.3 Herbicide resistance*

300 Table 5 presents output for situations with different levels of initial herbicide resistance.
301 Costly non-selective treatments become necessary for weed control in the continuous-
302 cropping rotation as resistance increasingly constrains production. (This includes the
303 cutting of wheat for hay and the cutting of lupins for silage.) It is more profitable to
304 employ these costly non-selective treatments than use no control and experience large
305 yield losses due to the competitiveness of annual ryegrass (Lemerle et al., 1995).
306 Consequently, most of those rotations containing serradella are similarly profitable to
307 the continuous-cropping rotation if annual ryegrass is resistant to Group A herbicides at
308 the beginning of the planning horizon. Moreover, nearly all sequences incorporating
309 pasture are more profitable than the continuous-cropping rotation if ryegrass is initially
310 resistant to Group A and Group B herbicides.

311 [Insert Table 5 near here]

312 These findings highlight the importance of pasture for the management of resistant
313 weeds given the extensive development of resistance to Group A and B herbicides in
314 this area. For example, around 70 per cent of ryegrass populations in the Western

315 Australian wheatbelt have been found to contain plants resistant to Group A chemicals,
316 with 90 per cent showing resistance to Group B (Owen et al., 2007). The modelling
317 result that pasture phases provide better opportunities for control of resistant weeds than
318 do lupin crops is consistent with current trends in the region, where increasing
319 substitution of pasture phases for lupin crops is being observed.

320 The most-valuable sequences when ryegrass is resistant to at least Group A and B
321 herbicides in Year 1 are those containing a high proportion of pasture. The $3S+7C$
322 rotation is the most-profitable sequence when annual ryegrass is initially resistant to
323 Group A–B and Group A–C chemicals, but the $3L+7C$ sequence is more valuable when
324 no selectives are available in the initial year. These findings reflect the high degree of
325 weed control that may be attained in an extended pasture phase, even in the absence of
326 selective herbicides. Lucerne is most profitable when no selectives are available as high
327 levels of weed control can be obtained through grazing, winter-cleaning, spray-topping,
328 and the removal of lucerne with non-selective herbicides (Lyons and Latta, 2003). This
329 is also demonstrated in the profitability of Run 3 in Table 3 (which employs a very low
330 number of selective herbicides) relative to the other results described therein. This
331 evidence suggests that extended pasture phases will become increasingly economically
332 attractive in the study region since Group C and Group D resistance is growing
333 throughout the wheatbelt (Owen et al., 2007)

334 Figure 1 presents the annual ryegrass seed population at the beginning at the growing
335 season for two rotations at two different levels of resistance severity. Here, “full
336 resistance” denotes the inefficacy of all selective herbicides against this weed. (The last
337 year of the twenty-year planning horizon is truncated in Figure 1 as it is influenced,
338 albeit slightly, by the terminal condition of the model.) The incorporation of a frequent

339 lucerne phase allows effective control of the ryegrass population, whether selective
340 herbicides are effective or not against this weed. However, the non-selective treatments
341 required in the *C* rotation in the full resistance state are less efficient than selective
342 herbicides. Therefore, in addition to this strategy being more costly to implement, it is
343 also less able to adequately reduce the number of seeding plants, and therefore
344 successfully diminish the seed population, early in the planning horizon (Figure 1). The
345 germination of these seeds consequently reduces yield, and hence profit, in subsequent
346 crops if these germinated seeds successfully reach adulthood. In contrast, the
347 availability of effective selective herbicides allows economic control of the weed
348 burden in the *C* sequence.

349 [Insert Figure 1 near here]

350 **4. Conclusion**

351 The RIM framework is extended in this research to incorporate weed management
352 strategies available in a lucerne pasture phase in a crop-pasture rotation in the Western
353 Australian wheatbelt. Lucerne has a complex mixture of advantages (e.g., improved
354 weed management, nitrogen fixation, and high grazing value once well established) and
355 disadvantages (e.g., high establishment costs and poor productivity in its first year) for
356 this mixed farming system. Therefore a detailed and systematic analysis is required to
357 assess its overall economic performance relative to other land use options.

358 Rotations that include lucerne were compared with a rotation involving continuous
359 cropping, and rotations that have a mixture of crops and annual pastures, particularly
360 serradella pasture.

361 Under our base-cases assumptions, continuous cropping was the most profitable option
362 over a twenty-year planning horizon, even allowing for the fact that it led to the
363 relatively rapid onset of herbicide resistance, and allowed a relatively limited range of
364 weed control options.

365 If weed seed density is relatively high, or livestock production is relatively profitable, or
366 herbicide resistance is already present in the field, then rotations that include pasture
367 become more attractive. Lucerne becomes the best pasture option when herbicide
368 resistance is more severe, and/or livestock production is most profitable. In less extreme
369 circumstances, the annual pasture serratella is preferred. Given the growing prevalence
370 of herbicide resistance in this region, we expect to see an increasing role for lucerne
371 pasture, at least in cases where farmers have suffered the loss of all selective herbicides.
372 Furthermore, the value of lucerne for salinity containment has not been considered here
373 and is expected to augment its relative profitability. This is an important area for further
374 research.

375 **References**

376 Agriculture Western Australia. 2002. *Gross margins guide 2003: Western Australia*.
377 Perth: Department of Agriculture Western Australia Miscellaneous Publication
378 18/2002.
379 ———. 2004. *2004 Farm Budget Guide*. Perth: Western Australian Primary Industry
380 Press.
381 Banks, R.G. 2005. Challenges with investing in genetic improvement for the Australian
382 extensive livestock industries. *Australian Journal of Experimental Agriculture*
383 45:1033-1039.
384 Bathgate, A.D. and Pannell, D.J. (2002), Economics of deep-rooted perennials in
385 Western Australia, *Agricultural Water Management* 53:117-32.
386 Cousens, R. 1985. A simple model relating yield loss to weed density. *Annals of
387 Applied Biology* 107:239-252.
388 Devenish, K. 2001. *Dryland lucerne information booklet*. Northam: Agriculture
389 Western Australia.
390 Doole, G.J. 2007a, *A primer on implementing compressed simulated annealing for the
391 optimisation of constrained simulation models in Microsoft Excel®*, Agricultural
392 and Resource Economics Working Paper 0701, School of Agricultural and

393 Resource Economics, University of Western Australia, Crawley, Australia.
 394 Doole, G. J. 2007b. *Value of perennial pasture phases to dryland agricultural systems*
 395 *in the central wheatbelt of Western Australia*. Perth: Unpublished University of
 396 Western Australia PhD dissertation.
 397 Doole, G. J., and D. J. Pannell. 2007. Combinatorial optimisation of a large, constrained
 398 simulation model: an application of compressed annealing. In *Proceedings of the*
 399 *51st Australian Agricultural and Resource Economics Society Conference*,
 400 Queenstown, New Zealand. URL: http://agecon.lib.umn.edu/cgi-bin/pdf_view.pl?paperid=25719&ftype=.pdf. [Accessed: 3 April 2007]
 401 Kingwell, R., Hajkowicz, S., Young, J., Patton, D., Trapnell, L., Edward, A., Krause,
 402 M. and Bathgate, A. 2003. *Economic Evaluation of Salinity Management*
 403 *Options in Cropping Regions of Australia*, Grains Research and Development
 404 Corporation, Canberra.
 405 Kramer, W. and Schirmer, U. (eds) (2007), *Modern crop protection compounds*, Wiley-
 406 VCH, Weinheim.
 407 Latta, R. A., L. J. Blacklow, and P. S. Cocks. 2001. Comparative soil water, pasture
 408 production, and crop yields in phase farming systems with lucerne and annual
 409 pasture in Western Australia. *Australian Journal of Agricultural Research* 52:
 410 295-303.
 411 Latta, R. A., K. Devenish, and T. Bailey. 2003. *Lucerne in pasture-crop rotations:*
 412 *establishment and management*. Perth: Agriculture Western Australia Farmnote
 413 26/2003.
 414 Lemerle, D., B. Verbeek, and N. Coombes. 1995. Losses in grain yield of winter crops
 415 from *Lolium rigidum* competition depend on crop species, cultivar and season.
 416 *Weed Research* 35: 503-509.
 417 Lyons, A. and Latta, R.A. 2003. Benefits of a lucerne pasture-crop rotation in the south-
 418 east of Western Australia. In *Proceedings of the 11th Australian Agronomy*
 419 *Conference*, Geelong, Australia. [Online]. Available:
 420 www.region.org.au/au/asa/2003/p/8/lyons.htm. [Accessed: 7 February 2004]
 421 Monjardino, M., D. J. Pannell, and S. B. Powles. 2004. The economic value of pasture
 422 phases in the integrated management of annual ryegrass and wild radish in a
 423 Western Australian farming system. *Australian Journal of Experimental*
 424 *Agriculture* 44: 265-271.
 425 Ohlmann, J. W., J. C. Bean, and S. G. Henderson. 2004. Convergence in probability of
 426 compressed annealing. *Mathematics of Operations Research* 29: 837-860.
 427 Owen, M.J., Walsh, M.J., Llewellyn, R.S. and Powles, S.B. 2007. Widespread
 428 occurrence of multiple herbicide resistance in annual ryegrass (*Lolium rigidum*)
 429 populations within the Western Australian grain belt. *Australian Journal of*
 430 *Agricultural and Resource Research* in press.
 431 Pannell, D. J., and D. A. Falconer. 1988. The relative contributions to profit of fixed and
 432 applied nitrogen in a crop-livestock farm system. *Agricultural Systems* 26: 1-17.
 433 Pannell, D. J., V. Stewart, A. Bennett, M. Monjardino, C. Schmidt, and S. B. Powles.
 434 2004. RIM: a bioeconomic model for integrated weed management of *Lolium*
 435 *rigidum* in Western Australia. *Agricultural Systems* 79: 305-325.
 436 Pannell, D. J., G. R. Marshall, N. Barr, A. Curtis, F. Vanclay, and R. Wilkinson. 2006.
 437 Understanding and promoting adoption of conservation practices by rural
 438 landholders. *Australian Journal of Experimental Agriculture* 46: 1407-1424.
 439 Pannell, D. J., and M. A. Ewing. 2006. Managing secondary salinity management:
 440 options and challenges. *Agricultural Water Management* 80: 41-56.
 441

442 Powles, S.B. and Bowran, D.G. 2000. Crop weed management systems, in Sindel, B.M. (Ed),
443 *Australian weed management systems*, R. G. and F. J. Richardson, Melbourne, pp. 287-
444 306.

445 Sackett, D. 2004. *Will wool growing be a viable business in 2029?* Sydney: Holmes,
446 Sackett and Associates.

447 Ward, P. R., S. F. Micin, and F. X. Dunin. 2006. Using soil, climate, and agronomy to
448 predict soil water use by lucerne compared with soil water use by annual crops
449 or pastures. *Australian Journal of Agricultural Research* 57: 347-354.

450 **Table 1.** Candidate rotations and associated labels.

Rotation	Label
lupin-wheat-wheat-barley	C
serradella-wheat-wheat-barley	$S+3C$
lucerne-lucerne-lucerne-wheat-wheat-barley	$3L+3C$
serradella-wheat-wheat-barley-lupin-wheat-wheat-barley	$S+7C$
serradella-serradella-wheat-wheat-barley-lupin-wheat-wheat-barley	$2S+7C$
serradella-serradella-serradella-wheat-wheat-barley-lupin-wheat-wheat-barley	$3S+7C$
lucerne-lucerne-lucerne-wheat-wheat-barley-lupin-wheat-wheat-barley	$3L+7C$

451 **Table 2.** Value (NPV in A\$ ha⁻¹) of each rotation containing pasture relative to
 452 continuous cropping over a range of initial seed densities. (Sheep gross margin A\$15
 453 DSE⁻¹; no initial herbicide resistance)

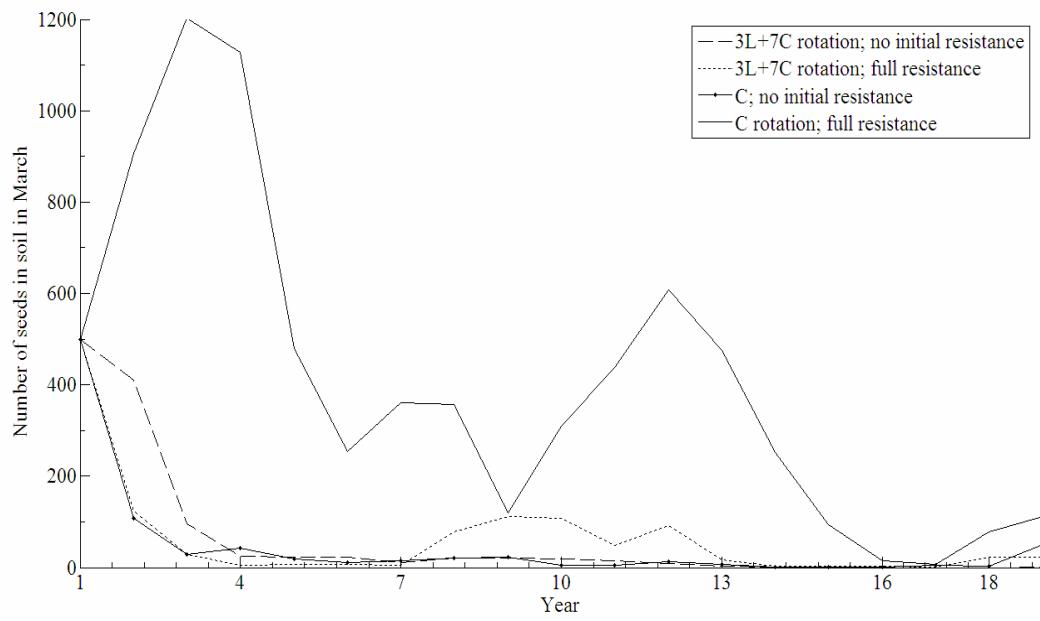
Rotation	Initial ryegrass seed density (seeds m ⁻²)						
	100	250	500	1,000	2,500	5,000	10,000
<i>S+7C</i>	-8	-7	-14	-13	+11	+3	+24
<i>S+3C</i>	-20	-34	-36	-35	-23	-17	+6
<i>3S+7C</i>	-22	-32	-34	-27	-3	-2	+22
<i>2S+7C</i>	-69	-68	-60	-68	-56	-38	-27
<i>3L+7C</i>	-87	-95	-87	-78	-61	-59	-38
<i>3L+3C</i>	-244	-254	-242	-240	-221	-219	-195

454 **Table 3.** Optimal integrated weed management strategies identified by compressed
 455 annealing in the first three runs performed for the $3L+7C$ sequence.

Run 1 (NPV=A\$605)	Run 2 (NPV=A\$602)	Run 3 (NPV=A\$608)
10 knockdown herbicide applications	11 knockdown herbicide applications	10 knockdown herbicide applications
1 application of Fusilade® (Group A fop)	1 application of Fusilade®	2 applications of Fusilade®
2 applications of Select® (Group A dim)	1 application of Select®	1 application of simazine
2 applications of Glean® (Group B)	1 application of simazine	-
1 application of simazine (Group C)	1 application of trifluralin (Group D)	-
6 instances of high intensity grazing	6 instances of high intensity grazing	6 instances of high intensity grazing
1 winter-cleaning of lucerne with Spray.Seed	-	-
2 pasture-topping applications with glyphosate and 1 with Gramoxone®	2 pasture-topping applications with glyphosate and 1 with Gramoxone®	2 pasture-topping applications with glyphosate and 1 with Gramoxone®
Swathe lupins twice	Swathe lupins three times	Swathe lupins once
Use seed catching 6 times and windrowing 4 times	Use seed catching 4 times and windrowing 9 times	Use seed catching 10 times and windrowing once

456 **Figure 1.** Number of annual ryegrass seeds present in the soil at the beginning of the
457 growing season in two rotations at two different states of herbicide resistance. (Initial
458 seed density 500 seeds m^{-2})

459



460 **Table 4.** Value (NPV in A\$ ha⁻¹) of each rotation relative to continuous cropping for a
 461 range of sheep gross margins. (Initial seed density 500 seeds m⁻²; no initial herbicide
 462 resistance)

Rotation	Sheep gross margin (A\$ DSE ⁻¹)						
	10	12.50	15 ^a	17.50	20	22.50	25
<i>S+7C</i>	-27	-24	-14	-12	+7	+17	+38
<i>S+3C</i>	-78	-53	-36	-24	+14	+25	+52
<i>3S+7C</i>	-125	-66	-34	-26	+21	+41	+69
<i>2S+7C</i>	-104	-101	-60	-58	-23	-21	+22
<i>3L+7C</i>	-169	-124	-87	-70	-44	+43	+75
<i>3L+3C</i>	-353	-311	-242	-173	-119	-57	+6

463 ^aBase case.

464 **Table 5.** Value (NPV in A\$ ha⁻¹) of each rotation relative to continuous cropping for
 465 alternative herbicide-resistance scenarios. (Initial seed density 500 seeds m⁻²; sheep
 466 gross margin A\$15 DSE⁻¹)

Rotation	Herbicide groups to which annual ryegrass is resistant in Year 1				
	None	A	A, B	A, B, C	A, B, C, D
<i>S+7C</i>	-14	-5	+28	+98	+178
<i>S+3C</i>	-36	+3	+38	+111	+222
<i>3S+7C</i>	-34	-7	+41	+128	+210
<i>2S+7C</i>	-60	-50	+3	+72	+242
<i>3L+7C</i>	-87	-56	+5	+120	+340
<i>3L+3C</i>	-242	-207	-141	+51	+166

467