

CUSTOM FARM MACHINERY RATES IN GEORGIA, 2008

Survey Conducted and Summary by
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This report presents a tabulation of the results of a survey on custom farm machinery rates conducted among custom operators in Georgia. Early this year, a request was made to county agents for assistance in developing an updated database of custom operators in the state that can be contacted for the survey. Thirteen (13) county agents responded and their inputs were used to develop a contact list of 142 custom operators. The rates reported in this summary were obtained from the respondents of the survey.

To insure confidentiality, rates are not reported for jobs when only one individual responded. Given the small number of responses to this survey, a number of jobs were omitted in this summary due to the lack or absence of inputs from the respondents. Moreover, the high and low rates for each category are only provided when estimates from more than two respondents are available.

As in similar reports released in the past, we would like to remind the readers that **fairness of the reported rates have not been considered in this report**. It is possible that the rates provided by the respondents could fall under at least one of the following rate-setting circumstances:

- Charging the prevailing rate in a locality, which may have little basis for being set. But charging more than this rate will result in little demand for one's work.
- Work may be done in partial exchange for some other type work. Or the work may be done for a friend. Often, the rate is not indicative of costs incurred.

- Some work may be done by operators after they have completed operations on their farm. These rates may be set to cover fuel and repair costs, and then to provide some return to labor and partial payment for machinery overhead costs.

We also would like to warn the readers that since **an interview with the respondents was not possible**, we could not determine how different individuals might have interpreted the questions. In view of this concern and the fact that this survey has generated only a small sample of responses, the rates are reported statewide rather than by districts, or by counties.

The following tables provide a summary of rates provided by the respondents for specific activities in different categories of farm operations:

TILLAGE OPERATIONS				
Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Moldboard plowing</i>	Acre			42.50
	Hour			80.00
<i>Chisel plowing</i>	Acre			41.50
	Hour	125.00	65.00	85.00
<i>Disking</i>	Acre	55.00	5.00	26.00
	Hour	125.00	5.00	70.00
<i>V-ripping</i>	Acre			35.00
	Hour			102.50
<i>Row cultivating</i>	Acre			10.00
<i>Field cultivating</i>	Acre			17.50
	Hour			95.00
<i>Subsoil</i>	Acre	35.00	5.00	21.67
	Hour	125.00	3.00	69.50
<i>Subsoil and Bed</i>	Acre			25.00

PLANTING OPERATIONS

Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Planting soybeans</i>	Acre			15.00
<i>Planting cotton</i>	Acre			15.00
<i>Planting wheat</i>	Acre			15.00
<i>Drilling small grain</i>	Acre	25.00	5.00	15.00
<i>No-till drilling</i>	Acre	30.00	16.00	22.00
<i>Strip-till, planting</i>	Acre			30.00
<i>Sprig Bermuda, including sprigs</i>	Acre			127.50
<i>Sprig Bermuda, not including sprigs</i>	Acre			87.50
<i>Seeding alfalfa, clover, etc.</i>	Acre			350.00

CHEMICAL APPLICATION (excluding materials)

Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Spraying weeds and pasture</i>	Acre	40.00	8.00	15.40
<i>Spraying crops with insecticide</i>	Acre	40.00	7.00	15.14
<i>Spraying crops with herbicide</i>	Acre	40.00	7.00	15.14
<i>Spraying cattle</i>	Head			15.00
<i>Spreading fertilizers</i>				
<i>Bulk dry</i>	Acre	40.00	6.00	15.20
	Ton	100.00	35.00	68.33
<i>Liquid</i>	Acre			10.00
<i>Lime</i>	Acre	15.00	10.00	11.67
	Ton	20.00	10.00	13.75
<i>Manure application, dry</i>	Acre			40.00
	Ton			7.25

HARVESTING OPERATIONS

Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Corn picking</i>	Acre			40.00
<i>Combining, hauling not included</i>				
<i>Corn, dry land</i>	Acre	45.00	35.00	38.33
<i>Corn, irrigated</i>	Acre	60.00	35.00	46.67
<i>Soybeans</i>	Acre	40.00	35.00	36.25
<i>Wheat</i>	Acre	40.00	35.00	36.25
<i>Peanut harvesting</i>				
<i>Digging</i>	Acre			32.50
<i>Combining</i>	Acre			35.00
<i>Cotton harvesting</i>				
<i>Picking cotton, hauling not Included</i>	Acre			72.50
<i>Picking cotton per pound</i>	Pound			0.08
<i>Minimum charge</i>	Acre			60.00
<i>Build module</i>	Pound			0.02

SILAGE AND HAY MAKING

Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Mowing hay</i>	Acre	30.00	10.00	18.70
<i>Raking hay</i>	Acre	10.00	5.00	8.00
<i>Mowing and conditioning hay</i>	Acre	16.50	7.00	11.83
<i>Pickup baling (conventional bales), twine</i>	Bale			2.00
<i>Pickup baling (conventional bales), twine</i>	Bale			2.00
<i>Hauling bales to barn and storing</i>	Bale			0.43
<i>Baling giant round bales</i>	Bale	25.00	10.00	14.50
<i>Mow, bale, haul and store</i>				
<i>Regular bales</i>	Bale			2.32
<i>Giant round bales</i>	Bale	25.00	7.00	18.00
<i>Regular/giant round</i>	Ton			40.00

HAULING, AERIAL APPLICATIONS AND OTHER OPERATIONS

Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Hauling Crops and Livestock</i>				
<i>Grains and oilseeds</i>	Bushel			0.50
<i>Grains and soybeans</i>	Loaded mile			3.50
<i>Livestock</i>	Loaded mile			2.38
<i>Hay – round bale, less than 10 miles</i>	Loaded mile	4.00	2.50	3.00
<i>Hay – square bale, mileage not defined</i>	Bale			0.75
<i>Aerial Applications</i>				
<i>Insecticide applications</i>				
<i>3 gallons</i>	Acre			5.50
<i>Fungicide applications</i>				
<i>3 gallons</i>	Acre			5.50
<i>5 gallons</i>	Acre			6.00
<i>Fertilizer application</i>	Pound			0.084
<i>Miscellaneous Tasks</i>				
<i>Mowing set aside acres</i>	Hour	30.00	18.00	26.00
<i>Bulldozing, D6 or smaller</i>	Hour	100.00	95.00	98.33
<i>Bulldozing, D7 or larger</i>	Hour			125.00
<i>Bush hogging pastures</i>	Acre	65.00	18.00	35.75

Comparing these 2008 rates with the 2005 rates reported in the earlier publication, the overall change in rates over the 3-year period is 46.78%. This growth rate was derived *by considering only those rates for jobs/tasks provided by more than 2 respondents* in the current survey. Notably, this average growth rate is the highest rate obtained since 2000. For instance, the custom rates obtained in 2005 were only 7.49% higher than the 2002 rates, which, in turn, were about 15% higher than the 2000 rates.

Specifically, the following operations that had more than two data points registered the following growth rates during the three-year period:

<u>Type of Operation</u>	<u>Percent Increase: 2002-2005</u>
Chisel plowing, per hour	58.88
Disking, per acre	118.49
per hour	42.36
Subsoil, per acre	97.00
Drilling small grain, per acre	31.35
No-till drilling, per acre	41.03
Spraying weeds and pasture, per acre	2.67
Spraying crops with insecticide, per acre	106.55
Spraying crops with herbicide, per acre	124.30
Spreading fertilizers	
Bulk dry, per ton	82.21
Lime, per ton	79.27
Mowing hay, per acre	36.80
Raking hay, per acre	-7.73
Baling giant round bales, per bale	26.09
Mow, bale, haul, store, giant round bales, per bale	33.33
Combining, hauling not included	
Corn, dry land, per acre	27.77
Corn, irrigated, per acre	43.91
Soybeans, per acre	16.94
Hauling crops and livestock	
Hay --- round bale, less than 10 miles	4.53
Mowing set aside acres, per hour	-27.27
Bulldozing, D6 or smaller, per hour	43.90

Classifying these growth rates among the different categories of custom operations, tilling operations registered the largest collective average increase of 79.18%, followed by chemical applications at 79.00%, planting operations at 36.19%, harvesting operations at 29.54%, silage and hay making work at 22.12% and hauling/aerial applications at 7.05%.

Caution, however, should be observed in the use of such information, given the following considerations:

- a) The 2008 sample size, from which these rates were calculated, is relatively smaller than the samples (responses obtained) used in the 2002 and 2005 surveys.
- b) There is also no way to ascertain whether those that responded in the 2008 survey are the same people that provided the rates in the 2005 survey as identifiers were not used or encouraged to be used in the responses received.

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