

CUSTOM FARM MACHINERY RATES IN GEORGIA, 2005

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. Eleven (11) county agents responded and their inputs were used to develop a contact list of 101 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 the previous similar reports prepared by Bill Givan, we would like to remind the readers that **fairness of the reported rates have not been considered in this report**. As Bill Givan has clarified, rates are often set by:

- 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			12.00
	Hour			55.00
<i>Chisel plowing</i>	Acre	12.25	8.00	10.75
	Hour	60.00	40.00	53.50
<i>Disking</i>	Acre	25.00	6.00	11.90
	Hour	60.00	40.00	49.17
<i>V-ripping</i>	Acre			21.00
	Hour			60.00
<i>Field cultivating</i>	Acre			7.00
	Hour			50.00
<i>Subsoil</i>	Acre	12.00	10.00	11.00
	Hour			60.00
<i>Subsoil and Bed</i>	Acre	16.00	12.00	13.00
	Hour			60.00

PLANTING OPERATIONS

Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Planting corn</i>	Acre	23.00	8.00	13.30
<i>Planting soybeans</i>	Acre	12.50	8.00	10.88
<i>Planting cotton</i>	Acre	14.00	10.00	11.75
<i>Drilling small grain</i>	Acre	15.00	6.00	11.42
<i>No-till drilling</i>	Acre	24.00	10.00	15.60
<i>Strip-till, planting</i>	Acre	20.00	14.00	16.33
<i>Sprig Bermuda, including sprigs</i>	Acre			122.50
<i>Sprig Bermuda, not including sprigs</i>	Acre			67.50
<i>Planting pine trees</i>	Acre			45.00

CHEMICAL APPLICATION (excluding materials)

Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Spraying weeds and pasture</i>	Acre	30.00	4.00	15.00
<i>Spraying crops with insecticide</i>	Acre	10.00	4.00	7.33
<i>Spraying crops with herbicide</i>	Acre	8.00	4.00	6.75
<i>Spraying cattle</i>	Head			10.00
<i>Spreading fertilizers</i>				
<i>Bulk dry</i>	Acre			5.00
	Ton	50.00	27.50	37.50
<i>Liquid</i>	Acre	8.00	5.00	7.00
<i>Lime</i>	Acre			16.00
	Ton	12.00	4.00	7.67
<i>Side dressing</i>	Acre			6.50
<i>Manure application, dry</i>	Acre			25.00
	Ton			5.50

HARVESTING OPERATIONS

Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Corn picking</i>	Acre			30.00
<i>Combining, hauling not included</i>				
<i>Corn, dry land</i>	Acre	35.00	25.00	30.00
<i>Corn, irrigated</i>	Acre	40.00	20.00	32.50
<i>Soybeans</i>	Acre	35.00	30.00	31.00
<i>Combining, hauling included,</i>				
<i>Soybeans</i>	Acre			30.00
<i>Peanut harvesting</i>				
<i>Digging</i>	Acre			20.00
<i>Combining</i>	Acre			50.00
<i>Digging and combining</i>	Acre			62.50
<i>Cotton harvesting</i>				
<i>Picking cotton, hauling not included</i>	Acre			65.00
<i>Picking cotton per pound</i>	Pound			0.06
<i>Minimum charge</i>	Acre	55.00	45.00	48.33

FARM MACHINERY RENTAL RATES

Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Tractors, wheel type</i>				
<i>160 hp and over</i>	Hour			45.00
<i>130-159 hp</i>	Hour			40.00
<i>90-129 hp</i>	Hour			35.00
<i>60-89 hp</i>	Hour	60.00	15.00	34.00
<i>Tractor loader</i>	Hour	55.00	20.00	42.00
<i>Self-propelled combine with:</i>				
<i>Platform head</i>	Acre			30.00
<i>Corn head</i>	Acre			35.00
<i>Trailer sprayer</i>	Acre			30.00
<i>Stalk shredder, pto</i>	Acre			6.00
<i>No-tail grain drill</i>	Hour			60.00
<i>No-till planter</i>	Hour			60.00
<i>No-till drill</i>	Acre			14.00

SILAGE AND HAY MAKING

Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Mowing hay</i>	Acre	16.00	10.00	13.67
<i>Raking hay</i>	Acre	10.00	8.00	8.67
<i>Mowing and conditioning hay</i>	Acre			15.00
<i>Pickup baling (conventional bales), twine</i>	Bale			0.63
<i>Baling giant round bales</i>	Bale	16.00	8.00	11.50
<i>Mow, bale, haul and store</i>				
<i>Regular bales</i>	Bale	25.00	8.00	16.00
<i>Giant round bales</i>	Bale	17.00	10.00	13.50
<i>Regular/giant round</i>	Ton			15.00

HAULING, AERIAL APPLICATIONS AND OTHER OPERATIONS

Operation	Unit	High (\$)	Low (\$)	Average (\$)
<i>Hauling Crops and Livestock</i>				
<i>Grains and oilseeds</i>	Bushel			0.15
<i>Grains and soybeans</i>	Loaded mile	2.10	0.30	1.47
<i>Livestock</i>	Loaded mile			2.05
<i>Hay – round bale, less than 10 miles</i>	Loaded mile	4.00	2.10	2.87
<i>Hay – square bale, mileage not defined</i>	Bale			0.25
<i>Aerial Applications</i>				
<i>Insecticide applications</i>				
<i>3 gallons</i>	Acre			4.88
<i>5 gallons</i>	Acre			5.00
<i>Fungicide applications –</i>				
<i>5 gallons</i>	Acre			5.00
<i>Miscellaneous Tasks</i>				
<i>Mowing set aside acres</i>	Hour	50.00	23.00	35.75
<i>Bulldozing, D6 or smaller</i>	Hour	90.00	40.00	68.33
<i>Bush hogging pastures</i>	Acre			7.50
	Hour	50.00	25.00	37.50
<i>Sawing wood, chain saw</i>	Hour			20.00

Comparing these 2005 rates with the 2002 rates reported in Bill Givan's summary, the overall change in rates over the 3-year period is 7.49%. This growth rate was derived *by considering only those rates for jobs/tasks provided by more than 2 respondents* in the current survey.

In Bill Givan's earlier report, the 2002 rates he obtained were 15% higher than the 2000 rates. The lower growth rate over the three-year period (2002-2005) can be attributed to the following reasons:

- a) Smaller sample size in the 2005 survey which could have biased certain rates downwards.
 - b) We also could not ascertain whether those that responded in the 2005 survey are the same people that provided the rates in the 2002 survey.
- Nonetheless, most rates were reported to be higher than the 2002 levels while others have remained near the levels reported three years ago.

Notably, if the general expectation is for rates to naturally increase through the years, the average increase among the jobs that reported rate increases in 2005 (vis-à-vis 2002) is 23.15%, which probably would seem more plausible. The following operations registered an increase in 2005 over their 2002 levels:

<u>Type of Operation</u>	<u>Percent Increase: 2002-2005</u>
Chisel plowing, per hour	21.59
Disking, per acre	15.20
per hour	25.15
Subsoil and bed, per acre	3.17
Drilling small grain, per acre	7.53
Spraying crops with insecticide, per acre	61.10
Spraying crops with herbicide, per acre	6.64
Spreading fertilizers	
Bulk dry, per ton	60.46
Liquid, per acre	26.13
Lime, per ton	20.41
Mowing hay, per acre	27.16
Raking hay, per acre	5.60
Combining, hauling not included	
Corn, dry land, per acre	4.06
Corn, irrigated, per acre	4.84
Soybeans	18.59
Tractors, 60-89 hp, per hour	36.00
Tractor loader, per hour	40.00

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