

June 2004

## 2004 Nebraska Custom Rates, Part I

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# Cornhusker Economics

Cooperative Extension

Institute of Agriculture & Natural Resources  
Department of Agricultural Economics  
University of Nebraska - Lincoln

## 2004 Nebraska Custom Rates, Part I

Market Report	Yr Ago	4 Wks Ago	6/18/04
<b><u>Livestock and Products,</u></b>			
<b><u>Average Prices for Week Ending</u></b>			
Slaughter Steers, Ch. 204, 1100-1300 lb Omaha, cwt .....	\$73.03	\$86.05	\$87.07
Feeder Steers, Med. Frame, 600-650 lb Dodge City, KS, cwt .....	*	*	120.50
Feeder Steers, Med. Frame 600-650 lb, Nebraska Auction Wght. Avg .....	*	111.28	127.31
Carcass Price, Ch. 1-3, 550-700 lb Cent. US, Equiv. Index Value, cwt .....	119.69	139.41	134.75
Hogs, US 1-2, 220-230 lb Sioux Falls, SD, cwt .....	45.00	53.50	58.00
Feeder Pigs, US 1-2, 40-45 lb Sioux Falls, SD, hd .....	*	*	*
Vacuum Packed Pork Loins, Wholesale, 13-19 lb, 1/4" Trim, Cent. US, cwt .....	126.16	152.26	132.00
Slaughter Lambs, Ch. & Pr., 115-125 lb Sioux Falls, SD, cwt .....	*	*	104.50
Carcass Lambs, Ch. & Pr., 1-4, 55-65 lb FOB Midwest, cwt .....	203.85	194.20	201.98
<b><u>Crops,</u></b>			
<b><u>Cash Truck Prices for Date Shown</u></b>			
Wheat, No. 1, H.W. Omaha, bu .....	3.06	3.79	3.76
Corn, No. 2, Yellow Omaha, bu .....	2.29	2.87	2.59
Soybeans, No. 1, Yellow Omaha, bu .....	6.34	9.04	8.73
Grain Sorghum, No. 2, Yellow Kansas City, cwt .....	4.00	4.91	4.45
Oats, No. 2, Heavy Minneapolis, MN, bu .....	1.63	1.68	1.62
<b><u>Hay,</u></b>			
<b><u>First Day of Week Pile Prices</u></b>			
Alfalfa, Sm. Square, RFV 150 or better Platte Valley, ton .....	115.00	150.00	150.00
Alfalfa, Lg. Round, Good Northeast Nebraska, ton .....	60.00	55.00	55.00
Grass Hay, Sm. Square, Good Northeast Nebraska, ton .....	*	87.50	87.50
* No market.			

The reports for Parts I and II of the 2004 Survey of Custom Rates in Nebraska have gone to press and will soon be available in printed and electronic form. The 2004 reports should be available online by early July, and the website address for the publications is <http://agecon.unl.edu/pub/misc.html> and then click on "2004 Farm Custom Rates." Part I covers spring operations, hay harvesting, small grain harvest, tractor rental and custom framing contracts. Part II covers fall operations including harvesting of corn, soybeans and other crops and silage operations.

The full reports include a summary of the survey by Agricultural Statistics District, the range of responses, the most common response and the average. The following Table presents the overall state average for a selection of operations in Part I. The full report includes data on many other operations.

The custom rates reported include the charges for the use of the machinery, fuel, supplies such as twine supplied by the custom operator, equipment repairs and the custom operator's labor. The cost of seed, chemicals and fertilizer are not included. To determine a guideline on labor rates the survey asked custom operators to report the labor rate they include in calculating their custom charges. The state average was \$10.30 per hour.

Increasing fuel costs have had an impact on custom rates this year. The survey was conducted early in 2004 when diesel fuel was about \$1.10 to 1.36 per gallon. As the prices change, fuel consumption rates and the change in fuel costs can be used to change custom rates. For example, if the farm price of diesel was \$1.10 per gallon at the time of the survey and the fuel consumption for a particular operation is .8 gallons per acre, the fuel cost per acre would be \$.88, or \$.88 of the quoted custom rate would be for fuel. If the farm price of diesel increases to \$1.40, the additional cost of fuel would be \$.30 x .8 = \$.24 per acre. This will provide a guideline to adjust custom rates due to changes in fuel costs.

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**STATE AVERAGE CUSTOM RATES FOR 2004, PART I – Selected Operations**

**LAND TILLAGE OPERATIONS**

Disk Harrowing, Tandem or Offset (Primary Tillage), per acre	\$ 7.93
Disk Harrowing, Tandem or Offset (Secondary Tillage), per acre	7.38
Field Cultivator, per acre	7.06
Rotary Tiller, PTO Driven, per acre	11.14
Rod Weeder, per acre	5.19
Stalk Shredder, PTO Driven, per acre	7.32

**PLANTING AND POST PLANTING OPERATIONS**

Drilling Small Grains, Conventional Drill, per acre	8.53
Drilling Small Grains, No-Till Drill, per acre	11.36
Drilling Soybeans, Conventional Drill, per acre	9.27
Drilling Soybeans, No-Till Drill, per acre	11.92
Planting Dry Edible Beans, per acre	11.33
Planting Sugar Beets, per acre	13.80
Seeding Grass Seed, per acre	10.93
Planting Row Crops, No-Till with Band Application, per acre	11.89
Planting Row Crops, No-Till, without Band Application, per acre	10.23
Planting Row Crops with Coulters, with Band Application, per acre	12.01
Planting Row Crops with Coulters, without Band Application, per acre	10.76
Planting Row Crops with Row Cleaning, with Band Application, per acre	11.92
Planting Row Crops with Row Cleaning, without Band Application, per acre	11.47

**HAYING AND BALING**

Mowing and Raking, per acre	9.82
Swathing with Crushing/Crimping, per hour	58.18
Swathing with Crunching/Crimping, per acre	8.96
Baling Small Square Bales with Wire Tie, (Average lbs/bale = 65), per bale	0.49
Baling Large Round Bales, (Bale = 1450), per bale	8.95
Baling Large Square Bales, (Average lbs/bale = 1380), per bale	8.18

**SMALL GRAIN HARVEST (WHEAT, BARLEY AND OATS)**

Windrowing Grain Crops, per acre	8.95
Combining Small Grains, Flat Charge, per acre	19.04
Combining Small Grains, Flat Charge Plus Fee Per Bushel for High Yields, per acre	14.69
Additional Fee per Bushel for Crops Yielding Over 20 bushels per acre	0.13
Combining Small Grains, Combination Charge Regardless of Yield, per acre	18.10
Additional Fee, for Each Bushel	0.16

**APPLICATION OF FERTILIZER (Excludes Cost of Fertilizer)**

Dry Fertilizers, Including Power, Labor and Applicator, per acre	4.19
Dry Fertilizers, Applicator Rental Only, per acre	3.22
Liquid Fertilizers, Including Power, Labor and Applicator, per acre	5.15
Anhydrous Ammonia, Conventional Knife Including Power, Labor and Applicator, per acre	7.57
Anhydrous Ammonia, Knife with Coulters, Including Power, Labor and Applicator, per acre	8.29

**INSECT, DISEASE AND WEED CONTROL (Excludes Cost of Fertilizer)**

Crop Spraying by Surface Vehicles, per acre	4.72
Crop Spraying by Aircraft, per acre	5.22

**CUSTOM CONTRACT FARMING**

Winter Wheat, No Fallow Ground, (Average times over field=4), per acre	45.00
Winter Wheat, with Fallow Ground, (Average times over field=4), per acre	48.95
Grain Sorghum (Average times over field=4), per acre	56.94
Dryland Soybeans (Average times over field=4), per acre	58.40
Irrigated Soybeans (Average times over field=5) per acre	65.73
Dryland Corn (Average times over field=4), per acre	57.87
Irrigated Corn (Average times over field=6), per acre	74.56

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