# Guide to Custom Farmwork and Short-Term Equipment Rental

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**Factsheet**

FACTSHEET 16-035 AGDEX 825 JUNE 2016
(replaces OMAFRA Factsheet 13-039 of the same name)

## INTRODUCTION

This Factsheet provides several decision-making tools for farm managers and custom farmwork operators managing the use of equipment and work time to meet production and profit goals. Table 1 outlines advantages and disadvantages to three options. Rental values in this Factsheet are in imperial measurements, reflecting common usage in the industry.

Hiring custom farmwork allows farm managers to purchase fieldwork and other services instead of owning the equipment and doing the work. This Factsheet considers owning or a multi-year equipment lease versus hiring custom farmwork or short-term equipment rental. For more information on multi-year lease agreements, see the OMAFRA Factsheet, *Lease Agreements, Farm Equipment*.

For equipment owners, providing custom farmwork services can be the focus of a business, a sideline farming enterprise that spreads equipment ownership costs over more acres or a marketing tool to complement the sale of other farm inputs.

**Table 1.** Equipment use options

| Option | Advantages | Disadvantages |
|---|---|---|
| Own or lease (long-term) equipment | • Equipment and operator are ready and available when needed, especially for weather-sensitive operations such as planting, spraying and harvesting. Timeliness of operation impacts directly on yield, product quality and farm revenue.<br>• Farm manager has direct control of operating decisions.<br>• Farm manager develops and maintains hands-on knowledge of operation.<br>• Risk of weed transfer or biosecurity concerns is reduced. | • Farm business may not be large enough to cover the equipment's ownership and operating costs.<br>• Equipment replacement rate may not keep pace with new technology.<br>• The farm may not be able to supply the labour at the time the operation is required.<br>• Farmer is required to master an additional management skill set.<br>• Farmer is responsible for repairs beyond warranty when owned or as per lease agreement. |
| Hire custom farmwork | • Farm manager gains use of newer and more efficient equipment without full cost of ownership/operating expenses.<br>• Custom operator provides expertise gained from a wider experience.<br>• Custom operator maintains required regulatory certification.<br>• Farmer can be busy elsewhere while custom operator provides service.<br>• No direct repairs and maintenance costs. | • Custom operator may not be available at the most optimum time, resulting in reduced yield, product quality and revenue.<br>• Farm manager loses direct control of operation.<br>• Farm manager is dependent on the availability of custom operators.<br>• Risk of weed transfer and other biosecurity concerns is increased. |
| Rent equipment, short-term | • If equipment is available, farm manager controls the operation and the timeliness of the work.<br>• Farm manager gains the use of equipment without the full cost of ownership and operating expenses.<br>• Repairs and maintenance are made as per agreement. | • Availability of equipment affects timeliness of operation.<br>• Rental equipment may not be available due to lack of year-round demand or over-demand during a short season of use. |

Ministry of Agriculture, Food and Rural Affairs

Ontario

## SURVEY OF CUSTOM FARMWORK AND SHORT-TERM EQUIPMENT RENTAL RATES CHARGED IN 2015

Appendix A, *Survey of Custom Farmwork Rates Charged in 2015* (page 11–15), shows the results of a survey of the rates charged in 2015 by 220 Ontario custom farmwork operators. The survey included:

- full-time custom operators
- farmers providing custom farmwork as a significant sideline business
- farmers providing limited custom farmwork to neighbours
- farm input suppliers providing custom application as a service

The custom rate charged included the equipment, fuel and operator cost but excluded the cost of material applied.

Use these rates as a guide in making management decisions. There is no assurance that using the "average" rates reported here will cover the cost of providing the service. Custom operators should carefully calculate all costs and returns before setting prices. See *Guide to Calculating Custom Farmwork and Short-Term Equipment Rental Rate Charges*, on page 3.

The appendices show ranges for the rates, as many factors can cause variations in the rates charged, including:

- type, size, age of equipment
- amount of use (number of acres covered or hours used)
- availability of the equipment in the local area
- field shape, size and topography
- soil conditions
- local tradition

Appendix B, *Survey of Short-Term Equipment Rental Rates Charged in 2015*, on page 16, summarizes 20 reports of short-term tractor rental rates from custom operators. Appendix C, used with permission, is taken from Iron Solutions' *Eastern Canada Winter Official Guide*, a survey of tractor rental rates charged by Eastern Canadian machinery dealers in 2015.

### Survey details

Results are summarized by province and by six smaller regional areas, shown in Figure 1. Where available, the 2012 provincial average rates from the previous survey are also listed.

### Average rates

An average rate is given when there are at least three reports. The greater the number of reports, the more the summary reflects the market rates.

### Percentiles

Percentiles have been used to help show the range of the rates that were charged. For example, in the Provincial Summary, the 15th percentile for corn combining with grain buggy is $40/acre and the 85th percentile is $48/acre. This means that 15% of those surveyed charged $40/acre or less and 15% charged more than $48. Seventy percent (85th–15th percentile) of all those reporting charged between $40 and $48/acre. The average rate charged was $44/acre.

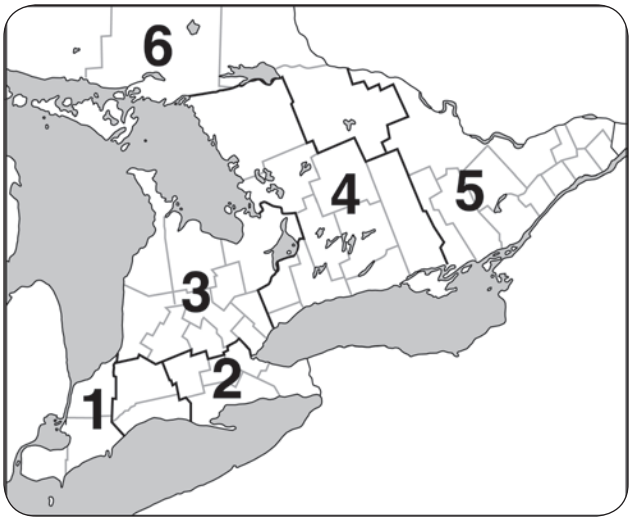


**Figure 1.** Map of Ontario divided into survey areas.

| | |
|---|---|
| Area 1 | Chatham-Kent, Elgin, Essex, Lambton, Middlesex |
| Area 2 | Brant, Haldimand, Hamilton, Niagara, Norfolk, Oxford |
| Area 3 | Bruce, Dufferin, Grey, Halton, Huron, Peel, Perth, Simcoe, Waterloo, Wellington |
| Area 4 | Durham, Haliburton, Hastings, Kawartha Lakes, Muskoka, Northumberland, Parry Sound, Peterborough, Prince Edward, York |
| Area 5 | Frontenac, Lanark, Leeds-Grenville, Lennox-Addington, Ottawa, Prescott-Russell, Renfrew, Stormont-Dundas-Glengarry |
| Area 6 | Algoma, Cochrane, Kenora, Manitoulin, Nipissing, Rainy River, Sudbury, Thunder Bay, Timiskaming |

## GUIDE TO CALCULATING CUSTOM FARMWORK AND SHORT-TERM EQUIPMENT RENTAL RATE CHARGES

The *Custom Farmwork Rate Calculator* and the *Short-Term Equipment Rental Rate Calculator* are reproduced here. Downloadable spreadsheet versions are available online at ontario.ca/agbusiness.

Example calculations are based on market prices and Tables 3, 4 and 5 of this Factsheet. See the OMAFRA Factsheet, *Budgeting Farm Machinery Costs*, for additional machinery cost information.

Farm managers who use the equipment in their own operations as well as providing custom farmwork to others should calculate costs using the total of own farm and custom acreage and operation hours.

### Custom Farmwork Rate Calculator

| | | | |
|---|---|---|---|
| **POWER UNIT (TRACTOR OR SELF-PROPELLED MACHINE)** | | | |
| **Annual fixed cost** | | | |
| Depreciation | = (purchase price – trade-in value [from Table 3]) / life of machine (years) | = | |
| Interest* | = (purchase price + trade-in value [from Table 3]) x annual interest rate / 2 | = | |
| Insurance & housing | = purchase price x 1.0% | = | |
| **TOTAL fixed costs/year** | | **=** | **(A)** |
| **Annual operating cost** | | | |
| Fuel & lubricants [Table 5] | = (L/hr x hr/yr x fuel cost/L x 1.15) | = | |
| Repairs | = [estimate using Table 4] | = | |
| **TOTAL operating costs/year** | | **=** | **(B)** |
| **+ MACHINE (TILLAGE IMPLEMENT, PTO MACHINE, OTHER)** | | | |
| **Annual fixed costs** | | | |
| Depreciation | = (purchase price – trade-in value [from Table 3]) / life of machine (years) | = | |
| Interest* | = (purchase price + trade-in value [from Table 3]) x annual interest rate / 2 | = | |
| Insurance & housing | = purchase price x 1.0% | = | |
| **TOTAL** | | **=** | **(C)** |
| **Annual operating costs** | | | |
| Repairs | = [estimate using Table 4] | = | |
| **TOTAL** | | **=** | **(D)** |
| **= ANNUAL MACHINERY COSTS (A+B+C+D)** | | **=** | **(E)** |
| + Profit margin (return to management, admin. costs): suggest 15% of machinery costs (E x 0.15) | | = | (F) |
| + Operator labour (self or hired) # of machinery hours (suggest 15% over machine-hr for travel, downtime) x 1.15 x wage/hr | | = | (G) |
| **= TOTAL costs (E+F+G)** | | **=** | **(H)** |
| **= CUSTOM RATE** | = H / Total annual acres **or** H / Total annual hours | = | **(I) per acre or per hour** |

* Interest: Interest calculation is the average annual interest cost of the investment (yours and/or the lender's) that is tied up in the machine.

## EXAMPLE 1. Custom farmwork rate calculation

The following example calculates a custom farmwork rate for a combine with corn and soybean heads scheduled to be traded in 5 years.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| Life (years) = | 5 | Purchase price = | $600,000 | Trade-in value = | $270,000 | Interest rate = | 4.0% |
| Acres/year = | 3,000 | Hours per year = | 300 | Fuel cost/L = | $1.00 | | |
| Corn/soy average acres/hr = | 10 | Average fuel used (L/hr) = | 57 | | | | |

| | | | | |
|---|---|---|---|---|
| **POWER UNIT (TRACTOR OR SELF-PROPELLED MACHINE)** | | | | |
| **Annual fixed cost** | | | | |
| Depreciation | $= \frac{\text{(purchase price – trade-in value [from Table 3])}}{\text{life of machine (years)}}$ | = | $66,000 | |
| Interest | $= \frac{\text{(purchase price + trade-in value [from Table 3]) x annual interest rate}}{2}$ | = | $17,400 | |
| Insurance & housing | = purchase price x 1% | = | 6,000 | |
| **TOTAL fixed costs/year** | | **=** | **$89,400** | **(A)** |
| **Annual operating cost** | | | | |
| Fuel & lubricants | = (L/hr x hr/yr x fuel cost/L x 1.15) | = | $19,665 | |
| Repairs | = [estimate using Table 4] | = | 11,160 | |
| **TOTAL operating costs/year** | | **=** | **$30,825** | **(B)** |
| **+ MACHINE (TILLAGE IMPLEMENT, PTO MACHINE, OTHER)** | | | | |
| **1. Annual fixed costs** | | **=** | **0** | **(C)** |
| **2. Annual operating costs** | | **=** | **0** | **(D)** |
| **= ANNUAL MACHINERY COSTS (A+B+C+D)** | | **=** | **$120,225** | **(E)** |
| + Profit margin (return to management, admin. costs): suggest 15% of machinery costs (E x 0.15) | | = | $18,035 | (F) |
| + Operator labour (self or hired) # of machinery hours (suggest 15% over machine-hr for travel, downtime) x 1.15 x wage/hr | | = | $6,900 | (G) |
| **= TOTAL costs (E+F+G)** | | **=** | **$145,160** | **(H)** |
| **= CUSTOM RATE** | $= \frac{\text{H}}{\text{Total annual acres}}$ **or** $\frac{\text{H}}{\text{Total annual hours}}$ | **=** | **$48/acre (I) or $484/hr** | |

In this example, if the operator combines 3,000 acres at $48/acre, the return to management is $18,035 ($6.01/acre or $60.12/machine-hr), and the return to labour is $6,900 ($2.30/acre or $23.00/machine-hr). The custom farmwork operator also earns a return of 4% interest on the owner's equity in the machinery.

## Cash Flow Considerations

The example above calculates machinery costs and returns to management, labour and investment. The estimated annual depreciation and interest costs total $83,400. From a cash flow point of view, the depreciation is not a draw on the bank line. However, in the case of financing, loan payments are a cash flow requirement.

Actual loan principal and interest payments will depend on the amount financed and will be different from the figures in the example. It is possible to cash flow actual expenses at a lesser rate than the example, but this would come at the cost of lower returns to management, operator labour and the owner's equity tied up in the machine.

**Table 2.** Cost per acre comparison

| | 2,500 acres | 3,000 acres | 3,500 acres |
|---|---|---|---|
| Machinery fixed costs | $35.22 | $29.80 | $25.95 |
| Machinery operating costs | $9.62 | $10.30 | $11.00 |
| Return to management | $6.73 | $6.02 | $5.54 |
| Return to labour | $2.30 | $2.30 | $2.30 |
| **Total rate** | **$53.87** | **$48.42** | **$44.79** |

The capital cost of the equipment (purchase/trade-in values) and the number of acres worked are the two largest factors affecting price rate and, therefore, have the biggest impact on profitability. Table 2 shows how volume of acres affects the per acre costs in order to receive total returns equal to the 3,000 acres used in the previous example.

### Short-Term Equipment Rental Rate Calculator

| | | | |
|---|---|---|---|
| + Machinery costs (from *Custom Farmwork Rate Calculator,* above) | = | (E) | |
| – Total fuel and lubricant cost (if any) (from *Custom Farmwork Rate Calculator,* above) | = | (J) | |
| + Profit margin (return to management, admin. costs): suggest 15% of machinery costs less fuel and lubricants: (E – J) x 0.15 | = | (K) | |
| **= Total costs (E – J + K)** | **=** | **(L)** | |
| **= RENTAL RATE** $= \frac{L}{\text{Total annual acres}}$ **or** $\frac{L}{\text{Total annual hours}}$ | **=** | **(M) per acre or per hour** | |

**Note:** Rental rates may have minimum daily or weekly rates.

### EXAMPLE 2. Short-Term Equipment Rental Rate Calculation

The following example calculates a short-term rental rate for the same combine with corn and soybean heads used in Example 1.

| | | | |
|---|---|---|---|
| + Machinery costs (from Example 1, *Custom farmwork rate calculation*) | = | $120,315 | (E) |
| – Total fuel and lubricant cost (if any) (from Example 1, *Custom farmwork rate calculation*) | = | – $19,665 | (J) |
| + Profit margin (return to management, admin. costs): suggest 15 % of machinery costs less fuel and lubricants: (E – J) x 0.15 | = | +$15,097 | (K) |
| **= Total costs (E – J + K)** | **=** | **$115,748** | **(L)** |
| **= RENTAL RATE** $= \frac{L}{\text{Total annual acres}}$ **or** $\frac{L}{\text{Total annual hours}}$ | **=** | **$38.58/acre (M) or $385.83/hr** | |

**Note:** Rental rates may have minimum daily or weekly rates.

Table 3, *Trade-in values on farm machinery as a percent of purchase cost*, and Table 4, *accumulated repair costs as a percent of purchase price,* provide information used in the example calculations.

**Table 3.** Trade-in values on farm machinery as a percent of purchase cost

| End of Year | Tractors | | | Other Machinery | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | <80 hp[1] | 80–149 hp | 150+ hp | Group 1 | Group 2 | Group 3 | Group 4 | Group 5 | Group 6 | Group 7 |
| 1 | 60 | 68 | 67 | 74 | 49 | 56 | 65 | 47 | 61 | 69 |
| 2 | 54 | 61 | 59 | 62 | 44 | 50 | 60 | 44 | 54 | 62 |
| 3 | 50 | 57 | 54 | 54 | 40 | 46 | 56 | 42 | 49 | 56 |
| 4 | 46 | 53 | 49 | 48 | 37 | 42 | 53 | 40 | 45 | 52 |
| 5 | 43 | 49 | 45 | 43 | 35 | 39 | 50 | 39 | 42 | 48 |
| 6 | 41 | 46 | 42 | 38 | 32 | 37 | 48 | 38 | 39 | 45 |
| 7 | 38 | 44 | 39 | 34 | 30 | 34 | 46 | 36 | 36 | 42 |
| 8 | 36 | 41 | 36 | 31 | 28 | 32 | 44 | 35 | 34 | 40 |
| 9 | 34 | 39 | 34 | 28 | 27 | 30 | 42 | 34 | 31 | 37 |
| 10 | 33 | 37 | 32 | 25 | 25 | 28 | 40 | 33 | 30 | 35 |
| 11 | 31 | 35 | 30 | 23 | 24 | 27 | 39 | 32 | 28 | 33 |
| 12 | 29 | 33 | 28 | 20 | 23 | 25 | 38 | 32 | 26 | 31 |
| 13 | 28 | 32 | 26 | 18 | 21 | 24 | 36 | 31 | 24 | 29 |
| 14 | 27 | 30 | 24 | 17 | 20 | 22 | 35 | 30 | 23 | 28 |
| 15 | 25 | 29 | 23 | 15 | 19 | 21 | 34 | 29 | 22 | 26 |
| 16 | 24 | 28 | 21 | 13 | 18 | 20 | 33 | 29 | 20 | 25 |
| 17 | 23 | 26 | 20 | 12 | 17 | 19 | 32 | 28 | 19 | 24 |
| 18 | 22 | 25 | 19 | 10 | 16 | 18 | 30 | 27 | 18 | 22 |
| 19 | 21 | 24 | 18 | 9 | 16 | 17 | 29 | 27 | 17 | 21 |
| 20 | 20 | 23 | 17 | 8 | 15 | 16 | 29 | 26 | 16 | 20 |

*Source:* American Society of Agricultural Engineers Standards, American Society of Agricultural Engineers, 1999

Group 1: Combines, self-propelled forage harvesters.
Group 2: Swathers, mower-conditioners, rotary hay mowers, rotary mower-conditioners.
Group 3: Forage harvesters, balers, bale elevators, tub grinders, augers, grinder-mixers, forage boxes, roller mills.
Group 4: Planters, drills, sprayers.
Group 5: Moldboard plows, chisel plows, cultivators, V-rippers.
Group 6: Disks, harrows, hoes.
Group 7: Manure spreaders, miscellaneous equipment.
[1] hp = 1 horse power

**Table 4.** Accumulated repair costs as a percent of purchase price

| Machine | Quarter Life | | Half Life | | Three-Quarter Life | | Full Life | |
|---|---|---|---|---|---|---|---|---|
| | Accumulated Hours | Costs | Accumulated Hours | Costs | Accumulated Hours | Costs | Accumulated Hours | Costs |
| 2-wheel tractors | 3,000 | 6.2% | 6,000 | 25.0% | 9,000 | 56.2% | 12,000 | 100% |
| 4 WD[1] and MFWD[2] tractors | 4,000 | 4.8% | 8,000 | 19.2% | 12,000 | 43.2% | 16,000 | 80% |
| Self-propelled combines | 750 | 2.2% | 1,500 | 9.3% | 2,250 | 21.9% | 3,000 | 40% |
| Planters, drills | 375 | 4.1% | 750 | 17.5% | 1,125 | 41.0% | 1,500 | 75% |
| Moldboard plows | 500 | 8.3% | 1,000 | 28.7% | 1,500 | 59.6% | 2,000 | 100% |
| Disk, disk harrows | 500 | 5.5% | 1,000 | 18.0% | 1,500 | 35.9% | 2,000 | 60% |
| Chisel plows | 500 | 10.1% | 1,000 | 26.5% | 1,500 | 46.8% | 2,000 | 75% |
| Cultivators | 500 | 10.2% | 1,000 | 27.0% | 1,500 | 47.6% | 2,000 | 70% |
| Mowers | 500 | 14.2% | 1,000 | 46.2% | 1,500 | 92.0% | 2,000 | 150% |
| Square balers, small | 500 | 6.6% | 1,000 | 23.0% | 1,500 | 47.7% | 2,000 | 80% |
| Square balers, large | 750 | 6.0% | 1,500 | 20.7% | 2,250 | 43.0% | 3,000 | 75% |
| Large round balers | 375 | 7.4% | 750 | 25.9% | 1,125 | 53.6% | 1,500 | 90% |
| SP forage harvesters | 1,000 | 3.1% | 2,000 | 12.5% | 3,000 | 28.1% | 4,000 | 50% |
| Rakes | 625 | 8.6% | 1,250 | 22.7% | 1,875 | 40.1% | 2,500 | 60% |

*Source:* American Society of Agricultural Engineers Standards, American Society of Agricultural Engineers, 1999.

[1] WD = wheel drive

[2] MFWD = mechanical front-wheel drive

## EXAMPLE 3. Accumulated Repair Cost Calculation

| | |
|---|---|
| New combine cost | $600,000 |
| Projected use | 15,000 acres or 300 hours per year over 5 years |
| Estimated accumulated repair costs* | 9.3% of purchase cost (estimated using Table 4) |
| Repair costs | Approx. $55,800 ($600,000 x 9.3%) over 5 years for an average of $11,160/year |
| Used machinery | When calculating the depreciation on used machinery, use the actual price paid for the machine minus its expected trade-in or salvage value, divided by the expected life of the machine on your farm. Increase repair rates to levels appropriate for the age or number of hours on the machine. Expect to have higher than normal repair expenses in the first year of ownership of a used machine as you bring it back into top operating shape. |

* at 1,500 hr

**Table 5.** Performance, horsepower and fuel requirements of selected farm equipment

| | HP required | acres/h | L/acre | L/h |
|---|---|---|---|---|
| 4–18-in. furrow plow | 75 | 2.8 | 4.5 | 12.5 |
| 6–18-in. furrow plow | 130 MFWD | 4.2 | 5.1 | 21.6 |
| 8–18-in. furrow plow | 160 | 5.6 | 4.7 | 26.5 |
| 12.5-ft field cultivator | 75 | 9.0 | 1.4 | 12.5 |
| 18-ft field cultivator | 105 MFWD | 13.0 | 1.3 | 17.4 |
| 37-ft field cultivator | 225 | 26.7 | 1.4 | 37.5 |
| 11-ft chisel plow | 75 | 5.9 | 2.1 | 12.5 |
| 15-ft chisel plow | 130 MFWD | 8.0 | 2.7 | 21.6 |
| 11-ft tandem disk | 60 | 6.4 | 1.5 | 9.9 |
| 15-ft tandem disk | 105 MFWD | 8.7 | 2.0 | 17.4 |
| 4-row-36-in. row crop planter | 40 | 5.6 | 1.2 | 6.8 |
| 6-row-30-in. row crop planter | 60 | 7.0 | 1.4 | 9.9 |
| 12-row-30-in. row crop planter | 105 MFWD | 14.0 | 1.2 | 17.4 |
| 4-row-36-in. minimum-till planter | 60 | 5.1 | 1.9 | 9.9 |
| 6-row-30-in. minimum-till planter | 75 | 6.4 | 2.0 | 12.5 |
| 8-row-30-in. minimum-till planter | 105 MFWD | 8.5 | 2.1 | 17.4 |
| 25-ft grain drill | 130 MFWD | 4.7 | 4.6 | 21.6 |
| 35-ft grain drill | 160 MFWD | 14.9 | 1.8 | 26.5 |
| 12-ft presswheel drill | 75 | 5.1 | 2.5 | 12.5 |
| 20-ft presswheel drill | 130 MFWD | 8.5 | 2.5 | 21.6 |
| 15-ft no-till drill | 130 MFWD | 6.4 | 3.4 | 21.6 |
| 20-ft no-till drill | 160 MFWD | 8.5 | 3.1 | 26.5 |
| 30-ft sprayer | 40 | 15.4 | 0.4 | 6.8 |
| 50-ft sprayer | 60 | 25.6 | 0.4 | 9.9 |
| 9-ft mower conditioner | 40 | 4.4 | 1.6 | 6.8 |
| 9-ft rotary mower/conditioner | 75 | 6.6 | 1.9 | 12.5 |
| Square baler | 40 | 4.4 | 1.6 | 6.8 |
| Round baler 1,000 lb | 60 | 3.0 | 3.3 | 9.9 |
| Round baler 1,500 lb | 60 | 4.0 | 2.5 | 9.9 |
| Large size square baler | 130 MFWD | 16.3 | 1.3 | 21.6 |
| Round baler 1,000 lb/wrapper | 60 | 3.0 | 3.3 | 9.9 |
| 2-row forage harvester | 105 MFWD | 1.4 | 12.5 | 17.4 |
| Large forage blower | 60 | — | — | 9.9 |
| Combine 4-row-30 in. corn head | 190 | 2.8 | 11.4 | 31.8 |
| Combine 12-row-30 in. corn head | 275 | 7.6 | 6.0 | 45.9 |
| Combine grain head 20 ft | 220 | 6.8 | 5.4 | 36.8 |
| Combine grain head 30 ft | 275 | 10.2 | 4.5 | 45.9 |
| Combine soybean head 15 ft | 220 | 4.5 | 8.2 | 36.8 |
| Combine soybean head 25 ft | 275 | 7.4 | 6.2 | 45.9 |

*Source:* American Society of Agricultural Engineers Standards, American Society of Agricultural Engineers, 1999.
MFWD = mechanical front-wheel drive

## FACTORS TO CONSIDER IN A CUSTOM FARMWORK AGREEMENT

Custom hiring is a business arrangement. Write the terms of the arrangement in a formal agreement. If unwritten, the terms are more likely to be misunderstood in the case of a dispute. While written custom hiring agreements have not been common in the past, increased demands for nutrient management plans, quality assurance programs and environmental stewardship records give added incentive beyond the business benefits of written agreements. Consider the following in a custom hiring agreement.

### Timeliness

Significant losses can occur if an operation is not started or completed on time. To facilitate planning, include a schedule of operations for both parties in the custom hiring agreement. Such a schedule would be subject to weather conditions and crop maturity.

### Operations

Write into the agreement the exact operations to be performed by each party and the machine, materials and labour to be supplied by each.

### Rate Schedule

Stipulate the rate for each operation to be performed on the basis of acreage, time (hour, day, week) or total operation performed.

### Management

State that both the custom operator and the owner will adhere to appropriate and accepted farming practices in his or her respective part of the farming operations. The contract provides an opportunity to clarify management roles and responsibilities, create mutual understanding and provide a dispute resolution mechanism.

### Environmental matters

While the owner is ultimately responsible for activities occurring on the property, regulatory authorities can charge any one of the owner, the tenant farmer or the contract operator for causing environmental damage. It is the responsibility of each party to understand his or her environmental responsibilities. Where the custom farmwork operation carries the risk of an environmental spill, such as in manure or pesticide application, it is important that a contingency plan exists that identifies the containment and clean-up process, which party has the authority to initiate the contingency plan and to which party the clean-up costs are assigned.

### Terms of payment

Stipulate terms of payment for custom operations. Bill the client upon the completion of each custom operation, indicating actual units (hours, acres, etc.) completed, the rate charged per unit, the total charge and the date payment is due.

### Termination

Include a minimum period for notice of termination in a custom hiring agreement. State penalties, if any, for termination or for failure to give appropriate notice of termination

## OTHER CONSIDERATIONS

### Insurance

A custom operator may be classified differently from a farmer when insuring equipment. Be clear with the insurance company about which role you are playing if considering doing custom work or renting out equipment.

### Workplace Safety and Insurance Board (WSIB)

Custom operators are responsible for carrying appropriate WSIB coverage for their employees. The WSIB issues Clearance Certificates to employers to document this WSIB employee coverage.

WSIB coverage is optional for sole proprietors, partners, independent operators and executive officers of a corporation, who are responsible for their own insurance coverage.

A WSIB Independent Operator Ruling documents that the custom operator is not considered to be an employee of the farmer by the WSIB.

The WSIB deems the operator of the equipment to be an employee of the farmer during the custom farmwork unless the custom equipment operator has either a WSIB Clearance Certificate or a WSIB Independent Operator Ruling.

Farmers should ask the custom operator to see a copy of a WSIB Clearance Certificate or WSIB Independent Operator Ruling prior to the work. If there is no Clearance Certificate or Independent Operator Ruling, custom operators should itemize the labour component of the custom rate charge on the bill so

that the farmer can pay the required WSIB premiums on the equipment operator's labour.

For further information on WSIB responsibilities visit www.wsib.on.ca or contact the WSIB at 1-888-259-4228.

### Licences and certifications

The custom operator should maintain, as required, any regulated certifications or licences for the equipment and equipment operators involved in the custom work.

## SUMMARY

Contracting custom farmwork will continue to allow farm managers to manage machinery costs and technical skills. Developing clear custom farmwork contracts is a benefit to both the farm manager and the custom operator.

This Factsheet is intended as general information, not specific advice concerning individual situations. Discuss individual custom farmwork agreements with your lawyer. The Government of Ontario assumes no responsibility for persons using this publication as a basis to draft a custom farmwork agreement or to set custom farmwork and short-term equipment rental rates.

Averages shown in the tables are a simple average of the rates charged in 2015 across Ontario as reported in a survey of Ontario custom farmwork operators. Percentiles show the range of the rates that were charged. There is no assurance that using the average rates reported here will cover the cost of providing the service. Before setting prices, carefully calculate all costs and returns.

## REFERENCES

The author would like to gratefully acknowledge the permission given by the authors of the following publications from which portions of this paper were developed:

*Farm Machinery Custom and Rental Rate Guide 2014-15.* Prairie Agricultural Machinery Institute (PAMI) and Saskatchewan Ministry of Agriculture.

*Acquiring Farm Machinery Services, 2012.* William Edwards, retired extension economist, and Vernon M. Meyer, retired extension agricultural engineer, Iowa State University Extension.

*Iron Solutions Eastern Canada Region Winter 2015 Official Guide*. Dealer edition.

The author also wishes to thank the custom farm operators who completed the survey of rates charged in 2015.

This Factsheet was written and updated by John Molenhuis, Business Analysis and Cost of Production Program Lead, Economic Development Division, OMAFRA, Brighton

**Appendix A.** Survey of custom farmwork rates charged in 2015

| Custom operation | Unit | Provincial # | Provincial 2015 avg. | Provincial 2015 Percentile 15th | Provincial 2015 Percentile 85th | Provincial 2012 avg. | Area 1 # | Area 1 2015 avg. | Area 2 # | Area 2 2015 avg. | Area 3 # | Area 3 2015 avg. | Area 4 # | Area 4 2015 avg. | Area 5 # | Area 5 2015 avg. | Area 6 # | Area 6 2015 avg. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **TILLAGE** | | | | | | | | | | | | | | | | | | |
| Moldboard plow | acre | 67 | $29 | $24 | $33 | $25 | 15 | $29 | 11 | $27 | 31 | $29 | 4 | $29 | 4 | $31 | — | — |
| | hour | 50 | $130 | $89 | $159 | $118 | 9 | $148 | 5 | $117 | 28 | $130 | 3 | $114 | — | — | 3 | $128 |
| Chisel plow/soil saver | acre | 63 | $24 | $20 | $26 | $22 | 19 | $26 | 11 | $22 | 25 | $22 | — | — | 3 | $27 | 4 | $26 |
| | hour | 43 | $190 | $115 | $270 | $164 | 13 | $182 | 6 | $169 | 19 | $194 | — | — | — | — | 3 | $157 |
| Disc — primary tillage | acre | 45 | $19 | $15 | $25 | $17 | 12 | $19 | 7 | $17 | 17 | $18 | 3 | $21 | 3 | $16 | 3 | $24 |
| | hour | 27 | $213 | $99 | $304 | $199 | 5 | $336 | 3 | $130 | 14 | $198 | — | — | — | — | — | — |
| Disc — secondary tillage | acre | 38 | $17 | $13 | $20 | $15 | 8 | $16 | 5 | $15 | 18 | $16 | — | — | 3 | $18 | — | — |
| | hour | 27 | $212 | $100 | $300 | $185 | 5 | $289 | 3 | $116 | 15 | $198 | — | — | — | — | — | — |
| Vertical tillage | acre | 63 | $20 | $15 | $25 | $17 | 17 | $21 | 14 | $19 | 20 | $19 | 3 | $25 | 4 | $17 | 5 | $23 |
| | hour | 43 | $282 | $146 | $400 | $282 | 11 | $397 | 9 | $230 | 15 | $247 | 4 | $245 | 4 | $251 | — | — |
| Zone tillage with fertilizer | acre | 6 | $23 | — | — | $21 | — | — | — | — | 4 | $20 | — | — | — | — | — | — |
| | hour | 5 | $426 | — | — | $319 | — | — | — | — | 4 | $336 | — | — | — | — | — | — |
| Field cultivate | acre | 106 | $14 | $11 | $18 | $13 | 29 | $15 | 18 | $15 | 40 | $12 | 5 | $14 | 9 | $17 | 5 | $17 |
| | hour | 79 | $241 | $120 | $331 | $246 | 20 | $319 | 12 | $248 | 34 | $189 | 4 | $200 | 6 | $308 | 3 | $198 |
| Harrowing | acre | 11 | $7 | $5 | $8 | $10 | — | — | — | — | 6 | $7 | — | — | — | — | — | — |
| | hour | 9 | $141 | $71 | $234 | $113 | — | — | — | — | 3 | $178 | — | — | — | — | 3 | $98 |
| Deep tillage/ subsoiling | acre | 19 | $29 | $24 | $34 | $28 | 8 | $30 | — | — | 4 | $27 | — | — | 3 | $26 | — | — |
| | hour | 15 | $215 | $141 | $277 | $191 | 5 | $261 | — | — | 6 | $185 | — | — | — | — | — | — |
| Packer/rolling | acre | 57 | $7 | $5 | $10 | $7 | 13 | $7 | 11 | $9 | 23 | $7 | 4 | $8 | 5 | $5 | — | — |
| | hour | 31 | $148 | $90 | $203 | $145 | 8 | $210 | 3 | $165 | 16 | $116 | — | — | 3 | $110 | — | — |
| Stalk chopping | acre | 9 | $14 | $12 | $16 | $11 | 4 | $16 | — | — | — | — | — | — | — | — | — | — |
| | hour | 4 | $167 | — | — | $95 | — | — | — | — | — | — | — | — | — | — | — | — |
| **PLANTING** | | | | | | | | | | | | | | | | | | |
| **Soybeans** | | | | | | | | | | | | | | | | | | |
| Conventional row planter | acre | 46 | $21 | $18 | $25 | $21 | 16 | $21 | 6 | $23 | 16 | $20 | — | — | 5 | $24 | — | — |
| | hour | 28 | $302 | $127 | $450 | $270 | 10 | $338 | 3 | $293 | 10 | $242 | — | — | 4 | $393 | — | — |
| Minimum/no-till planter | acre | 42 | $25 | $22 | $28 | $23 | 13 | $24 | 6 | $22 | 13 | $24 | 3 | $31 | 5 | $26 | — | — |
| | hour | 26 | $346 | $158 | $525 | $322 | 10 | $362 | 3 | $243 | 9 | $392 | — | — | — | — | — | — |
| Conventional drill | acre | 20 | $20 | $18 | $23 | $22 | — | — | — | — | 13 | $20 | — | — | — | — | — | — |
| | hour | 11 | $183 | $84 | $288 | $142 | — | — | — | — | 9 | $172 | — | — | — | — | — | — |
| No-till drill | acre | 80 | $24 | $20 | $26 | $23 | 22 | $24 | 14 | $23 | 27 | $22 | 7 | $25 | 5 | $27 | 5 | $28 |
| | hour | 58 | $246 | $149 | $367 | $209 | 18 | $240 | 11 | $177 | 17 | $265 | 4 | $258 | 5 | $315 | 3 | $294 |
| Air seeder without fertilizer | acre | 26 | $24 | $22 | $27 | $23 | 5 | $25 | 5 | $25 | 11 | $24 | — | — | 4 | $25 | — | — |
| | hour | 17 | $422 | $312 | $545 | $449 | 4 | $444 | — | — | 10 | $399 | — | — | — | — | — | — |
| Air seeder with fertilizer | acre | 31 | $25 | $22 | $28 | $24 | 5 | $25 | 4 | $24 | 17 | $24 | — | — | — | — | — | — |
| | hour | 23 | $405 | $246 | $566 | $497 | 3 | $542 | — | — | 14 | $406 | — | — | — | — | — | — |

**Appendix A.** Survey of custom farmwork rates charged in 2015

| Custom operation | Unit | Provincial # | Provincial 2015 avg. | Provincial 2015 Percentile 15th | Provincial 2015 Percentile 85th | Provincial 2012 avg. | Area 1 # | Area 1 2015 avg. | Area 2 # | Area 2 2015 avg. | Area 3 # | Area 3 2015 avg. | Area 4 # | Area 4 2015 avg. | Area 5 # | Area 5 2015 avg. | Area 6 # | Area 6 2015 avg. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **PLANTING (cont'd)** | | | | | | | | | | | | | | | | | | |
| **Corn** | | | | | | | | | | | | | | | | | | |
| **Conventional row planter** | | | | | | | | | | | | | | | | | | |
| *Row width 23 in. or less* | | | | | | | | | | | | | | | | | | |
| With starter fertilizer | acre | 23 | $21 | $16 | $25 | $22 | 4 | $24 | 4 | $20 | 11 | $21 | — | — | 3 | $23 | — | — |
| | hour | 13 | $282 | $136 | $405 | $341 | — | — | — | — | 6 | $288 | — | — | — | — | — | — |
| Without starter fertilizer | acre | 4 | $22 | — | — | $19 | 3 | $22 | — | — | 4 | $19 | — | — | — | — | — | — |
| | hour | 3 | $297 | — | — | — | 3 | $297 | — | — | — | — | — | — | — | — | — | — |
| *Row width 24 in. or more* | | | | | | | | | | | | | | | | | | |
| With starter fertilizer | acre | 77 | $22 | $18 | $25 | $22 | 17 | $23 | 14 | $23 | 34 | $21 | — | — | 8 | $25 | 3 | $27 |
| | hour | 49 | $315 | $140 | $440 | $284 | 11 | $315 | 7 | $287 | 23 | $312 | — | — | 5 | $391 | 3 | $269 |
| Without starter fertilizer | acre | 7 | $20 | — | — | $18 | — | — | — | — | 5 | $20 | — | — | — | — | — | — |
| | hour | 5 | $299 | — | — | $160 | — | — | — | — | 4 | $289 | — | — | — | — | — | — |
| **Minimum/no-till** | | | | | | | | | | | | | | | | | | |
| *Row width 23 in. or less* | | | | | | | | | | | | | | | | | | |
| With starter fertilizer | acre | 8 | $25 | $20 | $30 | $24 | 5 | $26 | — | — | 3 | $23 | — | — | — | — | — | — |
| | hour | 6 | $214 | — | — | $293 | 4 | $261 | — | — | — | — | — | — | — | — | — | — |
| *Row width 24 in. or more* | | | | | | | | | | | | | | | | | | |
| With starter fertilizer | acre | 41 | $26 | $22 | $30 | $23 | 11 | $24 | 5 | $22 | 12 | $25 | 4 | $31 | 6 | $26 | 3 | $31 |
| | hour | 30 | $273 | $138 | $457 | $277 | 8 | $353 | 4 | $162 | 7 | $314 | 3 | $179 | 4 | $324 | 4 | $170 |
| Without starter fertilizer | acre | 4 | $26 | — | — | — | — | — | — | — | — | — | — | — | — | — | — | — |
| **Cereals (oats, barley, wheat)** | | | | | | | | | | | | | | | | | | |
| **Conventional drill** | | | | | | | | | | | | | | | | | | |
| With starter fertilizer | acre | 16 | $19 | $15 | $24 | $20 | — | — | — | — | 10 | $18 | — | — | — | — | — | — |
| | hour | 12 | $168 | $64 | $284 | $177 | — | — | — | — | 9 | $177 | — | — | — | — | — | — |
| Without starter fertilizer | acre | 12 | $18 | $15 | $21 | $17 | — | — | — | — | 8 | $19 | — | — | — | — | — | — |
| | hour | 6 | $153 | — | — | $136 | — | — | — | — | — | — | — | — | — | — | — | — |
| **No-till drill** | | | | | | | | | | | | | | | | | | |
| With starter fertilizer | acre | 44 | $24 | $21 | $27 | $23 | 11 | $23 | 9 | $23 | 14 | $23 | 5 | $26 | 4 | $30 | — | — |
| | hour | 27 | $247 | $157 | $337 | $202 | 7 | $206 | 6 | $210 | 9 | $324 | 3 | $232 | — | — | — | — |
| Without starter fertilizer | acre | 20 | $24 | $20 | $28 | $22 | 8 | $25 | — | — | 7 | $22 | — | — | — | — | — | — |
| | hour | 13 | $268 | $160 | $368 | $173 | 7 | $305 | — | — | 3 | $267 | — | — | — | — | — | — |
| Air seeder without fertilizer | acre | 14 | $24 | $20 | $28 | $22 | — | — | — | — | 8 | $24 | — | — | 3 | $23 | — | — |
| | hour | 11 | $438 | $300 | $600 | $475 | — | — | — | — | 7 | $372 | — | — | — | — | — | — |
| Air seeder with fertilizer | acre | 26 | $24 | $22 | $25 | $24 | 7 | $25 | 4 | $23 | 13 | $24 | — | — | — | — | — | — |
| | hour | 19 | $425 | $289 | $528 | $463 | 5 | $473 | — | — | 11 | $413 | — | — | — | — | — | — |
| **Forages** | | | | | | | | | | | | | | | | | | |
| Drill | acre | 25 | $24 | $19 | $28 | $21 | 3 | $23 | 3 | $23 | 13 | $22 | 3 | $27 | — | — | — | — |
| | hour | 15 | $237 | $104 | $308 | $255 | — | — | 3 | $154 | 6 | $183 | — | — | — | — | — | — |
| Broadcast/atv spreading | acre | 22 | $5 | $4 | $7 | $4 | 8 | $5 | 4 | $5 | 8 | $5 | — | — | — | — | — | — |
| | hour | 12 | $94 | $59 | $134 | $87 | 4 | $94 | 3 | $83 | 4 | $109 | — | — | — | — | — | — |

**Appendix A.** Survey of custom farmwork rates charged in 2015

| Custom operation | Unit | Provincial # | Provincial 2015 avg. | Provincial 2015 Percentile 15th | Provincial 2015 Percentile 85th | Provincial 2012 avg. | Area 1 # | Area 1 2015 avg. | Area 2 # | Area 2 2015 avg. | Area 3 # | Area 3 2015 avg. | Area 4 # | Area 4 2015 avg. | Area 5 # | Area 5 2015 avg. | Area 6 # | Area 6 2015 avg. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **WEED CONTROL** | | | | | | | | | | | | | | | | | | |
| **Herbicide (excluding herbicide cost)** | | | | | | | | | | | | | | | | | | |
| Pull-type sprayer | acre | 48 | $9 | $8 | $11 | $9 | 17 | $10 | 4 | $10 | 17 | $8 | — | — | 4 | $11 | 4 | $9 |
| | hour | 33 | $358 | $196 | $554 | $310 | 11 | $452 | 3 | $363 | 12 | $299 | — | — | 3 | $360 | 3 | $247 |
| Self-propelled high clearance sprayer | acre | 68 | $10 | $8 | $10 | $9 | 19 | $9 | 12 | $9 | 24 | $9 | 7 | $11 | — | — | 4 | $10 |
| | hour | 37 | $511 | $282 | $712 | $501 | 12 | $548 | 6 | $621 | 12 | $447 | 4 | $383 | — | — | — | — |
| **Mechanical** | | | | | | | | | | | | | | | | | | |
| Inter-row cultivation | acre | 5 | $14 | — | — | $11 | — | — | — | — | — | — | — | — | — | — | — | — |
| | hour | 4 | $109 | — | — | $114 | — | — | — | — | — | — | — | — | — | — | — | — |
| Rotary hoe | acre | 6 | $8 | — | — | $8 | 4 | $9 | — | — | — | — | — | — | — | — | — | — |
| **FERTILIZER APPLICATION** | | | | | | | | | | | | | | | | | | |
| Spread dry fertilizer | acre | 46 | $9 | $8 | $10 | $8 | 11 | $9 | 10 | $9 | 16 | $8 | — | — | — | — | 5 | $10 |
| | hour | 25 | $282 | $126 | $425 | $232 | 9 | $295 | 4 | $336 | 8 | $205 | — | — | — | — | 3 | $383 |
| Rental of dry bulk applicator | acre | 5 | $12 | — | — | $12 | — | — | — | — | 4 | $12 | — | — | — | — | — | — |
| | hour | 4 | $15 | — | — | $12 | — | — | — | — | — | — | — | — | — | — | — | — |
| Anhydrous | acre | 10 | $15 | $13 | $18 | $14 | 8 | $16 | — | — | — | — | — | — | — | — | — | — |
| | hour | 7 | $212 | — | — | $184 | 5 | $239 | — | — | — | — | — | — | — | — | — | — |
| Liquid — ground | acre | 18 | $10 | $9 | $11 | $9 | 5 | $11 | 4 | $11 | 6 | $10 | — | — | — | — | — | — |
| | hour | 6 | $376 | — | — | $361 | — | — | — | — | 3 | $409 | — | — | — | — | — | — |
| Liquid side-dress | acre | 21 | $13 | $10 | $15 | $10 | 10 | $13 | 3 | $18 | 3 | $11 | — | — | 3 | $12 | — | — |
| | hour | 13 | $261 | $139 | $375 | $164 | 7 | $273 | — | — | — | — | — | — | 3 | $289 | — | — |
| **INSECTICIDE/FUNGICIDE** | | | | | | | | | | | | | | | | | | |
| Early-season application | acre | 11 | $10 | $8 | $11 | $10 | — | — | 3 | $10 | 5 | $8 | — | — | — | — | — | — |
| | hour | 5 | $426 | — | — | $323 | — | — | — | — | — | — | — | — | — | — | — | — |
| Late-season application | acre | 8 | $11 | $9 | $13 | $10 | 4 | $12 | 3 | $10 | — | — | — | — | — | — | — | — |
| **COMBINING** | | | | | | | | | | | | | | | | | | |
| **Corn** | | | | | | | | | | | | | | | | | | |
| With grain buggy | acre | 136 | $44 | $40 | $48 | $42 | 39 | $43 | 25 | $44 | 48 | $44 | 9 | $45 | 11 | $47 | 4 | $49 |
| | hour | 80 | $375 | $240 | $500 | $355 | 24 | $398 | 15 | $365 | 27 | $361 | 5 | $370 | 7 | $391 | | |
| Without grain buggy | acre | 12 | $44 | $40 | $50 | $41 | 4 | $41 | — | — | 5 | $46 | — | — | — | — | — | — |
| | hour | 5 | $182 | — | — | $273 | — | — | — | — | 3 | $197 | — | — | — | — | — | — |
| **Soybeans** | | | | | | | | | | | | | | | | | | |
| With grain buggy | acre | 140 | $43 | $40 | $46 | $41 | 41 | $42 | 24 | $43 | 49 | $43 | 9 | $44 | 11 | $46 | 6 | $44 |
| | hour | 80 | $504 | $313 | $720 | $467 | 26 | $558 | 13 | $499 | 26 | $486 | 4 | $380 | 7 | $509 | 4 | $392 |
| Without grain buggy | acre | 13 | $42 | $40 | $48 | $41 | 5 | $38 | — | — | 5 | $45 | — | — | — | — | — | — |
| | hour | 6 | $217 | — | — | $386 | 3 | $217 | — | — | 3 | $217 | — | — | — | — | — | — |
| **Cereals** | | | | | | | | | | | | | | | | | | |
| With grain buggy | acre | 127 | $42 | $40 | $45 | $40 | 31 | $42 | 24 | $43 | 51 | $41 | 7 | $42 | 9 | $46 | 5 | $44 |
| | hour | 73 | $449 | $222 | $645 | $401 | 19 | $521 | 14 | $491 | 27 | $428 | 3 | $331 | 5 | $402 | 5 | $284 |
| Without grain buggy | acre | 11 | $40 | $32 | $49 | $39 | 4 | $36 | — | — | 4 | $45 | — | — | — | — | — | — |
| | hour | 5 | $120 | — | — | $265 | — | — | — | — | — | — | — | — | — | — | — | — |

**Appendix A.** Survey of custom farmwork rates charged in 2015

| | | Provincial | | | | | Area 1 | | Area 2 | | Area 3 | | Area 4 | | Area 5 | | Area 6 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2015 | 2015 Percentile | | 2012 | | 2015 | | 2015 | | 2015 | | 2015 | | 2015 | | 2015 |
| Custom operation | Unit | # | avg. | 15th | 85th | avg. | # | avg. | # | avg. | # | avg. | # | avg. | # | avg. | # | avg. |
| **Canola** | | | | | | | | | | | | | | | | | | |
| With grain buggy | acre | 11 | $45 | $43 | $45 | $39 | — | — | — | — | 8 | $45 | — | — | — | — | — | — |
| | hour | 8 | $462 | $187 | $674 | $417 | — | — | — | — | 5 | $622 | — | — | — | — | — | — |
| Grain buggy alone | acre | 18 | $5 | $3 | $8 | $5 | 3 | $7 | 3 | $6 | 9 | $5 | — | — | — | — | — | — |
| | hour | 10 | $143 | $84 | $248 | $80 | — | — | — | — | 3 | $109 | — | — | — | — | — | — |
| **OTHER CROP HARVESTING** | | | | | | | | | | | | | | | | | | |
| Grain swathing | acre | 7 | $16 | — | — | $14 | — | — | — | — | 4 | $16 | — | — | — | — | — | — |
| | hour | 10 | $83 | $57 | $95 | $98 | — | — | — | — | 5 | $78 | — | — | — | — | 4 | $71 |
| **High moisture corn** | | | | | | | | | | | | | | | | | | |
| Combined and hauled to silo | acre | 5 | $48 | — | — | $49 | — | — | 3 | $49 | — | — | — | — | — | — | — | — |
| | hour | 3 | $333 | — | — | $312 | — | — | — | — | — | — | — | — | — | — | — | — |
| **Edible beans** | | | | | | | | | | | | | | | | | | |
| Bean pulling + windrowing | acre | 7 | $35 | — | — | $38 | 3 | $30 | — | — | — | — | — | — | — | — | — | — |
| | hour | 3 | $392 | — | — | | — | | — | — | — | — | — | — | — | — | — | — |
| Combining — conventional grain type | acre | 14 | $44 | $42 | $46 | $42 | 4 | $45 | — | — | 10 | $44 | — | — | — | — | — | — |
| | hour | 5 | $449 | — | — | $389 | — | — | — | — | 4 | $449 | — | — | — | — | — | — |
| Combining — specialty — Bob/ Lilliston | acre | 7 | $51 | — | — | $58 | 3 | $50 | — | — | — | — | — | — | — | — | — | — |
| **TRUCKING** | | | | | | | | | | | | | | | | | | |
| Grains and oilseeds | bu. | 6 | $0.16 | — | — | $0.17 | 6 | $0.16 | — | — | — | — | — | — | — | — | — | — |
| | mt. | 66 | $9 | $6 | $11 | $8 | 11 | $7 | 17 | $9 | 27 | $8 | 6 | $14 | 3 | $10 | — | — |
| **FORAGE HARVESTING** | | | | | | | | | | | | | | | | | | |
| **Hay** | | | | | | | | | | | | | | | | | | |
| Swathing/ conditioning | acre | 43 | $18 | $15 | $20 | $17 | 7 | $19 | 4 | $19 | 21 | $17 | 5 | $19 | 3 | $18 | 3 | $16 |
| | hour | 40 | $154 | $80 | $205 | $124 | 7 | $164 | 3 | $161 | 18 | $151 | 3 | $153 | 3 | $245 | 6 | $101 |
| Raking | acre | 33 | $9 | $6 | $13 | $8 | 4 | $7 | 5 | $9 | 17 | $8 | 4 | $10 | — | — | — | — |
| | hour | 28 | $109 | $48 | $150 | $77 | 4 | $104 | 4 | $148 | 13 | $96 | 3 | $75 | — | — | — | — |
| Tedding | acre | 10 | $10 | $6 | $14 | $8 | 3 | $7 | — | — | 3 | $13 | 3 | $10 | — | — | — | — |
| | hour | 13 | $107 | $48 | $163 | $98 | 3 | $108 | — | — | 5 | $131 | — | — | — | — | — | — |
| Bale — sm. square (ground) | bale | 6 | $0.91 | — | — | $0.94 | — | — | — | — | 3 | $0.80 | — | — | — | — | — | — |
| Bale — sm. square (loaded) | bale | 20 | $0.80 | $0.50 | $1.00 | $0.87 | 3 | $0.83 | 3 | $0.77 | 11 | $0.70 | — | — | — | — | — | — |
| Bale — lg. square | ft. | 24 | $1.27 | $1.14 | $1.40 | $1.23 | — | — | 4 | $1.30 | 11 | $1.25 | — | — | 5 | $1.28 | — | — |
| Bale — lg. round under 1,000 lb | bale | 29 | $8 | $7 | $9 | $8 | 4 | $8 | 4 | $8 | 15 | $7 | 3 | $11 | 3 | $9 | — | — |
| Bale — lg. round over 1,000 lb | bale | 14 | $8 | $6 | $9 | $8 | — | — | — | — | 7 | $7 | — | — | — | — | 3 | $8 |
| Entire operation (mowing to baling) | lg. bale | 3 | $14 | — | — | $17 | — | — | — | — | — | — | — | — | — | — | — | — |

**Appendix A.** Survey of custom farmwork rates charged in 2015

| Custom operation | Unit | Provincial # | Provincial 2015 avg. | Provincial 2015 Percentile 15th | Provincial 2015 Percentile 85th | Provincial 2012 avg. | Area 1 # | Area 1 2015 avg. | Area 2 # | Area 2 2015 avg. | Area 3 # | Area 3 2015 avg. | Area 4 # | Area 4 2015 avg. | Area 5 # | Area 5 2015 avg. | Area 6 # | Area 6 2015 avg. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Bale wrapping** | | | | | | | | | | | | | | | | | | |
| Individual — with plastic | bale | 4 | $9 | — | — | $9 | — | — | — | — | — | — | — | — | — | — | — | — |
| Tube | bale | 10 | $5 | $3 | $7 | $6 | — | — | — | — | 5 | $5 | 3 | $5 | — | — | — | — |
| **Straw** | | | | | | | | | | | | | | | | | | |
| Bale — lg. square | ft | 4 | $1.30 | — | — | $1.28 | — | — | — | — | — | — | — | — | — | — | — | — |
| Bale — lg. round | bale | 4 | $8 | — | — | $8 | — | — | — | — | 3 | $7 | — | — | — | — | — | — |
| **Haylage** | | | | | | | | | | | | | | | | | | |
| **PTO harvester** | | | | | | | | | | | | | | | | | | |
| Field chopping only | hour | 3 | $163 | — | — | $309 | — | — | — | — | — | — | — | — | — | — | — | — |
| Chop, haul, pack, blow | hour | 6 | $222 | — | — | $207 | 3 | $238 | — | — | 3 | $205 | — | — | — | — | — | — |
| **Self-propelled harvester** | | | | | | | | | | | | | | | | | | |
| Field chopping only | hour | 7 | $395 | — | — | $395 | — | — | — | — | 4 | $439 | — | — | — | — | 3 | $337 |
| Chop, haul, pack, blow | hour | 8 | $639 | $526 | $748 | $404 | — | — | — | — | 5 | $660 | — | — | — | — | — | — |
| **Corn silage** | | | | | | | | | | | | | | | | | | |
| **PTO harvester** | | | | | | | | | | | | | | | | | | |
| Field chopping only | hour | 7 | $198 | — | — | $226 | — | — | — | — | 3 | $175 | — | — | — | — | — | — |
| Chop, haul, pack, blow | hour | 8 | $314 | $203 | $349 | $221 | 3 | $213 | — | — | 4 | $314 | — | — | — | — | — | — |
| **Self-propelled harvester with kernel processor** | | | | | | | | | | | | | | | | | | |
| Field chopping only | hour | 5 | $433 | — | — | $418 | — | — | — | — | 3 | $418 | — | — | — | — | — | — |
| Chop, haul, pack, blow | acre | 3 | $110 | — | — | $86 | — | — | — | — | — | — | — | — | — | — | — | — |
| | hour | 8 | $696 | $531 | $891 | $493 | — | — | — | — | 4 | $828 | — | — | — | — | — | — |
| **MANURE HANDLING** | | | | | | | | | | | | | | | | | | |
| **Solid** | | | | | | | | | | | | | | | | | | |
| Loader only | hour | 17 | $74 | $52 | $98 | $71 | 3 | $68 | — | — | 7 | $64 | — | — | — | — | 4 | $90 |
| Spreader only | hour | 13 | $111 | $79 | $152 | $93 | — | — | — | — | 6 | $131 | — | — | — | — | 3 | $117 |
| Loader and spreader | hour | 15 | $136 | $75 | $175 | $144 | — | — | — | — | 6 | $158 | 3 | $130 | — | — | — | — |
| **Liquid** | | | | | | | | | | | | | | | | | | |
| Drag hose boom applicator per 1,000 gal | | 12 | $11 | $10 | $12 | $12 | — | — | — | — | 6 | $11 | — | — | — | — | 3 | $10 |
| Tanker — surface applied only per 1,000 gal | | 3 | $9 | — | — | $20 | — | — | — | — | — | — | — | — | — | — | — | — |
| Tanker — surface applied only per hour | | 14 | $165 | $90 | $193 | $141 | — | — | — | — | 10 | $164 | — | — | — | — | — | — |
| Truck Transfer | hour | 4 | $153 | — | — | | — | — | — | — | — | — | — | — | — | — | — | — |
| **MISCELLANEOUS** | | | | | | | | | | | | | | | | | | |
| Snow removal — blade | hour | 16 | $93 | $71 | $120 | $93 | 4 | $79 | — | — | 6 | $93 | — | — | — | — | — | — |
| Snow blowing | hour | 54 | $100 | $68 | $150 | $97 | 8 | $89 | 4 | $104 | 30 | $105 | 3 | $103 | 5 | $85 | 4 | $100 |

**Appendix B.** Survey of short-term rental rates charged in 2015

| | | Provincial | | | | | Area 1 | | Area 2 | | Area 3 | | Area 4 | | Area 5 | | Area 6 | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | 2015 | 2015 Percentile | | 2012 | | 2015 | | 2015 | | 2015 | | 2015 | | 2015 | | 2015 |
| CUSTOM OPERATION | Unit | # | avg.. | 15th | 85th | avg. | # | avg. | # | avg. | # | avg. | # | avg. | # | avg. | # | avg. |
| **TRACTOR RENTALS** | | | | | | | | | | | | | | | | | | |
| Custom operator | hour | 6 | $46 | — | — | $54 | — | — | — | — | 3 | $55 | — | — | — | — | — | — |
| | hp/h | 7 | $0.49 | — | — | $0.45 | — | — | — | — | 4 | $0.34 | — | — | — | — | — | — |

**Appendix C.** Iron solutions' *Eastern Canada Winter Guide* suggested rates

| Equipment | Unit | 2015 | 2012 |
|---|---|---|---|
| Utility under 100 hp without cab | hp/h | $0.27 | $0.24 |
| Utility with cab and 2WD | hp/h | $0.29 | $0.26 |
| Utility with cab and MFWD | hp/h | $0.31 | $0.29 |
| Rowcrop with cab and 2WD | hp/h | $0.29 | $0.29 |
| Rowcrop with cab and MFWD | hp/h | $0.31 | $0.31 |
| 4-wheel drive with duals | hp/h | $0.31 | $0.31 |
| **Tractor Option Charges:** | | | |
| Loader | hp/h | $0.05 | $0.06 |

Published by the Ontario Ministry of Agriculture, Food and Rural Affairs

ISSN 1198-712X
Également disponible en français (Fiche technique 16-036)

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