

Machinery costs

(Continued from Page D10)

assumed to be powered by diesel-fueled tractors. An estimate of gas consumption can be made by multiplying the fuel consumption factor by 1.36. To obtain a gas cost figure, multiply by the appropriate cost per gallon to your farm.

Total costs include cash costs, labor and fixed costs. Labor is figured at \$4.75 per hour for unskilled labor and \$7.50 for skilled labor. Operating tillage equipment is generally considered to require less skilled labor than planting and harvesting operations. Both wage rates already include a benefits package assumed at 30 percent.

Fixed costs include depreciation, interest, insurance and housing. Depreciation is taken over 10 years with a 10 percent salvage value remaining and 10 percent investment credit taken the year of purchase.

"Interest and insurance are calculated by multiplying the average investment (new costs plus salvage value divided by two) times the rates of interest and insurance," says Benson. While salvage value is no longer included in depreciation calculations for tax purposes, in reality some salvage value is offered at trade-in.

The interest rate used in this

year's calculation was 13.5 percent; last year's was 14 percent. Insurance is figured at 0.75 percent, and housing cost was set at 75 cents per square foot.

Since there are no property taxes on machinery in Minnesota, none were included in the estimates.

Custom Rates

The total cost figures given in the tables can be multiplied by 20 percent to give a top-side custom rate estimate.

"Custom rates will vary from area to area and are always a function of the demand for and the supply of those custom services," Benson says.

"If two farmers are trading their services, they may price their

services on a cash-cost basis. This assumes that the value of their labor and machinery overhead would be approximately the same," he says. If inputs, labor and machinery overhead are unequal, however, rates should be

based on a total cost or suggested custom rate basis.

By adding 20 percent to total costs to arrive at a custom rate, you'll be covering items such as extra travel time and increased risk, along with some profit. —JAD

Davidson retires from Dow Chemical

MIDLAND, Mi. — After almost a half century with The Dow Chemical Company, John H. Davidson retired on June 1. He received a 50-year service award during a retirement tribute from his co-workers in Dow's Agricultural Products Department in Midland, Mi.

Davidson joined Dow in 1936 as an assistant horticulturist at the former Dow Agricultural Field Research Station in South Haven, Michigan. He received a B.S. degree in horticulture in 1937 and an M.S. degree in chemistry in 1940, both from Michigan State. He has been in Midland since 1957.

Except for three years as a Naval officer during World War II, including service in the Mediterranean and Pacific, Davidson has devoted his entire career to research, development and stewardship of Dow's agricultural products.

He is a member of the Weed Science Society, American Society of Horticultural Science, American Chemicals Society and American Phytopathological Society.

Davidson plans to use his extensive knowledge about agricultural chemicals by continuing to act as a part-time consultant for Dow.

Hybrid wheat available

CAMP HILL — Beachley-Hardy Seed Company will have Hybex Hybrid Wheats available in limited quantities this fall on a test marketing basis, according to Frank Welsh, the firm's marketing manager. These soft red winter wheats will be available in two hybrids — HW-3007 and HW-3021, for use in Pennsylvania, New Jersey, and the Southern growing regions.

Developed by Rohm and Haas, these high-yielding hybrids have tolerance to Powdery Mildew.

Hybex Hybrid Wheats are the result of chemically induced male sterility which allows rapid and economic production of new wheat hybrids. The development of this hybrid wheat technology is comparable to the introduction of hybrid corn on corn technology during the past 50 years.

Further information can be obtained by contacting Beachley-Hardy Seed Company, P.O. Box 336, Camp Hill, PA, 17011, or through your local Beachley-Hardy dealer.

WE PROTECT YOUR PEACE OF MIND



Now you've got more reason than ever to go Allis-Chalmers! New 3-year/3000 hour warranty covers major engine and power train components for any new current production tractor of 15 or more PTO hp, purchased in 1984. And of course you still get one-year warranty protection covering all tractor components normally warranted by A-C.

And here's more good news: A new low-cost Peace of Mind Warranty Extension Plan! It extends your 1-year full coverage to 3 years/3000 hours — covers everything from turbocharger to radiator to injection pump, compressor, steering cylinders, all electrical components except batteries... everything normally warranted for the original 1-year period.

Allis-Chalmers reserves the right to alter or withdraw programs at its option without notice.

MARSHALL MACHINERY
Honesdale, Pa.
717-729-7117

AG-IND. EQ., INC.
Rising Sun, Md.
301-398-6132

SHARTLESVILLE FARM SERV.
Hamburg, Pa.
215-488-1025

C.J. WONSIDLER BROS.
Oley, Pa.
215-987-6257

POWER PRO EQUIP. CO.
Milroy, Pa.
717-667-6504

FARMER EQUIP. & SUPPLY INC.
Airville, Pa.
717-862-3967

B.H.M. FARM EQUIP., INC.
Anville, Pa.
717-867-2211

JOHN W. SAUMS & SONS INC.
Flemington, N.J.
201-782-4242

L.H. BRUBAKER, INC.
Lancaster, Pa.
717-397-5179

HUGHES BROS. INC.
Westminster, Md.
301-848-6313

B. EQUIP., INC.
Waynesboro, Pa.
717-762-3193

ROY H. BUCH, INC.
Ephrata, Pa.
717-859-2441

C.J. WONSIDLER BROS.
Quakertown, Pa.
215-536-7523

CANYON IMPLEMENTS INC.
Manfield, Pa.
717-724-2731

VERNON E. STUP CO.
Frederick, Md.
301-663-3185

B & R FARM EQ. INC.
Beavertown, PA
717-658-7024

GRUMELLI FARM SERVICE
Quarryville, Pa.
717-786-7318

PETERMAN FARM EQUIP.
Carlisle, Pa.
717-249-5338

WERTZ GARAGE, INC.
Lineboro, Md.
301-374-2672

DOTTERER & KOLESAR, INC.
Mill Hall, Pa.
717-726-3471

NICHOLS FARM EQUIP.
Bloomsburg, Pa.
717-784-7731

Better by Design
ALLIS-CHALMERS

JACK SHEARER EQUIP.
Johnstown, Pa.
814-266-9721

SMUCKER'S SALES & SERVICE, INC.

RD #2, BOX 21
NEW HOLLAND, PA 17557



12-36 bhp

**TS2/TS3
AIR
COOLED
DIESELS**

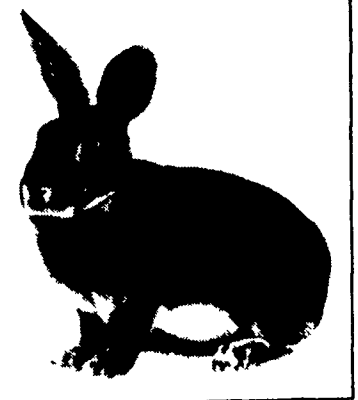


**FOR PROMPT SERVICE CALL
717-354-4158 OR IF NO ANSWER
CALL 717-354-4374**

HELP WANTED

**Earn \$10, \$15, \$20 thousand a year or more!
Raise REX RABBITS for the multi-million dollar fur industry.**

Turn your unused space and spare time into profits.



• Excellent Investment • Exciting Program • Enormous Profits

To learn more without obligation, fill out and mail the coupon below today:



**Royal
Rex
Ranches,
Inc.**

**RR1, Box 54
Equinunk, Pa.
18417
(717) 224-4580**

Yes! I am interested in making money by becoming a commercial Fur Rancher!

NAME _____
ADDRESS _____
City _____ **State** _____ **Zip** _____
Phone _____ **Age** _____
Married/Single _____
Occupation _____ **LF**