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FINDINGS

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AMBER WAVES

The high average age of primary operators on U.S. farms—56 years in 2002—has led to concern about the future of farming. However, some potential “replacement farmers” are currently working as secondary operators on larger, multiple-generation farms. Today’s commercial farms often require more management and labor resources than one person can provide. Thus, some farms have more than one operator, defined as anyone who makes day-to-day-decisions about the

farm business. For example, the principal operator’s spouse, sibling, or adult child may also be operators.

Until recently, U.S. farm data sources assumed each farm had one operator. New data show that this assumption understates the count of people operating farms by 800,000. USDA’s 2002 Agricultural Resource Management Survey (ARMS) asked respondents to report the number of operators on their farms and to provide more detailed information—such as age and major occupation—for up to three operators. Understanding multiple-operator farms is important because they produce a disproportionate share of agricultural output. It turns



Curt Maas/AgStockUSA

One Farm, One Operator? Not on the Largest Farms

out that the 32 percent of U.S. farms with multiple operators account for half of agricultural production.

Of the nearly 700,000 multiple-operator farms, only 12 percent are multiple-generation operations, with at least 25 years difference between the ages of the oldest and youngest operators. This percentage increases with farm size, reaching 25 percent for multiple-operator farms with at least \$250,000 in sales. Multiple-generation farms are also more common when the

primary operator is either young or elderly, making up 16 percent of multiple-operator farms when the primary operator is under 35 and 22 percent when the operator is at least 65. The share is only 9 percent when the primary operator is 35 to 64 years old.

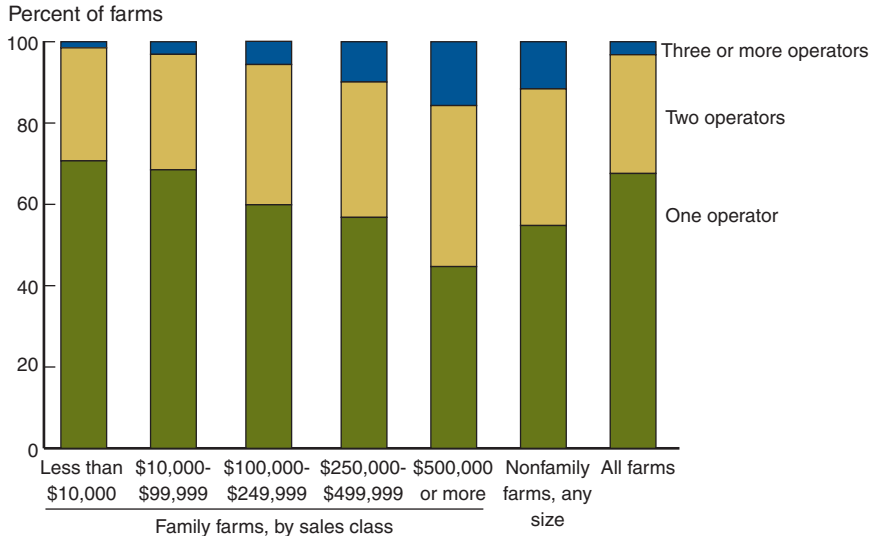
Multiple-generation farms number only 86,700, so they could provide replacement operators for only a fraction of the 2.2 million U.S. farms. In addition, some secondary operators in multiple-generation farms perform fairly specialized functions—such as marketing or field operations—and may not have the broad experience and skills necessary to take over a large farm.

On the other hand, relatively few replacement farm operators will be necessary for the larger, commercial-sized farms producing the bulk of farm products. The 2002 Census of Agriculture estimates that the 34,100 largest farms account for 50 percent of the sales of farm products, and the 143,500 largest farms account for 75 percent of sales. Replacing the operators of these farms from multiple-generation farms is much more feasible. W

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For more information on multiple-operator farms, visit the Questions and Answers section of the ERS Briefing Room on Farm Structure: www.ers.usda.gov/briefing/farmstructure/questions/qa.htm

Distribution of U.S. farms by number of operators



Source: USDA, 2002 Agricultural Resource Management Survey.