POLICY ISSUES RELATED TO SMALL-SCALE, PART-TIME FARMS IN THE NORTHEAST

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Small-scale, part-time farms play an important role in agriculture because of, among other things, the amount of land they use; the amount of capital invested in equipment used to work that land; and the marketing strategies used by the owners, which tend to bring them into direct contact with consumers.

Small-Scale, Part-Time Farms in Massachusetts

There are many definitions of a small farm. In this paper a small farm is defined as one that has an annual gross income of less than $40,000. Using this criterion, there are 4,038 small farms in Massachusetts; about 75 percent of the state's estimated 5,384 farms (Womack, et al). It is also assumed that those farms with annual gross incomes of less than $40,000 are part-time farming operations with the operators earning significant incomes from off-farm employment.

The following three brief case studies will help describe the kinds of activities that take place on small-scale, part-time farms in Massachusetts. The farms in the cases are located in a small town along the Connecticut River about thirty miles north of Springfield. The population of the town is currently about 8,200 and is increasing. There are seven larger farms in town and ten small-scale, part-time farms.

Case #1. Wade, in his early thirties, is a graduate of the University of Massachusetts in plant and soil science. He and his wife began Meadow Farm five years ago. Wade is employed for half the year by a local business that accounts for all of their nonfarm employment. The farm provides Wade's household with about 50 percent of its income and is a source of employment for seven full- and part-time seasonal workers. The gross annual income from Meadow Farm during the past year was just shy of $40,000. A major objective for Wade is to increase his income from farming so he might give up his off-farm employment and rely solely on farm derived income.

Wade has experimented with a variety of crops as part of a search for high value crops. This year his mix includes three acres of blueberries in their fourth year, one acre of tomatoes, two acres of peppers, about one acre of perennial flowers and herbs, one acre of summer squash and a variety of bedding plants grown in one of his two greenhouses. He uses his greenhouses, which occupy about 3,700 square feet, to get an early start on his annual crops. A combination of black plastic mulch and plastic tunnels are used to achieve an early entry into the market for his squash, tomatoes and peppers. Perennials such as sweet williams are grown for cut flowers. Wade also grows oregano for the fresh herb market and markets bedding plants and other crops from his own farm stand. This year blueberries will be sold as a "pick your own" crop.

The farm is not located on a major road so Wade depends on advertising to draw people to his farm. He also sells his products through a retail outlet in southern Vermont and through a major growers' cooperative.

Case #2. Dewy grows vegetables on six acres next to a major town road. He works full-time on a large institutional farm, but his wife is available to help full-time on their farm, specifically with the roadside stand. Dewy is a university graduate in plant and soil sciences. Farming activities provided Dewy's household with better than one-third of its income in 1986, grossing over $10,000. Dewy employed two people during the 1986 production season. He is content to continue operating as a part-time farmer, but wishes to increase his returns from his farming activity. His farming goals include both income and lifestyle objectives.

Dewy grows about three acres of watermelons, one acre of cantaloupes, a little more than one acre of sweet corn and just under one acre of tomatoes. He uses a 1,600-square-foot greenhouse to start his melons and tomatoes and to produce bedding plants. Perennial plantings provide cut flowers which round out his growing activities. A ten-acre woodlot provides cordwood to heat the house and greenhouse and an additional ten to twelve cords are sold.

Dewy sells his crops through two outlets: his own roadside stand and the local growers' cooperative. His location on a major town road enables him to sell most of his produce through his roadside stand.

Case #3. Ed works full-time for a local institution and has been raising and selling vegetables for the last three years. His farming efforts are part-time and as he approaches retirement he is trying to establish his farming activities as a profitable venture that will supplement his retirement income. Ed maintains about a three-quarter acre garden at his home and rents an additional five to six acres in a neighboring town.

Ed's major constraint is time. He has been seeking the right mix of crops that will be profitable without requiring intensive manage-

ment. His primary crop has been sweet corn, but he also raises a variety of cole crops as well as lettuce and other table vegetables.

The keystone of Ed's farming activities is his marketing strategy. Ed's house is located on a major road and he maintains a small roadside stand operated on the honor system. When sweet corn is in season, Ed picks it in the morning, sets it out on the stand and what is left a night is thrown away. While he admits not all of his customers are honorable, he has figured his losses and knows losses through pilfering would not pay for a salesperson. Ed expects to gross around $5,000 this year based on past year's sales and production.

These three cases are fairly representative of the types of small-scale, part-time farms that can be found in Massachusetts. The 1980–81 Rural Renaissance Survey of 119 small farm household in Massachusetts determined that 77 percent of surveyed households had at least one person working full-time off the farm (Weaver). The sources of full-time employment are summarized in the following table.

Table 1. Sources of Full-Time Employment

Sources of Full-time Employment	Percent of Households
Blue Collar	34 %
Professional	24 %
Business Management	7 %
Business Owner	6 %
Civil Servant	4 %
Other White Collar	11 %
Other	14 %

Source: Weaver

A 1985 survey of 163 program participants conducted by the University of Massachusetts Cooperative Extension Small Family Farm Program (Pontius and Wilcock) determined that:

- the average age of principal decision makers among program participants was 44;
- small farm ventures rarely make use of wholesale marketing channels;
- the greater the interest in income objectives the greater the focus of small farm operators on specialty or value-added products;
- the average farm size of respondents was 59 acres.

The following table summarizes reasons respondents gave for operating small-scale, part-time farms.

Table 2. Reasons for Operating Small-Scale, Part-Time Farms

Reasons for Farming	Percent of Households
Farming for income objectives	42 %
Farming for lifestyle objectives	78 %
Farming for self-sufficiency	57 %
Farming for Retirement objectives	37 %

Source: Pontius and Wilcock

Both of the above surveys attempted to identify common small-scale, part-time farm enterprises. In Massachusetts small-scale farms that are focused on income tend to produce high value crops, while those operations less focused on income have the appearance of "general" farms with varied small livestock units. Small fruit, high value vegetables such as tomatoes, herbs, cut flowers and bedding plants, and nursery stock are typical small-scale farm horticultural crops. Livestock found on small farms would include sheep, swine, poultry and beef cows. Also crops such as Christmas trees, maple sugar and honey are important to small-scale operations in Massachusetts.

A recent study conducted by American Farmland Trust of small-scale, part-time farmers in the United States found that 29 percent of the land in farms in the United States and 49 percent in Massachusetts is held by small-scale, part-time farmers (Thompson). The study found that the average investment in equipment by small-scale part-time farmers in the United States on a per acre basis is slightly larger than that of large farms, $105 to $98, and their ratio of equipment inventory to sales is almost four times as great as large farms, $2.10 per dollar of sales to $0.54. The national average annual gross sales per small part-time farm, according to the study, is $9,000.

The picture that emerges of small-scale, part-time farmers in Massachusetts (and also nationally) is:

- they are diverse;
- they produce a wide variety of commodities;
- they are holders of a significant proportion of farmland;
- they contribute significantly to the agricultural infrastructure system because of equipment and other input purchases;
- they farm for a variety of objectives not the least of which are income objectives;
- they often make use of direct marketing strategies;
- they hold a wide variety of off-farm jobs that significantly limit the time they have to focus on their farms.

Problems, Issues and Suggestions for Action

Small-scale, part-time farming is an important part of our agriculture in the Northeast and other parts of the United States. Without this type of agriculture, land use patterns would be significantly altered, some commodities would not be available, providers of agricultural inputs and equipment would see their markets constricted and the political and economic strength of agriculture would deteriorate. Following are some of the issues that affect the position of small-scale, part-time farmers and some ideas on actions to be taken if we wish to maintain and/or strengthen that position.

Equal Opportunities for Small-Scale Farms

Programs intended for the farming sector are often not available to small-scale farm operators. Agricultural tax abatement laws, "farm plates," and "right to farm laws" are a few of many programs that often fail to include small-scale and part-time farmers, not only because of acreage or income restrictions, but also because policy makers and officials often don't see them as "real" farmers.

In Massachusetts a water management law is being implemented that will provide farmers with salable rights to the water they use for irrigation. The minimum base used to qualify for rights is 100,000 gallons per day in any of the past five years. While 100,000 gallons is not a lot of water, a trickle irrigation system on a small-scale operation is not likely to achieve that level of consumption. Such an operation would not only be unable to acquire additional economic assets such as water rights, but would also have to annually apply for access to water for irrigation.

Policy analysts and educators should help officials, legislators and policy makers to understand, among other things:

- the effects of programs on all segments of agriculture;
- the issue of whether a program as implemented is exclusive to one segment of agriculture, why that may be so and whether that is the intention of the program;
- the means for making programs more inclusive if that is the intention, or why a program should be more inclusive if that is what is needed.

Eliminate "Commercial" Versus "Noncommercial"

These terms are often used to describe different types of farms. In many ways these terms pose a false dichotomy, are prejudicial at best, and often are used pejoratively. They tend to enable a focus that seems justified because it is "commercial" in nature, but in truth is narrow and limiting. "Commercial" tends to be used to describe

larger scale, monocropping, production oriented farming operations. Those farming operations that are not similar to "commercial" farming operations are thus devalued, "noncommercial" and often excluded from federal, state and local programs that would benefit them.

Language that is divisive, that pits farmers against each other in competition for resources and attention, needs to be avoided. As writers and educators we need to use precise language that is not value laden. Terms that refer to scale of operation, value of production and effort contributed by the farmer (i.e., full- or part-time) are sufficient for describing the wide variety of farms that exist. There is no necessity to use "commercial" or "noncommercial" to describe our farms; these terms are inadequate to the task.

Marketing

Marketing for part-time farmers is a crucial activity for which they often have little time. Two of the cases presented sell product through a local growers' cooperative. Such cooperatives appear to have a great potential for small-scale and part-time farmers. Greater support to the development and operations of marketing cooperatives that will serve small-scale and part-time farmers could benefit all farmers regardless of size. The support must come from all levels of government. On the federal level additional funds should be provided to the Federal-State Marketing Improvement Program that would be mandated for cooperative development. State departments of agriculture should use these funds and other developmental funds to support the growth of cooperatives. In Massachusetts such state support has been critical in the growth and development of two successful cooperatives. The Cooperative Extension Service should also be more proactive and work with state agencies in developing cooperatives.

Credit

Small-scale, part-time farmers often have problems acquiring credit for production or for purchase of their farms. Conventional credit sources such as the Production Credit Association (PCA), the Farmers Home Administration (FmHA) and commercial banks often fail to provide the same kind of attention accorded those seen as "traditional" farmers. The first two case studies presented obtained credit from a unique program that includes an initial holiday on interest payments followed by low interest payments. FmHA should help commercial banks focus on smaller-scale farming operations by developing special guarantee programs specifically for small-scale, part-time farmers.

Educational programs could help bankers better understand the nature of small-scale, part-time farms. Because of their diversified sources of income, small-scale, part-time farms are less of a credit

risk than businesses and farms with fewer income sources. The banking community could benefit from this knowledge.

Nonfarm Employment

As evidenced by the case studies, nonfarm employment is important to part-time, small-scale farmers. Nonfarm employment has often been thought of as a method of making a transition into or out of farming, but for many it is a permanent and beneficial situation. Off-farm work:

- supplies income;
- contributes to risk reduction;
- contributes to financing the farm operation;
- reduces debt;
- provides financing for additional household assets.

Part-time farming can also present some constraints to the farmer. The schedule of nonfarm work and the time required to travel to and from work present constraints that force the farmer to compromise his or her farming activities. As communities develop policies for local economic development programs, they need to understand that not only is it important to create full-time jobs, but also jobs that could support part-time farming in their communities. Thus communities could benefit from having more employment opportunities as well as from having an agriculture that has a greater diversity of income sources.

Support for Research and Education

There is a continuing need for research that will specifically benefit small-scale and part-time farmers. Funds are needed to support research on small-scale farming systems, cultural practices, pest control, marketing methods, conservation practices and equipment. The U.S. Department of Agriculture (USDA) has created the Office of Small-Scale Agriculture. Increased funds could help this office in its support of applied research for small-scale, part-time farms and its useful and important outreach efforts.

Additionally, small-scale, part-time farmers should be actively sought out to participate in regular extension programming as well as programs sponsored by other agencies and state departments of agriculture. Because of their impact on the soil and the environment, the agricultural economy and land use patterns in general, small-scale, part-time farmers need the information and skills that will enable them to be environmentally safe, economically viable and conservationally sound.

Conclusion

Several types of research, education and extension activities have been proposed that would have at least two audiences: officials at state and local levels and small-scale, part-time farmers. For officials, activities should focus on such issues as the importance of small-scale, part-time farmers to local and state economies and how their contribution to these economies can be increased by including their needs in programs meant to foster both agricultural and economic development. For small-scale, part-time farmers, activities should include their aggressive recruitment into existing educational activities and programs of extension, Soil Conservation Service (SCS), the Agricultural Stabilization and Conservation Service (ASCS) and other agencies as well as developing specific programs that will enable them to become effective farm managers.

Small-scale, part-time farmers farm for a variety of reasons. Income is neither the least of their objectives, nor their only objective. This appears to be true of family farms in general. Small-scale, part-time farmers, in order to achieve an acceptable income, draw on a portfolio of income sources that are both farm- and nonfarm-based. These farmers contribute to the maintenance of the agricultural support infrastructure, the maintenance of farmland and openspace, the provision of farm products and, because of their direct marketing strategies, are often the "ambassadors" of agriculture.

The existence of small-scale, part-time farmers enhances the whole of our agriculture. Policies and programs that contribute to their viability will contribute to the continued viability of agriculture in general.

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