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# 2007 CENSUS *OF* **AGRICULTURE** **DATA RELEASE**

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United States Department of Agriculture  
National Agricultural Statistics Service

# Beginning Farmers

Agricultural Outlook Forum

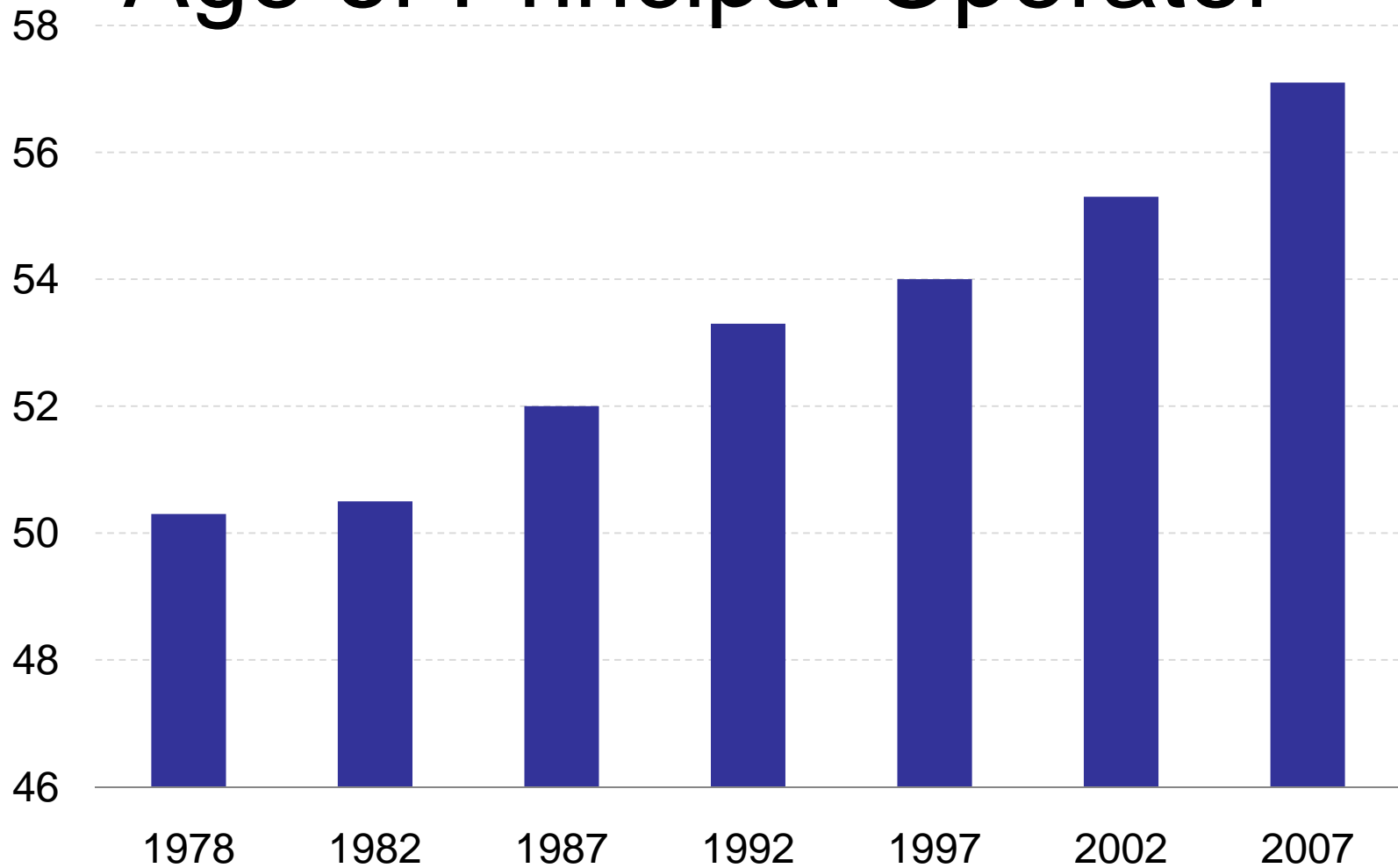
February 20, 2010

Virginia Harris

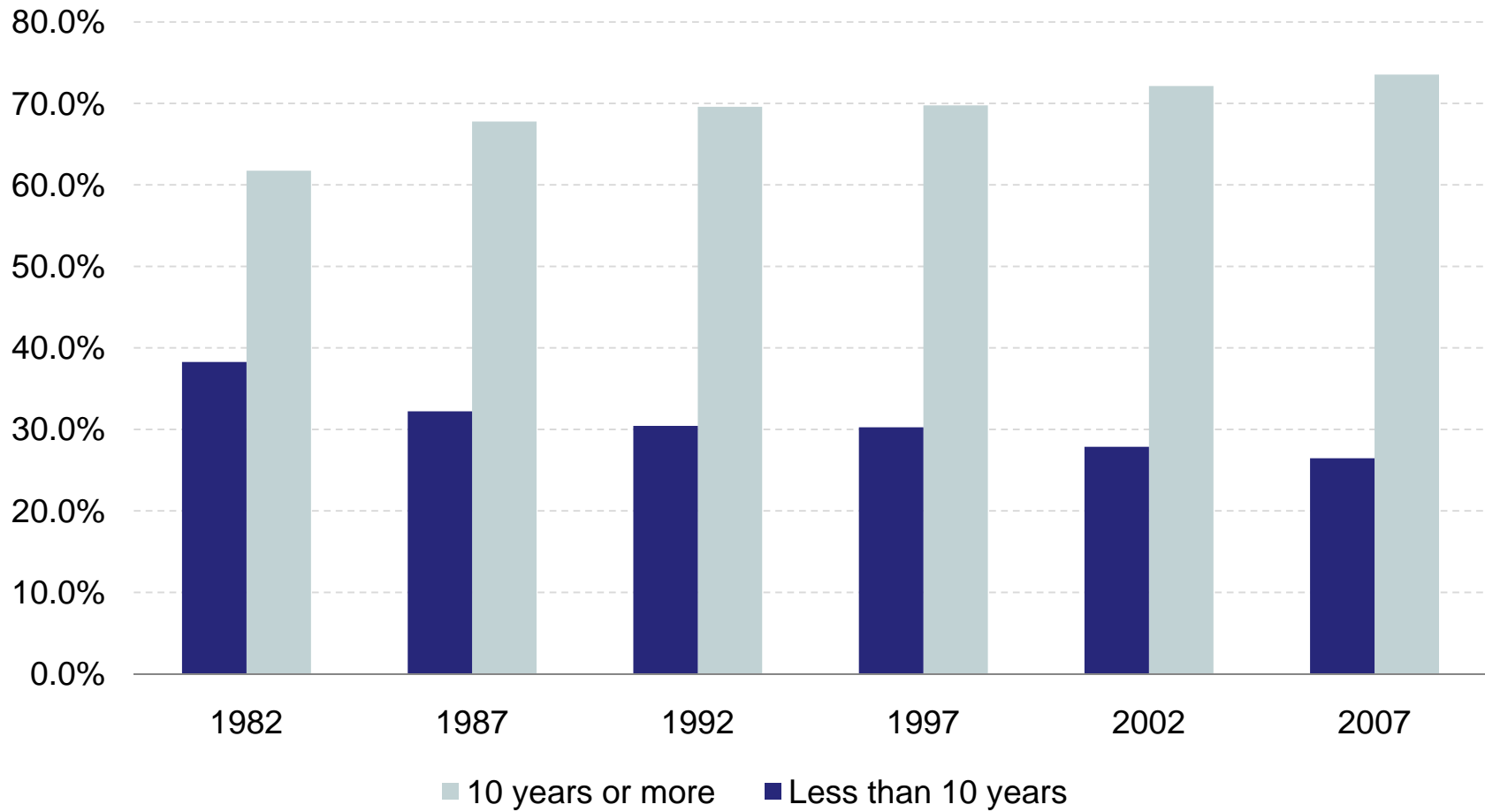


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# Age of Principal Operator



# Beginning Farmers



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# Definition of Beginning Farmer

- Census question:
  - In what year did the operator begin to operate any part of this operation?
- USDA definition, used for program administration
  - Has not operated a farm or ranch, or who has operated a farm or ranch for not more than 10 consecutive years



# New Farms

|                                       | All Farms | Operator Started |           |               |
|---------------------------------------|-----------|------------------|-----------|---------------|
|                                       |           | 2003-2007        | 1998-2002 | Prior to 1998 |
| Average size                          | 418 acres | 201 acres        | 285 acres | 490 acres     |
| Average sales                         | \$135,000 | \$71,000         | \$94,000  | \$156,000     |
| Average net cash income of operators  | \$29,000  | \$7,000          | \$15,000  | \$37,000      |
| Expenses to sales ratio               | 0.81      | 0.93             | 0.86      | 0.80          |
| Percent reporting positive net income | 47%       | 33%              | 37%       | 52%           |



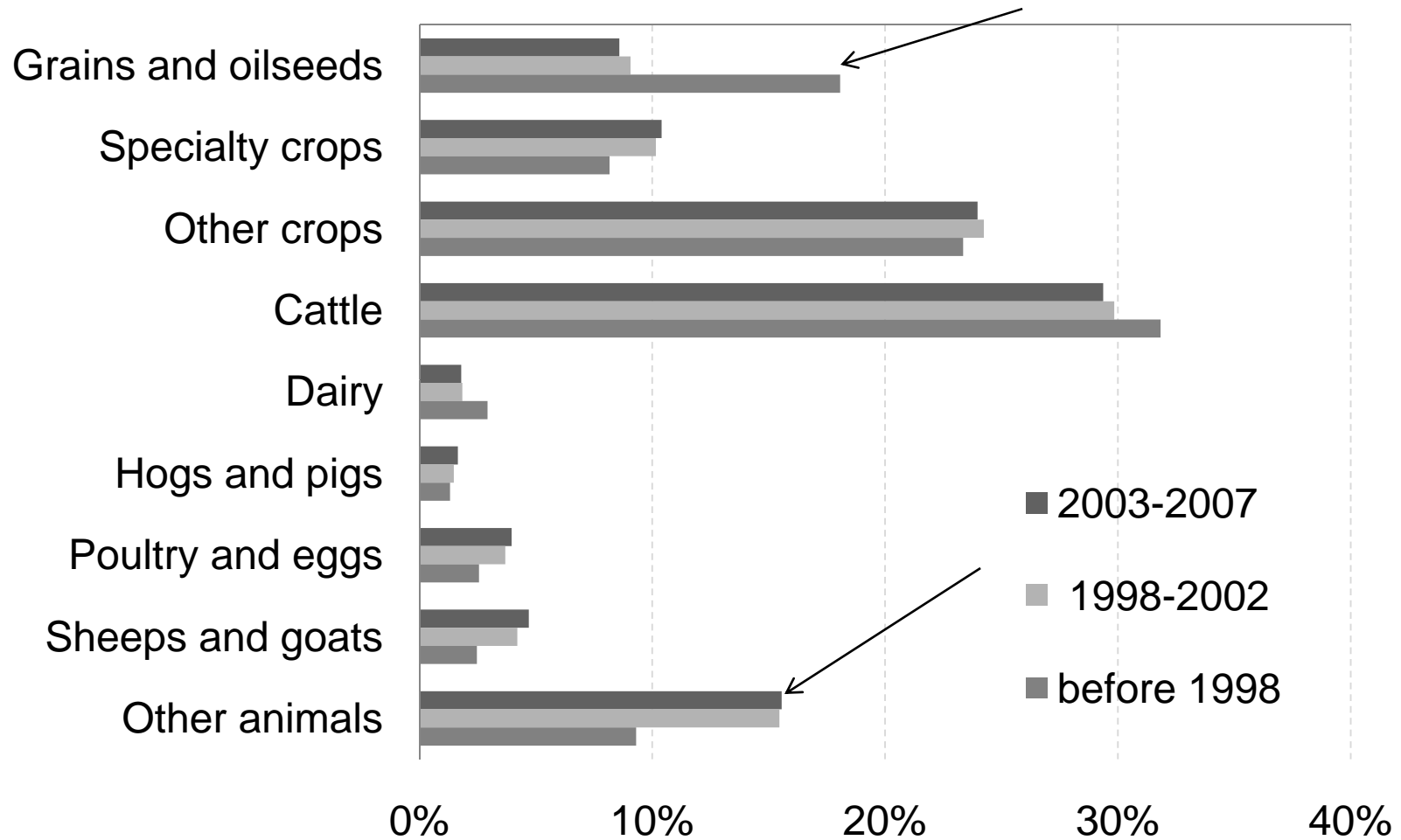
# Beginning Farmer Demographics

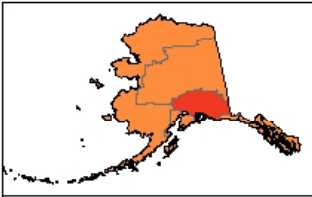
|                               | All Farms | Operator Started |           |               |
|-------------------------------|-----------|------------------|-----------|---------------|
|                               |           | 2003-2007        | 1998-2002 | Prior to 1998 |
| Average age of operator       | 57        | 48               | 50        | 60            |
| Farming as primary occupation | 45%       | 33%              | 34%       | 50%           |
| Work off farm                 | 65%       | 79%              | 77%       | 59%           |
| Female principal operator     | 14%       | 19%              | 17%       | 12%           |
| Minority principal operator   | 7%        | 9%               | 8%        | 6%            |



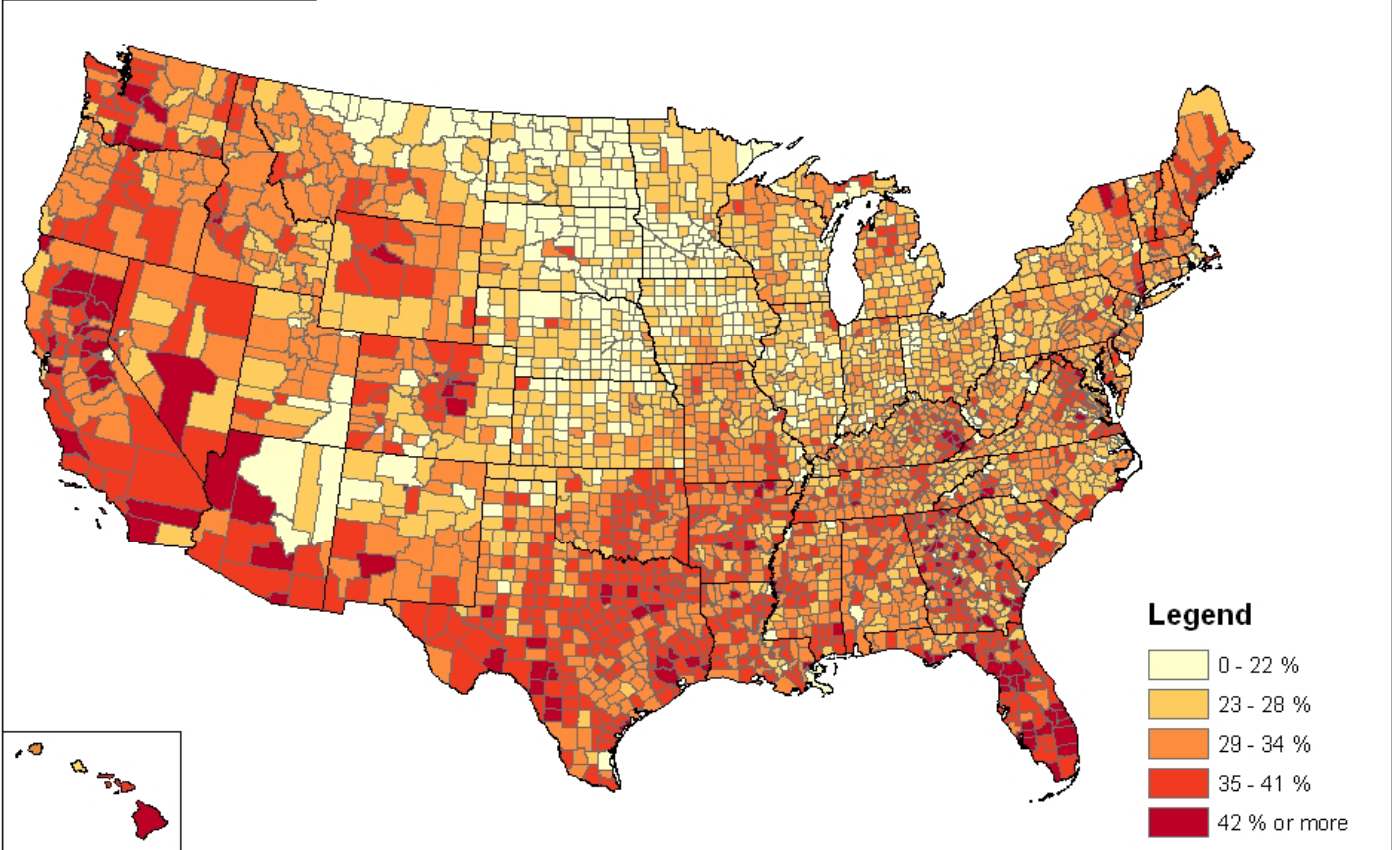


# Beginning Farmers and Type of Production





# Percent of Beginning Farmers by County



# What we know, and what we don't

- We know:
  - Newer farmers work off the farm more, are not as likely to report farming as their primary occupation, and rely less on the farm for household income
- We don't know:
  - Reasons for working off the farm, or future intention for farm



# Farm Operators

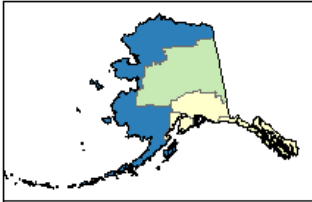
- 3,337,450 operators on farms
  - An operator is a person making day to day decisions for the operation
- Principal operators- number is equal to the number of farms (2,204,792)
- Census collects detailed characteristics for up to 3 operators per farm



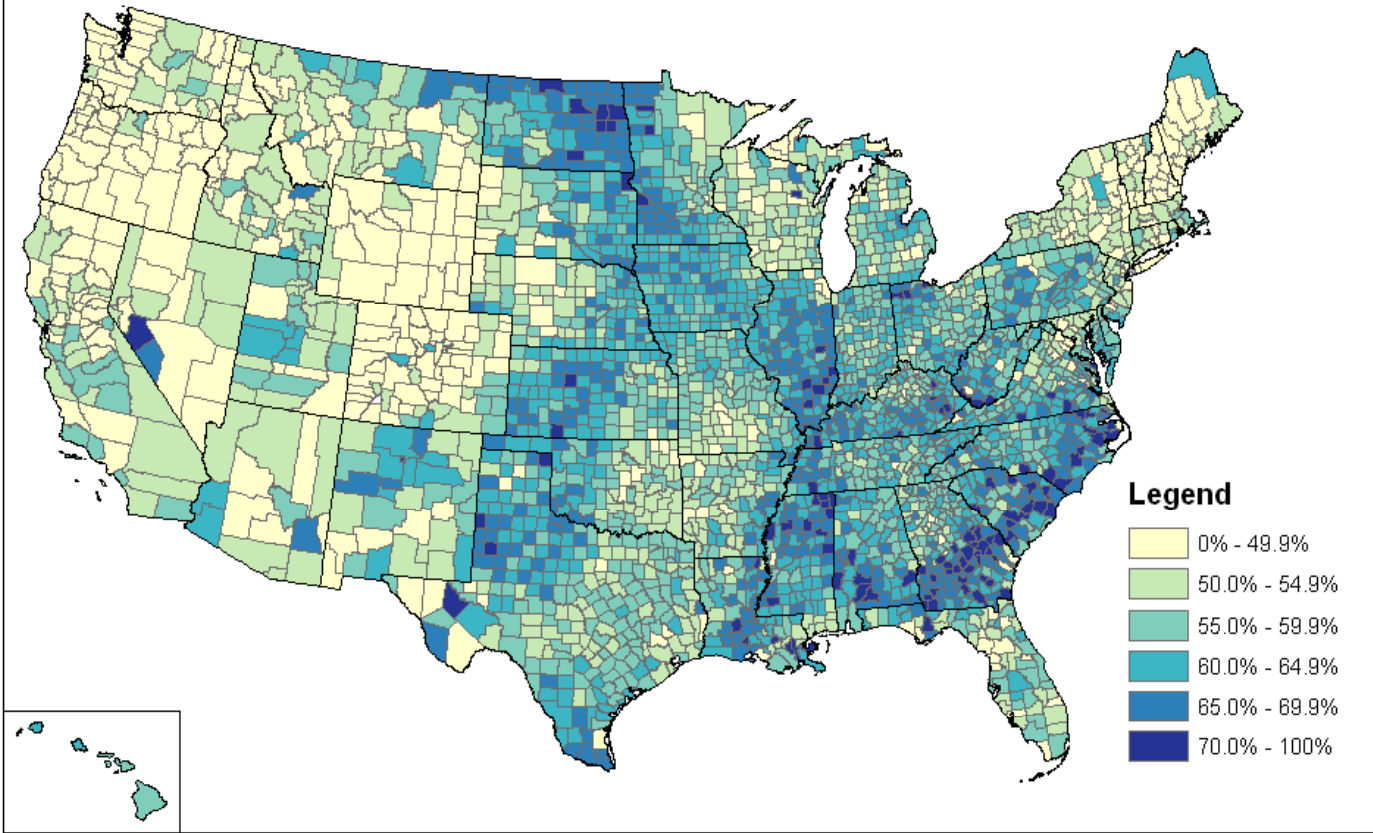
# Multiple Operators on Farms

| Farms with      | 2007  | 2002  |
|-----------------|-------|-------|
| Only 1 operator | 57.7% | 62.3% |
| 2 operators     | 35.7% | 32.0% |
| 3 operators     | 5.1%  | 4.0%  |
| 4 operators     | 1.0%  | 1.2%  |
| 5 operators     | 0.5%  | 0.6%  |





## Only One Operator on the Farm

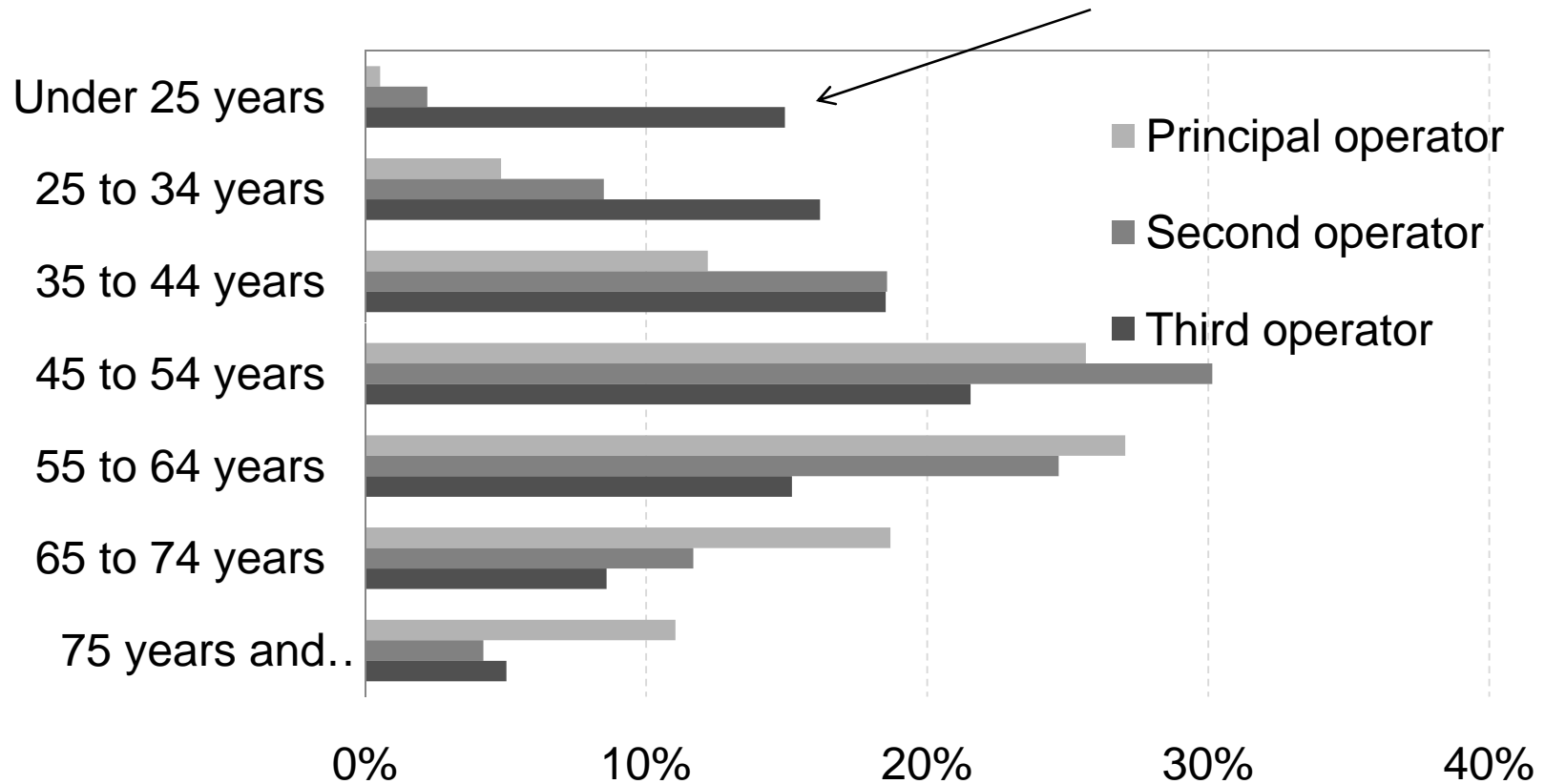


# Beginning Farmers – another look

- Beginning farmers may not be looking to start a new farm on their own, but take over an existing family farm, or apprentice on a farm
- Second and third operators are more likely to be beginning farmers than principal operators



# All Operators by Age





# Second Operators

- 40% of second operators are beginning farmers, compared to 29% of principal operators
- 2 out of 3 second operators are women (probably mostly spouses)
- Slightly younger than principal operator (54.4 years compared to 57.1)
- 1 out of 3 in different household from principal operator



# Second Operators

|                           | Male Second Operator | Female Second Operator |
|---------------------------|----------------------|------------------------|
| Male Principal Operator   | 21%                  | 65%                    |
| Female Principal Operator | 12%                  | 2%                     |



# Second Operators

|  | Second Operator<br>established farmer | Second Operator<br>beginning farmer |
|--|---------------------------------------|-------------------------------------|
| Principal Operator<br>established farmer | 56%                                   | 10%                                 |
| Principal Operator<br>beginning farmer   | 3%                                    | 31%                                 |



# Third Operators

- 53% of third operators are beginning farmers, compared to 29% of principal operators
- 60% are male
- Much younger than principal operator (44.6 years compared to 57.1)
- 61% are in separate households from the principal operator



# Third Operators

|                           | Male Second Operator | Female Second Operator |
|---------------------------|----------------------|------------------------|
| Male Principal Operator   | 50%                  | 35%                    |
| Female Principal Operator | 10%                  | 5%                     |



# Third Operators

|  | Third Operator<br>established farmer | Third Operator<br>beginning farmer |
|--|--------------------------------------|------------------------------------|
| Principal Operator<br>established farmer | 44%                                  | 28%                                |
| Principal Operator<br>beginning farmer   | 4%                                   | 25%                                |



# Generations on Farms

- Definition
  - A farm is considered to have operators of different generations if any two operators differed in age by twenty or more years.
  - Difference could be between op1 and op2, op1 and op3, or op2 and op3

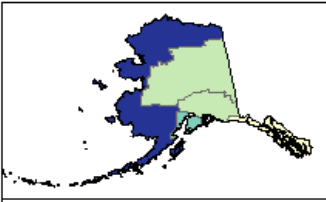


# Generations on Farms

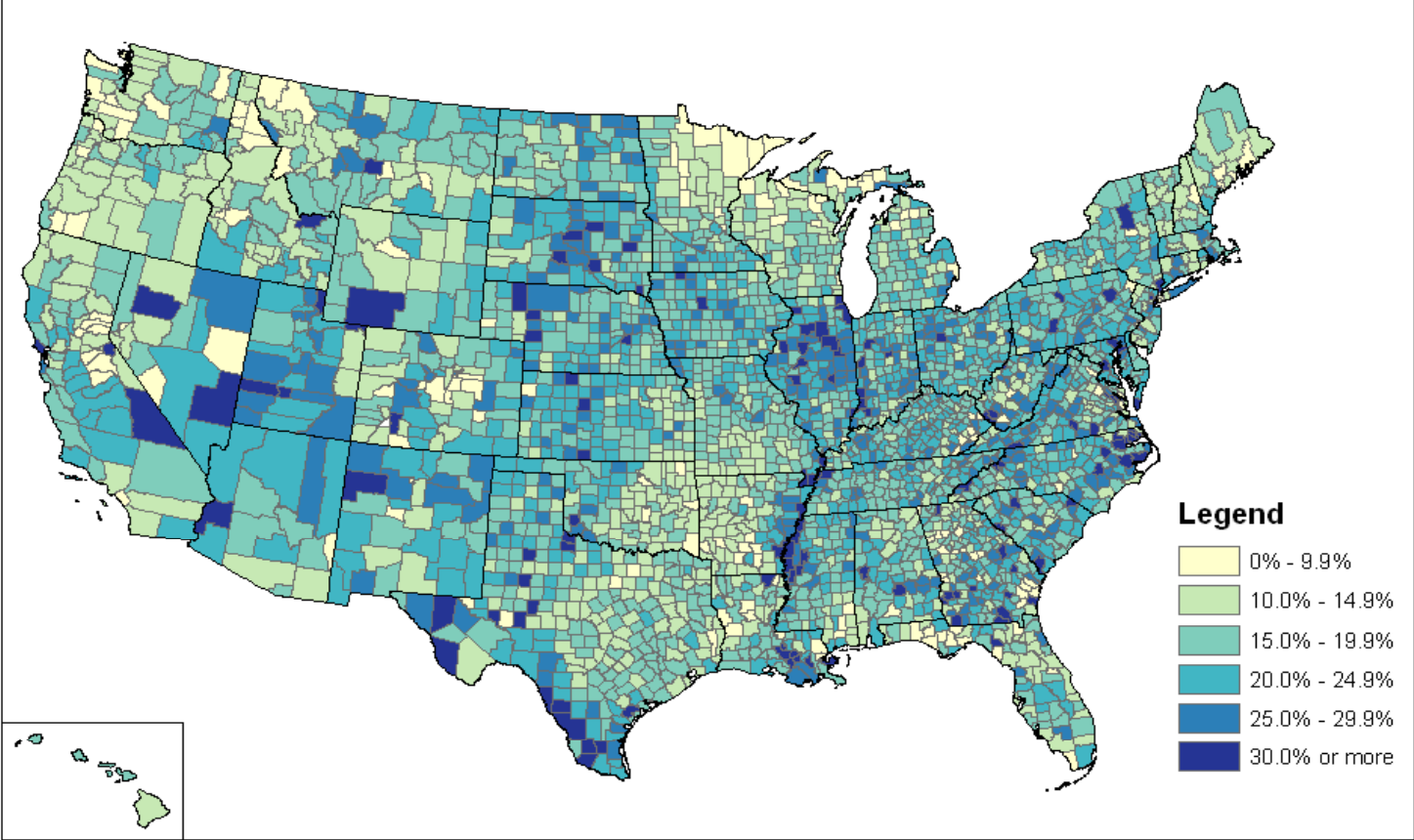
- 7.6 percent of all farms have more than one generation of operators on the farm
- If only multiple operator farms are considered, 18.0 percent of farms have more than one generation on the farm







# Multiple Generations on Farms



### Legend

- 0% - 9.9%
- 10.0% - 14.9%
- 15.0% - 19.9%
- 20.0% - 24.9%
- 25.0% - 29.9%
- 30.0% or more



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# Multiple Generations, by Sales

|                                       | Percent with multiple operators | Percent with different generations |           |
|---------------------------------------|---------------------------------|------------------------------------|-----------|
|                                       |                                 | Farms with multiple operators      | All farms |
| All farms                             | 42.3                            | 18.0                               | 7.6       |
| Farms with \$250,000 or more of sales | 51.5                            | 29.4                               | 15.1      |
| \$100,000 - \$249,999 in sales        | 41.6                            | 27.3                               | 11.4      |
| Less than \$100,000 in sales          | 41.3                            | 15.6                               | 6.4       |



|                     | Percent with multiple operators | Percent with different generations |  |
|---------------------|---------------------------------|------------------------------------|--|
|                     |                                 | All Farms with multiple operators  | Farms with multiple operators and sales of \$100,000 or more |
| Grains and oilseeds | 35.3%                           | 27.4%                              | 29.4%  |
| Vegetables          | 48.1%                           | 18.7%                              | 31.2%  |
| Fruits and nuts     | 45.1%                           | 16.3%                              | 29.1%  |
| Nursery/Greenhouse  | 48.7%                           | 15.7%                              | 22.8%  |
| Beef cattle         | 41.8%                           | 19.1%                              | 30.9%  |
| Dairy               | 55.7%                           | 28.2%                              | 30.4%  |
| Hogs and pigs       | 48.6%                           | 18.2%                              | 26.4%  |
| Poultry             | 55.9%                           | 12.1%                              | 17.2%  |



|                    | Percent with multiple operators | Multiple Operator Farms |                      |
|--------------------|---------------------------------|-------------------------|----------------------|
|                    |                                 | Same Generation         | Different Generation |
| Less than 25 years | 40.2%                           | 53.0%                   | 47.0%                |
| 25 to 34 years     | 46.9%                           | 81.7%                   | 18.3%                |
| 35 to 44 years     | 48.5%                           | 88.3%                   | 11.7%                |
| 45 to 54 years     | 45.8%                           | 89.2%                   | 10.8%                |
| 55 to 64 years     | 42.9%                           | 85.7%                   | 14.3%                |
| 65 to 74 years     | 37.4%                           | 75.4%                   | 24.6%                |
| 75 years or more   | 31.9%                           | 50.5%                   | 49.5%                |



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