

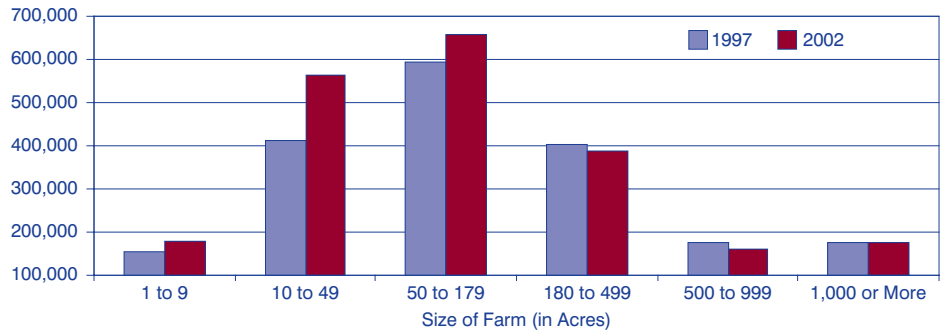
Farming for Data: Agriculture in Indiana

In light of the 2007 Census of Agriculture approaching in December (the law requires every farmer and rancher to participate), it seems appropriate to highlight some of the useful data this census provides. Let's take a look at just some of the things we learned from the 2002 agriculture census.

The number of farms in the United States is on the rise: there were 2.1 million farms in 2002, up from 1.9 million in 1997. These farms covered more than 938 million acres of land (an increase of 6.5 million in five years). Only about 46 percent of that land was covered by crops, a percent that has remained fairly steady over that time frame.

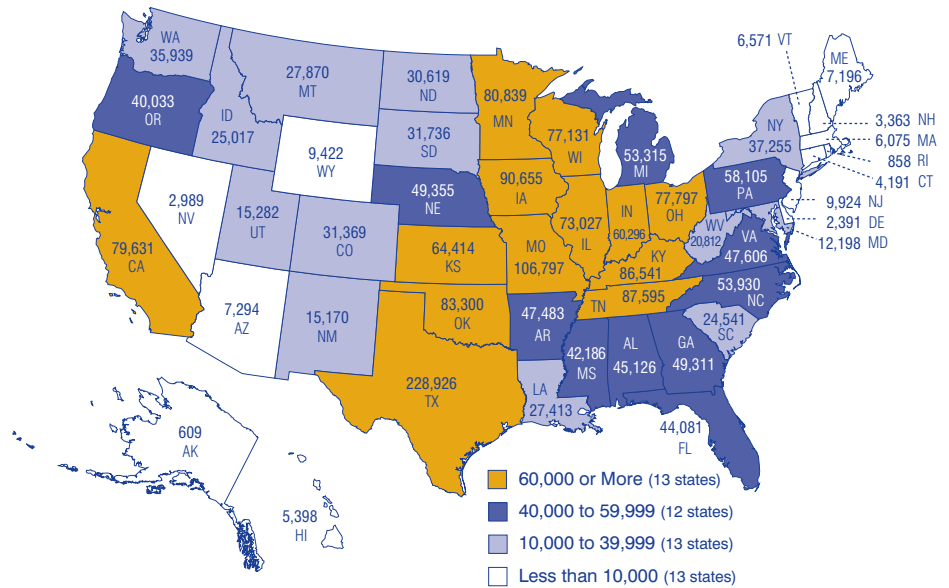
Smaller farms are growing at a faster rate than the large ones. Farms covering one to 49 acres of land increased by about 32 percent from 1997 to 2002. Meanwhile, the number of farms covering 180 to 499 acres and 500 to 999 acres decreased by more than 14,000 each. Farms with more than 1,000 acres of land saw a slight increase, adding 910 to the count since 1997 (see **Figure 1**).

FIGURE 1: NUMBER OF FARMS BY SIZE IN INDIANA



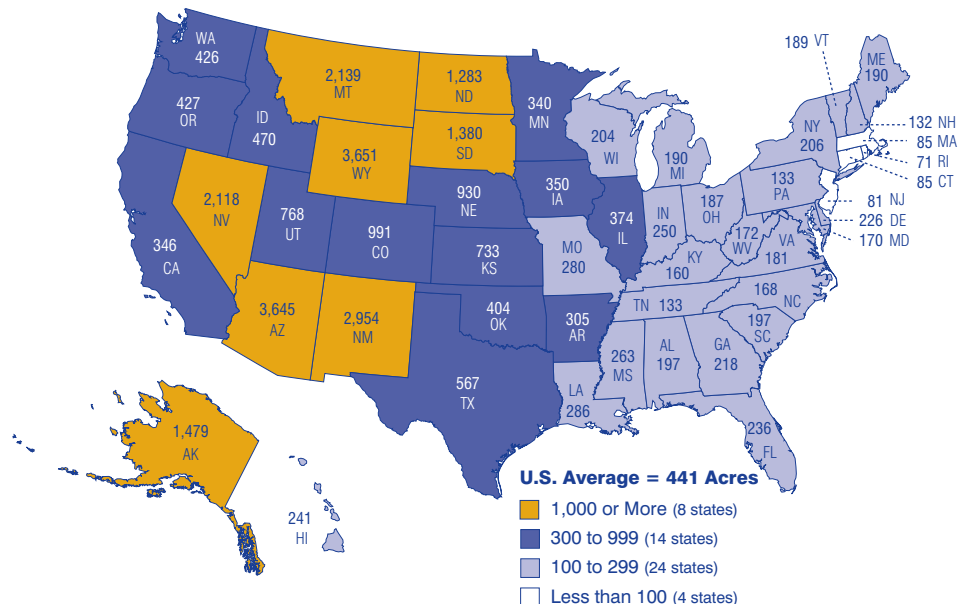
Source: IBRC, using U.S. Census of Agriculture data

FIGURE 2: NUMBER OF FARMS BY STATE, 2002



Source: IBRC, using U.S. Census of Agriculture data

FIGURE 3: AVERAGE SIZE OF FARMS BY STATE, 2002



Source: IBRC, using U.S. Census of Agriculture data

Farms by State

Texas led the United States in number of farms, reporting nearly 229,000 in 2002. Second-place Missouri trailed behind that figure with about 107,000 farms. Indiana ranked 13th among the 50 states. Rhode Island and Alaska had the fewest number of farms, each with less than 1,000 (see **Figure 2**).

Looking at the average size of farms across the states tells a different story. The United States averaged 441 acres of land per farm. Indiana was well below that average coming in 26th with an average of 250 acres per farm. Part of this is likely due to the fact that

there is simply more land area available in the western states. The states with the largest farms included Wyoming and Arizona. Not only did Rhode Island have very few farms, it also had very small farms, averaging 71 acres per farm (see Figure 3).

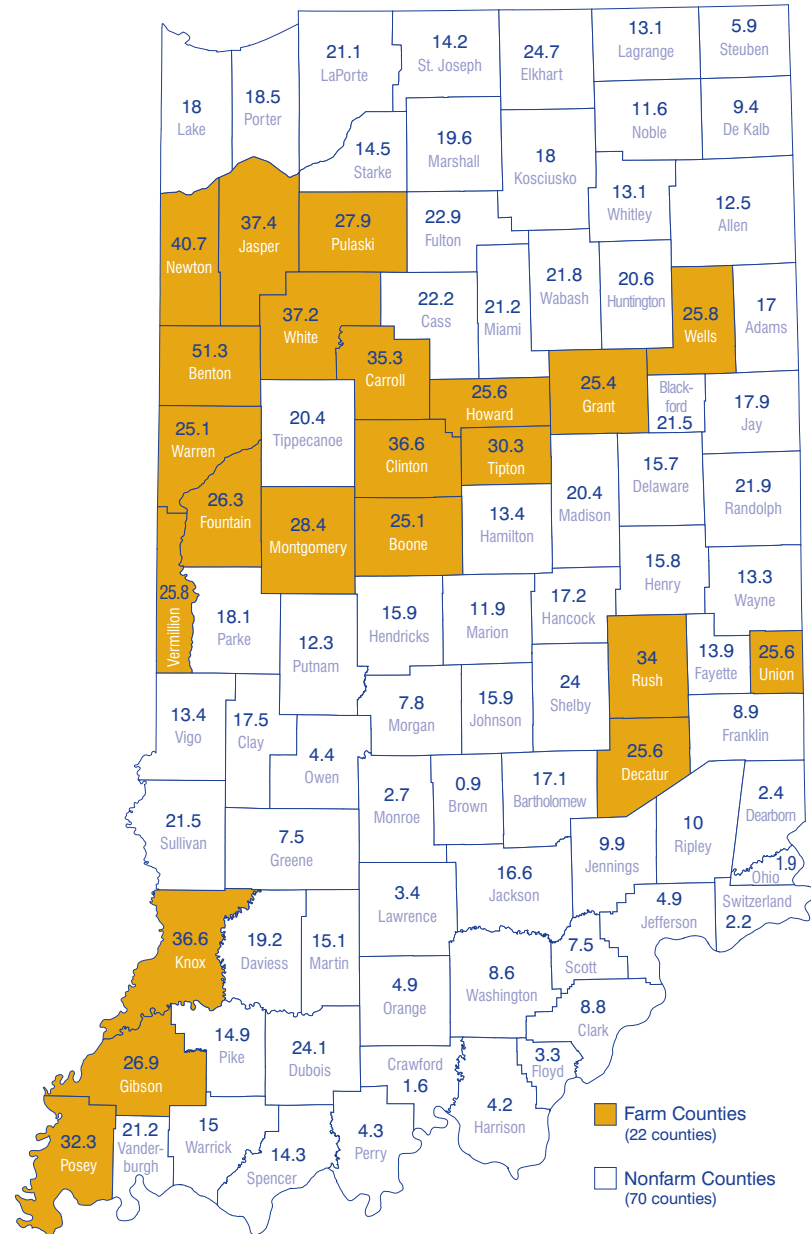
Indiana's Farming Counties

Let's dig deeper into Indiana's counties to find out which ones can be classified as farm counties vs. nonfarm counties. We will then look at more recent data for comparison. For the purposes of this article, a farming county is defined as one in which at least 25 percent of its farms have sales of at least \$100,000, the highest classification offered for counties by the Census of Agriculture. Twenty-two of Indiana's 92 counties meet these criteria (see Figure 4). Benton County led the state on this measure, with more than half of its 394 farms producing at least \$100,000 in sales. Of the farming counties, Vermillion had the fewest farms numerically with at least \$100,000 in sales, reporting 57 farms meeting the criteria. At the other end of the spectrum, Jasper County had the most numerically with 240 of its 641 farms falling into that category.

Farm Counties vs. Nonfarm Counties

As a result of the nature of farms and the amount of land they require, it is not surprising that farm counties made up about 24.3 percent of land area in Indiana in 2006, while the population residing on that land only accounted for 10 percent of Hoosiers, down from 10.2 percent in 2001. This decrease is a result of the population of farm counties growing at a slower rate than the population of nonfarm counties, 0.6

FIGURE 4: INDIANA'S FARM COUNTIES, 2002



Labels show percent of farms producing at least \$100,000 in sales

Source: IBRC, using U.S. Census of Agriculture data

percent growth compared to 3.3 percent growth, respectively.

Industry Employment

It can be expected that farm counties have a greater proportion of workers employed farming, but what percentage of total employment do those workers actually make up? According to the latest data available from the Bureau

of Labor Statistics, the agriculture, forestry, fishing and hunting industry comprised 0.3 percent of all jobs in nonfarm counties in the second quarter of 2006; that number was 1.6 percent of total employment in farm counties. Nonfarm counties actually lost jobs in the agriculture, forestry, fishing and hunting industry, down 0.7 percent from the second quarter of 2001. Meanwhile,

farm counties added 130 jobs in the industry. However, other industry sectors did not fare so well in the farm counties. Percent change in total jobs from 2001 to 2006 in farm counties was -1.3 percent, whereas nonfarm counties increased employment across all industry sectors by 0.8 percent (see **Table 1**).

Industry Wages

Given the definition of farm counties, it makes sense that they pay higher wages in the agriculture, forestry, fishing and hunting industry than do nonfarm counties (\$542 per week compared to \$477 per week). However, as is true with jobs, overall average weekly wages are higher for nonfarm counties (\$683 per week versus \$668 per week). **Figure 5** shows the average weekly wages for farm vs. nonfarm counties.

Conclusion

The number of farms and the amount of land covered by farms changed in the United States from 1997 to 2002, and it is likely that more changes have occurred in the past five years. Have more farms emerged? Has the average size of farms decreased? The results of the upcoming Census of Agriculture should give us insight into these questions and can serve as a starting point in determining how farm and nonfarm counties compare demographically and economically in Indiana and across the United States. To learn more about the Census of Agriculture and how to participate, visit www.agcensus.usda.gov/About_the_Census/index.asp.

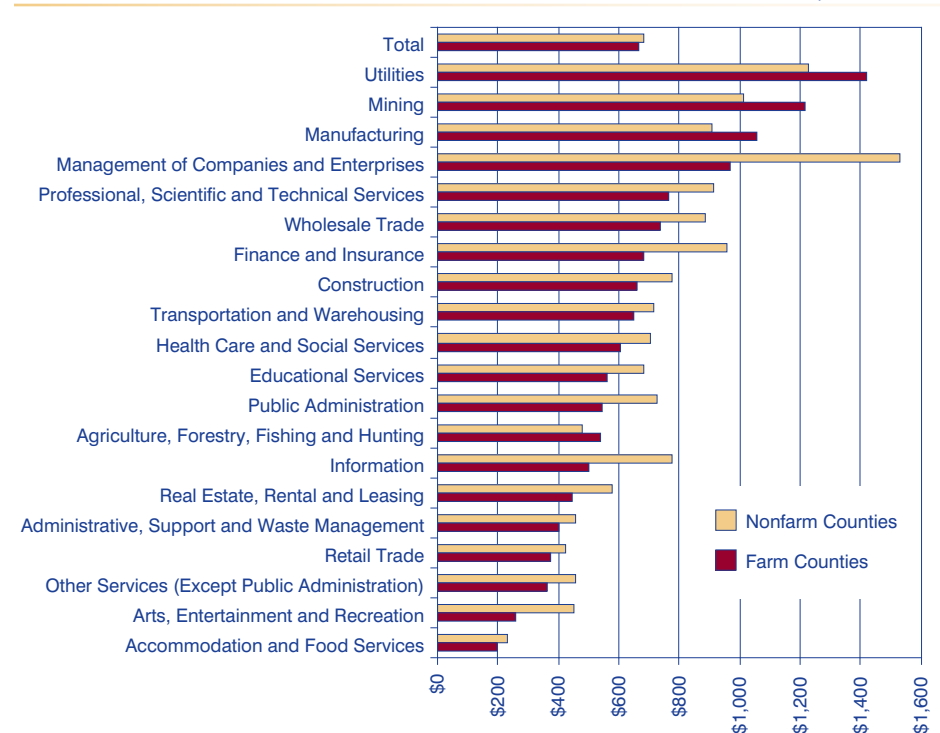
—Molly Manns, Associate Editor, Indiana Business Research Center, Kelley School of Business, Indiana University

TABLE 1: JOBS IN NONFARM AND FARM COUNTIES IN INDIANA, 2001:2 TO 2006:2

Industry	Nonfarm Counties			Farm Counties		
	2006:2	Change Since 2001:2	Percent Change	2006:2	Change Since 2001:2	Percent Change
Total	2,598,696	21,296	0.8	241,152	-3,296	-1.3
Management of Companies and Enterprises	22,849	671	3.0	276	99	55.9
Administrative, Support and Waste Management	138,364	22,306	19.2	9,831	1,842	23.1
Professional, Scientific and Technical Services	82,117	3,463	4.4	4,944	620	14.3
Transportation and Warehousing	113,879	-2,403	-2.1	11,152	1,366	14.0
Educational Services	199,401	2,100	1.1	21,064	1,740	9.0
Health Care and Social Services	320,225	32,431	11.3	27,226	1,929	7.6
Construction	136,622	1,390	1.0	10,827	600	5.9
Wholesale Trade	104,206	-1,113	-1.1	7,640	419	5.8
Agriculture, Forestry, Fishing and Hunting	7,298	-50	-0.7	3,879	130	3.5
Arts, Entertainment and Recreation	37,110	198	0.5	1,957	50	2.6
Public Administration	117,920	4,311	3.8	11,213	286	2.6
Accommodation and Food Services	216,822	16,057	8.0	17,811	-156	-0.9
Finance and Insurance	92,175	-5,883	-6.0	5,221	-118	-2.2
Mining	3,088	-1,352	-30.5	795	-30	-3.6
Utilities	11,708	160	1.4	1,269	-48	-3.6
Other Services (Except Public Administration)	78,218	-1,182	-1.5	5,888	-353	-5.7
Retail Trade	293,095	-13,998	-4.6	26,287	-2,685	-9.3
Manufacturing	502,071	-48,171	-8.8	65,724	-7,937	-10.8
Information	42,956	-4,616	-9.7	2,793	-360	-11.4
Real Estate, Rental and Leasing	34,830	1,031	3.1	1,715	-267	-13.5

Source: Indiana Department of Workforce Development

FIGURE 5: AVERAGE WEEKLY WAGES FOR NONFARM AND FARM COUNTIES IN INDIANA, 2006:2



Source: IBRC, using Indiana Department of Workforce Development data