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Farm Facts, Population Update, Report Number 6

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farm facts

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POPULATION UPDATE

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farm facts

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What's happening to our farms in South Dakota?

Turn to the Census of Agriculture, conducted every 5 years by the United States Bureau of the Census, to find part of the answer. Begun in 1920, this census has grown and changed over the years to provide its present broad coverage of farm facts.

From 1978 data* and earlier censuses, here is a summary of the basic characteristics and trends for South Dakota farms and farm operators.

SOUTH DAKOTA FARMS

The 1978 census counted 39,665 farms in South Dakota. This is 3,160 (7.4%) fewer than shown in the 1974 census.** (For county data see Table 3.)

Trend in Farm Numbers

The decline in the number of farms in South Dakota has slowed. For the last 43 years of records, the high was over 83,000 in 1935. The 1978 low is about half that (Fig. 1).

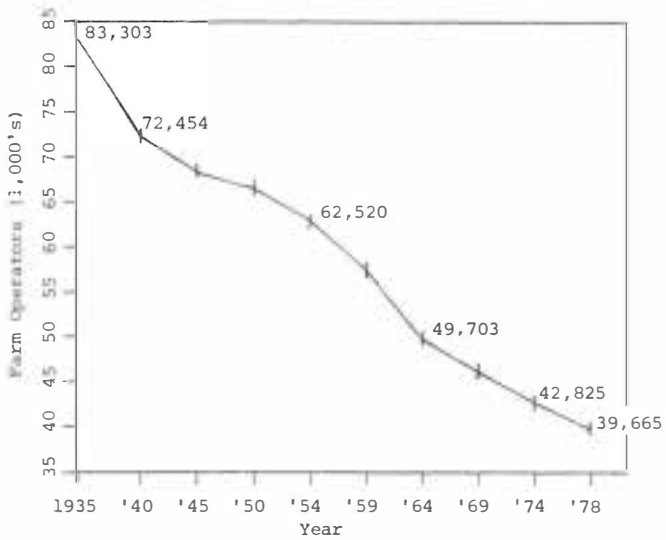


Figure 1. Number of South Dakota Farms 1935-1978.

Trend in Farm Size

The average acreage per South Dakota farm has increased substantially to correspond with the decline in numbers. Between 1974 and 1978 the average farm size increased from 1,074 acres to 1,123 acres, almost 50 acres per farm. The 1978 average is 2½ times larger than the average of 445 acres in 1935 (Fig. 2).

During the interval from 1974 to 1978 we lost about 1.5 million acres of farm land. The state's total agricultural lands decreased from almost 46 million acres to 44.5 million acres.

*A 1976 change in the law to adjust the agricultural census to the same years as the economic census required the Census of Agriculture to be taken for 1978 and 1982, and thereafter every fifth year.

**The definition of a farm is the same as that adopted in the final 1974 Census. For statistical purposes a farm is any place from which $1,000 or more of agricultural products were sold, or normally would have been sold, during the census year. State data reflect an additional 921 farms from sample data not included in individual county data.

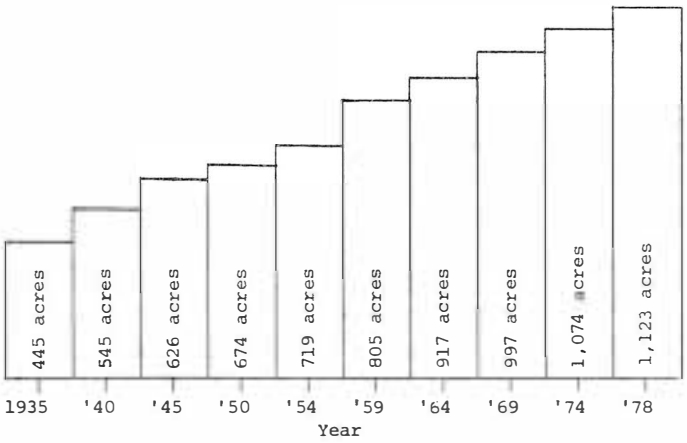


Figure 2. Trend in Average Acreage for South Dakota Farms 1935-1978.

FARM OPERATORS

Since the number of farm operators, according to the census, is equal to the number of farms, there were 39,665 farm operators in South Dakota as of 1978.

Age

The average age of farm operators in South Dakota had been increasing gradually over time and reached a high of 50.1 years in 1974.

In 1978, however, this trend reversed, with a significant drop of 1.6 years to the average of 48.5. The average in 1978 ranged from 46.0 in Moody County to 54.6 in Lawrence County.

The number of farm operators under age 25 has continued upward. In 1978, this age group numbered 2,092, or 450 more than in 1974 (1,642). The 1974 total had been an increase of almost 400 over 1969.

Thirty-eight percent of all operators in 1978 were under age 45 and 62% were over age 45 (Fig. 3), as compared to 33% and 66% respectively in 1974. Farm operators under 45 years of age numbered 14,956 in 1978, an increase of 1,000 over the 1974 figure but 1,510 less than that of 1969.

Ownership

The number of farm owners dropped from 1974 to 1978. Full owners decreased from 40% of the total in 1974 to 38.8% in 1978, a drop from 17,300 to 15,385 (Fig. 4). Although part-owners increased from 15% to 16.1%, their numbers dropped from 19,182 to 17,884. The number of tenants changed little over that time. There were 6,939 tenants in 1978, only 53 more than in 1974.

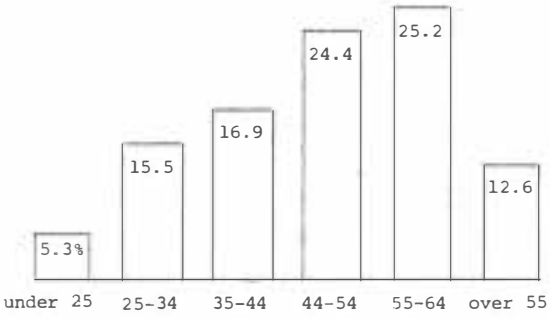


Figure 3. Farm Operators by Age Group 1978.

Types of Ownership

The individual and family-owned farm dominated farm ownership.

Of 39,665 South Dakota farms in 1978, 35,041 were owned by individuals or families; 3,602 were owned by partnerships, including family partnerships; 817 were owned by corporations, including family corporations; and 205 were owned by cooperatives, estates or trusts, institutions, etc. (Fig. 5).

Principal Occupation

In 1978, 81% of farm operators considered farming their principal occupation (Table 1).

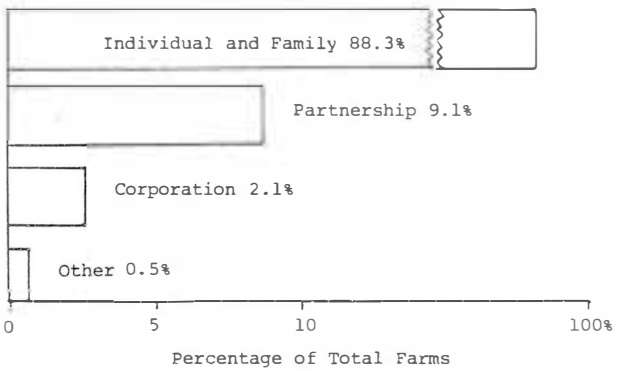
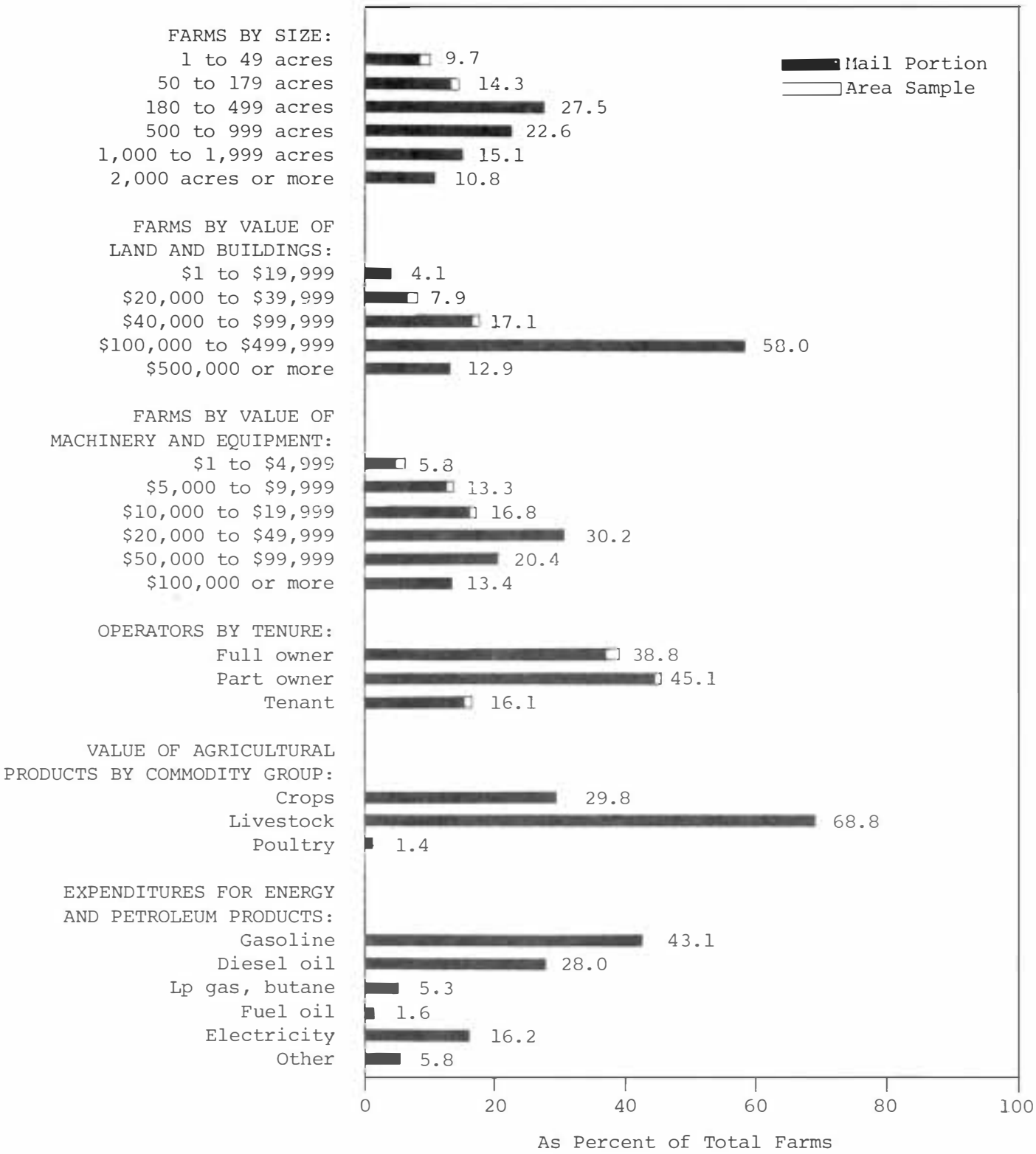


Figure 5. Type of Organization for Farms with Sales of $2,500 and Over in 1978.

Figure 4. Profile of State's Agriculture: 1978.



U.S. Department of Commerce BUREAU OF THE CENSUS: Adapted from Chart 2, pp XII & XIII, 1978 Census of Agriculture, South Dakota.

Table 1. Farmers and Outside Employment.

	1974		1978	
	#	%	#	%
Principle Occupation:				
Farming	36,821	85.9	32,174	81.1
Other than Farming	5,403	12.6	7,491	18.8
Reported Off-Farm Work Days:				
Total Operators reporting	30,747		36,886	
Number of days:				
None	20,541	66.8	22,242	60.3
Less than 100	4,341	14.1	6,417	17.4
100-199	1,621	5.3	2,142	5.8
200 or More	4,244	13.8	6,085	16.5

Hired Workers

There were 48,498 hired workers on South Dakota farms in 1978, employed by 41% of the state's farmers. This percentage is higher than the 1974 report of 33% but does not approach the 49% reached in 1969.

CHARACTERISTICS OF SOUTH DAKOTA FARMS

Value of Land and Buildings

For the last 35 years the U.S. Census of Agriculture has reported individual and composite worth of South Dakota farm land and buildings. Over that time the average farm's dollar value has increased over twenty times. The dollar increase in value from 1974 to 1978 was 88%. Among those factors contributing to increased value are inflation, increased farm size, and technological and productivity advancements.

Mark A. Edelman, SDSU agricultural and public policy economist, contends that a big contribution to the rise in land values was the increase in exports during the 1970's. Farmers made more money, so they attempted to expand, thus bidding up the price of land.

Average Value of Farm Land

The average value of farm land in South Dakota has tripled since 1969. In 1978 the average value per acre was $256, while 9 years earlier the average was $84.

The average farm was estimated to be worth $290,657 in 1978, ranging in value per acre from a low of $86 in Shannon County to a high of $868 in Lincoln County.

Change in Class of Farms

A major farm classification in the U.S. Census of Agriculture is the value of agricultural products sold by farms. Increased farm size, improved agricultural technology, and national inflation have all contributed to an increase in the value of farm products sold. Table 2 presents a breakdown.

Irrigated Acres

In the 4 years from 1974 to 1978, irrigation in South Dakota has soared. Irrigated acreage rose 124%, from 152,203 acres in 1974 to 341,110 in 1978.

The number of farms using irrigation in 1978 was 1,817. This is 745 more than in 1974 when there had been an increase of only 9 over 1969.

Looking Ahead

We can use these findings to make projections into the future. Edelman,

Table 2. Number of Farms by Value of Agricultural Products Sold.

Value of Products Sold:	1974 #	1974 %	1978 #	1978 %
$200,000 and over	677	1.6	982	2.5
100,000 to 199,999	1,903	4.4	2,633	6.6
40,000 to 9,999	9,804	22.9	10,750	27.1
20,000 to 39,999	11,456	26.8	9,482	23.9
10,000 to 19,999	8,236	19.2	6,413	16.2
5,000 to 9,999	4,877	11.4	4,036	10.2
2,500 to 4,999	2,565	6.0	2,594	6.5
less than 2,500	3,231	7.5	2,665	6.7
not categorized	76	0.2	110	0.3
TOTAL:	42,825	100 %	39,665	100 %
Average dollar value for farms with sales of $2,500 plus	$41,544		$51,464	

for example, has taken two factors: 1) trend in number of farms and 2) age of farm operators.

He projects that by the year 2000 there will be about 30,000 farms in South Dakota. Farm size will have increased and the number of operators will have dropped.

The number of operators in any year is the balance between rates of entrance and exit. The annual entry number of young farmers during the 70's was about 700. Although this was an increase from the 500 yearly average of the previous decade, it falls short of the 1,200 farm operators in older age groups who have been leaving each year. Edelman points out that "to stabilize South Dakota farm numbers at current levels, 500 additional entrants per year would be required to offset the exit rate of senior farmers."†

Looking at current age categories, we see that the proportion of operators now over 45 who will be over 65 by the year 2000 is 63% while the number of current operators under 45 is 38%. Thus, even with a sustained entry rate of 700 young farmers per year, replacement of those leaving farming will not be accomplished.

Edelman's projection of 30,000 farms and farm operators in the year 2000 is in line with the trend of declining numbers which has persisted since the early 30's. If depressed economic conditions continue over much of the 1980's the 30,000 estimate may be too high. The implications demand the attention of all South Dakotans interested in farming.

†Economics Newsletter #176, Cooperative Extension Service, December 3, 1981.

The authors gratefully acknowledge the help of Deborah Crotchett, research assistant in rural sociology, in the preparation of this publication.

Table 3. Characteristics of South Dakota Farms and Farm Operators by County, 1978.

	Number of farms	Average farm size acres	Average age of operator	Average value land & bldg.*	Land in farm acres	Harvested cropland	Farms with sales over $40,000	Full Owners
State	39,665	1,123	48.5	$ 256	44,543,394	13,932,760	14,365	15,320
Aurora	501	774	49.1	$283	387,806	174,586	200	161
Beadle	933	810	47.5	301	755,945	363,564	348	327
Bennett	298	2,695	50.3	155	803,051	120,544	124	123
Bon Homme	879	369	47.9	455	324,255	205,250	302	341
Brookings	1,113	418	48.8	557	465,010	294,227	382	508
Brown	1,235	870	48.4	371	1,074,222	618,053	484	410
Brule	455	1,012	50.5	232	460,421	184,718	192	191
Buffalo	101	3,148	51.6	156	317,904	61,980	45	46
Butte	487	2,563	49.3	140	1,248,042	107,866	219	270
Campbell	381	1,119	48.2	210	426,219	173,930	134	142
Charles Mix	922	691	46.4	312	637,374	334,130	380	278
Clark	713	803	48.7	297	572,310	278,202	208	252
Clay	609	385	49.2	836	234,608	178,996	280	195
Codington	699	553	48.5	359	386,862	224,868	229	302
Corson	489	3,193	48.3	131	1,561,434	237,342	157	152
Custer	272	1,931	54.2	173	525,278	31,519	48	146
Davison	508	521	48.4	394	264,631	155,031	201	202
Day	851	702	48.6	304	597,737	322,611	264	329
Deuel	747	474	47.0	433	353,732	194,329	259	347
Dewey	372	4,314	48.7	163	1,604,780	166,175	126	148
Douglas	530	500	46.0	406	264,952	162,298	239	182
Edmunds	563	1,183	48.5	244	665,829	313,716	214	200
Fall River	307	3,289	51.4	127	1,009,735	61,199	100	142
Faulk	399	1,500	48.1	233	598,346	253,323	184	118
Grant	735	515	48.8	386	378,306	214,083	255	305
Gregory	689	1,070	50.2	268	737,551	227,155	221	266
Haakon	313	3,712	49.0	155	1,161,744	194,246	134	136
Hamlin	581	504	48.8	453	292,976	183,913	188	215
Hand	650	1,336	49.6	257	868,405	353,513	279	248
Hanson	462	543	48.7	406	250,706	148,619	154	172
Harding	308	5,216	50.6	136	1,606,676	144,987	153	89
Hughes	244	1,499	48.0	279	365,672	132,286	91	85
Hutchinson	1,120	440	47.4	473	492,767	319,349	460	370
Hyde	246	2,141	48.9	178	526,643	135,616	88	98
Jackson	154	3,293	52.6	118	507,156	72,618	64	80
Jerauld	362	877	47.6	241	317,480	127,290	119	143
Jones	222	2,451	48.8	179	544,117	113,980	85	79
Kingsbury	768	637	48.3	415	489,129	271,578	248	259
Lake	753	433	48.8	518	326,174	209,829	270	296
Lawrence	257	889	54.6	398	228,527	34,343	43	157
Lincoln	1,187	282	48.5	865	334,527	250,167	403	490
Lyman	437	2,186	52.2	218	955,090	220,316	193	174
McCook	792	434	47.7	459	343,401	212,488	274	270
McPherson	522	1,205	48.2	213	629,207	271,958	193	182
Marshall	551	906	47.6	322	499,240	253,147	173	177
Meade	772	2,711	51.5	155	1,957,040	235,159	260	343
Mellette	250	2,827	49.9	141	706,681	82,592	97	64
Miner	546	599	47.4	301	327,290	168,398	151	175
Minnehaha	1,490	300	48.5	820	446,339	312,627	539	641
Moody	782	382	46.0	784	298,459	208,156	366	275
Pennington	570	1,963	52.7	149	1,118,948	142,396	150	324
Perkins	645	2,674	51.0	127	1,724,613	276,389	230	300
Potter	365	1,479	48.4	303	540,003	220,188	149	107
Roberts	1,112	548	47.2	397	609,087	357,238	348	394
Sanborn	493	632	48.7	314	311,736	142,866	126	174
Shannon	155	7,761	51.0	86	1,202,945	41,853	59	73
Spink	897	1,042	48.2	336	934,916	515,602	403	249
Stanley	177	5,254	50.0	173	929,879	138,612	81	73
Sully	314	1,913	45.8	298	600,633	283,937	133	78
Todd	250	4,279	50.1	158	1,069,714	101,976	91	91
Tripp	772	1,274	48.4	224	983,306	326,839	332	261
Turner	1,155	321	48.3	687	370,745	266,104	463	427
Union	783	336	48.3	837	263,213	199,950	366	305
Walworth	416	1,100	49.0	236	457,662	191,040	151	144
Washabaugh	130	5,336	53.8	94	693,683	51,087	59	60
Yankton	788	343	49.6	576	270,578	176,651	273	373
Ziebach	212	5,702	48.4	139	1,208,881	96,341	89	62

*Based on Sample

Source: 1978 U.S. Census of Agriculture, State and County Data, South Dakota, Final Report