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Beginning Farmer Numbers Grow in Nebraska

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Beginning Farmer Numbers Grow in Nebraska

Market Report	Year Ago	4 Wks Ago	9/26
Livestock and Products,			
Weekly Average			
Nebraska Slaughter Steers, 35-65% Choice, Live Weight.	126.00	162.95	158.53
Nebraska Feeder Steers, Med. & Large Frame, 550-600 lb.	190.63	267.78	290.15
Nebraska Feeder Steers, Med. & Large Frame 750-800 lb.	175.48	238.17	242.00
Choice Boxed Beef, 600-750 lb. Carcass.	193.43	247.62	239.62
Western Corn Belt Base Hog Price Carcass, Negotiated.	92.10	96.70	107.32
Pork Carcass Cutout, 185 lb. Carcass 51-52% Lean.	100.57	101.43	116.69
Slaughter Lambs, Ch. & Pr., Heavy, Woolled, South Dakota, Direct.	128.38	161.25	166.25
National Carcass Lamb Cutout FOB.	283.98	366.37	373.20
Crops,			
Daily Spot Prices			
Wheat, No. 1, H.W. Imperial, bu.	7.07	5.43	4.79
Corn, No. 2, Yellow Nebraska City, bu.	4.42	3.39	2.91
Soybeans, No. 1, Yellow Nebraska City, bu.	12.35	12.52	8.75
Grain Sorghum, No.2, Yellow Dorchester, cwt.	7.18	5.75	4.86
Oats, No. 2, Heavy Minneapolis, Mn, bu.	3.42	3.88	3.79
Feed			
Alfalfa, Large Square Bales, Good to Premium, RFV 160-185 Northeast Nebraska, ton.	250.00	203.00	195.00
Alfalfa, Large Rounds, Good Platte Valley, ton.	145.00	90.00	90.00
Grass Hay, Large Rounds, Good Nebraska, ton.	122.50	87.50	87.50
Dried Distillers Grains, 10% Moisture Nebraska Average.	210.00	106.50	106.50
Wet Distillers Grains, 65-70% Moisture Nebraska Average.	68.50	38.00	38.00
* No Market			

According to the 2012 USDA Census of Agriculture, NASS, a 30-year trend of declining numbers of farmers under 35 years of age appears to be, at least temporarily, reversing. As Figure 1 shows, Nebraska's principal farm/ranch operators in the age group *under 35* grew by 1,394 – from a total of 3,353 in 2007 to 4,747 in 2012. The previous 20-year history indicated overall losses in the number of beginning farmers from 12,609 in 1987 to a low of 3,353 in 2007.

Nebraska's total number of farm/ranch operators in the state grew as well, moving from 47,712 in 2007 to 49,969 in 2012 also apparently reversing a long-term trend of fewer and fewer farm operators in Nebraska.

Figure 1
Age of Nebraska Farm Operators

Age	1987	1992	1997	2002	2007	2012
Under 35	12,609 21%	8,877 17%	5,531 11%	3,782 8%	3,353 7%	4,747 9%
35 – 64	37,056 61%	32,735 62%	33,532 65%	33,390 68%	31,297 66%	32,045 64%
Over 65	10,839 18%	11,311 21%	12,391 24%	12,203 25%	13,062 27%	13,177 26%
Total	60,502 100%	52,923 100%	51,454 100%	49,375 100%	47,712 100%	49,969 100%

Source: Census of Agriculture, NASS



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Figure 2 also demonstrates the long-term trend regarding the growing number of principal farm operators over the age of 65. The trend continues to indicate a rising number of older operators. The effect of this is a concentration of agricultural assets, such as land, machinery and livestock, in older hands. Examining 2012 operators as a percentage of the 1982 operators demonstrates that there has been a reduction in *under 35* operators of nearly 65% while the *over-65* operator group has increased by 50%.

Figure 2
Age of Nebraska Farm Operators

Age	1982	2012	%
Under 35	13,436	4,747	35%
35 – 64	38,030	32,045	84%
Over 65	8,777	13,177	150%
Total	60,243	49,969	83%

Source: Census of Agriculture, NASS

Certainly farm profitability has significantly impacted long-term trends regarding the age of operators. Another factor may be the rise in popularity of “Farmer’s Markets” and the buy local phenomena. The increase

in the labor-intensive organic or direct marketing type of farming is naturally suited for beginners. This type of farming operation requires lower capital investment while demanding more physical labor. That mix is well suited for beginners. One can also argue that programs such as Nebraska’s Beginning Farmer Tax Credit Program and USDA’s beginning farmer programs such as Transition Incentives Program (TIP) and FSA beginning farmer loans have had a beneficial effect as well.

Table 1 demonstrates the change in the number of principal operators in the *under 35* age group from the 2007 Census of Agriculture to that of 2012. Nebraska shows an increase of 1,394 compared with South Dakota’s increase of 534. Illinois shows an increase of 371 and Colorado shows an increase of 103. Kansas gained 1 beginner while both Iowa and Minnesota lost 36 and 213, respectively.

Even though there is some “light at the end of the tunnel” with the increase in younger operators in Nebraska, much still needs to be done to encourage older farm operators to mentor and coach a successor so their farming or ranching business has a chance to continue after the retirement and/or death of the older operator. The health of rural Nebraska’s communities depends on viable farming businesses succeeding in the future

Table 1. State Comparison of Beginning Farmers Under Age 35

State	Number of Beginning Farmers by Year			Change as % of 2007
	2007	2012	Change	
South Dakota	2,355	2,889	+ 534	+ 22
Iowa	6,278	6,242	- 36	- 1
Kansas	4,326	4,327	+ 1	0
Colorado	1,806	1,909	+ 103	+ 6
Minnesota	5,117	4,904	- 213	- 4
Illinois	4,696	5,067	+ 371	+ 8
Nebraska	3,353	4,747	+ 1394	+ 4

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