

Table 1. Effect of 1% Margin Cut on Consumer Prices

(%)

	1% cut of margin paid by food industry and drinking and eating establishments	1% cut of margin paid by household	1% cut of margin for all stages
Agricultural and fishery products	0.00	-0.41	-0.42
Food industry products	-0.05	-0.38	-0.42
Drinking and eating establishments	-0.11	-	-0.11

reduction of wholesale and retail margins was estimated. When all of these margins of agricultural, fishery and food industry products purchased by food industry, drinking and eating establishments and consumers falls by 1%, estimated reductions in consumer prices are

0.42% for agricultural and fishery products and food industry products, and 0.11% for drinking and eating establishments (Table 1).

Research Members

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Structural Change of Farmland-use: the Growth of Large-scale Farms and the Retreat of Farmland-use

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1. Objective and method

Since the second half of the 1980s, the number of farms has decreased by about 10% every 5 years and the structure of Japanese agriculture has improved. There are two results of this change: one is the progress of agricultural structure in which many farms will become larger, and another is the decline of agriculture in which non-cultivated farmland will increase. This study analyzes these two results in farmland-use using data from agricultural censuses collected every 5 years. Hokkaido is excluded in this paper since farms there are much larger than those in other areas.

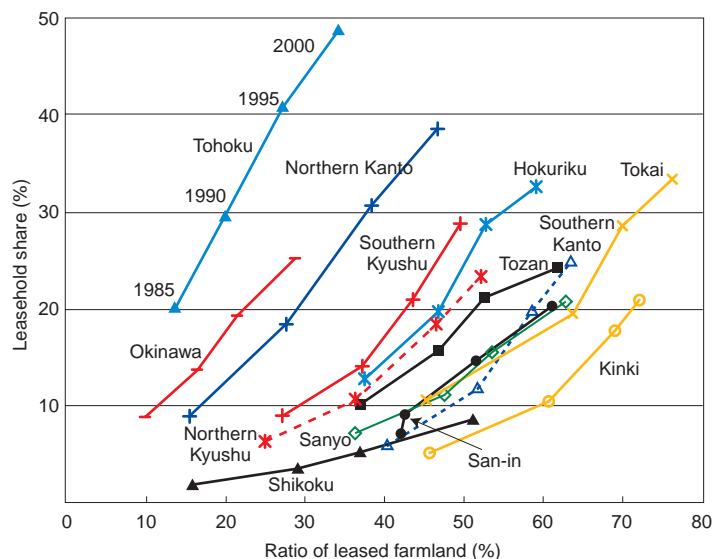


Fig. 1. Ratio of Leased Farmland and Leasehold Share of Large-scale Farms

Note: 1. Large-scale farms manage 5 ha or more farmland.
2. Ratio of leased farmland is the ratio of leased land of large-scale farms to their farm land.
3. Leasehold share is the ratio of leased land of large-scale farm to total leased land.

2. Outline of results

(1) According to many farmers' increasing giving up farming, the loaning of farmland by large-scale farms is increasing and structural change is progressing. Leased farmland increased about twofold in 15 years, from 320,000 ha in 1985 to 630,000 ha in 2000. The increase of leased farmland is gradually accelerating, with a 90,000 ha increase during 1985-1990, a 100,000 ha increase during 1990-1995, and a 120,000 ha increase during 1995-2000. On the other hand cultivated farmland decreased from 4,570,000 ha to 3,880,000 ha during those 15 years, and agricultural resources decreased.

(2) Loaning of farmland is increasing and large-scale farms are growing.

a) Farmland loans by family farms (households which manage 0.1 ha or more of farmland) are at 200,000 ha and those by non-farmers (households which own 0.1 ha or more of land but manage less than 0.1 ha of cultivated land) are 280,000 ha in 2000. The loan of farmland by non-farmers is more than that by family farms. Small-scale farmers, part-time farmers and farmers over 65 years old are the main farmland lenders.

b) Large-scale farmers (who manage 5 ha or more) increased: 190,000 farms in 1985, 260,000 farms in 1990, 360,000 farms in 1995, and 440,000 farms in 2000. They increased greatly in prefectures in Tohoku, Hokuriku, Northern Kanto, Kyushu, etc.

Leased farmland is concentrated in these large-scale farms. Their leasehold increased to 160,000 ha in 2000, or 2.8 times the 1990 level

of 60,000 ha, which translates into a leasehold share of 32%. The leased-farmland share is higher in Tohoku, Northern Kanto, Hokuriku, etc.

c) 47% of the farmland area of large-scale farms is leased farmland. This ratio of leased farmland is higher in areas from Southern Kanto to Sanyo (60% to 70% or more), and relatively low in Tohoku (34%) and Northern Kanto (47%).

Fig. 1 shows the relation of both ratios. The Y-axis shows the leasehold share of large-scale farms to all farms in local areas and the X-axis shows the ratio of leased land to farmland of large-scale farms. The ratio of leased land to farmland of large-scale farms becomes higher as these farms grow, and they have a larger share of leased farmland in local areas.

(3) Land on which cultivating has been abandoned and non-planted area is increasing

a) The area of cultivation-abandoned land belonging to farmers and non-farmers was 340,000 ha in 2000, an increase of 100,000 ha from 1995. There are two main features: the first is that cultivation-abandoned land owned by small-scale farmers and non-farmers increased especially, along with the rising percentages of farmers and non-farmers owning that land. 34% of non-farmers had land on which they had abandoned cultivation in 1980, but that figure had risen to 47% by 2000. In two farm-size classes, 0.1-0.3 ha and 0.3-0.5 ha, 11% of owners had land on which they had abandoned cultivation in 1980; by 2000, this figure had risen to 33% and 32% respectively. Secondly, abandonment of cultivation is increasing rapidly on paddy fields. The increase in area of uncultivated paddy fields was 30,000 ha from 1995 to 2000, while that of non-paddy fields was 20,000 ha.

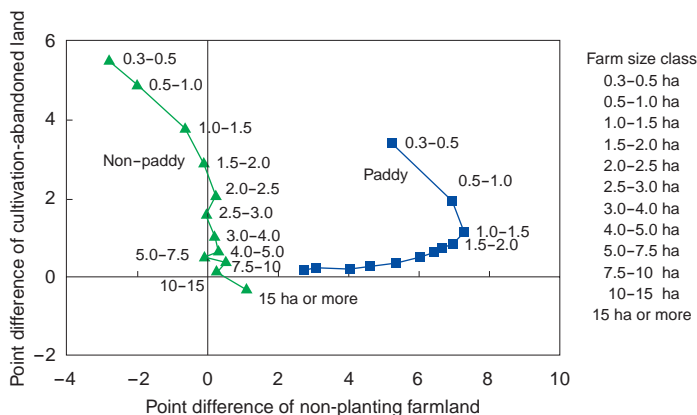


Fig. 2. Point Difference of Non-planting Farmland and Cultivation-abandoned Land (1995-2000)

b) Fig. 2 shows the relation between non-planted farmland and cultivation-abandoned land according to the farm-size class. The Y-axis shows the point difference of cultivation-abandoned land and the X-axis shows that of non-planted farmland ratios between 95 and 2000, as the denominator of the ratios is the total area of managed farmland and cultivation-abandoned land. On paddy fields of medium- and small-scale farms, the ratio of non-planted farmland is large (the maximum is in the 1.0-1.5 ha class). This ratio declines, but the cultivation-abandoned land ratio rises in the small-scale class. On the other hand, in non-paddy fields, the cultivation-abandoned land ratio rises at the medium- and small-scale class, and the non-planted farmland ratio of the small-scale class is negative. It is clear that in 1.0-1.5 ha farms, there was an increase in non-planted paddy fields and no longer cultivated non-paddy fields. Further, small-scale farms have much non-planted farmland and abandoned cultivation in paddy fields, and have abandoned cultivation much more in non-paddy fields.

Characteristics of the Agricultural Laborforce

Tsutomu MATSUHISA

For this research, analysis was performed on the agricultural laborforce in the 2000 agricultural census.

A feature of the year 2000 was that the speed of decline in the laborforce decreased. Looking at the chief indicators of the agricultural laborforce in Japan – the Population Mainly Engaged in Farming and Core Persons Mainly Engaged in Farming – over the last 15 years (see Table 1), the rate of decrease was around 10% from 1985-1995, but between 1995-2000, the Population Mainly Engaged in Farming declined by 8 points, Core Persons Mainly Engaged in Farming by close to 2

Table 1. Trend of Agriculture Laborforce (Commercial Farm Household) (million,%)

	year	Farm household population 15 years and over	Population mainly engaged in farming	Core persons mainly engaged in farming
Number	1985	6,179	2,202	1,762
	1990	5,533	1,978	1,522
	1995	4,955	1,767	1,372
	2000	4,416	1,721	1,260
The rate of increase and decrease	85-90	▲10.5	▲10.2	▲13.6
	90-95	▲10.5	▲10.6	▲9.9
	95-00	▲10.9	▲2.6	▲8.2
Ratio of farm household population 15 years and over	1985		35.6	28.5
	1990		35.7	27.5
	1995		35.7	27.7
	2000		39.0	28.5

Source: The Census of Agriculture and Forestry.