HOW TO ENCOURAGE YOUNG GENERATION TO ENGAGE IN FARMING: KOREA’S CASE

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KOREAN AGRICULTURAL WORKFORCE
Declining Agricultural Workforce

Agricultural Workforce Percentage

Agricultural Value Added Percentage

Year:
1970: 26.6%
1975: 24.6%
1980: 14.4%
1985: 12.1%
1990: 8.0%
1995: 5.7%
2000: 4.3%
2005: 3.0%
2010: 2.4%

Value:
1970: 26.6%
1975: 24.6%
1980: 14.4%
1985: 12.1%
1990: 8.0%
1995: 5.7%
2000: 4.3%
2005: 3.0%
2010: 2.4%

Decline in agricultural workforce from 48.2% in 1970 to 6.3% in 2010.
Ageing Agricultural Workforce

The graph shows the percentage of the workforce in different age groups from 1970 to 2010. The age groups are divided into:
- 20.0% to 39.9% for those aged 30-39
- 40.0% to 59.9% for those aged 40-49
- 60.0% and above for those aged 50 and above

The percentage of the workforce in the 30-39 age group has decreased, while the percentage in the 50-59 age group has also decreased, indicating a ageing workforce.
Young Agricultural Workforce Scarcity

**Bar Chart: Less than 35 years % / 55 years and over %**

- **Denmark (2007):** 0.135
- **Germany (2007):** 0.257
- **France (2007):** 0.193
- **Italy (2007):** 0.043
- **Netherlands (2007):** 0.088
- **UK (2007):** 0.042
- **EU-27 (2007):** 0.107
- **US (2011):** 0.121
- **Korea (1990):** 0.186
- **Korea (2000):** 0.045
- **Korea (2007):** 0.008
- **Korea (2013):** 0.004
Stagnant Ag Labor Productivity Growth

Annual Average Growth Rate of Korean Agricultural Labor Productivity

unit: million won/persons

Change in Korean Labor Productivity in All Industries and Agriculture
POLICIES FOR YOUTH ENTRY INTO AGRICULTURAL WORKFORCE
Farm Successor Fostering Program

Background & Purpose
- Declining number of farmers & successors
- To foster New Ag workforce

Program Outline
- Target: New Farmers under 50 years old
- Support: Max 300,000 US $ (Loan)
- Quota: About 2,000 farmers / year
  (half for Ag School Graduates / half for Current Farmer under 10 year experience)
Outputs & Outcomes

- Over 130,000 Farmers Supported
  → About 90%, engaged in agriculture
  → 3 per each village,
  10% of Current Farmers

- Leaders of Ag Production & Rural Development
- Formed The Biggest Farmer Organization
  (Korean Advanced Farmers Federation: www.kaff.or.kr)
Purpose

- To foster elite members leading the development of agriculture & rural communities with International views

Program(1)

- Admission Priority: Farming Background / Agricultural High School Graduate

- Special Grant: Free Dormitory & Tuition, Special Exemption from Military Service, Priority for Farm Successor Fostering Program Selection

- Obligation: Farming for 6 years after graduation

For more Information: https://www.af.ac.kr/websh/english/
Program (2)

- Sandwich Education & Training System
  - 1st year: Basic education in the college (Education in basic subjects of culture and agriculture)
  - 2nd year: Experience in practical fields (Practical field training in advanced farms in Korea or abroad)
  - 3rd year: Comprehensive education in the college (Education based on problem-solving and farm planning)
Korea National Agricultural College (3)

Program(3)

- Entrance Quota: 300 students
- Department:
  Food Crops / Medicinal & Industrial Crops / Vegetable Crops / Fruit Tree / Floriculture / Forestry and Landscape Architecture / Beef & Dairy Science / Swine & Poultry Science / Horse Industry

Outputs & Outcomes

- 3,000 graduates since 2000
- 90.7% of the graduates working at farms
- Double or more over average farm income (Korean Farm Income: 30,000 US $)
Background & Purpose
- Declining employment of Ag schools and students
- To encourage more ag students to engage in Farming

Program
- Farm based Learning Experiences
- Advanced Farmers into School
- 10 ag high schools / 10 ag colleges → Support 200 thousand US $ each year
Special Program in Agricultural Schools

Outputs & Outcomes

- 2,000 Ag high Students, 1,000 Ag College Students Each year
- Enhanced Ag Job Awareness & Competencies (ag high students 25% up, ag college students 26.5% up)
3 PROBLEMS & ALTERNATIVE MEASURES
Less Preferred Farming Jobs

<table>
<thead>
<tr>
<th>Year</th>
<th>Public Who Agree to Have Their Children Engaged in Farming</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>63.1%</td>
</tr>
<tr>
<td>2007</td>
<td>45.7%</td>
</tr>
<tr>
<td>2009</td>
<td>43.4%</td>
</tr>
<tr>
<td>2010</td>
<td>40.9%</td>
</tr>
<tr>
<td>2012</td>
<td>28.9%</td>
</tr>
</tbody>
</table>
Problems

- Rising Retiring & Entering Age (Chae & Park 2012)

- Expected Retirement Age of Korean Farm:
  - Less than 70: 23.6%
  - 70~75: 26.3%
  - 75~80: 44.2%
  - 80 and over: 6.0%

- Farming Entry Age by Farming Experience Period:
  - Less than 5:
    - 5~10: 52.0
    - 10~15: 45.0
    - 15~20: 39.9
    - 20~25: 34.7
    - 25~30: 29.8
    - 30~35: 28.3
    - 35~40: 24.3
    - 40 and over: 20.3
Problems

Declining number of Agricultural Schools

Number of Agricultural High Schools in Korea
Problems

- **Agricultural Schools: Going out of Agriculture Trends**
  - Names & Contents Changes
  - Graduates’ Low Entry into Farming

<table>
<thead>
<tr>
<th>Year</th>
<th>Graduate</th>
<th>Higher Education</th>
<th>Employment</th>
<th>Farming</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>6,714</td>
<td>4,798 (71.5)</td>
<td>1,005 (15.0)</td>
<td>126 (1.9)</td>
</tr>
<tr>
<td>2010</td>
<td>7,305</td>
<td>5,447 (74.6)</td>
<td>1,305 (17.9)</td>
<td>63 (0.9)</td>
</tr>
<tr>
<td>2012</td>
<td>6,977</td>
<td>3,922 (56.2)</td>
<td>2,134 (30.6)</td>
<td>17 (0.2)</td>
</tr>
<tr>
<td>2014</td>
<td>7,123</td>
<td>2,739 (38.5)</td>
<td>2,615 (36.7)</td>
<td>44 (0.6)</td>
</tr>
<tr>
<td>Average</td>
<td>7,037</td>
<td>5,184 (73.7)</td>
<td>1,089 (15.5)</td>
<td>85 (1.2)</td>
</tr>
</tbody>
</table>
Activating Education About Agriculture

Returns to Investment in Human Capital Over the Life Cycle
Fostering Selective Agricultural Schools

**Provincial Agricultural School Development**

- 1 Ag high School & 1 Ag College / 1 Province
- Integrated Management
- Link Local Ag Workforce Demand
- Cooperation of Ag school with Local Ag Agencies
- Career Path from School to Work
Agricultural Corporations

- 11,747 Agricultural Corporations (2013), About 14% of Total Agricultural Production
- 80 Thousand Workers
- Share their Skill & Network with New Farmers
- Link Retiring Farmers’ Farm with New Farmers
Intermediary Body for Local Ag Workforce

Problem of Local Ag Workforce Management
- Lack of Interest & Professionality
- Lack of Consistency

Intermediary Body for Local Agricultural Workforce Development
- Local Farm Successor Fostering
- Seasonal Workforce Management
- Farm Connection: Elite (Old) & New
- School to Work Connection
Individual Development Account (IDA)

- New farmers’ Biggest Obstacle to Entry: Economic Capital including farmland, facilities, and operating funds
- To help these farmers of limited means through business and financial training and matched savings accounts
- In a matched savings account program, for every contribution the farmer makes, the government (through a local partner) ‘matches’ that amount, effectively doubling (or tripling) its value
Q & A

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