



Supporting New Entrants into Farming in Japan

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INTRODUCTION

One of the biggest issues of Japan's agriculture is the continuous reduction or decline in the number of farmers. Farmers in Japan have decreased rapidly and have been getting old. Japan's agricultural workforce has reduced from 3.9 million in 2000 to 1.8 million in 2018, halved in the last two decades. The average age of farmers was 66.7 in 2017. To maintain the vibrant and competitive agricultural sector, it is essential to encourage young people to engage in farming. One of the ways is to support new entrants into farming who have no farming background.

Young entrants to farming used to be almost confined to the successors of farmers, but young people who have no farming background have been more attracted to the farming and rural life. The number of such young entrants has increased. Japan's government has subsidized new entrants into farming since 2011, which pushed such young people. But there are a lot of problems for new entrants to start farming from scratch and to establish their farms.

This paper analyzes the trend and agendas of new entrants into farming and proposes the actions to be taken by agricultural cooperatives to support them in Japan.

Trends of newly started farmers in Japan

Table 1 shows the recent structure of people who newly started farming in Japan. There are about 60,000 people who start farming every year and almost 60% of them are farm successors who are 50 years old and above. Most of them have engaged in other businesses till their retirement age and they have come back to their family homes to succeed their old parents' farming activities.

But when you see the under-50 category, farm employers and new entrants, both are mostly people who have started their agricultural activity without farming background, account for half of the total amount. This shows that as for the younger generation, new entrants without agricultural background is not the minority group in Japan anymore.

Table 1. Number of people who newly started farming

(persons)

	Total			Farm successors			Farm employed (Full time)			New entrants		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
All age	65,030	60,150	55,670	51,020	46,040	41,520	10,430	10,680	10,520	3,570	3,440	3,640
50 and above	42,000	38,100	34,910	38,490	34,630	31,430	2,450	2,510	2,560	1,050	970	930
Under 50	23,030	22,050	20,760	12,530	11,410	10,090	7,980	8,170	7,960	2,520	2,470	2,710

Ministry of Agriculture, Forestry and Fisheries (2018) "Annual survey of people who newly started farming (2017)"

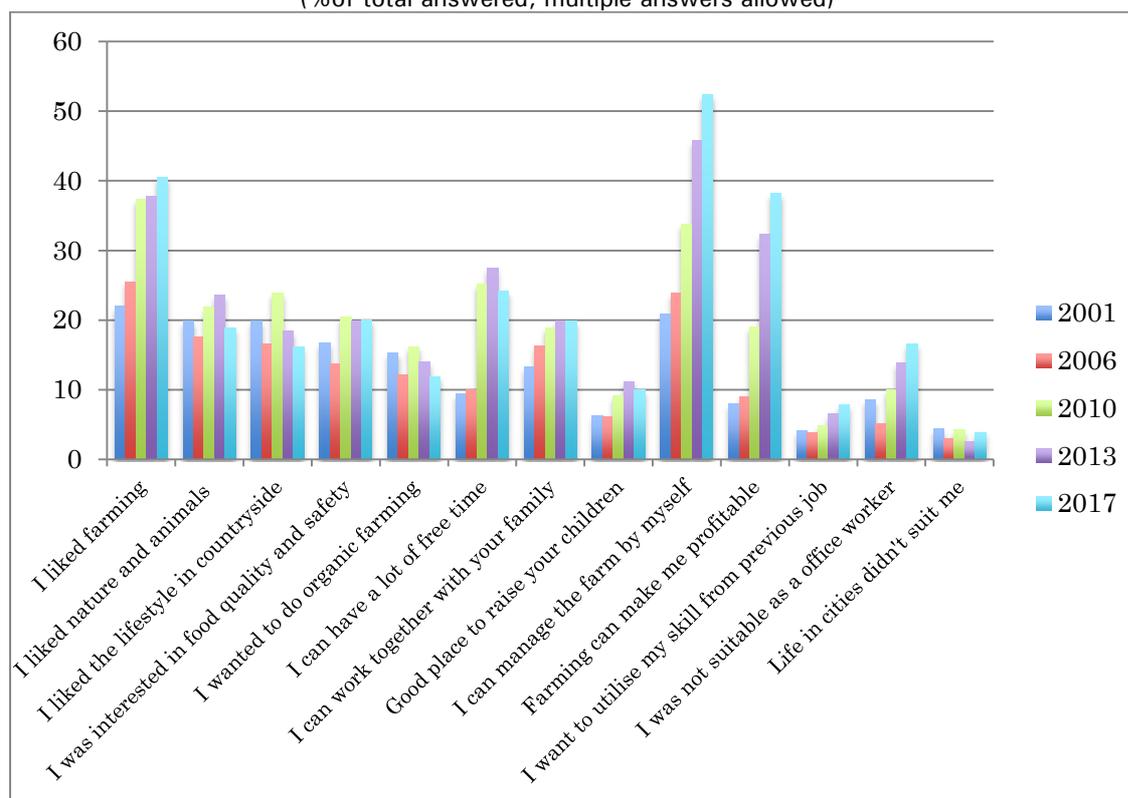
Actually farming is getting more attractive as an occupation among Japan's young people. They have no strong tie with rural areas, unlike their parents' generations. A lot of their parents' generations have some relatives doing farming or living in rural areas, but the young people have lost that tie. They don't have prejudice to become farmers, unlike their parents' generations, who tend to think that you can have a better life to work at cities than do farming in rural areas. This tendency is obvious when you see how many young people use consulting service offered by "Furusato Kaiki Shien Center"¹. The number of consultations has increased from 6,445 in 20¹⁴ to 33,165 in 2017. Most of them are in their 30s and 40s².

So what is the reason to start farming for new entrants? Fig. 1 shows the reasons to choose farming as their occupation by new entrants who have no farming background. The ratios of who answered "I can manage the farm by myself" "Farming can make me profitable" have increased rapidly over the years, while the ratios of those who answered "I wanted to do organic farming" or "I liked the lifestyle in countryside" have decreased. This result shows that more people have chosen farming as an attractive occupation rather than choosing farming for their thought/lifestyle.

¹ This is a non-profit organization that provides information and consultations to people who seek to live in countryside.

² Data offered by the Furusato Kaiki Shien Center.

Fig. 1. Reasons to start farming (new entrants without farming background)
(%of total answered, multiple answers allowed)



National Chamber of Agriculture (2017) “ Survey of new entrants into farming 2017”

Japan’s government has subsidized young new entrants into farming since 2011. “Benefit scheme for young entrants into farming” (revised and named “Investment fund for farming human resources” since 2017) was the subsidy to provide 1,500,000 Yen (≒13,250 US\$) per year to young new entrants without farming background³. This benefit was only for new entrant who started his own farm. There were other support schemes for farm employed young people. The subsidy was eligible to new entrants for two years during the training process to be a farmer and for five years after they started farming.

This governmental scheme has had a significant effect on the number of new entrants. Before the scheme started, about 1,000 people who were under 45 and had no farming background started farming every year. Since the scheme started, the number has increased by 2,500 as the Table 1 shows. The subsidy partly solved the problems of young entrants who had no income during their training and early years of farm management.

In some areas, public organizations, such as local governments, extension services and regional agricultural committees, have also supported young new entrants into farming with their own schemes. Both Mukawa town council in Hokkaido, and Minami-Aizu town council in Fukushima, for example, subsidize new entrant to build a green house. Both Takasaki-city council in Gunma and Kibichuo town council in Okayama have provided housing for new entrants.

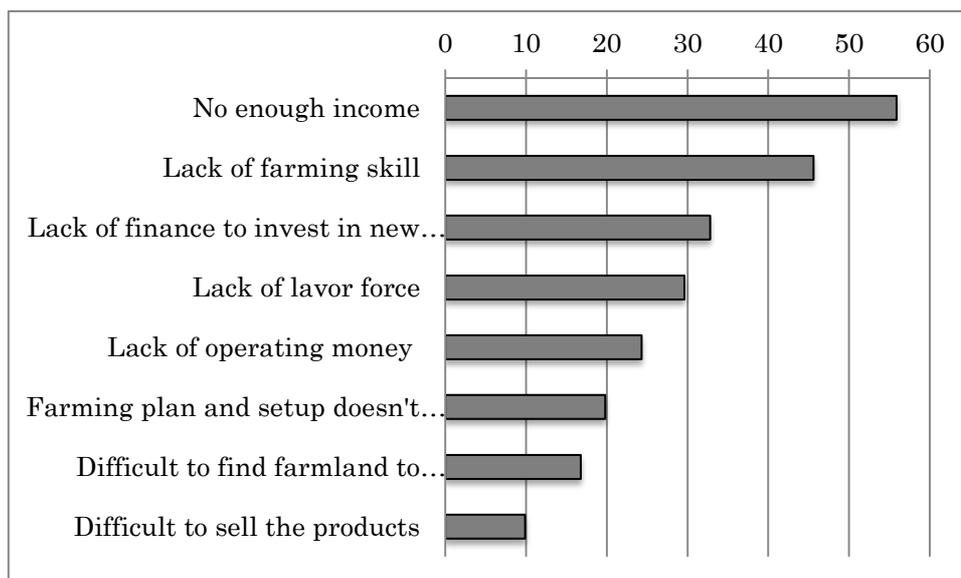
³The benefit is eligible for under 45 years old.

Problems for new entrants into farming and the expected role of agricultural cooperatives

Although the government and other bodies have supported and subsidized the new entrants, “Survey of new entrants into farming 2017⁴” has shown that only half of new entrants have managed to live on farming after five years since they started. The survey has shown that even after some years of farming experience, the new entrants have faced various problems in farming skills, finance, labor force, planning, business and farmland expansion and on sales of products (Fig. 2). Shortage of income has caused all of these problems and therefore it is necessary to maintain the support to new entrants not only immediately after they start farming but until their farms get going. Some survey says that it usually takes 10 years for new entrants to establish their management⁵.

Then who can support new entrants into farming for over 10 years on farming skills, finance, labor force, planning, farmland and business and on sales of products? The most suitable organization must be the agricultural cooperatives. Japan’s agricultural cooperatives (JA) covers every area in Japan and the feature of Japan’s JA is that JA sells farmers’ products as well as giving member farmers various services including farming skills, finance, farm insurance and agricultural materials. Moreover, new entrants who are supported by the local JA will be more welcomed by the local farmers who mostly are JA members.

Fig. 2 Problems of new entrants into farming
% of total answered, ³ answers allowed



National Chamber of Agriculture (2017) “Survey of new entrants into farming 2017”

But till now, not many JAs have positively involved in supporting new entrants. According to the survey by the JA-ZENCHU (Central Union of Agricultural Cooperatives), only 18.4% of new entrants was supported by JAs in 2017.

There are some cases where local JA has successfully supported new entrants. JA So-Kagoshima, for example, has supported new entrants for producing green peppers since 1996 and now, 70% of whole producers are new entrants without farming background. JA

⁴ National Chamber of Agriculture (2017) “Survey of new entrants into farming 2017”

⁵ Izumi(2018) “Supporting new entrants into farming in production areas” Tsukuba-shobo

has supported new entrants in finding farmlands to start farming and in giving advice on farming skills and their business plans. JA has sold green peppers to the market with a high price which made new entrants able to live on farming. The local government also has supported new entrants in giving them a two-year training course and has subsidized to build greenhouses. The new entrants have been keen to introduce new technologies such as IPM (Integrated Pest Management) and heat-pump system to warm the greenhouse, which made the area very advanced production area of green pepper. This case shows that if JA is involved in supporting new entrants, the possibility of success for new entrants is higher since JA can offer comprehensive support for them.

But a lot of JAs have not keenly supported new entrants since there is not enough staff (particularly farm advisory staff) and not much support from member farmers in supporting new entrants. Local farmers are not necessarily keen to accept new entrants because they are not accustomed to “outside people”.

JA’s further involvement in supporting new entrants is one of the ways to encourage more young people to settle in farming. Then how to let JAs start this project?

One of the ways is to give the information to JAs about the steps taken by other JAs who are successful in supporting new entrants. In this regard, JA-ZENCHU has held the annual study meeting on supporting new entrants since 2012. JA-ZENCHU also has published guidebooks for JA on supporting new entrants into farming.

The other way is to let local farmers draw up the “local farming plan” which foresees the 5-10 years future of the farming in the area. The plan should include the vision of “who will farm the area in the future?”. If the fact is found that there is not enough farmers in the area in 5-10 years time, the farmers will start to think about finding farmers for the future and one of the choices would be to accept new entrants from outside of the area. Realizing the future crisis of the farming in the area would motivate the local farmers to support new entrants and then they will let the local JA do it.

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