

Analysis of agriculture in hilly and mountainous areas

Census Analysis Team of the Project on the Structure of the Agricultural Industry and Rural Regions

Regional differences in the accumulation of farmland for business farmers have increased

The latest census reveals that while farmland accumulation for operators has proceeded apace, the extent of farmland accumulation in unfavorable hilly and mountainous areas differs from that in flat farmland areas. This is due to the deterioration of farmland, which has occurred alongside the shrinking and aging of the farming population in hilly and mountainous areas. Figure 1 plots the rate (level) of farmland accumulation by agricultural management entities above 10ha in 2020 and the increase points (accumulation trends) for the same accumulation rate between 2015 and 2020, separated by flat, hilly, and mountainous farming areas for each prefecture's regional block.

The chart indicates that farmland accumulation tends to be higher in regional blocks with high levels of accumulation for agricultural management entities of 10ha or more, while for many regional blocks, hilly and mountainous areas appear more to the bottom left of the chart when compared to flat farming areas. However, in the mountainous farming areas of Hokuriku, the rate of farmland accumulation at the level of 10ha or more has reached 40%, a 12-point increase in the accumulation rate over the last five years. The increase in the rate of farmland accumulation in the mountainous farming areas of Shikoku, where accumulation rates were below 10% even in 2020, has not exceeded three points, and there is a large difference in farmland accumulation for business farmers even within the same mountainous farming areas.

The rates of farmland accumulation in South Kanto and Okinawa are 10% and 22% respectively, and these rates have decreased by 17 and 19 points, respectively, over the last five years. These do not appear in the chart. Farmland accumulation for business farmers appears to have gone backward in the mountainous farming areas in both blocks.

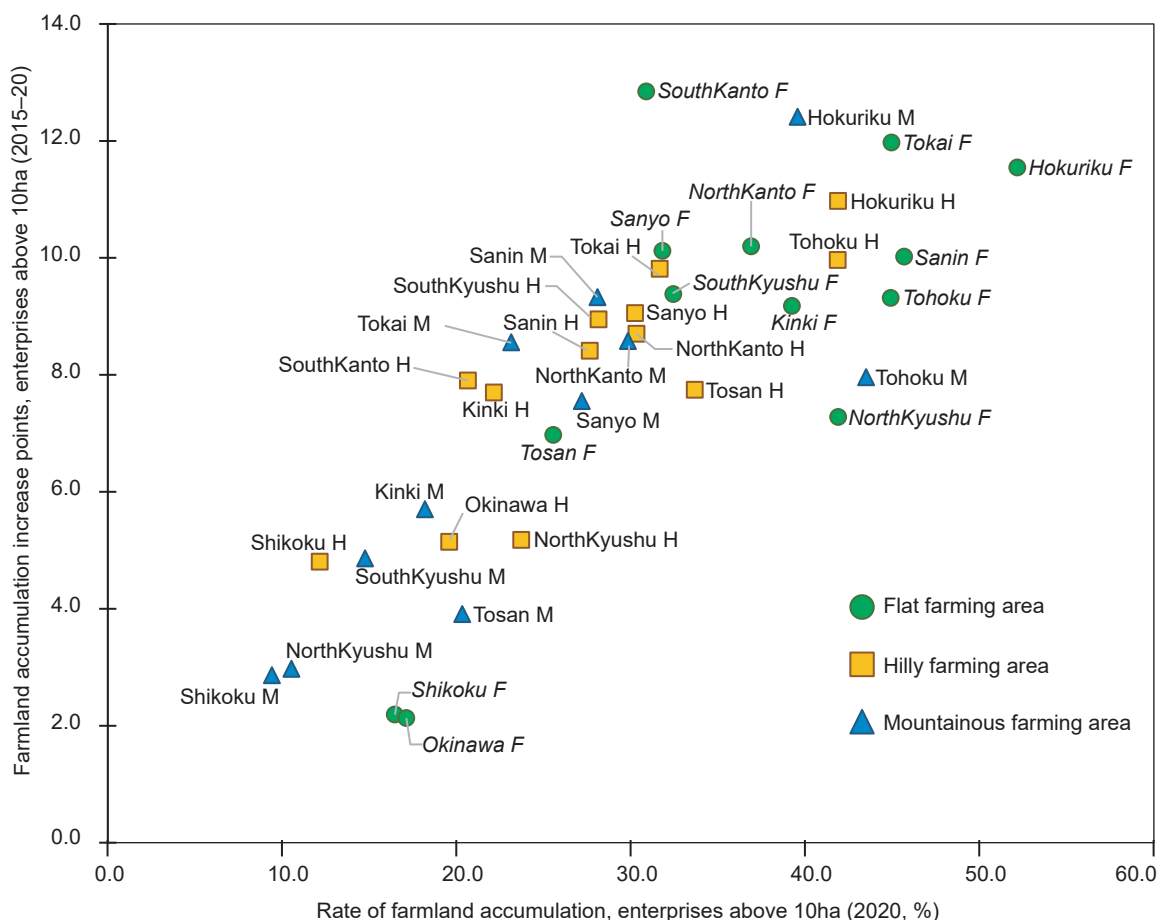


Figure 1. Trends in farmland accumulation rates by classification of agricultural area (Prefectures)

Source: Independently compiled by the author from the Census of Agriculture and Forestry survey data.

Note: Letters attached to the names of regional blocks indicate the following: F = Flat farming area, H= Hilly farming area, M = Mountainous farming area.

Succession in small-scale enterprises is serious

Looking at the proportion of enterprises that have determined arrangements for the succession of operations in the next five years for each classification of agricultural area (Figure 2), this proportion is higher among larger-scale enterprises across all area classifications, although this proportion is just under 60% even for enterprises managing 50ha or more.

Additionally, regarding hilly and mountainous areas, the proportion of enterprises with definitive succession plans is approximately 30% for 5–10ha sized enterprises, approximately 40% for 10–20ha sized enterprises, and approximately 50% for 20–30ha sized enterprises. At these sizes, the proportions of enterprises with successors in place are roughly equivalent to those seen in other classifications of agricultural areas. However, at the 30–50ha scale, this proportion drops below 50% within hilly farming areas only, suggesting the difficulty in securing successors for enterprises of this size.

Meanwhile, among agricultural enterprises with a small amount of cultivated land under management, a strikingly low proportion has secured successors, and not enough of them are able to arrange succession plans. In urban areas, where agricultural enterprises involve intensive work, such as vegetable cultivation, enterprises at every size below 5ha have a slightly higher proportion with successors in place. However, this proportion is approximately 25% in hilly and mountainous areas, meaning that approximately three-quarters of agricultural enterprises in these areas have no business succession plans in place.

As a large number of farmers leave agriculture in the future, more farmland will likely become available to regions. In hilly and mountainous areas with few workers to take them over, the smooth accumulation of these available farmlands will become an even more pressing concern.

(Analysis by SATO, Koichi)

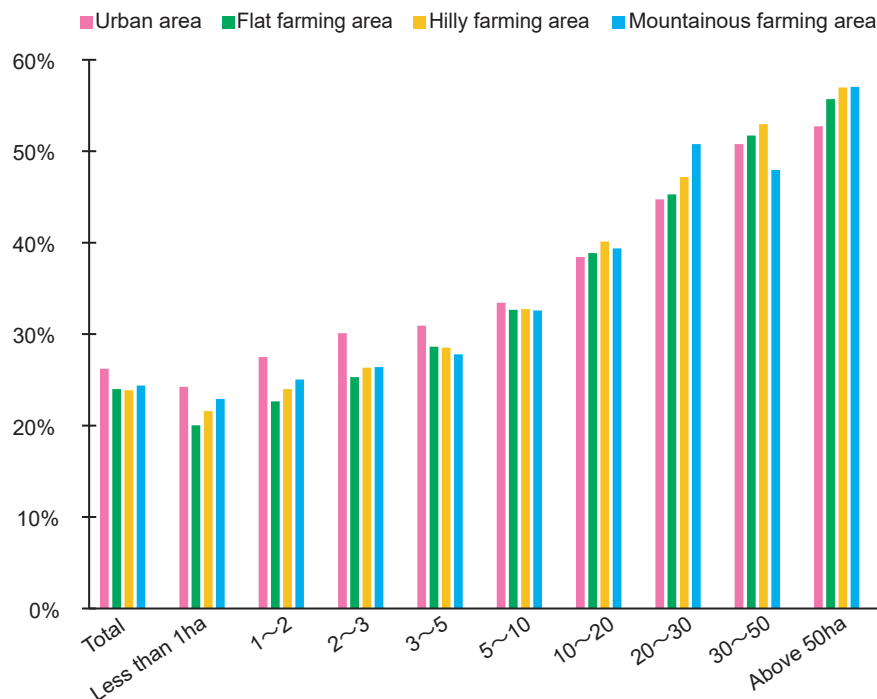


Figure 2. Proportion of agricultural enterprises with succession plans (Prefecture)

Source: Independently compiled by the author from the Census of Agriculture and Forestry survey data.