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For more information regarding agriculture economic and community development, visit the following resources on-line:

The Agriculture Economic and Community Development Clearinghouse  
www.nyagdev.net  
Cornell's Applied Economics and Management Department  
www.aem.cornell.edu  
Cornell's Community, Food, and Agriculture Program  
www.CFAP.org

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WHAT ARE REAL FARMS?

The centerpiece of the New York farm and food system is the commodities and services produced on New York farms. But today, because of changes in farming and shifting demographics, many New Yorkers do not have a working knowledge of the modern farm sector. The point of departure is the definition of a farm and distinctions drawn between “big” and “small” farms, “family” and “corporate” farms, “real” and “hobby” farms, and so on.

The official Federal definition counts farms as places producing farm commodities having a market value of $1,000 or more per year. This definition is very inclusive and extends to operations that generate little, if any, net cash receipts for the farm operator in any given year. The 2002 Census of Agriculture reported about 37,000 New York farms. The 2002 Census numbers are higher than previous years because the USDA made statistical adjustments that compensate for underenumeration. The 1997 Census reported about 32,000 farms.

Some observers infer that so many small farms suggests that the New York farm sector lacks economic vibrancy or that the sharpest policy focus should be on farms that produce commodities in large quantities. To the contrary, differences in farm size simply mirror forces at work throughout the wider economy. And the evidence clearly shows that both large and small farms are essential components of rural New York’s working landscape.

Operators of small farms are among an army of New Yorkers who operate a business on a small scale, are multiple job holders, or bring in household income from multiple sources. Federal statistics show that New York has more than 1.6 million business establishments – entities that report $1,000 or more in gross receipts each year; 70% of these entities are very small businesses operated by proprietors that have no payroll. Farm proprietors, similarly, often operate on a small scale, and about 28% of them have a payroll.

Dividing farms into classes based on the volume of sales and the proprietor’s age/employment shows that 16 percent of all New York farms are operated by individuals who are at retirement age – 65 years and up; these farmers account for a nearly proportionate share of total farm sales (19%) and farmland acreage (16%) — see box. Another 39% can be classified as residential/lifestyle farms. These farms are operated by individuals who report an off-farm job as their principal occupation. These farms generate a small share of crop and livestock production (8%) but own or lease a fifth of all New York farmland.

As with the nation as a whole, a very small percentage of all New York farms can be classified as nonfamily farms controlled by institutions, non-family corporations, or the estates of deceased persons. Some of these nonfamily farms generate substantial revenue but account for well under 5% of farmland acreage or market sales.

The remaining New York farms, numbering about 16,300 in 2002, are operated by family farmers who are not at retirement age and who report farming as their principal occupation. These farms account for 44% of all New York farms and nearly 75% of all market sales; these larger farmers control almost 60% of all farmland.

This diversity in agriculture means wide variation in farm size. But, New York’s very largest farms are increasingly influential in producing farm commodities. In 2002, just 1,082 farms, each with market sales over $500,000, accounted for about 50% of total sales statewide.

The 1997 Census reported that New York about 7.2 million acres of land in farms. Adjustments in 2002 to deal with for undercounts of farms boosted farmland to nearly 7.7 million acres or 25% of total land area.