

Chapter 1 Introduction

1.1 New Farmers in Agricultural Policy

The “Basic Law on Food, Agriculture and Rural Areas” enforced in 1999 stipulates the support for new farmers as follows.

[Article 25]

1. The State shall take necessary measures such as improving the technical and management skill of farmers, and encouraging recruitment of new farmers to acquire knowledge of agricultural technologies and management styles, in order to secure and foster a workforce to play a major role in effective and stable farm management.

2. The State shall take necessary measures such as the promotion of agricultural education so as to obtain a better understanding and interest of agriculture among the people.

The “Basic Plan for Food, Agriculture and rural areas” (enforcement plan for the policy to be revised about every five years) developed in March 2005 states:

[Fostering and Securing New Manpower]

In order to secure future independent and hired farmers in the future, promote engagement in agriculture and recruit from a wide range of human resource regardless of the style of the engagement or gender. Expansion of support including providing information and education is necessary to correspond to the trend that the style of engagement in agriculture diversifies as the number of employment of agricultural business entities increases.

For nurturing future farmers, agricultural education to obtain advanced knowledge and technologies pertaining to agricultural techniques and management at agricultural high schools and colleges is sought for.

Through the promotion of these measures, the nation aims to secure 120,000 new young farmers (under the age of 39) each year. Although young people newly engaged in agriculture turned to increase from the lowest of 4,300 in 1990 and reached 11,900 in 2000, the growth in recent years has been rather slow. In 2003 for instance, there were 11,900 new farmers, a little less than 12,000, the target.

On the other hand, there is an increase in the population of middle-aged (over the age of 40) new farmers, who used to be engaged in non-agricultural sectors, from 65,900 in 2000 to 68,300 in 2003.

Employment by an agricultural business entity is one of options to be engaged in agriculture for those who would like to enter this sector without management assets from non-agricultural sector.

Table 1.1 Trend of starting farmers

(Unit: 1,000)

Category	1985	1990	1995	1996	1997	1998	1999	2000	2001	2002	2003
New young farmers [<39 years]	20.5	4.3	7.6	8.5	9.7	11.1	11.9	11.6	11.7	11.9	11.9
Middle-aged [>40 years]	73.4	11.4	40.4	42.5	47.0	53.2	53.5	65.9	67.8	68.0	68.3
Total	93.9	15.7	48.0	51.0	56.7	64.3	65.4	77.5	79.5	79.9	80.2
Total ex-non agricultural workers	89.1	13.9	46.2	48.9	54.5	62.0	63.4	75.0	77.4	77.6	78.0

Source: “Survey on agricultural structure trend” and “Agricultural census”, Ministry of Agriculture, Forestry and Fisheries

1.2 Image of desirable farmer

1.2.1 Private Individuals

Skills necessary for crop production, from how to handle various types of agricultural machines, to the knowledge of physiology of target crops, as well as knowledge of pesticides and fertilizers come to the top of the list for essential capability required in agriculture.

In order to earn annual income of 5.3 million yen, which is the average income in other industries, the size of agricultural land necessary depends on the crop items, but in the case rice, wheat, soybeans are chosen as main crops, roughly more than 10ha of cultivated land is required. And if annual income of 5.3 million yen, equal to the average income in other industries, is to be earned by crop field agriculture in Hokkaido, roughly more than 25ha of land area is necessary. These figures are significantly larger compared to the current average cultivated land area per one agricultural management entity in Japan. This means significantly larger input (fertilizer/ pesticides/ agricultural machines) is necessary and significantly larger harvest can be expected. For one to be able to manage expense and income in such a large amount, he/she must have a high capability of planning and management.

There are many risks in agriculture including fluctuation of agricultural commodity price depending on the weather conditions of every year. If one cannot cope with those risks, he/ she will be forced to close the operation in the long term. Moreover, there are certain rise and fall in the popularity of the quality expected by the market, which can be regarded as not only crisis, but also opportunities. If one can adapt to such an opportunity successfully, it could turn into a source of high income with the same input of labor.

To start farming, certain investment is required in such items as agricultural land, agricultural machines, crop seeds, fertilizers and so on. Since there will be no income until the first harvest, and generally speaking, average annual income cannot be earned from the first harvest, it is desirable to have enough fund at hand for living cost of the first several years.

In other words, in order for an individual to start farming and be successful, he/ she must be both highly competent in management and skillful in agricultural expertise, in addition to having abundant financial backup.

1.2.2 Corporation (agricultural production corporation)

In the previous section, I mentioned that for an individual to be successful in agriculture, he/she must be both competent in management and skillful in agricultural work, in addition to having abundant financial resource. Although those are essential even for corporation, these personal qualities and financial resources can be shared in the case of corporation, where a number of individuals engage. That is to say, in a corporation, the managers can assume responsibilities for the area of management skill, including marketing, deciding policies for sowing crops based on the result of marketing, purchasing of necessary materials such as seeds, pesticides, fertilizers, etc. and sales of products, agricultural specialists can take responsibilities of agricultural skills needed for actual production of crops, and capital investors or financial institutions can assume responsibilities for financial resources (managers are responsible for explaining necessary for investment).

Since individuals with various ideas participate in a corporation, it will soon disintegrate when they face

difficulties unless certain centripetal force of the corporation is provided. The centripetal force may be the policies, philosophy, or brand image of the corporation. It can be referred to as the face of corporation or Corporate Identity. Naturally, incentives such as salary cannot be ignored as centripetal force of a corporation. At any rate, when a corporation is composed of competent individuals who came to join the corporation because they have sympathy with the philosophy of the corporation, the corporation where employees cooperate with each other would be more likely to overcome difficulties it may face in the future without being disintegrated, and eventually become successful.

Chapter 2 Framework to support new farmers

2.1 Consultation and information provision for applicants

2.1.1 Consultation window activities

For a smooth shift to agricultural sector, from both non-agricultural and agricultural sectors, national and local agricultural recruitment consultation centers provide agricultural training and information about fund while enlightening the engagement in the sector.

2.1.2 Holding New Farmers' Fair

Since 1997, joint recruitment fairs for new farmers have been held in metropolitan and other major cities. There have been 72 fairs held at 12 venues until 2005 and 705 people have been employed (including informal decision) until 2004. Seven fairs are planned to be held in 2006 and Ministry of Health, Labor and Welfare and Agricultural Recruitment Support Center will co-host "U-turn and I-turn Fair" in July.

2.1.3 Commencement of placement service (free-of-charge)

National agricultural recruitment consultation center has offered free placement service since May 1, 2003 while such services have been gradually started in the prefectural centers since August 1, 2004 for suitable combination between applicants and agricultural corporations.

2.1.4 Provide information through the cooperation with Hello Work (public job placement service)

Leaflets are distributed at Hello Work throughout the nation to let the applicants widely be notified of information about the supporting fund and preparatory school for new farmers

"Consultation window for farmer hopefuls" opened at Hello Work in Tokyo, Osaka and Aichi on November 15, 1999 to provide a variety of services with detailed information, career consultation as well as placement service for those who would like to be engaged in agriculture as a full time worker or a trainee in agriculture-related organizations.

As of July 1, 2003, every prefecture (47 prefectures) has "New Farmer's Support Center" (within Hello Work).

2.2 Agricultural training system

I mentioned earlier that in order for an individual to be successful in agriculture, he/she must be both competent in management and skillful in agricultural work, in addition to abundant financial resource. As far

as knowledge is concerned, it is possible for an individual to acquire it academically by reading books, or asking seniors for guidance whether it is knowledge concerning management or knowledge concerning agriculture. However, actual application of the knowledge requires certain experience other than academic knowledge. When this portion that needs to be acquired through certain experiences and the portion of above-mentioned academic knowledge are combined, it is called skill. As regards knowledge, it will be sufficient to learn it by following the progress of academia once one has learned it to the current level. As for the skill, it will be polished in actual practice. Thus, what is required of an individual before newly engaging in agricultural work is to enhance his/her knowledge to the current level. As places to equip people with such knowledge, many frameworks are prepared including agricultural high schools and agricultural colleges, etc. Efficient and stable agricultural management requires constant assiduity. To this end, there is a continuous education system through instructions by dissemination centers and Young Farmers Club activities (4H Club) (see Fig. 2.1). I will discuss the details of the activities.

2.2.1 Agricultural education system prior to the actual engagement

As places to learn management techniques, several kinds of places are available in accordance with the last education of the student. Candidate students with last education of junior high school can go to agricultural high school (3 years), where they can get graduation certificate of high school. As for farming hopefuls whose last education was high school or higher educational institution, they can go to either public agricultural colleges or private school for starting farming (2 – 4 years), if the hopefuls cannot be involved in focused study due to some reasons, they can use on-the-job training (OJT) or preparatory school for starting farming, where they can learn about agriculture during night time or weekends. In addition, there is also a way to learn certain technique by working as a staff member of agricultural production corporation. As for agricultural department in agricultural colleges, its ultimate purpose is a place to study agriculture as a science. So, even though it is not completely impossible to expect them to have some aspect of a place to learn some farming techniques, they are hardly considered effective when focus is placed on starting farming.

Official name of agricultural high school is “Agricultural science department of high school”. Of all high schools in Japan, 376 high schools have agricultural science department, of which 165 are single department high school, and remaining 211 high schools are general high school. Furthermore, ten high schools also have non-degree course for graduates, where students who finished three-year course of agricultural high school engage in further study for two years of agricultural technology. It is semi-junior college.

Basic Law on Food, Agriculture and Rural Areas (Article 25)

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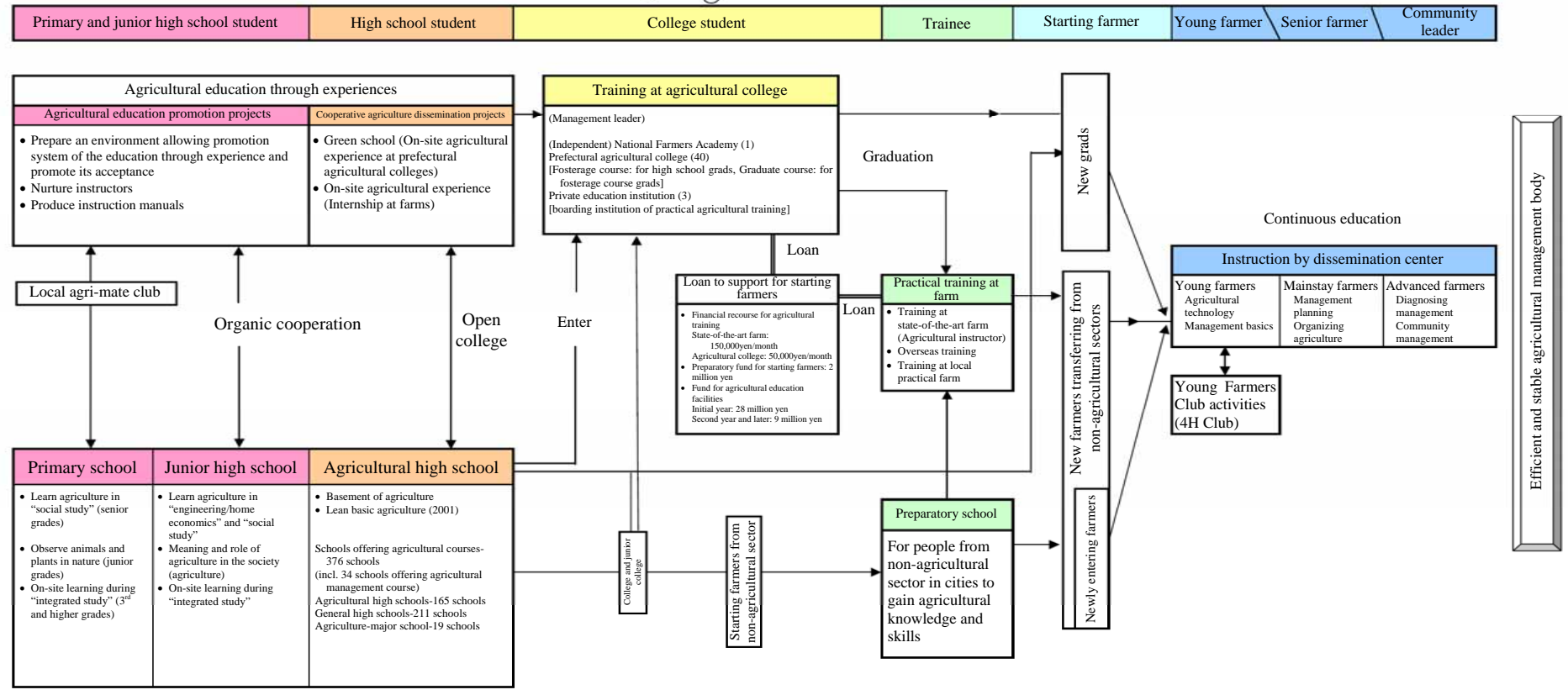


Fig. 2.1 Agricultural education system

Ministry of Agriculture, Forestry and Fisheries and Ministry of Education, Culture, Sports, Science and Technology signed upon the basic agreement of cooperation in December 1998 to promote support for agricultural colleges to provide high school students with agricultural experience (green school) and, seminars and activities by dissemination centers to actively stimulate young students' zest for agriculture. They carry out three activities from the view point to establish an integrated training education system from agricultural high schools to agricultural colleges as follows.

- 1) Career consultation for agricultural high school students planning to enter agricultural college by dissemination centers
- 2) Arrangement of subjects taking the continuity between high school and college into consideration and promotion of students' exchange
- 3) Expand the range of recommendation admission of agricultural colleges for better opportunities for highly motivated students

(1) Agricultural college

Agricultural college, requiring high school diploma or more, is established with the purpose of fostering management leaders and there are 49 prefectural agricultural colleges in the country. Although such colleges complete in two years, for those who would like to learn more, one-year post graduation course is available at 13 colleges.

National Farmers Academy, an independent administrative institution, in Tokyo was established to nurture active farmers with university degree or equivalent to become a leader in an agricultural community. It is a three-year course comprising classroom study, on-site training at domestic state-of-the-art management body and overseas training. However, they discontinue new admission after April 2007 and new National Farmers Academy in Tsukuba city, Ibaraki Pref. will replace it. This new two-year academy provides education through the cooperation with the city's agricultural research institute.

(2) Private educational institutions

There are three agricultural education institutions in Japan. All of them aim to foster practical farmers and leaders and provide education based on each tradition. Koibuchi College of Agriculture and Nutrition, established in November 1945, has two departments, Department of Agricultural Management and Chemical and Department of Life, Nutrition and Chemical, both of which are a four-year course (college graduate equivalent) for the students with high school degree. Japan College of Agricultural Practice, or Nihon Nogyo Jissen Gakuen, established in February 1927, has Management Department for male students and Life Department for female students. There is upper course (gaining a high school graduate equivalent degree) for junior-high grads, regular course (gaining a junior-college graduate equivalent degree) for high school grads and graduate course for junior college and college grads. Both colleges locate in Mito city, Ibaraki Pref. The last institution is Yatsugatake Central Academy of Practical Agriculture, or Yatsugatake Chuo Nogyo Jissen Daigakko, in Nagano Pref. with two-year course (gaining a junior-college graduate equivalent) for high school grads and one-year graduate course for junior college and college grads. These three institutions hold "Farm School", a boarding program of agricultural training for young

people (16 to 39 years old) who depend on part-time job, of which increasing population is becoming a serious problem in Japan. Training period at each institution is as follows: 3 months for Japan College of Agricultural Practice; 5 months for Yatsugatake Central Academy of Practical Agriculture and 6 months for Koibuchi College of Agriculture and Nutrition.

(3) Preparatory schools for starting farmers

Preparatory schools for starting farmers were first founded in 1996 in Kanto, Tokai, Kinki area and Nagano prefecture as places for mainly people in urban area who held jobs in industries other than agriculture to learn farming techniques and knowledge. The number of these preparatory schools for new farmers is increasing every year. In 2005 there are 12 classes held in 7 schools mainly in major cities in Japan. Since students are job holders in industry other than agriculture, the schedule is formulated so that they can come to classes during night time or weekends. There have been online courses available since 2006.

(4) Training-campus at production site

The OJT-trainings are held for students to practice agriculture. The length of training camp varies from those of one week to one month, mainly for experience's sake, to those of three to six months, or one or two years for the objective of learning full-scale agricultural technology. This is because of diversity of the entity that implements training camps (in many cases, the training destination), including agricultural colleges, advanced farmers, training farmland of municipalities, etc. Consequently, costs for these training-camps vary from those with only transportation costs and insurance expenses, to those for which students must pay actual cost of training. In some cases, students can receive assistance for the living cost, and after the training is finished, can receive placement of agricultural land and housing. So, it is necessary for each individual to seek out what is most suitable to his/ her own purpose and make selection from these training-camps. (Relevant information is available at national and prefectural Consultation Center for Starting Farmers.)

(5) Employment promotion of young farmers

As regards employment by agricultural production corporation, in addition to reference of employment bureau of Ministry of Health, Labor and Welfare, there is also a way to work at an agricultural production corporation as a temporary staff for several months by the reference of National Chamber of Agriculture/ New Farmers Consultation Center. When the contract period is finished, and if the both parties agree, it is possible for individuals to be hired by the corporation as regular employees. Such cooperation between Ministry of Health, Labor and Welfare and Ministry of Agriculture, Forestry and Fisheries is widely given through "Let's try agriculture and forestry" program as illustrated with Fig. 2.2. There are 63 agricultural corporations joining OJT program as of 2004.

2.2.2 Continuous education system

Once engaged in agriculture, continuous learning to catch up with the latest knowledge and technologies is essential. In order to support such efforts, there are several systems: Young Farmers Club,

voluntary activities; Agricultural Instructor System; Young Professional Farmer System; and Overseas Training for Young Farmers.

(1) Young Farmers Club

Young Farmers Club, born in United States as a methodology of social activities, is a learning group for young farmers introduced in Japan together with agricultural improvement dissemination project. It is sometimes called 4H Club since they have the following four Hs as goals.

- Refine hands helpful for improvement in agriculture and agricultural life
- Train head capable of scientific thinking
- Promote sincere and friendly hearth
- Promote healthy mind and body enabling happy and healthy work

Young Farmers Clubs, under the instruction of each local agricultural improvement dissemination center, have a variety of voluntary activities including study, facilitating friendship and social services. There are 700 clubs with 9,700 memberships nationwide. These clubs organize prefectural associations (32 associations as of 2004) and central liaison associations as their upper body. They hold mainly three events: National Young Farmers Interchange Rally; National Young Farmers Meeting; and Central Promotion Meeting (Executive Training).

National Young Farmers Interchange Rally is held in every August and is rotationally planned and hosted by local club. National Young Farmers Meeting (late in February to early in March) and Central Promotion Meeting (Executive Training) (June to July) is held every year in Tokyo.

(2) Agricultural Instructor and Young Professional Farmer Systems

Each prefecture has a system to recognize farmers who contribute to nurturing young farmers and promoting local agriculture as Agricultural Instructor and Young Professional Farmer. They need to satisfy the requirements set by Governor and are recognized by Governor.

A farmer having higher agricultural skills and management capability than the standard level and being actively involved in nurturing young farmers including accepting their training is recognized as Agricultural Instructor.

Young Professional Farmers, on the other hand, need to be under the age of 35 with the following qualification with: a certain extent of agricultural management knowledge and experiences; potential to be a future facilitator of the local agriculture through management practices; and capability to play a major role in group activities of young farmers.

As of March 2005, there are 10,472 Agricultural Instructors (incl. 1,258 females) and 9,380 Young Professional Farmers (incl. 186 females).

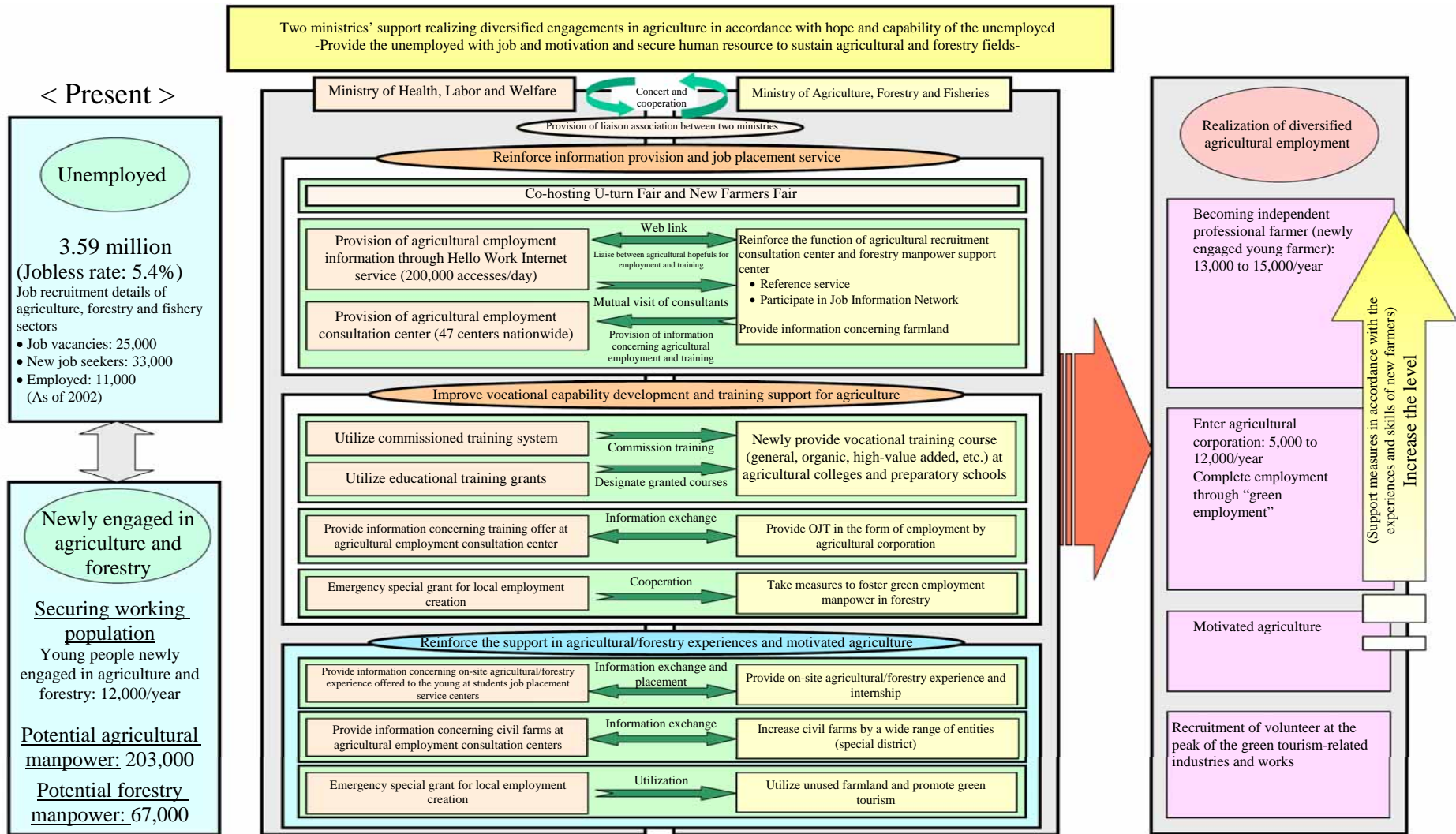


Fig. 2.2 "Let's try agriculture and forestry" program

(3) Overseas Training for Young Farmers

As a part of projects of Ministry of Agriculture, Forestry and Fisheries, young farmers are sent to foreign state-of-the-art agricultural management entities for a year or two to gain global view and wide range of knowledge and skills. Europe and the United States is the destination and 13,000 farmers have been sent so far. Since 2006 the program also has focused on fostering personnel, leading promotion of exporting agricultural produce.

2.3 Financial resource to start farming

New farmer support fund is interest free loans and can be roughly broken down into three categories: namely, (1) fund for training of new farmer; (2) Preparation fund for new farmer; (3) fund for facilities of new farmer. An authorized new farmer, who had submitted his/ her plan of starting farming and was approved the plan (in the case he/ she is 18 years old or older and younger than 55 years old as of the date of application, or up to 65 years old with special permission of the governor) is eligible to receive all three categories of loan mentioned in the above. Agricultural management entities (OJT host) that intend to employ new farmer hopefuls, and nurture them as leaders through training, etc. can also receive loans of (1) new farmer training fund, and (2) new farmer preparation fund, by submitting plans for starting farming to the prefectural government and receiving authorization. Two thirds of the fund is loaned by the nation to the lender without interest and the remaining one third is covered by each prefecture. See Table 2.1 for details.

Table 2.1 Content of New Farmer Support Fund

Section	(1) New farmer training fund	(2) New farmer preparation fund	(3) New farmer facility fund
Kinds of fund	Costs necessary for practical training to learn farming techniques and management methods (training conducted in training and educational facilities such as agricultural colleges, and at advanced farmers' in Japan and overseas, etc.) *Tuition fee, educational materials cost, Study excursion and training cost, living cost, cost of equipments for training, such as PC	Costs necessary for preparation to start farming such as research of location to start farming, moving of residence, acquisition of qualifications, etc. *Cost for moving residence (moving charge, deposits and key money for rent), cost for acquiring qualifications, cost of travel to study location to start farming, cost of living during travel, etc.	Costs necessary to install facilities and purchase machines, etc. in starting farm management, * Operating fund such as costs for purchasing machines, costs for installing facilities, costs for purchasing livestock, costs for various repairs and leases, costs for seeds and seedlings/ fertilizers, etc.
Value range of loan	Agricultural college, etc. ¥50,000 monthly Advanced farmer's ¥150,000 monthly Guidance & training ¥2 million (Youth only)	¥2 million	First FY to start management Youth: ¥28 million Middle aged or senior person: ¥18 million 2 nd - 5 th year ¥9 million Less than half of necessary fund
Lending entity	Prefectural Young Farmer Nurturing Center		Same as the left Financial institutions such as Agricultural Cooperatives
Subject of loan	Authorized farmers/ Authorized agricultural management body		Authorized farmer

Section	(1) New farmer training fund	(2) New farmer preparation fund	(3) New farmer facility fund
Redemption period (repayment grace period) In case of youth	Plain field: within 12 years, of which 4 years of grace period Region under unfavorable conditions: within 20 years, of which 9 year of grace period		within 12 years, of which 5 years of grace period
Redemption period (repayment grace period) In case of middle aged or senior person	Plain field: within 7 years, of which 2 years of grace period Region under unfavorable conditions: within 12 years, of which 5 year of grace period		*When receiving loan from financial institutions such as agricultural cooperatives, etc. it can be the subject of debt guarantee system of prefectural Agricultural Credit Fund Association

Source: Ministry of Agriculture, Forestry and Fisheries of Japan

Chapter 3 Conclusion

As Japan faces a serious problem of aging and shortage of successors in farming population, securing new farmers is an urgent task to guarantee future agriculture.

In the midst of global social economy, while fostering professional farmers who is competent and independent is necessary, it is required to secure the environment allowing farmers to lead a happy and meaningful agricultural life and prepare the system to accept new farmers from non-agricultural sectors and U-turn farmers retiring from non-agricultural sectors.

Further elaboration of supporting measures, corresponding to such diversified engagement in agriculture, is expected.

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