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AGRICULTURAL CENSUS 2010

Diversified agricultural and horticultural holdings

Finland has almost 20 000 diversified holdings

Diversified farming is most common near built-up areas

One third of those working in diversified activities are waged workers

The turnover of farm diversified activities is often small

The majority of diversified farms offer services

Contracting makes more use of farm machinery

Farm diversification activities include processing of wood and agricultural products

Of Finland's nearly 64 000 agricultural and horticultural holdings, around one third also engage in non-agricultural activities. Most diversified farms are found in or near urban areas, and in sparsely populated areas. They are less common in the rural heartland regions.

Diversification is most common on farms producing crops or specialised crops. It is most common in relative terms on horse farms. Many livestock farms have concentrated exclusively on livestock farming, with the number of diversified farms lowest in relative terms among dairy and pig farms.

Almost 90% of diversified farms use agricultural machinery, buildings, land and products in their non-farming activities. Around 40% of farms with other business activities have an annual turnover from those activities of less than EUR 10 000, which means that the diversified business is supplementary to farming. The most common non-farming activity is services. This is the most important non-farming activity in turnover terms for about 70% of diversified farms.



Finland has almost 20 000 diversified holdings

There are nearly 19 530 diversified farms in Finland; in other words, almost one third of all agricultural and horticultural holdings run some other business activity alongside farming, horticulture and forestry ([Table 1](#)). In some other countries, forestry is also classified as a diversification activity.

Business diversification has traditionally been popular among Finland's farms. Statistics on farm diversification activities have been collected systematically since the year 2000 as part of the farm structure survey. In that year there were 21 800 diversified farms, representing about 27% of all farms. Some 34% of farms were engaged in non-farming activities in 2005, but now that proportion has fallen to 31%. In 2000 the classification of diversification activities was slightly different from the one used now, which must be borne in mind when drawing comparisons.

- One third of farms are diversified holdings.





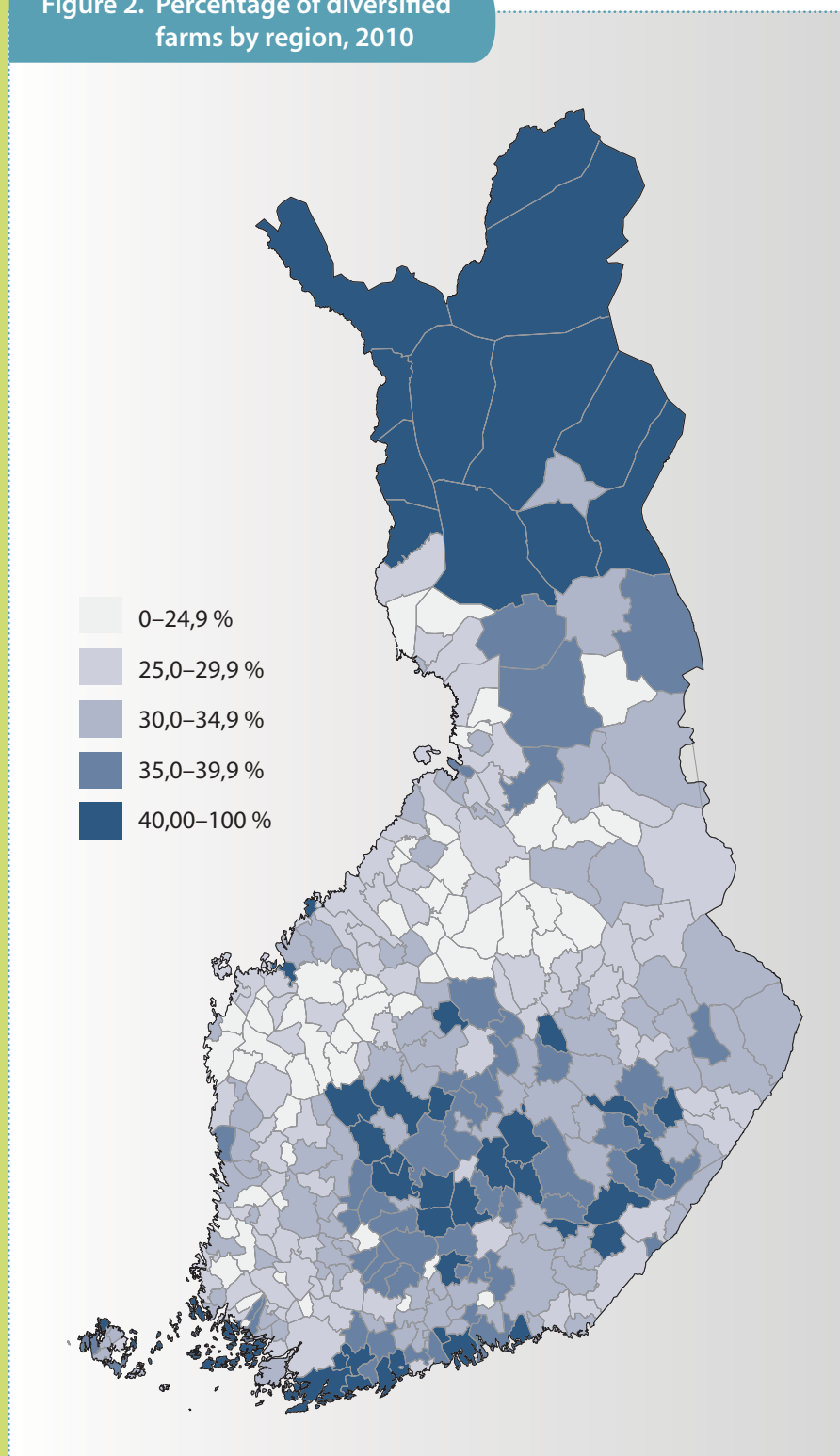
Table 1. Number of diversified farms, 2000-2010

Region (ELY Centre ¹⁾)	2000 ²⁾	2005 ²⁾	2007	2010
Uusimaa	1 710	1 907	1 793	1 577
South-West Finland	2 304	2 514	2 407	1 984
Satakunta	1 386	1 465	1 488	1 115
Häme	1 679	1 807	1 810	1 518
Pirkanmaa	1 742	2 010	1 850	1 559
South-East Finland	1 370	1 314	1 310	1 278
South-Savo	1 367	1 320	1 280	1 121
North-Savo	1 351	1 489	1 375	1 266
North-Karelia	966	990	961	821
Central Finland	1 314	1 494	1 415	1 189
South Ostrobothnia	2 188	2 596	2 444	1 815
Ostrobothnia	1 884	2 015	1 980	1 581
North-Ostrobothnia	1 472	1 837	1 624	1 485
Kainuu	358	402	403	316
Lapland	497	864	796	696
Åland	250	270	254	209
Whole country	21 838	24 294	23 190	19 530

¹⁾ Centre for Economic Development, Transport and the Environment.

²⁾ Figures for 2000 and 2005 do not include horticultural holdings that only have greenhouse production.

Figure 2. Percentage of diversified farms by region, 2010



Diversified farming is most common near built-up areas

The largest number of diversified farms in absolute terms is found in South-West Finland and South Ostrobothnia (Table 3). In each of these regions there are nearly two thousand diversified holdings. The statistics highlight the widening differences in rural regions. The proportion of diversified farms is greatest in and around towns, and in sparsely populated regions (Figure 2), whereas diversified farming is noticeably less common in the rural heartland areas.

Diversified farms make up the biggest proportion of total farms in Lapland and Uusimaa, where almost 40% of farms are diversified. Diversified farms represent the smallest proportion - around a quarter - of total farms in South Ostrobothnia and Ostrobothnia.

Increasing farm size and changes in farming structure have long been associated with the increasing specialisation of many livestock farms in livestock farming. Farms that produce crops and specialised crops are more likely to be diversified businesses. Relative to all



- South-West Finland has the largest absolute number of diversified farms.
- The largest proportion of diversified farms in relation to all farms is found in Lapland.

Table 3. Number of diversified farms, 2010

Region (ELY Centre)	All farms	Diversified farms	
		Farms with diversified activities	Farms whose diversified activities are related to farming activities ¹⁾
Uusimaa	4 127	1 577	1 403
South-West Finland	6 829	1 984	1 702
Satakunta	4 079	1 115	950
Häme	4 538	1 518	1 356
Pirkanmaa	4 699	1 559	1 385
South-East Finland	4 067	1 278	1 146
South Savo	3 081	1 121	993
North Savo	4 480	1 266	1 093
North Karelia	2 636	821	723
Central Finland	3 455	1 189	1 046
South Ostrobothnia	7 072	1 815	1 531
Ostrobothnia	5 951	1 581	1 368
North Ostrobothnia	5 411	1 485	1 270
Kainuu	1 066	316	270
Lapland	1 804	696	612
Åland	579	209	180
Whole country	63 874	19 530	17 028

¹⁾ Where agricultural/horticultural equipment, buildings, land or products are used in diversified activities.

Figure 4. Diversified farms as a proportion of total holdings, 2010

By production sector

By region

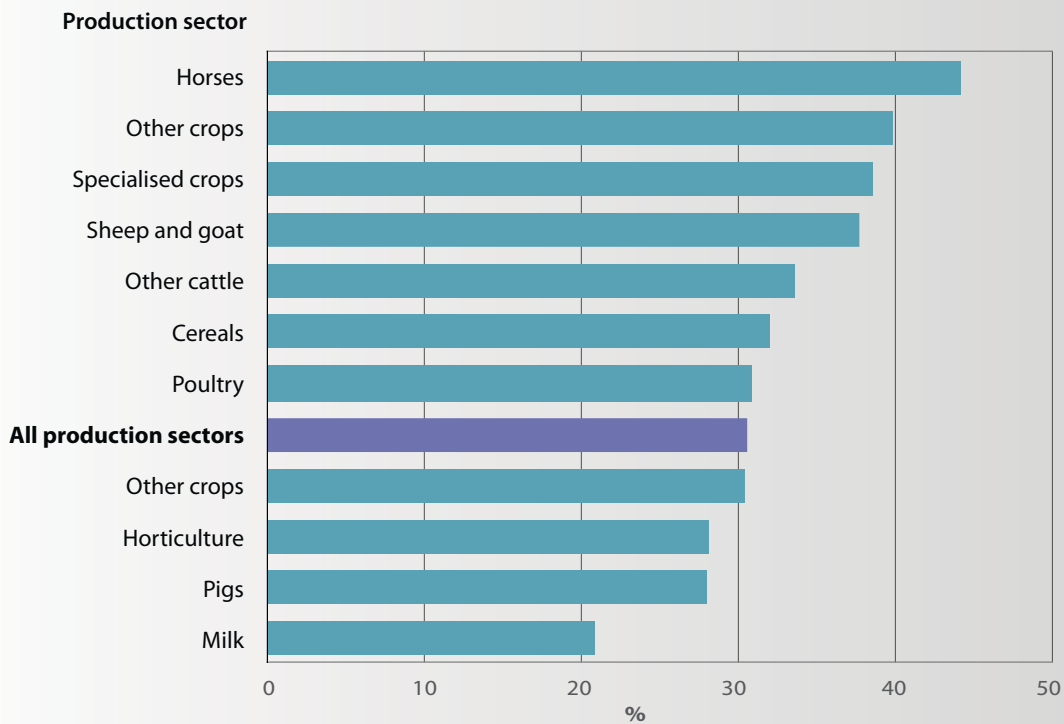


Table 5. Number of people engaged in diversified activities, 2005-2010

	2005	2007	2010 ¹⁾
Farmers on family holdings	19 718	19 141	14 723
Farmers' family members	9 775	9 371	5 919
Business partners	2 194	2 280	1 777
Family members of business partners	230	243	207
Waged workers	15 029	19 664	9 146
Total workforce	46 946	50 699	31 772

¹⁾ For farmers, business partners and family members: only work in diversified activities related to farming activities.

farms in a given production category, horse farms, farms that produce specialised crops and farms in the "Other" production category are the types that are most often diversified. The proportion of diversified farms is smallest among pig and dairy farms (**Figure 4**).

In absolute terms, farms in the cereals, other crops and dairy categories are the most likely to be diversified. Of 27 400 cereal farms, 8 800 are diversified. Farms in the poultry and "Other" production categories have the least diversification (**Table 3**).

Diversified activities tend to be closely linked to the farm's agricultural activities and resources. This means that a farm's resources are used in various spheres of activity. On as many as 87% of diversified holdings non-farming activities are related to the farm's agricultural or horticultural work, and the same machines, buildings, land and products are employed in these activities as in agricultural and horticultural production.



- Broken down by production sector, diversified activities are most common on horse farms as a proportion of all horse farms, and on crop farms in absolute terms.

One third of those working in diversified activities are waged workers

Farms' diversified activities are often quite smallscale, both in terms of person-years worked and of turnover. The share of turnover from diversified activities and the amount of work in such activities depends entirely on the individual farm. On some farms the role of agriculture is considerably greater in terms of turnover and labour input, while on others farming is not very important and other activities therefore more important.

Engagement in diversified activities was measured in a different way in the 2010 agricultural census than in previous reports (**Table 5**). Respondents were asked to state the amount of work done by farmers, business partners and family members in diversified activities relating to agriculture. The total number of farms reporting such work was 17 028. On these farms 22 600 farmers, business partners and family members are engaged in diversified activities (**Table 6**).



Table 6. Number of people engaged in diversified activities, 2010

By production sector

By region

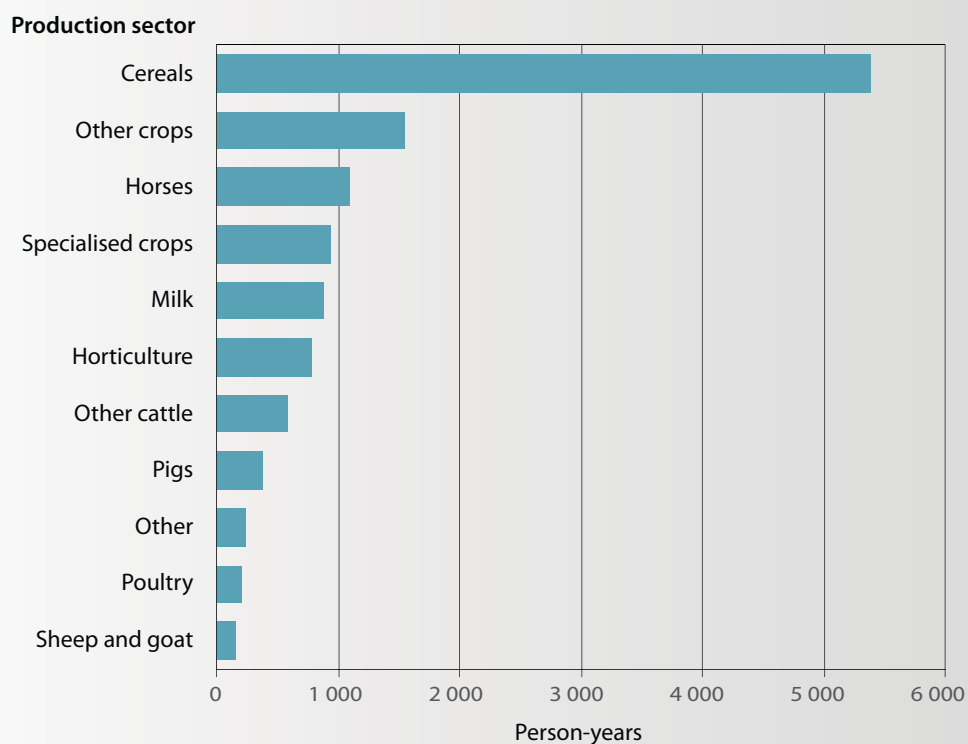
Production sector	Farmers on family holdings	Farmers' family members	Business partners	Family members of business partners	Waged workers	Total workforce
Milk	1 763	609	377	45	665	3 459
Other cattle	986	354	132	11	461	1 944
Pigs	422	161	61	3	315	962
Poultry	158	90	25	1	150	424
Sheep and goats	218	103	11	..	90	422
Horses	692	427	100	20	595	1 834
Cereals	6 735	2 486	688	81	3 748	13 738
Specialised crops	1 137	466	122	10	672	2 407
Horticulture	543	319	59	17	1 138	2 076
Other crops	1 878	767	172	16	1 103	3 936
Other	191	137	30	3	209	570
All production sectors	14 723	5 919	1 777	207	9 146	31 772

For farmers, business partners and family members: only work in diversified activities related to farming activities.

Figure 7. Annual amount of work performed in diversified activities, 2010

By production sector

By region



For farmers, business partners and family members: only work in diversified activities related to farming activities.

Altogether they work a total of around 7 400 person-years in diversified activities (**Table 8**), which amounts to 30% of all their work.

A total of around 9 100 external employees work in diversified activities on farms. Thus one third of those working in diversified activities are from outside the farm. Such work is often seasonal or part-time.

People employed from outside do about 4 800 person-years of work in diversified activities. This means that over one year waged employees work an average of just over half a person-year in diversified activities.



- 22 600 farm family members are engaged in farming-related diversified activities.
- 9 100 waged workers are employed in diversified activities.



Figure 8 . Annual amount of work performed in diversified activities by farming families, 2010

By production sector

By region

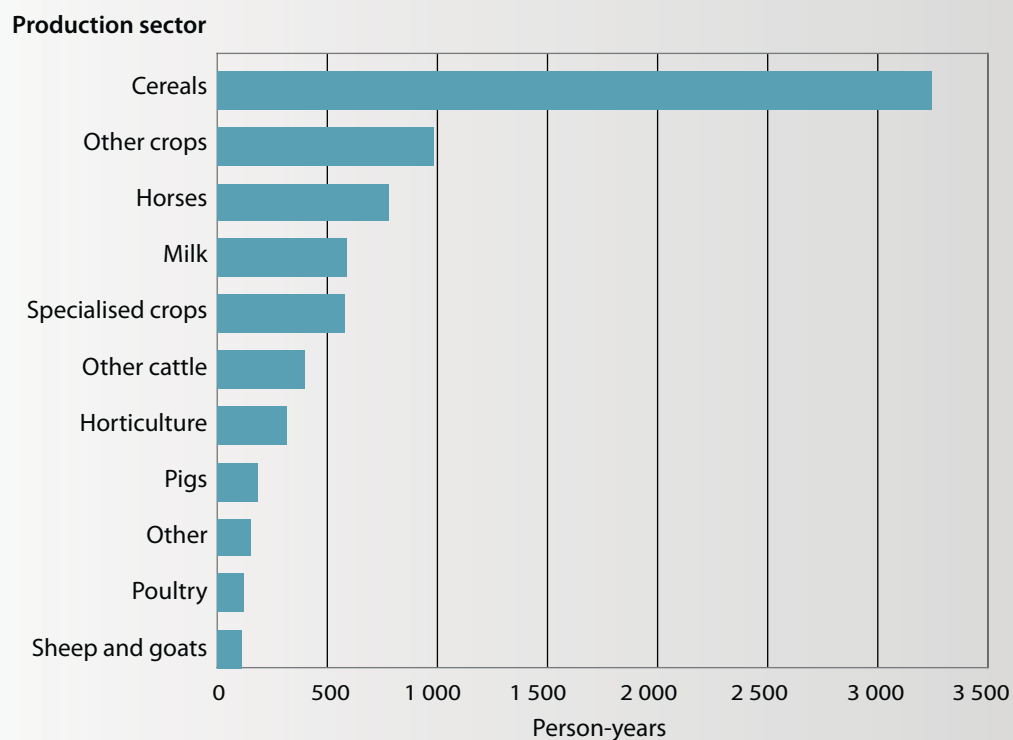
Production sector	Person-years in diversified activities	Annual amount of work per worker		Diversified activities as a proportion of total individual workload, %
		8-hour working days per person	Number of hours worked per person	
Milk	590	47	380	13
Other cattle	399	61	485	20
Pig	186	65	518	20
Poultry	116	95	760	30
Sheep and goat	110	74	596	26
Horses	775	141	1 126	47
Cereals	3 244	73	584	32
Special crops	578	75	599	31
Horticulture	318	76	610	31
Other crops	983	78	624	37
Other	147	92	733	47
All production sectors	7 445	74	592	29

Work done by family farmers and business partners, as well as their family members, in diversified activities related to farming activities.

Figure 9 . Annual amount of work performed in diversified activities by farming families, 2010

By production sector

By region



Work done by family farmers and business partners, as well as their family members, in diversified activities relating to the holding.

The turnover of farm diversified activities is often small

Around 40% of diversified farms have an annual turnover from diversified activities of less than EUR 10 000. These activities are thus often supplementary to agriculture. Some 35% of farms have an annual turnover from diversified activities of EUR 10 000 - 50 000; for 10% of farms this is EUR 50 000 - 100 000; and for 12% it is over EUR 100 000 (**Figure 10**).

Services account for the bulk of diversified activities at every level of turnover, but this share decreases as turnover rises. 77% of diversified farms declare a turnover from services of less than EUR 10 000, and 51% declare over EUR 200 000.

The share of manufacturing and retail activities grows as turnover increases. The share of retail activities is 4% at a turnover of below EUR 10 000 and 13% at a turnover of over EUR 200 000. The share of manufacturing is 14% at a turnover of below EUR 10 000 and 25% at a turnover of over EUR 200 000 (**Figure 11**).



- Around 40% of diversified farms have an annual turnover from diversified activities of less than EUR 10 000.

Figure 10 . Breakdown of diversified farms by turnover, 2010

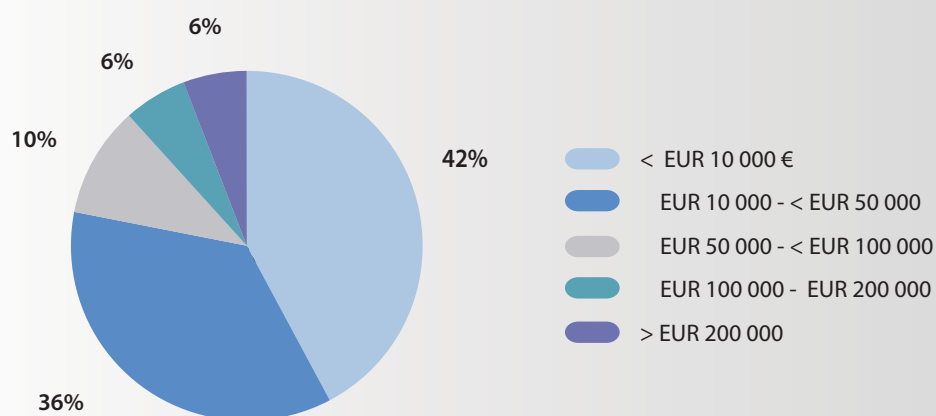
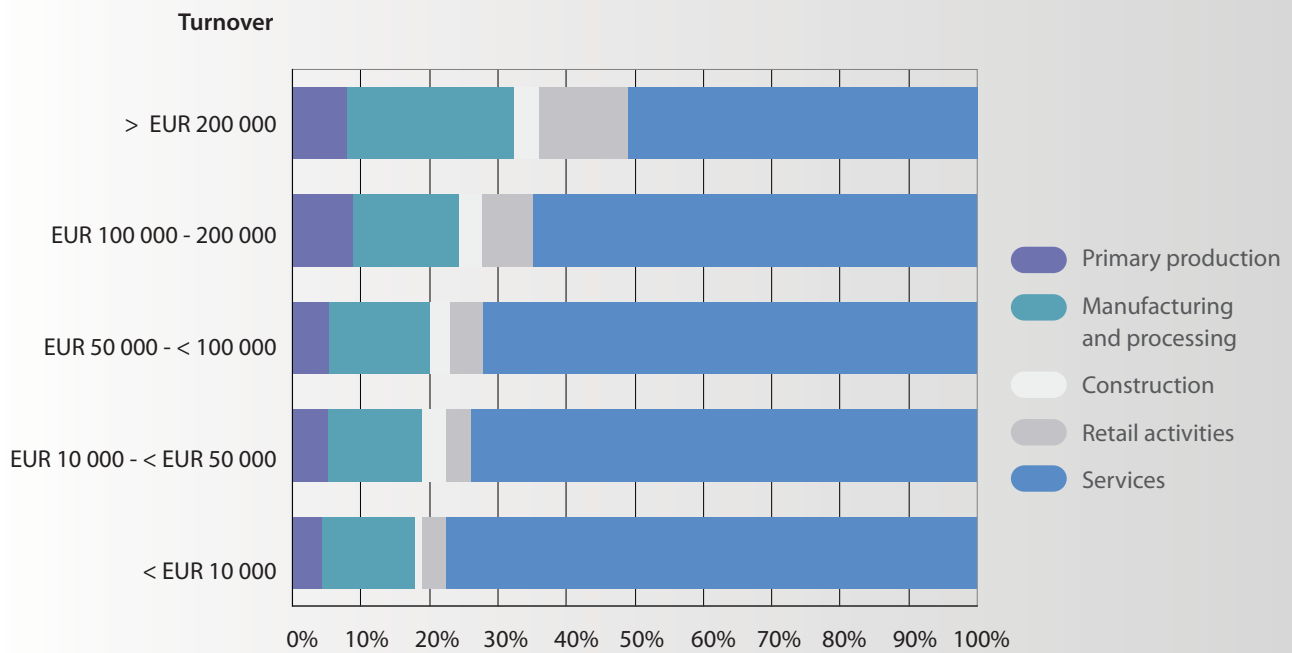


Figure 11. Turnover of diversified farms by type of diversified activity



The majority of diversified farms offer services

The structure of diversified farms' activities has changed over the past ten years. Slightly more farms now offer services, while the number with manufacturing activities has decreased. The number of farms producing other primary products has fallen by around half since 2005, which in part reflects the more general change that has taken place in these sectors (Table 12). Thus for instance the total number of farms involved in reindeer husbandry, fur farming and fishing has fallen significantly over the past ten years.

Some farms have several parallel activities, e.g. contracting and tourism. Around 70% of diversified farms declare services to be their most important diversified activity. About 14% are involved in manufacturing, while 5% produce primary commodities other than agricultural commodities, and 4% have retail activities (Table 12).



- Some farms have several parallel activities.

Table 12 . Number of diversified farms by type of diversified activity, 2000-2010

	2000	2005	2010
Primary production other than agriculture or forestry	744 ¹⁾	1 815	981
Manufacturing/processing	4 786	3 753	2 747
Food processing	1 065	684	479
Processing of other agricultural products	134	152	94
Timber processing	1 349	889	583
Retail handicrafts	274	277	155
Energy production	959	1 037	907
Other	1 005	714	529
Construction	..	881	438
Retail activities	1 056	1 298	850
Services	15 019	16 547	13 793
Tourism, accommodation and leisure activities	2 272	1 865	1 440
Contracting	8 880	10 013	8 896
Other services	3 867	4 669	3 457
Unclassified	233	-	721
All types of diversified activity	21 838	24 294	19 530

¹⁾ Excluding farms with reindeer husbandry.

Farms are allocated to activity types on the basis of their main activity in turnover terms.

Contracting makes more use of farm machinery



Services represent the main diversified activity of 13 800 farms. The most popular service activity is contracting, provided by 8 900 farms. Contracting covers the hiring out of agricultural and forestry machinery and services, bioenergy services, agricultural building services as well as snow-clearing and road maintenance. Agricultural machinery can be used for a variety of tasks, both agricultural and non-agricultural. Equipment is often needed only part-time for farm work. Contracting allows machines to be used off the farm, which increases the amount of economically productive time for both the farm's workforce and its agricultural equipment.

Around 1 400 diversified farms are involved in tourism. Other important service activities are riding and other horse-related services, transport services and services to business. Around 170 diversified farms are involved in the medical and care sector. For 120 of these farms, care was the main diversified activity.

Farm diversification activities include processing of wood and agricultural products



A quarter of all diversified farms, or 4 850 farms in total, have manufacturing and processing activities. Of these farms, 2 750 declare manufacturing and processing as their main production activity. The main types of activity in this category are energy production, food-processing and timber-processing. Manufacturing and processing is defined as the transformation of materials, substances and components into new products through a mechanical, chemical or biological process (Standard Industrial Classification, 2008). The main raw materials used in farm manufacturing and processing activities are wood and agricultural products produced on the holding.

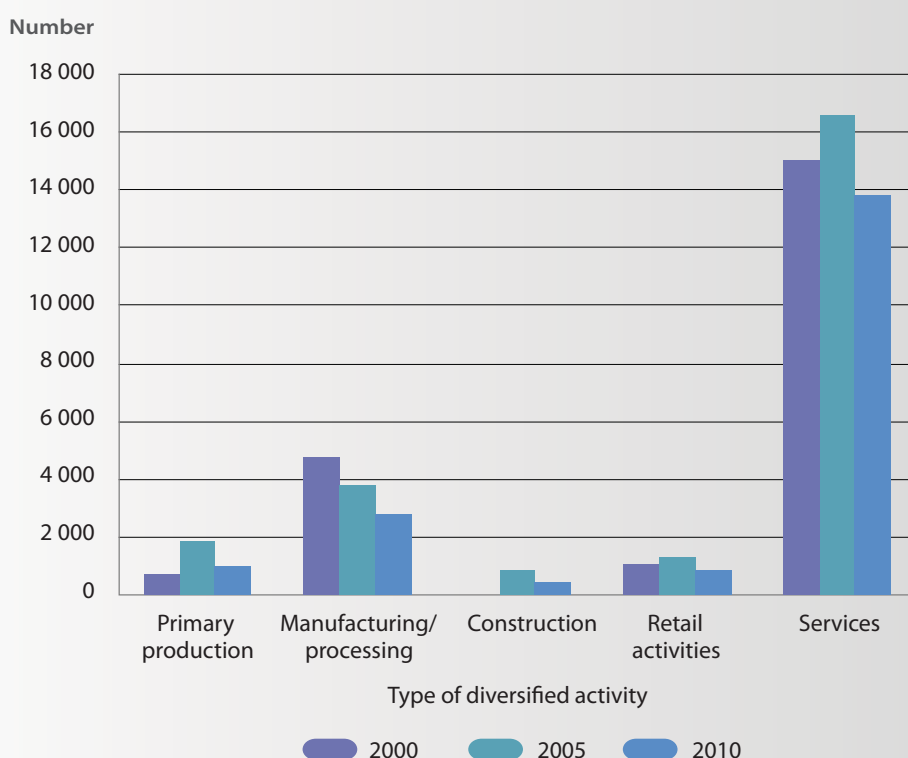
Decline in primary production and construction

Around 1 200 farms are involved in primary production; it is the main production activity for around 1 000 of holdings. The number of farms with primary production activities has fallen slightly since 2005. The main activities are reindeer husbandry and fur farming. Primary production is defined here as including fishing, fish and crayfish farming, fur farming, reindeer husbandry and other primary production activities that are not classified as agriculture, horticulture or forestry.

A total of 700 diversified farms have construction activities, and 400 of these declare this as their main production activity. The fact that the number of farms with construction activities has halved since 2005 is partly due to the recession at the end of the decade, which caused a decline in construction generally. Around 1 550 farms are involved in retail activities, with retailing as the main activity for around 850 of these.



Figure 13. Number of diversified farms by type of diversified activity



Farms are allocated to activity types on the basis of their main activity in turnover terms.
Construction was not included as a category of diversified activity in the 2000 census.

The agricultural census is a statistical survey carried out every ten years in which information is collected from all farms on their workforce, equipment and production methods.

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