



Rural Research brief

HOUSING ASSISTANCE COUNCIL

Rural Economies and Industry

Rural areas contain a diversity of occupations. Several industries are more heavily represented in rural and small town areas than in other parts of the U.S. including construction, manufacturing, and public administration, while employment in most rural industries is similar to the nation as a whole. For example, the largest rural employment sector – education, health, and social services – employs 21.9 percent of rural workers. Nationally, those fields employ a similar portion of workers, at 21.5 percent.

Throughout the past few decades, rural industries have been slowly transitioning towards a more service-based economy.ⁱ Rural workers are currently less likely to have occupations in natural resources industries, such as mining and farming, than they have in the past.ⁱⁱ In fact, the industries of agriculture, forestry, fishing, hunting, and mining only make up 5.5 percent of rural and small town jobs.

At the same time, nearly 60 percent of all workers in these industries are located in rural and small town communities.

An overall shift toward higher-skilled trades creates a cautiously optimistic economic portrait for the future of rural industries. However, certain demographic groups such as rural Hispanics, men, and younger workers have higher rates of low-skill employment in comparison to others.ⁱ

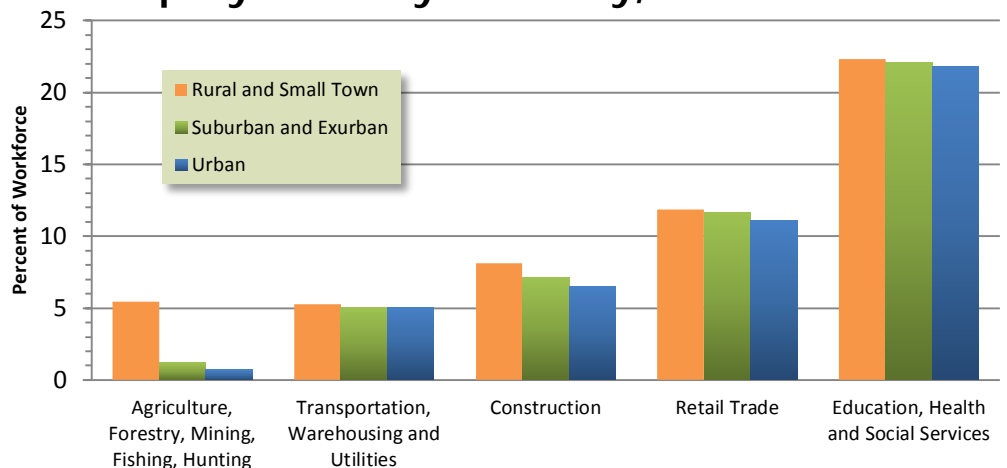
ABOUT THIS SERIES

Rural Economies and Industry is the seventh in a series of *Rural Research Briefs* presenting data and findings from the recently released 2010 Census and American Community Survey (ACS). This Research Note was prepared by Kevin Reza of the Housing Assistance Council.

The Housing Assistance Council (HAC) presents *Rural Research Briefs* to highlight various social, economic, and housing characteristics of rural Americans.

The *Rural Research Briefs* complement HAC's decennial *Taking Stock* report - a comprehensive assessment of rural America and its housing. Since the 1980s, HAC has presented *Taking Stock* every ten years following the release of Census data. The newest *Taking Stock* report was published in 2012.

Employment By Industry, 2010



Modern Agribusiness and Small Family Farming

The trend of consolidation in agricultural production and processing has continued in recent years. Large agribusinesses now dominate many aspects of the systems that move food from the farm to the plate. Not only

have these firms grown in terms of market share, but they have linked systems of production and processing to distribution and retail.ⁱⁱⁱ

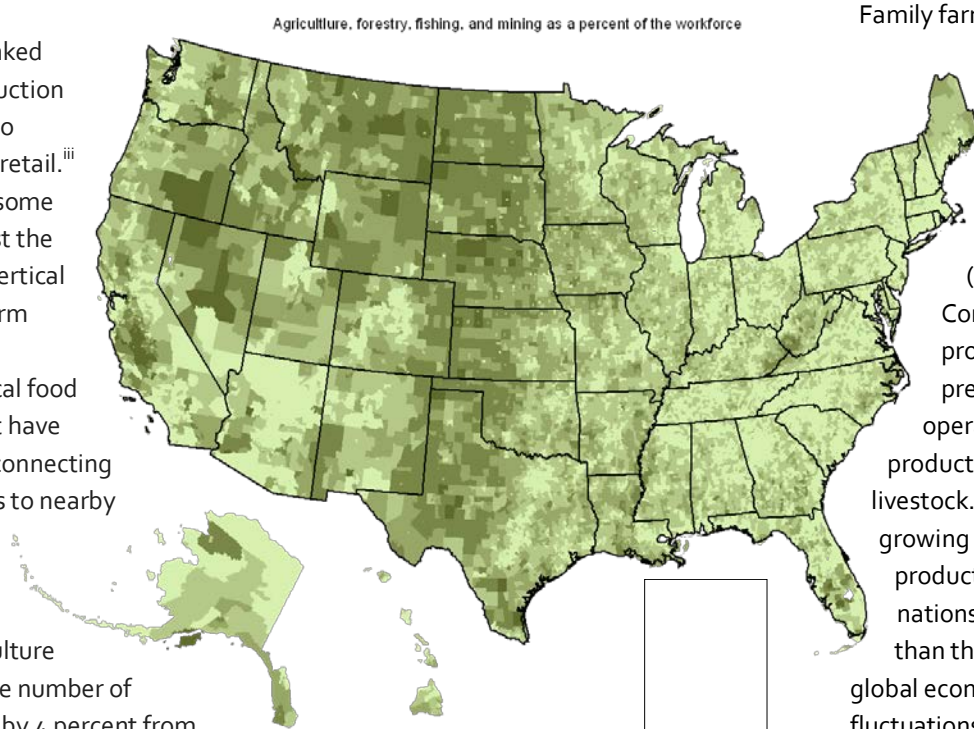
There has been some pushback against the horizontal and vertical integration of farm industries, as evidenced by local food movements that have succeeded in reconnecting some consumers to nearby farms and farmers. The most recent Census of Agriculture indicates that the number of U.S. farms grew by 4 percent from 2002 to 2007. This growth was largely comprised of small farm operations.^{iv}

While these trends are encouraging for small farmers, the movement has not been significant enough to offset the consolidation of market share seen in

industries like beef and pork packing, poultry production, flour milling, and food retailing. Over the past several decades, the percentage of total market share controlled by the top 4 firms (concentration ratio) in each of

markets consolidate, large farms have become the primary food producers in the United States.^{vi} The growth of small farms and the consolidation of larger farms have coincided with a sharp decline in the number of mid-sized farms.^{iv}

Agriculture, Forestry, Fishing, and Mining, 2010



HAC Tabulations of 2006 - 2010 American Community Survey

Family farms that have survived to present day are subject to global and national markets when procuring their inputs (seed, fertilizer, etc.) and when selling their products (crops, animals, etc.).

Competition from international producers places additional pressure on small farm operations, especially in the production of commodity crops and livestock.^{vii} This is largely due to the growing availability of quality products from less developed nations that rely on cheaper labor than the United States. In addition, global economic trends that can create fluctuations in the value of the US dollar further destabilize the ability of family farmers to meet their own needs.^{viii} One of the primary causes of economic hardships faced by family farms is the razor thin profit margins that have been ushered in by agricultural globalization and industrialization.

these industries has increased substantially. For example, pork packing's concentration ratio increased from 37% in 1987 to 66% in 2007.^v As

Growth in the number of small farms and consolidation of larger farms has coincided with a sharp decline in the number of mid-sized farms in the United States.



FAST FACTS

58.1%

Percentage of the nation's agriculture, forestry, fishing, and mining workers in Rural and Small Town areas.

6 Million

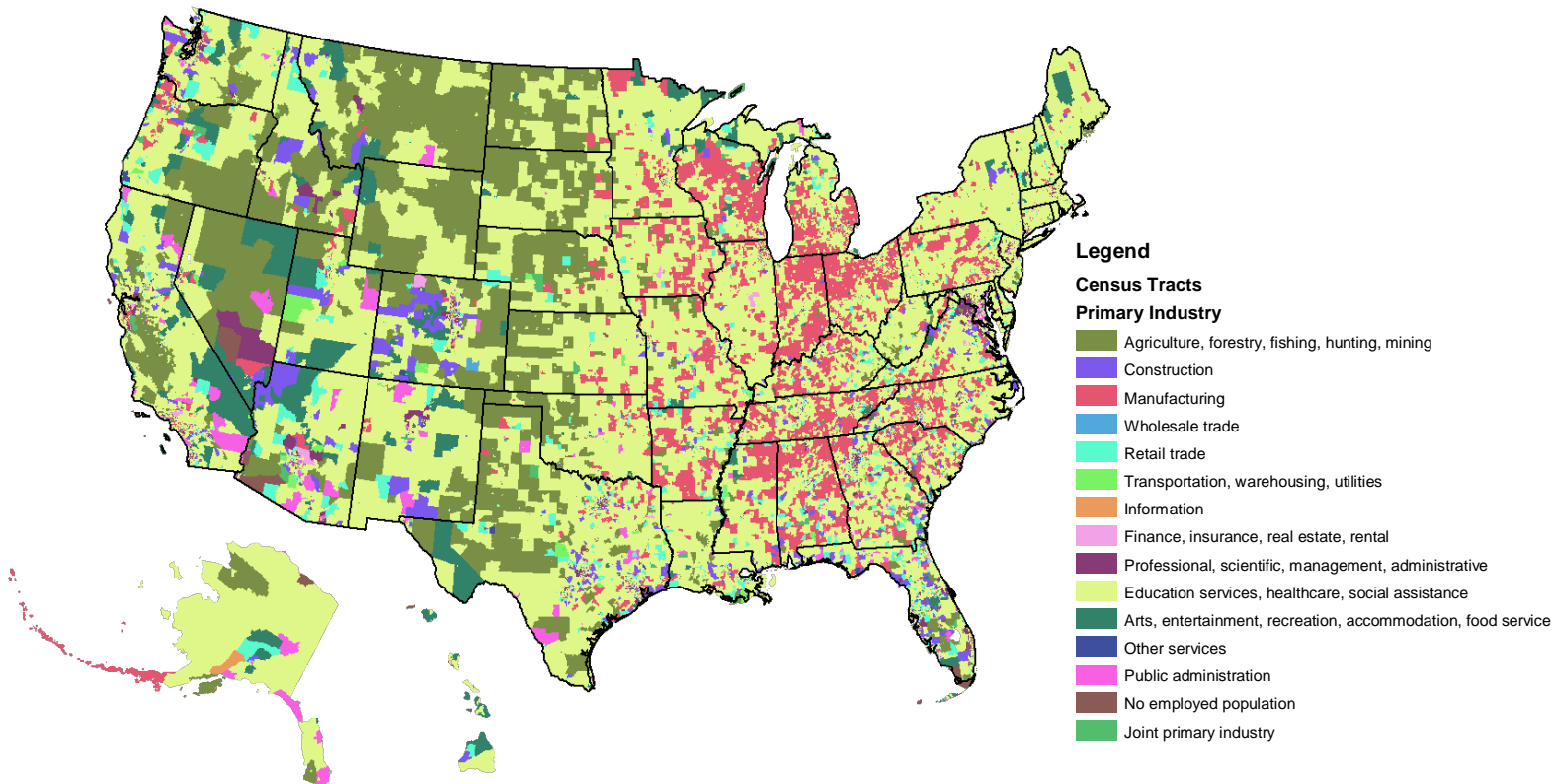
Education, health, and social service workers in Rural and Small Town America.

13.8%

Manufacturing jobs as a percentage of Rural and Small Town employment.

Primary Industry, 2010

Industry with the largest number of employees by Census tract



ECONOMIC CHARACTERISTICS BY LOCATION, 2010

Source: HAC tabulations of the U.S. Census Bureau's American Community Survey 2006-2010

Economic Characteristic	Rural and Small Town		Suburban and Exurban		Urban		Total	
	Number	%	Number	%	Number	%	Number	%
Civilian Employed Population 16 and Older	27,758,965		68,945,706		45,128,660		141,833,331	
OCCUPATION								
Management, Business, Science and Arts Services	7,923,480	28.5	26,395,090	38.3	15,716,008	34.8	50,034,578	35.3
Sales and Office Occupations	6,391,546	23.0	18,014,778	26.1	11,593,794	25.7	36,000,118	25.4
Natural Resources, Construction, and Maintenance	3,721,053	13.4	6,350,569	9.2	3,868,651	8.6	13,940,273	9.8
Production, Transportation, and Material Moving	4,702,291	16.9	7,694,689	11.2	5,180,367	11.5	17,577,347	12.4
CLASS OF WORKER								
Private Wage and Salary Workers	20,656,595	74.4	54,422,632	78.9	36,224,706	80.3	111,303,933	78.5
Private Government Workers	4,706,466	17.0	10,159,725	14.7	6,158,074	13.6	21,024,265	14.8
Self-Employed Workers in Own Not Incorporated Business	2,317,266	8.3	4,247,406	6.2	2,686,117	6.0	9,250,789	6.5
Unpaid Family Worker	78,638	0.3	115,943	0.2	59,763	0.1	254,344	0.2
INDUSTRY								
Agriculture, Forestry, Fishing, Hunting, and Mining	1,531,607	5.5	808,958	1.2	293,623	0.7	2,634,188	1.9
Construction	2,243,924	8.1	4,919,732	7.1	2,952,229	6.5	10,115,885	7.1
Manufacturing	3,834,440	13.8	7,721,656	11.2	4,025,053	8.9	15,581,149	11.0
Wholesale Trade	710,651	2.6	2,285,609	3.3	1,348,483	3.0	4,344,743	3.1
Retail Trade	3,294,915	11.9	7,968,641	11.6	5,029,966	11.1	16,293,522	11.5
Transportation and Warehousing, and Utilities	1,461,635	5.3	3,454,201	5.0	2,268,071	5.0	7,183,907	5.1
Information	416,978	1.5	1,642,834	2.4	1,308,864	2.9	3,368,676	2.4
Finance, Insurance, Real Estate, and Rental and Leasing	1,252,721	4.5	5,261,158	7.6	3,418,021	7.6	9,931,900	7.0
Professional, Scientific, Management, Administrative, and Water Management Services	1,727,281	6.2	7,478,086	10.8	5,566,955	12.3	14,772,322	10.4
Education, Health and Social Services	6,194,977	22.3	15,233,412	22.1	9,849,153	21.8	31,277,542	22.1
Arts, Entertainment, Recreation, Accommodation and Food Services	2,313,512	8.3	5,540,802	8.0	4,711,914	10.4	12,566,228	8.9
Other Services (Except Public Administration)	1,295,909	4.7	3,233,220	4.7	2,370,094	5.3	6,899,223	4.9
Public Administration	1,480,415	5.3	3,397,397	4.9	1,986,234	4.4	6,864,046	4.8

ABOUT THE DATA

Unless otherwise noted, all data presented in this Research Brief are based on HAC tabulations of the Census Bureau's 2006-2010 American Community Survey (ACS)

For more information on this Research Brief contact the Housing Assistance Council

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RURAL AND SMALL TOWN INDUSTRY CHARACTERISTICS BY STATE, 2010

Source: HAC tabulations of the U.S. Census Bureau's American Community Survey 2006-2010

State	Percent in Workforce					
	Agriculture, Forestry, Fishing, Hunting and Mining	Construction	Manufacturing	Wholesale Trade	Retail Trade	Transportation and Warehousing, and Utilities
Alabama	3.6	8.7	19.2	2.8	12.1	6.1
Alaska	6.7	8.6	7.4	1.7	10.9	7.4
Arizona	4.3	9.2	5.8	2.1	12.5	5.7
Arkansas	5.5	7.5	17.9	2.3	12.3	6.1
California	10.6	8.1	6.9	2.9	11.1	4.8
Colorado	6.8	12.8	4.9	2.1	11.5	5.1
Connecticut	1.1	7.2	11.4	2.9	12.6	3.3
Delaware	2.5	10.8	9.3	2.3	14.9	4.0
Florida	6.3	10.8	6.1	2.4	12.3	5.3
Georgia	3.6	8.9	16.0	2.9	11.8	5.9
Hawaii	3.4	10.1	2.6	2.2	12.5	4.7
Idaho	10.3	9.5	9.9	2.3	11.8	5.3
Illinois	4.6	6.8	14.8	3.0	11.9	6.2
Indiana	3.3	6.7	26.2	2.4	10.9	5.1
Iowa	6.9	6.9	17.9	3.4	11.4	5.2
Kansas	7.2	6.8	13.7	2.6	11.2	5.2
Kentucky	5.3	7.5	16.0	2.4	12.1	5.4
Louisiana	8.2	8.9	10.1	2.6	12.1	5.7
Maine	3.7	8.6	10.8	2.1	13.6	4.0
Maryland	2.4	9.6	7.1	2.5	10.6	4.9
Massachusetts	1.5	8.1	8.9	1.7	11.0	3.6
Michigan	3.4	6.6	16.4	2.2	12.4	4.1
Minnesota	6.0	7.5	15.9	2.8	11.4	4.5
Mississippi	4.1	7.7	16.3	2.8	12.0	5.4
Missouri	4.6	8.3	14.9	2.4	12.9	5.6
Montana	9.2	9.6	5.1	2.4	11.2	5.1
Nebraska	9.7	6.7	13.4	3.1	12.1	6.9
Nevada	10.8	9.2	4.9	1.9	9.5	5.1
New Hampshire	1.3	8.6	11.8	2.8	13.4	3.2
New Jersey	4.2	7.7	9.1	3.7	11.2	5.3
New Mexico	7.7	8.5	4.4	1.7	11.6	5.2
New York	2.9	7.3	12.4	2.2	12.1	4.4
North Carolina	3.1	9.2	16.6	2.5	11.9	4.3
North Dakota	14.4	7.1	7.8	3.2	10.7	5.5
Ohio	2.7	6.5	21.6	2.5	11.4	5.6
Oklahoma	7.9	7.5	11.2	2.8	11.5	5.5
Oregon	6.8	8.0	11.2	2.5	12.8	4.8
Pennsylvania	3.1	7.4	16.3	2.6	12.6	5.8
Rhode Island	0.8	7.3	11.6	1.7	12.9	1.3
South Carolina	2.1	7.9	17.4	2.3	12.0	5.0
South Dakota	10.9	6.4	10.3	2.6	11.0	4.2
Tennessee	2.5	8.5	19.6	2.4	12.2	5.8
Texas	8.1	9.0	10.2	2.7	11.5	5.7
Utah	7.1	9.2	8.9	2.2	12.3	5.9
Vermont	3.2	8.8	10.8	2.6	11.7	3.8
Virginia	3.5	8.8	14.1	2.4	12.3	5.2
Washington	9.4	8.0	8.7	2.7	10.9	5.3
West Virginia	7.7	7.9	8.9	2.2	12.4	6.0
Wisconsin	5.2	7.2	20.7	2.6	11.9	4.8
Wyoming	14.4	9.2	4.9	2.0	10.8	6.4

RURAL AND SMALL TOWN INDUSTRY CHARACTERISTICS BY STATE, 2010 (Continued)

Source: HAC tabulations of the U.S. Census Bureau's American Community Survey 2006-2010

State	Information	Percent in Workforce					Other
		Finance, Insurance, Real Estate, Rental and Leasing	Professional, Scientific, Mgmt., Administrative, etc.	Education, Health, and Social Service	Arts, Entertainment, Recreation, Accommodation, etc.		
Alabama	1.3	4.3	6.0	19.3	6.7	4.8	
Alaska	1.7	3.2	6.0	22.6	7.5	4.2	
Arizona	1.6	4.9	7.3	20.7	12.2	4.4	
Arkansas	1.4	4.0	5.2	21.8	7.0	4.7	
California	1.4	4.7	8.0	19.5	10.0	4.7	
Colorado	1.7	6.0	8.3	17.6	12.7	5.0	
Connecticut	1.7	5.5	8.2	29.3	9.1	4.1	
Delaware	1.4	6.3	7.5	20.4	10.0	5.4	
Florida	1.4	5.3	8.3	19.2	9.5	4.8	
Georgia	1.4	4.4	6.0	21.0	7.3	4.8	
Hawaii	1.4	6.0	9.3	17.7	20.2	4.3	
Idaho	1.4	4.2	7.1	20.8	8.2	4.2	
Illinois	1.8	5.1	5.5	23.6	7.4	4.8	
Indiana	1.4	3.7	4.8	20.0	7.5	4.5	
Iowa	1.8	5.0	5.0	22.7	6.3	4.5	
Kansas	1.7	4.5	5.2	25.4	7.0	4.4	
Kentucky	1.6	3.9	5.9	23.2	6.9	4.8	
Louisiana	1.2	4.4	5.8	22.6	7.3	5.2	
Maine	1.8	4.6	7.2	25.7	8.1	4.9	
Maryland	1.9	4.9	10.2	21.5	9.6	4.8	
Massachusetts	2.7	5.2	8.5	31.4	9.5	4.3	
Michigan	1.5	4.5	5.8	23.2	10.2	5.0	
Minnesota	1.7	4.5	5.3	24.5	7.8	4.3	
Mississippi	1.3	4.1	5.1	23.7	7.6	5.0	
Missouri	1.5	4.5	5.2	22.4	7.9	4.6	
Montana	1.7	5.3	7.7	21.7	9.7	4.6	
Nebraska	1.4	4.9	4.7	22.0	6.5	4.6	
Nevada	1.5	5.0	7.8	14.7	18.9	3.8	
New Hampshire	1.8	5.5	7.8	26.5	9.0	4.1	
New Jersey	1.6	4.4	8.3	23.8	7.7	3.8	
New Mexico	1.5	4.2	8.4	24.1	9.9	4.5	
New York	1.7	4.2	6.1	27.4	8.6	4.5	
North Carolina	1.2	4.3	6.2	22.5	8.2	4.8	
North Dakota	1.6	4.6	5.0	23.4	7.3	4.2	
Ohio	1.5	4.0	5.7	22.9	7.7	4.5	
Oklahoma	1.3	4.6	5.6	22.6	8.4	4.9	
Oregon	1.7	4.8	7.1	20.2	9.6	4.8	
Pennsylvania	1.5	4.0	6.0	23.8	7.6	4.8	
Rhode Island	1.4	7.5	6.6	22.7	18.0	2.4	
South Carolina	1.1	4.9	7.4	21.4	8.8	4.8	
South Dakota	1.6	5.7	4.8	23.4	8.8	4.4	
Tennessee	1.3	4.5	6.2	20.1	7.6	4.8	
Texas	1.3	4.6	6.1	22.4	7.4	5.2	
Utah	1.9	4.6	7.6	19.2	10.1	4.1	
Vermont	1.8	4.5	8.0	26.3	8.8	4.7	
Virginia	1.6	4.4	7.1	21.8	7.3	4.8	
Washington	1.6	4.1	6.7	22.7	9.1	4.3	
West Virginia	1.5	3.7	6.3	24.9	8.1	4.5	
Wisconsin	1.5	4.7	5.2	20.2	8.5	3.9	
Wyoming	1.5	3.9	6.4	21.4	9.9	4.1	

The Housing Assistance Council

The Housing Assistance Council (HAC) is a national nonprofit organization that supports affordable housing efforts in rural areas of the United States.

HAC provides technical housing services, seed money loans from a revolving fund, housing program and policy assistance, and research and information services. HAC is an equal opportunity lender.

HAC Rural Research brief

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NOTES

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