



Barriers to new entrants to farming: A Northern Ireland perspective

EAAP Conference-Succession Planning for European
Livestock Farmers

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Outline

- New entrants to farming-context and issues
- Objectives of study
- Methodology
- Results
- Conclusions and policy implications



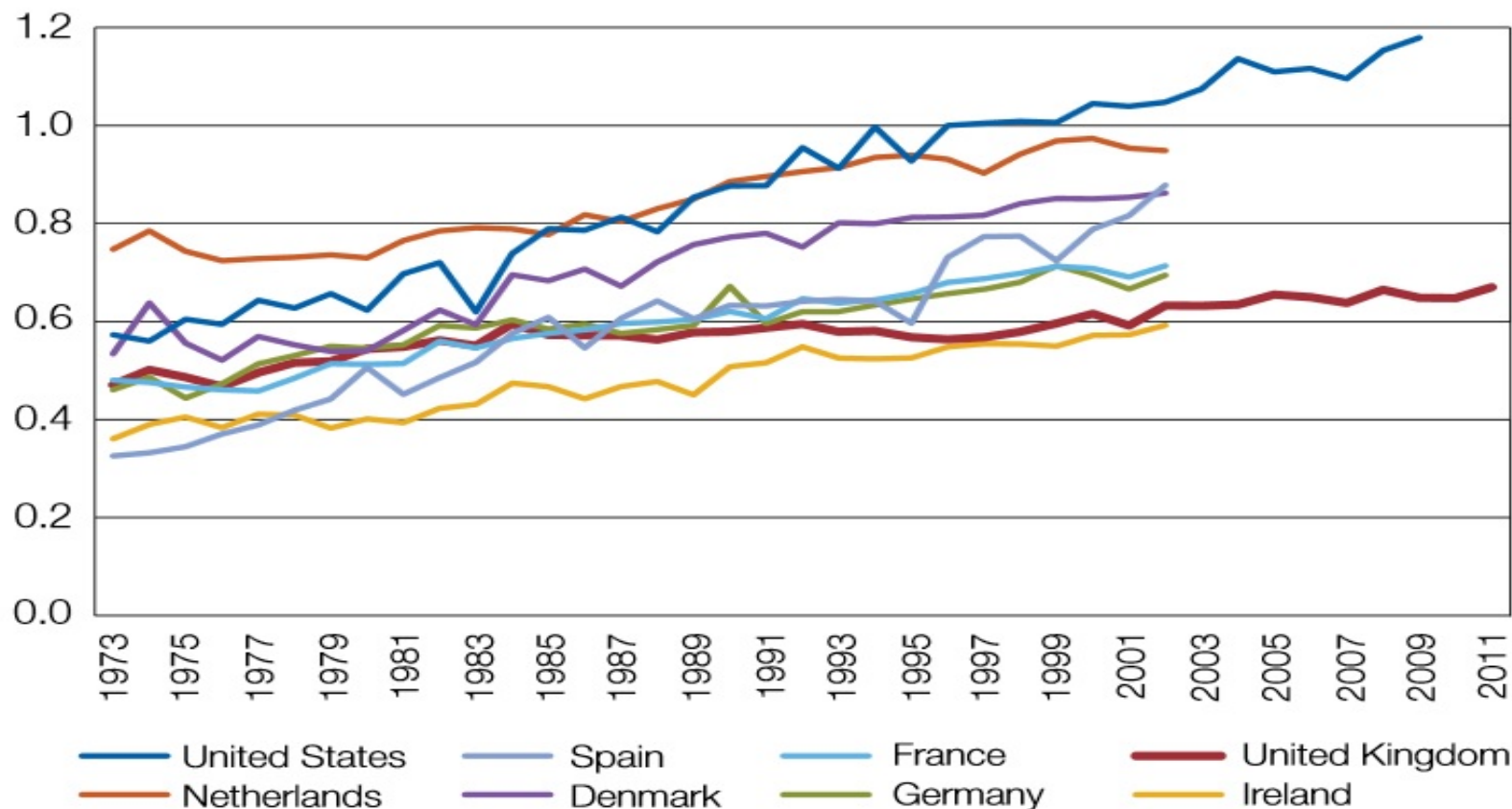
New entrants to farming- context and issues

- Across Europe family farms are operating in a changing farming environment:
 - The need to meet the challenges of feeding a growing world population in a sustainable way in the context of climate change
 - The trend is an ageing farming population; median age of farm operators 58 years*
 - Primary agricultural sector increasingly being driven by innovation and new technology in order to increase on-farm productivity.

*(EU farm structure survey 2013)



Comparison of UK's Total Factor Productivity in Agriculture for Selected Countries Relative to the United States 1996 level (indexed)



Source DEFRA
(2013)



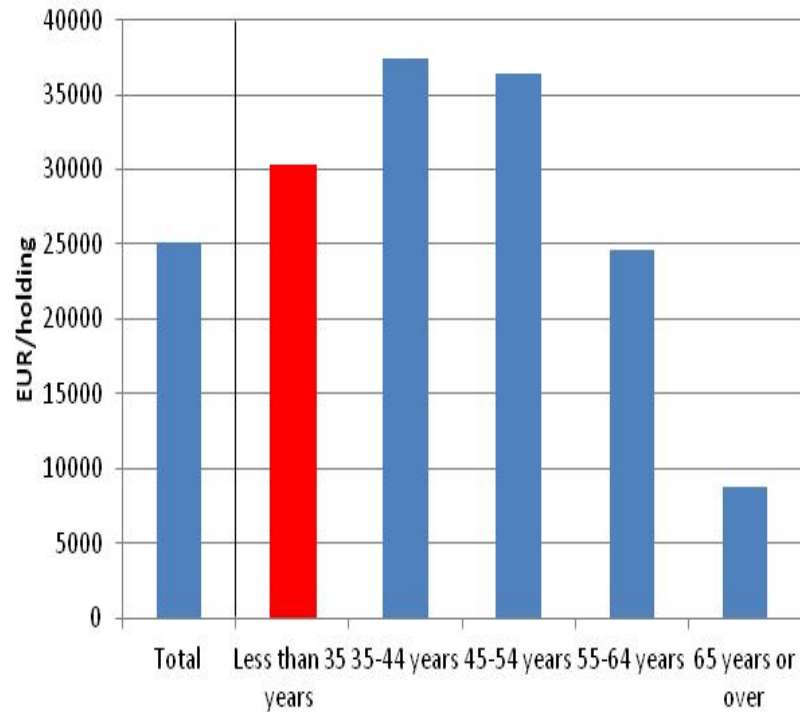
New entrants to farming context and issues

- Evidence at an EU level*, indicates younger farmers are (on average) are relatively more productive in terms of...

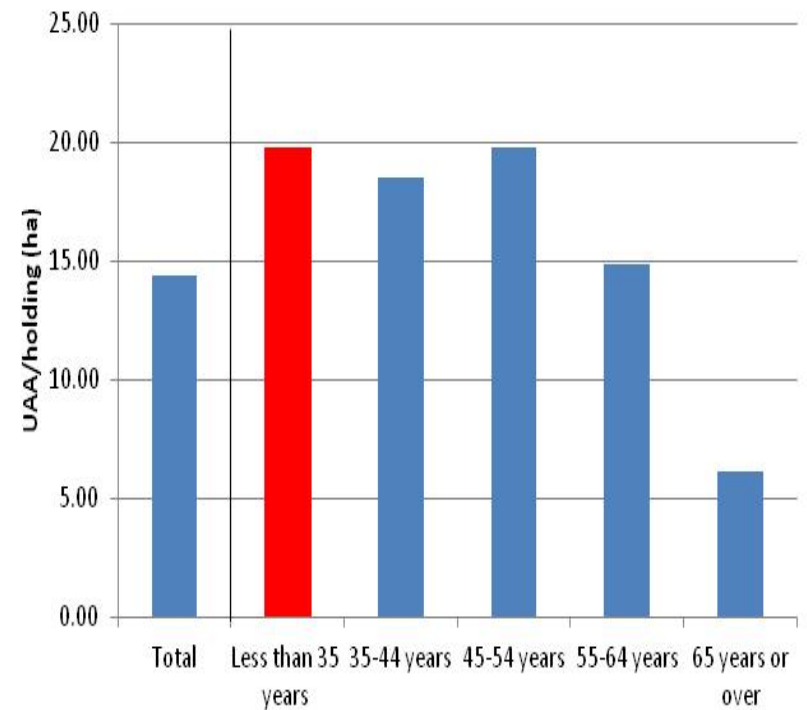
•*Source: Eurostat



Standard output per holding
(EU-28, 2010)



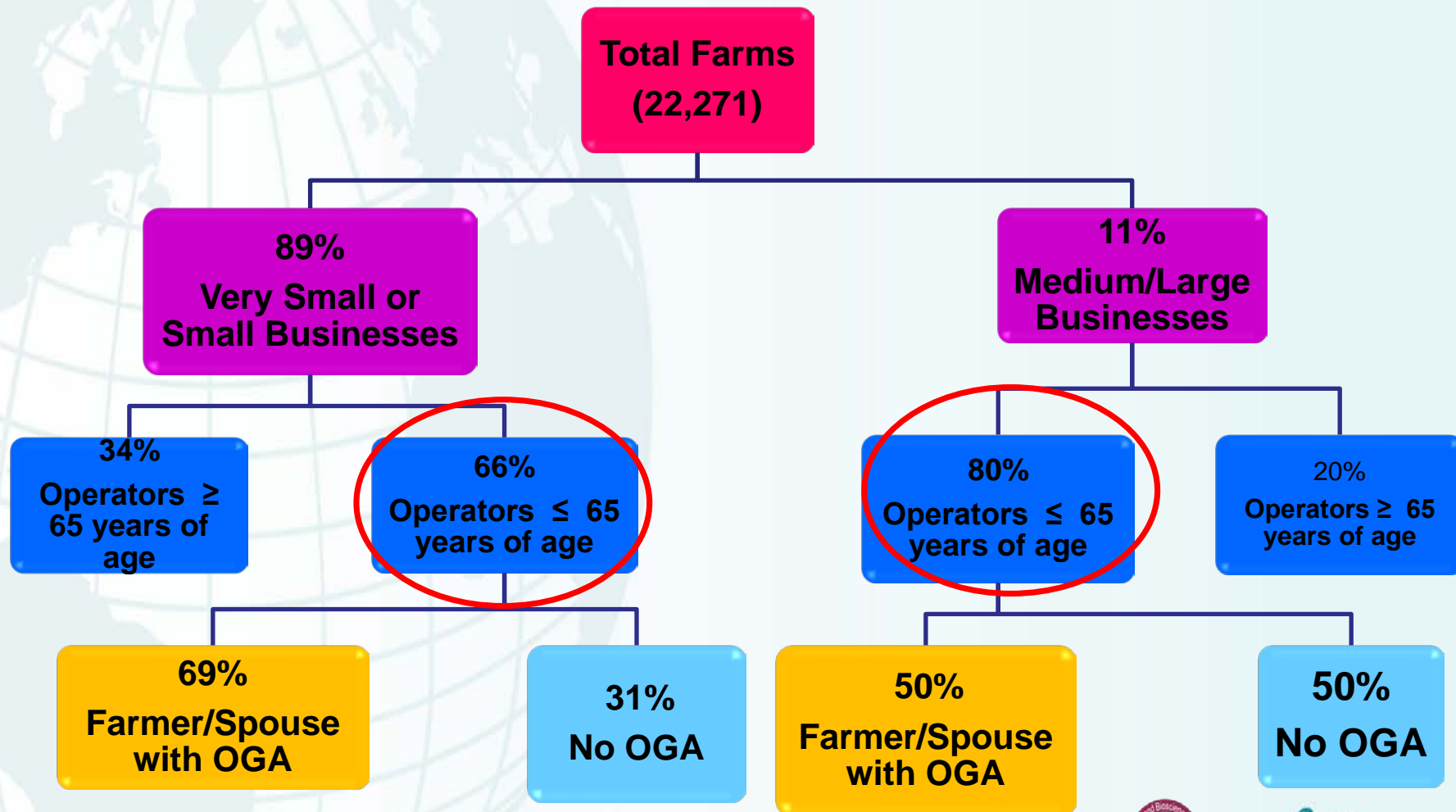
Agricultural area per holding
(EU-28, 2010)



Younger farmers will contribute most to fostering innovation and resource efficiency in the industry (Dellapasqua, 2010)



Livestock Farm Structure in Northern Ireland



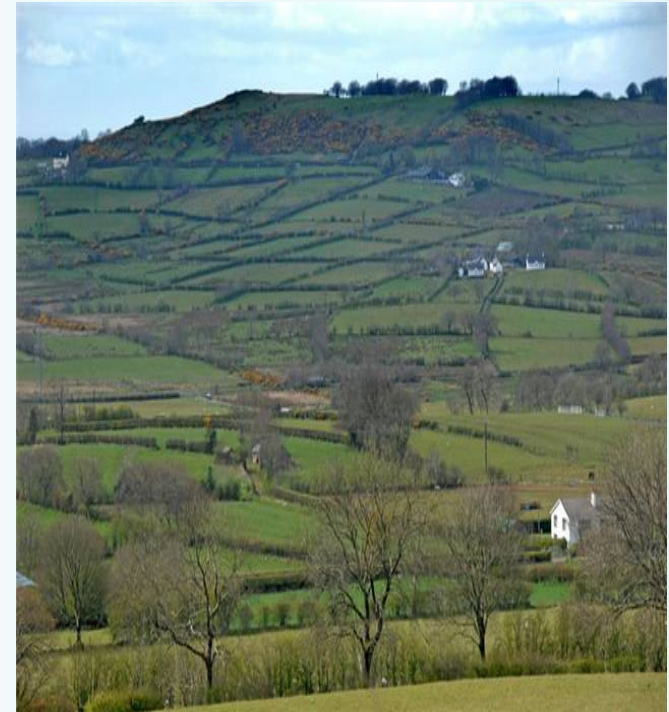
Source data; EU Farm Structure Survey (2013)



Livestock farming in Northern Ireland

Strengths :

- Tradition of family owned farms
- Pool of family labour-flexible and adaptable
- Grassland based systems
- Contribution to the wider rural economy



Weaknesses :

- Farm structure
- On average- aging population
- Skills and training -tradition of learning on the job- inconsistent level of uptake of knowledge and new technologies



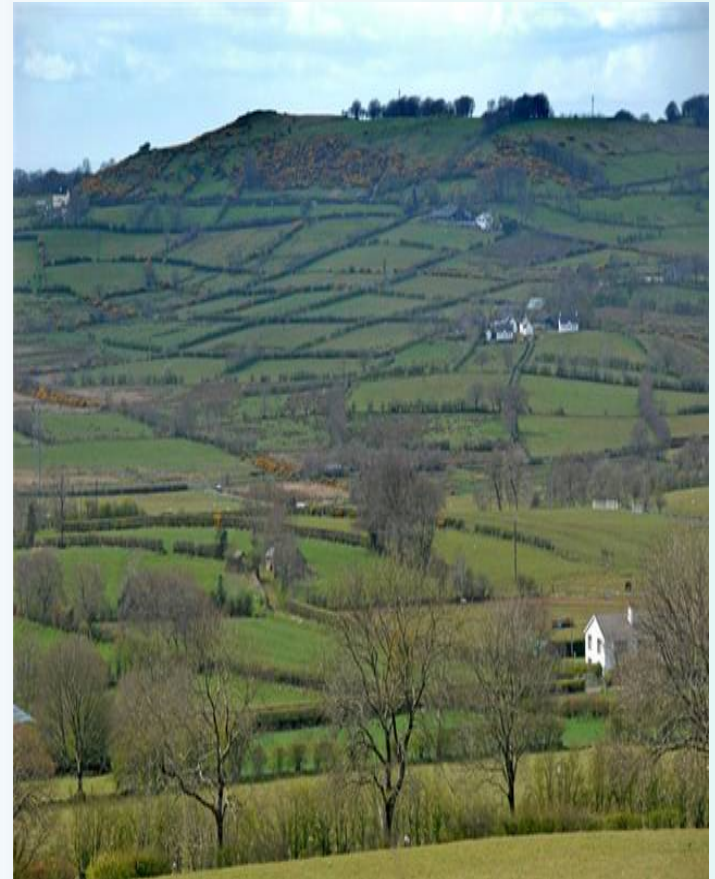
Objectives and methodology

The study aimed to explore the perceived barriers to new or potential new entrants to farming

Online survey- delivered to 'potential new entrants-' (Spring 2015) -

2,100 students

420 responses



Summary Statistics-Respondents

88% male

Average age **35**
years old

12% female

Main farm
Enterprises

63 % Part-time

Beef

27% Full-time;

Sheep

10% mainly
weekends/seasonal

Dairy

26% sole decision makers and working on-farm

48% joint decision makers and working on-farm

Family farms-55%
of respondents
working on farms
which have been in
their family for 60+
years



Off-farm Employment

Off-farm employment

- 76 % in off-farm employment
 - 80 % working full-time
 - 19 % working part-time

Main reasons for taking up off-farm employment

- Family farm couldn't sustain them full-time
- Off-farm offered better pay than farming



Main Reasons Given for Wanting to Farm

Top ranking responses

- Enjoyment of farm work and the quality of life that farming brings
- Wanting to keep the 'family line' in farming
- Enjoy working with livestock
- Wanting to run a successful farm business



Main Barriers to Entering Farming

- Lack of current profitability in farming
- Securing finance (current climate)
- Land availability -limitations of conacre system
- New skills and training - focused on needs (farm performance measurements, developing and implementing new technologies and innovations)



Priority for Training



- Financial and business planning
 - Animal health and welfare
- Technical Agricultural and new initiatives e.g. precision agriculture

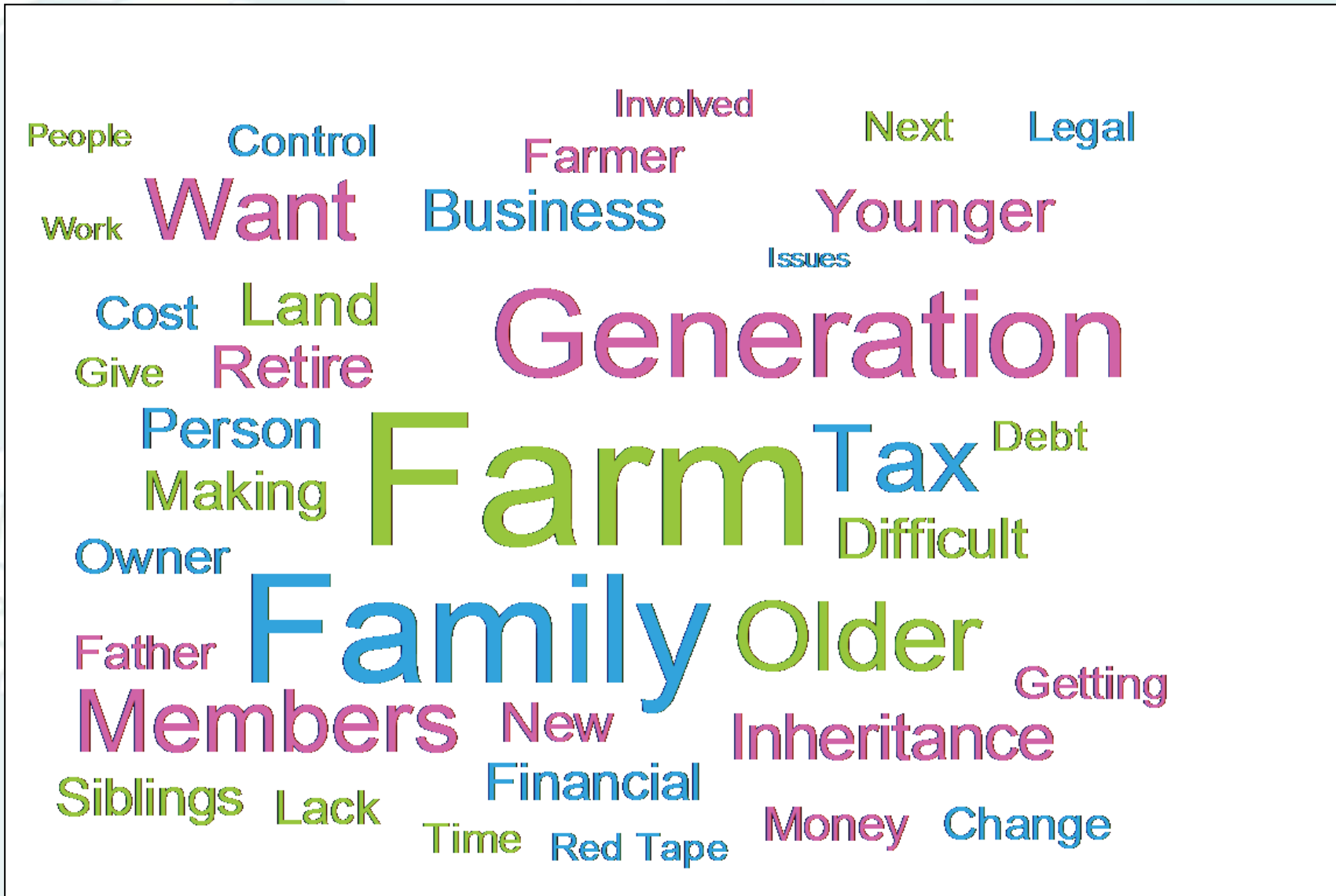


Main Barriers to Sustaining Farming

Medium to long term objective:

- Maintaining income(role of the wider rural economy)
- Adapting to markets
- Technology and innovation- appropriate business and technical training with more consistent adoption to improve resource efficiency
- ...But all predicated upon good succession planning





Source- AFBI Barriers to New Entrants Survey 2015



Important themes emerging around succession and farm sustainability

Theme 1- Financial viability into the future

Teamwork across the business

"Lack of knowledge of the financial position of the business with creditors and in general, makes it difficult for a young person coming in"



Important Themes Emerging Around Succession and Farm Sustainability

Theme 1- Financial viability into the future

- Early involvement in the development plans for the business (late 20's early 30's key age milestones)
- Need to view the 'whole farm' as a resource and be realistic
- Exploiting opportunities- for innovation, new technology adoption and diversification



Important Themes Emerging Around Succession and Farm Sustainability

Theme 2 -inter-generational issues (successors, parents and grandparents)

- Clear discussion and understanding of what the expectations and plans from 'all parties' perspectives...

" despite leading to awkward conversations which you prefer to avoid"



Important Themes Emerging Around Succession and Farm Sustainability

Theme 2 inter-generational issues (successors, parents and grandparents)

Timeliness of the succession plan

“No point receiving it [the farm] when you are in your late 40’s or 50’s , you need it in your 30’s to make good use of it”



Important Themes Emerging Around Succession and Farm Sustainability

Theme 3-issues across the current generation

- Treating children fairly-discussion around what other family members want or need from the farm
- The role of each family member now and in the future
- Professional advice - role for facilitators/mediators



Conclusions and Policy Implications

- New entrants recognised farming requires a high level of start up investment- mainly inherited businesses
- Current financial environment is difficult in terms of farm level profitability and capital availability
- Land (both in terms of access to and price of) is a constraint on developing farm businesses in terms of expansion and developing longer term business strategies
- Need to explore new ways of leasing land, through new forms of land letting arrangements, partnership or share farming



Conclusions and Policy Implications

- The development of human capital in farming is critical to future success. Training requires to be 'fine tuned' to the knowledge needs and requirements of the young farmer.
- Need to view the family farm as a 'resource' in the context of innovation and diversification
- Timely succession planning is central to the profitability, continuity and sustainability of the farm business
- In a wider rural context, off-farm employment makes an important contribution to many farm households and businesses-regional policy measures to focus on delivering a more diversified rural economy



<https://www.daerani.gov.uk/publications/reports-detailing-education-and-research-findings-date>

Barriers to new entrants to farming in Northern Ireland

Thank-you

