Land Mobility Service

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WHAT IS LAND MOBILITY & WHY DO WE NEED IT?

YFC survey showed 48% of farmers aged over 50 had no successor identified.

Average age of an N.I. farmer is 58 years old.

Land use report – only 18% of our land area is in its optimum fertility.

The above statistics highlight a serious structural problem in our industry. Land mobility will maximise this vital natural resource.
To create land mobility

- Collaborative Farming
- Succession planning

Collaborative Farming
- Maximise land use and productivity
- Long term leasing
- New skills, knowledge & next generation
Succession Planning
● Remove succession barriers
● Help older farmers to:
  1. Identify successor
  2. Plan & manage transition
  3. Talk to their families about succession

How do we drive this change?
● Long term leasing
● Farm to Farm – contract production/rearing
● Share Farming
● Partnerships – family/non-family
Long term leasing
Contract Rearing/Production


- Ireland has excellent tax incentives for leasing, different bands, longer the lease bigger the tax break – driven change

- Contract farming – options include growing crops or rearing heifers or finishing beef. Can reduce labour and allow farm to specialise in certain areas.
Share Farming
Partnerships-Family/non-Family

- Share Farming - Two business working on one site. Landowner might provide land, buildings & fixed machinery etc. Other share farmer might provide labour, livestock & machinery.

- Partnerships – one business, common in NI where farmer has a successor. Can be Family or non- family
Is this the right person?
Can I make this work?

Agreements must be workable
and must deliver to all parties
Younger farmers that want into farming – may not have the land or capital but have the skills & drive

It is vital that people have options. This service may be able to provide a variety of options.

Banks assessing young farmers who need capital but little or no asset base

Some banks will except a Lease agreement
Young Farmers/New Entrants

- Have to want to farm and a passion for farming
- Have both the necessary business & people skills
- Mobility – more mobile more more options
- Support or equity will be a huge help (Could own small amount of stock)
- Have a plan & know where you want to go
Farmers/Landowners

- Who may want to step back or retire.
- Older farmers that want to ‘step back’ – not ready for total retirement and would like to keep an interest going in the business. May need new skills and help to run business.
- Older farmers that want to retire – want or need to stop – could be age/mental or physical health/financial pressure.
- It is vital that we improve our capacity to talk about succession & plan for the future.
Conclusions

- Are any of these options for you
- Suitability of persons – Have to be able to work together
- Transparency & Fairness – has to work for both parties
- Enthusiasm & Skills
- Respect, Integrity & Trust
Labour/skill: 35%
Land: 25%
Cows: 20%
Sheds/Capital: 20%

Profitable Dairy Farm Business