

Appendix

Table A1 Descriptive statistics of variables used in the analysis

| Variable | Description | Unit | All Farm Holdings (N=538) | | Farm Holders with a chosen successor (N= 305) | | Farm Holders without chosen successor (N=233) | | Expected result ¹ |
|---|---|-------------------|------------------------------|--------|--|--------|--|--------|------------------------------|
| | | | Mean | SD | Mean | SD | Mean | SD | |
| Chosen Successor | Whether or not the current farm holder has chosen a successor | (0 = No, 1 = Yes) | 0.56 | 0.50 | 1.00 | 0.00 | N/A | N/A | |
| Independent Variables | | | | | | | | | |
| Dairy Farm | Farm is Specialist Dairy farm | (0 = No, 1 = Yes) | 0.16 | 0.37 | 0.16 | 0.37 | 0.17 | 0.37 | + |
| Land Ownership | Amount of farmland owned | Hectares | 37.15 | 28.92 | 37.30 | 30.25 | 36.95 | 27.16 | + |
| Interaction of Dairy and Land Ownership | Interaction between Dairy farm and Land Ownership variables | Hectares | 6.66 | 17.63 | 8.65 | 22.39 | 7.78 | 20.46 | |
| Farmer Age | Age of the Farm Holder | Years | 63.01 | 7.79 | 65.00 | 7.37 | 60.44 | 7.57 | + |
| Best Soil Category | Farm is located on soils with wide range of use | (0 = No, 1 = Yes) | 0.30 | 0.46 | 0.32 | 0.47 | 0.26 | 0.44 | + |
| Number of Household Members Age 20 to 44 in 2013* | Household members in this age category in 2013 | Number of people | 0.53 | 0.82 | 0.54 | 0.83 | 0.17 | 0.44 | + |
| Isolation of Living Alone | Farm Holder is living alone | (0 = No, 1 = Yes) | 0.23 | 0.42 | 0.15 | 0.36 | 0.32 | 0.47 | - |
| Excessive workload | Self-reported presence of excessive workload | (0 = No, 1 = Yes) | 0.29 | 0.45 | 0.24 | 0.43 | 0.35 | 0.48 | - |
| Net New Investment | Capital expenditure less capital sales and grants | Euro | 7,080 | 21,683 | 8,085 | 24,783 | 5,777 | 16,797 | + |
| Formal Advisory Contact | Farm Holder has a formal contract for advisory | (0 = No, 1 = Yes) | 0.44 | 0.50 | 0.43 | 0.50 | 0.46 | 0.50 | + |
| Participation in AES | Farm Participates in an Agri-Environment Scheme (See ADAS 2020) | (0 = No, 1 = Yes) | 0.37 | 0.48 | 0.36 | 0.48 | 0.37 | 0.48 | + |

Source: Teagasc National Farm Survey 2018

SD – Standard Deviation

*Available for 371 observations

¹ This indicates the expected direction of influence each variable has on the probability of having a chosen successor, based on prior literatures mentioned earlier section.

Table A2 Probit Model Results: Determinants of Farm Succession in 2018

| | Model 1 | | | Model 2 | | |
|--|-------------|-----|-----------------|--------------|-----|-----------------|
| | Coef. | Sig | Marginal effect | Coef. | Sig | Marginal effect |
| Dairy Farm | 0.3019 | | 0.12 | 0.3504 | * | 0.12 |
| Land Ownership | -0.0008203 | | 0.00 | -0.000959 | | 0.00 |
| Farmer Age | 0.05858 | *** | 0.02 | 0.05407 | *** | 0.02 |
| Best Soil Category | 0.1991 | | 0.07 | 0.2050 | | 0.07 |
| Isolation of Living Alone | -0.1683 | | -0.05 | -0.1717 | | -0.06 |
| Excessive Workload | -0.1421 | | -0.05 | -0.2589 | * | -0.09 |
| Net New Investment | 0.000000949 | | 0.00 | 0.0000008113 | | 0.00 |
| Formal Advisory Contract | 0.01844 | | 0.01 | 0.008074 | | 0.00 |
| Participation in AES | 0.1900 | | 0.07 | 0.2910 | * | 0.1 |
| Number of Household Members Age 25 to 44 in 2013** | -0.005908 | | -0.00 | | | |
| Constant | -3.736 | *** | | -3.443 | *** | |
| Number of obs | | | 349 | | | 501 |
| Pseudo r-squared | | | 0.161 | | | 0.124 |

*** p<.01, ** p<.05, * p<.10