**57th EAAP Meeting - Cattle Commission – Session 28**

# Dairy farmers' plans and communication under new EU policies

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# Introduction

- Farmers may consider to change management on their farm and develop strategies for the future to adapt to changing circumstances under new EU policies

- Research part of EU-Twinning project SI04-AG-06

  "Farming with quota and premiums"

- **Objective:**

  ❖ To analyse how farmers think about future strategy and plans

  ❖ To present the information availability now and the info desired in the future under conditions of new EU policies

  Case: the dairy farmers in Slovenia

# Research questions

- What information is received now and how is it received?

- How does the farmer prefer to receive information in the future and what kind of information?

- How farmers think to make decisions in farm management and strategy / future plans to react to the EU policy?


# Material and methods (1)

## Material
- Questionnaire with 27 questions was distributed to dairy farmers anonymously
- 1,114 questionnaires out of 5,000 distributed (22 %) were returned; the sample represent 11 % of total dairy farmers
- Questionnaire was subdivided in groups of questions:
    - Characteristics of farm and farmer
    - What info is received now and how
    - How does farmer prefer to receive info in future and what kind of info
    - How to make decisions on management of the farm and on farm strategy / future plans

# Material and methods (2)

Method

Three types of variables:

- Continuous (*con*)
- Categorical (*cat*)
- Binomial (*bin*)

SAS: means, standard deviation for *con* variables

SAS: frequencies or percentage for *cat* or *bin* variables

To establish associations between pairs of variables we use the following tests:

| | |
|---|---|
| Pearson correlation: | con vs con |
| | con vs bin |
| | bin vs bin |
| Chi square test | cat vs cat |
| | cat vs bin |
| One way ANOVA | con vs cat |
| (Bonferroni test) | |

# Results

**To characterize the sample of farmers we studied**

## Results - *Characteristics of the farm*

| Variable (answer) | N | % | Mean | SD |
|---|---|---|---|---|
| Milk quota for processing plant (1000 kg) | 1098 | | **108** | 110 |
| Milk quota for direct sales (1000 kg) | 475 | | **8** | 10 |
| Average milk production per cow (kg/year) | 1059 | | **5473** | 1504 |
| Agricultural land in use (ha) | 1114 | | **17** | 11 |
| Type of farm (% of total) | 1114 | | | |
| Flat farm | | **44** | | |
| Hilly farm | | **19** | | |
| Mountain farm | | **14** | | |
| Farm with less favourable land | | **24** | | |
| Breed (% of total) | 1109 | | | |
| Only Holstein Friesian cows | | **13** | | |
| Only Simmental and/or Brown cows | | **41** | | |
| Mixed herds (B / Si / HF / Ci) | | **46** | | |
| Milk recording (% yes) | 1067 | **77** | | |
| Other farm activities | | | | |
| Number of fattening bulls | 1093 | | **6** | 6 |
| Land for maize and grain (ha) | 379 | | **7** | 7 |
| Having forestry on the farm (% yes) | 809 | **25** | | |

## Results - *Characteristics of the farmer*

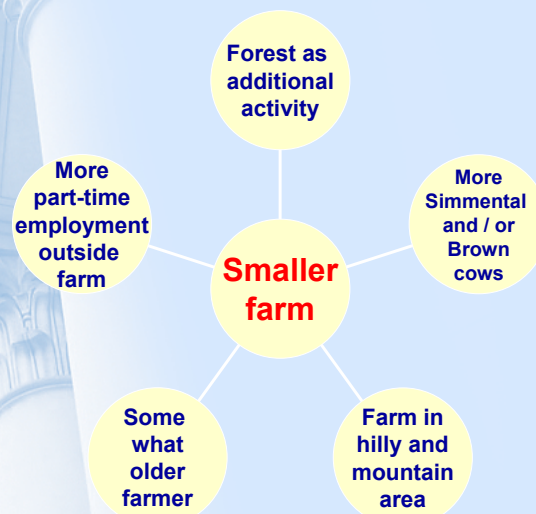| Variable (answer) | n | % | Mean |
|---|---|---|---|
| Non agricultural employment of farmer/wife **(% yes)** | 1062 | **32** | |
| Having a successor on farm **(% yes)** | 1092 | **69** | |
| Age of farmer (years) | 1100 | | **52** |
| Highest education of farmer (% of total): | 1103 | | |
| Public school | | **40** | |
| Vocational school/Gymnasium | | **54** | |
| High school/University | | **5** | |

Observation:
This sample of farmers represent the more future oriented farmers!

**Cluster of positive associations**

- More land for maize and corn
- Higher milk production per cow
- Fattening bulls on the farm
- Higher educated farmer
- **Larger farm**
- More often HF cows
- Younger farmer
- Farm on flat land and less favourable land
- Milk recording

**Cluster of positive associations**

- Forest as additional activity
- More part-time employment outside farm
- More Simmental and / or Brown cows
- **Smaller farm**
- Some what older farmer
- Farm in hilly and mountain area
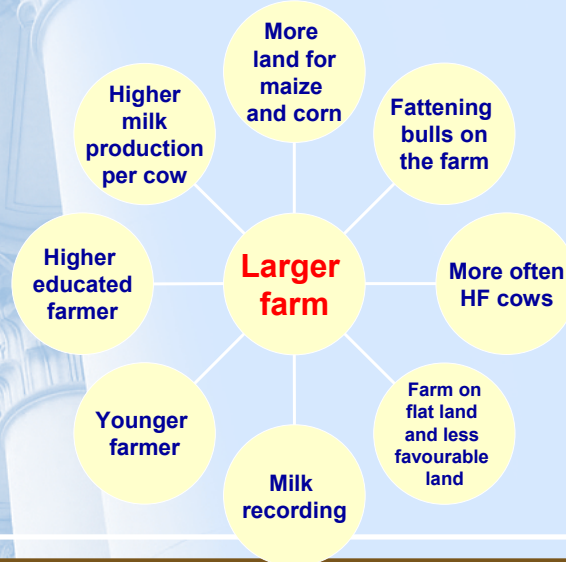
## Results – *What kind of info farmer likes to receive*

| Questions concerning what kind of info farmer likes to receive | n | % |
|---|---|---|
| Would you like more explanatory info about: | | |
|     Milk premiums | 1114 | 72 |
|     Suckler cow premiums | 1114 | 20 |
|     Beef premiums | 1114 | 32 |
|     Agricultural environment measures | 1114 | 25 |
|     Extensification premium | 1114 | 30 |
|     Early retirement program | 1114 | 31 |
|     Compensation payment for regions | 1114 | 39 |
|     General EU agricultural policies: CAP | 1114 | 62 |
| Do you like advice in adapting daily management of farm to the quota amount you have? | 1052 | **yes** 49 |
| Do you like to receive assistance in planning a future plan/strategy for you and your farm? | 992 | **yes** 65 |

## Results – *How to make decisions on farm strategy/future plan*

| | Questions about strategy / future plans | n | % |
|---|---|---|---|
| 11a | What are your plans for the future of your farm? | | |
| a1 |   No future plans/ consider to stop faming / keep farm as a hobby | 1114 | 10 |
| a2 |   I consider to **keep farm as it is now** | 1114 | 41 |
| a3 |   I consider to **develop farm further** | 1114 | 49 |
| 11b | If 11a3 - to **develop farm further**: | | |
| b1 | To develop farm by increasing number of cows | 541 | 64 |
| b2 | To develop farm by starting with a new branch | 541 | 54 |
| b3 |     Suckler cows | 541 | 16 |
| b4 |     Fattening bulls | 541 | 47 |
| b5 |     Pigs | 541 | 9 |
| b6 |     Grain, corn, other cultures | 541 | 45 |
| b7 |     Horticulture / orchard / vineyard | 541 | 8 |
| b8 |     Horses / agro-tourism / local products / cottage industry | 541 | 10 |
| b9 |     Forestry | 541 | 12 |
| 11c | Do you consider to go in future into organic farming? | 663 | 6 |
| 12 | Do you plan to invest in new barn or parlour? | 787 | 63 |
| 23b | Do you consider to look for part-time work outside farm | **yes** | 6 |

## Associations between characteristics of farm/farmer and strategy/future plan

| Characteristics of the farm | Stop farm | Farm as now | Develop farm | With cows | New activ. |
|---|---|---|---|---|---|
| Milk quota for processing plant (in 1000 kg) | *** (-) | *** (-) | *** | *** | *** |
| Type of farm | * | ** | *** | ** | ns |
| Breed | ** | ** | *** | *** | ns |
| Milk recording (% YES) | * (-) | *** (-) | *** | *** | ** |
| Other farm activities (% YES) Land for maize and grain (ha) | *** (-) | *** (-) | *** | *** | *** |
| *Characteristics of the farmer* | | | | | |
| Non agricultural employment if farmer/wife (% YES) | ns | * | ns | * (-) | ns |
| Having a successor on farm (% YES) | *** (-) | ns | *** | *** | * |
| Age of farmer (years) | *** | *** | *** (-) | ***(-) | ***(-) |
| Highest education of farmer | ns | *** | *** | * | *** |

*p<0.05; **p<0.01: ***p<0.001


## Associations of quota amount with request for expert advice in farm management and in future strategy

| Classes in kg of milk | No. of farm | Farm management % | Future strategy % |
|---|---|---|---|
| 1 - 25.000 | 155 | 31 | 36 |
| 25.001 - 50.000 | 221 | 42 | 48 |
| 50.001 - 75.000 | 184 | 44 | 55 |
| 75.001 - 100.000 | 148 | 50 | 68 |
| 100.001 - 150.000 | 164 | 52 | 67 |
| 150.001 - 200.000 | 74 | 55 | 77 |
| 200.001 - 250.000 | 47 | 53 | 77 |
| 250.001 - 300.000 | 40 | 65 | 78 |
| 300.001 - 400.000 | 30 | 57 | 70 |
| 400.001 - 500.000 | 22 | 59 | 77 |
| More than 500.000 | 13 | 54 | 69 |
| | 1114 | 46 | 58 |

## Associations between breed of cows and plans for the future of farm

| Breed of cows | Stop / hobby farm | Farm as now | Develop farm |
|---|---|---|---|
| | % | % | % |
| Holstein Friesian | 7,6 | 33,8 | 54,5 |
| Simmental &/or Brown | 13,2 | 46,5 | 39,6 |
| Mixed herds | 6,8 | 38,2 | 55,4 |
| Total | 9,6 | 41,1 | 48,7 |

## Associations between quota amount and how farmers receive information and advice

| Classes in kg of milk | Orally by adviser | Study group | Radio / TV | Agric. Journ. | On paper | Internet |
|---|---|---|---|---|---|---|
| | % | % | % | % | % | % |
| 1 -   25.000 | 58 | 41 | 23 | 45 | 27 | 12 |
| 25.001 -   50.000 | 62 | 47 | 22 | 54 | 34 | 15 |
| 50.001 -   75.000 | 67 | 54 | 27 | 57 | 38 | 16 |
| 75.001 - 100.000 | 70 | 47 | 25 | 58 | 42 | 20 |
| 100.001 - 150.000 | 81 | 51 | 24 | 49 | 30 | 22 |
| 150.001 - 200.000 | 68 | 60 | 26 | 54 | 38 | 26 |
| 200.001 - 250.000 | 75 | 51 | 13 | 68 | 28 | 40 |
| 250.001 - 300.000 | 65 | 48 | 18 | 50 | 38 | 38 |
| 300.001 - 400.000 | 60 | 50 | 13 | 50 | 40 | 53 |
| 400.001 - 500.000 | 73 | 73 | 14 | 41 | 36 | 50 |
| More than 500.000 | 46 | 54 | 8 | 54 | 54 | 39 |
| | 67 | 49 | 23 | 53 | 35 | 21 |

## Associations between type of farm and which EU information farmers like to receive

| Type of farm | Milk prem. | Suckl. cow prem. | Beef prem. | Agr. env. meas. | Exten-sificat. prem. | Early retir. prem. | Comp. paym. region. | CAP |
|---|---|---|---|---|---|---|---|---|
| | % | % | % | % | % | % | % | % |
| Flat farm | 74 | 11 | 33 | 20 | 21 | 31 | 18 | 64 |
| Hilly farm | 70 | 28 | 27 | 30 | 32 | 30 | 44 | 56 |
| Mountain farm | 64 | 21 | 23 | 33 | 43 | 31 | 44 | 48 |
| Farm with less favourable land | 76 | 30 | 39 | 29 | 38 | 30 | 31 | 70 |
| | 72 | 20 | 32 | 25 | 30 | 31 | 39 | 62 |

## Conclusions

- The farmers studied reflect the more future oriented farmers
- Farmers who want to develop farm further have more interest in information about CAP and milk premiums than farmers who think to keep farm the same
- Surprisingly farmers have a very high interest in advice about strategic planning and a lower interest in farm management issues
- Farmers who want to develop have a significant higher request for advice

## Conclusions

- More as half of the developing farmers look for specialisation and about half for diversification
- Diversification plans concern largely agricultural branches. The motivation to go into special products, agro-tourism looks rather limited. This needs further study
- Part-time farming does not look an important factor for choices in farm development, while education does
- Breed and type of farm land are highly associated to the farm structure and future plans



**Thank you for your attention!**