

# Dynamics of Farmland Ownership, Aging Landowners and Aging Farmers

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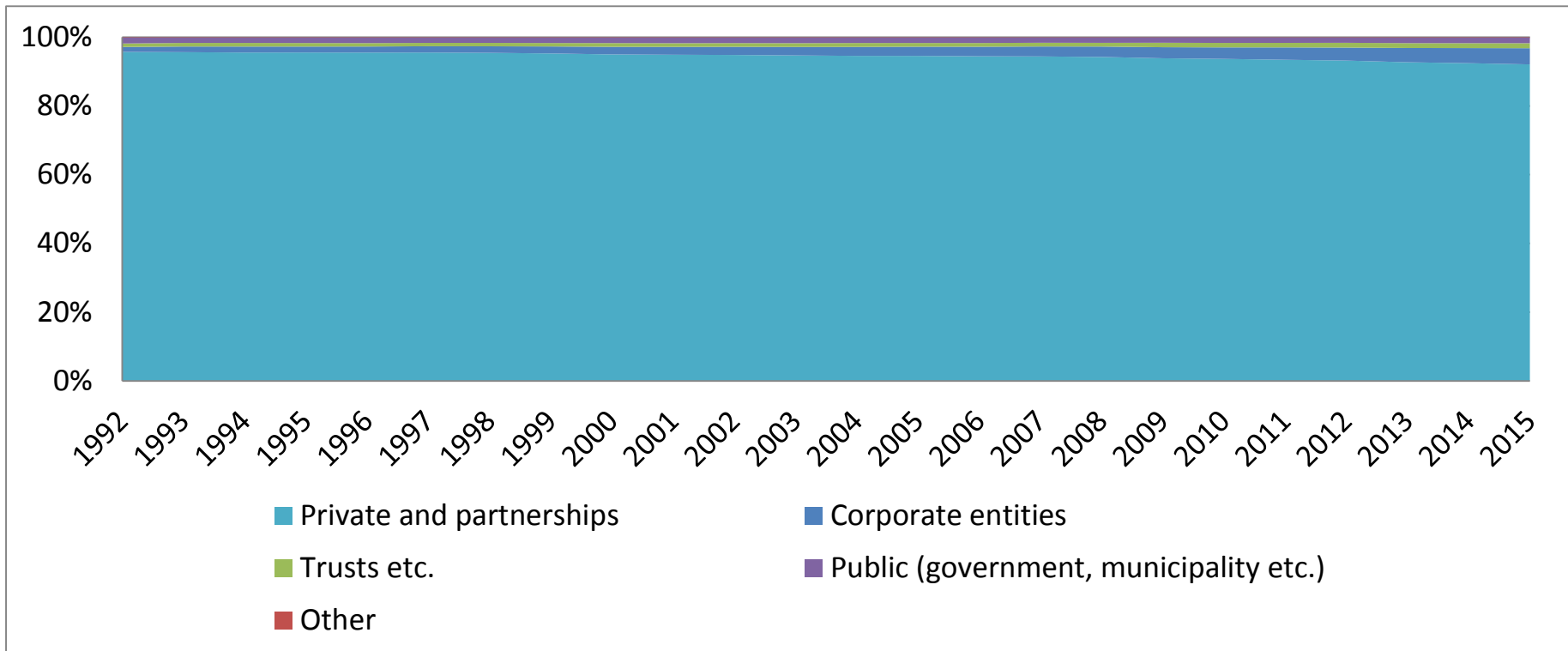


# Dynamics of Farmland Ownership, Aging Landowners and Aging Farmers

- Example of use of other administrative data
  - Cadaster data used for age distribution of landowners
- Policy debate regarding farm succession
  - Often based on age distribution of active farmers
- Major difficulties for beginning farmer
  - related to transfer of land ownership?
  - and not e.g. beginning as tenants

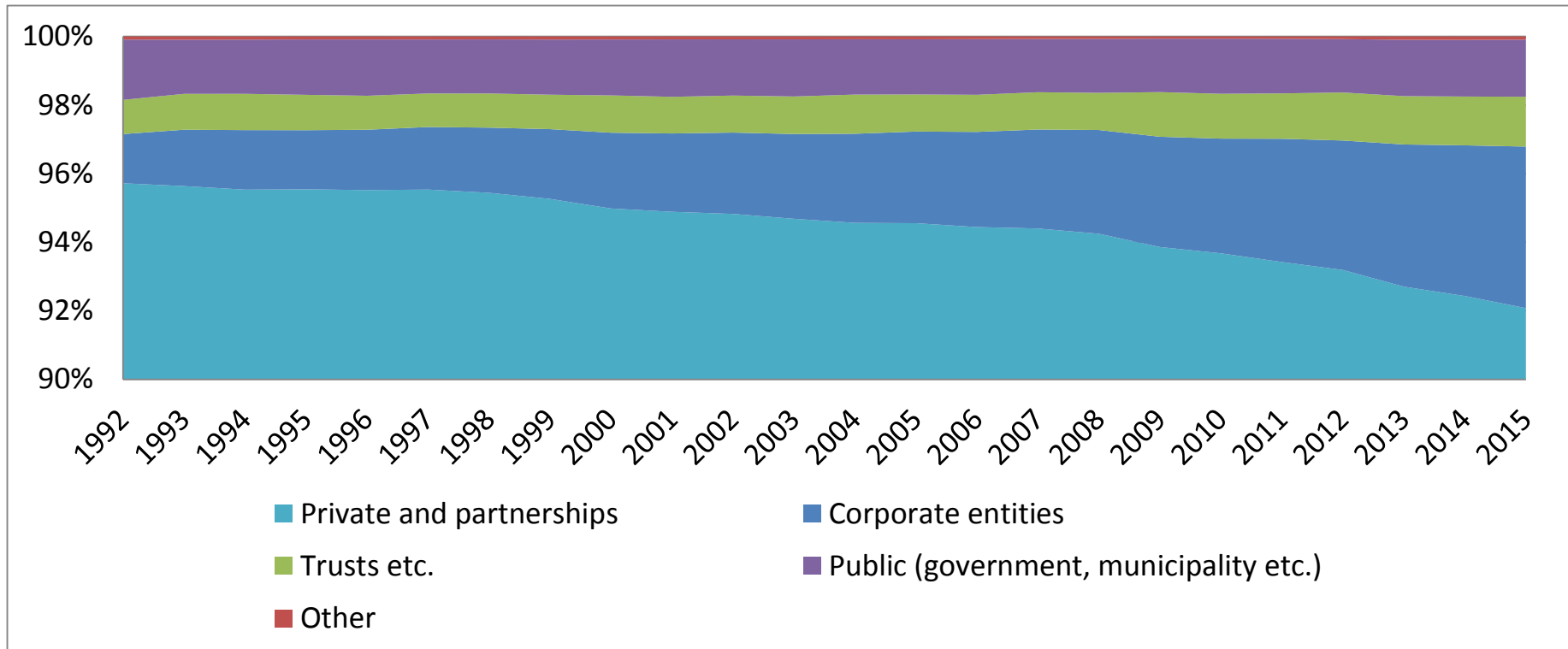
# General trends in land ownership

## - Private ownership is dominating the picture

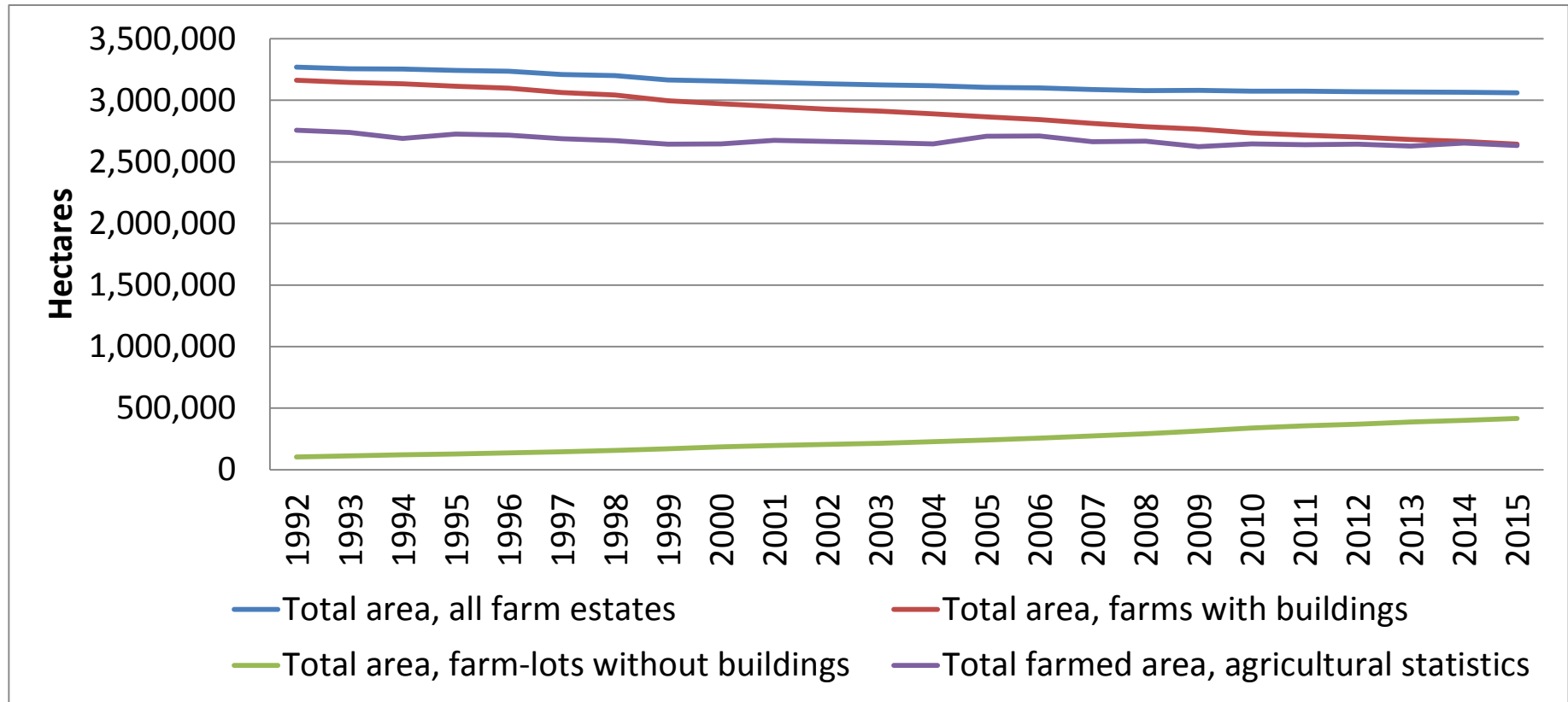


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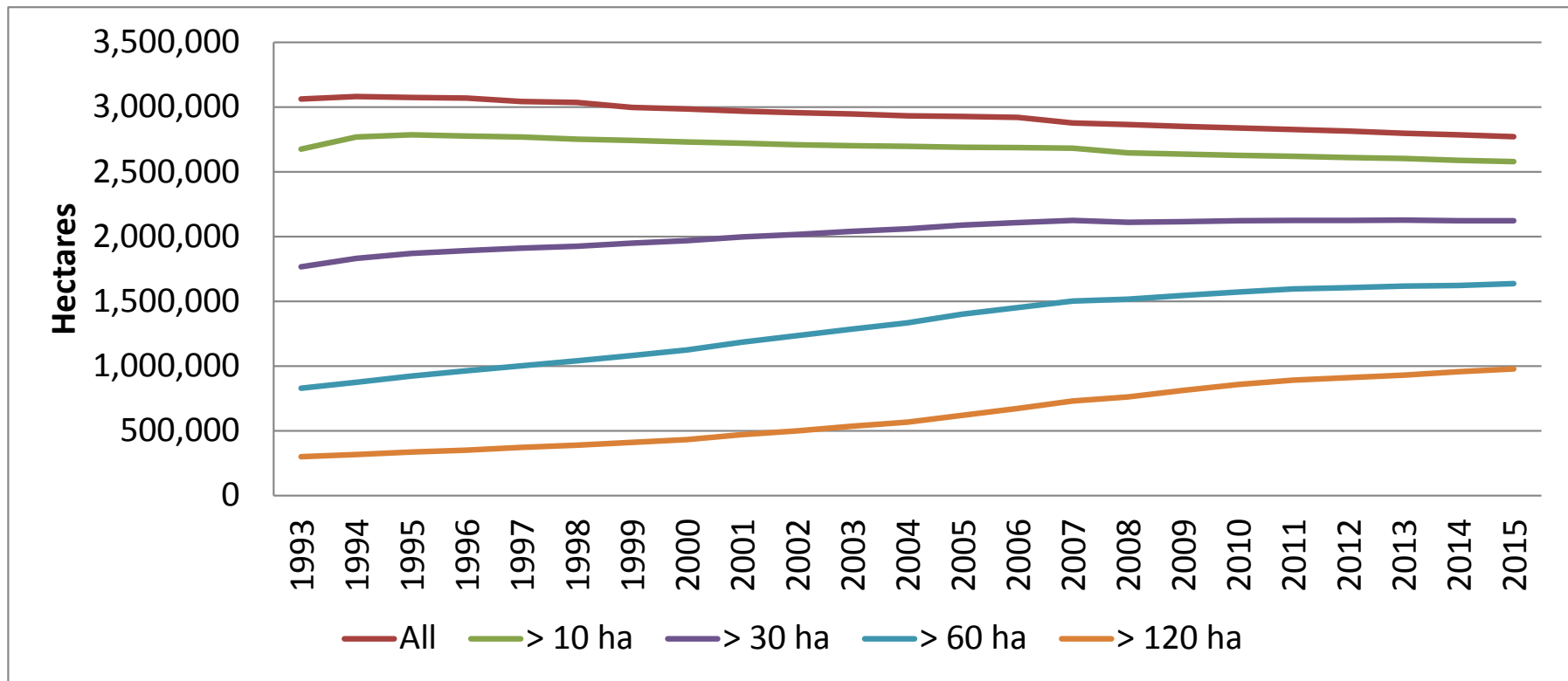


# Estate level data vs. farmed land data (agricultural statistics)

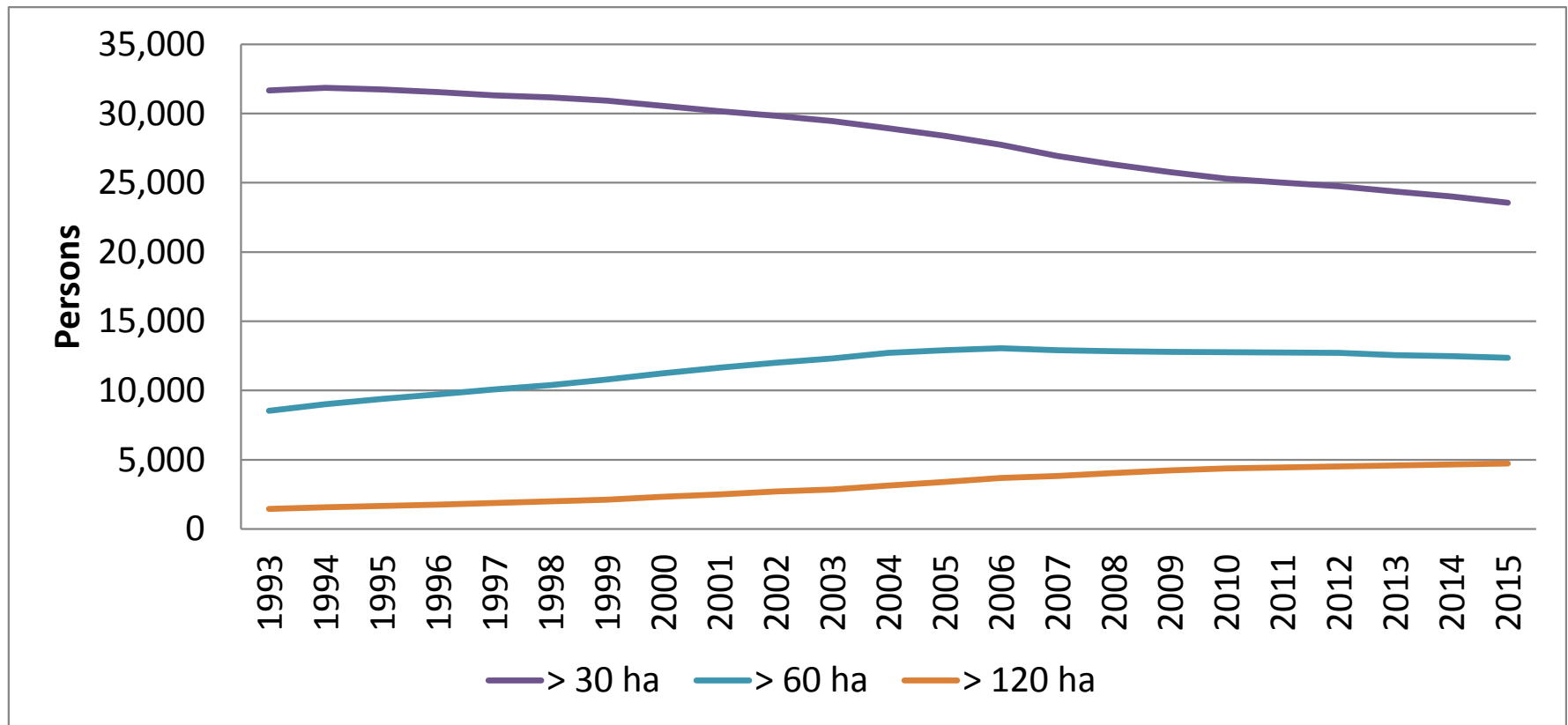


# Total area in private ownership

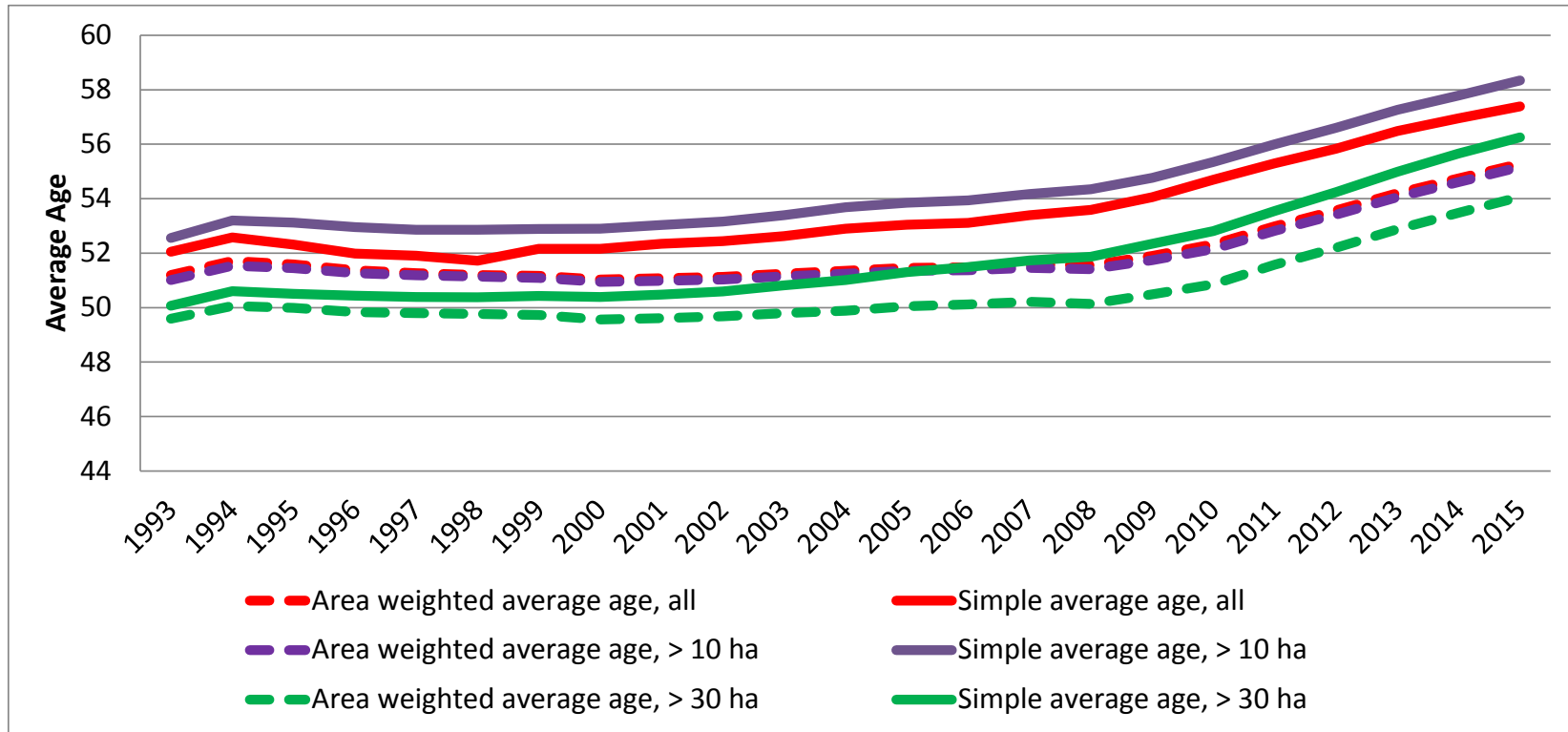
- and total area of individuals owning above 10, 30, 60 and 120 ha



# Number of individuals owning more than 30, 60 and 120 ha



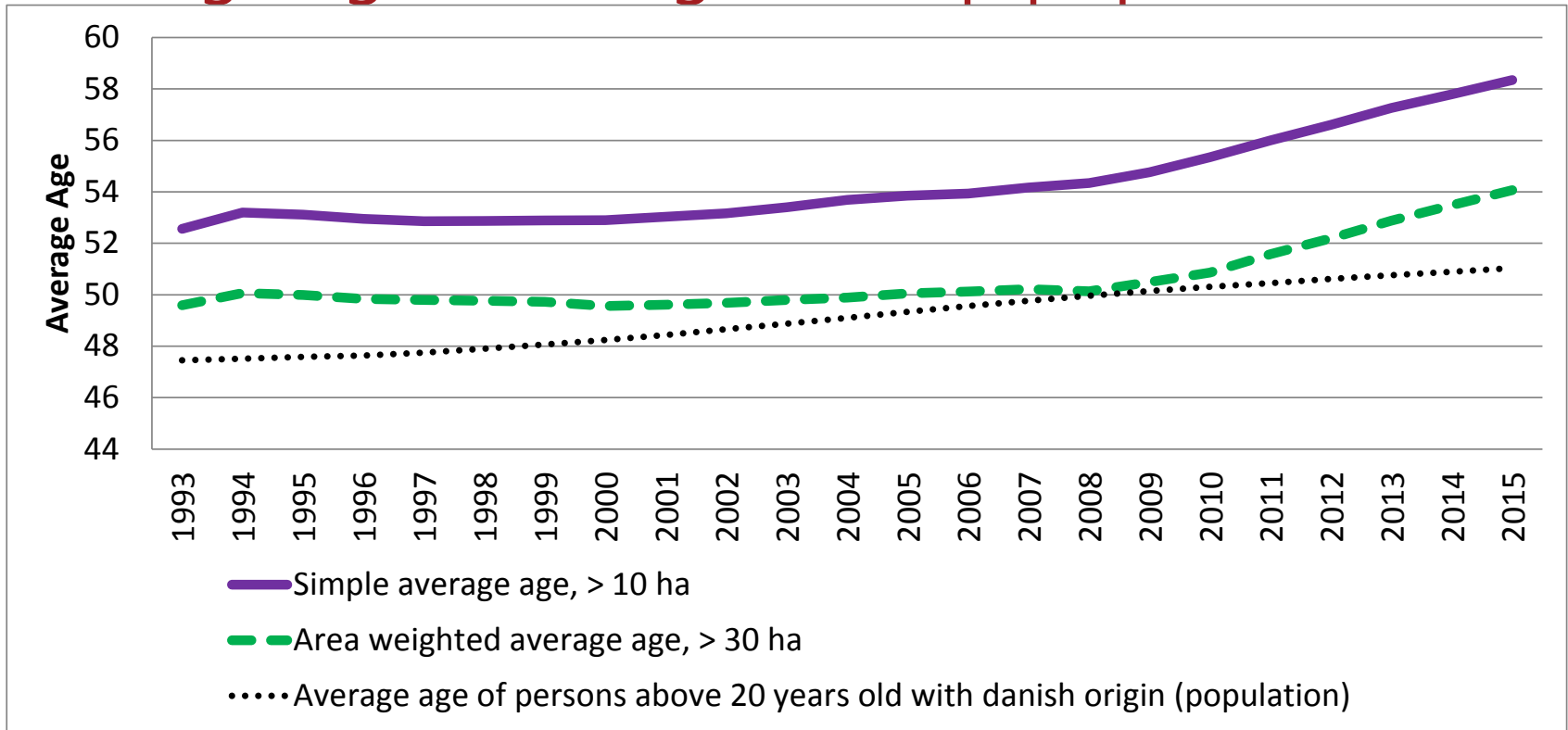
# Average age of farmland owners



- Average age is increasing from 2009 across the board!
- Lower average age for large holdings (> 30 ha)
- “Medium” size holdings (10-30 ha) appears to have older owners

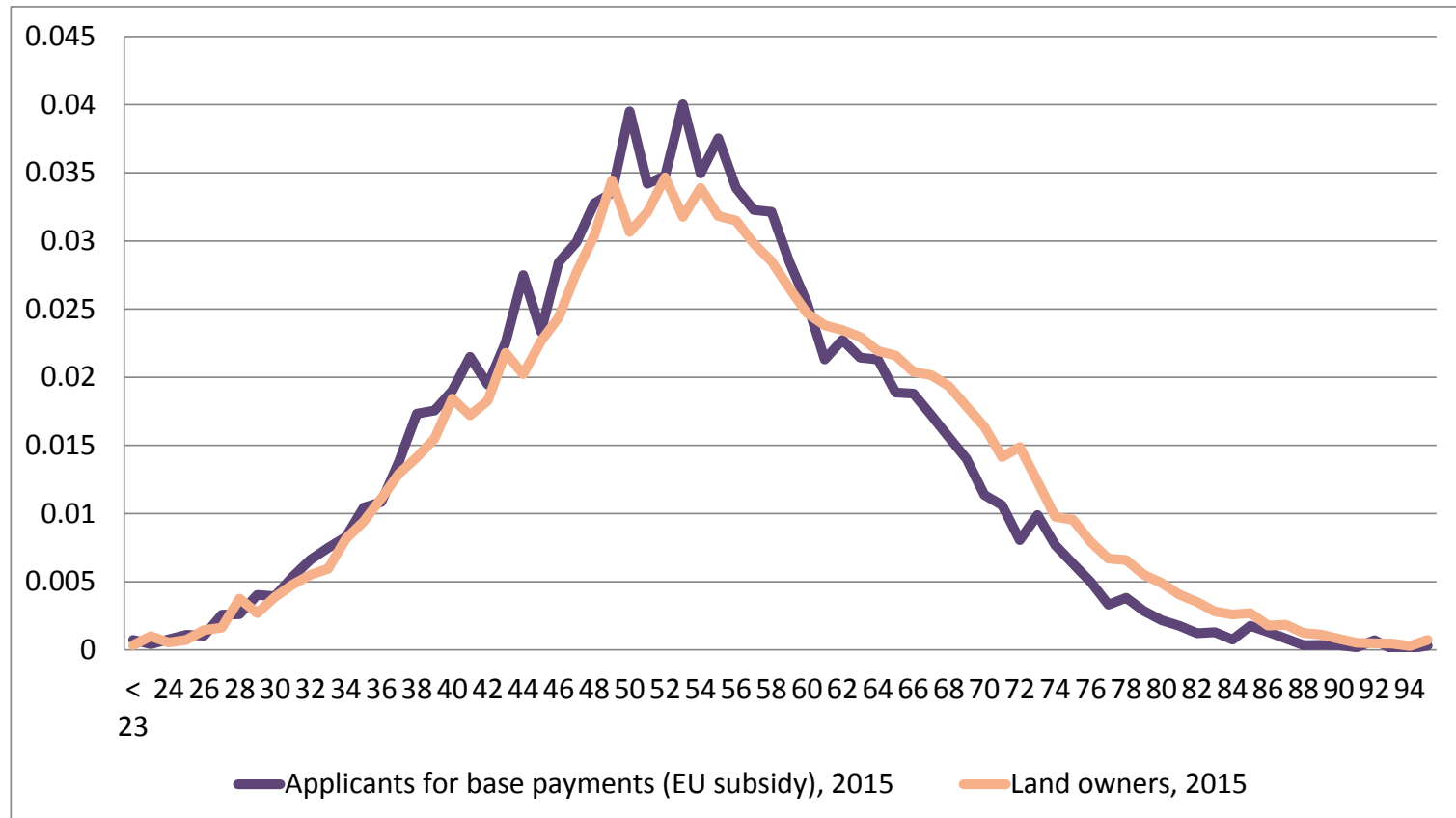


# Average age of farm owners compared to the average age of the grown-up population



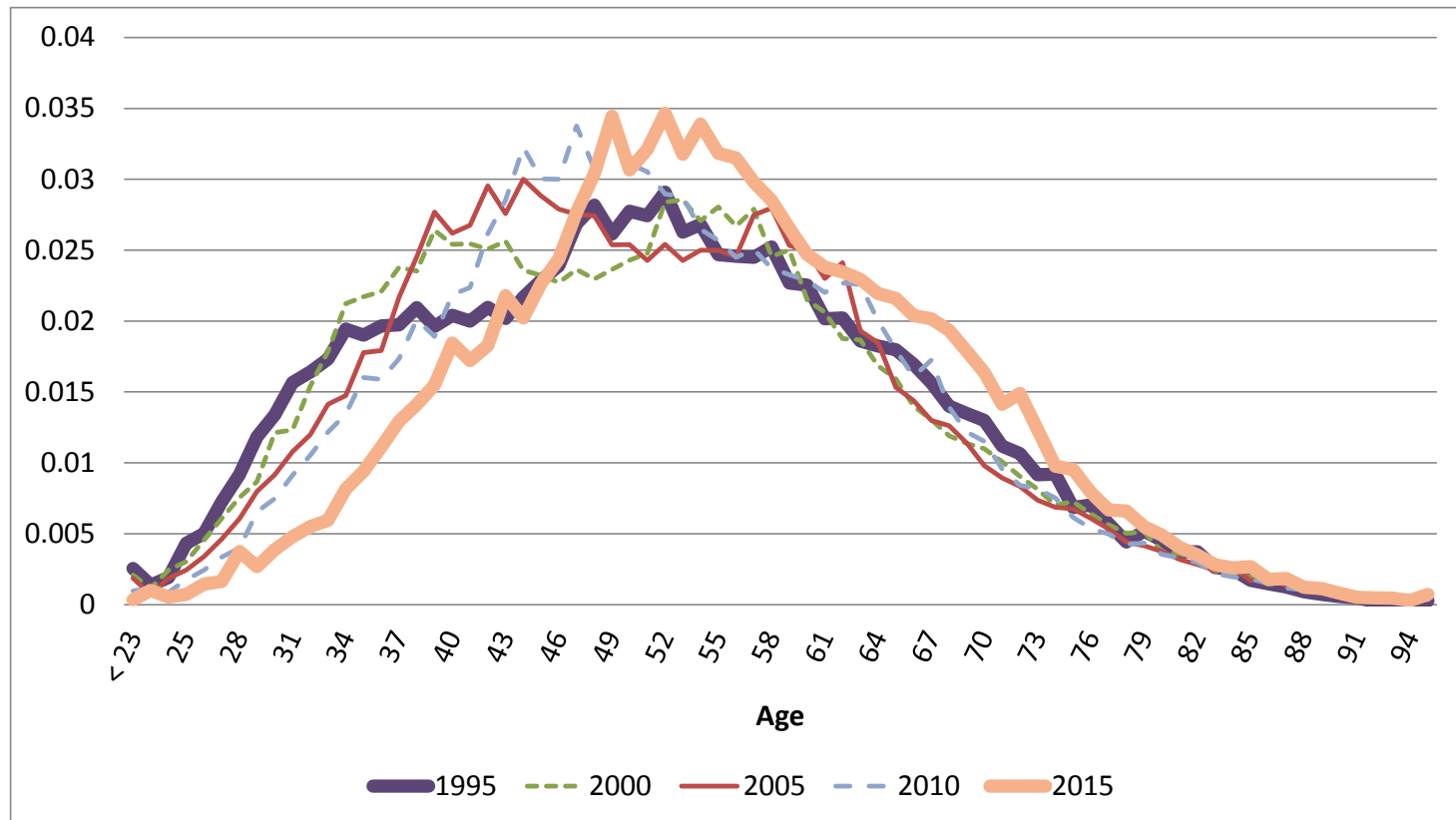
- The gap between the farmer age and the grown population was narrowing up to the financial crisis, but has widened again since then...
- The general demographics is part of the story...

## The relative area distribution on age groups for applicants of EU base payments and farm land owners, 2015



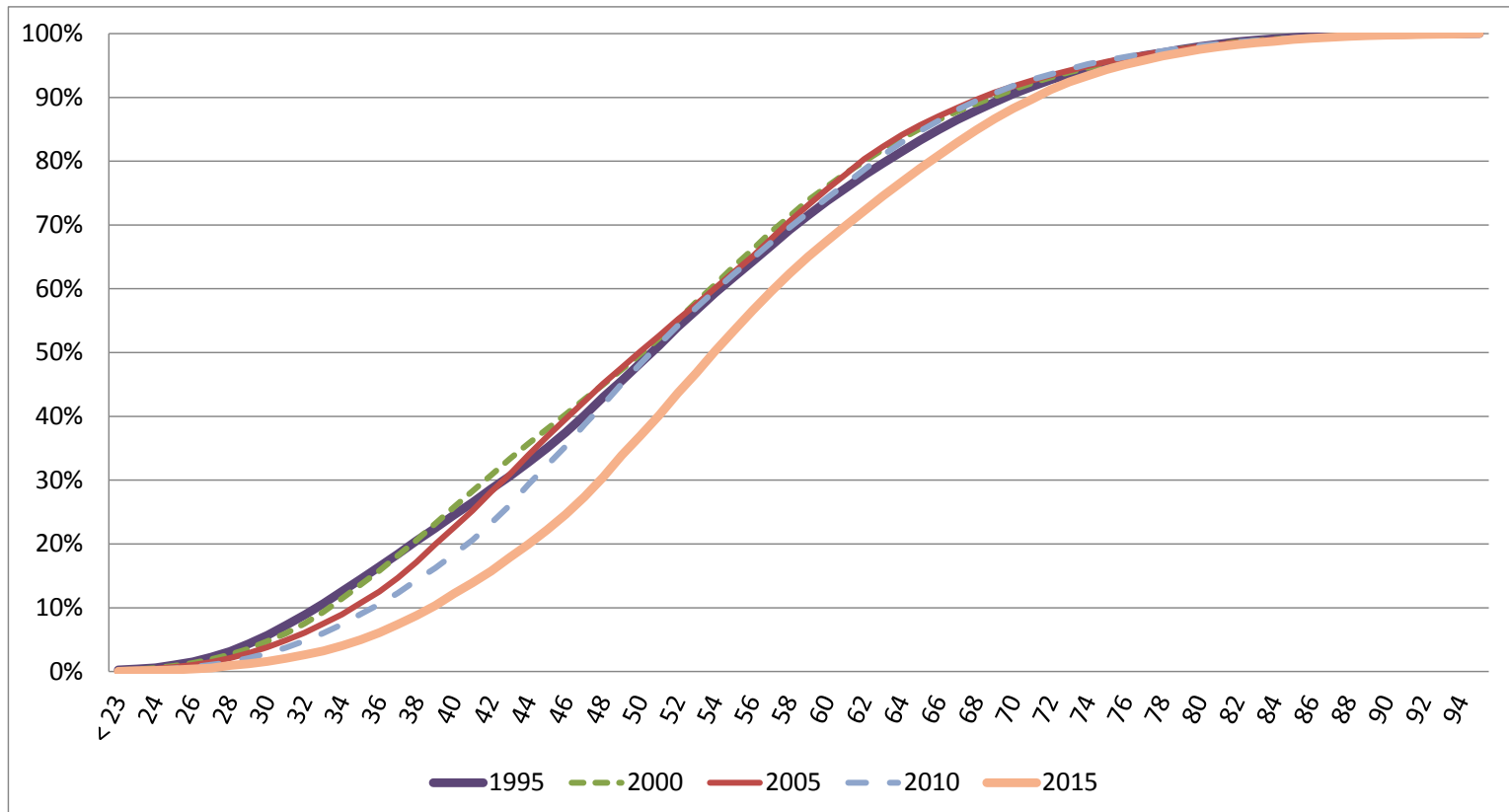
- From around the age of 62 years, more land is owned than is applied for in the EU subsidy system
- This reflects a tendency, by aging farmers, to rent out land but keep on living on the farm, when they wish to retire from active farming

# The relative area distribution on age groups over time (persons owning more than 10 ha)



- The area-age distributions is shifting to the right over time

# The cumulative area distribution on age groups over time (persons owning more than 10 ha)



- The area-age distributions is gradually shifting to the right at ages below 50 years, but was rather stable above 50 years up to 2010
- From 2010 to 2015 we see an interesting shift in the distribution, also at ages above 50 years

# Dynamics of Farmland Ownership, Aging Landowners and Aging Farmers

- Analysis of administrative land ownership (cadaster) data shows that:
  - The number of persons owning farmland is decreasing, but is significantly larger than the number of active farmers
  - The number of persons owning large estates (>120 ha) is increasing, approaching 5.000
  - Age of landowners was relatively stable up to the financial crisis, narrowing the gap to the general population, but after the GFC the gap has widened again.

# Dynamics of Farmland Ownership, Aging Landowners and Aging Farmers (cont.)

- Analysis of administrative land ownership (cadaster) data shows that:
  - Younger persons (<40) have owned a diminishing share of total area in privately held farms over a long period of time
  - Up to around 2010 this was mainly balanced with an increasing share of farm land owned by middle aged persons (40-60)
  - From 2010 to 2015 the share of farmland owned by older persons has increased (> 60)
- This may reflect that older farmers find it harder to find buyers for their farms (at prices they find attractive)

# Administrative cadaster data vs. active farmer age distribution from accounting data or likewise

- This analysis shown is an example of use of administrative data as an alternative to FADN type accounting statistics
- For some analysis farm owners might be just as relevant as "active" farmers
- If we believe that the effects of policy eventually is reflected in land prices, then landowners could be relevant objects in various analysis, in supplement to active farmers