Variables considered and included in the analysis

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| 1. **Additional variables included in the logistic regression**
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| **Question category** | **Question extension** | **Answer type** |
| In which province is your operations primarily based? | Response | Categorical/Factor |
| What is your gender? (Male = 1, Female = 0) | Response | Categorical/Dummy |
| **What is your age? (0-30 = 1, 30-44 = 2, 45-64 = 3, >= 65 = 4)** | **Response** | **Categorical/Factor** |
| What is the highest level of education you have completed? (Primary school = 1, Secondary school (without Matric) = 2, Passed Matric = 3, Currently at a tertiary institution = 4, University – Bachelors = 5, Technikon / College = 6, University – Masters = 7, University – Doctorate = 8) | Response | Categorical - ordered |
| How many years have you been farming? | Response | Categorical/Factor |
| How many generations on the same land? | Response | Numeric |
| **What kind of external capital do you make use of?**(Yes = 1, No = 0 for**Production loans** | Long term loans | Short term loans | Informal | None) | **Response** | **Categorical/Dummy** |
| Please indicate the range in which your farming operation's annual turnover falls:(range represented by the median turnover in the range) | Response | Numeric |
| Commodity/industry | Response | Categorical |
| **Latent variables** |  |  |
| **What is your perception of the business environment?** **(1 = least confident, 10 = most confident)** | **Business confidence index** | **Calculated (1 – 10)** |
| **Financial constraint:** **To what extent are the following factors a threat to your business (1 = not at all, 10 = most definitely)** | **Financial challenges** | **1 – 10**  |
| **Servicing existing loans** | **1 – 10** |
| **Investment cost:** **Have you made adjustments in the following areas in your farming operation over the last two years?****(Decreased | Unchanged | Increased)** | **Investment cost** | **-1 | 0 | 1** |
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| 1. **Variables considered for the financial strategy latent variable**
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| **Question category** | **Question extension** |  |
| Which of the following describes your long-term goals or strategy? Over the next five years I want to…(Increase the | Maintain the current | Decrease the | Don’t know/Not applicable) | ...area under field crop production | -1 | 0 | 1 | N/A |
| ...area under horticultural production | -1 | 0 | 1 | N/A |
| ...area under planted pastures | -1 | 0 | 1 | N/A |
| ...area under natural veld | -1 | 0 | 1 | N/A |
| ...number of intensively kept livestock | -1 | 0 | 1 | N/A |
| ...number of extensively kept livestock | -1 | 0 | 1 | N/A |
| ...number of enterprises (diversification) | -1 | 0 | 1 | N/A |
| ...level of water storage capacity of my dam(s) | -1 | 0 | 1 | N/A |
| ...my capacity to do farm processing or packing | -1 | 0 | 1 | N/A |
| We would like to hear about your future plans. Please consider the statements below and indicate your choice for each statement. Over the next 10 years, I will...(Strongly disagree | Disagree | Undecided | Agree | Strongly agree) | ...like to downsize current production, because I am transferring to lifestyle farming | -2 | -1 | 0 | 1 | 2 |
| ...consider the option of subdividing my land to sell in individual parcels | -2 | -1 | 0 | 1 | 2 |
| I am currently thinking of subdividing my land to sell in individual parcels | -2 | -1 | 0 | 1 | 2 |
| Have you made adjustments in the following areas in your farming operation over the last two years?(Decreased | Unchanged | Increased) | Size of intensively managed areas | -1 | 0 | 1  |
| Size of extensively managed areas | -1 | 0 | 1 |
| Number of intensively kept livestock | -1 | 0 | 1 |
| Number of extensively kept livestock | -1 | 0 | 1 |
| Number of branches (diversification) | -1 | 0 | 1 |
| Water storage capacity (dams) | -1 | 0 | 1 |
| Water from underground sources (bore holes) | -1 | 0 | 1 |
| Turnover | -1 | 0 | 1 |
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| 1. **Variables considered for the business environment perspective latent variable**
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| **Question category** | **Question extension** |  |
| To what extent are the following factors a threat to your business (1 = not at all, 10 = most definitely) | Availability of dependable labour | 1 – 10 |
| Labour laws | 1 – 10 |
| Tenure laws (ESTA)/ residential rights of farm labourers | 1 – 10 |
| Minimum wage laws | 1 – 10 |
| Land reform | 1 – 10 |
| Predators | 1 – 10 |
| Predator-control legislation | 1 – 10 |
| Other environmental legislation | 1 – 10 |
| Stock theft | 1 – 10 |
| Access to markets | 1 – 10 |
| Rising input costs | 1 – 10 |
| Decreasing commodity prices | 1 – 10 |
| Farm attacks | 1 – 10 |
| Climate change | 1 – 10 |
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| 1. **Variables used in the cluster analysis to identify respondents who would exit**
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| **Question category** | **Question extension** |  |
| Which of the following describes your long-term goals or strategy? Over the next ten years I want to…(Strongly disagree | Disagree | Undecided | Agree | Strongly agree) | ...consider selling my farm and retire | -2 | -1 | 0 | 1 | 2 |
| ...consider to stop farming because it is physically too dangerous | -2 | -1 | 0 | 1 | 2 |
| ...consider to stop farming because of financial difficulty | -2 | -1 | 0 | 1 | 2 |