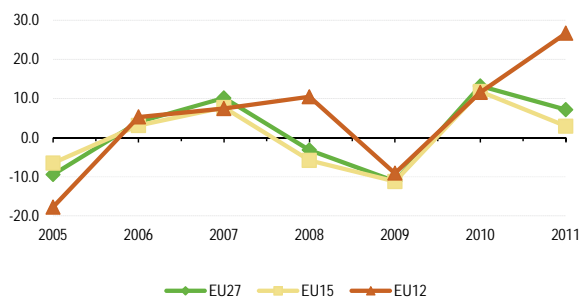


## Agricultural income per annual work unit in the EU-27 up by 7.1% in 2011

According to the second estimates for the Economic Accounts for Agriculture (EAA) submitted to Eurostat by the Member States at the end of January 2012, agricultural income

per annual work unit (Indicator A<sup>1</sup>) is estimated to have risen by 7.1 % in the EU-27 in 2011. Agricultural labour input was down by 2.7 % in EU-27 compared with the previous year.

**Figure 1: EU agricultural income (Indicator A) developments 2005-2011, percent change compared with previous year**



Source: Eurostat

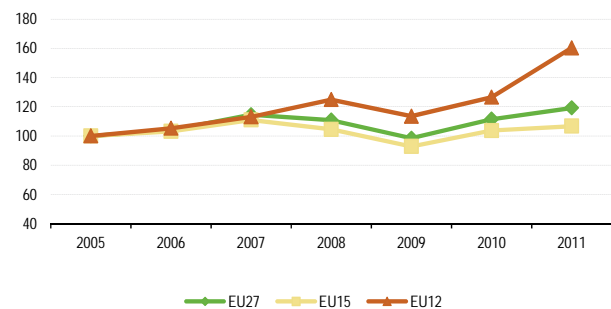
The 2011 increase of 7.1 % in agricultural income per annual work unit follows an increase of 13.0 % in 2010 and a decrease of -11% registered in 2009 at EU-27 level.

In the EU-15 and in the EU-12, the increase in income per work unit in 2011 was 2.6 % and 27.1 % respectively. The strong increase in indicator A for EU-12 is due to an increase in factor income of 22.9 % and a reduction of agricultural labour input of -3.3 %.

When compared with the previous year, the factor income in EU-15 remains almost at the same level in 2011 (+0.5 %), while the labour input registered an overall decrease of -2.1 %.

For the EU-27, the recent increase brought Indicator A to 119.1 (2005 = 100), following a rise of 11.4 % in 2010. For the EU-15 the level of Indicator A is higher in 2011 than in 2005 (+6.7 %), after reaching 103.7 in 2010.

**Figure 2: EU agricultural income (Indicator A) developments, 2005=100**



Source: Eurostat

**Indicator A** measures the change in real agricultural factor income (corresponding to the net value added at factor cost) related to the change in total agricultural labour input. Unless otherwise stated, all figures refer to EU-27. All figures relating to changes in prices and values (and therefore also in the income indicators) are expressed in real terms (i.e. they are deflated by means of the implicit price index of GDP). One labour unit = one full-time job. See methodological notes on page 8 for further information.

## Agricultural income (Indicator A) 2011, differences between countries

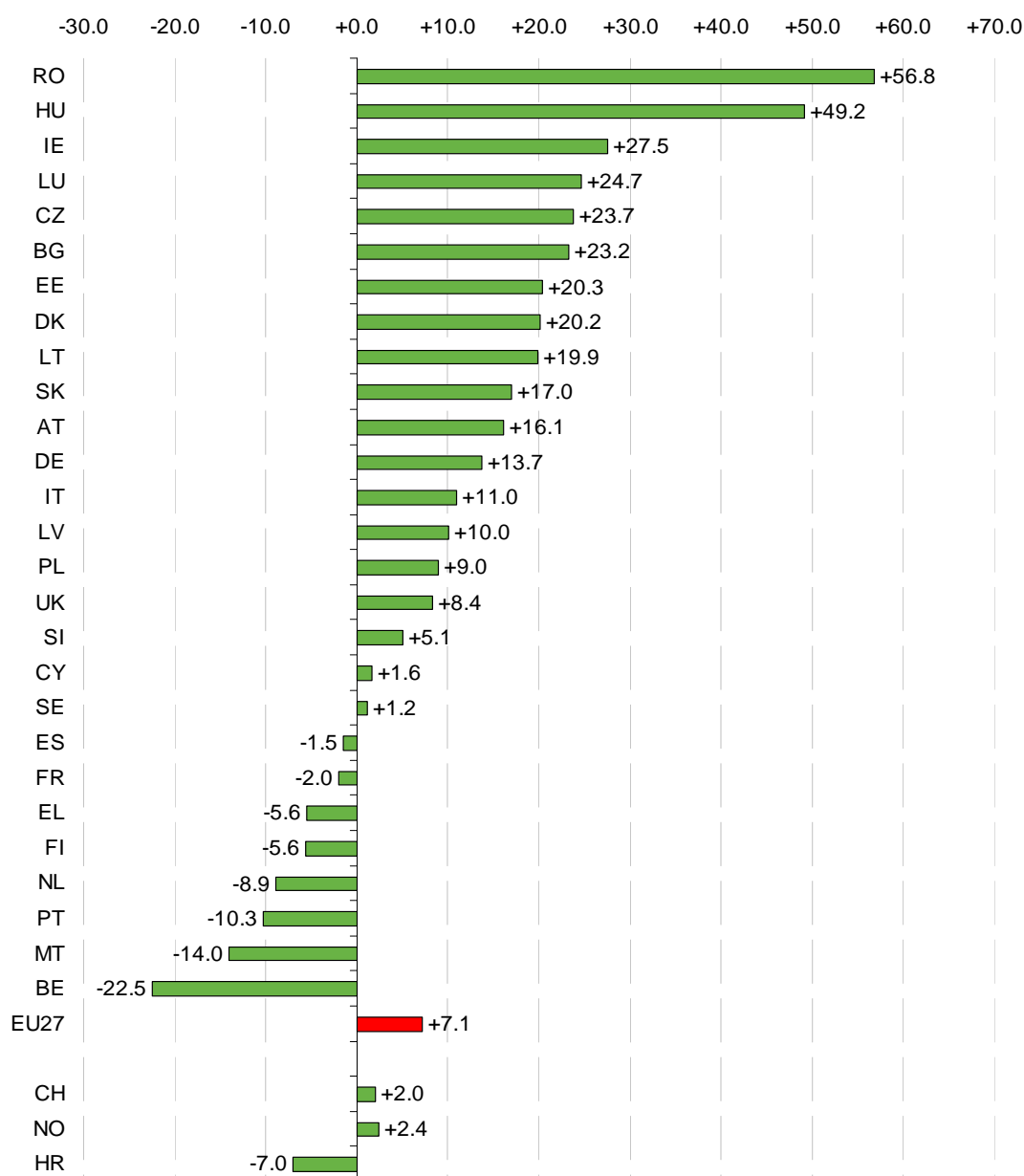
Agricultural income per annual work unit developed differently across the Member States of the EU-27. In 2011, the biggest increases were seen in Romania (+56.8 %), Hungary (+49.2 %), Ireland (+27.5 %), and Luxembourg (+24.7 %). The biggest decreases, on the other hand, were registered in Belgium (-22.5 %),

followed by Malta (-14.0 %), Portugal (-10.3 %) and the Netherlands (-8.9 %).

The EU-15 generates 80 % of the total factor income generated in the EU-27.

In Switzerland, the Indicator A rose by 2.0 %, and in Norway by 2.4 %.

**Figure 3: Agricultural Income (Indicator A), change 2011 compared with 2010 (%)**



Source: Eurostat (online data code: [aact\\_eaa06](#))

## Main factors in income development in 2011

Indicator A combines the development in net value added at factor costs (factor income) and the development in agricultural labour input.

In EU-27, there was a 4.2 % increase in factor income in 2011 compared with 2010 in real terms (which represents 6.1 % in nominal terms), while agricultural labour input was down by 2.7 %.

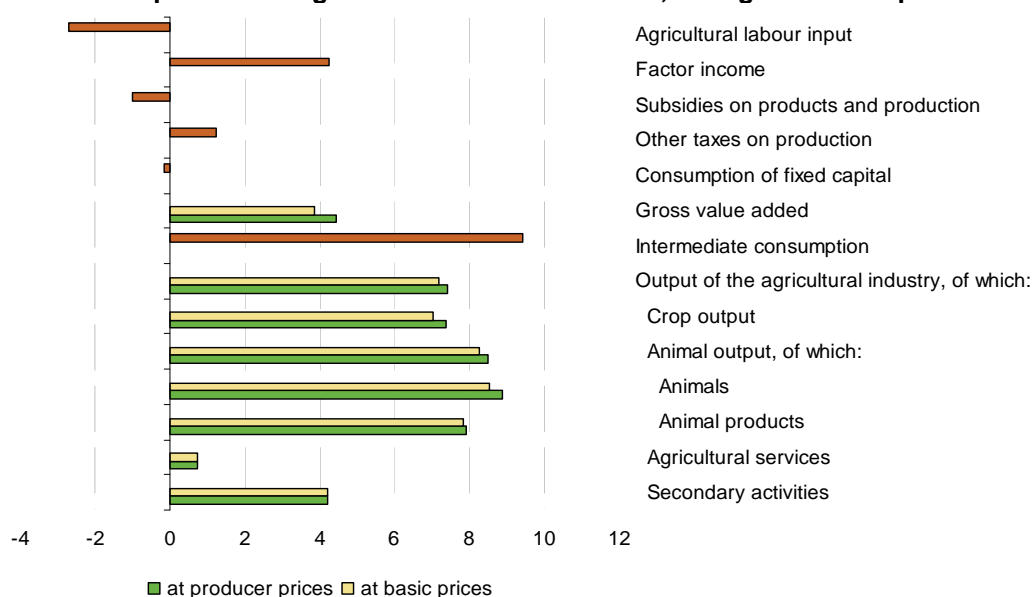
Factor income rises in 2011 were mainly due to increases in the output values of both crop production (7.0 %), and animal production (8.2 %). The output value of agricultural services remains at almost the same level as in 2010 (+0.7 %), while that of inseparable non-

agricultural secondary activities was up by 4.2 %.

Even though according to second estimates provided by the countries, the overall output of the agriculture industry grew by 7.2 %, this was partially counterbalanced by an increase of 9.4 % in the value of intermediate consumption, which led to an increase of 4.2% in factor income.

The overall increase of 7.1 % in agricultural income per labour unit in 2011 compared with 2010 is due to a combination of a number of changes in volume and prices.

**Figure 4: Main components of agricultural income in EU-27, change 2011 compared with 2010 (%)**



Source: Eurostat (online data codes: [aact\\_eaa05](#) and [aact\\_ali02](#))

The increase in the value of total agricultural output in basic prices by 7.2 % is due to higher prices (5.1 %), while the volume is up by 2.0 %. For intermediate consumption, the increase in value (9.4 %) was due to a rise in prices (8.8 %) and higher volume (0.5 %). As a result of both of these trends, i.e., the developments in output and in intermediate consumption, the gross value added in agriculture in 2011 rose by 3.9 % at basic prices.

The EU-average of the gross value added accounts for 39.3 % of the total output value.

Overall, subsidies were worth around EUR 55 billion in 2011, accounting for around 39 % of the factor income.

## A closer look at output

The value of crop output, which accounts for 52.8 % of the total output, rose by 7.0 % in basic prices, while animal output, at around 40 % of

total output, grew by 8.2 %. Agricultural services were up slightly by 0.7 %, while secondary activities increased by 4.2 %.

**Table 1: Output, changes 2011 over 2010, (%)**

	VOLUME (at producer prices)	PRODUCER PRICE (real)	VALUE (real, at producer prices)	VALUE (real, at basic prices)	Share in EU-27 overall output (producer prices, in 2010)	Major producer countries -share in EU 27 output at producer prices, in 2010 (%)		
	2011 / 2010 (%)							
Cereals	+2.4	+18.5	+21.4	+20.9	11.9%	FR -25	DE-15	ES-9
Oilseeds	-0.4	+16.7	+16.3	+16.1	2.7%	FR-26	DE-19	UK-8
Sugar beet	+15.0	+4.7	+20.5	+18.5	0.8%	FR-27	DE-20	PL-9
Fresh vegetables	+1.5	-10.7	-9.3	-9.4	8.4%	ES-20	IT19	FR-11
Plants and flowers	-2.5	-1.7	-4.2	-4.2	5.8%	NL-31	IT-14	DE-12
Potatoes	+6.2	-1.2	+4.9	+4.8	2.9%	FR-16	DE-13	NL-12
Fruits	+3.9	-2.4	+1.4	+1.3	6.3%	ES-29	IT-23	FR-13
Wine	+4.4	+3.1	+7.7	+7.7	4.2%	FR-54	IT-25	DE-7
Olive oil	-2.2	-1.0	-3.2	-3.5	1.1%	ES-46	IT-37	EL-17
<b>Crop output</b>	<b>+3.0</b>	<b>+4.3</b>	<b>+7.4</b>	<b>+7.0</b>	<b>52.8%</b>	<b>FR-20</b>	<b>IT-14</b>	<b>ES-13</b>
Cattle	+0.9	+8.6	+9.5	+8.7	7.5%	FR-25	UK-12	IT-12
Pigs	+0.2	+6.5	+6.7	+6.6	8.7%	DE-19	ES-16	FR-9
Sheep and goats	+1.0	+6.6	+7.7	+7.1	1.4%	UK-31	ES-17	EL-14
Poultry	+2.2	+10.7	+13.1	+13.0	4.8%	FR-18	UK-12	IT-12
Milk	+1.2	+8.6	+9.9	+9.8	13.5%	DE-19	FR-16	IT-9
Eggs	-2.1	+0.4	-1.8	-1.8	2.2%	IT-14	ES-12	PL-11
<b>Animal output</b>	<b>+0.8</b>	<b>+7.6</b>	<b>+8.5</b>	<b>+8.2</b>	<b>39.7%</b>	<b>FR-16</b>	<b>DE-15</b>	<b>IT-10</b>
<b>Agricultural services</b>	<b>+0.1</b>	<b>+0.6</b>	<b>+0.7</b>	<b>+0.7</b>	<b>4.4%</b>	<b>FR-22</b>	<b>NL-18</b>	<b>IT-17</b>
<b>Secondary activities</b>	<b>+1.5</b>	<b>+2.6</b>	<b>+4.2</b>	<b>+4.2</b>	<b>3.1%</b>	<b>FR-18</b>	<b>IT-14</b>	<b>UK-11</b>

Source: Eurostat

### Crop output

The value of crop output, which accounts for 52.8 % of the total output, rose by 7.0 % in basic prices, while animal output, at around 40 % of total output, grew by 8.2 %. Agricultural services were up slightly by 0.7 %, while secondary activities increased by 4.2 %.

The main reason for the increase in crop output is the overall increase in both volume (+3.0 %) and producer prices (+4.3 %). Large price increases are observed for cereals (+18.5 %), oilseeds (+16.7 %), and sugar beet (+4.7 %). Prices were down for fresh vegetables (-10.7 %), fruits (-2.4 %) and plants and flowers (-1.7 %). The volume of the main crop products was up in 2011 compared with 2010. Sugar beet (+15.0 %), potatoes (+6.2 %) and fruits (+3.9 %) saw the largest movements in volume terms.

Five Member States recorded falls for total crop output in 2011 (see Tab.4): Belgium (-13.0 %), Portugal (-6.3 %), the Netherlands (-3.5 %), Spain (-3.2 %) and Sweden (-0.6 %). The biggest increases in crop output values were observed in Slovakia (+40.0 %), Hungary (+37.3 %),

Lithuania (+34.1 %), Estonia (+24.4 %) and Romania (+21.8 %).

The crop output value in EU-15 increased by 4.0 % while in EU-12 it rose by 22.0 % in 2011. Basic prices in real terms rose by 3.9 % in EU-27, as a result of the increase of 2.6 % in EU-15 and 10.1 % in EU-12.

### Animal output

The rise in animal output value (+8.2 %) was mainly due to higher producer prices (+7.6 %), while volume was up slightly (+0.8 %). Prices went up for all groups included in animal output. In animal products, and compared with 2010, the value of milk was up by +9.9 % mainly due to increases in the price of milk (+8.6 %) and changes in volume (+1.2 %). As for egg production, the fall in the average output volume (-2.1 %) is partially offset by changes in average prices (+0.4 %), with the final value down by 1.8 % when compared with the previous year.

For animals (meat and livestock) the value in basic prices was up 8.5 %. Higher producer prices were the main reason for this result in all groups: poultry (+10.7 %), cattle (+8.6 %), sheep and goats (+6.6 %) and pigs (+6.5 %).

The volume for all categories was up compared with 2010: poultry (+2.2 %), sheep and goats (+1.0 %) and cattle (+0.9 %); there was also a slight increase for pigs (+0.2 %). As presented in Table 4, 23 out of 27 countries recorded higher values for animal output in 2011, with the most noticeable increases reported by Ireland

(+18.5 %), Estonia (+17.5 %) and Hungary (+14.1 %).

Member States such as Slovakia (-4.9 %), Cyprus (-2.9 %) and Malta (-2.6 %), on the other hand, registered lower output values in real terms than the previous year.

## A medium-term analysis (2005-2011)

**Table 2: Indices of Indicator A of agricultural income in EU-27**

	2005	2006	2007	2008	2009	2010	2011
BE	100.0	123.1	132.6	107.2	113.4	141.1	109.3
BG	100.0	97.5	98.8	167.9	121.4	123.5	152.2
CZ	100.0	105.2	109.4	115.3	93.4	129.3	160.0
DK	100.0	112.8	114.4	66.6	66.3	113.8	136.7
DE	100.0	108.9	126.5	134.7	94.8	113.2	128.7
EE	100.0	100.0	140.1	112.4	95.7	156.9	188.7
IE	100.0	83.4	93.5	87.2	67.6	79.6	101.5
EL	100.0	95.2	102.9	88.5	90.4	83.5	78.9
ES	100.0	95.5	107.4	91.1	91.6	99.0	97.5
FR	100.0	111.3	121.1	104.6	84.5	113.0	110.7
IT	100.0	96.3	93.7	95.2	90.4	79.9	88.7
CY	100.0	90.0	90.1	85.7	89.8	92.0	93.5
LV	100.0	130.2	135.6	114.0	101.8	134.5	148.0
LT	100.0	88.9	133.2	123.2	106.0	120.8	144.8
LU	100.0	104.8	133.0	91.8	60.6	61.5	76.7
HU	100.0	107.3	115.2	152.2	104.3	123.2	183.8
MT	100.0	97.5	94.5	90.1	98.7	89.9	77.3
NL	100.0	123.0	121.8	104.4	86.7	112.7	102.6
AT	100.0	110.8	124.8	121.9	93.7	106.5	123.7
PL	100.0	112.9	137.8	119.5	134.0	165.9	180.8
PT	100.0	102.0	93.8	98.6	87.7	96.6	86.7
RO	100.0	99.3	76.8	114.4	97.1	87.7	137.5
SI	100.0	97.4	109.5	97.2	92.6	100.9	106.0
SK	100.0	122.1	128.9	143.5	110.5	114.4	133.9
FI	100.0	98.9	112.6	96.7	115.6	129.0	121.7
SE	100.0	111.3	135.7	119.1	93.4	122.4	123.9
UK	100.0	101.9	109.3	143.3	134.5	138.8	150.4
<b>EU-27</b>	<b>100.0</b>	<b>104.0</b>	<b>114.5</b>	<b>110.8</b>	<b>98.5</b>	<b>111.4</b>	<b>119.1</b>

Source: Eurostat

In order to place the most recent income developments in a medium-term perspective, Indicator A is expressed in index form, with the year 2005 chosen as reference year.

According to the evolution of Indicator A, Member States can be divided into two groups. The first group includes those countries for which agricultural income in 2011 was higher than in 2005. This group consists of twenty Member States. In fifteen of these countries, the level of agricultural income reached in 2011 was

more than 20 index points higher than in 2005.

These fifteen are Estonia, Hungary, Poland, the Czech Republic, Bulgaria, the United Kingdom, Latvia, Lithuania, Romania, Denmark, Slovakia, Germany, Sweden, Austria and Finland.

The second group includes the other seven Member States where agricultural income in 2011 is below the level recorded for 2005. This group comprises Luxembourg, Malta, Greece, Portugal, Italy, Cyprus and Spain.

## Higher intermediate consumption (+9.4%) and decreasing labour input (-2.7%)

### Value of intermediate consumption is higher than in 2010

In 2011, at EU level, the value of intermediate consumption rose by 9.4 % in real terms due to a combination of higher prices (+8.8 %) and a slightly higher volume (+0.5 %).

For the components of intermediate consumption, values for most items are rising, most importantly for fertilisers and soil improvers (+25.1 %), feedingstuffs (+15.2 %) and energy and lubricants (+12.4 %). The only fall is estimated in the value of financial intermediation services indirectly measured (-12.4 %) compared with the previous year.

The increase in prices (+8.8 %) is the main reason for the rise in intermediate consumption value, while volume remains at almost the same level as in 2010 (+0.5 %).

The value of intermediate consumption rose in all countries except Cyprus where a slight decrease of 1.1 % was recorded in 2011, over the previous year.

The most noticeable increases in intermediate consumption value were seen in Lithuania (+19.4 %), Estonia (+16.1 %), Germany (14.3 %), Poland (+12.7 %) and Hungary (+11.8 %).

**Table 3: Changes for intermediate consumption 2011 over 2010 (%)** <sup>1)</sup>

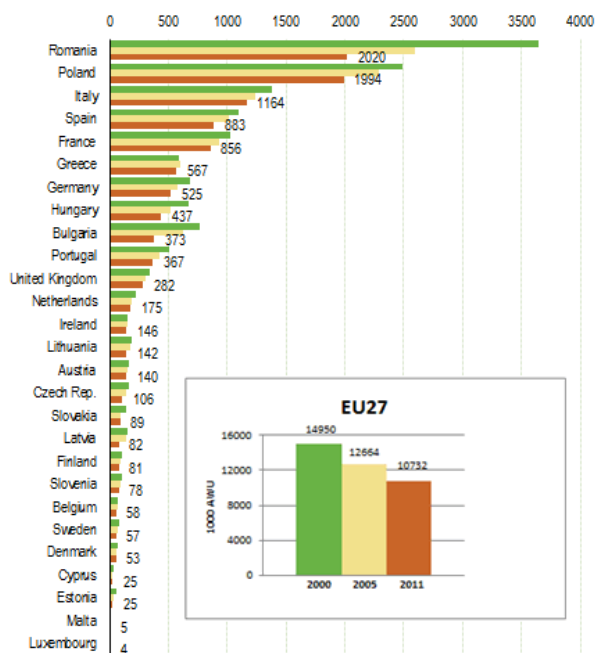
	Volume	Prices
<b>Intermediate consumption, total</b>	<b>+0.5</b>	<b>+8.8</b>
<i>Of which:</i>		
Energy and lubricants	+0.9	+11.4
Fertilizers and soil improvers	+8.3	+15.5
Feedingstuffs	-0.9	+16.2

<sup>1)</sup> Basic prices

Energy prices rose in all countries, ranging from 26.5 % in Finland to 1.6 % in Poland. The biggest increases in prices of fertilisers and soil improvers were recorded in the United Kingdom (+33.4 %), Belgium (+30.5 %), Austria (+29.5 %) and Finland (+28.2 %).

### Agricultural Labour Input fell in 2011

**Figure 5: Agricultural labour input (total, 1000 AWU)**



In 2011, the agricultural labour input continued to decrease in twenty one Member States compared to the previous year; it remained almost stable in five countries and registered an increase only in Slovakia (+7.9 %). The biggest falls are estimated for Bulgaria (-9.3 %), Belgium (-6.9 %) and Romania (-6.7 %).

For EU-27, agricultural labour input in 2011 is down by 2.7 % compared with 2010, by 15.3 % compared with 2005 and by 28.2 % compared with 2000.

In EU-12 the agricultural labour input decreased by 3.3 % compared with 2010, by 20.3 % compared with 2005 and by 36.3 % when compared with 2000. Although in EU-15 the labour input used in agriculture decreased from 2000 onwards, the negative development is not as steep as in EU-12 (-2.1 % 2011/2010, -9.5 % 2011/2005 and -17.8 % 2011/2000).

Source: Eurostat (online data code: [aact\\_ali01](#))

**Table 4: Main components of agricultural income in the EU-27% 2011/2010**

Values in real terms (i.e. deflated)	EU-27	BE	BG	CZ	DK	DE	EE	IE	EL	ES	FR	IT	CY	LV
<b>OUTPUT OF THE AGRICULTURAL 'INDUSTRY'</b>	<b>+7.2</b>	<b>-2.8</b>	<b>+7.5</b>	<b>+13.0</b>	<b>+6.8</b>	<b>+12.7</b>	<b>+18.7</b>	<b>+17.1</b>	<b>+0.9</b>	<b>+1.5</b>	<b>+4.0</b>	<b>+6.3</b>	<b>-0.0</b>	<b>+6.1</b>
CROP OUTPUT	+7.0	-13.0	+14.3	+19.9	+9.1	+16.9	+24.4	+16.3	+1.6	-3.2	+1.4	+5.3	+0.6	+7.5
ANIMAL OUTPUT	+8.2	+5.9	+0.4	+4.0	+6.0	+9.4	+17.5	+18.5	-0.2	+10.1	+7.8	+8.7	-2.9	+5.4
ANIMALS	+8.5	+5.1	-2.8	-0.5	+11.4	+8.8	+17.6	+17.8	-1.2	+12.0	+6.9	+9.3	-3.9	+1.1
ANIMAL PRODUCTS	+7.8	+8.1	+3.8	+8.5	-1.0	+10.1	+17.5	+19.4	+0.8	+5.0	+9.3	+7.8	-1.5	+7.9
AGRICULTURAL SERVICES	+0.7	+0.4	+1.6	+2.0	+2.0	-0.7	+0.6	+1.8	-1.9	+1.7	+0.4	+2.9	+5.1	+2.8
SECONDARY ACTIVITIES	+4.2	+0.1	-8.7	+14.6	+1.6	+1.3	+2.3	-	+0.2	+1.3	+14.3	+5.8	+1.3	+1.0
- INTERMEDIATE CONSUMPTION	<b>+9.4</b>	<b>+10.1</b>	<b>+7.7</b>	<b>+8.1</b>	<b>+4.3</b>	<b>+14.3</b>	<b>+16.1</b>	<b>+12.5</b>	<b>+9.1</b>	<b>+10.5</b>	<b>+8.3</b>	<b>+5.8</b>	<b>-1.1</b>	<b>+5.4</b>
<b>= GROSS VALUE ADDED AT BASIC PRICES</b>	<b>+3.9</b>	<b>-26.5</b>	<b>+7.1</b>	<b>+28.3</b>	<b>+13.3</b>	<b>+9.0</b>	<b>+23.4</b>	<b>+31.1</b>	<b>-6.4</b>	<b>-5.7</b>	<b>-2.3</b>	<b>+6.8</b>	<b>+1.2</b>	<b>+8.2</b>
- CONSUMPTION OF FIXED CAPITAL	-0.1	+0.8	-17.6	+3.1	-3.5	+0.3	+5.1	-0.9	+1.2	-0.2	-1.0	+0.8	-3.7	-1.4
- OTHER TAXES ON PRODUCTION	+1.2	+0.3	-13.4	-6.7	-1.0	-0.7	+1.6	-42.8	+39.4	+6.8	+1.7	-4.9	-2.8	-0.0
+ OTHER SUBSIDIES ON PRODUCTION (a)	+0.1	-0.2	+15.8	+2.9	-2.0	+2.3	+4.3	+10.6	+2.1	-1.2	-3.9	-1.8	-1.5	-0.8
<b>= FACTOR INCOME (1)</b>	<b>+4.2</b>	<b>-27.8</b>	<b>+11.8</b>	<b>+20.7</b>	<b>+18.7</b>	<b>+11.4</b>	<b>+18.5</b>	<b>+27.5</b>	<b>-5.9</b>	<b>-5.9</b>	<b>-3.8</b>	<b>+9.8</b>	<b>+1.2</b>	<b>+4.7</b>
AGRICULTURAL LABOUR INPUT (2)	-2.7	-6.9	-9.3	-2.4	-1.2	-2.1	-1.5	+0.0	-0.3	-4.5	-1.8	-1.1	-0.4	-4.8
<b>INDICATOR A (1)/(2)</b>	<b>+7.1</b>	<b>-22.5</b>	<b>+23.2</b>	<b>+23.7</b>	<b>+20.2</b>	<b>+13.7</b>	<b>+20.3</b>	<b>+27.5</b>	<b>-5.6</b>	<b>-1.5</b>	<b>-2.0</b>	<b>+11.0</b>	<b>+1.6</b>	<b>+10.0</b>
<b>Indicator A, Indices in 2011 (2005=100)</b>	<b>119.1</b>	<b>109.3</b>	<b>152.2</b>	<b>160.0</b>	<b>136.7</b>	<b>128.7</b>	<b>188.7</b>	<b>101.5</b>	<b>78.9</b>	<b>97.5</b>	<b>110.7</b>	<b>88.7</b>	<b>93.5</b>	<b>148.0</b>

Values in real terms (i.e. deflated)	LT	LU	HU	MT	NL	AT	PL	PT	RO	SI	SK	FI	SE	UK
<b>OUTPUT OF THE AGRICULTURAL 'INDUSTRY'</b>	<b>+21.6</b>	<b>+5.6</b>	<b>+26.2</b>	<b>+1.2</b>	<b>+1.5</b>	<b>+11.0</b>	<b>+14.5</b>	<b>-1.5</b>	<b>+15.9</b>	<b>+7.0</b>	<b>+17.5</b>	<b>+6.2</b>	<b>+0.7</b>	<b>+9.3</b>
CROP OUTPUT	+34.1	+4.7	+37.3	+7.9	-3.5	+16.1	+18.4	-6.3	+21.8	+6.0	+40.0	+14.3	-0.6	+13.4
ANIMAL OUTPUT	+9.5	+5.6	+14.1	-2.6	+8.8	+8.0	+10.9	+4.4	+6.2	+8.4	-4.9	+0.4	+1.5	+7.9
ANIMALS	+11.3	+2.3	+14.0	-5.6	+9.4	+8.0	+11.1	+3.8	+12.4	+5.4	-18.8	+2.6	-2.8	+8.0
ANIMAL PRODUCTS	+8.2	+8.4	+14.4	+2.9	+8.2	+8.0	+10.8	+5.7	+1.2	+13.0	+12.8	-0.8	+5.0	+7.8
AGRICULTURAL SERVICES	+8.5	-2.1	-0.0	-	-0.1	+4.5	+1.0	+0.3	-9.0	+3.2	+20.3	+3.3	+3.3	-2.0
SECONDARY ACTIVITIES	-3.7	+14.5	+2.1	-4.9	-3.1	+0.1	+11.7	+2.3	-2.5	-	+3.9	+10.6	+1.5	+4.1
- INTERMEDIATE CONSUMPTION	<b>+19.4</b>	<b>+4.5</b>	<b>+11.8</b>	<b>+0.7</b>	<b>+6.6</b>	<b>+8.5</b>	<b>+12.7</b>	<b>+4.6</b>	<b>+11.6</b>	<b>+7.1</b>	<b>+10.7</b>	<b>+11.2</b>	<b>+3.0</b>	<b>+8.4</b>
<b>= GROSS VALUE ADDED AT BASIC PRICES</b>	<b>+26.3</b>	<b>+8.7</b>	<b>+55.9</b>	<b>+1.8</b>	<b>-7.8</b>	<b>+14.6</b>	<b>+17.1</b>	<b>-11.6</b>	<b>+21.6</b>	<b>+6.9</b>	<b>+46.1</b>	<b>-3.4</b>	<b>-5.4</b>	<b>+11.0</b>
- CONSUMPTION OF FIXED CAPITAL	+11.4	+1.0	-0.6	-15.5	-1.1	+1.0	-0.6	-7.9	-0.4	+0.0	+2.9	+2.4	-1.9	+0.7
- OTHER TAXES ON PRODUCTION	-3.7	-2.1	-2.0	-	-0.8	-12.5	+7.0	+3.1	-4.5	-0.2	+17.3	-	-	+4.2
+ OTHER SUBSIDIES ON PRODUCTION (a)	-14.2	+11.9	+3.0	-50.2	+4.2	-2.9	-17.1	-15.7	+121.7	-3.7	-3.6	-4.5	+0.9	-1.7
<b>= FACTOR INCOME (1)</b>	<b>+18.9</b>	<b>+23.1</b>	<b>+49.4</b>	<b>-14.0</b>	<b>-10.6</b>	<b>+14.4</b>	<b>+9.0</b>	<b>-14.0</b>	<b>+46.4</b>	<b>+4.8</b>	<b>+26.2</b>	<b>-7.2</b>	<b>-3.5</b>	<b>+8.5</b>
AGRICULTURAL LABOUR INPUT (2)	-0.8	-1.3	+0.1	+0.0	-1.8	-1.5	+0.0	-4.2	-6.7	-0.2	+7.9	-1.7	-4.7	+0.2
<b>INDICATOR A (1)/(2)</b>	<b>+19.9</b>	<b>+24.7</b>	<b>+49.2</b>	<b>-14.0</b>	<b>-8.9</b>	<b>+16.1</b>	<b>+9.0</b>	<b>-10.3</b>	<b>+56.8</b>	<b>+5.1</b>	<b>+17.0</b>	<b>-5.6</b>	<b>+1.2</b>	<b>+8.4</b>
<b>Indicator A, Indices in 2011 (2005=100)</b>	<b>144.8</b>	<b>76.7</b>	<b>183.8</b>	<b>77.3</b>	<b>102.6</b>	<b>123.7</b>	<b>180.8</b>	<b>86.7</b>	<b>137.5</b>	<b>106.0</b>	<b>133.9</b>	<b>121.7</b>	<b>123.9</b>	<b>150.4</b>

Source: Eurostat



## ESSENTIAL INFORMATION – METHODOLOGICAL NOTES

### *Concepts and definitions*

The estimates for the Economic Accounts for Agriculture (EAA) published in this issue of 'Statistics in Focus' are provisional. The compilation is based on information available up to the end of January 2012, which is also uploaded on Eurostat databases.

The results have been compiled by the national authorities in the Member States of the European Union and in Norway and Switzerland, in accordance with the methodology of the EAA (which is close to the methodology of the national accounts, ESA95, but incorporates a number of changes to take account of the special features of the agricultural economy).

### **What is agricultural income?**

The income indicators relate to the income generated by agricultural activities (as well as inseparable non-agricultural, secondary activities) over a given accounting period, even though in certain cases the corresponding revenues will not be received until a later date. It does not, therefore, constitute the income effectively received in the course of the accounting period itself. Moreover, they are not indicators of total income or of the disposable income of farming households; in addition to their purely agricultural income, households often receive income from other sources (non-agricultural activities, salaries, social benefits, income from property). In other words, agricultural income must not be regarded as the income of agricultural households.

In the present context, emphasis is placed on the Indicator A of agricultural income. Its development is presented as indices based on previous year figures for short term development and on 2005 for medium or long term. The indicator is defined as follows:

### **Indicator A: Index of the real income of factors in agriculture, per annual work unit**

This indicator corresponds to the real (i.e. deflated) net value added at factor cost of agriculture, per total annual work unit. Net value added at factor cost is calculated by subtracting from the value of agricultural output at basic prices the value of intermediate consumption, the consumption of fixed capital, and adding the value of the (other) subsidies less taxes on production. The detailed data can be found at the Eurostat website.

### **Other indicators**

Two other indicators for agricultural income are also calculated: **Indicator B:** Index of real net agricultural entrepreneurial income, per unpaid annual work unit and **Indicator C:** Net entrepreneurial income of agriculture.

### **Changes in recording of subsidies**

Implementation of the Single Farm Payment (SFP) in the framework of the recent CAP started in several Member States in 2005. Since the Member States do not apply the SFP system in the same way, only limited comparisons of output values at basic prices, values of subsidies and value added between Member States and

time periods (particularly 2004-2007) can be made. In general, implementation of the SFP results in a drop in basic price output values and an increase in other subsidies on production, while values at producer prices and the Income indicator A are not affected by this change. Indicators B and C are neither.

### **Technical notes:**

1. The data measured **in real terms** are obtained by deflating the corresponding nominal data with the implicit price index of gross domestic product (GDP) at market prices.
2. The **aggregates** measured in real terms for the **European Union as a whole** are obtained by first deflating the nominal values (at current prices) recorded in the various Member States, by applying the implicit price index of GDP of the country concerned, and then converting them into euro (at 2005 exchange rates for long-term analysis and at 2010 rates for the short-term analysis). The results are then added to obtain the real values for the European Union. It is on the basis of these aggregates in real terms that the developments for the European Union are calculated, which means that an 'EU deflator' is never explicitly used.
3. In order to take account of part-time and seasonal work, **agricultural labour** or changes therein are measured in annual work units (**AWU**). One AWU corresponds to the input, measured in working time, of one person engaged in agricultural activities in an agricultural unit on a full-time basis over an entire year.

### **FURTHER READING**

[Regulation \(EC\) No 138/2004](#) of the European Parliament and of the Council on the Economic accounts for Agriculture in the Community ([OJ L33, 5.2.2004](#)).

### *Symbols & country abbreviations*

“:” not available

“-” not applicable, real zero or zero by default

EU-15: Belgium, Denmark, Germany, Ireland, Greece, Spain, France, Italy, Luxembourg, the Netherlands, Austria, Portugal, Finland, Sweden and the United Kingdom.

EU-12: Bulgaria, the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Romania, Slovenia and Slovakia.

EU-27: BE: Belgium, BG: Bulgaria, CZ: Czech Republic, DK: Denmark, DE: Germany, EE: Estonia, IE: Ireland, EL: Greece, ES: Spain, FR: France, IT: Italy, CY: Cyprus, LV: Latvia, LT: Lithuania, LU: Luxembourg, HU: Hungary, MT: Malta, NL: Netherlands, AT: Austria, PL: Poland, PT: Portugal, RO: Romania, SI: Slovenia, SK: Slovakia, FI: Finland, SE: Sweden, UK: United Kingdom;

Other countries: CH: Switzerland LI: Liechtenstein; NO: Norway.



## Further information

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Eurostat Website: <http://ec.europa.eu/eurostat>

Data on 'Economic Accounts on Agriculture'  
<http://epp.eurostat.ec.europa.eu/portal/page/portal/agriculture/data/database>

Further information about 'Agricultural statistics'  
<http://epp.eurostat.ec.europa.eu/portal/page/portal/agriculture/introduction>

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### Journalists can contact the media support service:

Bech Building, Office A4/125, L-2920 Luxembourg  
Tel.: (352) 4301 33408  
Fax: (352) 4301 35349  
E-mail: [eurostat-mediasupport@ec.europa.eu](mailto:eurostat-mediasupport@ec.europa.eu)

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### European Statistical Data Support:

With the members of the 'European statistical system', Eurostat has set up a network of support centres in nearly every Member State and in some EFTA countries.

Their role is to provide help and guidance to Internet users of European statistics.

Contact details for this support network can be found on the Eurostat website at:  
<http://ec.europa.eu/eurostat/>.

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