

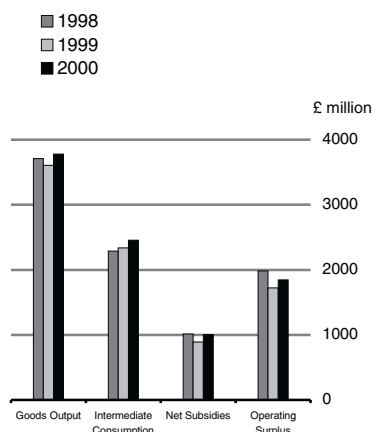


**Central Statistics Office**  
An Phríomh-Oifig Staidrimh

6 February 2001

## Output, Input and Income in Agriculture 2000 - Preliminary estimate

### Selected Income Indicators



	Goods Output	Intermediate Consumption	Net Subsidies	Operating Surplus
<b>1999</b>	£3,608m	£2,337m	£891m	£1,721m
<b>2000</b>	£3,777m	£2,453m	£1,005m	£1,843m
<b>% change</b>	4.7%	5.0%	12.8%	7.1%

### Agriculture income up 7.1%

A preliminary estimate shows that farmers income for 2000 rose by 7.1% before deductions for interest payments and land rental. *See Table 1.*

There were increases in the output value of cattle, pigs, milk and cereals. Cattle increased by 3.6% (£39m), pigs by 17.5% (£32m) and milk by 2.0% (£22m). Cereals output was valued at £163m, an increase of 11.5% (£17m).

This release incorporates a new methodology based on the System of National Accounts (see Background Notes). The output of fodder plants (chiefly silage and hay) and the work of agricultural contractors are included as part of output and input under the new methodology. The output value of these items is estimated at £360m and £209m respectively in 2000.

Subsidies and taxes directly linked to products are separately distinguished in the Table from other subsidies and taxes on production. The combined value of these items increased to £1,005m (12.8%). *See graph.* Subsidies and taxes directly linked to products are now included as part of output.

A comparison of the provisional 1999 figures with the estimates for 2000 shows that (*see Table 1*):

- ◆ There were decreases in the cost of feeding stuffs (-2.3%) and fertilizers (-0.6%).
- ◆ The cost of energy was £82m (30.4%) higher.
- ◆ Fixed capital consumption (depreciation) rose by £42m (9.2%).

The estimates for 1998-2000 are provisional. Updated figures will be published in mid 2001. Estimates for 2000 for all EU countries are given on page 4.

*For more information contact Mary Smyth at 021-4535309 or Gerard Mullamphy at 021-4535333.*

Published by the Central Statistics Office, Ireland.

Ardee Road  
Dublin 6  
Ireland

Skehard Road  
Cork  
Ireland

LoCall: 1890 313 414

Tel: +353-1 497 7144  
Fax: +353-1 497 2360

Tel: +353-21 453 5000  
Fax: +353-21 453 5555

Both offices may be contacted through any of these telephone numbers.

CSO on the Web: <http://www.cso.ie>

Director General: Donal Garvey

Enquiries:

Statistics	Agriculture Section, ext 5309 <a href="mailto:agri@cso.ie">agri@cso.ie</a>
Sales	Information Section, ext 5032 <a href="mailto:information@cso.ie">information@cso.ie</a>
Diskette Service	Databank, ext 5650/5499 <a href="mailto:databank@cso.ie">databank@cso.ie</a>

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Ref 22/2001

ISSN 1393-5577

**Table 1 Output, Input and Income in Agriculture, 2000**
*Preliminary estimate*

Description	Estimated Value			Change 2000/1999	
	1998	1999	2000	Value	Volume
	£m			Percent	
<b>Livestock</b> (incl. stock changes)	<b>1,751.8</b>	<b>1,673.9</b>	<b>1,783.7</b>	<b>6.6%</b>	<b>-6.9%</b>
of which: cattle	1,134.3	1,086.7	1,125.7	3.6%	-7.4%
<i>pigs</i>	210.7	182.2	214.1	17.5%	-6.7%
<i>sheep and lambs</i>	176.9	171.5	178.0	3.8%	-11.4%
<b>Livestock Products</b>	<b>1,163.0</b>	<b>1,136.1</b>	<b>1,167.7</b>	<b>2.8%</b>	<b>2.1%</b>
of which: milk	1,140.1	1,111.5	1,133.3	2.0%	1.2%
<b>Crops</b> (incl. stock changes <sup>1</sup> )	<b>793.9</b>	<b>797.5</b>	<b>825.1</b>	<b>3.5%</b>	<b>6.3%</b>
of which: cereals	125.3	146.1	162.9	11.5%	16.8%
<i>root crops</i>	133.1	123.8	113.2	-8.5%	-0.2%
<i>forage plants</i>	341.7	336.8	359.5	6.7%	6.7%
<b>Goods output at producer prices</b>	<b>3,708.7</b>	<b>3,607.5</b>	<b>3,776.5</b>	<b>4.7%</b>	<b>-1.6%</b>
Agricultural services	197.3	214.9	209.1	-2.7%	0.4%
Subsidies less taxes on products	694.5	562.3	664.4	18.2%	18.4%
<b>Agricultural output at basic prices</b>	<b>4,600.6</b>	<b>4,384.7</b>	<b>4,649.9</b>	<b>6.1%</b>	<b>0.6%</b>
<b>Intermediate consumption</b>	<b>2,289.2</b>	<b>2,336.9</b>	<b>2,452.6</b>	<b>5.0%</b>	<b>-0.2%</b>
of which: feeding stuffs	654.2	676.8	661.3	-2.3%	-3.7%
fertilizers	258.9	266.5	264.9	-0.6%	-5.9%
energy	241.7	268.9	350.6	30.4%	4.2%
forage plants	338.8	333.6	356.3	6.8%	6.8%
agricultural services	197.3	214.9	209.1	-2.7%	0.4%
<b>Gross value added at basic prices</b>	<b>2,311.4</b>	<b>2,047.8</b>	<b>2,197.3</b>	<b>7.3%</b>	
Fixed capital consumption	446.6	455.6	497.3	9.2%	
<b>Net value added at basic prices</b>	<b>1,864.8</b>	<b>1,592.2</b>	<b>1,700.0</b>	<b>6.8%</b>	
Subsidies less taxes on production	320.5	328.6	341.0	3.8%	
<b>Factor income</b>	<b>2,185.3</b>	<b>1,920.8</b>	<b>2,041.0</b>	<b>6.3%</b>	
Compensation of employees	200.7	199.8	198.0	-0.9%	
<b>Operating surplus<sup>2</sup></b>	<b>1,984.5</b>	<b>1,721.0</b>	<b>1,843.0</b>	<b>7.1%</b>	

<sup>1</sup> Principally cereals and potatoes

<sup>2</sup> This is calculated before deductions for interest payments on borrowed capital and land rental and land annuities paid by farmers to landowners. The estimates for these items are:

Interest:- 1998, £197m; 1999, £181m; 2000, £210m.

Land Rental:- 1998, £119m; 1999, £126m; 2000, £144m.

## Background notes

- Introduction** This release contains provisional agricultural accounts estimates for the years 1998, 1999 and 2000. The estimates are based on a new methodology arising from the revision of the System of National Accounts in 1995. The new methodology has introduced a number of important changes including an updating of the base year for the calculation of volume changes (from 1990 to 1995).
- National farm** The concept of the 'National farm' has been dropped. With this change, certain transactions between farms and between different enterprises within the same farm are now valued as both output and intermediate consumption.
- Basic prices** Output is now valued added at basic prices. The basic price corresponds to the producer (ex-farm) price plus any subsidies directly linked to a product minus any taxes on products. VAT is excluded. Subsidies and taxes linked to production are not included in output.
- Forage plants** The production of forage plants is now valued as a part of output. Silage and hay are the main items in this category. These items are also treated as intermediate consumption with minor exceptions such as sales of straw to racing stables.
- Agricultural services** Activities performed by agricultural contractors directly related to the production of agricultural products (e.g. harvesting) are an integral part of agriculture. The value of such work is included as output and also as intermediate consumption.
- Fixed capital consumption** This relates to foreseeable wear and tear and obsolescence of fixed capital goods. It is calculated on the basis of the probable economic life of the asset. It is not calculated for breeding livestock nor for non-produced assets such as land.
- Compensation of employees** This includes remuneration in cash and in kind. It does not include the remuneration of work undertaken by the farmer or by non-salaried family farm members.
- Operating surplus** This indicator is an approximation for the income indicator used under the old agricultural accounts methodology. It is calculated before deductions for interest payments on borrowed capital and before deductions for land annuities and for rent paid by farmers to landowners for the use of their land.
- Land rental** This mainly corresponds to rents paid by farmers to the landowners. Land annuity payments as well as rentals for under and over one year are included.
- Interest paid** This concerns interest payable on a capital loan granted to finance agricultural activity.
- Entrepreneurial income** This is before payment by farmers of taxes on income.
- Valuation of stock changes** For each category the volume difference between closing year stocks and opening year stocks is valued at the average price for the year.
- Volume indices** These are calculated by applying base year prices (1995) to current year quantities. The volume index is calculated by comparing the total value in 2000 at average 1995 prices against the total value in 1995 at average 1995 prices.
- Price indices** These are calculated by dividing the value index by the volume index.

**Table 2 Operating Surplus**

million

Country	1999	2000 <sup>1</sup>	% change
<b>European Union</b>	<b>89,192</b>	<b>89,229</b>	<b>0.0%</b>
Austria	1,895	1,770	-6.6%
Belgium	1,865	2,068	10.9%
Denmark	1,738	2,312	33.0%
Finland	1,124	1,403	24.8%
France	18,857	18,807	-0.3%
Germany	6,883	7,331	6.5%
Greece	7,414	7,410	-0.1%
Ireland	2,185	2,340	7.1%
Italy	16,582	15,514	-6.4%
Luxembourg	98	96	-2.0%
Netherlands	4,654	4,894	5.2%
Portugal	2,242	1,983	-11.6%
Spain	17,417	17,861	2.5%
Sweden	968	984	1.7%
United Kingdom	5,270	4,456	-15.4%

<sup>1</sup> The figure for Ireland is based on data available in late January 2001 while all other data is based on estimates available in late 2000.

Source: Eurostat