

First estimates for 2009 - EU27 real agricultural income per worker down by 12.2%

EU27 real agricultural income per worker¹ has decreased by 12.2% in 2009, following a decrease by 2.5% in 2008, according to first estimates² issued by **Eurostat, the Statistical Office of the European Communities**. This decline results from a reduction in real agricultural income (-14.2%), together with a fall in agricultural labour input (-2.2%). These estimates for the **EU27** are based on data supplied by the national authorities in the Member States.

The decrease in **EU27** real agricultural income in 2009 is mainly the result of a sharp fall in the value of agricultural output at producer prices in real terms (-10.9%), while input costs in real terms decreased (-9.2%). The small fall in the real value of subsidies net of taxes (-0.8%) and the slight decrease in depreciation in real terms (-0.2%) have a marginal impact.

Real agricultural income per worker in 2009 is estimated to have fallen in 22 Member States and to have risen in five. The largest falls are expected in **Hungary** (-35.6%), **Italy** (-25.3%), **Luxembourg** (-25.1%), the **Czech Republic** (-24.1%), **Ireland** (-22.3%), **Germany** (-21.0%), **Austria** (-20.4%) and **France** (-19.8%), and the highest rises in the **United Kingdom** (+14.3%), **Malta** (+9.1%) and **Finland** (+2.6%).

Change in real agricultural income per worker¹ in 2009

	% change 2009/2008	Indices in 2009 (2005=100)		% change 2009/2008	Indices in 2009 (2005=100)
EU27	-12.2	98.3	Sweden	-13.4	103.8
Hungary	-35.6	94.1	Poland	-12.4	111.4
Italy	-25.3	71.3	Slovenia	-11.4	87.1
Luxembourg	-25.1	67.7	Slovakia	-10.4	128.5
Czech Republic	-24.1	93.8	Bulgaria	-10.0	136.9
Ireland	-22.3	67.9	Denmark	-7.7	46.5
Germany	-21.0	100.8	Belgium	-3.5	89.3
Austria	-20.4	94.9	Portugal	-2.9	100.7
France	-19.8	88.7	Spain	-1.6	102.1
Lithuania	-16.7	102.8	Greece	+1.0	97.6
Estonia	-16.2	95.0	Cyprus	+1.1	90.1
Romania	-15.1	95.4	Finland	+2.6	89.6
Netherlands	-13.8	84.9	Malta	+9.1	95.7
Latvia	-13.5	100.1	United Kingdom	+14.3	148.0
EU15³	-11.5	94.4	NMS12³	-16.5	104.8
Norway	-5.2	91.4	Switzerland	-6.9	100.5

In 2009, the value of **EU27** agricultural output at producer prices is estimated to have decreased by 10.9%, mainly due to a decrease in the value of both crop production (-13.2%) and animal production (-9.7%) in real terms.

In crop production, the decrease in value is almost entirely due to a decline in prices (-12.4%), while the volume is expected to fall only slightly (-0.8%). Prices are falling for all groups of crops, except plants and flowers (+0.3%), most sharply for cereals (-27.5%), industrial crops (-15.6%), olive oil (-14.7%) and fruits (-12.3%). A rise in volume is seen for industrial crops (+8.6%), while olive oil (-8.9%) and cereals (-4.9%) are declining.

The decrease in the value of animal production in 2009 is the result of a clear fall in producer prices (-8.7%) and a slight decline in volume (-1.1%). Prices are falling for the three largest animal products: milk (-20.3%), pigs (-4.2%) and cattle (-1.8%). The volume remains the same for milk production, is nearly stable for pigs (-0.3%) and decreases for cattle (-2.9%).

EU27 agricultural input costs (intermediate consumption) are expected to fall by 9.2% in real terms, due to decreases in both volume (-3.1%) and prices (-6.3%). Lower input volumes are estimated for almost all categories of input, particularly for fertilizers (-14.0%). The fall in input prices is driven by sharp falls in feeding stuff (-14.1%) and energy (-12.5%).

Between 2005 and 2009, **EU27** real income per worker is estimated to have decreased by 1.7%. On average, agricultural labour input in the **EU27** has fallen by 11.5% since 2005.

1. **Agricultural income** comprises 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, it must not be confused with the total income of farming households as it does not comprise income from other sources (non-agricultural activities, salaries, social benefits, income from property).

The present estimates have been compiled by the national authorities in the Member States of the European Union **in accordance with the methodology of the Economic Accounts for Agriculture** (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).

The real income of factors in agriculture, per annual work unit, corresponds to the real 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 production taxes, and adding the value of production subsidies.

All value and price data in this New Release are presented in real terms, i.e. adjusted using the implicit deflators in Gross Domestic Product (GDP). The deflators for 2009 are provisional.

In order to take account of part-time and seasonal work, agricultural labour or changes therein are measured in annual work units (AWUs). In this News Release one AWU is defined as the work-time equivalent of a full-time worker.

2. These data, based on first estimates provided by the Member States, Norway and Switzerland, are provisional. In February/March 2010, Eurostat will publish a revised second set of estimates.
3. EU15 includes Belgium, Denmark, Germany, Ireland, Greece, Spain, France, Italy, Luxembourg, the Netherlands, Austria, Portugal, Finland, Sweden and the United Kingdom. NMS12 refers to the twelve new Member States that have joined the EU since 2004: Bulgaria, the Czech Republic, Estonia, Cyprus, Latvia, Lithuania, Hungary, Malta, Poland, Romania, Slovenia and Slovakia.

Published by:
Eurostat Press Office
Johan WULLT
Tel: +352-4301-33 444
eurostat-pressoffice@ec.europa.eu
Eurostat News Releases on the Internet:
<http://ec.europa.eu/eurostat>

For further information:
Ole OLSEN
Arcangelo MILELLA
Tel: +352-4301-31 920
Tel: +352-4301-33 624
ole.olsen@ec.europa.eu
arcangelo.milella@ec.europa.eu