Rise in agricultural income expected for 2019

Vienna, 2020-02-21 – In 2019, agricultural income per worker increased by 2.2% (in real terms; measured as factor income, i.e. as net value added at factor cost), after a decrease of 4.3% in 2018. This can be seen from the second estimate of the Economic Accounts for Agriculture (EAA) compiled by Statistics Austria. A main factor for income development in 2019 was the strong rise in pig prices due to serious production shortfalls in Asia as a consequence of the African swine fever.

The value of the agricultural industry's output increased by 2.5% to about €7.6 bn in 2019. Mainly as a result of the higher pig prices, the value of animal output increased by 2.8%. The output value of cattle showed a further decrease, whereas the output value of milk remained nearly stable. The value of crop output is expected to have risen by 1.8%. Despite the further drought in the east of Austria, yields of field crops were higher than in 2018. Yields and output values of fruit and wine, however, were below the high levels of the previous year.

Production costs increased, with expected rises of the value of intermediate goods and services by 1.3% and of the expenses for fixed capital consumption by 2.4%. The increase in the costs of intermediate consumption was mainly the result of higher expenses for feeding stuff and agricultural services as well as risen fertiliser prices.

The value of overall subsidies (product-specific subsidies and other subsidies on production) accounted for €1.5 bn, with a decline of 1.3% compared to 2018. This decrease was mainly attributable to the absence of compensation payments for drought damages provided in 2018.

As a consequence of these developments, agricultural factor income is expected to have risen by 2.7% to about €2.8 bn. The structural decline in agricultural labour force was estimated at -1.3% compared to 2018. Agricultural factor income per worker, however, increased by 4.1% in nominal terms and by 2.2% in real terms.

For more detailed information please refer to the German version.