

In 2016, factor income of the agricultural sector decreased by 26.7 per cent.

## Economic Accounts for Agriculture: 2016

Factor income, which is the result of the developments in agricultural output, subsidies and intermediate consumption, went down by 26.7 per cent when compared to 2015, to €61.4 million. This was brought about by a decrease of 79.0 per cent in the subsidies not directly linked with production (Table 1).

In 2016, entrepreneurial income which registered a decrease of 28.9 per cent absorbed 91.1 per cent of the total factor income. Dependence on subsidies decreased by 23.9 percentage points, from 34.2 per cent in 2015 to 10.3 per cent in 2016 (Table 2).

Total subsidies absorbed by the industry in 2016 amounted to €6.3 million, down by 77.9 per cent. Subsidies directly linked to production remained at par while a drop of 79.0 per cent or €22.3 million was registered in the subsidies not directly linked with production (Table 2).

A drop of 2.4 per cent was registered in the market value of gross agricultural production in 2016. Characterising this result were drops of 8.5, 4.9 and 2.7 per cent in the market value of secondary activities, crops and livestock respectively. In contrast, an increase of 4.7 per cent in the market value of animal products was registered (Table 3).

Intermediate consumption, which measures expenditure in the production process, registered a drop of 4.1 per cent to €63.5 million. This decrease was mainly attributable to a drop in the expenditure of energy and animal feed by 8.9 and 7.0 per cent respectively (Table 7) ■

**Chart 1. Factor income**

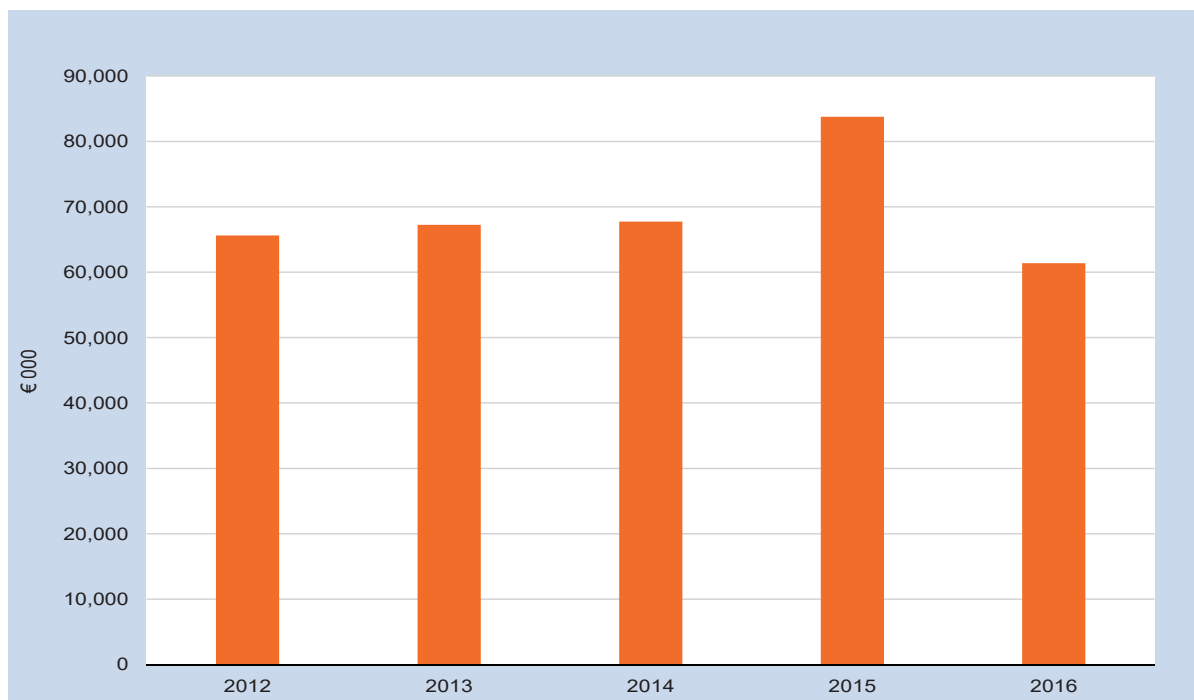


Table 1. Factor income at current market prices

	€ 000					
	2012	2013	2014	2015	2016	Percentage change 2016/2015
<b>Gross production at producer prices</b>	<b>132,825</b>	<b>137,783</b>	<b>132,634</b>	<b>135,687</b>	<b>132,461</b>	<b>-2.4</b>
Less Losses	(5,742)	(5,779)	(5,605)	(5,509)	(5,568)	1.1
Seeds produced for fodder	(216)	(216)	(216)	(216)	(216)	0.0
Milk produced for feed	(596)	(602)	(561)	(548)	(555)	1.2
Grapes produced for wine	(852)	(812)	(829)	(790)	(558)	-29.4
<b>Final production at producer prices</b>	<b>125,419</b>	<b>130,374</b>	<b>125,424</b>	<b>128,624</b>	<b>125,564</b>	<b>-2.4</b>
Add subsidies on products	1,697	1,572	1,328	410	413	0.7
<b>Final production at basic prices</b>	<b>127,116</b>	<b>131,946</b>	<b>126,753</b>	<b>129,035</b>	<b>125,978</b>	<b>-2.4</b>
Less intermediate consumption	(72,831)	(75,717)	(71,613)	(66,217)	(63,523)	-4.1
<b>Gross value added at basic prices</b>	<b>54,285</b>	<b>56,229</b>	<b>55,140</b>	<b>62,817</b>	<b>62,455</b>	<b>-0.6</b>
Less fixed capital consumption	(6,891)	(6,827)	(6,982)	(7,261)	(7,006)	-3.5
<b>Net value added at basic prices</b>	<b>47,395</b>	<b>49,401</b>	<b>48,158</b>	<b>55,557</b>	<b>55,449</b>	<b>-0.2</b>
Add other subsidies not directly linked with production	18,212	17,851	19,579	28,193	5,914	-79.0
<b>Factor income at current market prices</b>	<b>65,606</b>	<b>67,253</b>	<b>67,736</b>	<b>83,749</b>	<b>61,363</b>	<b>-26.7</b>
<b>Agricultural labour input ('000 AWU)</b>	<b>4.9</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>5.0</b>	<b>-</b>
<b>Factor income at current market prices per AWU</b>	<b>13,389</b>	<b>13,333</b>	<b>13,429</b>	<b>16,604</b>	<b>12,165</b>	<b>-26.7</b>
<b>GDP deflator</b>	<b>104.3</b>	<b>106.4</b>	<b>108.8</b>	<b>111.5</b>	<b>113.3</b>	<b>1.6</b>
<b>Factor income at constant prices</b>	<b>62,895</b>	<b>63,213</b>	<b>62,246</b>	<b>75,118</b>	<b>54,169</b>	<b>-27.9</b>

Note: Totals may not add up due to rounding.

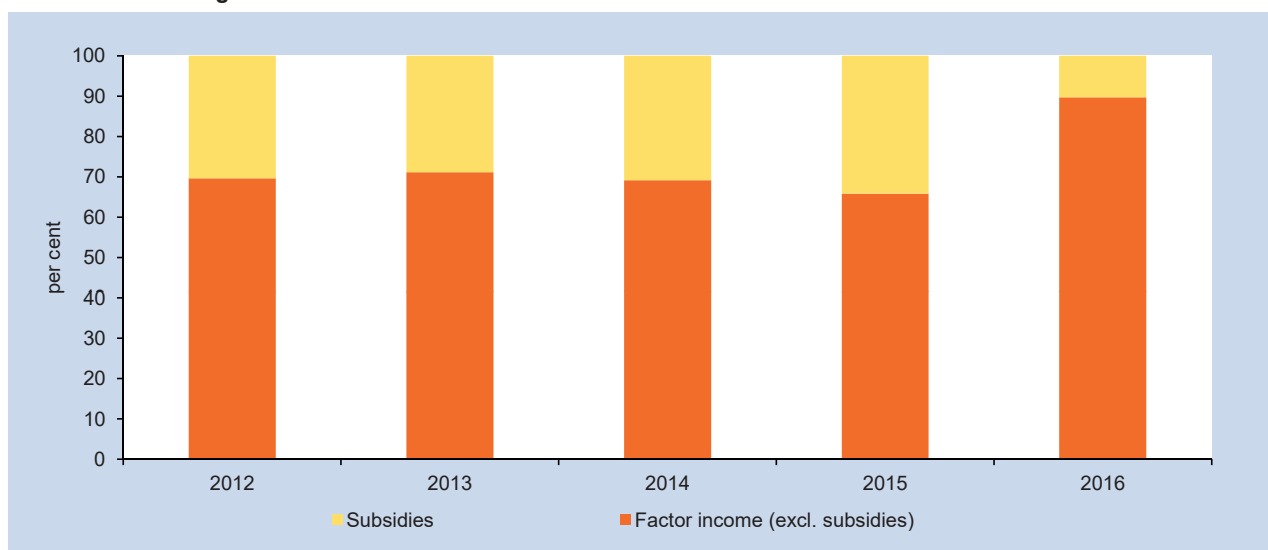
**Table 2. Distribution of factor income at current market prices**

€ 000

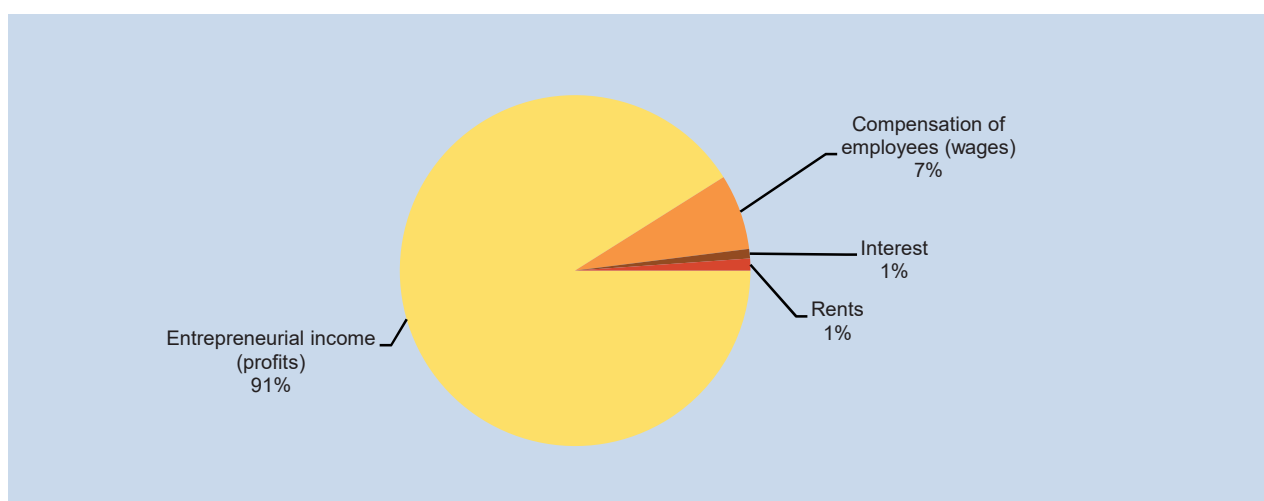
	2012	2013	2014	2015	2016	Percentage change 2016/2015
<b>Factor income</b>	<b>65,606</b>	<b>67,253</b>	<b>67,736</b>	<b>83,749</b>	<b>61,363</b>	<b>-26.7</b>
Entrepreneurial income	60,317	61,879	62,525	78,549	55,876	-28.9
Wages	4,007	4,084	4,013	3,884	4,268	9.9
Interest	762	756	649	633	542	-14.4
Rents	520	535	549	684	676	-1.1
Less Subsidies	19,908	19,423	20,907	28,603	6,327	-77.9
Subsidies on products	1,697	1,572	1,328	410	413	0.7
Subsidies not directly linked with production	18,212	17,851	19,579	28,193	5,914	-79.0
Factor income excluding subsidies	45,698	47,831	46,829	55,147	55,036	-0.2

Note: Totals may not add up due to rounding.

**Chart 2. Percentage of subsidies in factor income**



**Chart 3. Percentage distribution of factor income: 2016**



**Table 3. Total gross production at producer prices by type of product at current market prices**

	€ 000					
	2012	2013	2014	2015	2016	Percentage change 2016/2015
<b>Final production at producer prices</b>	<b>132,825</b>	<b>137,783</b>	<b>132,634</b>	<b>135,687</b>	<b>132,461</b>	<b>-2.4</b>
<b>Livestock products</b>	<b>47,438</b>	<b>49,919</b>	<b>48,824</b>	<b>45,812</b>	<b>44,563</b>	<b>-2.7</b>
Beef	3,556	3,512	3,191	2,934	3,123	6.5
Pork	11,486	14,030	14,583	12,388	10,845	-12.5
Sheep and Goats	381	363	349	368	378	2.7
Poultry	8,660	8,608	7,638	7,400	7,306	-1.3
Rabbits	23,354	23,407	23,064	22,721	22,911	0.8
<b>Animal products</b>	<b>28,955</b>	<b>30,168</b>	<b>28,501</b>	<b>27,748</b>	<b>29,060</b>	<b>4.7</b>
Milk	21,921	22,073	20,692	20,053	20,337	1.4
Eggs	6,824	7,885	7,599	7,485	8,513	13.7
Other animal products	210	210	210	210	210	-
<b>Crop products</b>	<b>48,962</b>	<b>50,567</b>	<b>48,303</b>	<b>54,987</b>	<b>52,304</b>	<b>-4.9</b>
Forage	4,568	4,554	4,354	3,933	2,626	-33.2
Vegetables	29,243	28,907	28,414	35,365	35,835	1.3
Potatoes	5,822	6,640	4,915	3,854	3,589	-6.9
Fruits	7,270	7,417	7,557	7,854	6,433	-18.1
Flowers and seeds	2,060	3,050	3,065	3,982	3,821	-4.0
<b>Secondary activities</b>	<b>7,470</b>	<b>7,128</b>	<b>7,006</b>	<b>7,141</b>	<b>6,534</b>	<b>-8.5</b>
Wine	2,663	2,538	2,590	2,467	1,743	-29.4
Cheese	4,807	4,590	4,416	4,673	4,791	2.5

Note: Totals may not add up due to rounding.

**Table 4. Final production at producer prices by type of product at current market prices**

	€ 000					
	2012	2013	2014	2015	2016	Percentage change 2016/2015
<b>Final production at producer prices</b>	<b>125,419</b>	<b>130,374</b>	<b>125,424</b>	<b>128,624</b>	<b>125,564</b>	<b>-2.4</b>
<b>Livestock products</b>	<b>41,901</b>	<b>44,377</b>	<b>43,448</b>	<b>40,527</b>	<b>39,250</b>	<b>-3.2</b>
Beef	3,556	3,512	3,191	2,934	3,123	6.5
Pork	11,486	14,030	14,583	12,388	10,845	-12.5
Sheep and Goats	381	363	349	368	378	2.7
Poultry	7,794	7,747	6,874	6,660	6,575	-1.3
Rabbits	18,683	18,726	18,451	18,177	18,329	0.8
<b>Animal products</b>	<b>28,154</b>	<b>29,329</b>	<b>27,712</b>	<b>26,975</b>	<b>28,250</b>	<b>4.7</b>
Milk	21,325	21,471	20,131	19,504	19,782	1.4
Eggs	6,619	7,648	7,371	7,261	8,258	13.7
Other animal products	210	210	210	210	210	-
<b>Crop products</b>	<b>47,894</b>	<b>49,539</b>	<b>47,259</b>	<b>53,981</b>	<b>51,530</b>	<b>-4.5</b>
Forage	4,568	4,554	4,354	3,933	2,626	-33.2
Vegetables	29,243	28,907	28,414	35,365	35,835	1.3
Potatoes	5,822	6,640	4,915	3,854	3,589	-6.9
Fruits	6,418	6,605	6,728	7,064	5,875	-16.8
Flowers and seeds	1,844	2,834	2,849	3,766	3,605	-4.3
<b>Secondary activities</b>	<b>7,470</b>	<b>7,128</b>	<b>7,006</b>	<b>7,141</b>	<b>6,534</b>	<b>-8.5</b>
Wine	2,663	2,538	2,590	2,467	1,743	-29.4
Cheese	4,807	4,590	4,416	4,673	4,791	2.5

Note: Totals may not add up due to rounding.

Table 5. Subsidies on production by type of product at current market prices

	€ 000					Percentage change 2016/2015
	2012	2013	2014	2015	2016	
<b>Subsidies on products</b>	<b>1,697</b>	<b>1,572</b>	<b>1,328</b>	<b>410</b>	<b>413</b>	<b>0.7</b>
<b>Animal products</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>-</b>
Milk	-	-	-	-	-	-
Eggs	-	-	-	-	-	-
Other animal products	14	14	14	14	14	-
<b>Crop products</b>	<b>1,683</b>	<b>1,558</b>	<b>1,315</b>	<b>397</b>	<b>400</b>	<b>0.7</b>
Vegetables	1,439	1,365	1,190	325	330	1.5
Potatoes	55	50	30	17	20	18.9
Fruits	188	142	95	55	49	-9.5

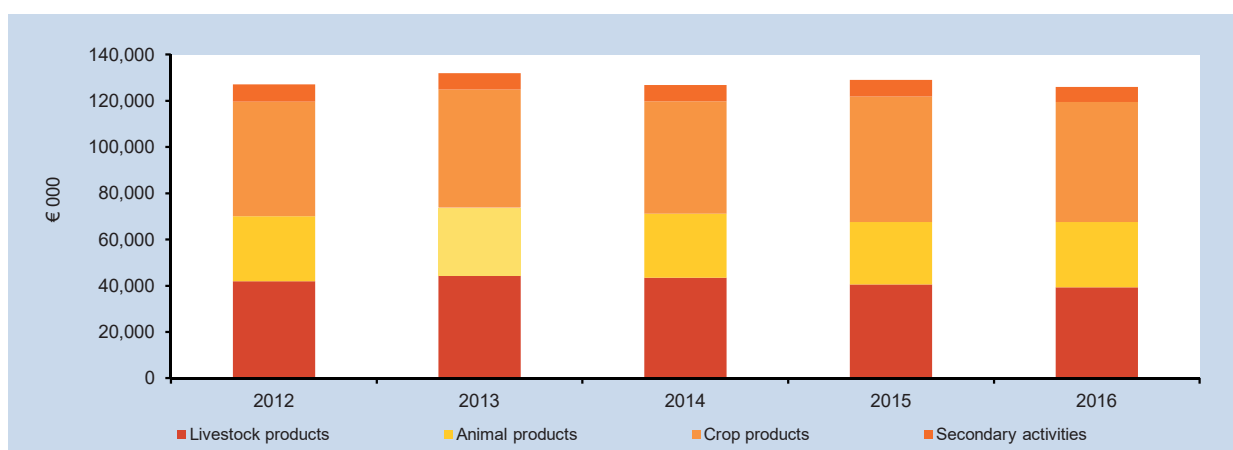
Note: Totals may not add up due to rounding.

Table 6. Final production (at basic prices) by type of product at current market prices

	€ 000					Percentage change 2016/2015
	2012	2013	2014	2015	2016	
<b>Final production at basic prices</b>	<b>127,116</b>	<b>131,946</b>	<b>126,753</b>	<b>129,035</b>	<b>125,977</b>	<b>-2.4</b>
<b>Livestock products</b>	<b>41,901</b>	<b>44,377</b>	<b>43,448</b>	<b>40,527</b>	<b>39,250</b>	<b>-3.2</b>
Beef	3,556	3,512	3,191	2,934	3,123	6.5
Pork	11,486	14,030	14,583	12,388	10,845	-12.5
Sheep and Goats	381	363	349	368	378	2.7
Poultry	7,794	7,747	6,874	6,660	6,575	-1.3
Rabbits	18,683	18,726	18,451	18,177	18,329	0.8
<b>Animal products</b>	<b>28,168</b>	<b>29,343</b>	<b>27,726</b>	<b>26,989</b>	<b>28,264</b>	<b>4.7</b>
Milk	21,325	21,471	20,131	19,504	19,782	1.4
Eggs	6,619	7,648	7,371	7,261	8,258	13.7
Other animal products	224	224	224	224	224	-
<b>Crop products</b>	<b>49,577</b>	<b>51,097</b>	<b>48,574</b>	<b>54,378</b>	<b>51,930</b>	<b>-4.5</b>
Forage	4,568	4,554	4,354	3,933	2,626	-33.2
Vegetables	30,681	30,272	29,604	35,690	36,165	1.3
Potatoes	5,878	6,690	4,945	3,871	3,609	-6.8
Fruits	6,606	6,747	6,823	7,119	5,925	-16.8
Flowers and seeds	1,844	2,834	2,849	3,766	3,605	-4.3
<b>Secondary activities</b>	<b>7,470</b>	<b>7,128</b>	<b>7,006</b>	<b>7,141</b>	<b>6,534</b>	<b>-8.5</b>
Wine	2,663	2,538	2,590	2,467	1,743	-29.4
Cheese	4,807	4,590	4,416	4,673	4,791	2.5

Note: Totals may not add up due to rounding.

Chart 4. Distribution of final production at basic prices by type



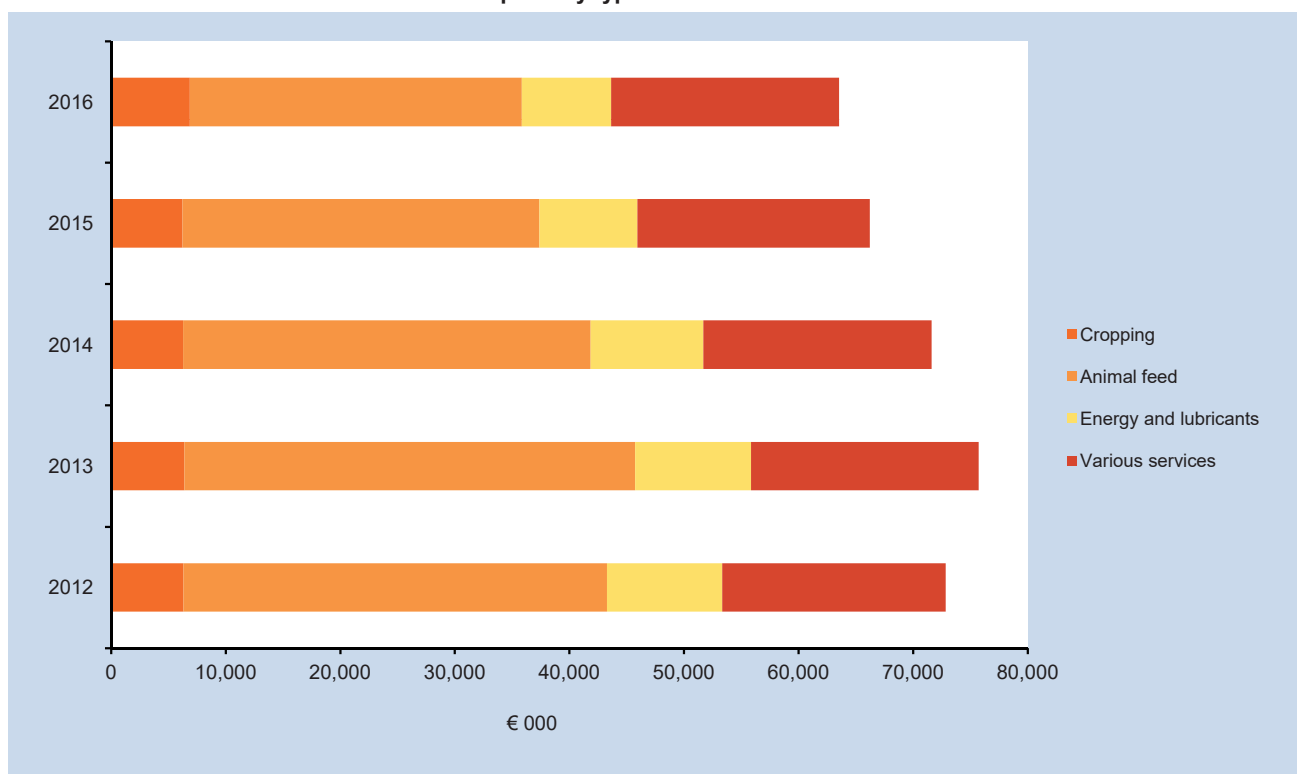
**Table 7. Distribution of intermediate consumption at purchaser prices by type of expenditure**

€ 000

	2012	2013	2014	2015	2016	Percentage change 2016/2015
<b>Losses</b>	5,742	5,779	5,605	5,509	5,568	1.1
<b>Intermediate consumption</b>	<b>72,831</b>	<b>75,717</b>	<b>71,613</b>	<b>66,217</b>	<b>63,523</b>	<b>-4.1</b>
<b>Cropping</b>	<b>6,314</b>	<b>6,384</b>	<b>6,287</b>	<b>6,214</b>	<b>6,853</b>	<b>10.3</b>
Seeds and planting stock	3,816	3,770	3,781	3,840	4,265	11.1
Fertilisers and soil improvers	1,995	2,109	1,995	1,860	2,025	8.8
Plant protection products and pesticides	502	505	511	514	563	9.5
<b>Animal feed</b>	<b>36,977</b>	<b>39,363</b>	<b>35,553</b>	<b>31,159</b>	<b>28,992</b>	<b>-7.0</b>
<b>Energy and lubricants</b>	<b>10,055</b>	<b>10,099</b>	<b>9,848</b>	<b>8,561</b>	<b>7,795</b>	<b>-8.9</b>
Electricity	1,610	1,617	1,579	1,052	1,010	-4.0
Other fuels and propellants	8,446	8,481	8,269	7,509	6,785	-9.6
<b>Various services</b>	<b>19,485</b>	<b>19,872</b>	<b>19,926</b>	<b>20,283</b>	<b>19,883</b>	<b>-2.0</b>
Maintenance of materials	6,873	7,193	7,249	7,552	7,331	-2.9
Maintenance of buildings	2,314	2,394	2,382	2,365	2,314	-2.2
Veterinary services	1,310	1,330	1,303	1,292	1,250	-3.2
Other agricultural services	8,988	8,955	8,991	9,075	8,989	-0.9

Note: Totals may not add up due to rounding.

**Chart 5. Distribution of intermediate consumption by type**



## Methodological Notes:

1. The data published in this release is based on the methodologies for the Economic Accounts for Agriculture and Forestry (EAA/EAF 97, Rev. 1.1).
2. The data compiled in this release refers to the output derived on agricultural holdings, and not total disposable income from agricultural households.
3. Data with respect to the output side of agriculture is collected from a number of sources. The civil abattoir provides monthly slaughtering statistics on various types of animals. The four official fruit and vegetable markets provide data on quantities and wholesale values of the produce obtained by the farmer. Private slaughterhouses provide information on the slaughtering of poultry. The Ministry for Sustainable Development, the Environment and Climate Change provides information on subsidies and vintners. Data from tomato processors is collected directly by the NSO by means of annual returns.

In respect of intermediate consumption, the data is based on estimates compiled from the input price indices of which prices are obtained from agricultural shops and administrative sources.

4. The data is deflated using the implicit price index of GDP.
5. The Economic Accounts and the other economic indicators published in this release refer to calendar years.
6. The data in this release is provisional and subject to revision. Revisions are normally carried out annually in respect of a rolling two-year period.

### 7. Definitions:

- **Gross production at producer prices** represents the total value of agricultural goods and services produced over a particular period. Gross production includes losses incurred on the agricultural holding.
- **Final production at producer prices** is arrived at by deducting losses incurred and output for own use from gross production at producer prices. Final production refers to all goods and services actually consumed.
- **Final production at basic prices** is the summation of final production at producer prices plus all subsidies related to production, net of VAT.
- **Intermediate consumption** represents the value of all goods and services used as inputs in the production process, excluding fixed assets. Products used in intermediate consumption are valued at purchase prices, net of VAT.
- **Gross value added of the agricultural industry** is the actual value added created by all the agricultural holdings before deducting fixed capital consumption (depreciation). Therefore, gross value added is the difference between final production at basic prices and intermediate consumption.
- **Factor income** measures the remuneration of all the factors of production.
- **Net entrepreneurial income** measures the compensation of unpaid labour (sole proprietors and unpaid family members). It is similar to the accounting concept of current profit before distribution.
- **Agricultural Labour Input** is calculated in *Annual Work Units (AWU)* to take into consideration the level of part-time, hobby farming, and seasonal work in agriculture. One AWU is equivalent to the time worked by one full-time employed person in agriculture over a period of one year. One AWU is equivalent to 1,800 hours.

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