



## Total Income from Farming in the United Kingdom Forecast for 2019

This release presents a forecast for Total Income from Farming (TIFF) for the United Kingdom for 2019. This is an early estimate produced to meet a requirement by the European Commission before all data for the 2019 calendar year is available. It is subject to a degree of forecasting and estimation and as a result cannot be produced with the same statistical reliability as later estimates which are to be published [here](#) in May 2020 (first estimate for 2019) and November 2020 (second estimate for 2019).

Total Income from Farming is the total profit from all UK farming businesses on a calendar year basis. It measures the return to all entrepreneurs for their management, labour and capital invested.

### Total Income from Farming

The UK forecasts for 2019 compared to 2018 are:

- Total Income from Farming is expected to be £5,380 million, an increase of £736 million (+16%).
- Agriculture is expected to contribute £10,535 million to the national economy (Gross Value Added), an increase of £987 million (+10%).

The main drivers of these changes are:

An increase of £1,175 million (+4%) in gross output.

- Crop output value is estimated to have risen by £1,051 million (11%) to £10,315 million. This was mainly driven by high levels of production, particularly for cereals, with prices generally remaining stable.
- The value of livestock output is estimated to have risen by £80 million (1%) to £14,820 million, with both production and prices remaining steady.
- The value of intermediate consumption is estimated to have risen by £188 million (1%) to £17,202 million. In general all costs increased as a result of higher prices.

**Table 1 - Aggregate Agricultural Accounts: Production and income account for the United Kingdom**

	Calendar years			
	2018	2019	Change 2019-18	% Change 2019-18
£ million (current prices)				
1 Output of cereals	3 069			
2 Output of industrial crops	1 029			
3 Output of forage plants	233			
4 Output of vegetables and horticultural products	2 759			
5 Output of potatoes (including seeds)	641			
6 Output of fruit	776			
7 Output of other crop products incl. seeds	759			
<b>Total crop output (sum 1-7)</b>	<b>9 265</b>	<b>10 315</b>	<b>+1 051</b>	<b>+11%</b>
8 Output of livestock	9 490			
9 Output of livestock products	5 251			
<b>Total livestock output (8+9)</b>	<b>14 741</b>	<b>14 820</b>	<b>+ 80</b>	<b>+1%</b>
10 Other agricultural activities	1 225			
11 Inseparable non-agricultural activities	1 285			
12 Output (at market prices) (sum 1 to 11)	26 516			
13 Total subsidies (less taxes) on product	46			
<b>14 Gross output at basic prices (12+13)</b>	<b>26 562</b>	<b>27 737</b>	<b>+1 175</b>	<b>+4%</b>
<b>Intermediate consumption</b>				
15 Seeds	761			
16 Energy	1 377			
17 Fertilisers	1 252			
18 Plant protection products	965			
19 Veterinary expenses	474			
20 Animal feed	5 571			
21 Total maintenance	1 770			
22 Agricultural services	1 225			
23 FISIM	123			
24 Other goods and services	3 497			
<b>25 Total intermediate consumption (sum 15 to 24)</b>	<b>17 014</b>	<b>17 202</b>	<b>+ 188</b>	<b>+1%</b>
<b>26 Gross value added at market prices (12-25)</b>	<b>9 501</b>	<b>10 488</b>	<b>+ 987</b>	<b>+10%</b>
<b>27 Gross value added at basic prices (14-25)</b>	<b>9 548</b>	<b>10 535</b>	<b>+ 987</b>	<b>+10%</b>
28 Total consumption of Fixed Capital	4 350			
29 Net value added at market prices (26-28)	5 152			
30 Net value added at basic prices (27-28)	5 198			
31 Other taxes on production	- 98			
32 Other subsidies on production	3 266			
33 Net value added at factor cost (30+31+32)	8 366			
34 Compensation of employees	2 703			
35 Rent	566			
36 Interest	454			
<b>37 Total income from farming (33-34-35-36)</b>	<b>4 644</b>	<b>5 380</b>	<b>+ 736</b>	<b>+16%</b>

*Individual farm accounts items have not been published due the level of estimation involved in producing these forecast figures*

## **Accuracy and reliability of results**

These early forecasts are largely based on survey and administrative information available up to early October with the relative change over 12 months applied to these aggregated data. Most intermediate consumption and other costs use modelling techniques and are derived from price data and estimates of volume changes based on professional advice.

A level of estimation is necessary for variables where no market information is yet available. As a result the data cannot be produced with the same statistical reliability as later estimates which are published in May 2020 (first estimate for 2019) and November 2020 (second estimate for 2019).

These forecasts are subject to a margin of error reflecting the fact that Total Income from Farming is sensitive to small percentage changes in the values of outputs and intermediate consumption. Small percentage changes in either can result in large percentage changes in Gross Value Added and Total Income from Farming.

## **User engagement**

As part of our ongoing commitment to compliance of the [Office of National Statistics Code of Practice](#) we wish to strengthen our engagement with users of these statistics and better understand the use made of them and the types of decisions that they inform. Consequently, we invite users to make themselves known, to advise us of the use they do, or might, make of these statistics, and what their wishes are in terms of engagement. Feedback on this notice and enquiries about these statistics are also welcome.