

FARMERS' SHARE OF MONEY SPENT ON FOOD IN AUSTRIA

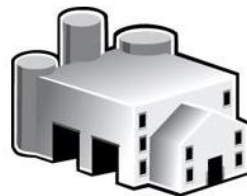
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Content

- **Defining the issue**
- **Farmers' share over time**
- **Reflections**

Behind the scenes

Foreign trade



Input

Farm

Processing

Distribution

Retail

Consumer

Governments/NGOs/Regulators

Source: adopted from <http://www.avazyme.com/about-us/>

Consumer expenditure



**FARMERS or
farmers'
share**
(agricultural
commodities at
the farm gate)

OFF FARM or marketing margin
(marketing expenses associated with
processing, wholesaling, distributing and
retailing of food products)

Calculation

(1) Farmers' share in % =

(total production value of agricultural inputs for food in mn € / total domestic consumers expenditure in mn €) * 100

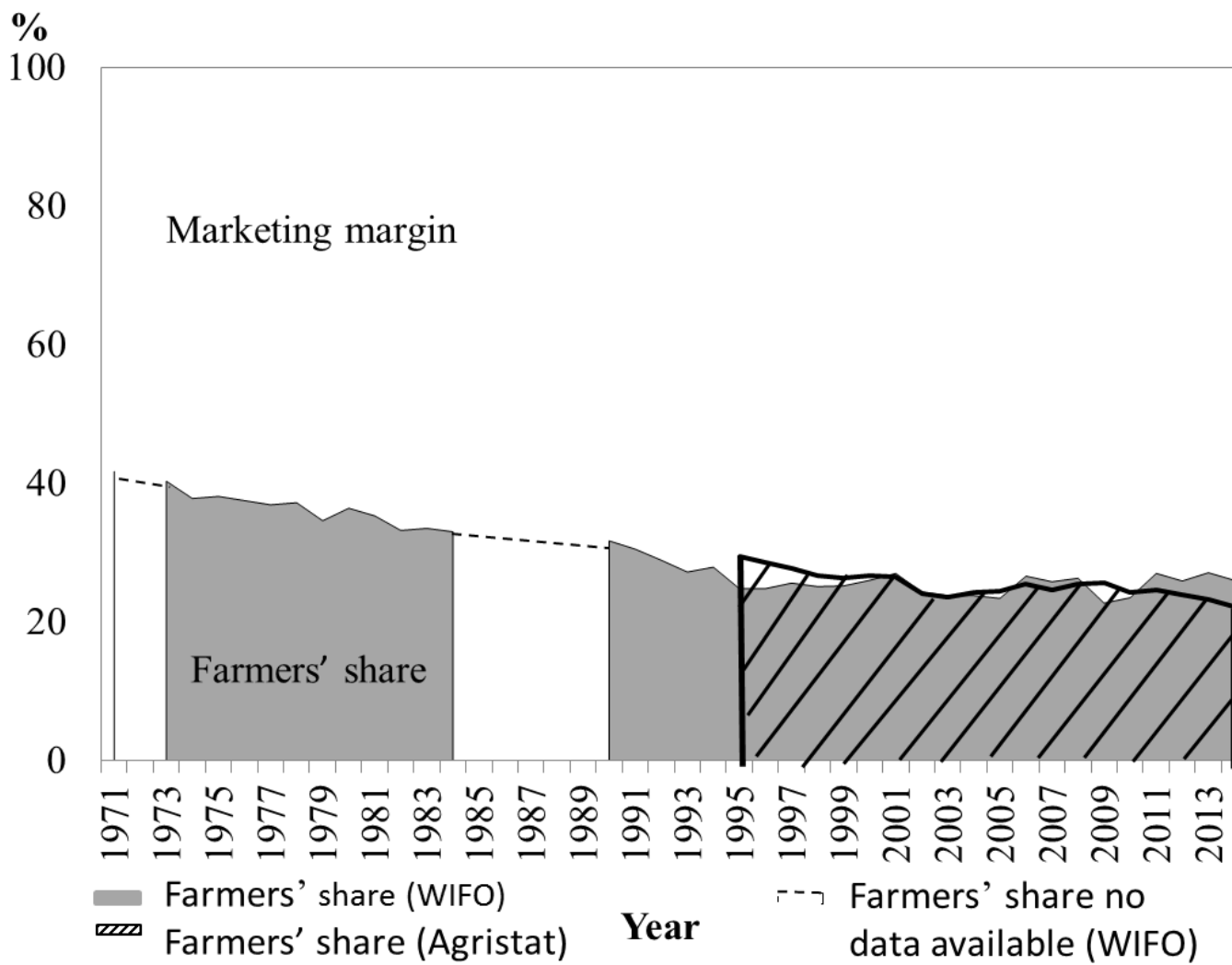
(2) Marketing margin in % =

100 – farmers' share in %

Differences of approaches

Data	Agristat	WIFO
Annual production value of domestic agricultural commodities for food production	x	
Farm prices		x
Annual imports and exports of food commodities and products	x	
Self sufficiency ratio, domestic food production		x
Annual domestic expenditure made by end consumers for food (excluding beverages)	x	
Annual domestic expenditure made by end consumers for food produced in Austria (including wine)		x
Expenditure for eating out	x	x
VAT		x

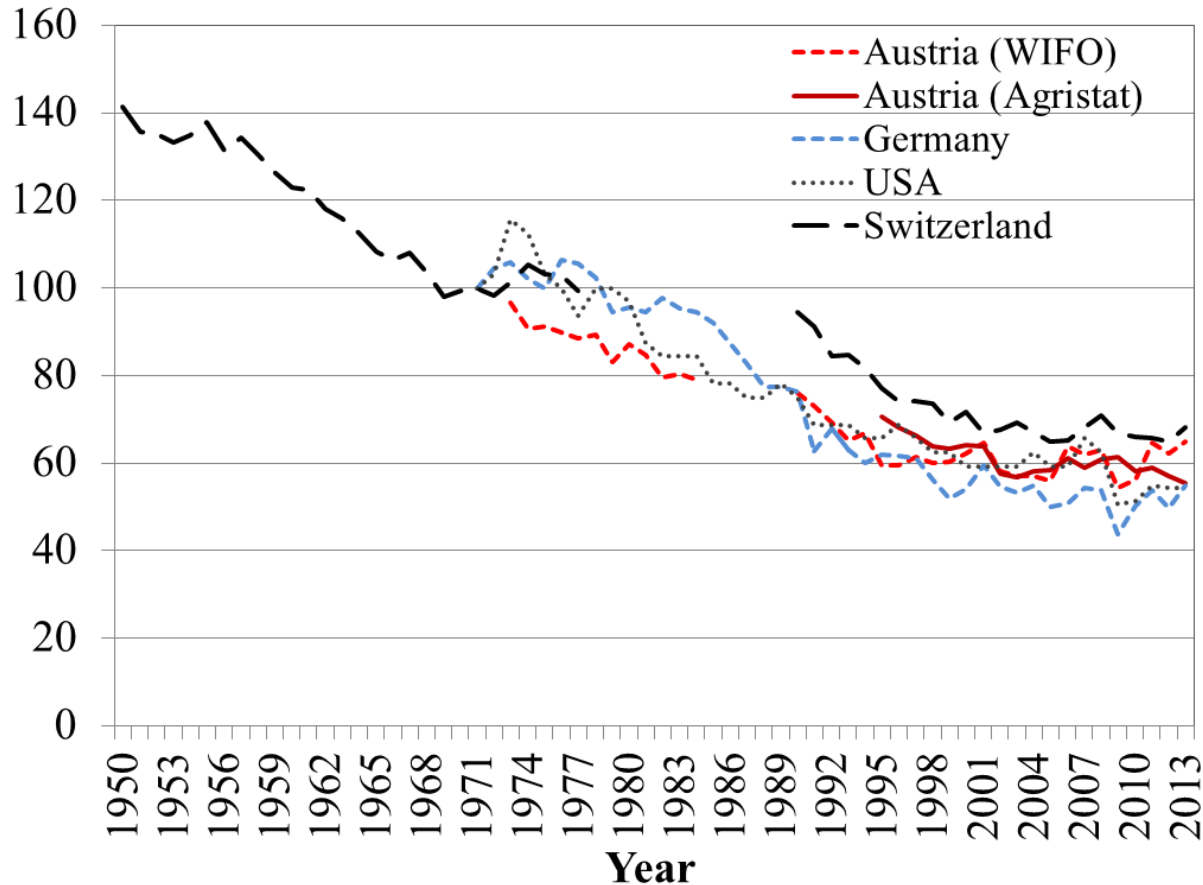
Farmers' share in Austria



Source: own calculation, Sinabell 2016

Farmers' share: Austria, Switzerland, Germany and United States

1971 = 100



Source: own visualisation according to Elitzak 2016; Giuliani 2015; Senti in Schneider 1980; USDA 2015; Wendt, Peter 2014

Differences in methods applied

Austria and Switzerland

- sectoral or global approach (total consumer expenditure)
- all uses of agricultural commodities included
- including eating out

Germany and USA

- product-based approach for important agrarian products such as cereals, meat and meat products, milk and milk products, eggs, etc.
- global margin weighted sum of the product margins
- excluding eating out

Reflections

- Relevant information over time
- No evaluation of results
- No common standardised procedure
- Further research
(factors influencing the development of marketing margins, vertical price alterations and market power, market drivers, breaking up of the marketing margin, price formation mechanisms)

 **holistic monitoring tool on trends, customs and drivers within the value chain!**



9 SEPTEMBER 2016
 AGRICULTURE
 NOTICES AND MEMO

Notice: Informal meeting of ministers for agriculture and fisheries (informal AGRI meeting)

On 11 – 13 September 2016 in Brussels, the informal meeting of ministers for agriculture and fisheries (informal AGRI meeting) will be chaired by Gabriela Matečná, Minister for Agriculture and Rural Development, who will welcome the agriculture ministers, representatives

food supply chain'

Strengthening of the farmers' position in the

The agenda of the ministers on Tuesday 13 September is focused on the food supply chain, Minister Matečná said. The aim is to discuss all aspects that have an impact on the farmers' position in the food supply chain, Rural Development of the European Parliament, Mr C. A. Siekierski. The discussion panel will consist of three parts – organisation of agriculture producers and vertical cooperation in the food supply chain, market transparency and sufficient distribution of margins in the food supply chain and unfair trade practices.

Quellen

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