



Agricultural Accounts and Prices



European Commission — EUROSTAT

Economic Accounts for Agriculture — Developments —

Income of Agricultural Households Sector (IAHS) Statistics

Document to be presented at the
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Introduction

- ④ **During more than 15 years, the IAHS Statistics have been on the agenda of Eurostat working groups, but only with mixed results.**

- ④ **Against this background, Eurostat has recently started to**
 - ⌘ review the need for the IAHS statistics, in their present form, and to
 - ⌘ investigate the possible directions for the future development.



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IAHS Statistics in the Member States

⌘ results from table round in July 2002

- ⊕ **Calculation of IAHS results now is a regular activity in six EU Member States: *Denmark, Greece, the Netherlands, Austria, Finland, and Sweden.***
- ⊕ **Interest in IAHS; results are (or will be produced) in *Ireland and Italy.***
- ⊕ **Reserve about IAHS and/or lack of resources in *Belgium, Germany (data transmission discontinued), Spain, France, Luxembourg, Portugal, and in the United Kingdom.***



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IAHS Statistics in the Member States

- **Conclusions drawn from results of table round (Jul-02):**
 - Work in the area of the IAHS Statistics would continue (available information being collected) but any further development would require the clearer definition of the needs for this kind of statistics. A balance would have to be drawn again in a few months' time, after the mid-term review of the CAP.
 - With regard to the Candidate Countries, Eurostat confirmed that the IAHS statistics were not considered a top priority; the further development and improvement of the Economic Accounts for Agriculture (EAA) was considered to have priority.



Considerations regarding the future development of IAHS Statistics (1/6)

- ④ “Income of agricultural households” or of “households living in rural areas”?
 - ⌘ the “agricultural community” is only element in the countryside
 - ⌘ with the Agenda 2000 and the Mid-term Review the focus is more on the wider “rural community”
 - ⌘ broader coverage of households needed but doubtful whether such an enlargement of the IAHS Statistics is a viable option
 - ⌘ income is only one indicator of the wellbeing of rural residents, other variables being living conditions (unemployment, poverty etc.), housing services, population etc.



Considerations regarding the future development of IAHS Statistics (2/6)

- ④ “Income of agricultural households” or of “households living in rural areas”? (cont.)
 - ⌘ IAHS Statistics cannot answer the need for comprehensive statistics on rural development.
 - ⌘ IAHS Statistics are considered as indispensable part of the system of agricultural statistics.
 - ⌘ The question is therefore not whether we need one or the other. We need both.



Considerations regarding the future development of IAHS Statistics (3/6)

- ④ **IAHS Statistics need improvement**

- ⌘ Question: what needs to be done in order to further the project of the IAHS Statistics so that they become an interesting and usable tool for those involved in the process of preparing policy decisions?

- ④ **The European Commission is interested in this kind of statistics but improvements have to be made, certain concepts to be reconsidered:**

- ⌘ Quality of the present IAHS data (comparability) is often questioned.
- ⌘ Frequency: not necessarily annual. Specific surveys taking place, for instance, every five years could suit that purpose.



Considerations regarding the future development of IAHS Statistics (4/6)

- **Improvements to be made, concepts to be reconsidered (cont.):**

- Definition of the agricultural household used as basic unit:

- (1) Narrow definition too narrow? If the major part of the reference person's (and possibly of the household's) income is derived from agricultural activity, do not the agricultural income indicators, derived from the EAA, already provide a good approximation of the global income development of these units?

- (2) Large definition too large? Are we really interested to have detailed information on the global income of households which are only marginally involved in agriculture?



Considerations regarding the future development of IAHS Statistics (5/6)

- **Improvements to be made, concepts to be reconsidered (cont.):**

- Definition of the agricultural household used as basic unit (cont.):

- (3) Pluriactivity in agriculture: are we really interested to cover activities which have no link whatsoever with the agricultural holding? Is it not rather the development of activities which are still related to agriculture and the agricultural holding, on which we should focus? Agro-tourism and processing of agricultural raw products are examples for this. However, insofar as these non-agricultural activities are considered inseparable from the main agricultural activity, they are already covered by the EAA.



Considerations regarding the future development of IAHS Statistics (6/6)

④ IWG.AGRI Task Force on Rural Development Statistics

- Ⓟ These and other aspects related to the development of the IAHS Statistics are likely to be addressed by the IWG.AGRI Task Force on Rural Development Statistics the terms-of-reference of which are subject of a previous item on the agenda of the present IWG.AGRI meeting.
- Ⓟ A sub-group of this Task Force is supposed to focus on the agriculture household unit. The OECD will be co-ordinator for this subgroup.