

Commentary

The output of the agriculture industry (OAI) in the year 2015 at the current basic prices was 128 515.5 mil. CZK. OAI in the year 2016 increased by 3.5 % to 132 956.5 mil. CZK. The crop output increased by 6.7 % but the animal output decreased by 2.0 %. In crop production, due to favorable climatic conditions, harvesting in cereals increased (grain maize by 91.0 %), in industrial crops, forage plants, vegetables and potatoes, but on the other hand harvesting in fruits (peaches by 82.8 %) and grapevine sharply decreased. Excluding rape and sugar beet prices have fallen. The decrease in animal production was attributable to cattle, pigs and poultry. On the contrary, milk and eggs were higher. In addition to pigs, other commodities have fallen in price. The highest decrease occurred in price index of milk (-14.7 %) and of eggs (-11.2 %), slightly decrease was by cattle (-2.2 %) and poultry (-4.0 %). The animal y-o-y output was lower by 2.0 %; despite the fact that in 2016, subsidies for cattle, sheep, goats and milk from the previous year were paid out.

If we compare the agricultural output measured at current constant prices of the year 2000 then OAI increased by 6.7 % from the year 2015 to 2016. The crop output was higher by 12.0 %, animal production has almost not changed.

The ratio of the crop output on OAI was 58.2 % in the year 2015 (at current basic prices) and 60.0 % in 2016, where cereals (44.0 % in 2015 and 39.3 % in 2016) and industrial crops (26.3 % in 2015 and 27.5 % in 2016) comprised the biggest part of the crop output.

The ratio of animal output on OAI was 36.1 % in 2015 and 34.2 % in 2016. The milk production (48.1 % in 2015 and 46.7 % in 2016) and breeding of pigs for slaughter (18.7 % in 2015 and 19.3 % in 2016) represented the most important part of the animal output. The rest of the total OAI is made up by the agricultural work supplied to the other unit, that is the agricultural services output (2.4 % in 2015 and 2.5 % in 2016). Non-agricultural secondary activities inseparable in which renewable energy production was also included in the last two years accounted for 3.2 %.

The ratio of intermediate consumption (IC) at market prices on OAI was 69.8 % in 2015 and 65.7 % in 2016. The consumption of feedingstuffs represented the biggest part of IC (35.9 % in 2015 and 35.4 % in 2016). The IC decreased by 2.6 % within one year.

The gross value added at basic prices (GVA) in the year 2015 was 38 829.0 mil. CZK. GVA in the year 2016 increased by 17.5 % to 45 633.4 mil. CZK. After deduction of the fixed capital consumption (FCC) we get the net value added at basic prices (NVA). NVA amounted to 21 928.7 mil. CZK in the year 2015 and within one year it increased by 27.4 % to 27 945.8 mil. CZK.

The factor income at basic prices was 50 476.4 mil. CZK in the year 2015. It increased by 13.7 % y-o-y and was 57 386.9 mil. CZK in the year 2016. The compensation of employees in the year 2015 was 26 744.2 mil. CZK. It went up in the year 2016 by 2.6 % to 27 444,5 mil. CZK despite decrease in number of workers.

Gross fixed capital formation in the year 2015 was 17 137.2 mil. CZK and increased by 8.6 % to 18 619.0 mil. CZK in the year 2016.

Income from agricultural activity per full-time labour equivalent (1 AWU, as it is measured by Indicator A, increased by 12.6 % in 2016. The deflator (the implicit price index of GDP at market prices) was 101.24 in the year 2016.

Cereals are the most important product of the Czech agriculture, its share in output was 23.6 % in the year 2016. The cereal volume increased by 6.4 % but the real price decreased by 11.7 % and the output at basic prices of this crop fell by 6.1 %. The volume of oilseeds was higher by 7.9 %, the output at basic prices by 7.3 % but the real prices decreased by 0.5 %. A similar situation was with potatoes, where the volume of potatoes was higher by 42.3 %, the output at basic prices by 28.1 % but the real prices fell by 11.5 %. In the crop output as a whole in 2016 the real price decreased by 5.3 % than in 2015. The volume increased by 11.1 % and the crop output at basic prices by 5.4 %.

In the year 2016 the real price of cattle fell by 3.4 %, of poultry by 5.2 % but and the real pig price increased slightly by 0.3 %. The output at basic prices of pigs went down by 0.2 %, of poultry by 8.9 % and the output at basic prices of cattle increased by 7.4 % thanks to subsidies. The volume of cattle was lower by 0.7 %, of poultry by 3.9 % and of pigs by 0.5 %.

Milk production has a substantial share in the agriculture of the Czech Republic. Volume in the year 2016 was by 1.0 % above the level of the previous year. The real price decreased sharply by 15.7 %,

the output at producer prices fell by 14.9 % and output at basic prices by 6.0 %. The animal output decreased at producer prices by 9.3 % and at basic prices by 3.2 %.

The volume of the agricultural industry was higher by 7.0 %, the output at basic prices increased by 2.2 % and the real price was by 6.6 % lower than in 2015.

The real value of intermediate consumption was under the level of the previous year (-3.8 %). On the back of the overall developments of output and input, agricultural gross value added at basic prices in the Czech Republic increased by 16.1 % in 2016.

During the interannual rise in real value of fixed capital consumption by 3.4 % net value added increased at rate of 25.9 %. By decrease of other taxes on production (-4.0 % in real terms) and by slight increase of other subsidies on production (+1.6 %), the increasing rate of real agricultural factor income, the basis of income Indicator A, was limited to 12.3 %. The volume of total agricultural labour input have been reduced in 2016 by 0.3 %.

For the agriculture of the Czech Republic, expenditure on compensation for employees is the important item. It shared the factor income by 53.0 % in the year 2015 and by 47.8 % in the year 2016. In the year 2016 compensation of employees was by 1.4 % (in real value) higher than in 2015, and net operating surplus showed increase by 24.6 %.

Indicator B, which measures trends in real net entrepreneurial income in relation to trends in unpaid labour input was higher by 22.0 and the net entrepreneurial income, expressed by Indicator C increased by 30.5 % in 2016.