

# **Impact of Changes in Standard Output Coefficients on Economic Indicators**

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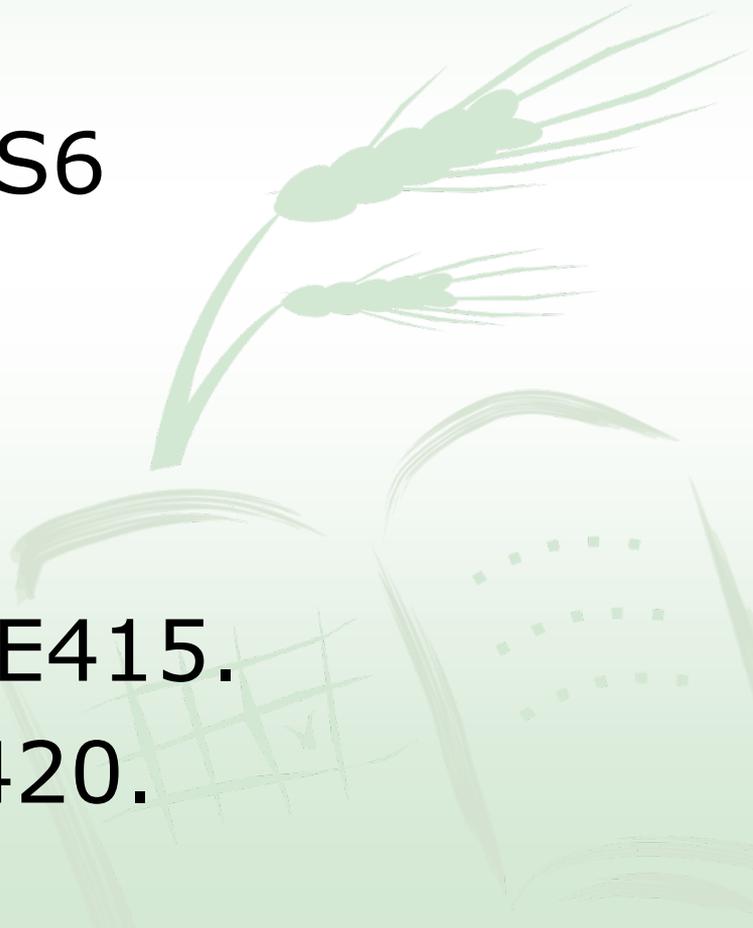
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# SO coefficients update vs. long and short time comparison of indicators

- Data sets generated with the use of different SO coefficients regroup part of holdings to different economic size classes and type of production.
- Occasional data users are not aware of consequences of SO coefficients updates.
- And they are confused with methodology.

# Scope of analysis

- Polish FADN data
  - Accountancy year: 2017
  - SO sets: 2007. 2010
  - Classification: TF8 and ES6
  - Indicators:
    - Total output SE 131.
    - Total input SE270.
    - Farm Net Value Added SE415.
    - Family Farm Income SE420.
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# Economic indicators averages calculated with the use of SO2007 and SO 2010 (1)

		Ratio averages of indicators SO2007/SO2010			
		SE 131	SE 270	SE 415	SE 420
Economic size class ES6	1	1.12	1.13	1.12	1.14
	2	1.26	1.22	1.30	1.30
	2	1.23	1.21	1.24	1.25
	4	1.22	1.22	1.19	1.18
	5	1.24	1.27	1.22	1.17
	6	1.15	1.16	1.09	0.87

# Economic indicators averages calculated with the use of SO2007 and SO 2010 (2)

		Ratio averages of indicators SO2007/SO2010			
		SE 131	SE 270	SE 415	SE 420
Type of farming TF8	1	1.01	1.01	1.01	1.01
	2	1.01	1.01	1.00	1.00
	4	1.00	1.00	1.00	1.00
	5	1.00	1.01	1.00	1.00
	6	1.07	1.04	1.06	1.09
	7	0.95	0.95	0.96	0.96
	8	0.98	0.99	0.98	0.97

# Ratio of SE 420 averages calculated with the use of SO2007 and SO 2010

		Economic size classes					
		1	2	3	4	5	6
Type of farming TF8	1	1.07	1.33	1.32	1.21	1.22	0.04
	2	11.86	1.04	1.06	1.06	1.24	0.86
	4	0.58	1.36	1.38	1.54	0.90	.
	5	0.77	1.24	1.18	1.19	1.20	0.66
	6	4.16	1.19	1.37	1.14	1.10	1.00
	7	.	1.17	1.24	1.19	1.17	1.07
	8	1.64	1.27	1.22	1.19	1.10	0.97

# Conclusions

- Extremes are typical for groups with small numbers of holdings and highly unstable incomes.
- To keep the information valuable for fragile groups the weight is critical and elimination of outliers.
- From practical point of view: avoid presentation of averages based on samples, otherwise use current SO regime.



# Thank you

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