Farm Business Survey 2018-19: Profitability of Scottish Farming

An Official Statistics analysis of Scottish Farm Business Survey data, focussing on profit from farming in the supported sectors of agriculture, profit from alternative sources, support payments, and long term profitability of Scottish farm businesses.
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Overview and Context

- This Official Statistics report provides additional analysis of Scottish Farm Business Income data. It provides detailed analysis of the profitability of farms in the supported sectors of agriculture, income from non-agricultural activities, support through the Common Agricultural Policy (CAP) and other payments, and long term profitability of Scottish farm businesses.
- The Farm Business Survey does not collect information on non-supported sectors which include pigs, poultry, some fruit production and horticulture. Unless otherwise indicated, these sectors are therefore excluded from the analysis in this report.
- Separate statistics published in the Total Income from Farming (TIFF) report provide analysis of the profitability of the industry as a whole, including non-supported sectors. However, this data source does not enable the level of granular analysis provided by the Farm Business Survey. The results from TIFF are summarised in section 3.1 to provide wider context.

Key Findings from the Farm Business Survey

- In 2018-19, the average Farm Business Income (FBI)\(^1\) (sometimes called farm business profit) in Scotland was around £39,000. Of this, on average £34,000 came from farming and support payments, and £5,000 came from diversified, non-agricultural activities. When support payments and diversification are excluded the average farm made a loss of around £9,000.
- The average farm received around £43,000 from CAP support and other payments. The majority of this support is through the CAP Basic Payment Scheme, which made up round 70% of the average farm support.
- Scottish farm profitability is highly variable across farm types, regions, and tenures and many farms rely on grants and subsidies to make a profit:
  - Without CAP support and other payments, 28% of farms turn a profit.
  - With CAP support and other payments, 72% of farms turn a profit.
- For some farms, profitability from farming is not the driving factor:
  - Over the last five years around 30% of farms were never profitable when support payments are excluded. Including these payments, 2.5% of farms were never profitable over this period.
  - Around 30% of farms were profitable every year when support payments are included\(^2\).
- Dairy, cereal and general cropping farms are generally more profitable and receive lower average support payments.
- Livestock farms in less favourable areas are least profitable and receive the highest average support payments. Large areas of less favourable area land in Scotland limits the expansion potential of more profitable farm types.

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\(^1\) Scottish farm business income: annual estimates 2018-19

\(^2\) Profit less than or greater than zero
1. Introduction

This Official Statistics report provides additional analysis of Scottish Farm Business Income data. It provides detailed analysis of the profit from farming, profit from alternative sources, support through the Common Agricultural Policy (CAP) and other payments, and long term profitability of Scottish farm businesses. It accompanies the National Statistics publication of Scottish Farm Business Income: Annual Estimates 2018-19 and is based on the latest published statistics for the financial period 2018-19, the 2018 crop year.

Total Income from Farming (TIFF) is the official measure of the profit (income minus costs) produced by all agriculture in Scotland. The Scottish Farm Business Survey (FBS) allows an in-depth look at the profitability of Scottish farming based on the detailed financial data collected from a sample of farms in receipt of CAP payments and support Scotland.

1.1 Agriculture in Scotland

Agriculture is an important and very visible part of the rural economy with total output worth £3.18 billion and taking place on over 80% of the land mass in Scotland. Agricultural output across Scotland is highly dependent on the land capability. Large areas of Scotland have limited arable growing conditions. These are usually hilly or rocky lands that are more suitable for livestock.

Areas with limited growing conditions are designated as Less Favourable Area (LFA) in recognition of:

- the presence of land of poor productivity, which is difficult to cultivate and with a limited potential which cannot be increased except at excessive cost, and which is mainly suitable for extensive livestock farming;
- lower than average production, compared to the main indices of economic performance in agriculture;
- a low or dwindling population predominantly dependent on agricultural activity, the accelerated decline of which could cause rural depopulation.

In 2018, 86% of the total agricultural land area in Scotland was designated as LFA. Scotland is divided into five regions, though they have very different sizes in terms of agricultural area and LFA land. These regions, land types and the predominant types of farming undertaken across Scotland are shown in Figure 1.

The North Eastern, Eastern and Southern areas of Scotland benefit from larger areas of non-LFA land, and as a consequence typically create the most profit from agricultural activity.

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3 Total Income from Farming, Scottish Government https://www.gov.scot/publications/total-income-farming-estimates-scotland-2016-18/
5 Analysis of Total Income from Farming Estimates for Scotland
In contrast, while the Highlands and Islands area is large, most of this land consists of LFA and agricultural profit per hectare is lower\(^5\).

West Central Scotland mainly comprises the urban area around Glasgow, and is not a significant agricultural area represented in these statistics\(^5\).

**Figure 1 - Land use for agriculture in Scotland and NUTS 2 Regions**

Large areas of Scotland are designated as less favoured areas (LFAs). Land capability determines the type of agricultural activity.

In Scotland, agriculture contributes around 0.8% of the total Gross Value Added (GVA) economic output\(^6\). However, it makes up a larger proportion of the rural economic output. It also employs around 2.5% of the working population\(^6\), although this varies across the country. The largest user of agricultural output domestically is the food and drink industry alongside many other suppliers\(^7\).

Agricultural productivity is a measure of the growth in output relative to input. Scotland’s productivity base levels were lower than the rest of the UK, reflecting the higher proportion of land designated as Less Favourable Areas. However, Scottish agriculture has higher productivity growth than the rest of the UK and around the same as other OECD countries. Much of the increased productivity gains are attributed to improved research and development, training and education, and improved technology and infrastructure\(^8\).

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In addition to fluctuations in market prices which impact productivity and profitability, climate and geography provide additional challenges and variances in weather conditions and outbreaks of crop and livestock diseases can have large impacts on farm profitability.

The large area of LFA land in Scotland limits the expansion potential of more profitable farm types. While the uplands are ideal for low intensity grazing including sheep and some cattle, these tend to be less profitable types of farming\(^9\) and have the least capacity to improve or change to more profitable production systems.

As a consequence, agricultural output in Scotland is still heavily dependent on beef, sheep and dairy, accounting for around 50% of the total value of agricultural output\(^10\).

Currently, the majority of support offered to farms in Scotland is provided under the EU Common Agricultural Policy (CAP).

The annual total of CAP payments is around £650 million, of which 51% supports active farming to provide a safety net for farmers and crofters by supplementing their main business income. Around 21% is provided through ‘Greening’ which is a policy aimed at agricultural practices beneficial for the climate and environment which is paid on top of the basic payment scheme.

The additional 28% is spent on Pillar 2 funding, which is provided to support agriculture in less favoured areas, other environmental programmes, forestry, and supply chain work\(^11\).

### 1.2 Wider impacts of Scottish agriculture

The contribution made by agriculture to Scottish society and the environment is broader than the measures captured in traditional economic indicators.

Agriculture plays an important role in rural communities, and, with tourism and hospitality, contributes to the ‘Scottish’ brand, for example through Scotch Beef or Scotch Lamb Protected Geographic Indication (PGI) from the QMS Cattle & Sheep Assurance Scheme\(^12\).

Most of Scotland’s land area is used for agriculture. Agriculture impacts the environment, climate change and biodiversity in both positive and negative ways. Some farm practices can contribute positively to natural flood management, carbon capture, soil management and biodiversity. However, some farm practices also have negative impacts on soil and water quality, biodiversity, erosion, and greenhouse gas emissions.

Through these wider impacts, the sector also has an impact on the many other businesses in Scotland, such as leisure and tourism, food and drink and forestry which are reliant on good environmental practices.

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\(^12\) QMS Cattle & Sheep Assurance Scheme, [https://www.qmscotland.co.uk/cattle-sheep-standards](https://www.qmscotland.co.uk/cattle-sheep-standards)
2. Profitability of Scottish Farming

2.1 Total Income from Farming (TIFF)

Total Income from Farming (TIFF) is the official measure of the profit (income minus costs) produced by all agriculture in Scotland and captures all elements of the industry.

Since 2005, the profitability of the sector had generally been increasing, but since the fall in 2015 growth has been slow, as shown in Figure 2.

If the figures are calculated without support from CAP and other payments (referenced here as subsidies), the farming industry as a whole has been in profit since 2010, though with little change in recent years. However, the level of profitability and the importance of CAP payments to farm incomes varies significantly across the industry.

This rest of this report focusses on the profit from farming in the supported sectors of agriculture and is based on data collected through the Farm Business Survey (FBS). This excludes non-supported sectors such as pigs, poultry, some fruit production and horticulture. However, it also allows for more granular analysis to be undertaken than is possible with the TIFF statistics.

![Figure 2 - Total Income From Farming (TIFF) 2005-2018](image-url)
2.2 The Farm Business Survey (FBS)

The Scottish Farm Business Survey (FBS) allows an in-depth look at the profitability of the sectors in Scottish farming in receipt of CAP and other support payments.

Around 500 farming businesses take part in this voluntary survey each year. The FBS only includes farms with economic activity of at least €25,000 (equivalent to around £23,000 in September 2019). Part-time farms are not included. The most recent figures from the FBS were published in March 2020 in the Farm Business Income: Annual Estimates 2018-19. More information about FBS methodology is available in Section 4: Data sources and more information.

The FBS is representative of around 11,000 farms in Scotland, which is around 22% of all farms included in the June Agricultural Census. These farms cover 64% of Scotland’s agricultural land, employ 45% of those employed in Scottish farming, and produce 94% of standard output from the farming sectors that are included in the FBS.

The FBS collects information about inputs and outputs from agricultural activities as well as support payments received and inputs and outputs from diversified non-agricultural activities. Diversified non-agricultural activities use farm resources to provide additional income, for example processing and retailing of produce, renting farm buildings, letting out holiday cottages or installing wind turbines and other renewables.

Support payments can include a variety of schemes with qualifiers including land use, land quality, livestock grazing density, environmental actions, forestry, community groups and improvements to the agri-food supply chain.

This analysis is primarily focussed on the profit a farm business makes from agricultural activities, and unless otherwise noted in this report, income from diversification is excluded from estimates of profit from farming.

Farms may also have some income from off-farm activities that are not part of crop or livestock production and do not use farm resources. The FBS collects information on off-farm income for farmers and their spouse but this is not included in estimates of farm business income and is excluded from this analysis of profitability from farming.

The FBS does not collect information on non-supported sectors, which include farms predominantly engaged in pigs, poultry, some fruit production and horticulture. A large number of part-time and small Scottish farms with low output are also not included. Unless otherwise indicated, these farms are therefore excluded from the analysis in this report.

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13 Farms with a Standard Labour Requirement (SLR) of more than 0.5. Standard Labour Requirements represent the approximate average labour requirement for a livestock or crop enterprise. The annual hours of a full-time worker is 1,900 hours.

14 Analysis of 2017 June Agricultural Census holdings with FBS threshold of €25,000 of standard output and greater than 0.5 standard labour requirement.
2.3 Overall profitability and efficiency

There are different ways of calculating profit or profitability. In this report it is calculated as output less input and is equivalent to financial Net Profit. Estimates of profit can vary because different costs and prices may be selected\textsuperscript{15}.

Farm business survey data show that the average Scottish farm has relied on CAP support and other payments to remain profitable since 2012-13, as shown in Figure 3.

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure3.png}
\caption{FBS Average profitability from farming over time}
\end{figure}

Since 2016 the average profitability with or without CAP support has been rising after the downturn in 2015-16 due to bad weather conditions.

In 2018-19, the average Farm Business Income (FBI) (or farm business profit) in Scotland was around £39,000. Of this, on average £34,000 came from farming and support payments, and £5,000 came from diversified, non-agricultural activities. When support payments and diversification are excluded the average farm made a loss of around £9,000.

The average farm received around £43,000 from CAP support and other payments. The majority of this support is through the CAP Basic Payment Scheme, which made up around 70% of the average farm support in 2018-19. A breakdown of the average contribution from support payments is shown in Figure 4.

On average, Scottish farms rely on support to stay profitable. However, there are large variations in profitability depending on farm type, agricultural systems and region.

\textsuperscript{15} The calculation of profit used in this report is consistent with the calculation of Farm Business Income which is derived from management accounting principles.
The profitability spread of Scottish farms in 2018-19 are shown in Table 1 and Figure 5. The top 10% of farms made an average profit much higher than the average farm with or without support payments. Their profit was more than £150,000 higher. The lowest 10% of farms made over £70,000 less than the average farm.

**Table 1 - Average profit from farming, 2018-19**

<table>
<thead>
<tr>
<th></th>
<th>Lowest 10%</th>
<th>Average</th>
<th>Highest 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Without support</td>
<td>-£110,000</td>
<td>-£9,000</td>
<td>£157,000</td>
</tr>
<tr>
<td>With support</td>
<td>-£44,000</td>
<td>£34,000</td>
<td>£207,000</td>
</tr>
</tbody>
</table>
Figure 5 - Average profit from farming, 2018-19

Figure 6 – Profitability of Scottish farms, 2018-19
Figure 6 shows the spread of profitability across all farms. The inclusion of support payments means more farms turn a profit, shown in a shift of the profitability curve to the right. However, a large number of farms still did not turn a profit after including support payments. In 2018-19:

- Without support, 28% of farms turn a profit
- With support, 72% of farms turn a profit
- Including support and diversification, 76% of farms turn a profit

To investigate profitability without support payments in more detail, the data has been split into deciles. 10% of the farms represented by the FBS are included in each decile. Only the top three profitability without support deciles had an average profit above zero (deciles 8, 9 and 10) in 2018-19, as shown in Figure 7.

Figure 7 – Average profit by profitability decile excluding support, 2018-19

Analysis of support payments data shown in Figure 8 shows that farms in the lowest performing deciles receive the highest average payments, while the top performing six deciles receive a lower level of payment.
An alternative way to assess a farm business is efficiency, estimated by calculating the output for every £100 spent on inputs, excluding support payments. The breakeven point is where a farm business spends £100 on inputs for every £100 of output they produce.

Although there are multiple factors in farm profitability over time, the efficiency estimates shown in Figure 9 suggest that if support payments were removed, a farm in decile 1 would need to increase outputs by around £80 for every £100 of inputs, or around 80% to break-even. As above, only the three deciles of highest performing farms without support reach above the breakeven point when analysed by efficiency.

Other aspects of farm business impact the overall profitability from farming, and are discussed in more detail in Section 3.

Profit from farming may not be the only contributor to total farm business income, with diversified business activity becoming an integral part of many farm businesses. In 2018-19 an estimated 46% of farms increased their income through diversification.

Assets and liabilities also impact farm businesses. On average, farms had assets worth £1.5 million, and liabilities of around £180,000 in 2018-19.
2.4 Farm type

Table 2 provides an overview of profitability and support payments by farm type.

Sheep farms and cattle farms in less favoured areas generally have the lowest profitability and have been historically low compared to other farm types. These farms are mostly found in remote areas with significant challenges to overcome in both the natural landscape and other factors such as distance to populated areas and markets. Current support schemes provided through Greening or other Pillar 2 payments allow many of these farms to make a profit and to remain an active part of the community, as shown in Figure 10.

Table 2 – Profitability and support by farm type

<table>
<thead>
<tr>
<th>Farm type</th>
<th>Profitability</th>
</tr>
</thead>
<tbody>
<tr>
<td>High profitability</td>
<td>General cropping and dairy</td>
</tr>
<tr>
<td>Low profitability</td>
<td>Livestock and LFA</td>
</tr>
<tr>
<td>Low support</td>
<td>Dairy, general cropping and cereal</td>
</tr>
<tr>
<td>High support</td>
<td>LFA livestock</td>
</tr>
</tbody>
</table>

Dairy farms and general cropping farms often have higher incomes and are the most profitable sectors of agriculture supported by CAP payments. The performance in these sectors can be adversely affected year to year either through sensitivity to market prices or extreme weather events.
Figure 10 – Average profitability by farm type, 2018-19

Figure 11 – Proportion of profitable farms by farm type, 2018-19
As shown in Figure 11, with support payments included there is relatively little variation in the proportion of profitable farms between farm types. Between 50% and 100% of farm businesses were profitable with support payments. Without support, the proportion of profitable farms is very variable by farm type. Less than 25% of farms were profitable in any predominantly livestock or LFA farm type without support payments.

LFA livestock farms have very few farms profitable without support payments (less than 10%) mainly due to the additional constraints of land type and rurality. These types of farming rely on support payments.

Figure 12 shows the proportion of farms in each farm type by their profitability decile and shows how profitability is distributed across farms in each farm type.

Figure 12 – Profitability deciles without support by farm type, 2018-19

LFA and livestock farms have a high proportion of farms in the lower profitability deciles, though a small proportion of Lowland Cattle & Sheep appear in the highest profitability decile.

Dairy farms, general cropping farms and cereal farms have higher proportions of profitable farms, however, Figure 12 shows that while some farms in these categories may make large incomes, some will also be making a loss.

Almost every farm type has at least a small percentage in the lowest profitability decile, suggesting there is scope to improve profitability across sectors.
2.5 Region

Table 3 provides an overview of profitability and support by region from the farm business survey data. This reflects the pattern of regional results for profit from the agriculture sector as a whole, as described in Section 1.1.

Table 3 – Profitability by region

<table>
<thead>
<tr>
<th>Region</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>High profitability</td>
<td>Eastern and Northern Scotland</td>
</tr>
<tr>
<td>Low profitability</td>
<td>West Central Scotland, Southern Scotland, Highlands and Islands</td>
</tr>
<tr>
<td>Low support</td>
<td>Fairly consistent across regions</td>
</tr>
<tr>
<td>High support</td>
<td></td>
</tr>
</tbody>
</table>

As shown in Figure 13 and Figure 14, profitability and the proportion of profitable farms is highly variable across the regions of Scotland with and without support payments. This reflects the variations in land use and LFA land in each region, as shown in Figure 1.

Eastern Scotland was the only area with average profitability above zero without support in 2018-19.

Without support payments, less than 50% of farms are profitable in all regions, with the highest proportion in Eastern Scotland. With support payments, more than 75% of farms in Eastern and North Eastern Scotland are profitable.
Figure 13 – Average profitability by region, 2018-19

Figure 14 – Proportion of profitable farms by region, 2018-19
Most regions show a spread of profitability deciles, as shown in Figure 15. Eastern and North Eastern Scotland have the largest proportions of high profitability farms.

Figure 15 – Profitability deciles without support, by region, 2018-19

2.6 Tenure

Table 4 and Figure 16 provide an overview of profitability and support by type of farm tenure. On average farms with mixed tenure have the highest profitability both before and after support payments. Mixed tenure includes farms under a partnership agreement between the landlord and tenant where both contribute to the financing and benefit from the farm profit, as well as farms with other tenure arrangements not classified as owner-occupied or tenanted.

Table 4 – Profitability by tenure

<table>
<thead>
<tr>
<th>Tenure</th>
<th>Profitability</th>
<th>Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mixed tenure</td>
<td>High</td>
<td>Low</td>
</tr>
<tr>
<td>Owner-occupied</td>
<td>Low</td>
<td>Low</td>
</tr>
<tr>
<td>Owner-occupied, tenanted</td>
<td>High support</td>
<td>High</td>
</tr>
<tr>
<td>Mixed tenure</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
There is little variation in the proportion of farms that are profitable by tenure, or across profitability deciles by tenure, as shown in A1 and A2 in Annex A: Additional figures.

### 3. Other aspects of farm profitability

#### 3.1 Diversification

Diversification uses farm resources to provide additional income through non-agricultural activities. It can consist of a variety of activities including tourism, retail and renewable energies.

Farm diversification has been becoming increasingly important to overall farm income.

In 2018-19, 55% of farms were engaged in diversified activities. The most common diversified activity was renting out farm buildings.

The average income from diversification across all farms was around £4,600 in 2018-19. However, not all farms engage in diversified activities. Farms that have been in the FBS sample over the last five years, who do engage in diversification, generated around 16% of their farm business income through these activities. Their average income from diversification was around £8,500.
The average across all farms has been used here to investigate how diversification varies across the farm profitability deciles used across this report. In 2018-19, 46% of farms increased their income through diversification. As shown in Figure 17 there is wide variation in income from diversification and this does not correlate with profit from farming.

**Figure 17 – Average diversification income by profitability decile, 2018-19**

![Average diversification income by profitability decile, 2018-19](image)

### 3.2 Assets and liabilities

Lower performing farms have a higher average ratio of liabilities to assets, as shown in Figure 18. Similar to farms receiving support payments, the top six deciles show fairly similar average ratios.

The least profitable decile had a much higher average ratio of liabilities to assets in 2018-19 compared to all other deciles, with a ratio of around 20%. In England, the average farm has a ratio of 11%\(^\text{16}\), compared to the Scottish average of 12%.

Figure 19 shows the liabilities to asset ratio over time. The liabilities to asset ratio was highest in 2016, but has been decreasing due to increasing average assets.

Figure 18 – Average liabilities ratio by profitability decile, 2018-19

Figure 19 – Average liabilities ratio, 2012-13 to 2018-19
3.3 Farm profitability over time

Around 400 farm businesses appear in the FBS across all years of the period 2012-13 to 2018-19, allowing identification of longer term trends. Farms may drop out of the survey for many reasons, including going out of business, lack of time to take part, or just lack of interest. There does not appear to be a strong link between dropping out and profitability.

Figure 20 shows that the proportion of profitable farm businesses in the continuous FBS sample between 2012-13 and 2018-19 has been relatively stable. Due to bad weather in 2016, there was a decrease in the number of profitable farms. However, in most years, less than a quarter of the 400 farms were profitable without support. Average assets, liabilities and diversification income have all increased over recent years.

Figure 20 – Proportion of profitable farm businesses in the continuous FBS sample, 2012-13 to 2018-19

As shown in Figure 21, around 30% of farms in the continuous sample were profitable every year in the last five years when support payments are included. A small number of farms (2.5%) had no profitable years over the last five years.

Reliance on support payments is evident from this analysis as around 30% of farms would never have had a profitable year over this period without support payments. It is possible that these farms are earning income from alternative sources such as diversification or off-farm jobs, or have significant assets to support their business.
3.4 Labour productivity

It is difficult to find estimates of labour productivity specific to Scottish farming. Agriculture is often grouped with other industries, for example Forestry and Fishing, or “Non-Manufacturing Production”.

In 2018, the average output per hour of labour across the Scottish economy was £35.04, an increase of 38% since 2007. The Non-Manufacturing Production industry group, which includes agriculture, had output per hour of £47.75, an increase of 4% since 2007. The publication notes that this figure may be misleading, because many of these industries are particularly capital intensive.17

According to ONS figures, ABDE18 labour productivity in Scotland is around 85% of that in the UK as a whole. In 2017, ABDE output per hour was £50.82 in the UK, as opposed to £43.71 in Scotland.19

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18 Agriculture, mining, electricity, gas, water and waste
4. Data sources and more information

Data Source

Estimates of profitability of farm business income are from the Scottish Farm Business Survey. This is an annual survey of around 500 farms which covers the supported sectors and only includes farms with economic activity of at least €25,000 (equivalent to around £23,000 in September 2019). Part-time farms are not included.

The Scottish Farm Business Income (FBI) publication provides official farm business level estimates of average incomes for each accounting year. The most recent figures from the FBS were published in March 2020 in the Farm Business Income: Annual Estimates 2018-19. These estimates for the accounting year 2018-19 relates to the 2018 crop year.

More information about the farm business survey methodology is available in the latest Farm Business Survey methodology note.

Comparison

Similar surveys take place in England, Wales and Northern Ireland. Full results for the United Kingdom are available online.


Data and Methodology

If you have any questions or comments about this publication, please email Harriet Houlsby harriet.houlsby@gov.scot.

If you have any questions or comments about the Farm Business Survey, its data or methodology, please email Jay Gillam jay.gillam@gov.scot or contact our statistics mailbox at agric.stats@gov.scot or by phone on 0300 244 9717.

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Footnotes


2. Profit less than or greater than zero

3. Total Income from Farming, Scottish Government

4. Including common grazings. Figure based on the Scottish Agricultural Census: June 2019
   and UK Standard Area Measurements (SAM)
   https://www.ons.gov.uk/methodology/geography/geographicalproducts/otherproducts/ukstandardareameasurementssam

5. Analysis of Total Income from Farming Estimates for Scotland


7. Scottish Government, 2019, "Supply, Use and Input-Output Tables",
   https://www2.gov.scot/Topics/Statistics/Browse/Economy/Input-Output/Downloads


10. Total Income from Farming Estimates for Scotland, 2016-18

11. RPID, 2020, "Introduction to the CAP"
    https://www.ruralpayments.org/publicsite/futures/topics/customer-services/common-agricultural-policy/about-the-cap/

12. QMS Cattle & Sheep Assurance Scheme
    https://www.qmscotland.co.uk/cattle-sheep-standards
13. Farms with a Standard Labour Requirement (SLR) of more than 0.5. Standard Labour Requirements represent the approximate average labour requirement for a livestock or crop enterprise. The annual hours of a full-time worker is 1,900 hours.

14. Analysis of 2017 June Census holdings with FBS threshold of €25,000 of standard output and greater than 0.5 standard labour requirement.

15. The calculation of profit used in this report is consistent with the calculation of Farm Business Income.


18. Agriculture, mining, electricity, gas, water and waste

Annex A: Additional figures

A1 – Proportion of profitable farms by tenure, 2018-19

A2 – Profitability deciles without support, by tenure, 2018-19

Average profit without support in each decile: