Federal Institute
of Agricultural Economics,
Rural and Mountain Research

Federal Ministry
Agriculture and Forestry, Climate
and Environmental Protection,
Regions and Water Management
Republic of Austria

The resilience of Austrian farms

Understanding the role of different farm strategies

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agri benchmark Global Forum 2025, 23rd of June 2025

Photo: Hambrusch

Outline

- Introduction
- Farm structure – structural change
- Theoretical background of farm strategies
- Economic results of Austrian farms
- Conclusion and outlook

Photo: Hambrusch

What do you associate with agriculture in Austria?

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Source: ChatGPT, 2025 Photo: Hambrusch

What Does Resilience Mean in Agriculture?

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- Crisis resilience: climate change, pandemic, market disruptions, …
- Ability of systems to withstand external shocks and to adapt to them.
- Dimensions
  - **Ecological:** Coping with extreme weather & drought, soil protection, biodiversity, …
  - **Economic:** Liberalization of markets, volatile agricultural markets, income, …
  - **Social:** Aging population, farm succession, role of women, social networks, common good, …
- Other Aspects
  - **Political-institutional:** Role of the CAP, regulations, funding landscape, advisory systems, …
  - **Technological:** Digitalisation & smart farming, agricultural research, access to innovation,
  - …

3. From Mountain Meadows to Vineyards

An Overview of Austrian Agriculture

Characteristics of Austrian agriculture

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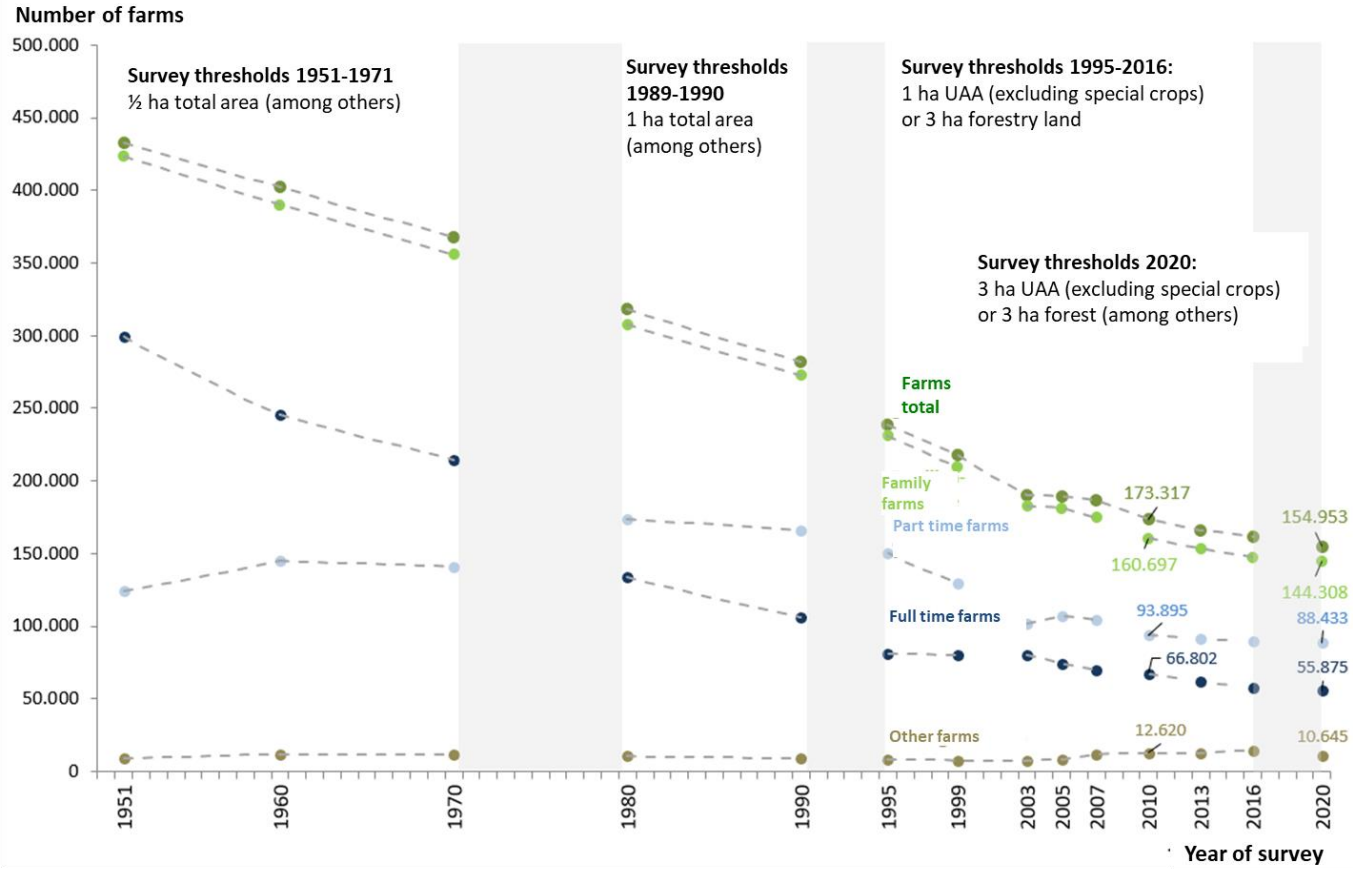
- Agriculture: 1.3% of GDP (2023)
- Labour force: 420,000 (80% family labour)
- 155,000 farms: -45% since 1990
- Loss of agricultural land (11 ha per day)



Source: Statistics Austria 2025, BMLUK 2025

Characteristics of Austrian agriculture

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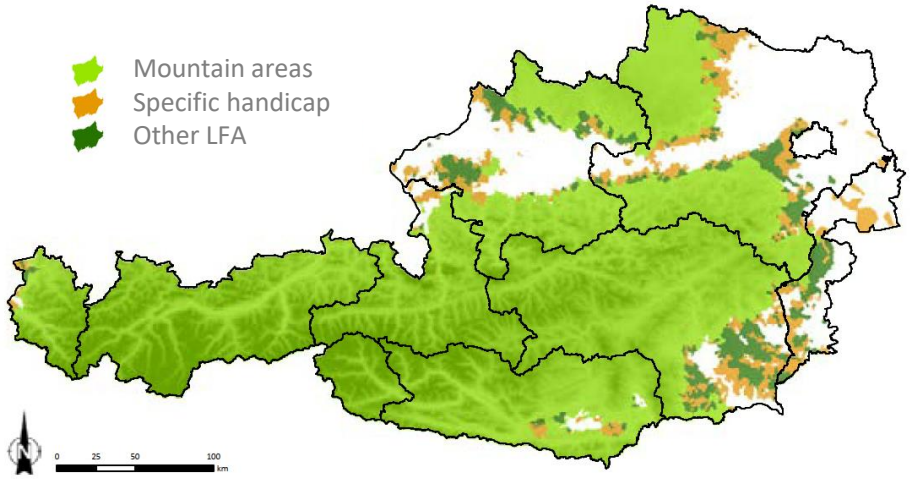
- High share of less favoured areas 76%
- Grassland based production: ~ 46% of UAA
- Part-time farming: 57 % of all farms
- Family farms (labour, land, capital): 93%
- Small structured agriculture
  - UAA: ~24 ha
  - 34 cattle (22 dairy cows), 112 pigs, 33 sheep, 12 goats
- High share of organic production: 27 % of UAA
- 35% of the farms are run by women
- Compared to EU "younger farmers" (23% < 40 years)



- High production costs
- High competition for land
- Unfavourable infrastructure
- Impacts of climate change, …

Competitiveness and Resilience of Austrian Farms

Source: Statistics Austria 2025, BMLUK 2025

Animal husbandry in Austria

Share of livestock units (LSU) in Austria by animal category
at municipal level 2024

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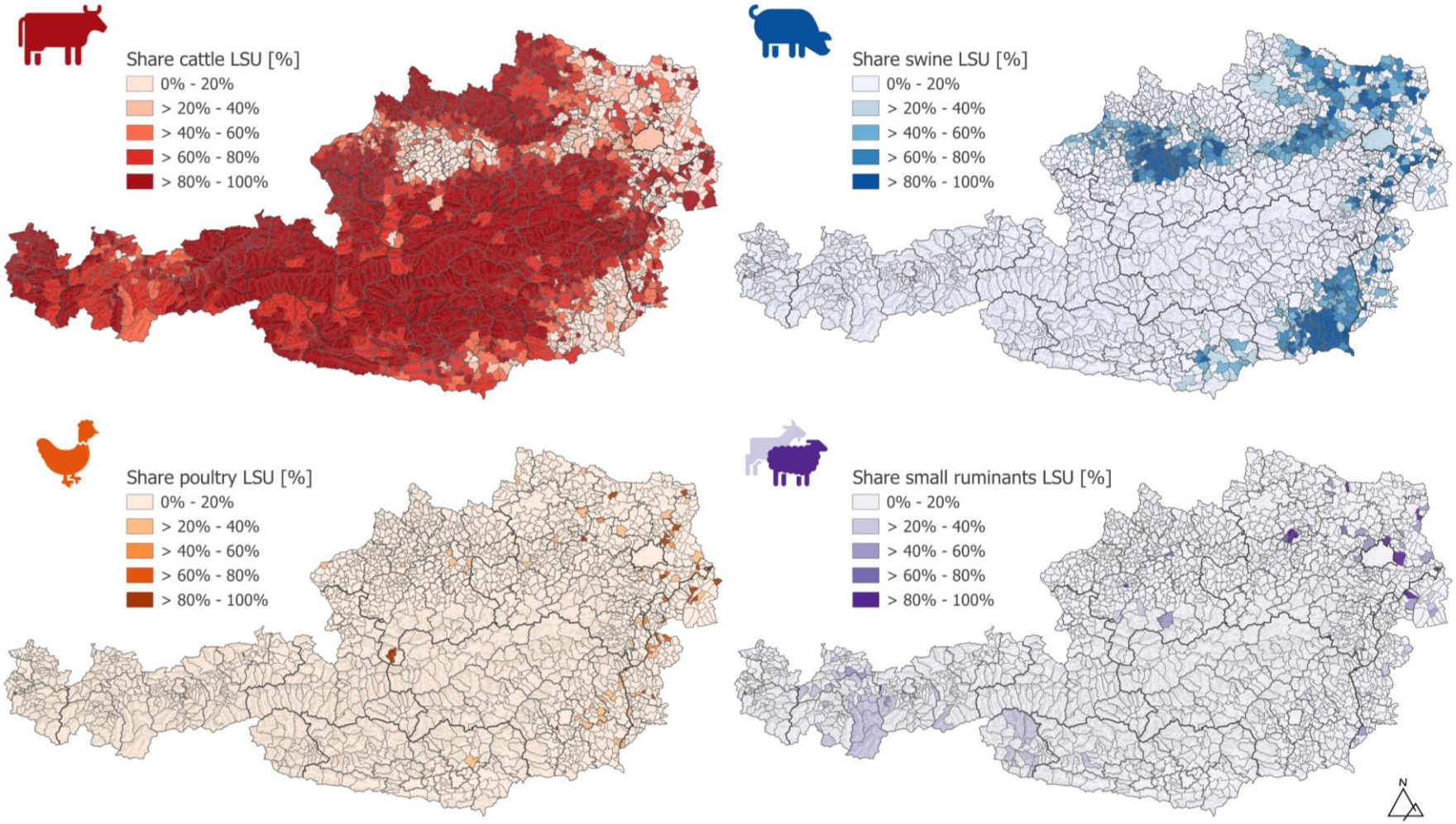

Source of base data: © BEV, 2025
Source of sectoral data: BMLUK
Layout & design of the base map: BAB, 2025
Data analysis & design of the sectoral data: BAB, 2025

Source: Zeglovits, 20025 based on Invekos 2025

International comparison of Agriculture in Europe (by NUTS 2 regions)

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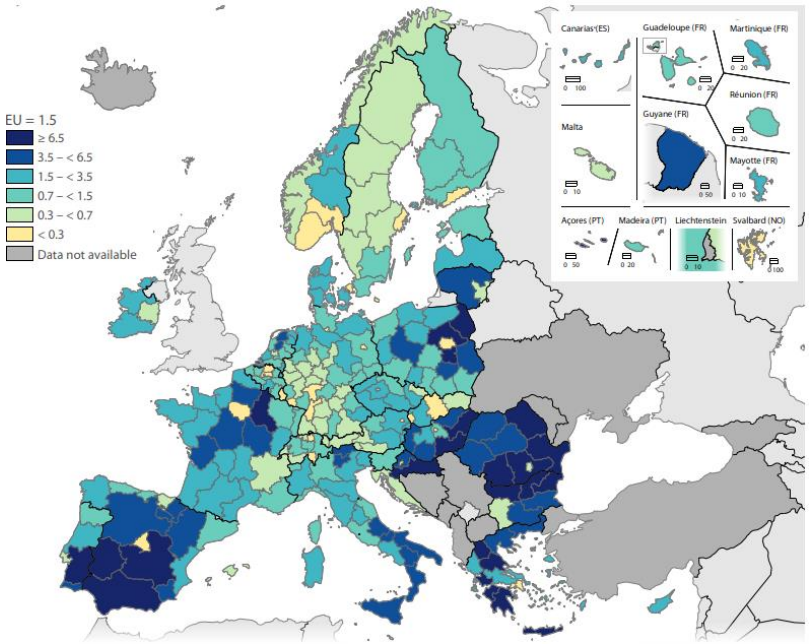
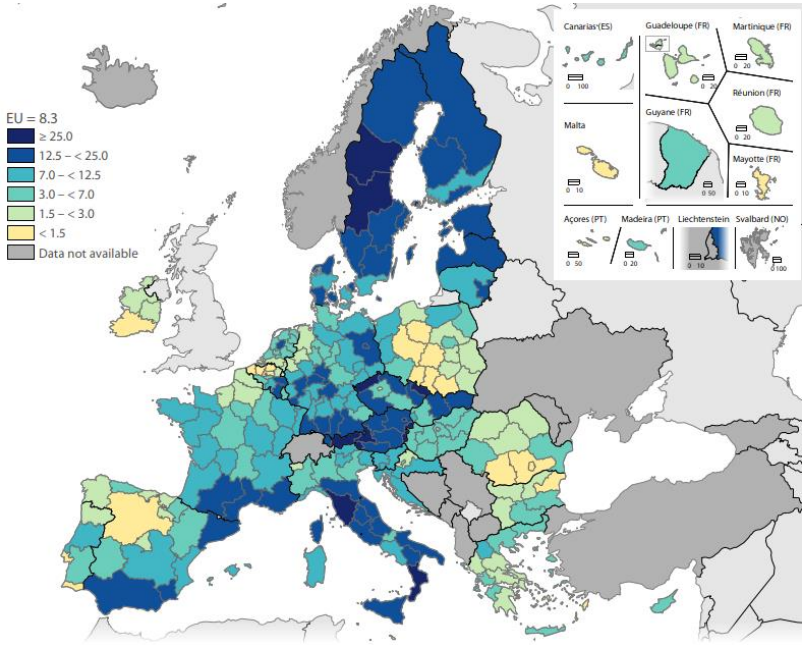
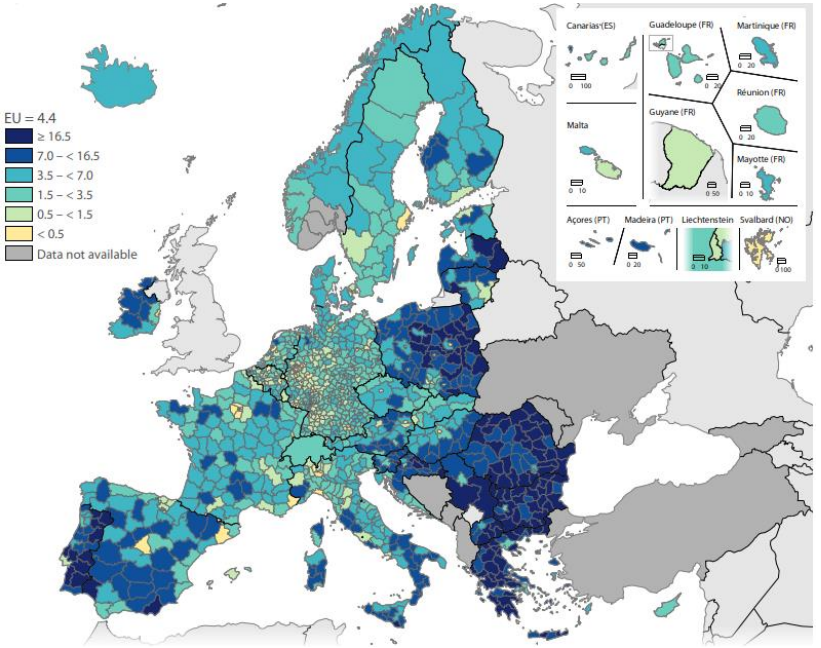
Gross value added from agriculture, 2021
(% of the economy's value added)



Area under organic farming, 2020
(% of utilised agricultural area)



Employment in agriculture, forestry and fishing, 2021
(% of total employment)



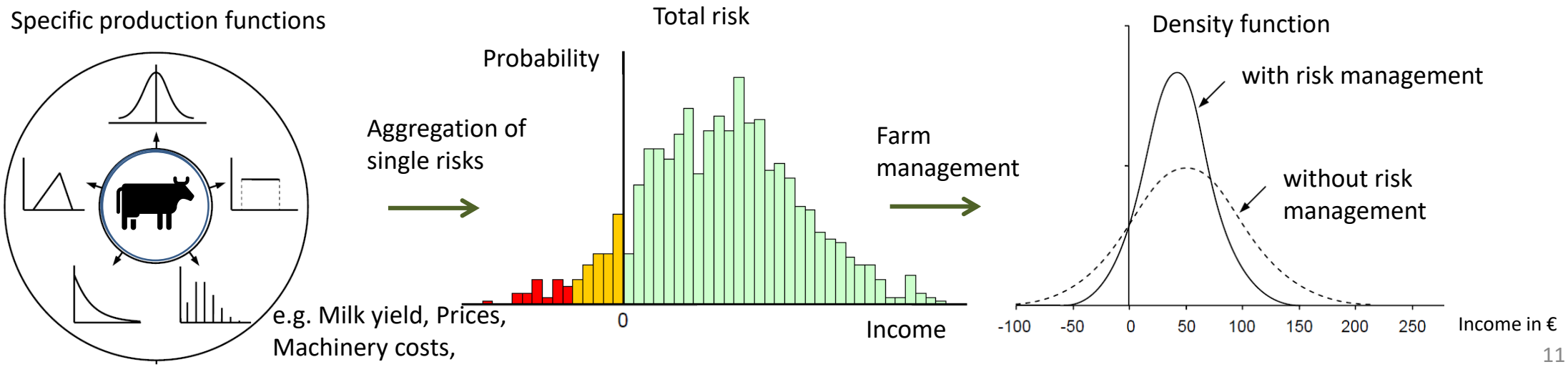
Source: Eurostat, Regional Yearbook 2024

3. No One-Size-Fits-All

The diverse strategies of Austrian farms

Impacts on farming

- Changing conditions in agriculture
  - Multiple crisis: Impact of climate change, Covid-19, technological progress (treadmill), political crisis, trade, inflation, …
  - Reforms of agricultural policies (e.g. CAP) – planning security
  - High price volatilities on product and input markets
  - Changing societal demands (animal welfare, environmental friendly production, …)
- Farm management (Risk management)



Source: Own illustration based on Weiske (2010)

Why are ongoing adjustments important?

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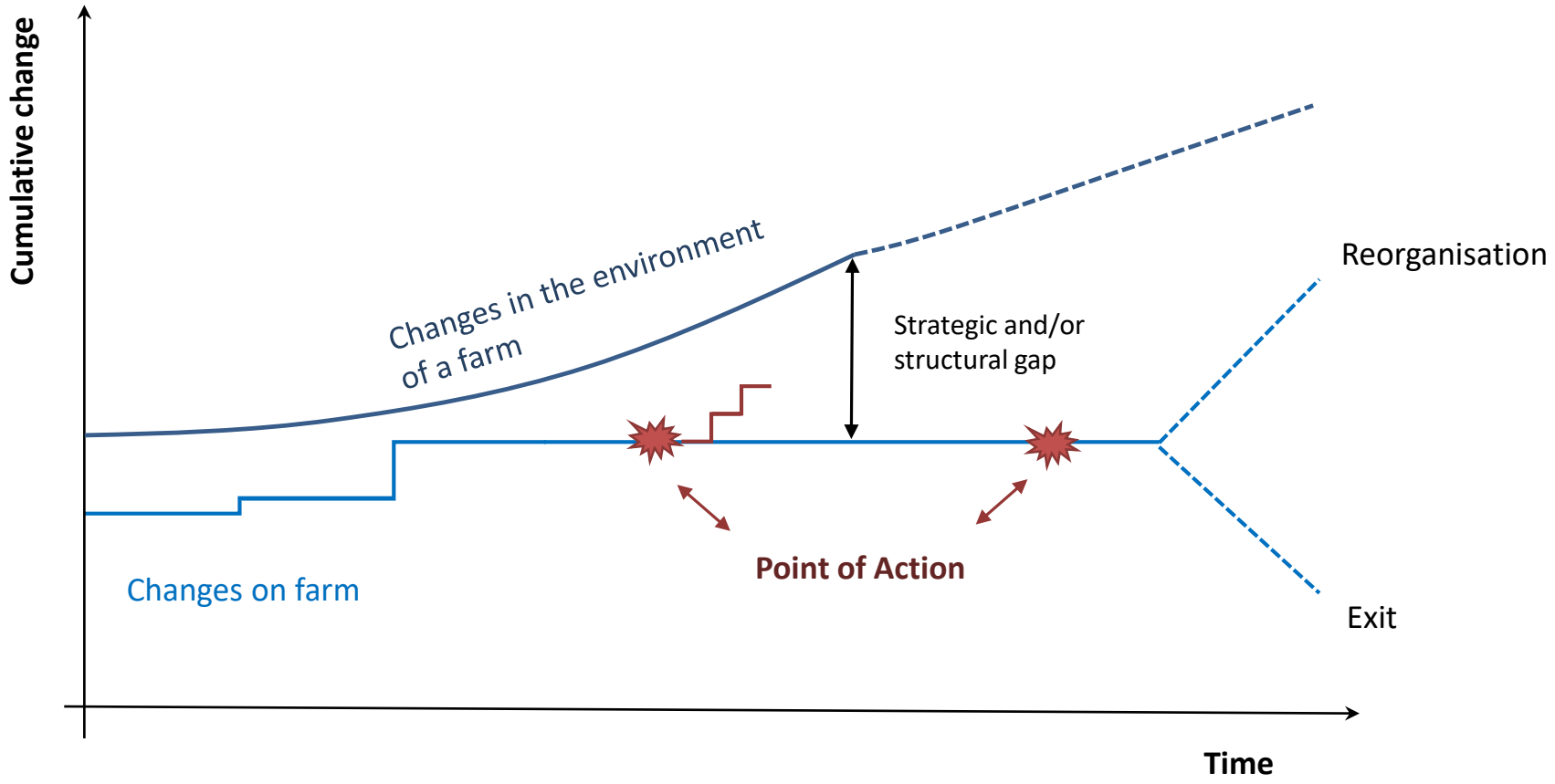

Source: Own illustration based on Kirner (s.a.)

Alternative concepts and strategies

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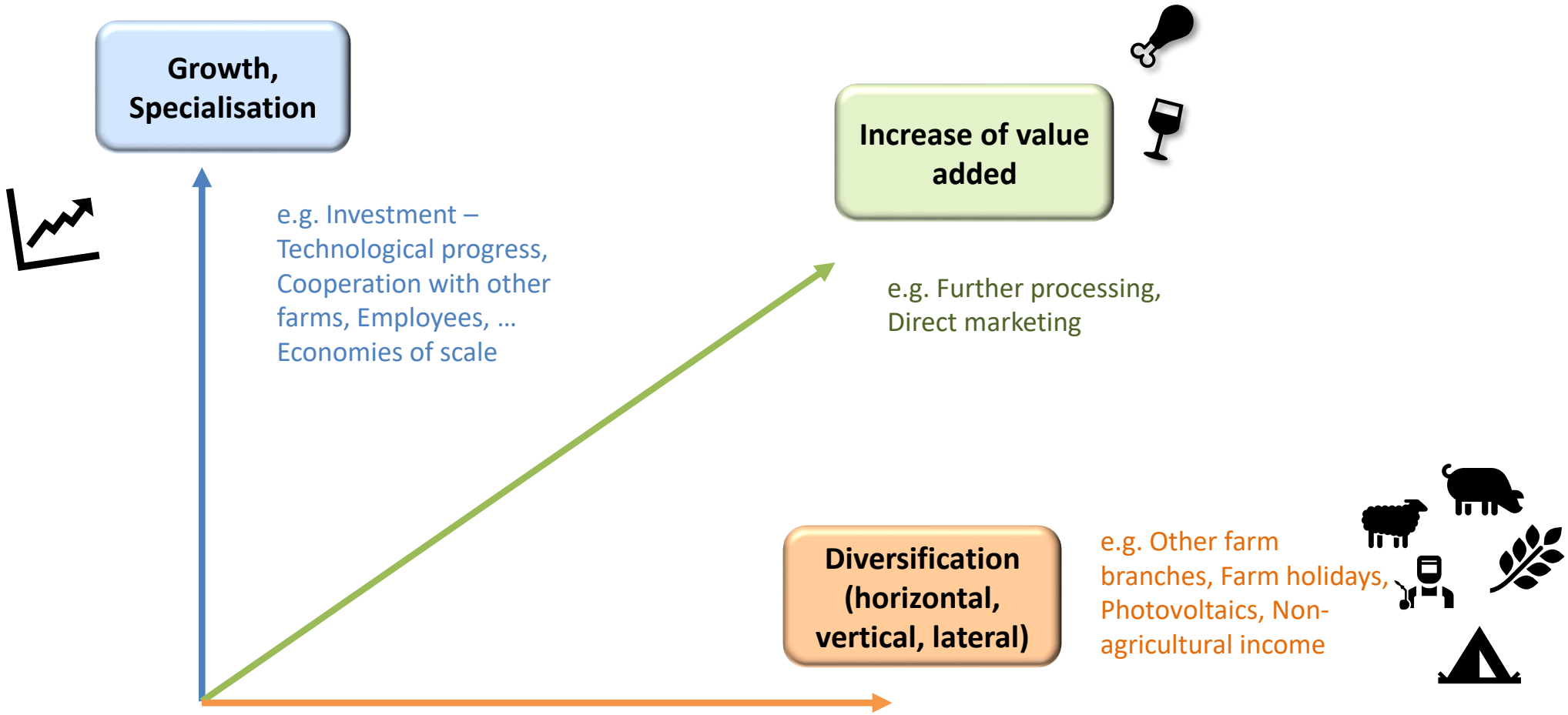

Source: Own illustration based on Kirner, 2016

Strategies of farms

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- Development of strategies – Learning school process (Mintzberg)
- Contribution to the viability of the farm (accountancy data)
- Rentability: Income from agriculture and remuneration of own labour, land (“coefficient of rentability”)
- Stability: Exist and generate income in the event of unforeseen events, “coverage of consumption”
- Liquidity: Ability to fulfil payment obligations

4. From Field and Barn to Balance Sheets

Empirical findings from accounting results

Income from agriculture and forestry (mean 2019-2023)

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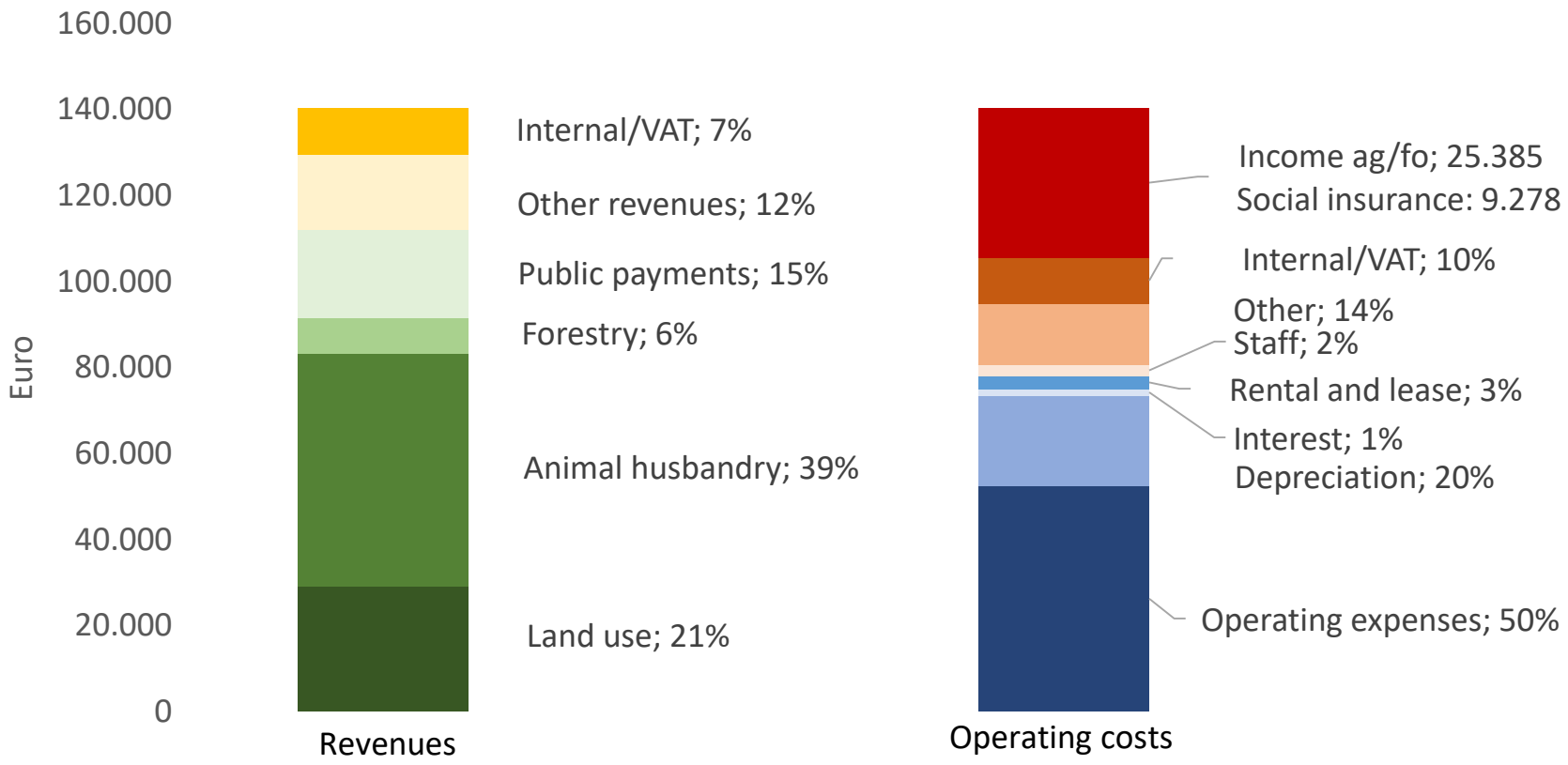

Source: LBG, BMLUK, 2025

Selected economic key figures of Austrian farms (2003-2023)

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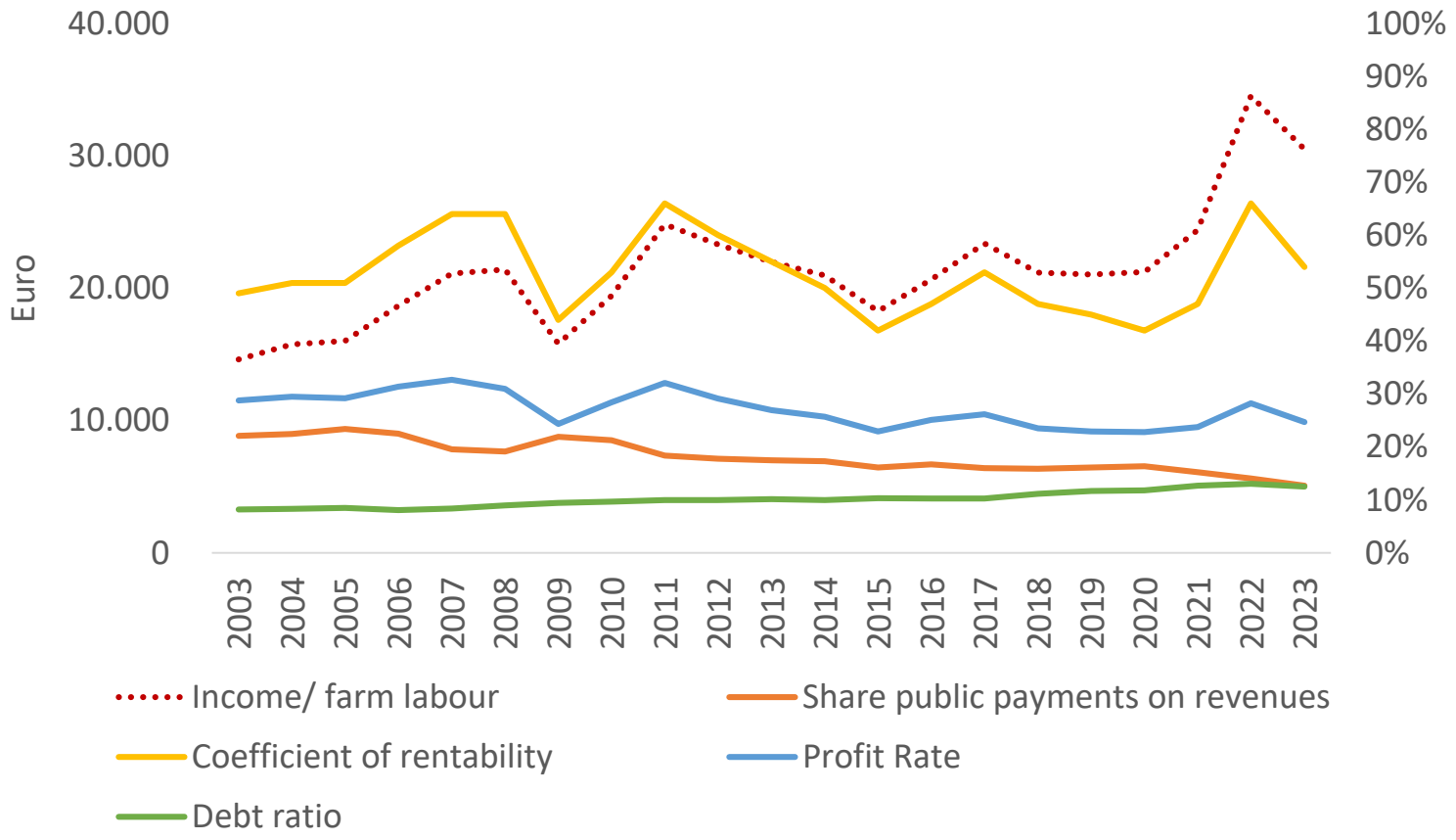

Source: LBG, BMLUK, 2025

Farm household income of Austrian farms (average 2019-2023)

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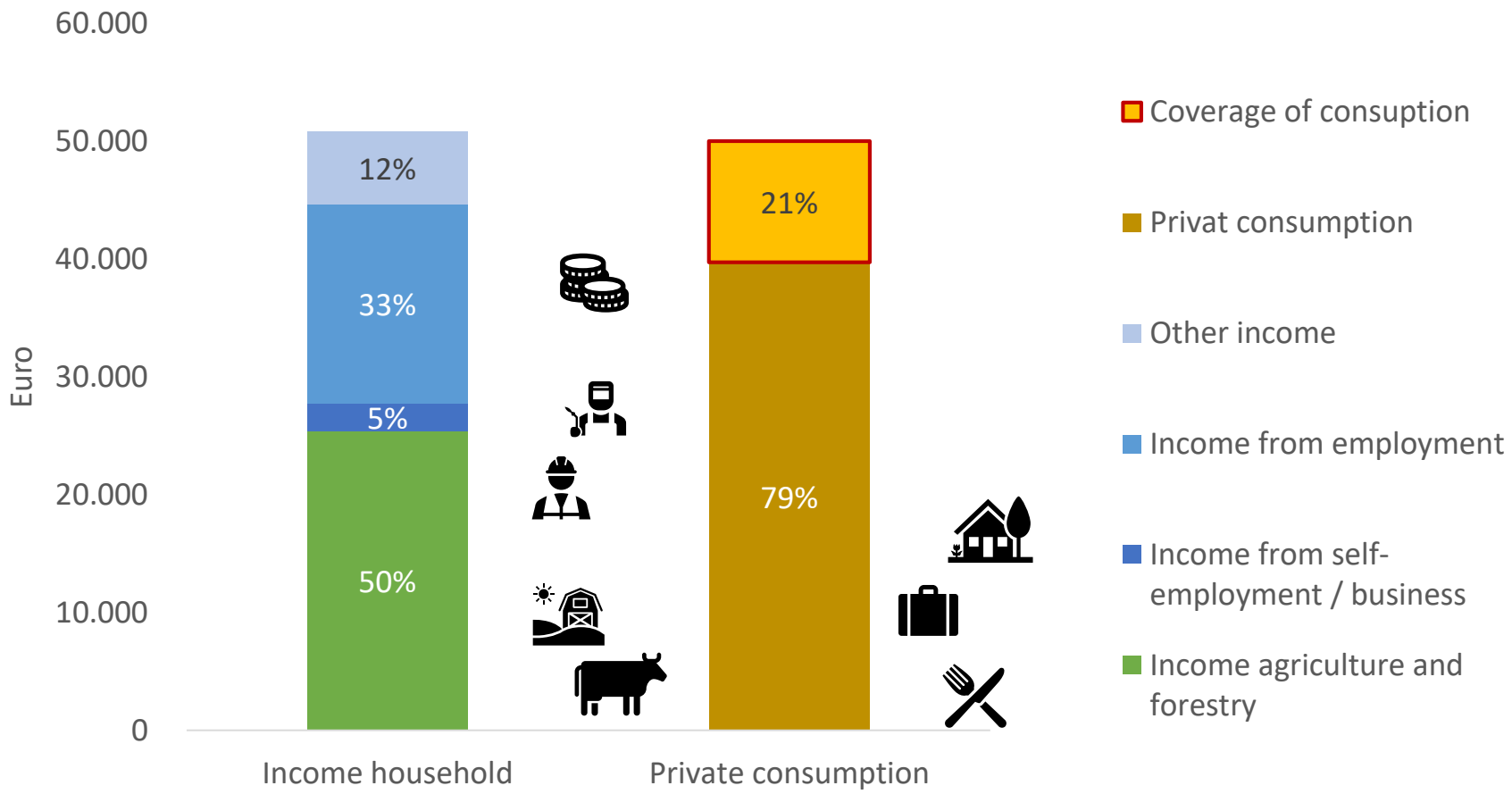

Source: LBG, BMLUK, 2025

Farm income: key figures of Austrian farms (mean 2019-2023)

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Farm type	Unit	All	Dairy	Suckler Cow	Bull	Pig	Poultry	Arable
RUAA	ha/farm	28,33	26,20	21,54	27,67	34,20	18,72	55,40
Arable land	ha/farm	16,73	7,68	4,08	18,72	32,79	13,14	53,51
Forest	ha/farm	15,71	15,69	13,42	8,46	5,14	13,58	5,21
Farm labour	WU/farm	1,41	1,71	1,11	1,03	1,48	1,45	1,45
Livestock	LU/farm	23,26	36,54	25,72	36,79	60,37	18,67	1,21
Income agriculture/forestry	€/farm	26.332	23.836	9.596	22.169	52.393	47.975	47.550
Coefficient of variance	Factor	0,20	0,31	0,23	0,33	0,46	0,27	0,28
Coverage of consumption	€/farm	10.289	12.565	- 2.574	6.013	36.771	36.596	24.198
Share public funds (revenue)	%	15	15	33	12	7	5	15
Profitability coefficient	%	51	48	19	40	91	93	91
Debt ratio (in %)	%	12	14	13	13	13	30	11

Source: LBG, BMLUK, 2025

Household income by farm types (mean 2019-2023)

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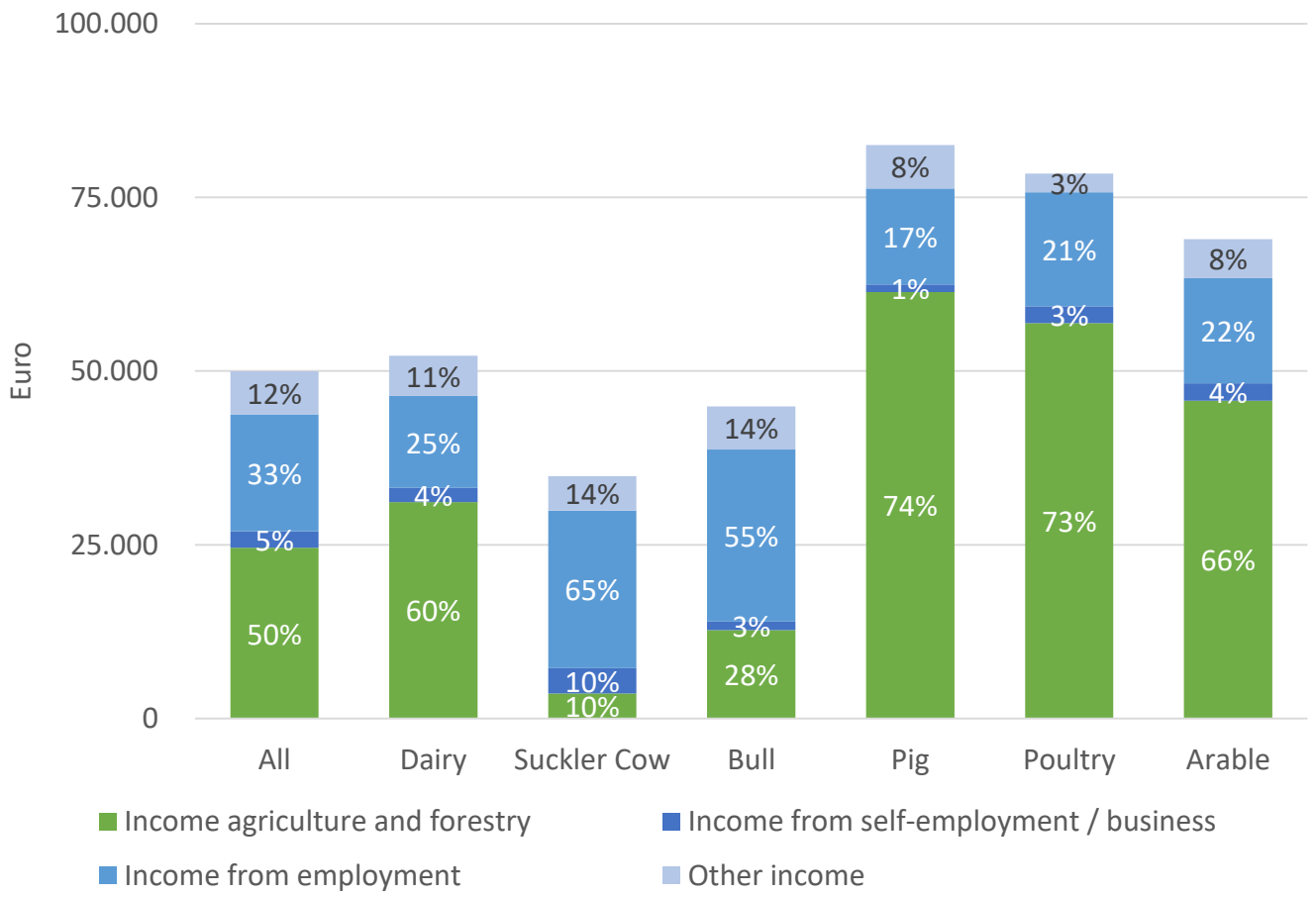

Source: LBG, BMLUK, 2025

Income agriculture and household by farm size (SOP – Standard Output)

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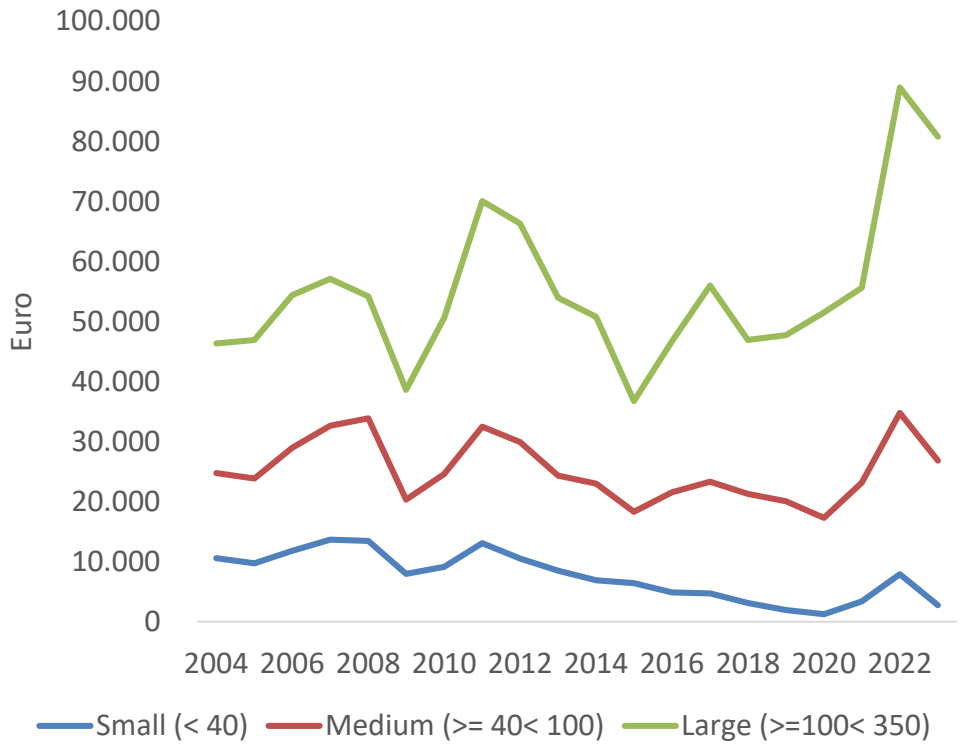
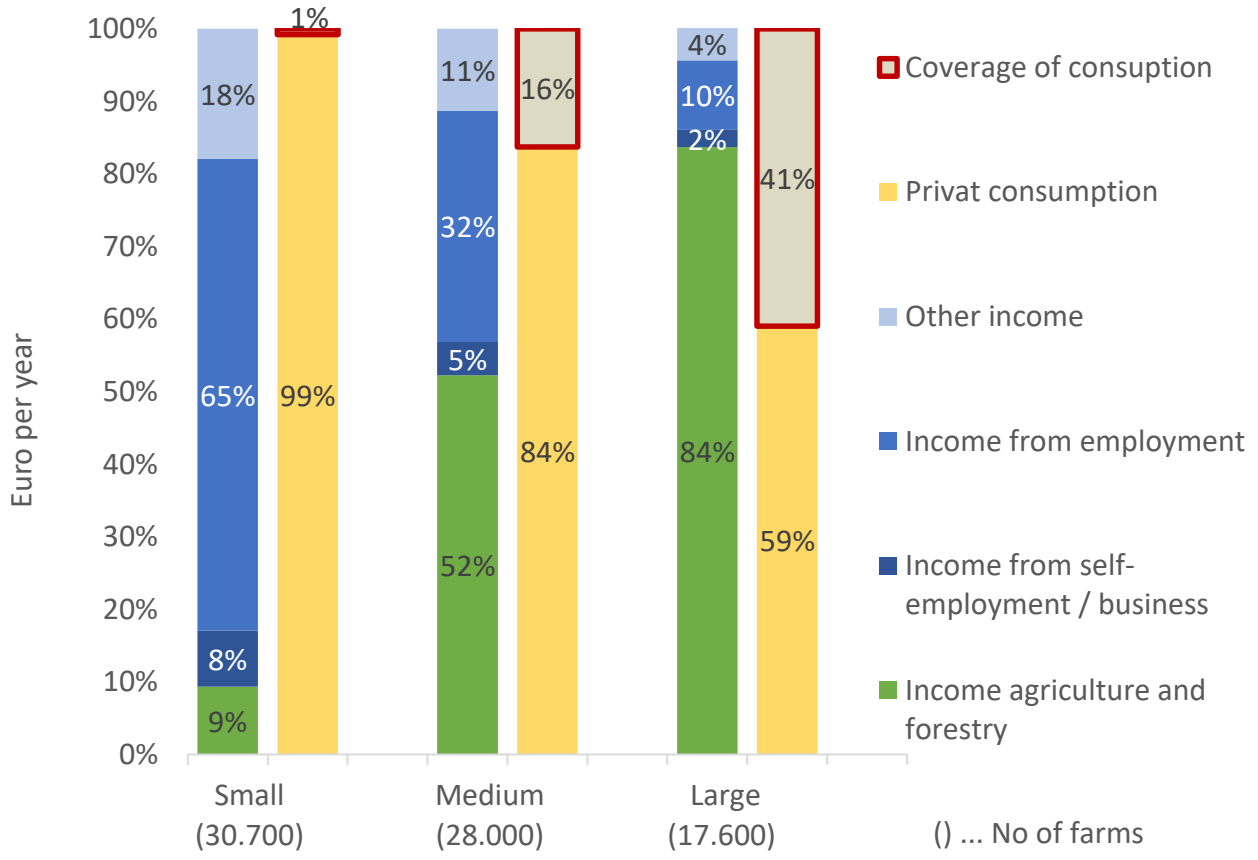
Income from agriculture and forestry (SOP groups in 1,000 Euro)



Household income (mean 2019-2023)



Source: LBG, BMLUK, 2025

Income agriculture and household by farm management (org/conv)

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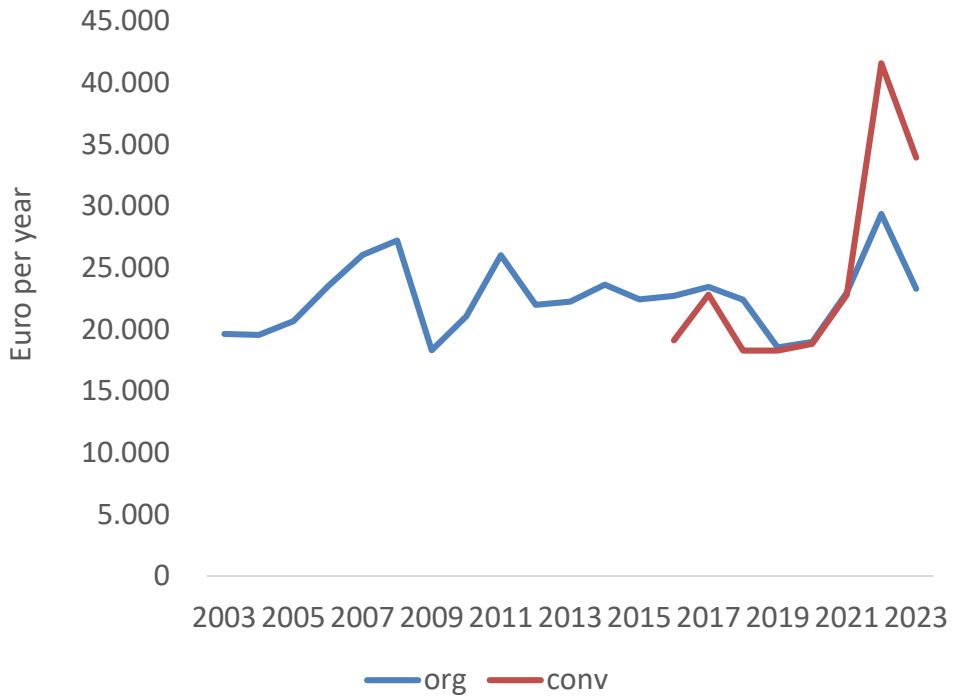
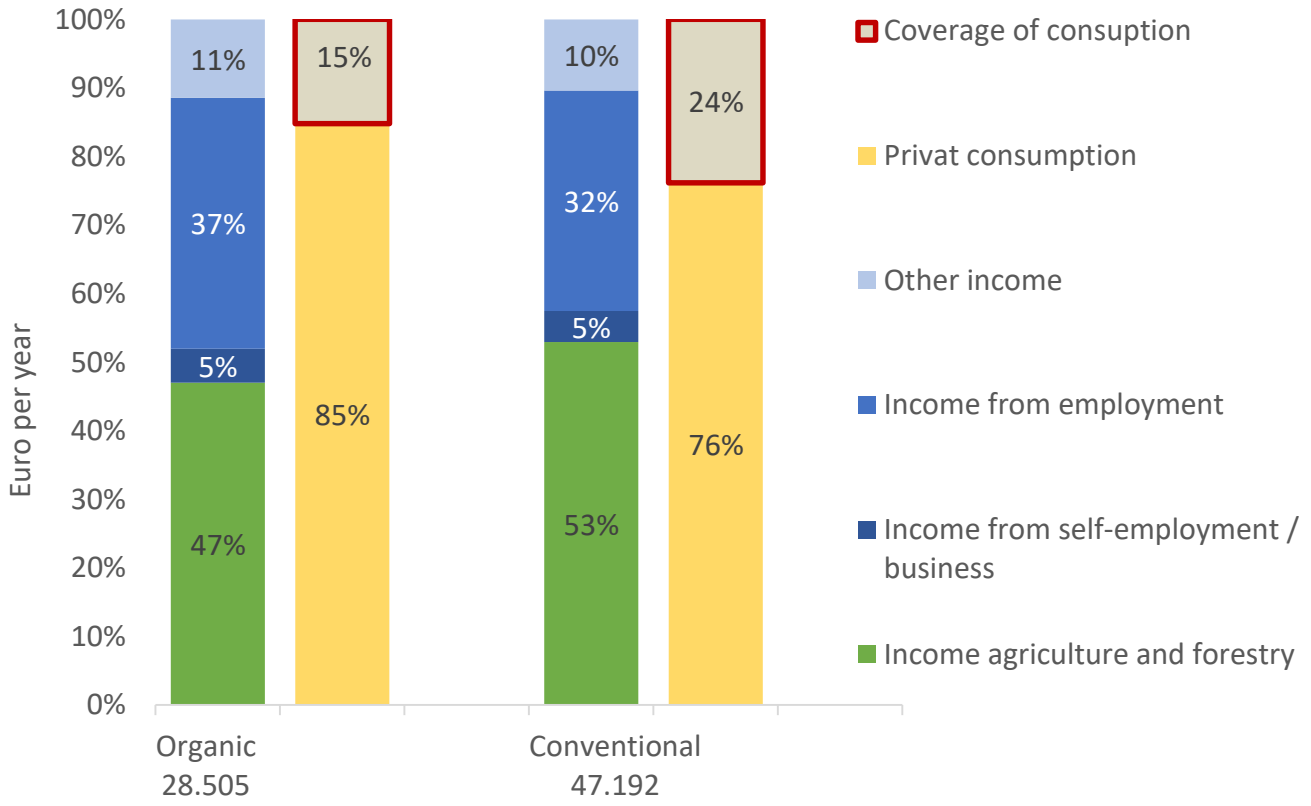
Income from agriculture and forestry



Household income (mean 2019-2023)

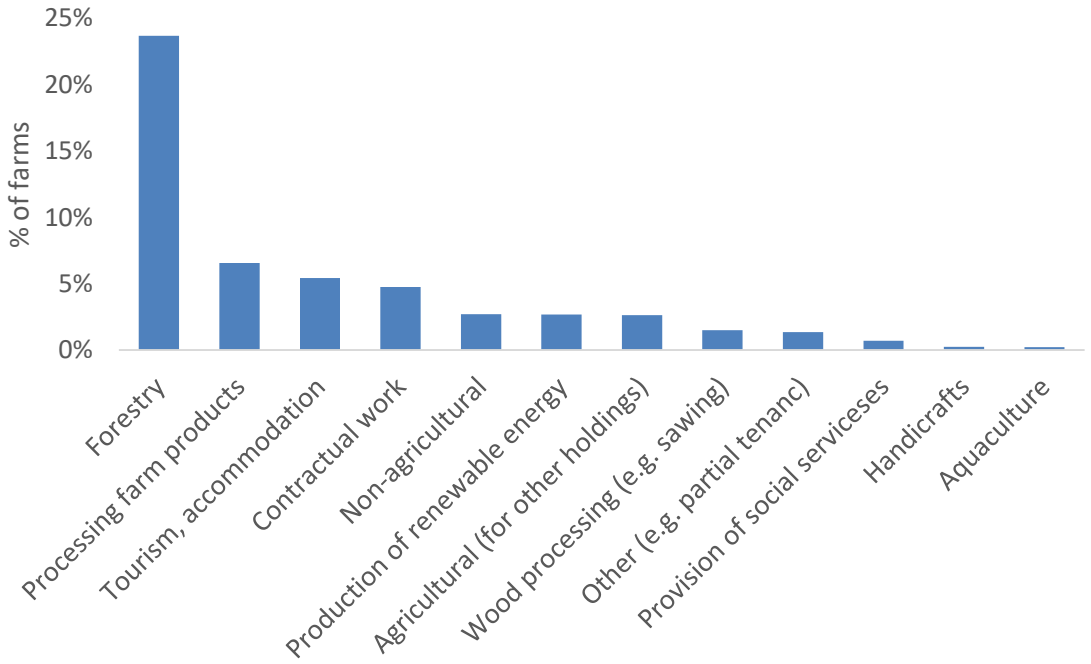


Source: LBG, BMLUK, 2025

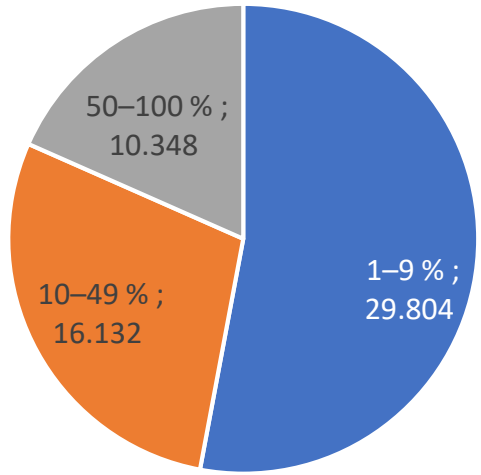
Directly related activities to the farm

- Activities were considered “directly related to the holding” if either the farm’s production means (such as land, buildings, machinery, etc.) or its products were used.
- 36% of all farms
- 2023: 10.2% of total production value of agriculture and forestry (1.04 mill Euro, including services)

Share of farms with directly related activities (census 2020)



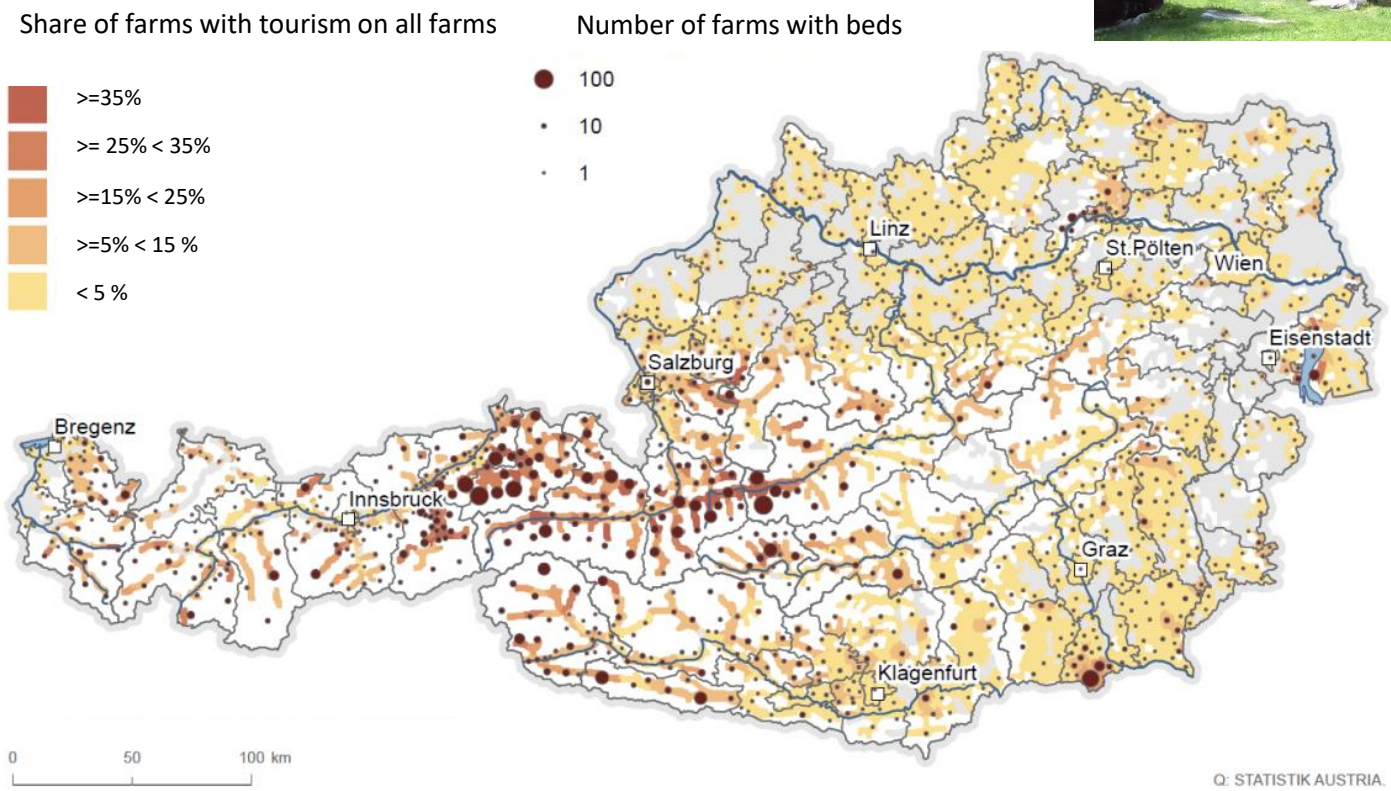
Percentage of the final output of the holding



Source: Statistics Austria, 2024

Farm holidays

7,500 farms (5% of all farms)
Room rental (2% → bed & breakfast)
Apartments (4% → self catering)



Source: Statistics Austria, 2024 Photo: Hambrusch

Profitability of diversification (Study results: Kirner et al., 2020)

Figure	Unit	Farm holidays			Diversification		
RUAA	ha		27			30	
Farms with cattle	%		82			100	
Indicator	**Unit**	**FH**	**Main Branch**	**Farm**	**DIV**	**Main Branch**	**Farm**
Income	€	9,863	30,261	49,948	10,554	20,652	39,528
- Social insurance	€	835	6,501	10,280	464	5,888	9,910
= Income	€	9,028	23,760	39,668	10,090	14,764	29,618
: Opportunity costs	€	21,861	45,625	82,387	9,935	48,633	72,842
= Coefficient of rentability	Factor	0,41	0,52	0,48	1,02	0,30	0,41
Labour	h	1,314	2,539	4,749	746	2,819	4,388
Income per labour	€/h	7.5	11.9	10.5	14.1	7.3	9.0

FH ... Farm holidays, DIV ... Diversification

Conclusion:

- Sample: focus dairy farms
- High variability between farms (23% of total revenue)
- Low correlation between farm structure an economic performance → Management skills
- Farm holidays: labour costs 35% of total costs
- Economies of scale
- Potential but no patent recipe

Source: Kirner, 2020

Public Payments matter

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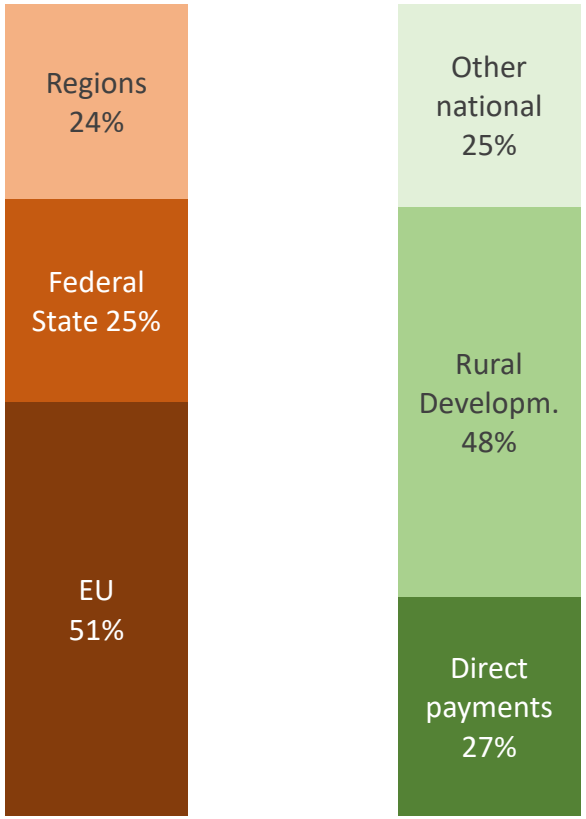
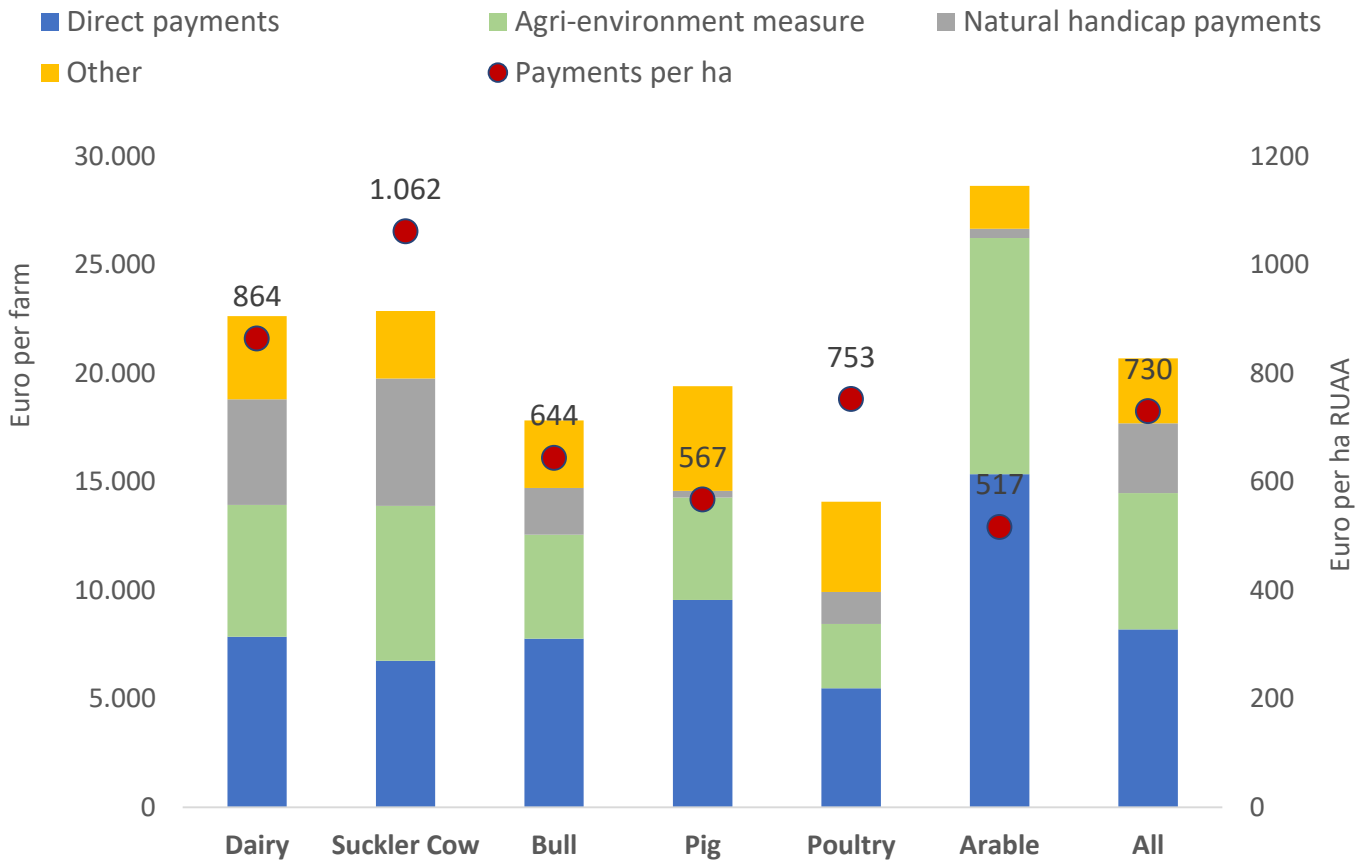
Agricultural payments
2.55 bill. Euro (2023)



Public payments by farm types (2024)



Source: BML, 2024

The Road Ahead: Conclusions and outlook

Ongoing transformation

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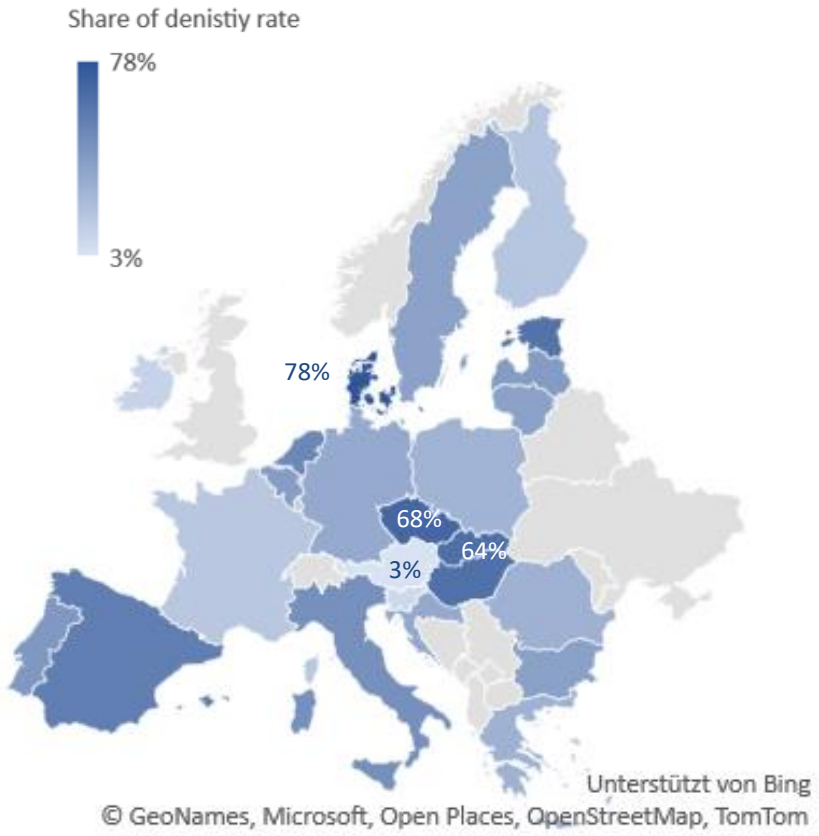
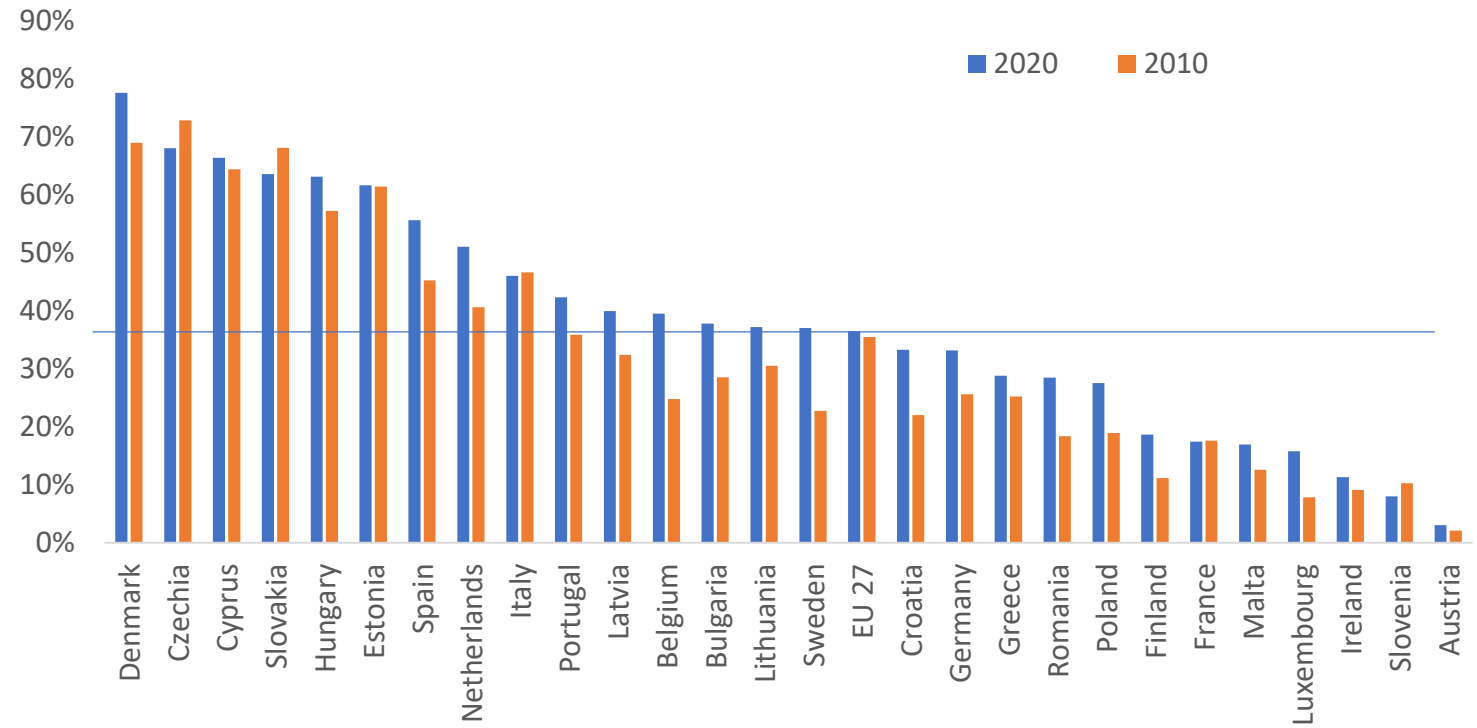
The Guardian: "Revealed: More than 24,000 factory farms have opened across Europe" (12.06.2025)

Share of Livestock Units per ha UAA (Holdings > 500 LSU)"





Source: EC, 2025

Strategies by farm type (Study keyquest 2023)

	Education and continuous training	Cooperation and networking	Production within quality programs	More income from forest	Additional income, e.g. PV or biomass	Further processing or direct marketing	Specializing in one or few branches	Extensification, part time farming	More automation, digitalisation	Cultivation special crops/ products	Diversification new business areas	Provision of social services	Growth, expansion of production	Purchase of land	Conversion to organic	Exit from organic
All farms	52	38	26	7	9	9	-1	2	1	-11	-9	-20	-24	-33	-40	-15
Dairy	53	38	33	11	15	19	-12	-8	9	-40	-7	-5	-25	-33	-43	-12
Beef fattening	41	36	24	7	-8	1	-30	16	-12	-40	-21	-19	-32	-44	-49	-10
Suckler	49	14	29	14	0	-3	-4	15	-18	-28	-20	-28	-44	-41	-25	-25
Pig	63	45	32	-1	35	9	-37	-29	35	10	0	-39	-16	-29	-67	-9
Poultry	54	50	37	2	34	-19	32	-28	13	22	-1	-14	10	-27	-37	-29
Other animals	59	38	20	9	6	15	29	32	-38	1	5	-11	-29	-36	-18	-22
Arable	48	50	21	-6	17	-3	-14	1	17	27	0	-32	-9	-26	-44	-11
Fruit/Vegetables	61	40	25	-4	-16	1	20	-5	12	61	-29	-42	-27	-42	-44	-24
Viticulture	70	46	28	-15	-18	33	56	-23	15	22	-15	-37	0	-16	-34	-15
Direct marketing	61	48	21	7	2	28	77	-5	8	14	4	-31	-34	-34	-38	-27
Farm Holidays/Taverne	71	38	51	18	3	11	58	7	-7	-11	2	21	-26	-25	-28	-8
Forestry	40	32	9	35	8	10	-8	25	-28	-30	-27	-22	-30	-30	-32	-9
Other branches	34	44	2	2	5	0	-6	13	1	-17	-13	-17	-35	-55	-45	-22

Source: KeyQUEST Marktforschung, 2024

Summary and conclusions

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There is no ultimate strategy => find your own way!

"The only constant is change." e.g. Climate, Society, Global developments, …
→ Adoptions required

Diverse agriculture

"Investments" in people: Education, data analysis, ...!

Family farms: production factors (labour, capital, land)

High variety of income
Impact of farm management

Farm – Household - Concept
Public payments

Take Home Message: No One-Size-Fits-All

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Netherlands

Austria

Photo: Hambrusch