

Why EAA and Taloustohtori income estimates differ

Statistics Finland Economic Accounts for Agriculture and Taloustohtori Total Calculation Service

(checked on 27 October 2026. All monetary figures are EUR million at current prices unless stated otherwise.)

Main finding

The close income results in 2022 conceal large offsetting differences. The much wider gap in 2023–2024 is mainly a change in the two systems' returns estimates, rather than a newly appearing difference in total costs.

Income measure	2020	2021	2022	2023	2024
EAA entrepreneurial income	1,091	953	1,351	1,080	1,161
Taloustohtori farm net income	623	687	1,215	235	210
EAA minus Taloustohtori	468	266	136	845	951

The gap widens by EUR 709 million from 2022 to 2023, and by EUR 815 million from 2022 to 2024. EAA entrepreneurial income falls by EUR 190 million between 2022 and 2024; Taloustohtori farm net income falls by EUR 1,005 million.

What this report establishes

1. The closest comparison is EAA entrepreneurial income versus Taloustohtori (TT) farm net income. EAA factor income and TT entrepreneurial profit are different income stages.
2. Different inventory valuation rules provide a documented mechanism for different annual income paths. The exact euro effect still requires stock quantities and revaluation details.
3. Scope and weighting differ. TT expands farm accounts; EAA combines production, price, tax and other source statistics. Neither set of published totals proves the other is wrong.
4. Depreciation, subsidies, animal purchases, insurance, rents and bank services require explicit accounting adjustments. Some effects cancel between returns and costs.
5. The supplied TT tables contain small but unresolved accounting residuals. They are far too small to explain the EUR 845–951 million income gaps in 2023–2024.

Evidence status throughout: measured means calculated from the supplied tables; documented means stated in a primary methodology source; inference means a plausible explanation whose size is not identified.

1. A numerical bridge between the income measures

EAA income is output plus other production subsidies, less intermediate consumption, fixed capital consumption, employee compensation, production taxes, rent and net interest. The uploaded production-tax and interest-received rows are zero. TT production costs also include family labour and equity interest claims; these must be added back when reconstructing farm net income.

Contribution to EAA minus TT income	2020	2021	2022	2023	2024
Returns and subsidies	206	-112	-259	468	472
Operating inputs, before harmonisation	695	759	642	702	716
Depreciation / fixed capital consumption	-326	-308	-247	-354	-345
Paid labour / employee compensation	-169	-130	-49	-57	-19
Rents	44	28	19	38	51
Interest	20	36	39	53	83
Accounting and rounding residual	-2	-7	-9	-5	-7
Total income gap	468	266	136	845	951

A positive contribution increases EAA income relative to TT. This bridge is an arithmetic decomposition, not a set of fully comparable cost estimates. The operating-input row still contains differences in coverage, animal purchases, insurance, bank services and classification.

Why 2022 was close

In 2022, TT has EUR 259 million more total returns, while the derived TT operating-input aggregate is EUR 642 million larger. EAA then deducts EUR 247 million more depreciation and EUR 49 million more employee compensation. Rent, interest and small residuals complete the EUR 136 million gap. Close final incomes therefore do not mean the underlying accounts agree.

Why the gap widened

Change in contribution	2022 to 2023	2022 to 2024
Returns and subsidies	+727	+731
All cost contributions together	-22	+82
Residual change	+4	+2
Widening of income gap	+709	+815

The returns contribution is about 90% of the widening to 2024 (731 / 815). For 2023 it exceeds 100% because net cost effects partly offset it. This locates the main change in the accounts; it does not identify how much comes from prices, stock volumes, weighting or scope.

2. Inventory valuation: a central documented difference

The rules differ

TT values product and livestock inventories at current values at each year-end and takes the closing value minus the opening value. Its accounts also include supply-inventory changes. [P4, P5]

EAA excludes nominal holding gains and losses from output. A change in stock value must be split into inventory transactions, price revaluation and other volume changes. Inputs are valued at prices at the time of use. [S6]

Inference: TT can reflect stock-price rises in one year and reversals in a later year differently from EAA. This is especially relevant when product and input prices move sharply. The published documentation supports this mechanism, but does not quantify the holding-gain adjustment in these Finnish totals.

What the supplied balance sheet shows

TT closing stock value	2020	2021	2022	2023	2024
Supplies and products	1,344	1,556	2,112	1,714	1,588
Livestock	589	598	675	614	590
Combined	1,933	2,154	2,787	2,328	2,178

Combined closing values rise from EUR 2,154 million in 2021 to EUR 2,787 million in 2022, then fall to EUR 2,328 million in 2023 and EUR 2,178 million in 2024. This pattern is consistent with a stock-related contribution to the income reversal.

Do not treat these differences as measured holding gains or income effects. They mix quantities and prices. Supply stocks affect costs; product and livestock stocks affect returns. Farms and expansion weights also change between years. Aggregate closing stock in year t minus year $t-1$ is not necessarily the weighted farm-level inventory change used in the income statement.

A useful input-price diagnostic

Fertiliser and lime / soil improvers	2020	2021	2022	2023	2024
EAA	276	416	580	394	289
TT	258	250	320	434	342

EAA peaks at EUR 580 million in 2022; TT peaks at EUR 434 million in 2023. This is a strong reason to examine purchase dates, stocks, quantities consumed and valuation prices. Both systems describe their results as accrual based; calling one cash based would be incorrect. The series alone does not establish the exact source of the one-year shift.

3. Scope and estimation: different routes to a sector total

Population and economic activities

EAA uses agricultural local kind-of-activity units, including eligible agriculture carried out by units whose main business is elsewhere. The manual includes specialist agricultural contractors and inseparable secondary activities. Leisure-only production is excluded. Finland's source documentation also identifies fur, reindeer and honey sources. [P3, S6]

TT Total Calculation targets the whole agricultural and horticultural farm population. Its source accounting separates forestry, reindeer husbandry and other businesses from agriculture and horticulture. [P1, P5] EAA secondary activities total EUR 493–572 million in 2020–2024; TT other income totals EUR 220–265 million. Their labels are not an exact mapping, and the income difference depends on the related costs.

Small farms: do not apply the standard FADN reporting threshold directly to Total Calculation. TT represents 45,909 farms in 2020 and 39,396 in 2024. Its stated target is broader than the separate Agriculture and Horticulture average-results service. Small-farm coverage and extrapolation quality still need checking, rather than assuming all small farms are omitted.

Weighting and independent production estimates

TT starts from roughly 650 bookkeeping enterprises. Initial weights depend on farm type, economic size and subsidy area; optimisation aligns farm numbers and cultivated area with population controls, within stated tolerances. These controls do not force every commodity output or input total to match external statistics. [P1, P2]

EAA combines sources rather than applying these TT expansion weights. Finnish documentation identifies production and price statistics, agricultural enterprise finance statistics and administrative sources. [P3] The difference can reflect sample composition, unequal weights, estimates for underrepresented farms, source error or different commodity valuation. No published precision estimates here identify which total is more accurate.

Product groups requiring a closer check

Gross return / output diagnostic	2022 EAA	2022 TT	2024 EAA	2024 TT
Pigs, producer prices	331	333	335	188
Poultry animals + eggs, producer prices*	363	276	395	85
All animal output / livestock returns*	2,243	2,279	2,230	1,818
Vegetables + horticultural products + fruit*	757	923	739	978

**Provisional mappings: confirm that TT poultry includes eggs and check inventory, animal-purchase and product classification rules. These are gross comparisons, not income contributions. Animal purchases in TT are EUR 295 million in 2022 and EUR 197 million in 2024; EAA treats animal trade differently. EAA producer-price detail was retrieved from current table 12d7 and its basic-price values checked against the upload. [P9]*

4. Valuation and classification adjustments

Subsidies and basic prices

EAA basic-price output already includes subsidies on products. Adding all subsidies again would double count them. A correct broad comparison adds only EAA other production subsidies to basic-price output. Investment grants are capital transfers outside entrepreneurial income. [S6]

Subsidy comparison	2020	2021	2022	2023	2024
EAA product + other production subsidies	1,887	1,894	2,064	1,869	1,805
TT subsidy returns	1,964	2,005	2,199	1,964	1,910
TT minus EAA	77	111	135	95	105

TT includes annual income recognition of investment grants, alongside depreciation on the grant-financed assets. The recognised grant equals the depreciation share of the grant-financed part. [P6, P7] This treatment tends to raise TT income relative to an otherwise identical EAA-style income measure. The EUR 105 million subsidy difference in 2024 cannot all be labelled investment grants without a detailed split.

Depreciation: both use economic values

EAA fixed capital consumption is based on current replacement values and economic lives; its manual generally describes straight-line depreciation, with geometric rates possible. TT uses asset-specific planned depreciation from current replacement-based values, using declining-balance rates. [S6, P4]

EAA deducts EUR 1,343 million in 2024; the three supplied TT depreciation rows total EUR 998 million. The EUR 345 million difference reduces EAA income relative to TT. Different asset populations, stocks, lives and rates need investigation. TT depreciation is not simply historical tax depreciation.

Rents, insurance, labour and finance

EAA rent primarily concerns land; building and machine rentals belong in intermediate consumption. TT groups some rentals together. EAA employee compensation includes employers' social contributions; the precise contents of TT wages and insurance need mapping. EAA records the insurance-service element, rather than all gross risk premiums, as an input; social-insurance items have separate treatment. [S6]

EAA FISIM is EUR 86 million in 2022 and EUR 180 million in 2024, within intermediate consumption. Recorded interest is adjusted for these implicit bank charges. Comparing EAA interest of EUR 144 million with TT interest of EUR 227 million in 2024 alone therefore overstates the interpretation of that difference. Review FISIM, explicit fees, deposit income and loan interest together. [S6]

The supplied EAA data are current-price values. TT offers optional CPI deflation, but the attached values match its current nominal cost and revenue reports. A deflator mismatch does not explain this comparison. [P8]

5. Sources and calculation definitions

ID	Source	Location
S1	At basic prices, at current prices, millions of euro	https://pxdata.stat.fi/PxWeb/pxweb/en/StatFin/StatFin__eaa/12d7.px/
S2	Return specification. Revenues. million euros	https://taloustohtori.luke.fi/en/total-calculation/timeline/return-specification/
S3	Production Costs .million euros	https://taloustohtori.luke.fi/en/total-calculation/timeline/costs-specification/
S4	Financial ratios	https://taloustohtori.luke.fi/en/total-calculation/timeline/financial-ratios/
S5	Balance sheet. million euros	https://taloustohtori.luke.fi/en/total-calculation/timeline/balance-sheet/
S6	EAA Manual	Eurostat 2024; doi:10.2785/780737

Bridge definitions

Returns contribution = EAA industry output (18000) + other production subsidies (25000) – TT gross return total. TT depreciation = machinery + buildings + other depreciation. TT operating-input residual = production costs – family wage claim – equity interest claim – depreciation – wages paid – fixed rents – interest paid. Each cost contribution is TT minus EAA. The final residual combines the EAA identity rounding difference with the negative of the TT FNI reconstruction residual.

Product-price detail: the current 12d7 API was queried for TH_CP, D31R_CP and PH_CP for 2020–2024. Subsidies in the comparison are D31R_CP for industry output plus EAA other production subsidies. Zero product taxes are not assumed for every individual activity; the table's reported producer-price and subsidy values are used directly. Product-level rounded totals may differ by EUR 1–3 million.

Web references

- P1. <https://taloustohtori.luke.fi/en/total-calculation/info/>
- P2. <https://taloustohtori.luke.fi/en/total-calculation/info/calculation-of-weighting-coefficients/>
- P3. <https://stat.fi/en/documentation/documentation-of-statistics/eea>
- P4. <https://taloustohtori.luke.fi/en/agriculture-and-horticulture/info/income-statement/explanations-of-the-concepts/>
- P5. <https://taloustohtori.luke.fi/en/agriculture-and-horticulture/info/processing-of-accounting-data/>
- P6. <https://taloustohtori.luke.fi/en/total-calculation/info/cost-breakdowns/>
- P7. <https://taloustohtori.luke.fi/en/agriculture-and-horticulture/info/processing-of-investment-subsidies/>
- P8. <https://taloustohtori.luke.fi/en/total-calculation/info/deflation/>
- P9. https://pxdata.stat.fi/PxWeb/pxweb/en/StatFin/StatFin__eea/12d7.px/
- P10. <https://taloustohtori.luke.fi/en/agriculture-and-horticulture/info/financial-ratios/>