The information supplied by the Austrian delegation has been rearranged on a commodity basis but part of the information of a more general character is given in this document with appropriate cross references in the commodity papers.

Table of Contents

I. General answer to question A.4.
   Factors which affect production

II. General answer to question A.5.
   Policies and measures of governments or other bodies likely to influence production

III. General part of answers to questions.
   B.I. Protection and support measures and policies
   B.II. Measures at the frontier

IV. General answer to question C.4.
   Factors which condition the evolution of internal consumption

Dairy Products
Grains
Beef and Veal
Other Meats
Fruit and Vegetables
Vegetable Oils and Oilseeds
Tobacco
Wine
I.

A.4. Factors which affect Austria's agricultural production

Agricultural production in Austria is influenced by natural conditions (topography, climate, population expansion etc.) as well as by measures for market regulation.

As in other industrialized countries, in Austria the part played by agriculture in the framework of total economy is steadily decreasing. During 1950 agriculture and forestry were responsible for 16.3 per cent of the total national product, whereas in 1960 the proportion was down to 10.3 per cent and in 1965 accounted for only 8.5 per cent.

In 1951 32.3 per cent of the working population was still engaged in agriculture, in 1961 only 22.8 per cent.

In the period 1951 to 1960 the number of agricultural undertakings fell by 7 per cent from about 433,000 to 402,000. From 1960 to 1965 a further decline in the number of undertakings of about 5.6 per cent was evident (i.e. about 22,600).

The number of full-time employees in agriculture and forestry has fallen off still more quickly than has the number of farms. From 1960 to 1965 the decrease amounted to 219,000 persons, whereby working members of families were to the forefront of the exodus. In this way the average age of the agricultural population gets steadily higher. For various reasons the Government is bringing no influence to bear on the exodus.

In order to compensate for the loss of labour and hold its own in competitive agriculture, Austria is obliged to exhaust all the possibilities of mechanical and technological development. Labour productivity rose correspondingly in 1966 by 37 per cent compared with 1958.

The degree of self-sufficiency in Austria amounted in the last few years to an average of about 32 per cent. A higher degree of self-sufficiency is in principle not aimed at.
II.


Encouragement is given to agricultural production by Green Plan funds, through agricultural investment credits and remaining ERP* credits, in the following ways:

- Improvement of production basis;
- Improvement of structure and management;
- Marketing and processing measures;
- Social/political measures;
- Introduction of new techniques and other encouragement to smallholdings and mountain farms;
- Improvement of farmhouses and farm buildings;
- Other credit measures.

During the last few years the Ministry of Agriculture and Forestry has concentrated its efforts upon production policies and marketing measures which aimed, on the one hand, at reducing surplus production such as that of wheat and milk, and, on the other hand, at making easier the sale of existing surpluses, either domestically or through exports. At the same time the Government encourages products, the marketing of which creates fewer difficulties (feeding grains, beef etc.).

---

*European Recovery Program.
III.

B.I. Protection and support measures and policies

In accordance with the provisions of the Price Regulation Law, maximum prices have been fixed for domestic feeding grains and for fertilizers (exclusive of nitrogen fertilizers).

Prices for phosphorus and potash fertilizers, in accordance with the guaranteed support ($167 million ($6.423 million) had been allocated as support for approximately 1 million tons) have been reduced, to bring them into line with world market prices.

B.II. Measures at the frontier

The Marketing Law of 1958 in its present valid form applies also to imports in respect of milk products, cereals, livestock, meat etc.

For Marketing Law goods the levy system practically takes the place of customs duty. It must, however, be stressed that import prices are only brought into line with domestic prices and have not to bear any additional protective charge. On the other hand, there is also the possibility of charging levies which are under the level of customs duties.
IV.

C.4. Trends in consumption

It can be assumed from the forecasts covering the three-year period from 1966/67 to 1969/70 that the available personal income (as well as national product) will show an average rise of 4.5 per cent a year or a total amount of 14.1 per cent. The population will, during the same period, expand by 1.3 per cent, so that the available personal income will increase by 12.6 per cent per head. On the basis of studies made during the last few years in respect of income elasticity of demand for various foodstuffs, the probable changes in consumption per head in the next three years were estimated. Using these rates, the results for 1966/67 were recorded. As to products with important yearly variations, the average values of the last three years were taken. In order, apart from income, to take into account the uncertain influence of other factors (switches in comparative prices, changes in consumption habits and so on) the data per head already calculated were often somewhat modified. From the estimated quota per head and working on the basis of estimated population for 1970 (7,419,000) provided by the Statistical Head Office, the total consumption figures have been ascertained.

In addition to the factors mentioned above that determine consumption, including the decisive factor of the price of foodstuffs, consumption habits, which change only very slowly, play a not inconsiderable rôle (e.g. the great importance of pork in Austria, although sufficient other kinds of meat, including protein-rich foods, are available). The outcome of the shortage of domestic staff and the severe overburdening of the housewife is that ready-to-eat foods are increasingly preferred to those that take longer to prepare.