



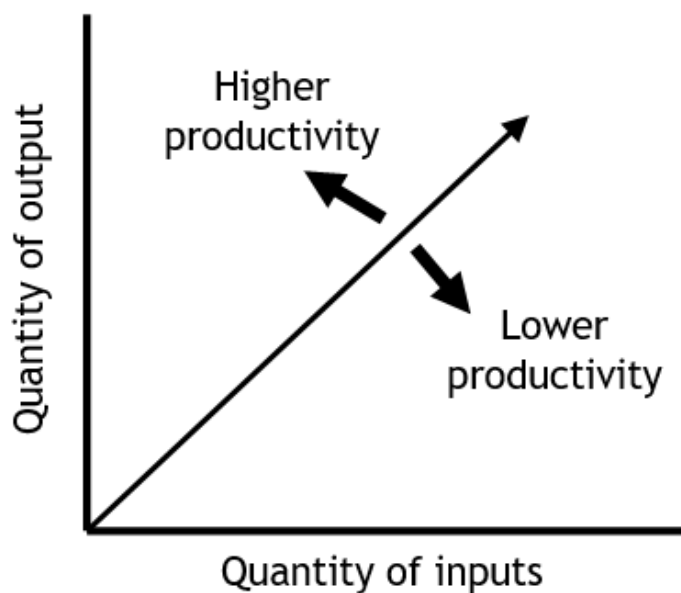
**Productivity Growth in the Dairy Farm Sector in
Northern Ireland: Overview of Project
DAERA E&I Project 17/02/04**

Myles Patton, Kehinde Oluseyi Olagunju and Siyi Feng

Newforge Seminar: 1st February 2019

Introduction

Total Factor Productivity (TFP)



Source: Kimura and Sauer (2015)

Δ Production Volumes

Δ Input Volumes

↑ in TFP indicates less input is needed to produce the same amount (or more) of output

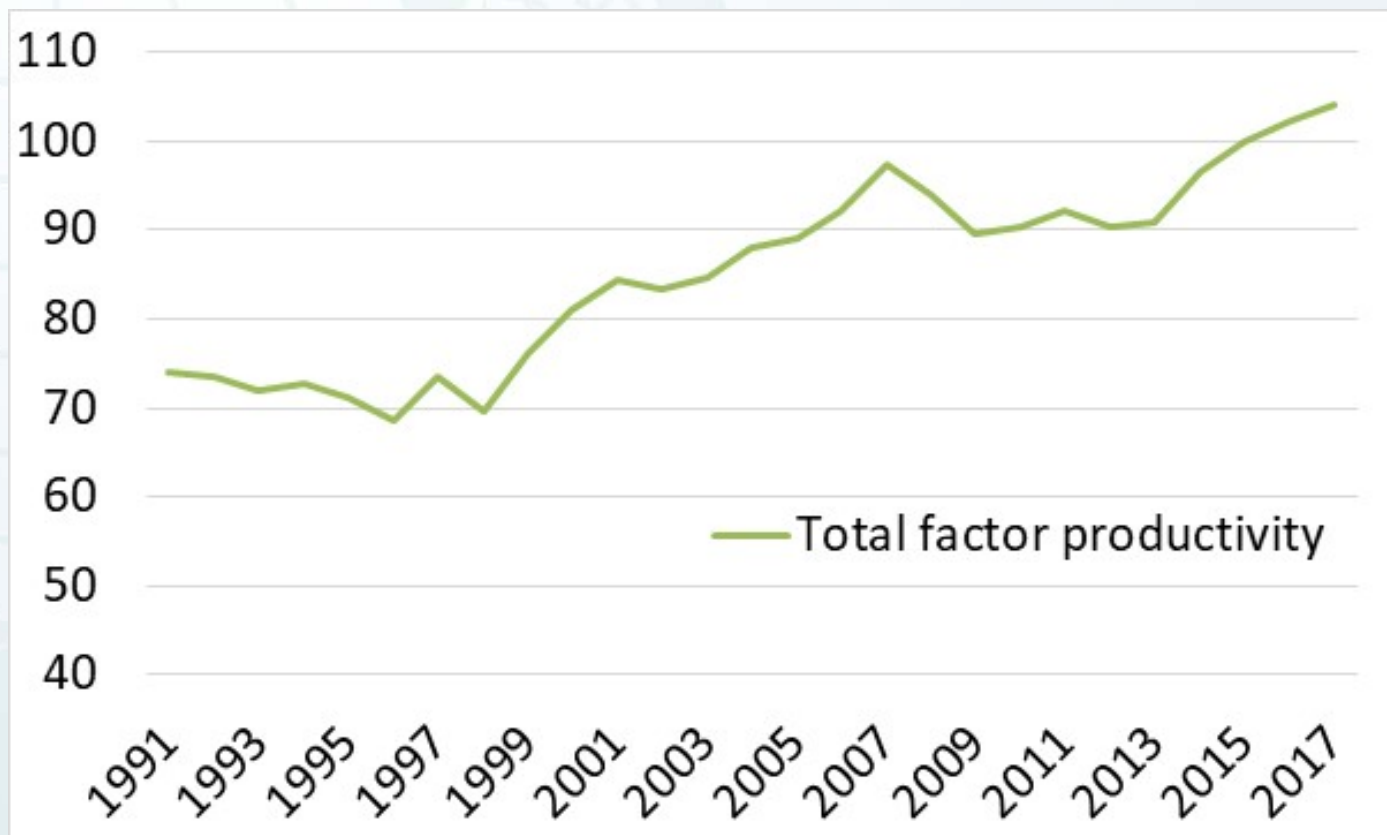
Or, increase in output quantity which is not due to an increase in input use

Introduction



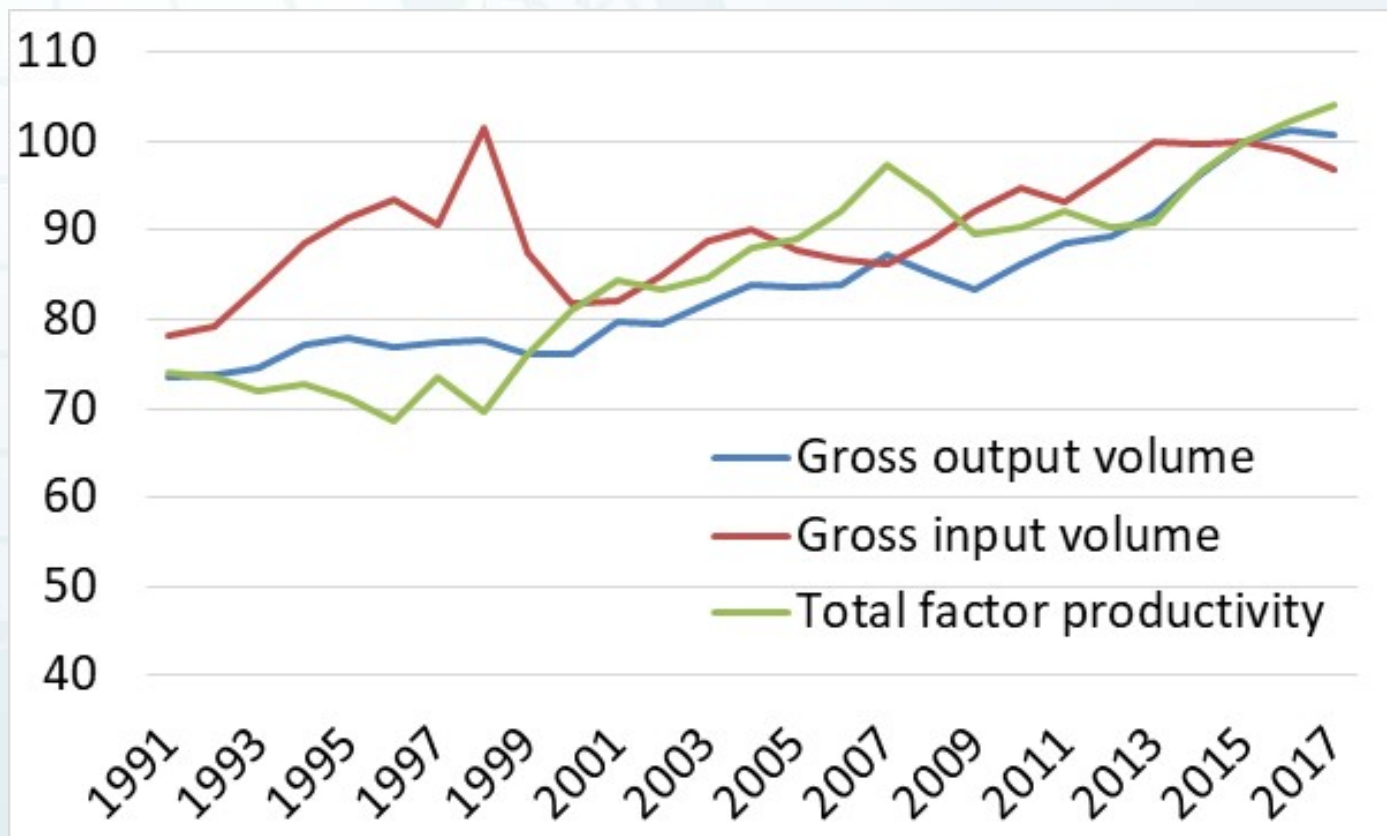
Total Factor Productivity

Total Factor Productivity NI Agriculture
(Indices: 2015 = 100)



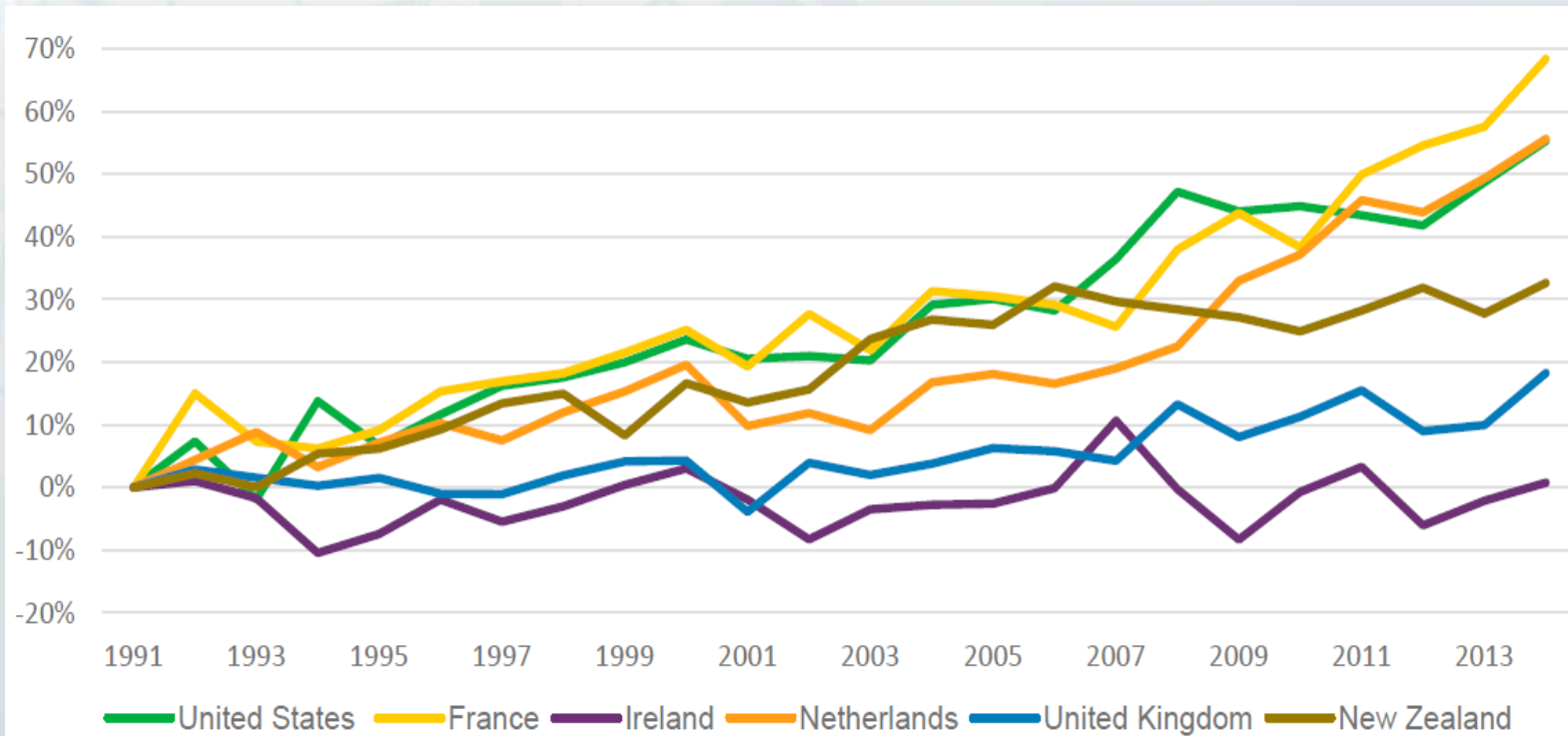
Total Factor Productivity

Total Factor Productivity NI Agriculture
(Indices: 2015 = 100)



Total Factor Productivity

International comparisons of Total Factor Productivity growth (% change since 1991)



Source: United States Department of Agriculture (USDA), Economic Research Service

Total Factor Productivity



Useful to:

- Isolate TFP growth for individual sectors
- Explain underlying drivers of sector-level productivity
- Identify drivers of variability of individual farm performance