



Agriculture and
Agri-Food Canada

Agriculture et
Agroalimentaire Canada



Farm Income, Financial Conditions and Government Assistance

Data Book

Data as of
November 2009

Canada 

**Farm Income,
Financial Conditions
and Government Assistance
Data Book**

Research and Analysis Directorate
Strategic Policy Branch

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Any policy views, whether explicitly stated, inferred or interpreted from the contents of this publication, should not be represented as reflecting the views of Agriculture and Agri-Food Canada.

Publication No. 10095E
Catalogue No. A31-1/2009E-PDF
ISBN No. 978-1-100-15216-5
ISSN No. 1482-9770

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ABBREVIATIONS

AMPA	Agricultural Marketing Programs Act	GDP	Gross Domestic Product
CAIS	Canadian Agricultural Income Stabilization Program	GSSE	General Services Support Estimate
CSE	Consumer Support Estimate	NAC	Nominal Assistance Coefficient
CWB	Canadian Wheat Board	NISA	Net Income Stabilization Account
EDC	Export Development Corporation	PSE	Producer Support Estimate
FCC	Farm Credit Canada	TDP	Taxation Data Program
FIMCLA	Farm Improvement and Marketing Cooperatives Loans Act	TSE	Total Support Estimate

SYMBOLS

n.c.	not calculated
..	figures not available
...	figures not appropriate
x	confidential

INTRODUCTION

The Data Book is divided into four sections. Section A presents information related to farm income. Section B contains information on farm financial conditions. Section C provides data on government expenditures for the agri-food sector. Section D contains information on producer support estimates. Notes on the methodology are provided at the end of each section. This issue provides the most up-to-date key economic and financial indicators.

CONTACTS

SECTION A: Farm Income

Farm Income at the Aggregate Level

Robert Koroluk
Tel.: 613-773-2428
Internet: robert.koroluk@agr.gc.ca

Farm Family Income and Farm Income at the Farm Level

Lorraine Hope
Tel.: 613-773-2414
Internet: lorraine.hope@agr.gc.ca

SECTION B: Financial Conditions

Farm Debt, Bankruptcies, Farm Credit Canada (FCC) Loans, Farm Improvement and Marketing Cooperatives Loans Act (FIMCLA), and Average Assets, Liabilities, Net Worth and Net New Investment

Lorraine Hope
Tel.: 613-773-2414
Internet: lorraine.hope@agr.gc.ca

FCC Mortgage Rate, Fertilizer and Fuel Prices, and Expenses

Xianqiang Zhang
Tel.: 613-773-2426
Internet: xianqiang.zhang@agr.gc.ca

SECTION C: Government Expenditures in Support of the Agri-Food Sector

Luc Tanguay
Tel.: 613-773-2441
Internet: luc.tanguay@agr.gc.ca

SECTION D: Estimates of Support to Agriculture

Luc Tanguay
Tel.: 613-773-2441
Internet: luc.tanguay@agr.gc.ca



SECTION A

Farm Income

Table A.1: Farm Cash Receipts, Expenses and Income, Canada and Provinces, 2000-2008

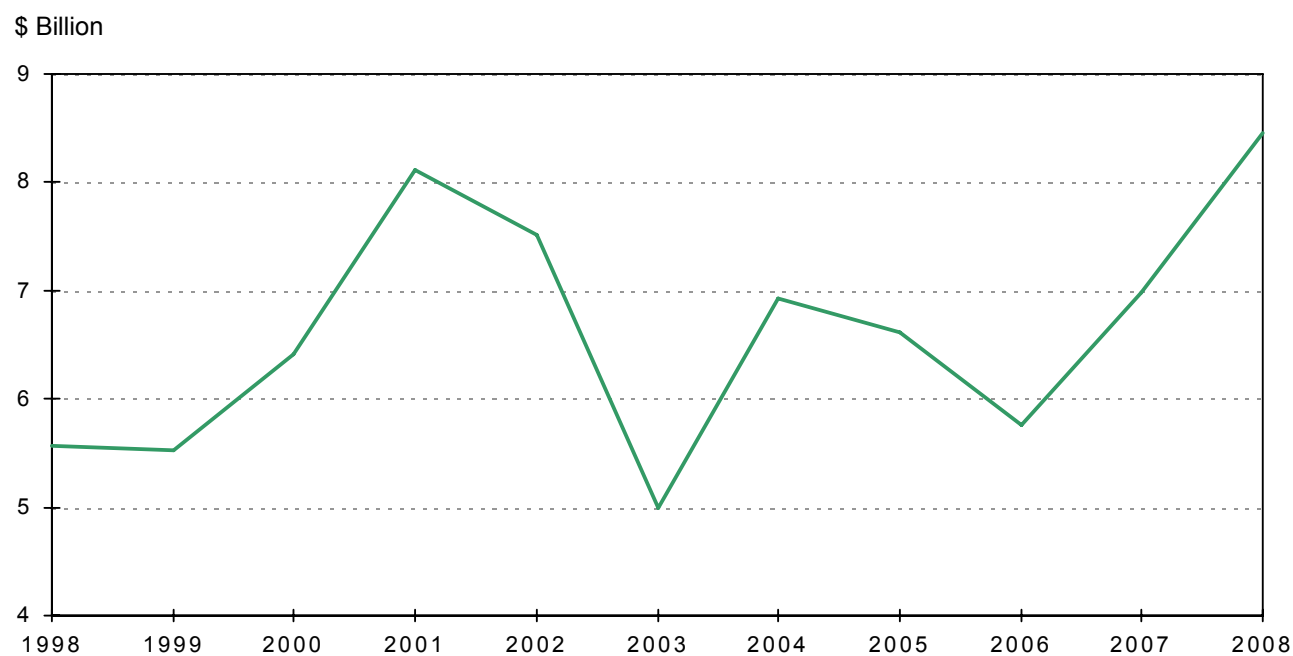
	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- \$ Million -										
Crop Receipts											
2000	14	186	138	167	1,234	3,277	1,319	3,386	2,364	886	12,970
2001	15	151	122	192	1,250	3,178	1,517	3,807	2,304	970	13,505
2002	16	221	130	219	1,394	3,532	1,908	3,760	2,215	1,017	14,412
2003	16	219	147	195	1,412	3,663	1,703	2,816	2,027	1,114	13,312
2004	16	186	141	178	1,449	3,558	1,812	3,255	2,656	1,169	14,420
2005	14	198	139	188	1,466	3,623	1,298	3,092	2,413	1,068	13,498
2006	17	237	155	221	1,545	3,831	1,279	3,633	2,617	1,060	14,595
2007	19	238	128	198	1,678	4,182	2,188	5,166	3,473	1,155	18,425
2008	17	242	132	230	2,088	4,733	2,710	7,070	4,622	1,232	23,076
Livestock Receipts											
2000	59	120	263	196	3,636	4,094	1,550	1,571	4,512	1,100	17,101
2001	63	126	282	218	3,863	4,520	1,800	1,685	5,245	1,171	18,973
2002	63	124	265	202	3,626	4,280	1,693	1,689	5,062	1,126	18,130
2003	64	114	259	204	3,643	4,159	1,522	1,339	3,707	1,074	16,085
2004	70	123	290	208	4,018	4,365	1,615	1,447	3,914	1,004	17,056
2005	75	129	301	210	4,007	4,488	1,808	1,794	4,325	1,184	18,322
2006	79	122	304	204	3,871	4,360	1,781	1,727	4,249	1,123	17,821
2007	87	127	312	220	4,093	4,511	1,726	1,693	4,288	1,161	18,218
2008	97	119	330	223	4,318	4,729	1,672	1,726	4,249	1,281	18,743
Total Market Receipts											
2000	73	306	401	363	4,870	7,371	2,869	4,957	6,876	1,986	30,071
2001	77	278	403	410	5,113	7,698	3,316	5,491	7,549	2,141	32,477
2002	78	345	396	421	5,021	7,812	3,601	5,449	7,277	2,143	32,542
2003	81	333	405	400	5,054	7,822	3,224	4,155	5,734	2,189	29,397
2004	86	309	432	385	5,468	7,923	3,427	4,702	6,571	2,172	31,476
2005	89	327	440	398	5,473	8,111	3,106	4,886	6,738	2,252	31,820
2006	95	359	459	425	5,416	8,191	3,060	5,360	6,866	2,183	32,416
2007	106	365	440	418	5,771	8,693	3,915	6,860	7,761	2,316	36,643
2008	114	361	462	452	6,406	9,462	4,382	8,795	8,871	2,513	41,819
Program Payments											
2000	0	17	12	6	541	422	287	777	708	39	2,809
2001	1	59	18	6	624	777	382	1,020	819	60	3,766
2002	1	24	11	8	468	623	219	1,004	1,039	31	3,429
2003	1	23	16	12	875	585	308	1,600	1,368	59	4,848
2004	1	40	25	36	835	674	430	1,190	1,443	188	4,862
2005	1	46	27	40	749	800	699	1,323	1,117	120	4,923
2006	1	21	15	34	858	662	626	1,267	945	105	4,534
2007	1	21	18	31	1,134	597	413	871	907	101	4,093
2008	1	29	13	28	1,092	768	322	637	1,138	99	4,127
Total Cash Receipts											
2000	74	323	413	369	5,411	7,793	3,156	5,734	7,583	2,024	32,879
2001	78	336	421	417	5,737	8,476	3,698	6,511	8,368	2,201	36,243
2002	80	369	407	429	5,489	8,435	3,820	6,453	8,316	2,174	35,971
2003	81	355	422	412	5,929	8,408	3,532	5,755	7,102	2,248	34,245
2004	88	350	457	422	6,302	8,597	3,858	5,892	8,013	2,360	36,338
2005	90	373	467	438	6,222	8,911	3,804	6,210	7,855	2,372	36,744
2006	96	380	473	459	6,274	8,853	3,687	6,627	7,811	2,289	36,950
2007	106	386	458	449	6,905	9,290	4,327	7,730	8,668	2,417	40,736
2008	115	390	474	481	7,498	10,230	4,704	9,433	10,009	2,612	45,946

Source: Statistics Canada, Catalogue Nos. 21-010-XIE and 21-011-XIE, Agriculture Economic Statistics, May 2009.

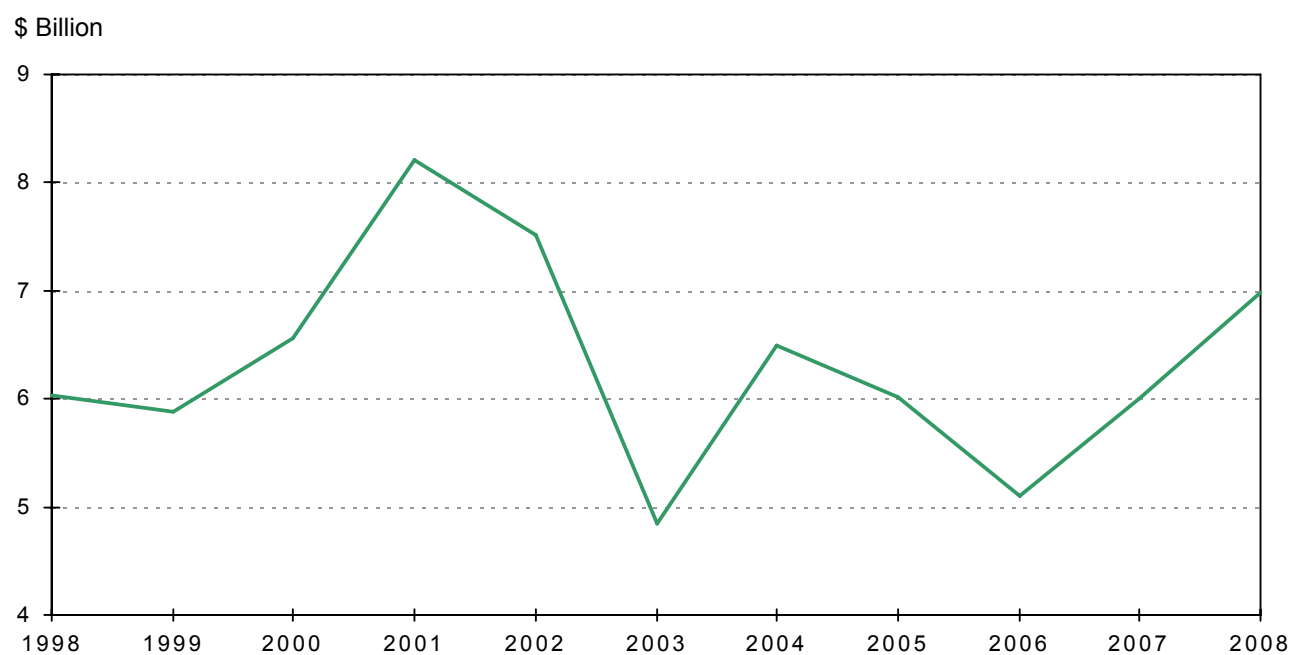
Table A.1: Farm Cash Receipts, Expenses and Income, Canada and Provinces, 2000-2008 (cont'd)

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- \$ Million -										
Net Operating Expenses											
2000	65	272	326	310	4,160	6,406	2,538	4,551	6,148	1,689	26,465
2001	70	276	343	329	4,399	6,942	2,771	4,764	6,459	1,772	28,124
2002	72	290	353	337	4,475	7,099	2,895	4,747	6,321	1,873	28,463
2003	75	298	366	349	4,777	7,169	3,040	4,929	6,324	1,917	29,243
2004	78	305	365	351	4,925	7,224	3,099	4,888	6,235	1,937	29,407
2005	79	310	367	360	4,877	7,381	3,012	5,140	6,571	2,033	30,131
2006	86	323	382	375	5,078	7,593	3,213	5,274	6,786	2,080	31,189
2007	96	338	400	388	5,543	8,062	3,535	5,859	7,318	2,207	33,744
2008	107	369	418	414	5,973	8,778	3,979	6,822	8,257	2,378	37,494
Net Cash Income											
2000	9	51	87	59	1,251	1,387	618	1,182	1,435	335	6,414
2001	8	61	78	88	1,338	1,534	928	1,747	1,910	428	8,119
2002	8	79	54	92	1,013	1,336	925	1,705	1,995	301	7,508
2003	6	58	56	63	1,153	1,239	492	826	778	331	5,002
2004	9	45	92	70	1,378	1,373	758	1,004	1,778	423	6,931
2005	11	63	100	78	1,345	1,530	793	1,069	1,284	339	6,613
2006	10	57	92	84	1,196	1,260	474	1,352	1,026	209	5,760
2007	11	48	58	62	1,362	1,228	793	1,871	1,350	210	6,993
2008	9	22	57	67	1,525	1,451	725	2,611	1,752	234	8,452
Realized Net Income											
2000	4	12	42	17	733	397	222	239	359	117	2,141
2001	2	21	30	43	795	528	516	774	797	210	3,717
2002	2	41	6	47	464	279	514	767	892	59	3,071
2003	0	20	7	17	562	189	52	-124	-358	81	446
2004	3	6	42	23	795	328	317	41	649	163	2,366
2005	4	23	48	27	711	433	336	106	113	67	1,867
2006	3	16	39	33	568	144	10	392	-163	-86	957
2007	3	9	4	8	707	81	335	858	109	-102	2,012
2008	1	-19	1	15	846	271	232	1,574	452	-88	3,283
Total Net Income											
2000	4	29	40	27	665	215	390	558	389	118	2,436
2001	3	-46	29	39	883	408	446	143	538	230	2,674
2002	3	120	7	65	484	440	504	-11	-174	76	1,512
2003	1	16	6	12	676	212	452	691	583	125	2,775
2004	4	11	39	14	913	643	248	863	1,156	136	4,026
2005	5	3	46	38	659	422	97	740	409	22	2,441
2006	4	43	37	57	469	0	302	-197	-464	-122	129
2007	3	-17	5	-5	790	-220	250	503	-194	-113	1,002
2008	0	-45	-2	-9	687	262	724	3,450	1,199	-134	6,133

Source: Statistics Canada, Catalogue Nos. 21-010-XIE and 21-011-XIE, Agriculture Economic Statistics, May 2009.

Figure A.1(a): Net Cash Income (Current Dollars), Canada, 1998-2008

Source: Statistics Canada, Catalogue No. 21-010-XIE, Agriculture Economic Statistics, May 2009.

Figure A.1(b): Net Cash Income (2002 Dollars), Canada, 1998-2008

Source: Agriculture and Agri-Food Canada calculations based on historical data from Statistics Canada and the Conference Board of Canada for the GDP deflator.

Table A.2: Gross Direct Payments and Producer Premiums, Canada and Provinces, 2003-2008

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- \$ Million -										
2003											
Crop Insurance ¹	0	1	1	1	47	119	86	929	519	4	1,707
NISA	0	7	8	6	15	191	87	246	148	16	723
Dairy	0	0	0	0	0	0	0	0	0	0	0
Income Disaster	0	6	1	1	4	40	27	141	204	17	440
Provincial Stabilization	0	0	0	0	711	0	0	0	0	0	711
Other Payments ²	0	8	7	5	98	236	109	284	498	22	1,266
Total Program Payments	1	23	16	12	875	585	308	1,600	1,368	59	4,848
Input Rebates	0	0	1	0	83	6	0	1	12	0	102
Total Payments	1	23	17	12	958	591	308	1,601	1,380	59	4,950
Producer Premiums	0	2	0	0	206	61	65	221	168	3	727
2004											
Production Insurance ¹	0	3	0	3	63	82	84	280	230	10	756
CAIS	0	11	6	14	7	108	79	222	305	25	777
NISA	0	11	8	11	16	223	125	298	220	22	934
Income Disaster	0	3	2	1	1	16	14	94	99	8	237
Provincial Stabilization	0	0	0	0	626	0	0	0	0	0	626
Other Payments ²	1	12	9	7	122	246	129	297	588	122	1,532
Total Program Payments	1	40	25	36	835	674	430	1,190	1,443	188	4,862
Input Rebates	0	0	1	0	88	5	1	0	19	0	113
Total Payments	1	40	26	36	923	680	431	1,190	1,461	188	4,976
Producer Premiums	0	3	0	0	196	54	81	207	156	3	700
2005											
Production Insurance ¹	0	6	1	5	59	50	299	277	115	8	820
CAIS	1	27	7	23	253	212	187	505	450	50	1,715
NISA	0	4	4	5	8	92	65	157	94	12	442
Income Disaster	0	0	0	0	0	0	0	0	0	0	0
Provincial Stabilization	0	0	0	0	391	0	0	0	0	0	391
Other Payments ²	0	8	15	7	38	446	149	384	458	50	1,555
Total Program Payments	1	46	27	40	749	800	699	1,323	1,117	120	4,923
Input Rebates	0	0	1	0	96	5	20	0	17	0	139
Total Payments	1	46	28	40	845	806	718	1,323	1,134	120	5,062
Producer Premiums	0	3	0	2	123	44	59	216	159	3	610

Source: Statistics Canada, Catalogue No. 21-015-XIE, Agriculture Economic Statistics, May 2009.

¹ Excludes private hail insurance. Since April 1, 2003, the Crop Insurance program has been replaced by the Production Insurance program.² Other payments include programs such as private hail insurance, Bovine Spongiform Encephalopathy Recovery and special assistance programs.

Table A.2: Gross Direct Payments and Producer Premiums, Canada and Provinces, 2003-2008 (cont'd)

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- \$ Million -										
2006											
Production Insurance ¹	0	6	2	6	56	41	146	143	189	14	600
CAIS	1	10	9	22	181	249	258	446	360	71	1,606
NISA	0	3	3	4	7	72	47	109	63	9	317
Income Disaster	0	0	0	0	0	0	0	0	0	0	0
Provincial Stabilization	0	0	0	0	497	0	0	0	0	0	497
Other Payments ²	0	2	1	2	118	300	175	570	335	12	1,514
Total Program Payments	1	21	15	34	858	662	626	1,267	945	105	4,534
Input Rebates	0	1	1	0	102	5	25	0	17	0	150
Total Payments	1	22	15	34	960	667	651	1,267	962	105	4,684
Producer Premiums	0	4	0	2	161	42	69	200	158	4	640
2007											
Production Insurance ¹	0	6	2	7	62	81	67	120	209	17	571
CAIS	0	7	5	14	176	201	139	214	310	44	1,111
AgriStability	0	0	1	2	8	0	29	3	0	1	43
NISA	0	3	2	3	6	63	37	95	57	6	272
Provincial Stabilization	0	0	0	0	838	0	0	0	0	0	838
Other Payments ²	0	5	8	4	45	252	141	438	331	33	1,258
Total Program Payments	1	21	18	31	1,134	597	413	871	907	101	4,093
Input Rebates	0	0	1	0	110	5	26	0	13	0	155
Total Payments	1	22	18	31	1,245	602	438	871	920	101	4,248
Producer Premiums	0	3	1	3	270	53	88	247	175	4	843
2008											
Production Insurance ¹	0	9	1	10	43	68	78	94	262	32	599
CAIS	1	8	2	7	109	245	75	123	605	36	1,210
AgriInvest-KickStart	0	1	0	1	46	15	12	20	25	4	125
AgriStability	0	4	3	7	224	197	89	45	63	13	647
NISA	0	3	2	3	5	54	33	85	49	6	240
Provincial Stabilization	0	0	0	0	1	0	0	0	0	0	1
Other Payments ²	0	4	3	1	665	187	35	270	134	8	1,306
Total Program Payments	1	29	13	28	1,092	768	322	637	1,138	99	4,127
Input Rebates	0	0	1	0	114	5	30	0	11	0	163
Total Payments	1	30	13	29	1,206	773	352	637	1,149	99	4,290
Producer Premiums	0	4	1	3	181	56	116	349	251	6	966

Source: Statistics Canada, Catalogue No. 21-015-XIE, Agriculture Economic Statistics, May 2009.

¹ Excludes private hail insurance. Since April 1, 2003, the Crop Insurance program has been replaced by the Production Insurance program.² Other payments include programs such as private hail insurance, Bovine Spongiform Encephalopathy Recovery and special assistance programs.

Table A.3: Average Total Operating Revenues, Operating Expenses and Net Operating Income per Farm, Canada and Provinces, 2006-2008

Province	2006	2007	2008 Preliminary	08/07
	- Dollars per farm -			
Newfoundland and Labrador				
Operating revenues	519,477	515,233	605,779	18%
Operating expenses	489,647	475,500	540,132	14%
Net operating income	29,830	39,733	65,647	65%
Prince Edward Island				
Operating revenues	334,080	353,551	405,193	15%
Operating expenses	296,783	316,059	354,961	12%
Net operating income	37,298	37,492	50,232	34%
Nova Scotia				
Operating revenues	252,607	277,381	286,423	3%
Operating expenses	214,502	233,543	250,044	7%
Net operating income	38,105	43,838	36,379	-17%
New Brunswick				
Operating revenues	312,767	329,376	377,589	15%
Operating expenses	265,902	284,498	327,159	15%
Net operating income	46,865	44,878	50,430	12%
Quebec				
Operating revenues	301,881	334,382	376,829	13%
Operating expenses	257,303	284,238	320,312	13%
Net operating income	44,577	50,144	56,517	13%
Ontario				
Operating revenues	257,646	263,380	283,961	8%
Operating expenses	225,105	231,808	245,896	6%
Net operating income	32,541	31,572	38,065	21%
Manitoba				
Operating revenues	252,901	269,732	320,024	19%
Operating expenses	228,823	233,045	276,996	19%
Net operating income	24,078	36,687	43,028	17%
Saskatchewan				
Operating revenues	155,844	177,982	212,288	19%
Operating expenses	131,538	145,541	167,389	15%
Net operating income	24,305	32,441	44,899	38%
Alberta				
Operating revenues	258,588	274,827	307,027	12%
Operating expenses	230,472	239,964	260,821	9%
Net operating income	28,116	34,863	46,206	33%
British Columbia				
Operating revenues	298,986	304,837	351,691	15%
Operating expenses	266,474	277,192	325,478	17%
Net operating income	32,512	27,645	26,213	-5%
Canada				
Operating revenues	242,928	260,016	293,378	13%
Operating expenses	212,274	224,438	249,324	11%
Net operating income	30,655	35,970	44,054	22%

Source: Statistics Canada, Whole Farm Data Project, Taxation Data Program.

Table A.4: Average Operating Revenues, Operating Expenses and Net Operating Income per Farm by Farm Type, Canada, 2006-2008

Farm Type	2006	2007	2008 Preliminary	08/07
	- Dollars per farm -			
Dairy cattle and milk production				
Operating revenues	403,114	437,830	472,617	8%
Operating expenses	307,232	334,988	365,260	9%
Net operating income	95,881	102,842	107,357	4%
Beef cattle ranching and farming				
Operating revenues	190,486	205,016	221,446	8%
Operating expenses	181,242	193,913	208,154	7%
Net operating income	9,245	11,103	13,292	20%
Hog and pig farming				
Operating revenues	958,250	1,040,803	1,228,143	18%
Operating expenses	898,357	977,991	1,200,945	23%
Net operating income	59,893	62,812	27,198	-57%
Poultry and egg production				
Operating revenues	835,889	894,700	1,056,936	18%
Operating expenses	731,708	785,065	925,566	18%
Net operating income	104,182	109,635	131,370	20%
Oilseed and grain farming				
Operating revenues	163,766	195,927	244,655	25%
Operating expenses	135,740	156,058	185,555	19%
Net operating income	28,026	39,869	59,100	48%
Potato farming				
Operating revenues	771,448	890,400	1,022,357	15%
Operating expenses	653,712	761,983	856,691	12%
Net operating income	117,735	128,417	165,666	29%
Fruit and tree nut farming				
Operating revenues	181,866	200,017	221,005	10%
Operating expenses	153,937	163,633	189,757	16%
Net operating income	27,929	36,384	31,248	-14%
Other vegetable and melon farming				
Operating revenues	375,630	368,129	376,026	2%
Operating expenses	319,075	318,631	329,944	4%
Net operating income	56,555	49,498	46,082	-7%
Greenhouse, nursery and floriculture production				
Operating revenues	902,752	874,641	962,684	10%
Operating expenses	812,471	801,062	874,870	9%
Net operating income	90,281	73,579	87,814	19%
All farm types				
Operating revenues	242,928	260,016	293,378	13%
Operating expenses	212,274	224,438	249,324	11%
Net operating income	30,655	35,970	44,054	22%

Source: Statistics Canada, Whole Farm Data Project, Taxation Data Program.

Table A.5: Average Farm Family Income by Source and Income Group¹, Unincorporated Farms, Canada, 2006

Farm Family Income (before Depreciation)	Number of Farm Families		Off-Farm Employ- ment Income ²	Invest- ment Income	Pension Income	Other, Off- Farm, ³ income ³	Total Off-Farm Income	Net Opera- ting Income	Total Family Income
	Number	% of Total							
All Farms									
Under \$10,000 ⁴	5,400	4.3	13,644	2,391	3,885	4,738	24,658	-48,357	-23,700
\$10,000 - \$19,999	4,590	3.7	9,023	2,501	6,005	4,301	21,830	-6,228	15,602
\$20,000 - \$29,999	7,920	6.4	11,418	2,067	9,687	4,082	27,254	-1,967	25,287
\$30,000 - \$39,999	10,610	8.5	13,720	2,849	11,440	4,215	32,224	2,940	35,164
\$40,000 - \$49,999	11,360	9.1	20,808	3,052	9,518	4,424	37,802	7,249	45,051
\$50,000 - \$99,999	47,870	38.4	37,710	4,646	9,852	4,997	57,204	15,619	72,823
\$100,000 +	36,790	29.5	98,912	14,469	8,421	7,436	129,238	43,247	172,485
TOTAL	124,560	100.0	48,426	6,908	9,123	5,503	69,960	17,240	87,200
Small Farms (Revenues \$10,000-\$49,999)									
Under \$10,000 ⁴	1,690	3.0	13,182	2,083	5,410	3,897	24,572	-29,300	-4,728
\$10,000 - \$19,999	2,670	4.7	7,913	F	7,731	4,194	22,963	-8,021	14,942
\$20,000 - \$29,999	4,990	8.7	10,108	2,331	12,434	3,835	28,708	-3,086	25,622
\$30,000 - \$39,999	6,100	10.7	14,330	3,065	15,157	3,768	36,320	-1,207	35,113
\$40,000 - \$49,999	6,180	10.8	24,533	3,837	12,424	3,728	44,522	181	44,703
\$50,000 - \$99,999	22,200	38.8	47,725	5,451	13,915	4,425	71,514	185	71,699
\$100,000 +	13,400	23.4	136,308	17,850	12,220	6,767	173,144	-1,806	171,338
TOTAL	57,240	100.0	56,245	7,445	12,820	4,750	81,261	-1,964	79,297
Medium Farms (Revenues \$50,000-\$99,999)									
Under \$10,000 ⁴	1,230	5.4	11,484	1,491	4,290	4,610	21,874	-35,517	-13,643
\$10,000 - \$19,999	890	3.9	8,336	1,920	4,631	3,910	18,796	-3,154	15,642
\$20,000 - \$29,999	1,470	6.5	13,019	1,643	6,369	4,247	25,277	149	25,426
\$30,000 - \$39,999	2,330	10.3	11,801	3,002	8,166	4,392	27,362	7,949	35,310
\$40,000 - \$49,999	2,420	10.6	17,544	2,318	7,933	4,866	32,660	12,716	45,376
\$50,000 - \$99,999	9,160	40.3	37,067	5,438	9,543	4,983	57,032	16,057	73,089
\$100,000 +	5,230	23.0	116,673	17,859	9,614	7,062	151,208	14,154	165,362
TOTAL	22,730	100.0	46,660	7,119	8,565	5,279	67,622	9,862	77,484
Large Farms (Revenues \$100,000+)									
Under \$10,000 ⁴	2,470	5.5	15,039	3,051	2,637	5,379	26,105	-68,133	-42,027
\$10,000 - \$19,999	1,040	2.3	12,452	1,399	2,754	4,909	21,514	-4,145	17,369
\$20,000 - \$29,999	1,450	3.3	14,293	1,591	3,615	4,766	24,264	-265	23,999
\$30,000 - \$39,999	2,190	4.9	14,068	2,080	4,538	5,279	25,965	9,128	35,093
\$40,000 - \$49,999	2,770	6.2	15,350	1,940	4,425	5,590	27,305	18,224	45,529
\$50,000 - \$99,999	16,510	37.0	24,602	3,123	4,561	5,773	38,060	36,119	74,178
\$100,000 +	18,160	40.7	66,181	10,995	5,271	8,038	90,485	84,887	175,372
TOTAL	44,590	100.0	39,290	6,110	4,661	6,585	56,645	45,651	102,296

Source: Statistics Canada, Whole Farm Data Project, Taxation Data Program.

¹ Based on family income from all sources: farm (net operating income) and off-farm income.² Off-farm employment income includes "wages and salaries" and "net non-farm self-employment income".³ Other off-farm income includes "government social transfers and RRSP".⁴ Includes losses.

Methodology for Farm Income

Table A.1: Farm Receipts, Expenses and Income

Net Cash Income measures farm business cash flow (gross revenue minus operating expenses) generated from the production of agricultural goods. It represents the money available for debt repayment, investment or withdrawal by the owner. *Realized Net Income* measures the financial flows, both monetary (cash income) and non-monetary (depreciation and income-in-kind), of farm businesses. It represents the net farm income in a given year regardless of the year the agricultural goods were produced. *Total Net Income* measures the financial flows and stock changes of farm businesses. It values agriculture economic production during the year that the agricultural goods were produced. It represents the return to owner's equity, unpaid labour, management and risks.

Crop and livestock receipts include only receipts from sales of agricultural products through commercial channels and exclude direct sales between farmers within the same province.

Total program payments include gross payments directly paid to producers under federal, provincial and municipal programs. Program payments represent the amount actually received by producers on a calendar year basis, with the exception of the "Other Payments" category which includes some payments on a fiscal or crop year basis. Program payments are allocated to the year during which they are actually received by producers.

NISA payments represent only the producers' withdrawals from Fund 2 (governments' fund). The large balances accumulated in Fund 1 (producers' fund) and unrealized triggers in Fund 2 are not included.

Farm operating expenses include all business costs incurred in the production of agriculture commodities, for goods and services bought outside each province's agriculture sector.

Some government support programs are reflected in operating expenses to the extent that they reduce farm input costs, as is the case with provincial credit programs. Also included are producer premiums paid for insurance programs.

Figure A.1(a) and Figure A.1(b): Canadian Farm Income in Current Dollars and in 2002 Dollars

Real income is defined in terms of 2002 dollars using the Gross Domestic Product Implicit Price Deflator (GDP deflator, 2002 = 100).

Table A.2: Gross Direct Program Payments and Producer Premiums

Program payments include gross payments/indemnities directly paid to producers under statutory programs such as AgriStability, as well as provincial income stabilization programs and other special income support programs such as drought assistance.

Production Insurance payments include only government production insurance programs; private hail insurance payments are excluded. The latter are included in Other Payments.

Producers also contribute to government programs by paying premiums for programs such as Production Insurance and provincial stabilization programs.

Table A.3 and Table A.4: Average Total Operating Revenue, Operating Expenses and Net Operating Income per Farm, by Province (A.3) and By Farm Type (A.4)

The Taxation Data Program (TDP) estimates of farm income are derived from a sample of individual tax filers who reported either positive gross farm income or non-zero net farm income from self-employment on their income tax returns. For incorporated farms, the sampling frame is made up of all corporations within the ten provinces and the territories that are classified as farms according to the North American Industry Classification System (NAICS) and that have sales of \$25,000 or more. To be classified as a farm in NAICS, 50% of more of the sales has to come from agricultural activities. For purposes of statistical tabulations, the TDP excludes unincorporated farms with farm revenues below \$10,000.

The TDP farm income estimates differ from the official farm cash receipts and expenses estimates reported in Agriculture Economic Statistics, Catalogue No. 21-011-XIE and 21-012-XIE. For explanation of some of the differences, please refer to "Understanding Measurements of Farm Income", Catalogue No. 21-525, Agriculture and Agri-Food Canada and Statistics Canada.

Operating revenues refers to revenue received from the sale of agricultural commodities, as well as from agricultural program payments and insurance proceeds. Revenue from the sale of forest products is also included.

Operating expenses refer to the business costs, not including depreciation, incurred by farm operators for goods and services used in the production of agricultural commodities.

For both operating revenues and operating expenses, inter-farm sales and purchases are included.

The type of farm is based on a percentage of agricultural sales. The commodity or commodity group that makes up 50% or more of the sales determines the primary farm type that is assigned to an individual farm. The NAICS acts now as the basis for classifying farm types.

For a detailed description of methodology, please refer to the Whole Farm Data Base Reference Manual, Statistics Canada, Catalogue No. 21F0005GPE.

Table A.5: Average Family Income by Source and Income Group, Unincorporated Farms

Total family income is derived from the personal tax records of individual family members. Farm families are identified by linking two source files: the Taxation Data Program's (TDP) sample of individuals operating unincorporated farms and the T1 Family File (T1FF) which contains family units developed by the Small Area and Administrative Data Division (SAADD) of Statistics Canada.

The following members and/or families are excluded:

- 1) Non-family persons who do not belong to a husband-wife or a lone parent family;
- 2) Families in which members derived all of their farm revenues from non-agricultural sources;
- 3) Families in which members are involved in more than one farming operation,
- 4) Families operating a farm showing a gross operating revenue of less than \$10,000.

Off-farm income estimates are produced by adding the off-farm income components of family members and applying the appropriate family weight to each record which corresponds to a family.

For a detailed description of the methodology, please refer to Statistics on income of farm families, Statistics Canada, Catalogue No. 21-207-XIE.



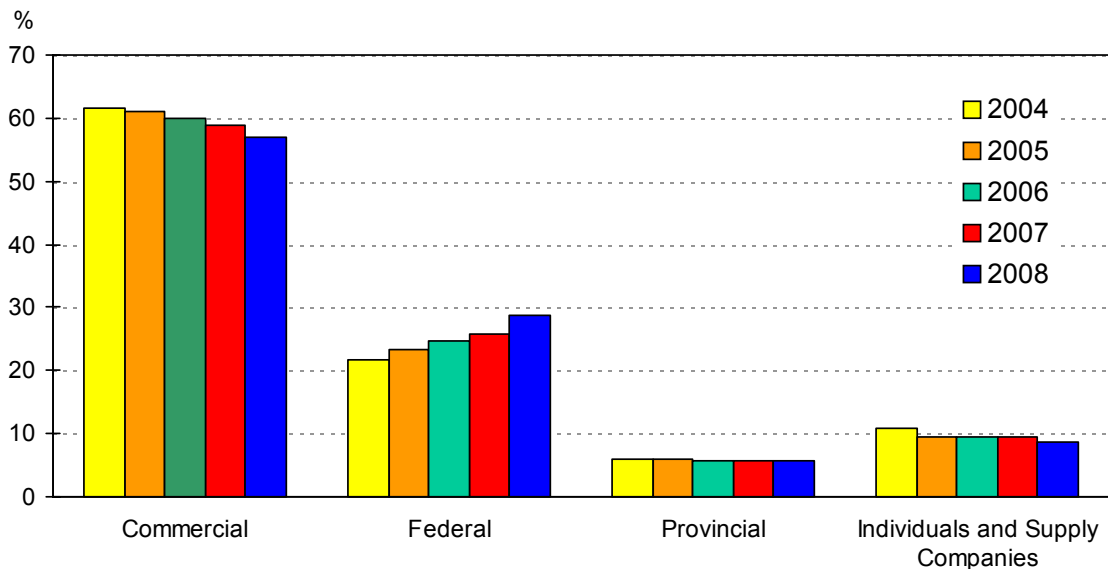
SECTION B

Farm Financial Conditions

Table B.1: Farm Debt, Canada and Provinces, 1999-2008

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- \$ Million -										
1999	53	414	418	378	6,550	8,358	3,422	6,024	8,692	2,253	36,562
2000	47	435	422	379	7,180	9,091	3,628	6,175	9,162	2,298	38,819
2001	54	464	442	399	7,651	9,634	3,831	6,248	9,561	2,365	40,647
2002	63	504	488	443	8,589	10,925	4,100	6,258	9,916	2,568	43,855
2003	67	555	534	518	8,991	11,442	4,585	6,757	10,613	2,798	46,860
2004	78	578	562	519	9,326	12,146	4,892	6,914	10,881	3,004	48,900
2005	77	574	606	532	9,527	12,570	5,134	7,199	10,961	3,028	50,210
2006	92	583	608	537	9,866	12,749	5,414	7,511	11,548	3,379	52,287
2007	114	596	671	545	10,329	13,789	5,913	7,438	11,799	3,915	55,110
2008	126	606	724	568	10,677	14,240	6,292	7,930	12,672	4,158	57,992

Source: Statistics Canada, Catalogue No. 21-014-XIE Agriculture Economic Statistics, May 2009.

Figure B.1: Lender Shares as a Percentage of Farm Debt, Canada, as of December 31, 2004-2008

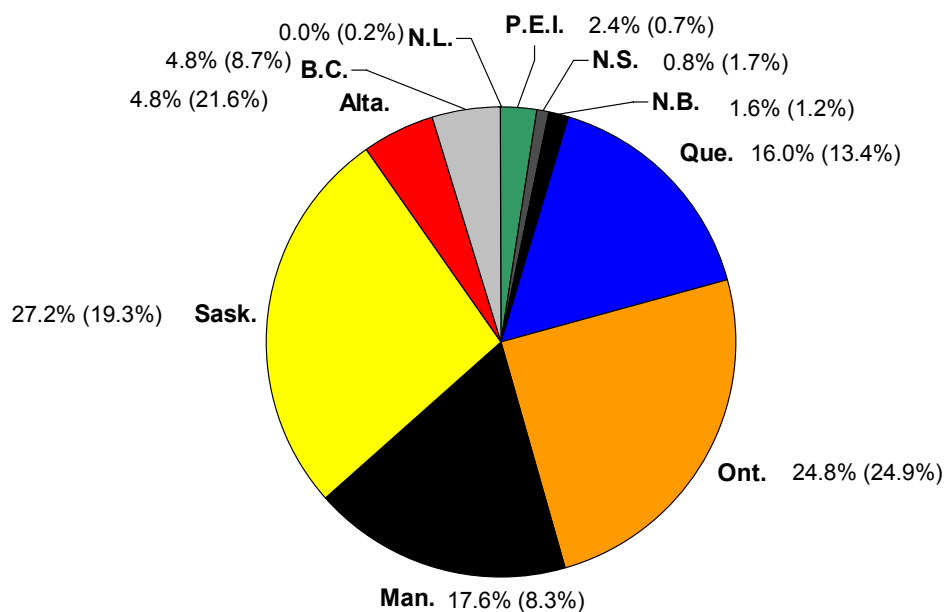
Source: Statistics Canada, Catalogue No. 21-014-XIE, Agriculture Economic Statistics, May 2009.

Table B.2: Farm Bankruptcies by Province, 1995-2009

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	NWT/ Yukon	Canada
1995	1	0	8	5	33	23	10	94	87	12	0	273
1996	0	0	5	4	54	17	24	95	75	1	0	275
1997	0	4	6	4	54	15	19	76	61	4	0	243
1998	0	1	4	1	47	12	27	92	55	5	0	244
1999	0	1	2	2	42	17	29	99	45	6	0	243
2000	0	1	4	2	40	20	18	76	38	14	0	213
2001	1	2	4	0	57	23	19	64	44	6	0	220
2002	0	2	1	4	28	30	41	50	32	9	0	197
2003	0	1	4	1	46	22	28	59	46	15	0	222
2004	0	6	3	2	31	34	27	64	56	4	0	227
2005	0	3	0	2	33	25	26	75	66	6	0	236
2006	0	6	1	4	37	29	36	79	16	8	0	216
2007	1	2	3	3	30	21	14	49	15	1	0	139
2008	0	3	1	2	20	31	22	34	6	6	0	125
2009 (jan.-july)	0	1	5	0	6	16	10	11	7	3	1	54

Source: Office of the Superintendent of Bankruptcy.

Note: Starting in 2004 statistics are reported based on the North American Industry Classification rather than the Standard Industrial Classification.

Figure B.2: Distribution of Farm Bankruptcies by Province, 2008


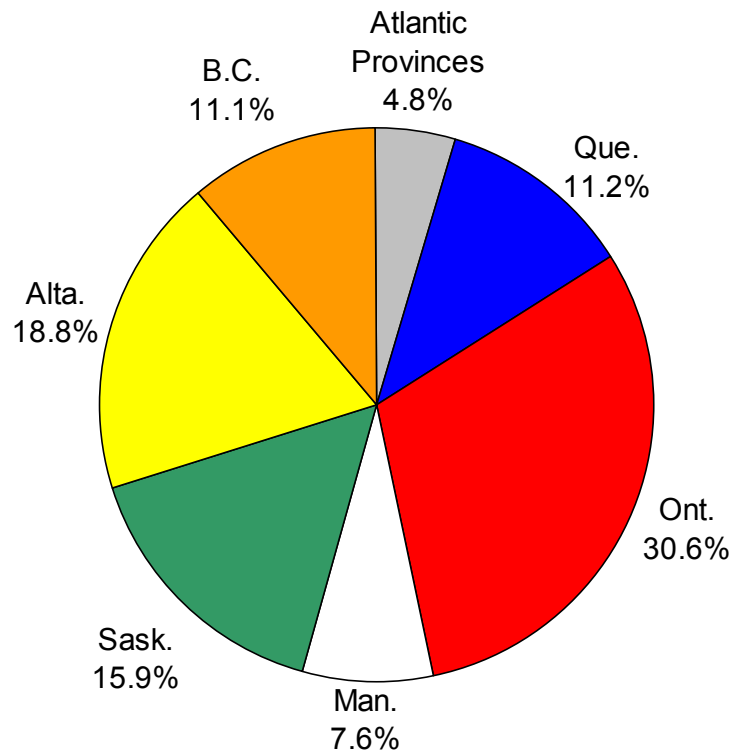
Sources: Office of the Superintendent of Bankruptcy and Statistics Canada, 2006 Census of Agriculture.

Note: The percent of farms by province in 2006 is indicated in brackets. It is based on the 2006 Census of Agriculture.

Table B.3: Farm Credit Canada (FCC) Loans Receivable Portfolio, 2003-04 to 2008-09

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Number of loans receivable	87,423	90,492	95,768	101,470	98,066	106,867
Amount receivable (\$million)	10,039	11,150	12,310	13,550	14,992	17,098
Number of loans approved	26,529	27,948	28,634	28,684	32,561	31,037
Amount of loans approved (\$million)	2,862	3,067	3,317	3,715	4,285	5,068
Average size of loans approved (\$)	107,871	109,747	115,852	129,504	131,600	163,302

Source: Farm Credit Canada.

Figure B.3: Distribution of the Amount of FCC Loans Receivable, by Province, as of March 31, 2008

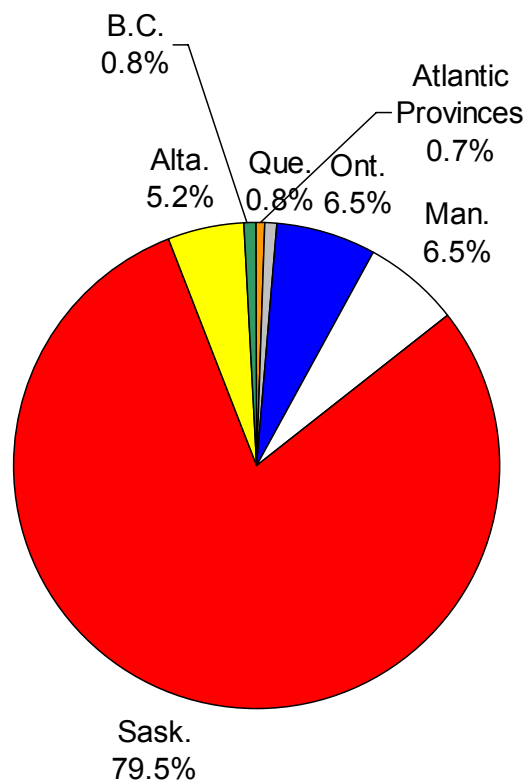
Source: Farm Credit Canada.

Table B.4: New Loans Registered Under the Farm Improvement and Marketing Cooperatives Loans Act (FIMCLA), 2001-02 to 2008-09

	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
Number of new loans registered	4,722	3,155	2,829	2,128	1,803	2,197	1,740	1,803
Amount of new loans registered (\$000s)	160,425	105,601	105,095	74,472	63,901	83,601	74,472	63,901
Average size of new loans registered (\$)	33,974	33,471	37,149	34,996	35,442	50,257	42,967	35,442

Source: For 2001-2002 and 2002-03, Agriculture and Agri-Food Canada Performance Report. For 2003-04 to 2008-09 FIMCLA Administration, National Marketing Programs Division Agriculture and Agri-Food Canada.

Figure B.4: Distribution of the Amount of New Loans Registered under FIMCLA, by Province, Fiscal Year 2007



Source: FIMCLA Administration, National Marketing Programs Division, Agriculture and Agri-Food Canada.

Table B.5: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2005, 2006 and 2007

	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
CANADA								
Farm Assets								
- 2005	2,743,915	892,635	2,097,375	3,106,570	1,256,595	2,912,255	1,163,000	1,283,380
- 2006	2,882,575	977,323	2,091,242	3,590,813	1,371,278	3,267,074	1,235,340	1,355,517
- 2007	3,131,425	1,007,173	2,058,978	3,576,187	1,276,717	3,697,566	1,413,198	1,455,158
Farm Debt								
- 2005	684,010	134,760	588,515	548,395	257,810	792,170	196,095	247,435
- 2006	679,553	145,538	604,604	687,174	242,004	898,667	205,802	252,981
- 2007	806,847	153,437	737,740	753,188	243,744	972,647	206,521	265,776
Net Worth								
- 2005	2,059,905	757,875	1,508,860	2,558,175	998,785	2,120,085	966,905	1,035,945
- 2006	2,203,021	831,785	1,486,638	2,903,639	1,129,274	2,368,407	1,029,538	1,102,537
- 2007	2,324,578	853,736	1,321,239	2,822,999	1,032,973	2,724,919	1,206,677	1,189,383
Net New Investment								
- 2005	96,020	16,080	96,645	63,010	40,185	78,150	31,105	35,665
- 2006	x	x	x	x	x	x	x	x
- 2007	101,036	17,418	85,621	128,611	45,034	150,552	43,157	44,893
ATLANTIC								
Farm Assets								
- 2005	2,626,105	537,065	1,075,610	2,070,550	584,595	2,600,000	971,140	1,222,500
- 2006	2,860,939	530,886	947,203	2,382,519	674,938	2,589,132	1,019,455	1,242,363
- 2007	2,954,218	576,574	1,071,906	2,945,024	548,332	2,807,854	1,025,133	1,509,370
Farm Debt								
- 2005	585,955	70,690	455,750	419,685	119,045	782,235	170,335	282,380
- 2006	771,915	63,840	369,070	491,098	113,265	801,217	195,874	307,880
- 2007	860,221	112,567	534,602	674,958	184,552	999,393	317,718	530,565
Net Worth								
- 2005	2,040,150	466,375	619,860	1,650,865	465,550	1,817,650	800,805	940,120
- 2006	2,089,024	467,045	578,133	1,891,421	561,674	1,787,915	823,582	934,483
- 2007	2,174,284	508,399	616,504	2,397,761	445,449	1,883,684	762,670	1,127,865
Net New Investment								
- 2005	77,300	9,655	39,005	70,940	20,355	73,605	27,575	35,355
- 2006	x	x	x	x	x	x	x	x
- 2007	91,170	12,881	94,738	103,376	36,194	130,752	41,215	65,229

Source: Statistics Canada and Agriculture and Agri-Food Canada, Farm Financial Survey.

Table B.5: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2005, 2006 and 2007 (cont'd)

	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
QUEBEC								
Farm Assets								
- 2005	2,213,235	578,495	1,260,870	3,180,535	954,435	2,571,465	1,246,720	1,344,395
- 2006	2,176,860	702,065	1,321,283	3,769,439	1,017,812	2,647,029	1,353,863	1,410,626
- 2007	2,412,444	661,314	1,270,860	3,474,523	902,933	1,638,110	1,220,714	1,353,078
Farm Debt								
- 2005	606,675	129,700	537,870	581,045	273,980	667,835	298,135	356,920
- 2006	572,551	172,894	567,218	687,786	288,624	691,201	346,352	370,966
- 2007	716,366	176,926	573,112	656,950	239,631	457,905	276,782	371,122
Net Worth								
- 2005	1,606,560	448,795	723,000	2,599,490	680,455	1,903,630	948,585	987,475
- 2006	1,604,309	529,171	754,065	3,081,653	729,188	1,955,828	1,007,512	1,039,660
- 2007	1,696,078	484,388	697,748	2,817,572	663,302	1,180,205	943,932	981,956
Net New Investment								
- 2005	81,270	15,675	41,285	96,755	40,020	42,745	20,040	41,545
- 2006	x	x	x	x	x	x	x	x
- 2007	91,205	21,449	41,162	70,816	32,023	21,396	21,396	54,016
ONTARIO								
Farm Assets								
- 2005	2,819,745	765,045	1,700,490	3,131,945	1,340,925	1,928,245	1,247,380	1,416,105
- 2006	3,068,668	877,806	1,874,645	3,389,344	1,397,728	3,540,355	1,223,514	1,470,471
- 2007	3,324,902	906,628	1,887,915	3,533,501	1,245,789	5,230,182	1,333,320	1,543,341
Farm Debt								
- 2005	674,960	99,600	538,775	562,510	271,425	456,690	168,655	270,490
- 2006	619,960	106,961	551,159	664,177	247,881	794,046	157,065	264,080
- 2007	725,676	116,349	786,897	815,976	259,770	715,870	195,145	298,698
Net Worth								
- 2005	2,144,785	665,445	1,161,715	2,569,435	1,069,500	1,471,355	1,078,725	1,145,615
- 2006	2,448,709	770,846	1,323,486	2,725,167	1,149,847	2,746,308	1,066,448	1,206,391
- 2007	2,599,226	790,280	1,101,018	2,717,525	986,020	4,514,312	1,138,176	1,244,643
Net New Investment								
- 2005	87,915	12,990	70,560	37,575	42,595	20,845	30,205	37,900
- 2006	x	x	x	x	x	x	x	x
- 2007	183,039	14,224	52,194	183,039	43,484	288,650	22,024	43,969

Source: Statistics Canada and Agriculture and Agri-Food Canada, Farm Financial Survey.

Table B.5: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2005, 2006 and 2007 (cont'd)

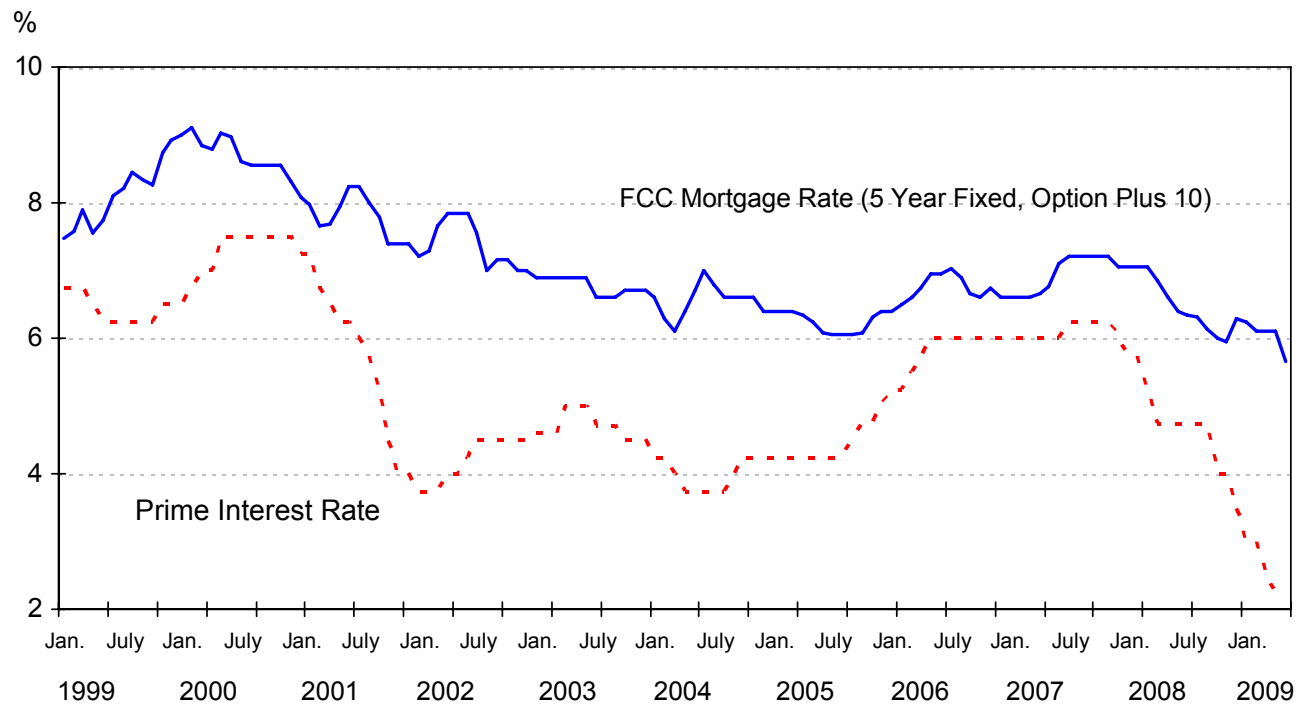
	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
MANITOBA								
Farm Assets								
- 2005	2,658,580	608,390	3,150,390	1,729,280	x	6,247,600	1,139,405	1,081,520
- 2006	3,181,568	633,369	2,840,604	2,168,956	2,549,250	9,397,203	1,242,705	1,108,669
- 2007	3,599,224	600,809	3,865,418	2,713,186	1,006,876	9,646,205	1,458,312	1,315,231
Farm Debt								
- 2005	691,770	102,790	761,070	266,985	x	1,705,465	229,920	224,820
- 2006	821,870	137,245	785,179	384,221	381,921	2,971,761	262,214	248,345
- 2007	1,076,888	98,009	1,075,954	578,686	868,570	2,523,033	278,882	266,944
Net Worth								
- 2005	1,966,810	505,595	2,389,320	1,462,295	x	4,542,135	909,485	856,700
- 2006	2,359,698	496,123	2,055,425	1,784,734	2,167,329	6,425,441	980,491	860,324
- 2007	2,522,336	502,800	2,789,464	2,134,499	x	7,123,172	1,179,430	1,048,287
Net New Investment								
- 2005	135,370	10,215	191,905	31,960	x	257,645	31,960	32,280
- 2006	x	x	x	x	x	x	x	x
- 2007	148,098	5,988	186,557	122,994	46,050	584,931	46,861	44,705
SASKATCHEWAN								
Farm Assets								
- 2005	3,515,325	642,940	6,249,440	x	x	x	913,875	853,230
- 2006	3,301,043	676,151	3,037,839	4,289,734	614,986	2,359,639	950,674	889,386
- 2007	4,329,821	724,954	4,082,301	5,875,953	x	x	1,188,333	1,086,731
Farm Debt								
- 2005	1,314,450	115,430	986,445	x	x	x	179,230	163,865
- 2006	790,915	124,300	676,644	1,086,766	52,725	856,281	183,556	171,835
- 2007	1,290,445	132,480	971,445	1,276,997	x	x	176,889	172,853
Net Worth								
- 2005	2,200,875	527,510	5,263,000	x	x	x	734,645	689,365
- 2006	2,510,128	551,852	2,361,195	3,202,967	562,261	1,503,358	767,118	717,551
- 2007	3,039,375	592,474	3,110,856	4,598,956	x	x	1,011,444	913,878
Net New Investment								
- 2005	157,140	9,980	380,075	x	x	x	28,400	25,025
- 2006	x	x	x	x	x	x	x	x
- 2007	61,026	14,796	143,876	201,347	71,724	x	47,136	39,306

Source: Statistics Canada and Agriculture and Agri-Food Canada, Farm Financial Survey.

Table B.5: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2005, 2006 and 2007 (cont'd)

	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
ALBERTA								
Farm Assets								
- 2005	5,037,620	1,294,905	4,454,650	3,374,840	x	4,609,075	1,519,530	1,470,915
- 2006	5,571,000	1,365,882	5,758,599	4,534,174	3,176,009	4,197,787	1,824,998	1,611,095
- 2007	5,662,553	1,376,507	3,332,089	3,508,198	x	6,566,875	1,987,874	1,692,647
Farm Debt								
- 2005	1,160,150	187,570	708,500	670,995	x	1,378,595	205,450	216,175
- 2006	1,247,141	183,555	832,457	1,079,108	586,216	1,135,199	232,920	217,896
- 2007	1,486,572	206,691	751,609	860,789	x	1,676,954	218,732	225,954
Net Worth								
- 2005	3,877,470	1,107,335	3,746,150	2,703,845	x	3,230,480	1,314,080	1,254,740
- 2006	4,323,859	1,182,326	4,926,142	3,455,065	2,589,794	3,062,588	1,592,077	1,393,198
- 2007	4,175,981	1,169,817	2,580,480	2,647,409	x	4,889,921	1,769,142	1,466,693
Net New Investment								
- 2005	200,320	23,565	221,235	183,100	x	138,960	39,560	38,765
- 2006	x	x	x	x	x	x	x	x
- 2007	129,184	23,321	33,271	153,008	39,378	325,629	60,862	45,644
BRITISH COLUMBIA								
Farm Assets								
- 2005	6,252,155	1,057,910	2,681,810	3,823,055	1,748,255	4,707,180	1,437,525	1,909,620
- 2006	7,257,767	1,358,190	2,041,138	4,396,328	1,863,507	3,652,818	1,981,602	2,136,005
- 2007	7,794,376	1,481,246	3,861,898	3,950,161	1,999,421	5,449,355	1,691,263	2,259,054
Farm Debt								
- 2005	1,122,605	103,035	619,190	612,315	292,710	303,730	227,930	328,430
- 2006	1,678,489	126,576	493,622	705,107	254,385	340,227	212,098	344,415
- 2007	1,675,265	118,743	731,063	693,010	306,943	339,802	159,818	350,539
Net Worth								
- 2005	5,129,550	954,875	2,062,620	3,210,740	1,455,545	4,403,450	1,205,600	1,581,190
- 2006	5,579,278	1,231,614	1,547,516	3,691,221	1,609,122	3,312,591	1,769,504	1,791,591
- 2007	6,119,110	1,362,503	3,130,836	3,257,151	1,692,477	5,109,553	1,531,445	1,908,515
Net New Investment								
- 2005	217,510	19,730	132,350	44,380	46,020	107,975	43,490	46,360
- 2006	x	x	x	x	x	x	x	x
- 2007	214,806	19,268	18,703	56,397	52,159	126,432	34,424	52,871

Source: Statistics Canada and Agriculture and Agri-Food Canada, Farm Financial Survey.

Figure B.5: FCC Mortgage Rate and Prime Interest Rate, 1999-2009

Sources: Farm Credit Canada (FCC) and Bank of Canada Review.

Table B.6: Comparison of Selected Average Fertilizer and Fuel Prices Between Manitoba and Minnesota/North Dakota, 2008 and 2009

	Manitoba		Minnesota/North Dakota	
	Summer 08	Summer 09	Summer 08	Summer 09
Nitrogen (Cdn\$/tonne)				
Anhydrous Ammonia (82-0-0)	1,312.31	847.67	1,268.05	792.06
Urea (46-0-0)	854.12	453.89	804.31	503.75
Phosphate (Cdn\$/tonne)				
MAP (11-52-0)	1,401.25	578.31	1,381.42	660.72
Potash (Cdn\$/tonne)				
Potash (0-0-60)	684.44	963.11	821.11	932.21
Fuel (Cdn¢/litre)				
Diesel	122.8	79.8	114.4	69.3
Gasoline (regular unleaded)	121.9	92.5	108.4	80.5

Source: The Thomsen Corporation

Table B.7: Comparison of Selected Average Fertilizer and Fuel Prices Between Ontario and Michigan/Ohio/Indiana, 2008 and 2009

	Ontario		Michigan/Ohio/Indiana	
	June 18, 2008	June 10, 2009	June 18, 2008	June 10, 2009
Nitrogen (Cdn\$/tonne)				
Anhydrous Ammonia (82-0-0)	1,096.96	1,062.50	1,052.05	788.45
Urea (46-0-0)	726.31	759.96	781.31	576.84
Nitrogen Solution (UAN, 28%)	465.50	478.36	491.30	387.50
Ammonium Nitrate	566.11	721.31	670.88	-
Phosphate (Cdn\$/tonne)				
MAP (11-52-0)	1,179.99	1,099.18	1,288.03	717.70
DAP (18-46-0)	907.43	1,056.25	1,214.95	703.78
Triple Super (0-46-0)	972.57	1,305.80	1,072.91	712.79
Potash (Cdn\$/tonne)				
Potash (0-0-60)	656.37	1073.86	752.47	1,012.96
Fuel (Cdn¢/litre)				
Diesel	129.1	77.0	116.6	67.0
Gasoline (regular unleaded)	128.1	94.0	110.1	85.0

Source: Ridgetown College, University of Guelph

Table B.8: Agricultural Inputs, Canada, 2004-2008

	2004	2005	2006	2007	2008
	(\$000)				
Machinery Operating Costs	3,756,113	4,134,136	4,276,318	4,498,095	5,147,900
Commercial Feed	4,615,375	4,134,003	4,097,993	4,813,781	5,541,227
Cash Wages, Room and Board	3,746,363	3,848,080	3,985,796	4,098,318	4,240,151
Fertilizer and Lime	2,436,812	2,489,961	2,610,776	3,201,313	4,678,839
Interest	2,219,782	2,283,157	2,650,054	2,945,978	2,825,578
Rent	1,301,207	1,305,313	1,331,299	1,466,017	1,731,912
Pesticides	1,694,749	1,757,561	1,787,729	1,923,586	1,998,329
Livestock Purchases	1,151,296	1,511,535	1,492,908	1,251,441	1,241,314
Commercial Seed	1,109,228	1,130,502	1,155,958	1,274,400	1,412,152
Building and Fence Repairs	710,630	736,496	751,474	768,974	762,162
Electricity	688,002	713,983	752,239	814,615	826,512
Property Taxes	549,681	536,340	515,408	521,778	541,651
Crop and Hail Insurance	525,524	507,226	504,539	600,910	812,616
Business Insurance	651,666	673,739	693,487	732,237	755,109
A.I. Fees and Veterinary	646,820	665,928	693,860	709,756	723,242
Other*	3,604,208	3,703,017	3,889,615	4,122,537	4,255,097
Depreciation	4,612,596	4,800,556	4,848,573	5,021,122	5,209,460
Total Expenses	34,020,052	34,931,533	36,038,026	38,764,858	42,703,251

Source: Statistics Canada, Catalogue No. 21-012-XIE, Agriculture Economic Statistics, May 2009.

Note: Input expenses are net of government rebates.

*Includes: Stabilization premiums; heating fuel; twine, wire and containers; telephone; irrigation; custom work; and other expenses.

Methodology for Farm Financial Conditions

Table B.1: Farm Debt and Figure B.1: Lender Shares as a Percentage of Farm Debt

Farm debt and lender share information is from data published by the Agriculture Division of Statistics Canada in Catalogue No. 21-014-XIE, Agriculture Economic Statistics.

Table B.2: Farm Bankruptcies and Figure B.2: Distribution of Farm Bankruptcies

Bankruptcies are only one form of financial failure and the bankruptcy statistics represent a small part of the total number of farmers who leave agriculture because of financial difficulties.

Bankruptcy data are collected and reported monthly by the Office of the Superintendent of Bankruptcy.

Table B.3: Farm Credit Canada (FCC) Loans Receivable Portfolio and Figure B.3: Distribution of the Amount of FCC Loans Receivable

FCC information on total loans receivable and loans approved is from the FCC 2008-09 Annual Report. Information on the provincial distribution of total loans receivable is from FCC.

Table B.4: New Loans Registered Under the FIMCLA and Figure B.4: Distribution of the Amount of New Loans Registered under FIMCLA

Data on new loans registered under the Farm Improvement and Marketing Cooperatives Loans Act (FIMCLA), the Agriculture and Agri-Food Canada Departmental Performance Reports for 2001-02 to 2002-03; and from FIMCLA Administration for 2003-04 and 2008-09. Data on the Distribution of the Amount of New Loans Registered Under FIMCLA, by Province, were provided by the FIMCLA Administration.

Table B.5: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type

Per farm information on farm assets, farm debt, net worth, and net new investment is from the Farm Financial Survey. The Farm Financial Survey is conducted by Statistics Canada for Agriculture and Agri-Food Canada every year and collects data from a sample of farms with annual gross revenues over \$10,000.

Net new investment is measured by gross capital investment less capital sales.

Figure B.5: FCC Mortgage Rate and Prime Interest Rate

The prime interest rate in Canada is reported in the Bank of Canada Review (or at www.bank-banque-canada.ca). The FCC five-year fixed mortgage rate (option plus 10) is reported by Farm Credit Canada.

Tables B.6 and B.7: Selected Average Fertilizer and Fuel Prices

The information on fertilizer prices is provided for Manitoba and Ontario along with comparisons to adjacent U.S. states, by private consultants on contract to Agriculture and Agri-Food Canada.

Table B.8: Agricultural Inputs

Input expenses are reported net of government rebates. The rebates reduce some farm input costs. Inter-farm purchases are excluded.

For a detailed description of methodology, please refer to Agriculture Economic Statistics, Statistics Canada, Catalogue No. 21-012-XIE.



SECTION C

Government Expenditures in Support of the Agri-Food Sector

Table C.1: Federal and Provincial Government Expenditures in Support of the Agri-Food Sector, Canada and Provinces, 2002-03 to 2009-10

Allocated		2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10 Forecast
		(\$ 000)							
N.L.	Federal	8,289	6,950	11,622	14,035	8,989	12,574	9,924	14,475
	Provincial	10,532	14,229	10,713	14,872	15,485	18,121	17,339	29,476
	% Fed.	44.04	32.81	52.03	48.55	36.73	40.96	36.40	32.93
P.E.I.	Federal	46,021	40,396	46,280	31,086	40,817	37,581	43,060	62,218
	Provincial	29,804	34,463	38,770	31,852	28,268	43,137	33,417	31,026
	% Fed.	60.69	53.96	54.42	49.39	59.08	46.56	56.30	66.73
N.S.	Federal	31,188	41,195	34,938	35,587	40,916	39,245	29,215	51,764
	Provincial	40,672	42,934	49,037	47,333	45,628	66,064	56,776	55,147
	% Fed.	43.40	48.97	41.61	42.92	47.28	37.27	33.97	48.42
N.B.	Federal	30,637	48,112	45,854	33,109	46,819	53,804	32,930	52,400
	Provincial	22,610	23,096	31,962	26,574	25,667	30,675	33,246	29,541
	% Fed.	57.54	67.57	58.93	55.47	64.59	63.69	49.76	63.95
Que.	Federal	330,842	589,534	523,602	537,417	529,269	650,558	339,703	561,318
	Provincial	670,114	704,003	708,706	844,547	937,572	922,315	1,082,829	1,058,679
	% Fed.	33.05	45.58	42.49	38.89	36.08	41.36	23.88	34.65
Ont.	Federal	588,620	845,350	668,650	796,385	762,065	903,845	878,700	996,820
	Provincial	424,849	455,240	579,508	540,901	513,204	719,405	455,428	660,077
	% Fed.	58.08	65.00	53.57	59.55	59.76	55.68	65.86	60.16
Man.	Federal	415,637	512,982	469,310	604,275	519,005	552,679	312,068	526,675
	Provincial	179,213	273,550	204,798	300,319	248,121	290,031	274,962	271,906
	% Fed.	69.87	65.22	69.62	66.80	67.66	65.58	53.16	65.95
Sask.	Federal	870,165	1,272,169	986,886	1,147,828	1,073,796	865,976	645,144	842,266
	Provincial	393,007	427,519	458,874	489,963	421,240	331,289	434,113	536,716
	% Fed.	68.89	74.85	68.26	70.08	71.82	72.33	59.78	61.08
Alta.	Federal	767,092	1,492,378	891,659	1,054,875	924,598	751,748	730,877	910,691
	Provincial	883,945	975,929	826,089	868,557	967,859	640,895	1,065,854	754,063
	% Fed.	46.46	60.46	51.91	54.84	48.86	53.98	40.68	54.70
B.C.	Federal	101,778	198,637	238,122	160,720	201,867	215,861	150,206	186,744
	Provincial	75,983	61,784	80,408	61,992	73,889	100,947	81,747	72,440
	% Fed.	57.26	76.28	74.76	72.16	73.21	68.14	64.76	72.05
Others	Federal	320,697	392,882	422,035	437,051	473,870	434,822	619,301	667,408
	Provincial	-	-	-	-	-	-	-	-
	% Fed.	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Canada	Federal	3,510,966	5,440,586	4,338,960	4,852,368	4,622,011	4,518,694	3,791,127	4,872,779
	Provincial	2,730,728	3,012,749	2,988,865	3,226,911	3,276,933	3,162,880	3,535,710	3,499,070
	% Fed.	56.25	64.36	59.21	60.06	58.51	58.83	51.74	58.20

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

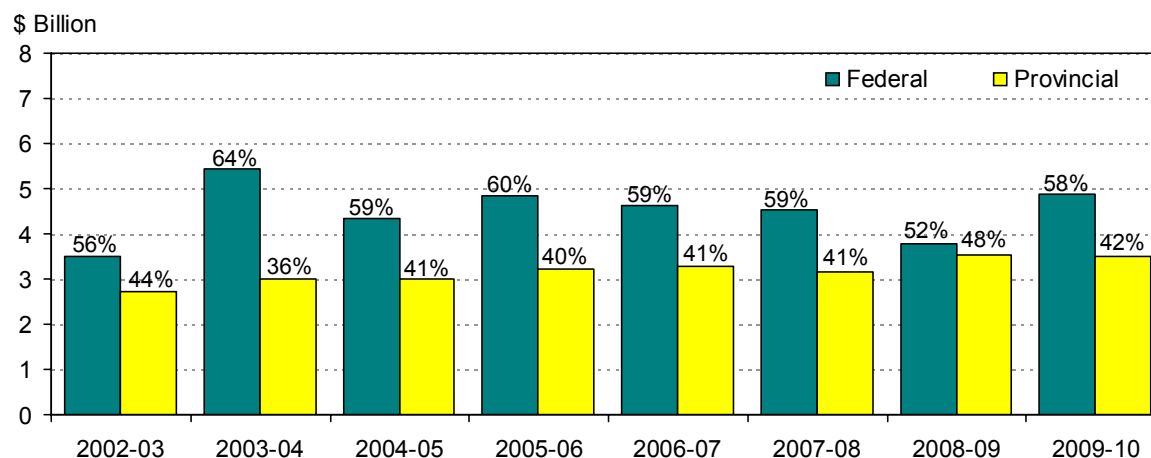
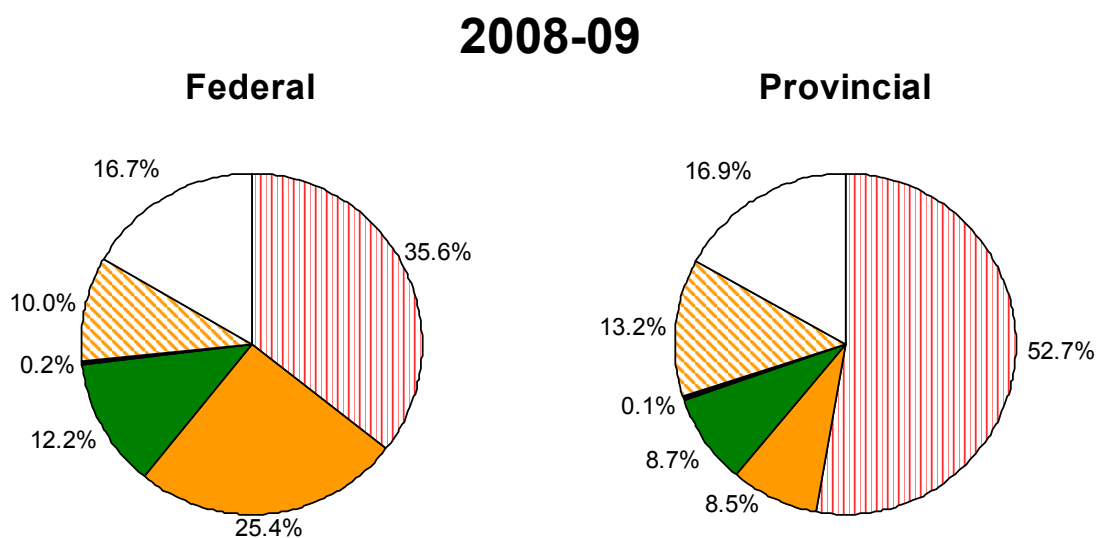
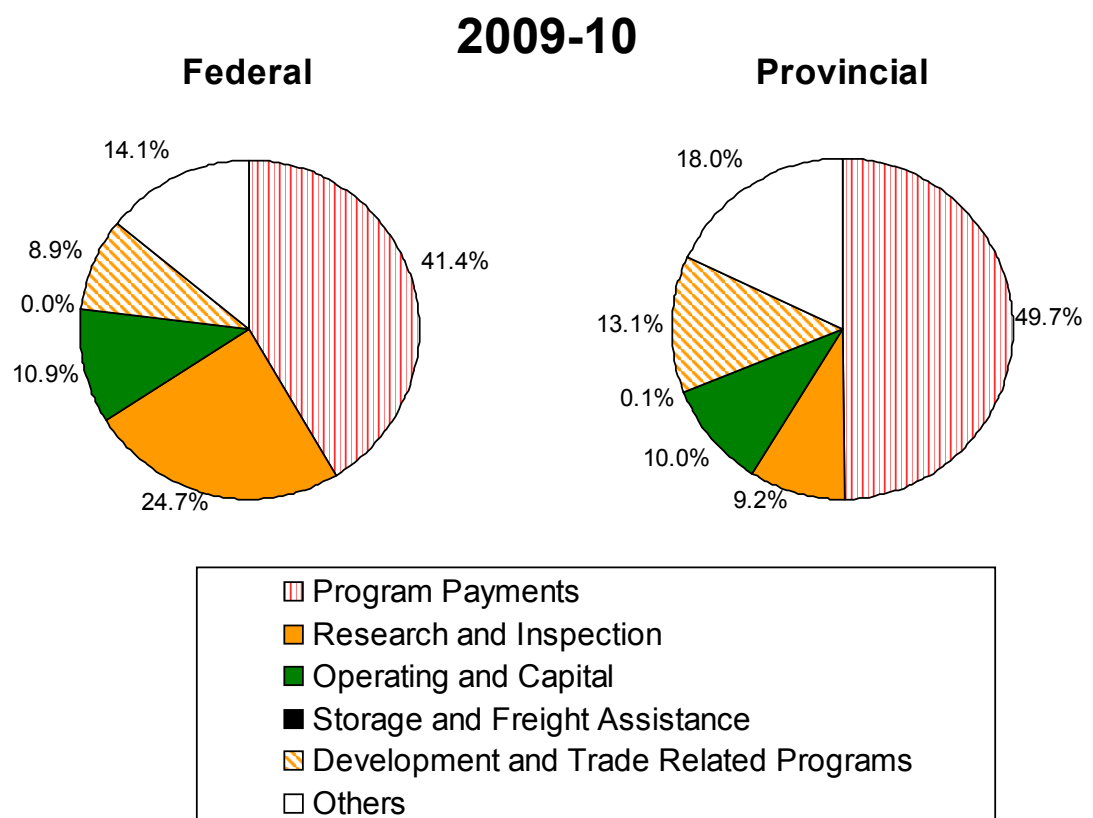
Figure C.1: Federal and Provincial Government Expenditures in Support of the Agri-Food Sector, Canada and Provinces, 2002-03 to 2009-10

Figure C.2: Federal and Provincial Government Expenditures by Major Category



Program payments include income support and stabilization, ad hoc and cost reduction, production insurance and financing assistance programs.

Research and inspection include administration (e.g. salaries) and capital expenditures, and grants and contributions.

Operating and capital include general administration and management, policy, information and statistical services.

Storage and freight assistance include program payments for storage and freight.

Development and trade related programs include administration and capital expenditures, and grants and contributions for regional development, marketing and trade and environment.

Others include food aid and international assistance, extension, education, social program payments and tax expenditures.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2006-07 to 2009-10

	PROVINCIAL				FEDERAL			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
	(\$000)							
CANADA								
A. Operating Expenditures	663,295	712,617	807,214	830,073	1,520,814	1,560,470	1,501,720	1,634,981
B. Capital Expenditures	108,284	89,535	127,019	116,128	55,520	54,825	58,649	105,443
C. Program Expenditures	2,208,762	2,256,724	2,538,814	2,317,216	3,254,461	3,087,761	2,402,657	3,163,810
c.1 Income Support & Stabilization	1,303,567	1,143,429	1,518,469	1,300,468	1,951,241	1,200,399	528,505	833,805
c.2 Ad Hoc and Cost Reduction	50,900	95,785	48,331	33,559	100,870	449,750	352,311	221,605
c.3 Production Insurance	303,890	270,081	365,672	394,041	285,301	344,611	493,243	506,129
c.4 Financing Assistance	70,387	126,959	93,941	85,828	38,026	60,578	35,148	470,698
c.5 Storage and Freight	6,210	2,189	1,950	2,381	1,132	-	6,120	-
c.6 Social and Labour	19,924	20,265	28,857	22,525	864	833	642	864
c.7 Research	88,107	168,594	108,624	119,189	79,397	78,846	22,038	70,976
c.8 Food Inspection	51,693	69,336	37,850	42,139	19,807	97,521	72,847	97,071
c.9 Food Aid	-	-	-	-	471,352	432,435	618,528	666,899
c.10 Marketing and Trade	25,181	46,219	31,321	46,249	90,602	74,592	48,902	111,822
c.11 Rural and Regional Development	87,752	83,981	65,828	56,216	77,135	72,707	85,543	95,692
c.12 Environment	52,160	51,854	62,321	47,645	99,647	201,134	97,826	66,566
c.13 Education	121,454	144,236	136,969	132,316	98	167	78	-
c.14 Extension	27,538	33,797	38,680	34,660	38,989	74,189	40,927	21,683
D. Tax Expenditures	467,212	387,284	375,493	390,216	-	-	-	-
Sub-Total Gross Expenditures	3,447,554	3,446,161	3,848,539	3,653,634	4,830,795	4,703,055	3,963,027	4,904,234
Recoveries	(170,621)	(283,281)	(312,829)	(154,564)	(208,784)	(184,362)	(171,900)	(31,456)
Total Net Expenditures	3,276,933	3,162,880	3,535,710	3,499,070	4,622,011	4,518,694	3,791,127	4,872,779
NEWFOUNDLAND AND LABRADOR								
A. Operating Expenditures	8,639	8,516	8,856	10,355	4,217	4,297	4,176	4,543
B. Capital Expenditures	1,425	2,431	2,076	4,090	157	157	161	296
C. Program Expenditures	5,421	7,174	6,408	15,031	5,207	8,648	6,076	9,725
c.1 Income Support & Stabilization	119	79	261	239	274	416	480	940
c.2 Ad Hoc and Cost Reduction	2,034	2,090	2,133	5,855	(3)	181	(1)	132
c.3 Production Insurance	124	29	27	35	62	43	38	39
c.4 Financing Assistance	-	-	-	-	3	1	14	94
c.5 Storage and Freight	168	384	173	-	-	-	-	-
c.6 Social and Labour	-	-	-	-	10	3	-	2
c.7 Research	439	595	277	456	553	2,143	474	1,131
c.8 Food Inspection	50	50	483	3,276	70	272	323	1,293
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	1,379	2,636	1,578	3,562	221	552	363	1,003
c.11 Rural and Regional Development	-	-	-	-	3,393	3,315	3,570	3,115
c.12 Environment	285	387	180	325	556	1,547	652	1,537
c.13 Education	701	724	1,155	1,142	12	101	78	-
c.14 Extension	122	200	141	140	55	72	85	440
D. Tax Expenditures	-	-	-	-	-	-	-	-
Sub-Total Gross Expenditures	15,485	18,121	17,339	29,476	9,581	13,103	10,413	14,564
Recoveries	-	-	-	-	(591)	(529)	(488)	(89)
Total Net Expenditures	15,485	18,121	17,339	29,476	8,989	12,574	9,924	14,475

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Note: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2006-07 to 2009-10 (cont'd)

	PROVINCIAL				FEDERAL			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
	(\$000)							
PRINCE EDWARD ISLAND								
A. Operating Expenditures	7,373	7,949	7,561	9,689	15,440	15,441	14,439	15,697
B. Capital Expenditures	-	141	141	500	571	554	561	1,020
C. Program Expenditures	18,926	33,079	23,746	21,828	26,952	23,451	29,740	45,809
c.1 Income Support & Stabilization	4,490	4,580	3,748	5,091	16,586	4,442	11,806	6,579
c.2 Ad Hoc and Cost Reduction	450	3,581	6,133	1,068	(33)	4,337	7,799	16,726
c.3 Production Insurance	3,036	3,098	3,960	5,013	3,984	3,459	4,185	4,294
c.4 Financing Assistance	911	6,808	1,359	930	671	1,893	497	8,639
c.5 Storage and Freight	5	-	-	400	-	-	-	-
c.6 Social and Labour	-	-	8	10	-	-	-	8
c.7 Research	2,402	2,391	2,516	1,904	170	485	61	1,234
c.8 Food Inspection	623	2,899	508	1,172	306	1,556	370	1,903
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	2,880	5,542	1,301	938	161	203	235	1,428
c.11 Rural and Regional Development	-	-	-	-	3,289	4,031	2,824	3,115
c.12 Environment	65	23	175	1,247	1,372	2,252	1,437	1,447
c.13 Education	3,597	3,787	3,119	3,671	-	-	-	-
c.14 Extension	467	371	921	384	445	793	528	435
D. Tax Expenditures	1,968	1,968	1,968	1,968	-	-	-	-
Sub-Total Gross Expenditures	28,268	43,137	33,417	33,986	42,963	39,446	44,741	62,526
Recoveries	-	-	-	(2,960)	(2,146)	(1,865)	(1,681)	(308)
Total Net Expenditures	28,268	43,137	33,417	31,026	40,817	37,581	43,060	62,218
NOVA SCOTIA								
A. Operating Expenditures	13,186	13,923	15,794	15,661	20,329	19,458	18,047	19,611
B. Capital Expenditures	847	786	697	539	749	708	711	1,279
C. Program Expenditures	30,251	50,066	38,952	37,625	22,655	21,461	12,566	31,261
c.1 Income Support & Stabilization	5,596	3,471	2,315	1,719	13,206	5,207	1,689	9,321
c.2 Ad Hoc and Cost Reduction	285	520	235	279	(13)	2,975	402	1,163
c.3 Production Insurance	234	279	297	215	394	438	277	284
c.4 Financing Assistance	2,447	15,544	5,325	4,600	87	164	42	10,152
c.5 Storage and Freight	436	434	695	1,115	-	-	-	-
c.6 Social and Labour	-	-	-	-	30	19	-	11
c.7 Research	1,000	1,131	1,123	1,000	1,816	2,043	1,135	2,367
c.8 Food Inspection	3,854	4,734	3,790	4,058	197	1,254	2,006	2,015
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	333	4,803	3,924	5,137	1,108	1,151	1,210	1,541
c.11 Rural and Regional Development	-	150	-	-	2,814	3,971	3,136	2,644
c.12 Environment	2,032	1,006	3,167	473	2,643	3,328	1,807	1,348
c.13 Education	11,993	15,476	15,668	16,829	-	-	-	-
c.14 Extension	2,041	2,518	2,413	2,200	374	911	862	415
D. Tax Expenditures	1,344	1,290	1,333	1,322	-	-	-	-
Sub-Total Gross Expenditures	45,628	66,064	56,776	55,147	43,734	41,627	31,325	52,151
Recoveries	-	-	-	-	(2,818)	(2,382)	(2,110)	(386)
Total Net Expenditures	45,628	66,064	56,776	55,147	40,916	39,245	29,215	51,764

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Note: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2006-07 to 2009-10 (cont'd)

	PROVINCIAL				FEDERAL			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
	(\$000)							
NEW BRUNSWICK								
A. Operating Expenditures	11,882	12,722	12,892	13,079	18,622	18,393	17,165	18,662
B. Capital Expenditures	792	695	2,625	664	692	668	674	1,217
C. Program Expenditures	11,209	15,374	15,874	14,116	30,108	36,989	17,100	32,888
c.1 Income Support & Stabilization	7,463	6,423	6,597	6,470	19,381	18,740	3,973	9,830
c.2 Ad Hoc and Cost Reduction	-	758	1,907	1,555	557	3,943	425	1,027
c.3 Production Insurance	1,045	1,535	1,727	1,848	1,638	2,301	2,584	2,652
c.4 Financing Assistance	-	-	424	-	514	1,011	474	8,301
c.5 Storage and Freight	200	1,158	-	-	-	-	-	-
c.6 Social and Labour	95	3	3	-	51	12	-	10
c.7 Research	5	0	505	800	1,457	2,144	656	1,275
c.8 Food Inspection	222	183	202	131	71	563	1,829	2,120
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	32	1,934	1,302	300	133	193	309	1,550
c.11 Rural and Regional Development	120	-	28	-	4,155	5,891	5,502	4,240
c.12 Environment	218	1,354	1,044	859	1,968	1,916	1,050	1,441
c.13 Education	1,447	1,590	1,470	1,502	-	-	-	-
c.14 Extension	362	437	666	650	184	274	297	440
D. Tax Expenditures	1,837	1,934	1,883	1,885	-	-	-	-
Sub-Total Gross Expenditures	25,719	30,725	33,274	29,744	49,422	56,049	34,938	52,767
Recoveries	(52)	(50)	(28)	(203)	(2,603)	(2,245)	(2,009)	(368)
Total Net Expenditures	25,667	30,675	33,246	29,541	46,819	53,804	32,930	52,400
QUEBEC								
A. Operating Expenditures	207,673	200,938	207,260	204,297	254,801	258,897	229,798	250,216
B. Capital Expenditures	19,064	17,524	30,625	31,657	9,424	8,946	9,080	16,600
C. Program Expenditures	578,236	660,663	803,377	781,231	300,481	412,799	128,101	299,494
c.1 Income Support & Stabilization	385,664	420,891	577,874	603,433	232,131	262,199	34,693	124,232
c.2 Ad Hoc and Cost Reduction	16,818	20,862	4,998	4,394	147	50,127	6,696	23,187
c.3 Production Insurance	15,293	17,308	17,107	19,452	22,200	24,964	24,036	24,664
c.4 Financing Assistance	48,225	86,376	67,519	40,179	5,581	4,919	5,952	52,556
c.5 Storage and Freight	-	-	-	-	-	-	-	-
c.6 Social and Labour	4,408	2,761	15,823	7,922	688	753	641	137
c.7 Research	12,129	14,614	16,795	19,921	3,758	1,304	2,714	10,407
c.8 Food Inspection	16,778	16,740	18,023	14,929	1,765	19,874	10,280	18,141
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	10,024	12,101	13,835	12,466	3,978	4,859	6,798	16,113
c.11 Rural and Regional Development	2,242	3,074	3,939	2,533	14,074	13,586	12,275	17,300
c.12 Environment	33,499	32,310	30,213	20,848	9,796	16,338	12,839	9,589
c.13 Education	23,393	24,310	23,786	22,293	-	-	-	-
c.14 Extension	9,764	9,315	13,465	12,861	6,364	13,876	11,176	3,167
D. Tax Expenditures	132,600	43,189	41,569	41,494	-	-	-	-
Sub-Total Gross Expenditures	937,572	922,315	1,082,829	1,058,679	564,706	680,643	366,978	566,309
Recoveries	-	-	-	-	(35,437)	(30,084)	(27,276)	(4,991)
Total Net Expenditures	937,572	922,315	1,082,829	1,058,679	529,269	650,558	339,703	561,318

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Note: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2006-07 to 2009-10 (cont'd)

	PROVINCIAL				FEDERAL			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
	(\$000)							
ONTARIO								
A. Operating Expenditures	116,182	137,922	201,087	204,817	376,931	376,893	348,816	379,607
B. Capital Expenditures	3,891	3,742	18,750	11,400	14,086	13,658	13,741	24,951
C. Program Expenditures	390,208	610,360	273,088	406,815	424,020	559,222	556,988	599,737
c.1 Income Support & Stabilization	239,700	324,929	136,839	264,495	295,743	286,225	115,524	168,777
c.2 Ad Hoc and Cost Reduction	4,256	62,204	7,788	7,396	12,021	94,527	302,930	44,943
c.3 Production Insurance	24,044	31,258	33,939	38,750	35,906	49,893	48,496	49,763
c.4 Financing Assistance	3,559	476	145	412	6,189	5,603	4,294	235,945
c.5 Storage and Freight	-	-	-	-	-	-	-	-
c.6 Social and Labour	4,721	6,699	2,306	3,865	41	31	1	205
c.7 Research	40,933	97,777	50,184	45,703	23,577	23,327	8,059	15,233
c.8 Food Inspection	11,330	39,359	11,491	12,600	4,936	26,493	15,534	20,725
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	2,269	3,124	5,326	7,939	5,081	6,168	6,385	24,023
c.11 Rural and Regional Development	41,648	30,500	5,911	10,236	11,499	11,263	28,654	21,671
c.12 Environment	9,084	4,609	7,519	5,827	22,085	42,166	19,306	13,852
c.13 Education	8,200	8,200	5,200	5,200	-	-	-	-
c.14 Extension	464	1,225	6,440	4,393	6,943	13,527	7,805	4,601
D. Tax Expenditures	45,874	33,906	38,717	42,363	-	-	-	-
Sub-Total Gross Expenditures	556,156	785,930	531,642	665,396	815,037	949,773	919,545	1,004,295
Recoveries	(42,952)	(66,524)	(76,214)	(5,319)	(52,972)	(45,928)	(40,846)	(7,474)
Total Net Expenditures	513,204	719,405	455,428	660,077	762,065	903,845	878,700	996,820
MANITOBA								
A. Operating Expenditures	47,524	51,002	51,719	60,234	154,410	156,696	155,876	169,798
B. Capital Expenditures	6,241	4,966	8,124	7,707	5,562	5,480	5,698	10,857
C. Program Expenditures	133,332	170,931	155,295	135,898	379,949	408,931	168,102	349,242
c.1 Income Support & Stabilization	74,280	104,559	67,189	53,718	251,946	197,755	34,224	124,648
c.2 Ad Hoc and Cost Reduction	3,487	1,696	6,465	1,147	22,101	61,318	17,279	45,961
c.3 Production Insurance	28,268	36,781	47,685	45,660	42,572	56,359	73,149	75,060
c.4 Financing Assistance	1,054	588	4,938	833	8,609	8,821	6,113	61,775
c.5 Storage and Freight	-	-	-	-	181	-	6,120	-
c.6 Social and Labour	44	43	43	44	-	6	-	88
c.7 Research	1,201	1,201	2,044	3,490	5,114	18,924	1,899	5,710
c.8 Food Inspection	3,077	2,768	2,043	2,880	5,602	5,733	5,532	10,760
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	1,930	1,585	1,753	1,776	13,169	9,577	5,046	10,251
c.11 Rural and Regional Development	11,146	11,251	11,497	14,243	8,578	8,607	5,007	8,618
c.12 Environment	1,225	1,961	3,374	4,834	18,187	35,640	10,770	4,734
c.13 Education	7,278	8,140	7,868	6,905	-	-	-	-
c.14 Extension	342	360	397	369	3,890	6,192	2,964	1,636
D. Tax Expenditures	64,237	66,959	63,155	71,923	-	-	-	-
Sub-Total Gross Expenditures	251,335	293,859	278,294	275,763	539,921	571,107	329,676	529,896
Recoveries	(3,213)	(3,827)	(3,332)	(3,857)	(20,916)	(18,428)	(17,607)	(3,222)
Total Net Expenditures	248,121	290,031	274,962	271,906	519,005	552,679	312,068	526,675

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Note: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2006-07 to 2009-10 (cont'd)

	PROVINCIAL				FEDERAL			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
	(\$000)							
SASKATCHEWAN								
A. Operating Expenditures	43,805	45,225	61,406	62,400	249,451	274,874	296,054	322,915
B. Capital Expenditures	2,003	2,911	3,672	3,173	8,713	9,279	10,068	20,226
C. Program Expenditures	309,693	266,761	392,201	418,762	848,398	613,027	371,602	505,087
c.1 Income Support & Stabilization	158,776	115,798	182,099	199,600	567,367	230,560	101,738	152,581
c.2 Ad Hoc and Cost Reduction	15,674	54	3,282	3,053	52,947	126,409	2,659	62,208
c.3 Production Insurance	54,554	74,006	113,932	122,537	90,609	111,508	171,476	175,956
c.4 Financing Assistance	11,319	15,132	12,994	31,683	10,911	26,125	11,886	26,281
c.5 Storage and Freight	5,401	213	1,082	866	580	-	-	-
c.6 Social and Labour	71	144	94	85	-	-	-	164
c.7 Research	14,756	13,839	15,281	15,614	37,568	8,756	2,962	14,565
c.8 Food Inspection	9,385	3,168	3,014	3,125	1,821	8,559	12,037	16,791
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	4,826	3,966	1,765	1,627	37,969	28,695	15,209	22,811
c.11 Rural and Regional Development	29,604	36,049	41,778	27,755	13,081	9,693	12,312	14,545
c.12 Environment	3,902	3,278	15,968	12,232	23,420	39,090	32,720	14,537
c.13 Education	398	291	389	-	86	66	-	-
c.14 Extension	1,027	822	525	587	12,038	23,565	8,603	4,649
D. Tax Expenditures	111,640	128,623	126,084	123,613	-	-	-	-
Sub-Total Gross Expenditures	467,141	443,520	583,363	607,948	1,106,562	897,179	677,724	848,228
Recoveries	(45,901)	(112,231)	(149,250)	(71,232)	(32,766)	(31,204)	(32,580)	(5,962)
Total Net Expenditures	421,240	331,289	434,113	536,716	1,073,796	865,976	645,144	842,266
ALBERTA								
A. Operating Expenditures	181,546	197,733	206,462	211,478	323,716	334,744	323,922	352,433
B. Capital Expenditures	71,235	47,495	57,018	56,171	11,677	11,670	14,259	22,408
C. Program Expenditures	692,798	393,828	792,530	458,689	633,115	444,577	429,126	542,516
c.1 Income Support & Stabilization	411,666	137,692	515,456	147,537	465,866	139,540	203,405	202,604
c.2 Ad Hoc and Cost Reduction	1,705	3,995	14,025	6,812	13,062	87,320	12,078	20,061
c.3 Production Insurance	169,092	97,589	139,998	153,531	80,166	87,300	157,613	161,730
c.4 Financing Assistance	2,872	2,035	1,237	7,191	5,296	11,732	5,370	65,640
c.5 Storage and Freight	-	-	-	-	364	-	-	-
c.6 Social and Labour	10,585	10,590	10,580	10,600	6	-	-	183
c.7 Research	14,975	36,969	19,504	30,301	4,160	19,517	3,227	14,643
c.8 Food Inspection	-	(5,055)	(3,878)	-	2,792	21,059	9,339	18,145
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	471	494	387	12,504	27,141	21,369	10,937	26,397
c.11 Rural and Regional Development	2,846	2,950	2,675	1,450	11,169	7,380	8,429	14,699
c.12 Environment	1,632	6,675	682	1,000	15,268	36,034	11,520	13,881
c.13 Education	64,302	81,718	78,306	74,775	-	-	-	-
c.14 Extension	12,652	18,176	13,557	12,988	7,825	13,326	7,209	4,532
D. Tax Expenditures	100,783	102,488	93,849	98,718	-	-	-	-
Sub-Total Gross Expenditures	1,046,362	741,544	1,149,859	825,056	968,508	790,991	767,307	917,357
Recoveries	(78,503)	(100,649)	(84,005)	(70,993)	(43,910)	(39,244)	(36,430)	(6,666)
Total Net Expenditures	967,859	640,895	1,065,854	754,063	924,598	751,748	730,877	910,691

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Note: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2006-07 to 2009-10 (cont'd)

	PROVINCIAL				FEDERAL			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
	(\$000)							
BRITISH COLUMBIA								
A. Operating Expenditures	25,485	36,687	34,178	38,062	102,897	100,776	93,427	101,500
B. Capital Expenditures	2,787	8,846	3,292	227	3,889	3,704	3,695	6,590
C. Program Expenditures	38,688	48,487	37,344	27,221	109,706	123,836	63,956	80,643
c.1 Income Support & Stabilization	15,813	25,007	26,092	18,166	87,969	55,049	21,013	34,290
c.2 Ad Hoc and Cost Reduction	6,191	25	1,366	2,000	87	18,603	2,043	6,198
c.3 Production Insurance	8,200	8,200	7,000	7,000	7,770	8,347	11,389	11,687
c.4 Financing Assistance	-	-	-	-	169	309	506	1,316
c.5 Storage and Freight	-	-	-	-	7	-	-	-
c.6 Social and Labour	-	25	-	-	38	9	-	55
c.7 Research	268	76	395	-	1,163	142	830	4,410
c.8 Food Inspection	6,374	4,490	2,175	(32)	2,247	12,156	15,592	5,177
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	1,037	10,034	151	-	1,315	1,506	2,411	6,705
c.11 Rural and Regional Development	145	7	-	-	3,723	3,304	3,099	5,238
c.12 Environment	217	251	-	-	4,348	22,757	5,673	4,200
c.13 Education	146	-	8	-	-	-	-	-
c.14 Extension	296	373	157	87	870	1,654	1,400	1,369
D. Tax Expenditures	6,929	6,926	6,933	6,929	-	-	-	-
Sub-Total Gross Expenditures	73,889	100,947	81,747	72,440	216,492	228,316	161,079	188,733
Recoveries	-	-	-	-	(14,624)	(12,455)	(10,873)	(1,990)
Total Net Expenditures	73,889	100,947	81,747	72,440	201,867	215,861	150,206	186,744

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Note: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.

Table C.3: Research and Inspection in Support of the Agri-Food Sector, Canada and Provinces, 2006-07 to 2009-10

	PROVINCIAL				FEDERAL			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
	(\$000)							
CANADA								
Research Expenditures								
- Operating	23,138	14,306	18,224	16,301	258,827	257,305	240,637	263,465
- Capital	4,879	5,424	5,725	6,429	13,874	11,652	11,943	24,694
- Program	88,107	168,594	108,624	119,189	79,397	78,846	22,038	70,976
Total Research	116,125	188,324	132,573	141,919	352,097	347,803	274,618	359,136
Inspection Expenditures								
- Operating	132,891	145,533	149,678	150,148	620,241	680,268	634,811	713,082
- Capital	3,247	9,258	6,444	2,784	21,386	22,322	26,058	41,028
- Program	51,693	69,336	37,850	42,139	19,807	97,521	72,847	97,071
Total Inspection	187,831	224,127	193,972	195,072	661,434	800,111	733,716	851,181
NEWFOUNDLAND AND LABRADOR								
Research Expenditures								
- Operating	-	-	635	1,000	733	738	684	749
- Capital	5	3	269	77	39	33	34	70
- Program	439	595	277	456	553	2,143	474	1,131
Total Research	444	598	1,181	1,533	1,326	2,914	1,193	1,950
Inspection Expenditures								
- Operating	1,623	1,792	2,037	2,458	1,687	1,860	1,702	1,915
- Capital	12	64	160	12	61	64	74	113
- Program	50	50	483	3,276	70	272	323	1,293
Total Inspection	1,685	1,907	2,680	5,746	1,817	2,196	2,099	3,321
PRINCE EDWARD ISLAND								
Research Expenditures								
- Operating	-	-	-	-	2,660	2,602	2,363	2,577
- Capital	-	-	-	-	143	118	121	242
- Program	2,402	2,391	2,516	1,904	170	485	61	1,234
Total Research	2,402	2,391	2,516	1,904	2,973	3,205	2,544	4,053
Inspection Expenditures								
- Operating	2,008	2,079	2,292	3,019	6,149	6,588	5,896	6,633
- Capital	-	81	81	500	220	226	255	390
- Program	623	2,899	508	1,172	306	1,556	370	1,903
Total Inspection	2,632	5,060	2,881	4,691	6,675	8,370	6,521	8,926

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Table C.3: Research and Inspection in Support of the Agri-Food Sector, Canada and Provinces, 2006-07 to 2009-10 (cont'd)

	PROVINCIAL				FEDERAL			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
	(\$000)							
NOVA SCOTIA								
Research Expenditures								
- Operating	-	26	1	-	3,494	3,324	2,970	3,233
- Capital	-	-	-	-	187	151	154	303
- Program	1,000	1,131	1,123	1,000	1,816	2,043	1,135	2,367
Total Research	1,000	1,157	1,124	1,000	5,497	5,517	4,259	5,904
Inspection Expenditures								
- Operating	2,252	2,407	2,529	2,144	8,051	8,387	7,364	8,287
- Capital	-	-	-	-	289	288	320	488
- Program	3,854	4,734	3,790	4,058	197	1,254	2,006	2,015
Total Inspection	6,106	7,141	6,319	6,202	8,537	9,929	9,691	10,790
NEW BRUNSWICK								
Research Expenditures								
- Operating	630	674	772	591	3,227	3,134	2,825	3,079
- Capital	35	12	34	3	173	142	145	289
- Program	5	0	505	800	1,457	2,144	656	1,275
Total Research	670	686	1,311	1,394	4,857	5,420	3,626	4,643
Inspection Expenditures								
- Operating	2,880	3,022	2,936	2,558	7,435	7,904	7,007	7,885
- Capital	228	74	2,061	93	267	272	305	465
- Program	222	183	202	131	71	563	1,829	2,120
Total Inspection	3,330	3,279	5,199	2,782	7,773	8,739	9,141	10,469
QUEBEC								
Research Expenditures								
- Operating	6,207	5,206	4,770	4,629	43,931	41,987	38,300	41,805
- Capital	-	-	-	-	2,355	1,901	1,949	3,918
- Program	12,129	14,614	16,795	19,921	3,758	1,304	2,714	10,407
Total Research	18,336	19,820	21,565	24,551	50,044	45,192	42,964	56,130
Inspection Expenditures								
- Operating	31,861	33,849	36,214	35,523	102,595	107,658	97,125	109,219
- Capital	-	-	-	1,068	3,630	3,643	4,135	6,379
- Program	16,778	16,740	18,023	14,929	1,765	19,874	10,280	18,141
Total Inspection	48,638	50,590	54,237	51,520	107,989	131,174	111,539	133,739

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Table C.3: Research and Inspection in Support of the Agri-Food Sector, Canada and Provinces, 2006-07 to 2009-10 (cont'd)

	PROVINCIAL				FEDERAL			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
	(\$000)							
ONTARIO								
Research Expenditures								
- Operating	-	-	2,380	2,985	65,668	64,099	57,479	62,603
- Capital	3,891	3,742	4,250	6,000	3,520	2,903	2,975	5,868
- Program	40,933	97,777	50,184	45,703	23,577	23,327	8,059	15,233
Total Research	44,824	101,519	56,814	54,687	92,765	90,329	68,513	83,703
Inspection Expenditures								
- Operating	31,357	33,923	36,893	38,403	155,214	166,834	147,977	166,316
- Capital	-	-	500	500	5,426	5,561	6,192	9,645
- Program	11,330	39,359	11,491	12,600	4,936	26,493	15,534	20,725
Total Inspection	42,687	73,282	48,884	51,503	165,576	198,888	169,702	196,687
MANITOBA								
Research Expenditures								
- Operating	-	-	-	-	25,929	25,719	24,583	26,986
- Capital	-	-	-	-	1,390	1,165	1,194	2,529
- Program	1,201	1,201	2,044	3,490	5,114	18,924	1,899	5,710
Total Research	1,201	1,201	2,044	3,490	32,433	45,807	27,676	35,225
Inspection Expenditures								
- Operating	7,005	8,901	8,431	11,306	63,339	69,333	66,574	74,731
- Capital	200	200	200	200	2,142	2,231	2,669	4,259
- Program	3,077	2,768	2,043	2,880	5,602	5,733	5,532	10,760
Total Inspection	10,282	11,869	10,674	14,386	71,083	77,298	74,775	89,750
SASKATCHEWAN								
Research Expenditures								
- Operating	695	670	668	936	40,619	43,549	45,078	49,934
- Capital	-	1	5	-	2,177	1,972	2,021	4,680
- Program	14,756	13,839	15,281	15,614	37,568	8,756	2,962	14,565
Total Research	15,451	14,510	15,954	16,550	80,364	54,278	50,062	69,180
Inspection Expenditures								
- Operating	2,751	3,007	3,222	4,172	102,289	121,626	126,966	142,401
- Capital	-	-	-	-	3,356	3,778	4,939	8,018
- Program	9,385	3,168	3,014	3,125	1,821	8,559	12,037	16,791
Total Inspection	12,136	6,175	6,235	7,297	107,466	133,964	143,942	167,210

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Table C.3: Research and Inspection in Support of the Agri-Food Sector, Canada and Provinces, 2006-07 to 2009-10 (cont'd)

	PROVINCIAL				FEDERAL			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
	(\$000)							
ALBERTA								
Research Expenditures								
- Operating	15,606	7,730	8,995	6,160	54,435	54,770	51,022	55,836
- Capital	668	1,666	1,167	350	2,918	2,480	2,542	5,233
- Program	14,975	36,969	19,504	30,301	4,160	19,517	3,227	14,643
Total Research	31,249	46,365	29,666	36,811	61,513	76,768	56,792	75,712
Inspection Expenditures								
- Operating	46,186	51,388	49,449	44,806	131,683	146,180	136,230	152,971
- Capital	739	798	739	380	4,498	4,752	5,522	8,757
- Program	-	(5,055)	(3,878)	-	2,792	21,059	9,339	18,145
Total Inspection	46,925	47,131	46,310	45,186	138,973	171,991	151,092	179,873
BRITISH COLUMBIA								
Research Expenditures								
- Operating	-	-	3	-	18,129	17,382	15,333	16,664
- Capital	281	-	-	-	972	787	807	1,562
- Program	268	76	395	-	1,163	142	830	4,410
Total Research	549	76	398	-	20,264	18,312	16,970	22,636
Inspection Expenditures								
- Operating	4,969	5,166	5,674	5,759	41,799	43,899	37,971	42,724
- Capital	2,067	8,041	2,703	32	1,498	1,508	1,648	2,516
- Program	6,374	4,490	2,175	(32)	2,247	12,156	15,592	5,177
Total Inspection	13,410	17,696	10,552	5,759	45,544	57,563	55,211	50,417

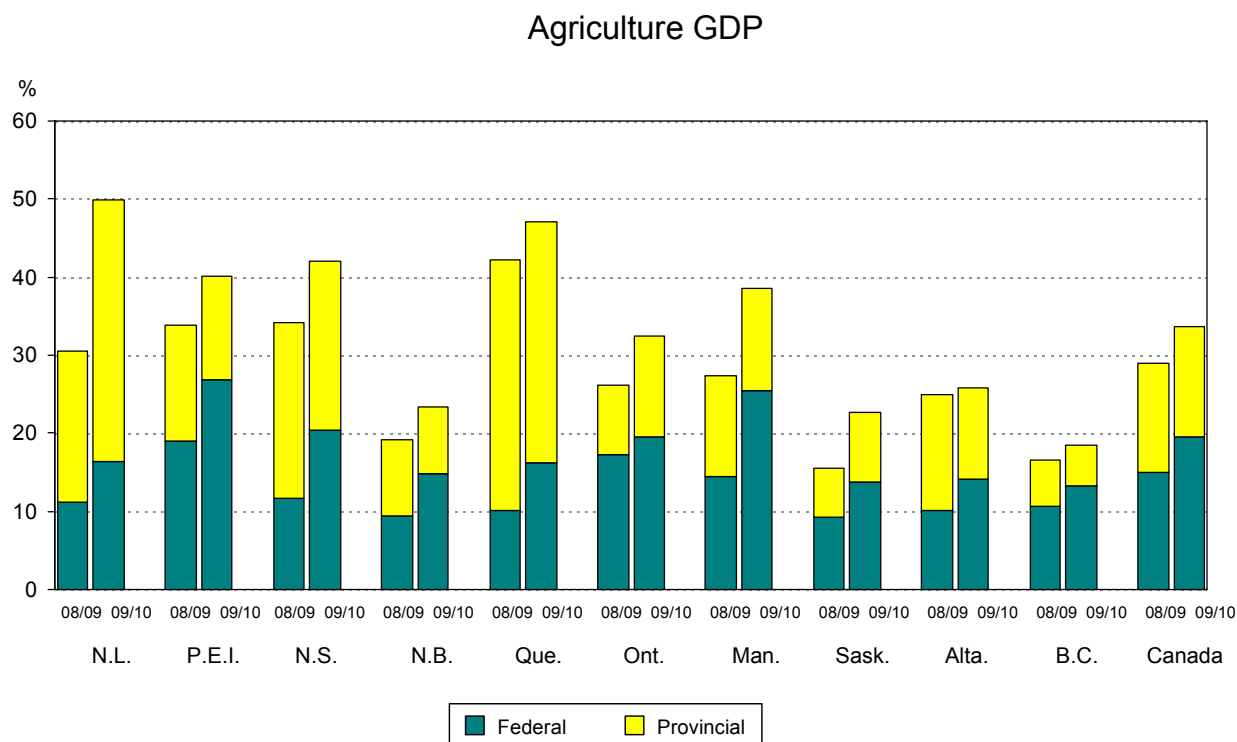
Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Table C.4: Government Expenditures to the Agri-Food Sector as a Percentage of Agriculture GDP and Agri-Food GDP, Canada and Provinces, 2006-07 to 2009-10

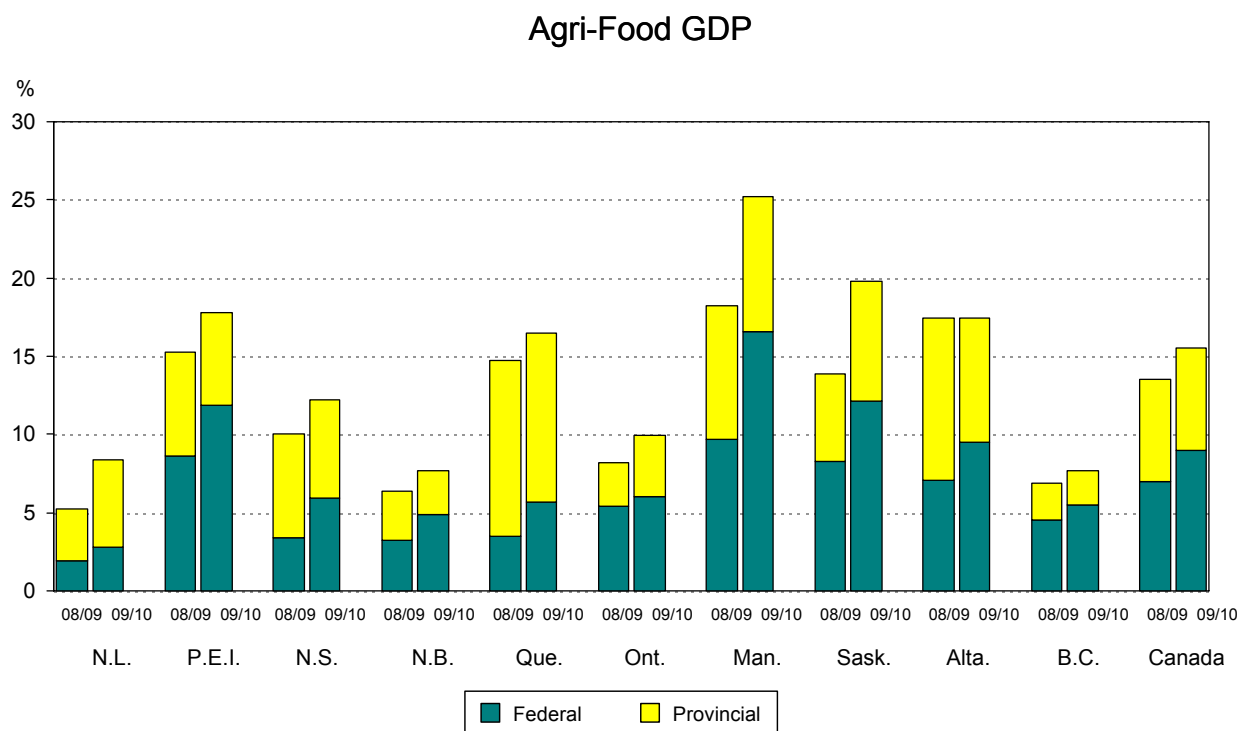
	Agriculture				Agri-Food			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
NEWFOUNDLAND AND LABRADOR								
Provincial GDP (\$ million)	79.0	81.0	89.2	88.1	450.3	478.8	532.5	525.2
Federal (%)	11.4	15.5	11.1	16.4	2.0	2.6	1.9	2.8
Provincial (%)	19.6	22.4	19.4	33.4	3.4	3.8	3.3	5.6
PRINCE EDWARD ISLAND								
Provincial GDP (\$ million)	245.4	234.2	226.1	232.5	483.7	510.0	498.8	524.7
Federal (%)	16.6	16.0	19.0	26.8	8.4	7.4	8.6	11.9
Provincial (%)	11.5	18.4	14.8	13.3	5.8	8.5	6.7	5.9
NOVA SCOTIA								
Provincial GDP (\$ million)	251.3	252.6	252.7	254.1	807.3	821.2	862.9	873.7
Federal (%)	16.3	15.5	11.6	20.4	5.1	4.8	3.4	5.9
Provincial (%)	18.2	26.2	22.5	21.7	5.7	8.0	6.6	6.3
NEW BRUNSWICK								
Provincial GDP (\$ million)	382.3	377.4	346.3	350.6	1,024.3	1,053.4	1,038.4	1,070.0
Federal (%)	12.2	14.3	9.5	14.9	4.6	5.1	3.2	4.9
Provincial (%)	6.7	8.1	9.6	8.4	2.5	2.9	3.2	2.8
QUEBEC								
Provincial GDP (\$ million)	3,445.4	3,514.8	3,369.1	3,438.4	9,130.6	9,656.7	9,649.6	9,839.0
Federal (%)	15.4	18.5	10.1	16.3	5.8	6.7	3.5	5.7
Provincial (%)	27.2	26.2	32.1	30.8	10.3	9.6	11.2	10.8
ONTARIO								
Provincial GDP (\$ million)	5,063.7	4,960.4	5,094.9	5,097.8	16,093.0	15,935.1	16,398.5	16,725.4
Federal (%)	15.0	18.2	17.2	19.6	4.7	5.7	5.4	6.0
Provincial (%)	10.1	14.5	8.9	12.9	3.2	4.5	2.8	3.9
MANITOBA								
Provincial GDP (\$ million)	1,990.6	2,045.3	2,148.1	2,067.8	2,972.6	3,101.5	3,231.7	3,170.8
Federal (%)	26.1	27.0	14.5	25.5	17.5	17.8	9.7	16.6
Provincial (%)	12.5	14.2	12.8	13.1	8.3	9.4	8.5	8.6
SASKATCHEWAN								
Provincial GDP (\$ million)	4,900.3	5,559.9	6,911.4	6,105.1	5,547.4	6,324.1	7,746.3	6,963.3
Federal (%)	21.9	15.6	9.3	13.8	19.4	13.7	8.3	12.1
Provincial (%)	8.6	6.0	6.3	8.8	7.6	5.2	5.6	7.7
ALBERTA								
Provincial GDP (\$ million)	6,130.7	6,600.2	7,189.8	6,459.8	8,663.9	9,579.1	10,344.3	9,580.9
Federal (%)	15.1	11.4	10.2	14.1	10.7	7.8	7.1	9.5
Provincial (%)	15.8	9.7	14.8	11.7	11.2	6.7	10.3	7.9
BRITISH COLUMBIA								
Provincial GDP (\$ million)	1,316.6	1,380.0	1,397.4	1,400.6	3,087.0	3,224.2	3,340.9	3,367.4
Federal (%)	15.3	15.6	10.7	13.3	6.5	6.7	4.5	5.5
Provincial (%)	5.6	7.3	5.8	5.2	2.4	3.1	2.4	2.2
CANADA								
Federal GDP (\$ million)	23,152.8	23,779.7	25,264.0	24,819.3	49,190.1	51,258.5	54,002.6	53,871.8
Federal (%)	20.0	19.0	15.0	19.6	9.4	8.8	7.0	9.0
Provincial (%)	14.2	13.3	14.0	14.1	6.7	6.2	6.5	6.5

Sources: Agriculture and Agri-Food Canada, Strategic Policy Branch and Conference Board of Canada for GDP data.

Figure C.3: Government Expenditures to the Agri-Food Sector as a Percentage of Agriculture GDP and Agri-Food GDP



Sources: Agriculture and Agri-Food Canada, Strategic Policy Branch and Conference Board of Canada for GDP data.



Sources: Agriculture and Agri-Food Canada, Strategic Policy Branch and Conference Board of Canada for GDP data.

Table C.5: Total GDP and Total Government Expenditures, Canada and Provinces, 2006-07 to 2009-10

	Total GDP				Total Expenditures			
	2006-07	2007-08	2008-09	2009-10 Forecast	2006-07	2007-08	2008-09	2009-10 Forecast
NEWFOUNDLAND AND LABRADOR								
Total Provincial (\$ million)	24,980	28,478	29,392	27,932	4,963	5,383	5,847	6,743
Agri-Food GDP as % of Total GDP	1.80	1.68	1.81	1.88				
Agri-Food Exp. as % of Total Exp.					0.31	0.34	0.30	0.44
PRINCE EDWARD ISLAND								
Total Provincial (\$ million)	3,910	4,130	4,324	4,481	1,208	1,307	1,410	1,474
Agri-Food GDP as % of Total GDP	12.37	12.35	11.54	11.71				
Agri-Food Exp. as % of Total Exp.					2.34	3.30	2.37	2.11
NOVA SCOTIA								
Total Provincial (\$ million)	28,856	30,379	31,344	31,591	6,495	7,101	7,569	8,116
Agri-Food GDP as % of Total GDP	2.80	2.70	2.75	2.77				
Agri-Food Exp. as % of Total Exp.					0.70	0.93	0.75	0.68
NEW BRUNSWICK								
Total Provincial (\$ million)	23,636	24,715	25,120	25,555	6,404	6,868	7,305	7,838
Agri-Food GDP as % of Total GDP	4.33	4.26	4.13	4.19				
Agri-Food Exp. as % of Total Exp.					0.40	0.45	0.46	0.38
QUEBEC								
Total Provincial (\$ million)	266,304	278,811	282,565	284,308	58,736	61,638	63,855	66,093
Agri-Food GDP as % of Total GDP	3.43	3.46	3.41	3.46				
Agri-Food Exp. as % of Total Exp.					1.60	1.50	1.70	1.60
ONTARIO								
Total Provincial (\$ million)	524,412	545,001	542,697	535,593	88,128	96,522	96,881	94,634
Agri-Food GDP as % of Total GDP	3.07	2.92	3.02	3.12				
Agri-Food Exp. as % of Total Exp.					0.58	0.75	0.47	0.70
MANITOBA								
Total Provincial (\$ million)	42,310	45,591	47,049	47,060	8,728	9,393	10,015	10,287
Agri-Food GDP as % of Total GDP	7.03	6.80	6.87	6.74				
Agri-Food Exp. as % of Total Exp.					2.84	3.09	2.75	2.64
SASKATCHEWAN								
Total Provincial (\$ million)	44,660	51,733	61,061	57,909	9,290	9,858	11,306	10,245
Agri-Food GDP as % of Total GDP	12.42	12.22	12.69	12.02				
Agri-Food Exp. as % of Total Exp.					4.53	3.36	3.84	5.24
ALBERTA								
Total Provincial (\$ million)	235,044	258,299	278,204	262,951	29,671	33,432	36,657	36,375
Agri-Food GDP as % of Total GDP	3.69	3.71	3.72	3.64				
Agri-Food Exp. as % of Total Exp.					3.26	1.92	2.91	2.07
BRITISH COLUMBIA								
Total Provincial (\$ million)	168,884	178,676	181,266	176,355	28,209	30,291	31,366	32,700
Agri-Food GDP as % of Total GDP	1.83	1.80	1.84	1.91				
Agri-Food Exp. as % of Total Exp.					0.26	0.33	0.26	0.22
TOTAL - PROVINCIAL								
Total Provincial (\$ million)	1,362,995	1,445,811	1,483,021	1,453,735	241,833	261,793	272,210	274,505
Agri-Food GDP as % of Total GDP	3.54	3.51	3.62	3.62				
Agri-Food Exp. as % of Total Exp.					1.36	1.21	1.30	1.27
CANADA - FEDERAL								
Total Federal (\$ million)	1,370,425	1,454,221	1,492,116	1,462,919	222,213	210,311	221,467	235,785
Agri-Food GDP as % of Total GDP	3.59	3.52	3.62	3.68				
Agri-Food Exp. as % of Total Exp.					2.08	2.15	1.71	2.07

Sources: Public Accounts / Main Estimates and Conference Board of Canada for GDP data.

Methodology for Government Expenditures

Definition of Government Expenditures in Support of the Agri-Food Sector

Government expenditures (GE) estimate how much governments spend on the agri-food sector (primary agriculture, agricultural input industries plus food and beverage processing, excluding expenses related to aquaculture and fish processing) in a given fiscal year. They consist of charges paid for purchased goods and rendered services and monies paid directly or indirectly to individuals, agencies or other entities in the agri-food sector as part of a transfer payment or existing program by the federal and provincial governments. They also take into account transfers of funds to Crown Corporations, between departments and to other levels of government. The various sources of information, supplemented by officers working in departments, are federal and provincial public accounts, estimates and/or expenditure plans, Statistics Canada and other internal reports that cover areas of agri-food programs both inside and outside provincial and federal agriculture ministries.

Accrual accounting: Since fiscal year 2001–02, federal and provincial governments have used full accrual accounting, which conforms with generally accepted accounting principles (GAAP), recognized worldwide as a universal set of standards to record and report financial transactions. It is also in accordance with the Canadian Institute of Chartered Accountants (CICA). For GEs, this change affects the capitalization of tangible assets. Capital expenditures therefore reflect the amortization costs of tangible assets over their useful life.

Treatment of program deficits/surpluses: Program deficits, forgiveness of international food aid debts and/or debt reductions are shown as expenditures in the year in which they are recorded in the public accounts. Current program deficits or defaults not yet recognized by a transfer of funds from governments are excluded from the expenditure estimates. In cases where surpluses generated from government funded programs are returned to both levels of government upon the termination of a program, the refunds or recoveries for the program are accounted for in the year they are reported in official documents.

Treatment of Crown Corporations: Only transfers of funds by governments to Crown Corporations are included in the expenditure estimates. Crown Corporation expenditures, revenues and outstanding deficits/losses are excluded.

Expenditures outside Canada: Expenditures for food aid and support of international agricultural organizations are included only in the total federal expenditures and are identified as "outside Canada" expenditures. Therefore, the sum of federal expenditures by province does not add up to the total federal expenditure tables. These expenditures "outside Canada" include the purchase of Canadian agricultural commodities for distribution abroad and funds provided to international agricultural organizations.

Treatment of special program accounts: In the case of programs which are operated by a fund with contributions from governments and producers, only the governments' contribution to administration fees and to the funds are included. Producers' share of participation and payouts made to producers are excluded. Examples are Crop/Production Insurance and the Net Income Stabilization Account (NISA).

Treatment of Loans and Advances: Loans and advances made to producers and organizations are not included as they are eventually recovered. However, interest subsidies and defaults on loans as reported in public accounts are included because they represent a cost to governments. The accrual accounting system also allows provisions for doubtful accounts and valuation allowances that are part of the GE estimates. Similarly, provisions for probable losses on loan guarantees issued by the government are established whenever collectibility is considered doubtful and these valuations are included in the GE estimates.

Government Recoveries: Government recoveries include revenues from user fees for services, from licenses and permits, leases and rentals, sales and royalties, land sales, transfers from one level of government to another, refunds of previous years' expenditures and previous years' recoveries, including government share of program surpluses, and from other miscellaneous forms of recoveries. These recoveries are deducted from the program expenditures or the total expenditures

to generate an estimate of net expenditures. Repayments of loans and advance, and return on investments are not included in recoveries.

Treatment of Tax Expenditures: Provincial tax expenditures are limited to fuel tax rebates and exemptions and property tax rebates. Sales and income taxes are excluded from federal and provincial estimates.

Table C.1 and Figure C.1: Federal and Provincial Government Expenditures in Support of the Agri-Food Sector

The figures included in this table are government expenditures by various departments such as Agriculture and Agri-Food Canada, Health Canada, Transport Canada, Industry Canada and the Department of Finance. The figures also include government expenditures from various provincial departments.

Allocation of federal expenditures

- Federal expenditures by province are available for some programs only. Where allocation of such federal expenditures by province is required, the methods explained below are used.
- Program expenditures which are not available from estimates or expenditure plans are projected according to the previous three-year average program expenditures in each province.
- Operating and capital expenditures that were originally identified by province on the basis of administration centre or that were simply assigned to the National Capital Region and transfers to national organizations are allocated provincially as follows:
 - Operating and capital expenditures for the Prairie Farm Rehabilitation Administration and the Market and Industry Services Branch are allocated by province on the basis of program payments made by these organizations in each province. It is assumed that the operating and capital expenditures are proportional to program expenditures.
 - All other operating and capital expenditures and transfers to national organizations are allocated by province using a three-year moving average of the provincial distribution of Total Market Receipts (TMR) or market

receipts for specific commodities, where more appropriate. Relative levels of TMR are therefore used as a proxy value for the relative benefits derived from these programs by each province. For example, the distribution by province of Total Market Receipts from grains and oilseeds is used for the allocation by province of Canadian Grain Commission operating and capital expenditures. Total Market Receipts have been used as a basis since 2000–2001 only. Total cash receipts were used prior to that time.

- All transportation expenditures, except expenditures for the Atlantic Region Freight Assistance Transition Program, are allocated to provinces on the basis of the volume of rail shipments by province.
- The "Others" category includes monies paid to the Yukon, Northwest Territories and Nunavut as well as outside Canada for food aid assistance and monies to international organizations.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category

Operating expenditures include all expenditures associated with the day-to-day operations of the department, including salaries, employee benefits, travel and purchases of goods and services, as well as the cost of administering various programs from various departments.

Capital expenditures include charges for acquisition, construction and renovation of buildings and acquisition of physical assets such as land, property, large equipment and furnishings. Also included are amortization costs of tangible assets over their useful life.

Program expenditures include monies paid directly or indirectly to individuals, agencies or other agricultural entities as part of a transfer payment or existing program instituted by federal and/or provincial departments or ministries.

- **Income Support and Stabilization programs** include subsidies and contributions paid under programs such as CAIS, NISA, the Dairy Subsidy Program, Safety Nets programs, most of the Companion programs and the income stabilization programs at the provincial level.

- **Ad Hoc and Cost Reduction programs** include subsidies and contributions paid under ad hoc programs such as the Grains and Oilseeds Payment Program (GOPP), BSE crisis and flood assistance programs, and adjustment/transition programs, as well as subsidies aimed at reducing production costs, such as artificial insemination and land leasing assistance. Excluded are cost reduction programs included in the categories below, such as interest rebate subsidies.
- **Crop/Production Insurance program** includes government premiums paid to funds associated with the program.
- **Financing Assistance** includes the Agricultural Marketing Programs Act (AMPA), which provides for the Advance Payments Program (APP) and the Price Pooling Program (PPP). It also includes the Farm Improvement and Marketing Cooperatives Loans Act (FIMCLA) and interest rebate programs, as well as provisions for doubtful accounts and provisions for probable losses on loan guarantees issued by the government.
- **Storage and Freight programs** include subsidies and contributions made under transportation assistance programs.
- **Social and Labour programs** include subsidies and contributions to community organizations and for general skills training, such as support to agricultural labour.
- **Research programs** are restricted to subsidies and contributions for research activities including research for product quality improvement. Administrative costs (e.g. researchers' salaries) are excluded. See Table C.3 for further information on research and inspection expenditures.
- **Food Inspection programs** are restricted to subsidies and contributions paid for animal health, veterinary services, product testing, disease and pest control and food quality. This category does not include administrative costs (e.g. inspectors' salaries). See Table C.3 for further information on research and inspection expenditures.
- **Food Aid and international development programs** include subsidies and contributions for activities related to international agricultural organizations. International development projects considered are farming, agricultural

processing and food projects. Also included in this category is the forgiveness of debts owed by developing countries and negotiated through the Canadian International Development Agency (CIDA). Forgiveness of debts in this category of expenditures is based on loans and lines of credit originally agreed to for agriculture and agri-food development projects in those countries. This forgiveness of international food aid debt is incorporated in the federal time series of expenditures since 1990–91.

- **Marketing and Trade programs** include subsidies for activities related to product promotion and product and market development. This category also takes into account debt service reduction and/or reduction of the debt owed to the Canadian Wheat Board (CWB) and negotiated at the Paris Club. The debt reduction payments to the CWB are incorporated in the federal time series since 1991–92. It does not include payments made to the Export Development Corporation (EDC) in respect of the Paris Club agreement since these payments cover non-agricultural debt.
- **Rural and Regional Development programs** include subsidies and contributions for general irrigation projects and community pastures as well as general development projects under federal/provincial agreements.
- **Environment programs** include subsidies and contributions for activities related to the conservation of farm-related resources and wildlife, as well as expenditures for securing water supplies.
- **Education programs** include grants paid to agricultural educational institutions.
- **Extension programs** include subsidies and contributions paid for activities related to the provision of information, training and services to farmers such as those paid to the Canadian 4-H Council and for management of manure surpluses. Excluded is administration in the form of salaries paid to government employees for extension work. These costs are included in operating expenditures.

Tax expenditures: Provincial tax expenditures include fuel tax rebates and exemptions, and property tax rebates. Sales and income taxes are excluded from both federal and provincial estimates.

Recoveries include revenues from user fees paid for services and from licenses and permits, leases and rentals, sales and royalties, land sales, transfers from one level of government to another, refunds of previous years' expenditures and previous years' recoveries including government share of program surpluses, and from other miscellaneous forms of recoveries. These recoveries are deducted from the program expenditures or the total expenditures to generate an estimate of net expenditures. The repayments of loans and advances and return on investments are not included in the recoveries.

Table C.3: Research and Inspection in Support of the Agri-Food Sector

Operating expenditures for research include as a large part researcher salaries and expenses associated with the day-to-day operations of research branches and centres working, for example, to improve production technology and product attributes, in support of a competitive agri-food sector.

Operating expenditures for inspection and regulation of agricultural products include expenses associated with the day-to-day operations of inspection and control branches and centres, maintenance and coordination of network facilities and, as a large part, salaries of inspectors working in prevention and in verification and certification of commercially traded agri-food products.

Capital expenditures for research include expenditures for the acquisition of capital items such as research centres, furniture and large equipment, as well as amortization costs.

Capital expenditures for inspection and regulation include expenditures for the acquisition of capital items such as inspection plants, furniture and large equipment, and amortization costs.

Research program expenditures include grants and contributions for scientific and technological development in the agricultural sector provided to

universities, scientific organizations and individuals. Also included are expenditures related to the Matching Investment Initiative.

Inspection program expenditures include grants and contributions as well as compensation for plant and animal losses such as those paid under the Health of Animals Act and the Plant Protection Act.

Table C.4 and Figure C.3: Government Expenditures to the Agri-Food Sector as a Percentage of Agriculture GDP and Agri-Food GDP, and Table C.5: Total GDP and Total Government Expenditures

GDP is the total unduplicated value of the goods and services produced in a country or region during a given period.

GDP data are provided by the Conference Board of Canada in 1997 dollars. These data correspond to GDP data at Basic Prices reported by Statistics Canada. They are expressed in current dollars using the aggregate GDP (implicit price index) deflator also provided by the Conference Board of Canada. GDP data are presented on a quarterly basis and are grouped into fiscal years.

The overall GDP data include all sectors of activities for the total Canadian economy and are available for all provinces and Canada. Primary agriculture GDP data include all Agricultural and related services industries. Food GDP data include all Food industries within the manufacturing industries. Beverage GDP data include all beverage industries within the manufacturing industries and are only available for Quebec, Ontario and Alberta for confidentiality reasons. Agri-food GDP is defined as the sum of agriculture, food and beverage GDPs. It does not include sectors such as the transportation and storage industries, the wholesale trade industries and the retail trade industries.

The totals for Canada, at the federal level, include the provinces as well as Yukon, Nunavut and Northwest Territories.



SECTION D

Estimates of Support to Agriculture

Table D.1: Estimate of Support to Agriculture, Canada, 2006-2008

	2006	2007	2008 Preliminary
	(\$ Million)		
Total value of production (at farm gate)	32,537	36,967	41,968
of which share of MPS commodities ¹ (%)	74	76	76
Total value of consumption (at farm gate)	24,590	27,775	26,613
Producer Support Estimate (PSE)	7,757	7,964	5,906
Market price support (MPS)	4,499	3,832	2,602
Payments based on output	0	0	3
Payments based on input use	654	769	624
Payments based on current A/An/R/I ² , production required	1,560	1,451	2,217
Payments based on non-current A/An/R/I, production required	133	517	4
Payments based on non-current A/An/R/I, production not required	881	1,366	422
Payments based on non-commodity criteria	5	0	0
Miscellaneous payments	26	29	35
Percentage PSE	22	19	13
Producer Nominal Protection Coefficient (Producer NPC)	1.16	1.12	1.07
Producer Nominal Assistance Coefficient (Producer NAC)	1.28	1.24	1.15
General Services Support Estimate (GSSE)	2,703	2,878	2,936
Research and development	452	489	454
Agricultural schools	269	296	216
Inspection services	819	937	914
Infrastructure	485	533	644
Marketing and promotion	678	623	709
Public stockholding	0	0	0
Miscellaneous	0	0	0
Consumer Support Estimate (CSE)	-5,193	-4,378	-2,948
Transfers to producers from consumers	-4,488	-3,817	-2,587
Other transfers from consumers	-705	-561	-362
Transfers to consumers from taxpayers	0	0	0
Excess feed cost	0	0	0
Percentage CSE	-21	-16	-11
Consumer Nominal Protection Coefficient (Consumer NPC)	1.27	1.19	1.12
Consumer Nominal Assistance Coefficient (Consumer NAC)	1.27	1.19	1.12
Total Support Estimate (TSE)	10,461	10,841	8,842
Transfers from consumers	5,193	4,378	2,948
Transfers from taxpayers	5,973	7,024	6,255
Budget revenues	-705	-561	-362

Source: OECD, Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009.

¹ MPS commodities for Canada are: wheat, corn, other grains, oilseeds, milk, beef and veal, pigmeat, poultry and eggs.² A (Area planted), An (Animal numbers), R (Receipts), I (Income).

Table D.2: Producer Support Estimate (PSE) for Selected OECD Countries, 2006-2008

	2006	2007	2008 Preliminary
	Percentage PSE (% of gross farm receipts)		
Australia	6	7	6
Canada	22	19	13
European Union ¹	31	25	25
Japan	52	48	48
Mexico	14	14	13
New Zealand	1	1	1
USA	11	10	7
OECD	26	22	21

Source: OECD, Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009.

¹ EU25 for 2006, EU27 for 2007 and 2008.

	2006	2007	2008 Preliminary
	Total PSE (\$US Million)		
Australia	1,833	2,488	2,213
Canada	6,839	7,413	5,532
European Union ¹	131,041	135,111	150,445
Japan	39,356	35,581	41,622
Mexico	5,805	6,438	6,339
New Zealand	99	115	92
USA	31,199	33,963	23,259
OECD	258,185	259,995	265,487

Source: OECD, Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009.

¹ EU25 for 2006, EU27 for 2007 and 2008.

Table D.3: Composition of Producer Support Estimate (PSE) for Selected OECD Countries, 2006-2008

		2006	2007	2008 Preliminary
		(% share in PSE)		
Australia	Support based on commodity output	0	0	0
	Payments based on input use	66	66	69
	Payments based on current A/An/R/I ¹ , production required	3	1	1
	Payments based on non-current A/An/R/I, production required	0	0	0
	Payments based on non-current A/An/R/I, production not required	29	32	28
	Payments based on non-commodity criteria	2	1	2
	Miscellaneous payments	0	0	0
Canada	Support based on commodity output	58	48	44
	Payments based on input use	8	10	11
	Payments based on current A/An/R/I, production required	20	18	38
	Payments based on non-current A/An/R/I, production required	2	6	0
	Payments based on non-current A/An/R/I, production not required	11	17	7
	Payments based on non-commodity criteria	0	0	0
	Miscellaneous payments	0	0	1
European Union²	Support based on commodity output	42	36	36
	Payments based on input use	10	12	12
	Payments based on current A/An/R/I, production required	17	17	17
	Payments based on non-current A/An/R/I, production required	0	0	0
	Payments based on non-current A/An/R/I, production not required	29	32	33
	Payments based on non-commodity criteria	2	2	2
	Miscellaneous payments	0	0	0
Japan	Support based on commodity output	93	89	88
	Payments based on input use	3	4	4
	Payments based on current A/An/R/I, production required	1	0	1
	Payments based on non-current A/An/R/I, production required	0	0	0
	Payments based on non-current A/An/R/I, production not required	4	6	6
	Payments based on non-commodity criteria	0	0	0
	Miscellaneous payments	0	0	0
Mexico	Support based on commodity output	41	36	24
	Payments based on input use	35	40	52
	Payments based on current A/An/R/I, production required	1	1	2
	Payments based on non-current A/An/R/I, production required	3	6	5
	Payments based on non-current A/An/R/I, production not required	19	17	17
	Payments based on non-commodity criteria	0	0	0
	Miscellaneous payments	0	0	0
New Zealand	Support based on commodity output	57	63	55
	Payments based on input use	38	37	44
	Payments based on current A/An/R/I, production required	5	0	1
	Payments based on non-current A/An/R/I, production required	0	0	0
	Payments based on non-current A/An/R/I, production not required	0	0	0
	Payments based on non-commodity criteria	0	0	0
	Miscellaneous payments	0	0	0

Source: OECD, Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009.

¹ A (Area planted), An (Animal numbers), R (Receipts), I (Income).² EU25 for 2006, EU27 for 2007 and 2008.

Table D.3: Composition of Producer Support Estimate (PSE) for Selected OECD Countries, 2006-2008 (cont'd)

		2006	2007	2008 Preliminary
		(% share in PSE)		
USA	Support based on commodity output	24	38	5
	Payments based on input use	30	26	39
	Payments based on current A/An/R/I, production required	13	8	19
	Payments based on non-current A/An/R/I, production required	0	0	0
	Payments based on non-current A/An/R/I, production not required	25	21	26
	Payments based on non-commodity criteria	8	7	11
	Miscellaneous payments	0	0	0
OECD	Support based on commodity output	54	51	48
	Payments based on input use	11	13	13
	Payments based on current A/An/R/I, production required	11	12	14
	Payments based on non-current A/An/R/I, production required	0	1	0
	Payments based on non-current A/An/R/I, production not required	21	22	23
	Payments based on non-commodity criteria	2	2	2
	Miscellaneous payments	0	0	0

Source: OECD, Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009.

¹ A (Area planted), An (Animal numbers), R (Receipts), I (Income).

² EU25 for 2006, EU27 for 2007 and 2008.

Table D.4: Single Commodity Transfers (Percentage SCT)¹ for Selected OECD Countries, 2006-2008

	Wheat			Maize			Other grains			Canola/Rapeseed			Soybean		
	2006	2007	2008p	2006	2007	2008p	2006	2007	2008p	2006	2007	2008p	2006	2007	2008p
Australia	0	0	0	n.c.	n.c.	n.c.	0	0	0	0	0	0	0	0	0
Canada	0.8	0.9	1.7	8.9	7.8	6.6	3.4	2.4	4.2	0.5	1.1	2.3	1.7	5.1	1.8
European Union ²	1	3.4	0.5	9.8	23.2	2	0	0	3.1	0.1	0	0.1	0	0	0
Japan	79.2	43.3	42.5	n.c.	n.c.	n.c.	71.8	37.5	39.6	n.c.	n.c.	n.c.	45	15.2	11.4
Mexico	12.9	9.4	7	9.5	2.4	4.9	7.2	5.5	7.8	n.c.	n.c.	n.c.	30	12.6	7.6
New Zealand	0	0	0	0	0	0	0	0	0	n.c.	n.c.	n.c.	n.c.	n.c.	n.c.
USA	6.6	3.6	2.9	0.4	-0.5	1.5	6.7	0.6	2.7	n.c.	n.c.	n.c.	-0.4	0.6	4.3
OECD	8	6	7	4	4	2	7	1	5	1	1	1	2	2	5

	Beef and veal			Pigmeat			Milk			Poultry			Eggs		
	2006	2007	2008p	2006	2007	2008p	2006	2007	2008p	2006	2007	2008p	2006	2007	2008p
Australia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Canada	2.2	2.7	3.8	-0.5	-0.7	5.6	58.8	48.1	31.4	13.8	15.6	11.4	31.9	1.2	0.5
European Union	50.6	42.4	41.1	12.9	13.1	23.5	19.7	0.3	0.6	39.5	40.2	43.4	-0.7	-2.4	-0.3
Japan	27.9	28.2	28.7	61.8	63.2	66.2	53.4	46.1	51.3	10.5	10.4	10.4	14.6	14.7	14.6
Mexico	6	10.8	9.4	2.9	2.2	8.2	10	0	0.4	9.4	14.5	8.9	-0.2	0	0
New Zealand	0	0	0	0	0	0	0	0	0	13.4	17.7	13.6	17.2	11.6	2.3
USA	0	0	0	0	0	0	15.6	23.6	0	0	0	0	0	0	0
OECD	22	19	19	16	16	23	23	12	5	15	16	17	5	3	4

Source: OECD, Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009.

p: preliminary

n.c.: not calculated

¹ Percentage of farm gross receipts for the specific commodity.² EU25 for 2006, EU27 for 2007 and 2008.**Table D.5: General Services Support Estimate (GSSE)¹ for Selected OECD Countries, 2006-2008**

	2006	2007	2008 Preliminary
	GSSE as a share of Total Support Estimate (%)		
Australia	34	32	28
Canada	26	27	33
European Union ²	11	10	9
Japan	17	22	20
Mexico	11	12	9
New Zealand	63	63	69
USA	43	41	46
OECD	21	20	21

Source: OECD, Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009.

¹ See note after Table D.6.² EU25 for 2006, EU27 for 2007 and 2008.

Table D.6: Composition of General Services Support Estimate (GSSE) for Selected OECD Countries, 2006-2008

		2006	2007	2008 Preliminary
		(% share in GSSE)		
Australia	Research and development	51	49	56
	Agricultural schools	0	0	1
	Inspection services	7	7	9
	Infrastructure	40	43	23
	Marketing and promotion	1	1	1
	Public stockholding	0	0	0
	Miscellaneous	0	0	0
Canada	Research and development	17	17	15
	Agricultural schools	10	10	7
	Inspection services	30	33	31
	Infrastructure	18	19	22
	Marketing and promotion	25	22	24
	Public stockholding	0	0	0
	Miscellaneous	0	0	0
European Union¹	Research and development	16	19	20
	Agricultural schools	7	10	10
	Inspection services	4	6	6
	Infrastructure	48	44	36
	Marketing and promotion	24	18	25
	Public stockholding	0	2	2
	Miscellaneous	0	0	0
Japan	Research and development	9	8	8
	Agricultural schools	0	4	4
	Inspection services	1	1	1
	Infrastructure	87	84	83
	Marketing and promotion	0	0	1
	Public stockholding	2	2	2
	Miscellaneous	0	2	2
Mexico	Research and development	20	18	20
	Agricultural schools	29	27	0
	Inspection services	26	26	22
	Infrastructure	9	13	42
	Marketing and promotion	16	17	16
	Public stockholding	0	0	0
	Miscellaneous	1	0	1

Source: OECD, Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009.

¹ EU25 for 2006, EU27 for 2007 and 2008.

Table D.6: Composition of General Services Support Estimate (GSSE) for Selected OECD Countries, 2006-2008 (cont'd)

		2006	2007	2008 Preliminary
		(% share in GSSE)		
New Zealand	Research and development	31	34	31
	Agricultural schools	9	9	9
	Inspection services	31	28	30
	Infrastructure	29	29	30
	Marketing and promotion	0	0	0
	Public stockholding	0	0	0
	Miscellaneous	0	0	0
USA	Research and development	4	6	5
	Agricultural schools	0	0	0
	Inspection services	2	2	2
	Infrastructure	13	10	12
	Marketing and promotion	75	77	76
	Public stockholding	0	0	0
	Miscellaneous	5	5	5
OECD	Research and development	9	11	10
	Agricultural schools	2	3	3
	Inspection services	4	4	4
	Infrastructure	30	28	29
	Marketing and promotion	50	48	50
	Public stockholding	2	2	1
	Miscellaneous	3	4	3

Source: OECD, Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009.

¹ EU25 for 2006, EU27 for 2007 and 2008.

Note: In order to improve comparability and consistency across countries regarding information reported under GSSE, the OECD is currently undertaking a study that will review programs and policies presently reported under GSSE and examine if they are correctly classified. This study will also seek important gaps in the information reported under GSSE. It is expected that the OECD will develop a new methodology for deriving GSSE values on the basis of this review.

Table D.7: Consumer Support Estimate (CSE) for Selected OECD Countries, 2006-08

	2006	2007	2008 Preliminary
	Percentage CSE (%) ¹		
Australia	-1	-1	-1
Canada	-21	-16	-11
European Union ²	-15	-10	-10
Japan	-45	-40	-41
Mexico	-6	-5	-2
New Zealand	-3	-3	-2
USA	10	5	11
OECD	-15	-12	-10

Source: OECD, Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009.

¹ Percentage CSE: the ratio of total consumption expenditures on commodities domestically produced (CSE) and the value of total consumption net of budgetary support to consumers.

² EU25 for 2006, EU27 for 2007 and 2008.

Table D.8: Total Support Estimate (TSE) for Selected OECD Countries, 2006-08

	2006	2007	2008 Preliminary
	Total Support Estimate in percentage of GDP (%)		
Australia	0.30	0.40	0.30
Canada	0.70	0.70	0.60
European Union ¹	1.00	0.90	0.90
Japan	1.10	1.00	1.10
Mexico	0.70	0.80	0.70
New Zealand	0.30	0.20	0.20
USA	0.80	0.70	0.70
OECD	0.96	0.88	0.84

Source: OECD, Agricultural Policies in OECD Countries: Monitoring and Evaluation 2009.

¹ EU25 for 2006, EU27 for 2007 and 2008.

Methodology for OECD Support Indicators

Since 1986, the Organization for Economic Cooperation and Development (OECD) has measured support for agriculture using several indicators of transfers, the most important and central one being the Producer Support Estimate (PSE). The results are the only available source of internationally comparable and transparent information on support levels in agriculture.

The PSE is a measure of the size and the type of transfers. The PSE categorizes the different types of transfers in a way to facilitate policy analysis and improve the evaluation of policy reform. Since the agricultural policy measures have evolved, the OECD has revised the classification system of the PSE to better reflect new types of measures. The OECD adopted significant changes in the nature of the generic policy categories in the PSE, changed the measure of support to commodities and improved the presentation of relevant indicators. The generic policy categories identify:

- The transfer basis for support: output, input, area/animal numbers/revenues/incomes, non-commodity criteria;
- Whether the support is based on current or non-current basis;
- Whether production is required or not.

The total PSE is no longer broken down by commodities. Instead, the total PSE is broken down into four categories reflecting the flexibility given to farmers' production decisions within the various policy measures. These categories are:

- Single Commodity Transfers (SCT);
- Group Commodity Transfers (GCT);
- All Commodity Transfers (ACT);
- Other Transfers to Producers (OCT).

Definition of categories in the PSE classification

Market Price Support (MPS): transfers from consumers and taxpayers to agricultural producers arising from policy measures that create a gap between domestic market prices and border prices of a specific agricultural commodity. Hence, MPS takes the form of an increase in the price levied by the producers and paid by the consumers of the commodity. The total amount of the support increases as the volumes produced increase. MPS

is the only form of support that has a simultaneous impact on the production and consumption of a product. MPS is also available by commodity.

Payments based on output: transfers from taxpayers to agricultural producers from policy measures based on current output of a specific agricultural commodity.

Payments based on input use: transfers from taxpayers to agricultural producers arising from policy measures based on on-farm use of inputs:

- Variable input use that reduces the on-farm cost of a specific variable input or a mix of variable inputs.
- Fixed capital formation that reduces the on-farm investment cost of farm buildings, equipment, plantations, irrigation, drainage, and soil improvements.
- On-farm services that reduce the cost of technical, accounting, commercial, sanitary and phyto-sanitary assistance and training provided to individual farmers.

Payments based on current A/An/R/I, production required: transfers from taxpayers to agricultural producers arising from policy measures based on current area, animal numbers, revenue, or income, and requiring production.

Payments based on non-current A/An/R/I, production required: transfers from taxpayers to agricultural producers arising from policy measures based on non-current (i.e. historical or fixed) area, animal numbers, revenue, or income, with current production of any commodity required.

Payments based on non-current A/An/R/I, production not required: transfers from taxpayers to agricultural producers arising from policy measures based on non-current (i.e. historical or fixed) area, animal numbers, revenue, or income, with current production of any commodity not required but optional.

- Variable rates: payment rates vary with respect to levels of current output or input prices.
- Fixed rates: payment rates do not vary with respect to these parameters.

Payments based on non-commodity criteria: transfers from taxpayers to agricultural producers arising from policy measures based on:

- Long-term resource retirement: transfers for the long-term retirement of factors of production from commodity production. The payments in this subcategory are distinguished from those requiring short-term resource retirement, which are based on commodity production criteria.
- A specific non-commodity output: transfers for the use of farm resources to produce specific non-commodity outputs of goods and services, which are not required by regulations.
- Other non-commodity criteria: transfers provided equally to all farmers, such as a flat rate or lump sum payment.

Miscellaneous payments: transfers from taxpayers to farmers for which there is a lack of information to allocate them among the appropriate categories.

Definitions of the OECD indicators of support

The classification of total transfers (TSE) associated with agricultural policies groups government policy measures into three main categories: transfers to producers (PSE), transfers to consumers (CSE), and transfers to general services to agriculture (GSSE).

Producer Support Estimate (PSE): transfers from consumers and taxpayers to agricultural producers arising from policy measures that support agriculture, regardless of their nature, objectives or impacts on farm production or income.

Percentage PSE: PSE transfers as a share of total gross farm receipts including budgetary support.

Single Commodity Transfers (SCT): transfers from policies linked to the production of a single commodity such that the producer must produce the designated commodity in order to receive the transfer. This includes broader policies where transfers are specified on a per-commodity basis. SCT is also available by commodity.

Group Commodity Transfers (GCT): transfers from policies where payments are made on the basis that one or more of a designated list of commodities is produced. That is, a producer may produce from a set of allowable commodities and receive the transfer that does not vary with respect to this decision.

All Commodity Transfers (ACT): transfers from policies that place no restrictions on the commodity produced but require the recipient to produce some commodity of their choice.

Other Transfers to Producers (OTP): transfers made under policies that do not require any commodity production.

Producer Nominal Assistance Coefficient (Producer NAC): ratio between the value of total gross farm receipts including support and gross farm receipts (at farm gate) valued at border prices (measured at farm gate).

Producer Nominal Protection Coefficient (Producer NPC): ratio between the average price received by producers (at farm gate), including payments per tonne of current output, and the border price (measured at farm gate). The PNPC is also available by commodity.

General Services Support Estimate (GSSE): transfers to general services provided to agriculture as a sector (such as research, development, training, inspection, marketing and promotion), arising from policy measures which support agriculture regardless of their nature, objectives and impacts on farm production, income, or consumption of farm products.

Unlike the PSE and CSE transfers, these transfers are not received by producers or consumers individually, and do not directly affect farm receipts (revenue) or consumption expenditure by their amount, although they may affect production and consumption of agricultural commodities.

Percentage GSSE: share of support to general services provided to agriculture in the total support to agriculture (TSE).

Consumer Support Estimate (CSE): transfers to (from) consumers of agricultural commodities arising from policy measures which support agriculture, regardless of their nature, objectives or impacts on consumption of farm products.

The CSE is composed of explicit and implicit transfers from consumers to agricultural producers associated with market price support for agricultural products produced and consumed domestically (Transfers to producers from consumers), as well as transfers to the budget and/or to importers on the share of consumption that is imported (Other transfers from consumers).

This indicator is measured net of any transfers to consumers to offset their contribution to market price support of a specific commodity (Transfers to consumers from taxpayers), as well as the contribution of producers (as consumers of domestically produced crops) to market price support on crops used in animal feed (Excess feed cost).

When the CSE is negative, this indicates transfers from consumers, and measures the implicit tax on consumption associated with policies promoting the agricultural sector. Although consumption expenditure is increased or reduced by the amount of the implicit tax or payments, this indicator is not in itself an estimate of the impact on consumption expenditure.

Percentage CSE: ratio of the total value of consumption expenditure on commodities domestically produced and the value of total consumption minus budgetary support to consumers. It measures the implicit tax (or subsidy, if CSE is positive) on consumers as a share of consumption expenditure.

Consumer Nominal Assistance Coefficient (Consumer NAC): ratio between the value of consumption expenditure on agricultural commodities (at farm gate) and that valued at border prices.

Consumer Nominal Protection Coefficient (Consumer CNP): ratio between the average price paid by consumers (at farm gate) and the border price (measured at farm gate). The Consumer CNP is also available by commodity.

Total Support Estimate (TSE): transfers from taxpayers and consumers arising from policy measures that support agriculture, net of the associated budgetary receipts, regardless of their objectives and impacts on farm production and income, or consumption of farm products.

The TSE is the sum of the following transfers:

- 1) Explicit and implicit gross transfers from consumers of agricultural commodities to agricultural producers net of producer financial contributions (which appear in MPS and CSE);
- 2) Gross transfers from taxpayers to agricultural producers (in PSE);
- 3) Gross transfers from taxpayers to general services provided to agriculture (GSSE);
- 4) Gross transfers from taxpayers to consumers of agricultural commodities (in CSE).

As the transfers from consumers to producers are included in the MPS, the TSE is also the sum of the PSE, the GSSE, and the transfers from taxpayers to consumers (in the CSE). The TSE measures the overall cost of agricultural support financed by consumers (Transfers from consumers), and taxpayers (Transfers from taxpayers), net of import receipts (Budget revenues).

Percentage TSE: (%TSE): the share of total support to agriculture in the total Gross Domestic Product (GDP).

Treatment of taxes and levies

The PSE and CSE are defined as net of producer contributions which help finance policy measures that provide support to producers. In the same way, the receipts from production taxes and levies designed to finance a given measure are also deducted from the total amount of the payment provided to producers as a result of that measure.

The case of negative support

The concept of the PSE as a "gross" measure allows for cases of negative support. This is the case with agricultural policy measures that act as a tax on producers relative to the situation in the absence of such measures - i.e. if only general economy-wide policies were in place. The typical example of negative support is an export tax, or any other agricultural policy measure discouraging exports and resulting in a domestic price lower than the world price.

Meaning and interpretation of the main indicators

Producer Support Estimate (PSE) and producer Nominal Assistance Coefficient (Producer NAC)

The PSE is a static measure of support provided to agricultural producers in a given time period (e.g. one year or season) as defined by general macroeconomic conditions in the context of economy-wide policies.

For example, a situation of zero support to agriculture would occur when there are only general economy-wide policies in place with no policies specifically altering the transmission of the general macroeconomic condition for agriculture. In such situations, current total farm receipts would be generated entirely in the market without any policy-linked transfers to farmers. This can be seen as an extreme situation.

Thus, a percentage PSE of 60%, for example, expresses the share of transfers to agricultural producers in the total value of gross farm receipts (as measured by the PSE), or the share of gross farm receipts derived from policies. Hence 40% of gross farm receipts is derived from the market without any support.

When the producer NAC is equal to one, this means that gross farm receipts are entirely derived from the market without any budgetary support. Therefore, the higher the producer NAC, the lower the share of gross farm receipts derived from the market. For instance, a producer NAC of 2.50 means that the value of gross farm receipts is two and a half times what it would be if entirely obtained at world prices without any policy support.

Consumer Support Estimate (CSE) and Consumer Nominal Assistance Coefficient (Consumer NAC)

A percentage CSE of -60% indicates that 60% of total consumption expenditure on agricultural commodities represents a transfer from consumers to producers, or the share of the consumption expenditure created by policies.

When the consumer NAC is equal to one, this means that total consumption expenditure on agricultural commodities is at market prices, without any support to producers and consumers. Therefore, the higher the consumer NAC, the less the share of consumption expenditure reflects the market. For example, a consumer NAC of 2.50 indicates that consumer spending is two and a half times what it would be if conducted entirely at world market prices without any budgetary support to consumers.

Calculating Market Price Support (MPS)

Market Price Support (MPS) is only calculated where there are policies that alter the transmission of the general macroeconomic conditions to agricultural producers and create a "price gap" with transfers from consumers to producers.

Percentage GSSE and percentage TSE

The percentage GSSE measures the share of transfers to general services provided to agriculture in the total support to agriculture (TSE), and thus indicates the relative weight of the transfers that fall under the TSE and GSSE in each country.

All other things being equal, the lower the percentage GSSE, the higher the share of PSE transfers within the total support to agriculture and the greater the associated impacts on production and trade.

The percentage TSE measures the share of total support to agriculture in a country's GDP or the share of national income used to support agriculture. It is influenced by the importance of the agricultural sector in the economy.

Therefore, the higher the percentage TSE, the larger the share of national income used to support agriculture.