



Agriculture and
Agri-Food Canada

Agriculture et
Agroalimentaire Canada



Farm Income, Financial Conditions and Government Assistance

Data Book, 2011

Canada 

**Farm Income,
Financial Conditions
and Government Assistance
Data Book, 2011**

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.

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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
CALA	Canadian Agricultural Loans Act	NAC	Nominal Assistance Coefficient
CSE	Consumer Support Estimate	NISA	Net Income Stabilization Account
CWB	Canadian Wheat Board	PSE	Producer Support Estimate
EDC	Export Development Corporation	TDP	Taxation Data Program
FCC	Farm Credit Canada	TSE	Total Support Estimate
FIMCLA	Farm Improvement and Marketing Cooperatives Loans Act		

SYMBOLS

n.c.	not calculated
..	not available
F	too unreliable to be published
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.

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EXECUTIVE SUMMARY

FARM INCOME, FINANCIAL CONDITIONS AND GOVERNMENT ASSISTANCE DATA BOOK

The Farm Income, Financial Conditions and Government Assistance data book is a compendium of mainly historical data series from several sources. This information is compiled into one document to provide a comprehensive view of the situation in primary agriculture and the expenditures that governments are making to ensure a strong and competitive sector. The data book represents a convenient single resource for users of key economic and financial indicators of the primary agriculture sector. The data book also provides valuable information on government assistance to the agriculture and agri-food sector not easily available from other sources.

Information is provided by other members of Agriculture and Agri-Food Canada as well as by other federal departments. Information in the data book is also prepared in consultation with the provincial ministries responsible for Agriculture.

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

HIGHLIGHTS

Section A - Farm Income

- In 2010 total market receipts from both crop and livestock sources reached \$41.3 billion, the second highest level over the 10-year period 2001-2010. The record year for total market receipts, \$42.0 billion, occurred in 2008. The increase in market receipts in 2010 was due to the combination of strong crop receipts of \$22.4 billion and near record livestock receipts at \$18.9 billion. Livestock receipts reached \$19.0 billion in 2001, the highest level achieved over the 2001-2010 period.
- Net cash income in 2010 at \$9.5 billion was the highest level reported over 2001-2010, surpassing the previous record of \$9.0 billion achieved in 2008. In comparison, the lowest net cash income level over the reference period was \$5.0 billion in 2003, the year that BSE was discovered in Canadian cattle herds.
- Program payments fell to \$3.1 billion in 2010 from \$3.3 billion a year earlier. High income years in 2008, 2009 and 2010 due to strong market sales reduced the need for program payments, especially for grain and oilseed producers.
- Preliminary estimates for 2010 show that on average, the largest farms are in Newfoundland and Labrador, which reported average operating revenues of \$666,255 in 2010. The smallest farms are in Saskatchewan, where the average farm reported \$241,282 in total operating revenues that year. Nationally, the average farm reported \$317,916 in operating revenues and \$266,800 in operating expenses in 2010 for an average net operating income of \$51,117. This was a 9% increase from \$47,057 reported a year earlier.
- Net operating income by farm type shows considerable variation. Potato farms had the highest average net operating income in 2010 at \$209,222, while grains and oilseeds farms were at \$61,733, fruit and tree farms at \$30,273 and cattle farms at \$10,634. Hog farms had an average net operating income of \$88,858, which represented a significant increase (161%) from the previous year.
- The average farm family earned \$100,053 from all sources, including farm and off-farm income, in 2009.

Section B - Farm Financial Conditions

- Farmers take on debt to meet short-term financial obligations and to make investments in their farming operations to take advantage of emerging marketing opportunities. In 2010, total farm debt in Canada stood at \$66.4 billion.

- There were only 61 farm bankruptcies in 2010, with Quebec (25 bankruptcies) and Ontario (15 bankruptcies) reporting the highest number. The number of farm bankruptcies followed a declining trend between 1996 and 2010, with a sharp downward trend beginning in 2007.
- Farm Credit Canada approved 42,021 new loans in 2010. The average size of loan approved by Farm Credit Canada has declined in recent years to \$146,432 in 2010. Almost 4 out of 5 Canadian Agricultural Loans Act (CALA, formerly Farm Improvement and Marketing Cooperatives Loans Act) loans went to Saskatchewan in 2010.
- Farmers on the whole had healthy balance sheets in 2010. The average Canadian farm reported \$1.9 million in assets and \$0.3 million in debt, for an overall net worth of \$1.5 million. There was considerable variation by farm type, with net worth of poultry farms averaging \$3.9 million, potato farms at \$2.8 million, dairy farms at \$2.6 million, grain farms at \$1.6 million, hog farms at \$1.5 million, and beef farms at \$1.2 million. Farms in British Columbia had the highest level of farm assets amongst provinces at \$2.6 million, and the highest net worth at \$2.1 million.
- In the fall of 2011, urea cost an average of \$643 per tonne in Ontario, \$649 per tonne in Manitoba and \$643 per tonne in Saskatchewan. Farmers in Ontario, Saskatchewan and Manitoba paid less for urea than farmers in neighbouring US states. Conversely, farmers in Ontario and Manitoba paid higher prices for diesel and gasoline than their US neighbours while fuel prices in Saskatchewan were similar to prices in Montana.
- Total expenses for farming declined in 2010 for the second consecutive year to \$40.5 billion. Commercial feed, fertilizer, pesticide and interest costs were mainly responsible for the decline from the previous year.
- Expectations are that both federal and provincial expenditures will increase in 2011-12, reaching \$4.14 billion and \$3.26 billion. Total expenditures are expected to increase by 4% to reach \$7.4 billion.
- In 2010-11, federal program payments, which include primarily payments made directly to producers, are expected to decrease compared to 2008-09, and reach \$1.39 billion. However, these payments are expected to increase in 2010-11, reaching \$1.63 billion. During the same period, provincial program payments are expected to follow the same pattern and decrease in 2010-11 to reach \$1.53 and then to increase to reach \$1.69 billion in 2011-12.
- In 2010-11, categories with the most expenditures are program payments and, research and inspection. These two categories involved 60% and 57% of federal and provincial expenditures, respectively. However, the share of only research and inspection expenditures represents 27% at the federal level compared to 11% at the provincial level.

Section D - Estimates of Support to Agriculture

- Expressed as a percentage of gross farm receipts, the producer support estimates (PSE) for Canada increased slightly from 17% in 2009 to 18% in 2010.
- In 2010, single commodity transfers represent 73% of total PSE, which is high when compared to the EU (20%) and the US (26%). This result for Canada can be explained by the high level of support to milk through market price support.
- In 2010, while the level of support increased slightly in Canada, it decreased in the EU and the US. From 2009 to 2010, the PSE decreased from 24% to 20% in the EU and from 10% to 7% in the US.

Section C - Government Expenditures in Support of the Agri-Food Sector

- Total government expenditures in support of the agriculture and agri-food sector decreased slightly in 2010-11 to \$7.11 billion. During that period, both federal and provincial expenditures have decreased slightly. Federal expenditures decreased by 2.5% to reach \$4.10 billion while the provincial expenditures decreased by 2% to reach \$3.01 billion.



SECTION A

Farm Income

Table A.1: Farm Cash Receipts, Expenses and Income, Canada and Provinces, 2001-2010

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- \$ Million -										
Crop Receipts											
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	195	140	188	1,477	3,632	1,294	3,071	2,402	1,074	13,489
2006	17	235	155	221	1,563	3,851	1,275	3,663	2,619	1,107	14,705
2007	19	236	127	206	1,664	4,205	2,198	5,202	3,459	1,117	18,433
2008	16	240	131	217	2,119	4,697	2,763	7,001	4,727	1,112	23,024
2009	19	252	130	245	2,051	4,837	2,805	7,272	4,419	1,172	23,202
2010	18	244	130	229	2,053	5,297	2,743	6,685	3,799	1,224	22,422
Livestock Receipts											
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	74	129	300	209	4,010	4,497	1,832	1,783	4,358	1,194	18,386
2006	79	121	303	204	3,868	4,351	1,801	1,724	4,193	1,134	17,778
2007	87	127	318	220	4,089	4,540	1,752	1,706	4,308	1,174	18,321
2008	93	120	349	225	4,320	4,801	1,716	1,731	4,281	1,302	18,938
2009	88	119	324	223	4,244	4,602	1,657	1,491	4,103	1,258	18,107
2010	99	127	357	225	4,502	4,689	1,760	1,544	4,386	1,228	18,918
Total Market Receipts											
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	88	324	440	398	5,487	8,129	3,126	4,854	6,760	2,268	31,875
2006	95	356	458	425	5,431	8,203	3,076	5,387	6,811	2,241	32,483
2007	106	363	445	426	5,753	8,745	3,950	6,909	7,767	2,291	36,754
2008	108	360	480	442	6,439	9,498	4,479	8,732	9,008	2,414	41,962
2009	107	371	453	468	6,295	9,439	4,461	8,762	8,522	2,430	41,308
2010	117	370	486	454	6,556	9,987	4,503	8,229	8,185	2,453	41,340
Program Payments											
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	33	14	31	1,092	648	350	680	1,174	109	4,132
2009	0	36	16	30	1,060	367	386	463	830	102	3,291
2010	1	33	13	24	617	286	349	912	817	82	3,134
Total Cash Receipts											
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	89	370	467	438	6,237	8,930	3,825	6,177	7,877	2,388	36,798
2006	96	377	472	459	6,289	8,865	3,702	6,654	7,757	2,346	37,017
2007	106	384	463	457	6,887	9,342	4,363	7,779	8,674	2,391	40,847
2008	110	393	494	473	7,531	10,146	4,829	9,413	10,182	2,523	46,094
2009	107	407	469	498	7,356	9,806	4,848	9,225	9,351	2,532	44,599
2010	118	404	499	478	7,173	10,272	4,852	9,141	9,002	2,534	44,473

Source: Statistics Canada, Catalogue Nos. 21-010-XIE and 21-011-XIE, Agriculture Economic Statistics, November 2011.

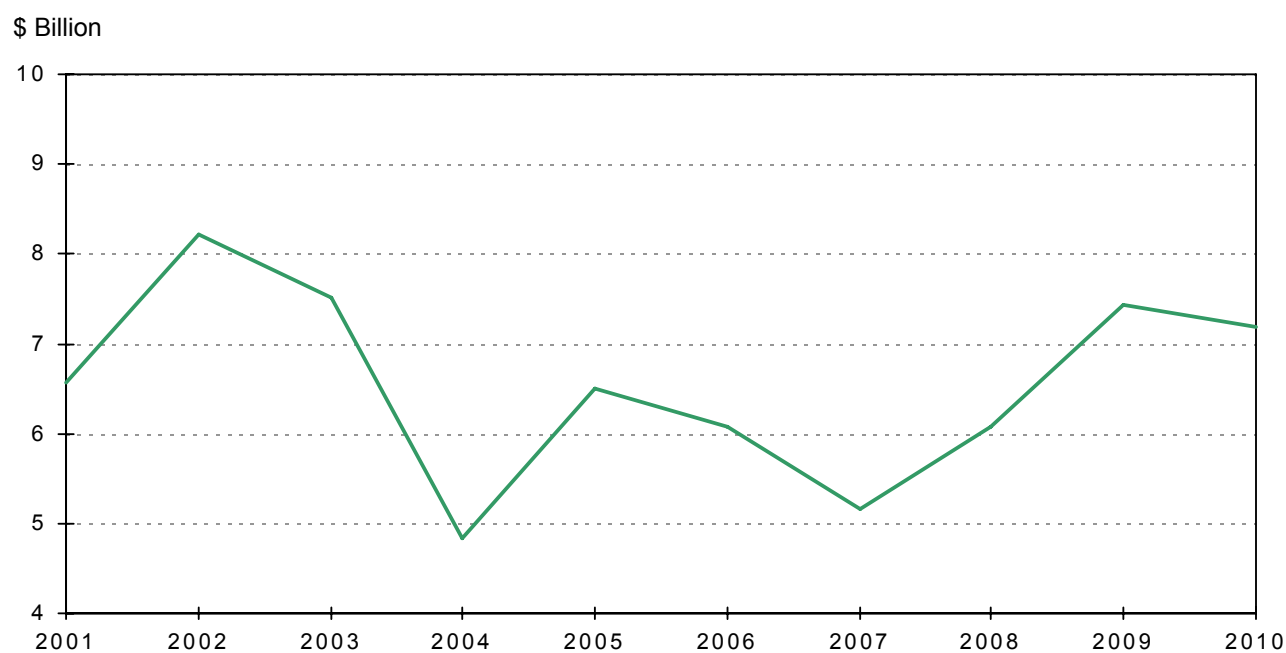
Table A.1: Farm Cash Receipts, Expenses and Income, Canada and Provinces, 2001-2010 (cont'd)

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- \$ Million -										
Net Operating Expenses											
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	4,876	7,375	3,013	5,142	6,563	2,034	30,119
2006	86	323	382	375	5,078	7,590	3,211	5,275	6,781	2,082	31,182
2007	96	338	400	389	5,555	8,059	3,535	5,865	7,306	2,215	33,757
2008	103	361	430	409	5,899	8,610	3,962	6,765	8,117	2,416	37,073
2009	106	378	419	416	5,771	8,510	3,812	6,531	7,830	2,279	36,052
2010	105	364	415	410	5,458	8,517	3,686	6,041	7,747	2,257	34,999
Net Cash Income											
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	10	60	101	78	1,360	1,555	812	1,035	1,314	354	6,679
2006	10	54	90	84	1,211	1,275	490	1,379	976	265	5,834
2007	10	46	63	69	1,332	1,283	828	1,914	1,368	176	7,090
2008	7	32	64	63	1,632	1,536	868	2,648	2,065	107	9,021
2009	1	29	51	83	1,585	1,296	1,036	2,694	1,521	252	8,547
2010	13	40	84	69	1,715	1,756	1,166	3,100	1,255	277	9,474
Realized Net Income											
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	3	20	48	27	727	459	355	72	143	81	1,936
2006	3	13	38	33	584	159	27	418	-213	-30	1,031
2007	3	7	10	16	679	137	362	916	126	-135	2,121
2008	-1	-8	8	12	952	355	376	1,620	770	-208	3,876
2009	-7	-12	-8	29	860	70	512	1,579	162	-68	3,115
2010	5	0	25	16	999	531	632	1,960	-100	-36	4,032
Total Net Income											
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	4	0	46	38	676	447	122	754	454	36	2,577
2006	4	40	36	57	484	11	322	-151	-508	-66	229
2007	3	-19	11	3	761	-91	259	544	-154	-147	1,169
2008	-2	-34	6	-9	794	391	877	3,780	1,516	-244	7,075
2009	-7	-13	-20	32	793	18	544	2,061	-473	-100	2,834
2010	5	16	25	25	1,045	488	56	1,091	259	-52	2,959

Source: Statistics Canada, Catalogue Nos. 21-010-XIE and 21-011-XIE, Agriculture Economic Statistics, November 2011.

Figure A.1(a): Net Cash Income (Current Dollars), Canada, 2001-2010

Source: Statistics Canada, Catalogue No. 21-010-XIE, Agriculture Economic Statistics, November 2011.

Figure A.1(b): Net Cash Income (2002 Dollars), Canada, 2001-2010

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, 2005-2010

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- \$ Million -										
2005											
Crop 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
Provincial Stabilization	0	0	0	0	391	0	0	0	0	0	391
Other Payments (2)	0	8	15	7	38	384	149	384	458	50	2,007
Total Payments before rebates	1	46	27	40	749	800	699	1,323	1,117	120	4,923
Input Rebates	0	0	1	0	96	5	18	0	17	0	137
Total Payments	1	46	28	40	845	806	717	1,323	1,134	120	5,061
Producer Premiums	0	3	0	2	123	44	59	216	159	3	610
2006											
Crop 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
Provincial Stabilization	0	0	0	0	497	0	0	0	0	0	497
Other Payments (2)	0	0	0	0	76	36	27	168	46	5	359
Total Payments before rebates	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	4,683
Producer Premiums	0	4	0	2	161	42	69	200	158	4	640
2007											
Crop 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 Payments before rebates	1	21	18	31	1,134	597	413	871	907	101	4,093
Input Rebates	0	0	1	0	3	5	28	0	14	0	51
Total Payments	1	22	18	31	1,138	602	441	871	921	101	4,144
Producer Premiums	0	3	1	3	270	53	88	247	160	4	829

Source: Statistics Canada, Catalogue No. 21-015-XIE, Agriculture Economic Statistics, November 2011.

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 and special assistance programs.

Table A.2: Gross Direct Payments and Producer Premiums, Canada and Provinces, 2005-2010 (cont'd)

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- \$ Million -										
2008											
Crop Insurance (1)	0	9	1	10	43	68	78	94	262	32	599
CAIS	1	8	2	7	132	100	75	123	605	36	1,089
AgriStability	0	4	3	7	200	167	89	45	63	13	592
AgriInvest-Kickstart	0	4	2	3	46	71	40	63	61	14	306
NISA	0	3	2	3	5	54	33	85	49	6	240
Provincial Stabilization	0	0	0	0	644	0	0	0	0	0	644
Other Payments (2)	0	4	3	1	22	187	35	270	134	8	663
Total Payments before rebates	1	33	14	31	1,092	648	350	680	1,174	109	4,132
Input Rebates	0	0	1	0	4	5	30	0	12	0	52
Total Payments	1	33	15	31	1,096	653	381	680	1,185	109	4,184
Producer Premiums	0	4	1	3	181	56	116	349	204	6	919
2009											
Crop Insurance (1)	0	24	2	12	116	53	128	100	358	17	811
CAIS	0	0	1	1	23	9	8	9	122	13	186
AgriStability	0	6	8	13	190	182	134	66	141	50	790
AgriInvest-Kickstart	0	4	2	3	35	63	50	112	78	11	358
NISA	0	2	2	2	4	46	28	72	40	5	202
Provincial Stabilization	0	0	0	0	689	0	0	0	0	0	689
Other Payments (2)	0	0	0	0	3	15	38	105	90	5	256
Total Payments before rebates	0	36	16	30	1,060	367	386	463	830	102	3,291
Input Rebates	0	0	1	0	2	5	33	0	8	0	48
Total Payments	0	36	17	30	1,062	372	419	463	837	102	3,339
Producer Premiums	0	5	1	3	293	52	115	338	253	6	1,067
2010											
Crop Insurance (1)	0	17	2	14	87	50	169	320	469	28	1,157
CAIS	0	1	0	1	4	1	-1	7	0	1	13
AgriStability	0	11	9	6	268	154	92	113	136	44	834
AgriInvest-Kickstart	0	3	1	2	61	63	38	82	72	6	328
Provincial Stabilization	0	0	0	0	195	0	0	0	0	0	195
Other Payments (2)	0	2	0	1	2	16	51	390	141	3	607
Total Payments before rebates	1	33	13	24	617	286	349	912	817	82	3,134
Input Rebates	0	0	1	0	1	5	31	0	4	0	41
Total Payments	1	34	14	24	618	291	380	912	821	82	3,175
Producer Premiums	0	6	1	3	88	59	110	320	275	6	869

Source: Statistics Canada, Catalogue No. 21-015-XIE, Agriculture Economic Statistics, November 2011.

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 and special assistance programs.

Table A.3: Average Total Operating Revenues, Operating Expenses and Net Operating Income per Farm, Canada and Provinces, 2008-2010

Province	2008	2009	2010 Preliminary	10/09
	- Dollars per farm -			%
Newfoundland and Labrador				
Operating revenues	573,193	603,877	666,255	10%
Operating expenses	511,926	535,444	558,894	4%
Net operating income	61,266	68,434	107,362	57%
Prince Edward Island				
Operating revenues	397,049	429,029	435,867	2%
Operating expenses	347,542	379,729	378,201	0%
Net operating income	49,507	49,300	57,666	17%
Nova Scotia				
Operating revenues	286,986	337,037	353,536	5%
Operating expenses	252,694	296,295	295,025	0%
Net operating income	34,291	40,743	58,511	44%
New Brunswick				
Operating revenues	367,275	422,952	448,245	6%
Operating expenses	318,609	363,421	386,032	6%
Net operating income	48,666	59,531	62,213	5%
Quebec				
Operating revenues	369,676	351,608	371,490	6%
Operating expenses	314,702	299,681	306,880	2%
Net operating income	54,974	51,927	64,611	24%
Ontario				
Operating revenues	284,937	299,757	301,247	0%
Operating expenses	248,151	263,221	256,251	-3%
Net operating income	36,786	36,536	44,996	23%
Manitoba				
Operating revenues	340,713	345,606	348,072	1%
Operating expenses	296,599	289,835	288,021	-1%
Net operating income	44,114	55,771	60,050	8%
Saskatchewan				
Operating revenues	223,740	232,349	241,282	4%
Operating expenses	175,602	179,550	183,748	2%
Net operating income	48,139	52,798	57,534	9%
Alberta				
Operating revenues	323,418	310,708	345,181	11%
Operating expenses	271,787	261,628	304,474	16%
Net operating income	51,631	49,079	40,707	-17%
British Columbia				
Operating revenues	339,761	342,845	362,101	6%
Operating expenses	314,493	311,573	321,503	3%
Net operating income	25,268	31,272	40,598	30%
Canada				
Operating revenues	300,534	303,394	317,916	5%
Operating expenses	255,039	256,337	266,800	4%
Net operating income	45,495	47,057	51,117	9%

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, 2008-2010

Farm Type	2008	2009	2010 Preliminary	10/09
	- Dollars per farm -			%
Dairy cattle and milk production				
Operating revenues	469,152	493,917	533,742	8%
Operating expenses	365,596	388,328	400,406	3%
Net operating income	103,556	105,590	133,336	26%
Beef cattle ranching and farming				
Operating revenues	218,223	211,764	231,186	9%
Operating expenses	204,720	201,167	220,552	10%
Net operating income	13,503	10,598	10,634	0%
Hog and pig farming				
Operating revenues	1,221,534	1,196,370	1,325,141	11%
Operating expenses	1,192,960	1,162,370	1,236,283	6%
Net operating income	28,574	34,000	88,858	161%
Poultry and egg production				
Operating revenues	1,044,666	1,036,094	1,104,736	7%
Operating expenses	919,771	903,816	942,443	4%
Net operating income	124,895	132,278	162,293	23%
Oilseed and grain farming				
Operating revenues	256,041	261,455	258,737	-1%
Operating expenses	193,780	197,119	197,003	0%
Net operating income	62,261	64,336	61,733	-4%
Potato farming				
Operating revenues	976,455	1,108,654	1,205,118	9%
Operating expenses	811,604	910,434	995,896	9%
Net operating income	164,850	198,220	209,222	6%
Fruit and tree nut farming				
Operating revenues	221,096	220,929	232,474	5%
Operating expenses	189,573	198,540	202,201	2%
Net operating income	31,523	22,389	30,273	35%
Other vegetable and melon farming				
Operating revenues	375,245	399,861	445,520	11%
Operating expenses	334,255	347,168	381,215	10%
Net operating income	40,989	52,692	64,305	22%
Greenhouse, nursery and floriculture production				
Operating revenues	934,982	971,656	1,087,951	12%
Operating expenses	853,422	866,687	963,066	11%
Net operating income	81,560	104,968	124,885	19%
All farm types				
Operating revenues	300,534	303,394	317,916	5%
Operating expenses	255,039	256,337	266,800	4%
Net operating income	45,495	47,057	51,117	9%

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

Table A.5: Total Family Income by Source and by Revenue Class¹, Unincorporated Farms, Canada, 2009

Family Total Income Group ¹	Number of Farm Families		Off-Farm Employment Income ²	Total Off-Farm Income ^{3,4}	Net Operating Income	Net Operating Income Adjusted for Capital Cost Allowance	Total Family Income ⁴	Total Family Income Adjusted for Capital Cost Allowance
	Number	% of Total						
All Farms								
Total of revenue classes	113,950	100.0	52,855	77,370	22,683	7,367	100,053	84,737
\$10,000 to \$24,999	28,740	25.2	66,009	94,442	-5,234	-9,022	89,207	85,419
\$25,000 to \$49,999	23,560	20.7	55,923	83,196	469	-4,902	83,665	78,295
\$50,000 to \$99,999	19,820	17.4	52,028	75,977	10,314	1,453	86,290	77,430
\$100,000 to \$249,999	22,490	19.7	45,454	67,524	31,430	13,620	98,955	81,144
\$250,000 to \$499,999	12,340	10.8	37,695	55,293	74,129	38,518	129,422	93,811
\$500,000 to \$999,999	5,390	4.7	38,742	58,913	113,728	52,552	172,640	111,465
\$1,000,000 and over	1,620	1.4	49,981	72,863	176,936	74,886	249,799	147,749

Source: Statistics Canada, Canadian Farm Financial Database (CFFD) based on 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 Total Off-Farm Income includes "Off-Farm Employment Income", "investment income", "pension income", "other off-farm income" and "RRSP", .

⁴ Excludes capital gains.

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.



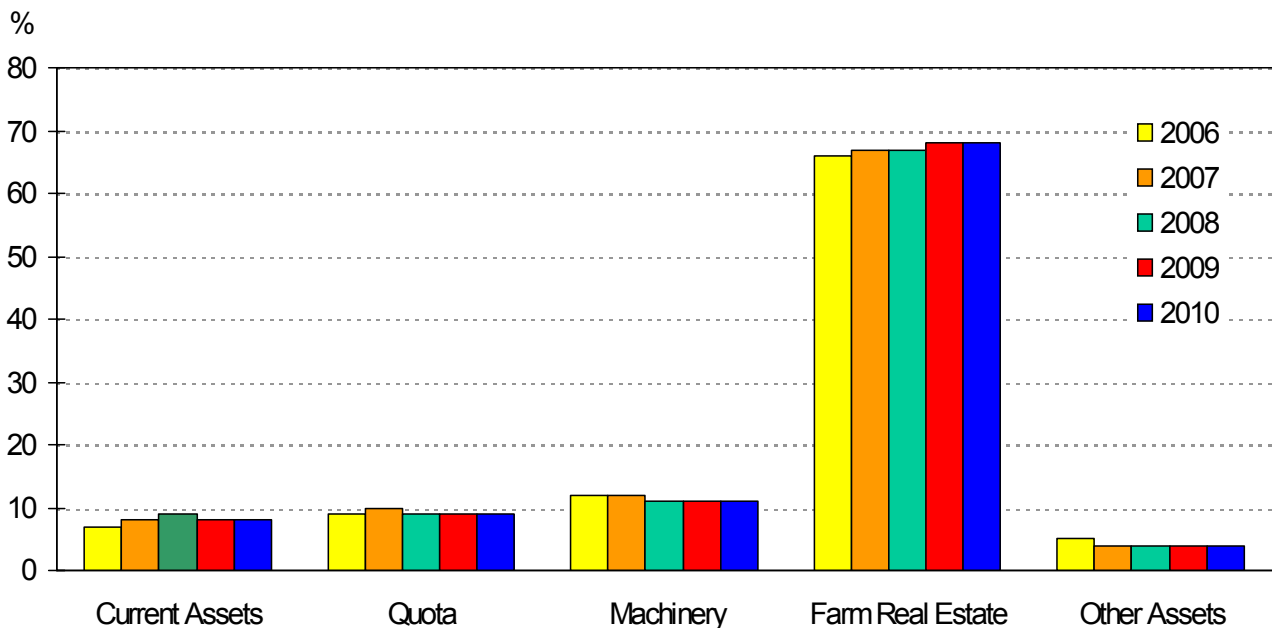
SECTION B

Farm Financial Conditions

Table B.1: Farm Assets, Canada and Provinces, 2001-2010

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
- \$ Million -											
2001	244	1,873	2,057	1,930	29,228	58,180	16,535	36,539	58,018	15,357	219,963
2002	265	1,966	2,232	2,056	31,034	63,092	17,781	37,632	61,221	16,895	234,174
2003	285	1,966	2,211	2,073	32,354	66,068	17,919	37,077	62,607	18,339	240,899
2004	288	1,930	2,321	2,117	34,192	69,503	18,138	37,065	67,557	20,326	253,437
2005	313	2,033	2,352	2,214	35,571	71,126	18,323	38,508	73,036	23,098	266,575
2006	347	2,049	2,404	2,257	36,152	73,700	19,176	39,419	78,775	25,487	279,766
2007	385	2,037	2,515	2,275	37,944	77,618	20,755	43,751	86,622	28,850	302,752
2008	379	2,062	2,608	2,325	39,941	80,897	22,564	48,741	93,439	30,645	323,601
2009	364	1,999	2,749	2,457	40,035	82,570	23,467	51,025	95,758	30,945	331,369
2010	380	2,132	2,713	2,566	41,757	88,651	25,076	55,638	101,752	31,216	351,881

Source: Statistics Canada, Catalogue No. 21-016-XIE Agriculture Economic Statistics, January 2012.

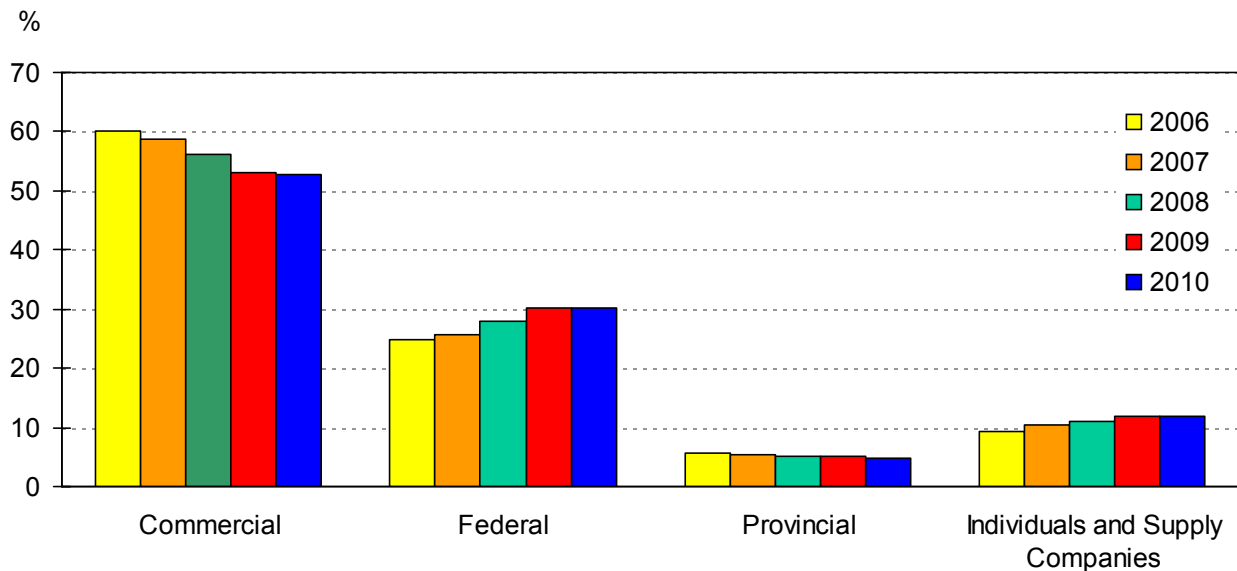
Figure B.1: Asset Class as a Percentage of Farm Assets, Canada, as of December 31, 2006-2010

Source: Statistics Canada, Catalogue No. 21-016-XIE, Agriculture Economic Statistics, January 2012.

Table B.2: Farm Debt, Canada and Provinces, 2001-2010

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
- \$ Million -											
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	12,484	5,134	7,199	10,961	3,028	50,123
2006	92	583	609	539	9,866	12,664	5,414	7,511	11,548	3,424	52,249
2007	116	598	677	560	10,482	13,787	5,965	7,528	11,919	4,104	55,735
2008	130	603	750	616	10,927	14,591	6,530	8,014	13,176	4,549	59,884
2009	144	681	800	585	11,329	14,913	6,897	8,751	13,823	4,626	62,548
2010	153	714	795	633	11,655	16,329	7,297	8,938	14,856	5,003	66,373

Source: Statistics Canada, Catalogue No. 21-014-XIE Agriculture Economic Statistics, November 2011.

Figure B.2: Lender Shares as a Percentage of Farm Debt, Canada, as of December 31, 2006-2010


Source: Statistics Canada, Catalogue No. 21-014-XIE, Agriculture Economic Statistics, November 2011.

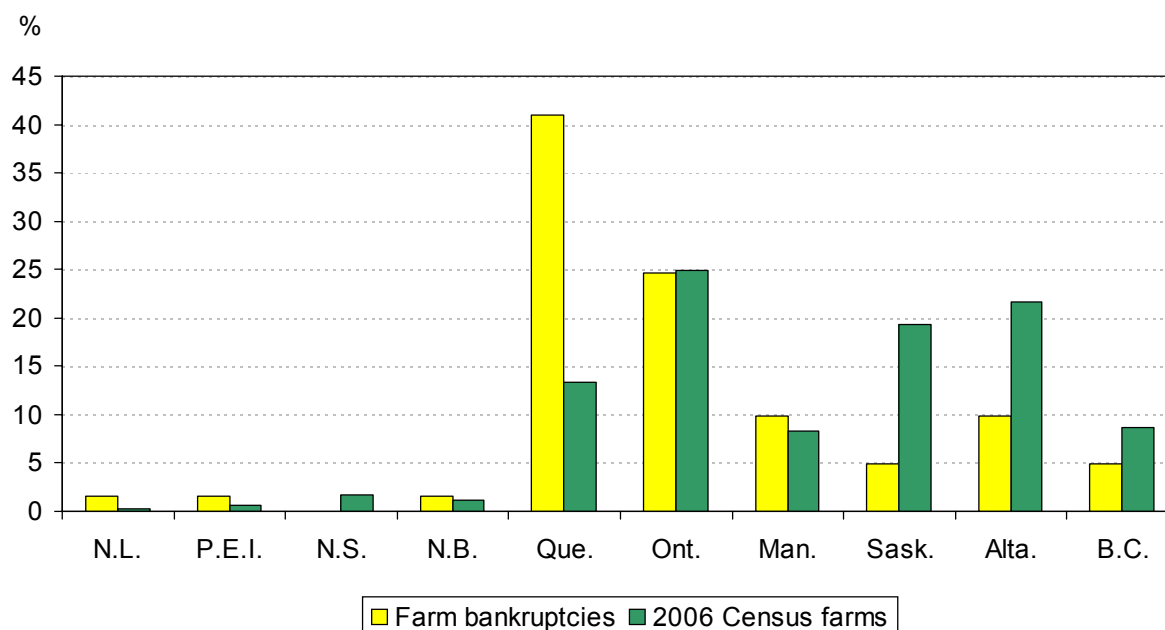
Table B.3: Farm Bankruptcies by Province, 1996-2011

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	NWT/ Yukon	Canada
1996	3	0	16	4	53	16	25	95	77	1	0	290
1997	1	4	12	4	54	16	19	76	62	4	0	252
1998	3	1	8	1	48	15	27	92	55	5	0	255
1999	0	1	2	4	43	17	29	99	45	6	0	246
2000	0	1	4	2	42	21	19	76	38	14	0	217
2001	2	2	5	0	55	23	19	64	43	6	0	219
2002	0	2	1	4	28	31	41	50	32	9	0	198
2003	0	1	4	1	46	23	28	59	46	16	0	224
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	3	2	3	29	21	14	49	15	1	0	138
2008	0	1	3	2	20	30	22	34	6	6	2	126
2009	0	5	3	1	29	22	14	12	5	1	0	92
2010	1	1	0	1	25	15	6	3	6	3	0	61
2010*	0	1	0	1	24	11	5	3	6	2	0	53
2011*	3	6	2	0	16	15	2	11	1	0	0	56

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.

* from January to October

Figure B.3: Distribution of Farm Bankruptcies by Province, 2010

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

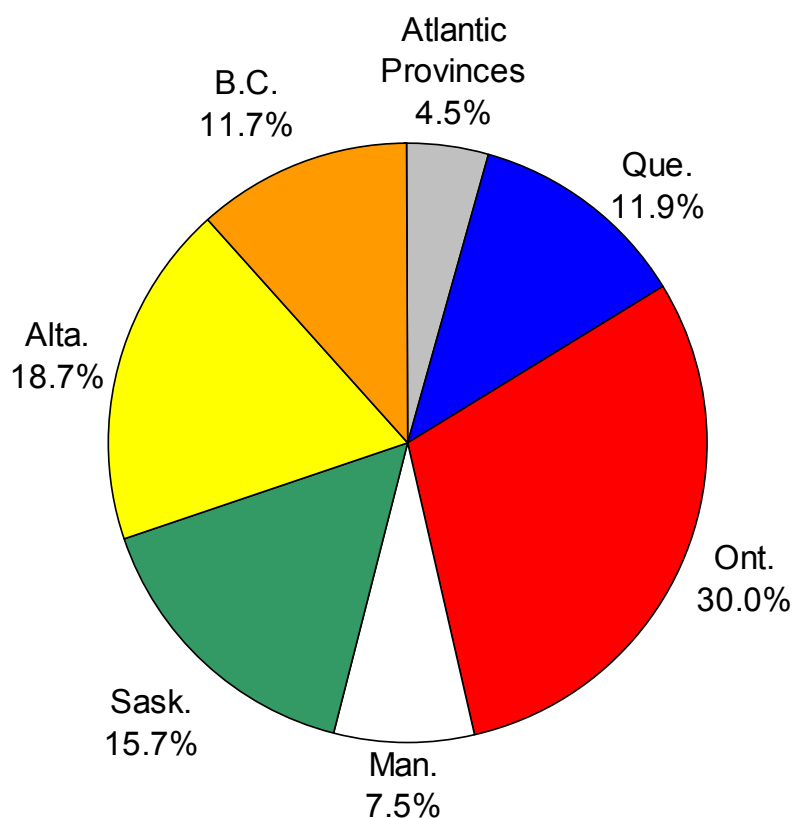
Table B.4: Farm Credit Canada (FCC) Loans Receivable Portfolio, 2005-06 to 2010-11

	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Number of loans receivable	95,768	101,470	98,066	106,867	114,439	120,070
Amount receivable (\$ million)	12,310	13,550	14,992	17,099	19,770*	21,335
Number of loans approved	28,634	28,684	32,561	31,037	41,418	42,021
Amount of loans approved (\$ million)	3,317	3,715	4,285	5,068	6,586	6,153
Average size of loans approved (\$)	115,852	129,504	131,600	163,302	159,003	146,432

Source: Farm Credit Canada - Financial Planning & Analysis

*.Loans receivable for 2010 has been restated as a result of a prior period adjustment.

Figure B.4: Distribution of the Amount of FCC Loans Receivable, by Province, as of March 31, 2011

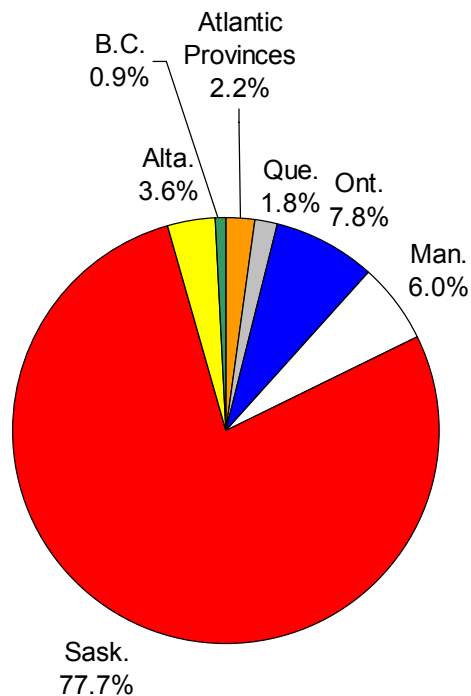


Source: Farm Credit Canada.

Table B.5: New Loans Registered Under the Canadian Agricultural Loans Act (CALA), 2003-04 to 2010-11

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
Number of new loans registered	3,155	2,829	2,128	1,803	1,854	1,740	2,524	2,382
Amount of new loans registered (\$000)	105,601	105,095	74,472	63,901	71,216	74,762	127,173	137,337
Average size of new loans registered (\$)	33,471	37,149	34,997	35,442	38,412	42,967	50,386	57,657

Source: CALA, Agriculture and Agri-Food Canada.

Figure B.5: Distribution of the Amount of New Loans Registered under CALA, by Province, Fiscal Year 2010-11

Source: CALA, Agriculture and Agri-Food Canada.

Table B.6: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2008, 2009 and 2010

	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
	- Dollars per farm -							
CANADA								
Farm Assets								
- 2008	3,418,219	1,062,546	1,929,886	3,828,577	1,481,906	3,528,253	1,606,188	1,582,465
- 2009	3,478,696	1,184,659	2,166,493	4,256,681	1,511,546	3,920,914	1,725,898	1,692,846
- 2010	3,635,006	1,378,752	2,369,959	4,936,569	1,661,066	4,097,803	1,888,133	1,865,322
Farm Debt								
- 2008	941,199	163,736	787,129	894,836	283,602	897,164	242,168	301,369
- 2009	979,215	177,210	850,235	824,596	319,498	1,249,191	268,787	323,090
- 2010	996,149	218,810	823,661	1,055,303	358,280	1,282,519	263,158	343,241
Net Worth								
- 2008	2,477,021	898,810	1,142,757	2,933,741	1,198,304	2,631,089	1,364,019	1,281,096
- 2009	2,499,481	1,007,449	1,316,258	3,432,085	1,192,049	2,671,723	1,457,111	1,369,756
- 2010	2,638,857	1,159,941	1,546,298	3,881,265	1,302,787	2,815,284	1,624,975	1,522,080
Net New Investment								
- 2008	..	..	..	..	..	..	..	..
- 2009	118,859	14,252	46,047	60,132	63,226	214,067	71,021	52,189
- 2010	..	..	..	..	..	..	..	..
ATLANTIC								
Farm Assets								
- 2008	3,144,276	551,042	1,139,507	3,088,040	707,594	2,822,303	818,070	1,300,271
- 2009	3,146,523	569,936	1,575,575	3,923,817	734,467	3,052,658	923,818	1,381,972
- 2010	3,167,382	597,607	1,055,680	4,413,094	745,138	3,443,653	944,995	1,474,301
Farm Debt								
- 2008	859,037	74,101	693,960	689,677	127,990	876,897	211,093	333,437
- 2009	923,700	67,433	1,090,851	1,018,821	180,839	1,041,008	136,734	371,444
- 2010	1,005,863	81,049	469,172	966,730	172,041	1,126,262	211,930	392,405
Net Worth								
- 2008	2,285,238	476,942	445,547	2,398,364	579,604	1,945,406	606,977	966,833
- 2009	2,222,823	502,503	484,724	2,904,996	553,627	2,011,650	787,084	1,010,527
- 2010	2,161,520	516,558	586,509	3,446,363	573,097	2,317,391	733,065	1,081,897
Net New Investment								
- 2008	..	..	..	..	..	..	..	..
- 2009	90,977	9,222	54,178	72,547	26,178	120,105	-42,221	38,280
- 2010	..	..	..	..	..	..	..	..

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

Table B.6: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2008, 2009 and 2010 (cont'd)

	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
	- Dollars per farm -							
QUEBEC								
Farm Assets								
- 2008	2,463,986	645,634	1,309,723	4,239,413	927,504	1,718,784	1,427,538	1,422,274
- 2009	2,463,985	703,518	1,495,180	4,462,927	1,039,826	2,450,919	1,444,155	1,451,965
- 2010	2,604,170	745,836	1,454,460	4,796,649	1,213,900	2,843,987	1,500,594	1,594,106
Farm Debt								
- 2008	766,188	179,300	600,169	929,118	252,688	419,134	330,126	404,235
- 2009	793,953	150,919	703,436	921,466	278,717	599,015	353,348	413,415
- 2010	797,666	156,854	697,998	1,014,461	304,729	955,346	294,656	435,864
Net Worth								
- 2008	1,697,798	466,334	709,554	3,310,296	674,816	1,299,650	1,097,412	1,018,039
- 2009	1,670,031	552,599	791,744	3,541,461	761,109	1,851,904	1,090,807	1,038,550
- 2010	1,806,504	588,982	756,461	3,782,189	909,171	1,888,641	1,205,939	1,158,242
Net New Investment								
- 2008	..	..	..	..	..	..	..	..
- 2009	85,968	-12,140	42,635	72,935	40,108	75,687	38,178	39,784
- 2010	..	..	..	..	..	..	..	..
ONTARIO								
Farm Assets								
- 2008	3,867,809	920,121	1,782,422	3,903,414	1,414,090	3,123,603	1,343,710	1,642,311
- 2009	3,589,929	975,589	2,138,115	3,860,538	1,443,113	4,517,379	1,506,615	1,731,479
- 2010	3,945,369	1,047,231	2,485,139	5,051,232	1,612,496	5,161,733	1,674,381	1,908,427
Farm Debt								
- 2008	963,908	125,666	753,803	970,352	290,839	314,285	194,419	332,610
- 2009	912,488	141,977	749,422	631,854	255,075	1,673,706	208,639	331,807
- 2010	949,264	175,825	885,098	1,086,816	283,378	1,462,998	211,156	361,428
Net Worth								
- 2008	2,903,901	794,455	1,028,619	2,933,062	1,123,251	2,809,318	1,149,291	1,309,702
- 2009	2,677,441	833,612	1,388,693	3,228,684	1,188,038	2,843,673	1,297,977	1,399,673
- 2010	2,996,105	871,406	1,600,041	3,964,416	1,329,119	3,698,735	1,463,225	1,546,999
Net New Investment								
- 2008	..	..	..	..	..	..	..	..
- 2009	119,915	10,918	22,177	48,692	52,611	390,802	41,704	41,153
- 2010	..	..	..	..	..	..	..	..

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

Table B.6: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2008, 2009 and 2010 (cont'd)

	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
	- Dollars per farm -							
MANITOBA								
Farm Assets								
- 2008	3,868,550	649,985	3,468,541	2,280,257	1,124,694	9,215,086	1,645,299	1,401,027
- 2009	4,569,733	753,311	3,727,659	3,225,213	1,313,245	9,788,208	1,820,324	1,543,921
- 2010	5,049,961	827,046	4,804,008	4,053,605	2,086,836	8,893,383	2,112,052	1,784,961
Farm Debt								
- 2008	1,160,665	113,918	1,223,728	417,246	136,348	2,511,423	306,310	290,310
- 2009	1,459,784	147,961	1,274,406	590,203	219,793	3,378,833	323,912	322,191
- 2010	1,479,446	166,201	1,102,744	969,121	398,285	3,000,577	372,999	357,037
Net Worth								
- 2008	2,707,885	536,066	2,244,813	1,863,012	988,346	6,703,663	1,338,989	1,110,717
- 2009	3,109,949	605,350	2,453,253	2,635,010	1,093,451	6,409,375	1,496,411	1,221,729
- 2010	3,570,516	660,845	3,701,263	3,084,483	1,688,551	5,892,805	1,739,053	1,427,924
Net New Investment								
- 2008								
- 2009	294,269	15,886	108,515	-13,659	61,203	751,601	99,614	70,704
- 2010								
SASKATCHEWAN								
Farm Assets								
- 2008	4,093,476	769,707	4,694,407	4,438,867	473,011	2,155,596	1,419,283	1,272,341
- 2009	8,014,318	956,051	10,854,200	3,757,456	625,734	3,692,344	1,522,778	1,398,838
- 2010	7,582,663	1,165,877	7,335,009	5,378,974	560,933	1,704,804	1,745,092	1,595,550
Farm Debt								
- 2008	1,399,808	141,061	1,288,216	989,955	28,316	531,290	213,612	203,400
- 2009	2,104,562	147,309	4,395,750	1,103,935	28,996	685,953	239,636	224,971
- 2010	1,986,640	205,784	2,085,962	1,778,258	31,137	132,589	252,573	243,212
Net Worth								
- 2008	2,693,668	628,646	3,406,191	3,448,912	444,694	1,624,305	1,205,671	1,068,941
- 2009	5,909,756	808,742	6,458,450	2,653,521	596,738	3,006,391	1,283,142	1,173,867
- 2010	5,596,023	960,093	5,249,047	3,600,716	529,796	1,572,214	1,492,519	1,352,338
Net New Investment								
- 2008	..	..	..	..	..	..	..	..
- 2009	100,790	23,803	-4,450	-34,346	-19,745	97,125	88,238	69,479
- 2010	..	..	..	..	..	..	..	..

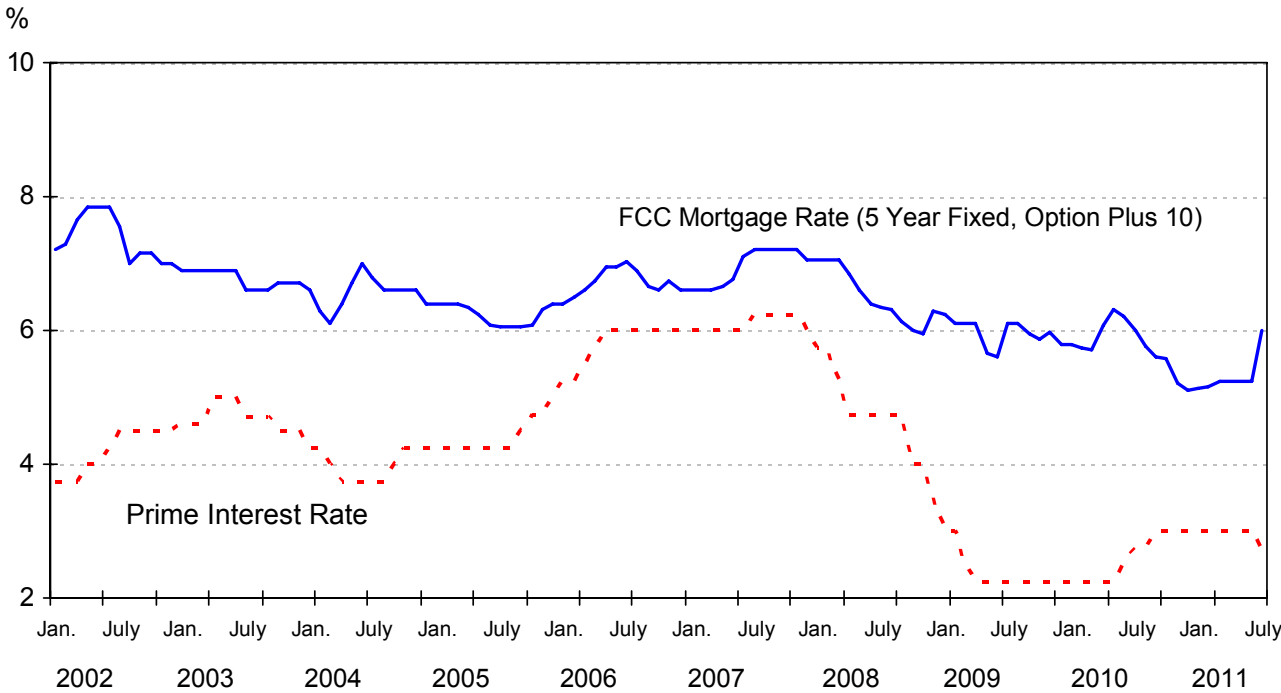
Source: Statistics Canada and Agriculture and Agri-Food Canada, Farm Financial Survey.

Table B.6: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2008, 2009 and 2010 (cont'd)

	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
	- Dollars per farm -							
ALBERTA								
Farm Assets								
- 2008	6,133,940	1,486,304	2,839,165	4,374,436	902,640	6,541,460	2,227,122	1,836,756
- 2009	7,018,753	1,663,259	3,598,017	6,660,943	5,581,630	4,818,002	2,390,428	2,038,917
- 2010	8,051,443	2,014,772	3,388,423	5,540,215	1,509,068	5,744,491	2,376,740	2,171,384
Farm Debt								
- 2008	1,576,895	213,234	1,115,315	1,269,615	171,136	1,607,779	289,558	267,035
- 2009	1,868,844	243,261	1,425,253	1,579,077	2,263,992	1,544,322	332,852	313,878
- 2010	2,210,757	298,742	806,581	1,160,102	78,922	1,784,328	276,703	302,552
Net Worth								
- 2008	4,557,045	1,273,070	1,723,850	3,104,821	731,504	4,933,681	1,937,564	1,569,721
- 2009	5,149,909	1,419,999	2,172,764	5,081,866	3,317,638	3,273,681	2,057,575	1,725,039
- 2010	5,840,685	1,716,030	2,581,843	4,380,114	1,430,146	3,960,162	2,100,038	1,868,832
Net New Investment								
- 2008	..	..	..	..	..	..	..	..
- 2009	286,427	17,018	116,920	143,676	1,172,636	282,156	68,957	49,893
- 2010	..	..	..	..	..	..	..	..
BRITISH COLUMBIA								
Farm Assets								
- 2008	9,265,015	1,678,048	4,847,162	3,548,860	2,453,091	3,610,718	2,075,132	2,476,849
- 2009	9,097,925	1,652,493	2,652,591	4,554,059	2,251,681	5,255,171	1,439,577	2,503,513
- 2010	8,523,837	1,617,906	4,205,907	5,058,485	2,555,546	4,073,021	1,695,164	2,626,978
Farm Debt								
- 2008	2,184,310	162,115	1,282,182	680,736	394,992	572,221	97,168	411,339
- 2009	2,172,513	131,866	558,313	883,147	421,523	861,966	161,924	439,623
- 2010	2,136,144	163,717	1,011,865	961,862	581,041	841,812	168,859	519,398
Net Worth								
- 2008	7,080,706	1,515,933	3,564,980	2,868,124	2,058,099	3,038,498	1,977,964	2,065,510
- 2009	6,925,412	1,520,627	2,094,278	3,670,912	1,830,158	4,393,205	1,277,652	2,063,891
- 2010	6,387,694	1,454,189	3,194,042	4,096,624	1,974,504	3,231,209	1,526,305	2,107,580
Net New Investment								
- 2008	..	..	..	..	..	..	..	..
- 2009	261,488	20,535	-43,197	74,035	60,460	142,535	14,737	53,745
- 2010	..	..	..	..	..	..	..	..

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

Figure B.6: FCC Mortgage Rate and Prime Interest Rate, 2002-2011



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

Table B.7: Comparison of Selected Average Fertilizer and Fuel Prices Between Ontario and Michigan/Ohio/Indiana, 2010 and 2011

	Ontario		Michigan/Ohio/Indiana	
	Oct. 6, 2010	Oct. 5, 2011	Oct. 6, 2010	Oct. 5, 2011
Nitrogen (Cdn\$/tonne)				
Anhydrous Ammonia (82-0-0)	789	1050	827	1,015
Urea (46-0-0)	514	643	538	717
Nitrogen Solution (UAN, 28%)	322	410	352	473
Ammonium Nitrate	507	574	-	-
Phosphate (Cdn\$/tonne)				
MAP (11-52-0)	653	817	710	865
DAP (18-46-0)	729	810	699	863
Triple Super (0-46-0)	684	843	646	858
Potash (Cdn\$/tonne)				
Potash (0-0-60)	566	685	543	745
Fuel (Cdn¢/litre)				
Diesel	86	102	74	91
Gasoline (regular unleaded)	93	109	76	94

Source: Agriculture and Agri-Food Canada's Farm Input Price Survey.

Table B.8: Comparison of Selected Average Fertilizer and Fuel Prices Between Manitoba and Minnesota/North Dakota, 2010 and 2011

	Manitoba		Minnesota/North Dakota	
	Fall 2010	Fall 2011	Fall 2010	Fall 2011
Nitrogen (Cdn\$/tonne)				
Anhydrous Ammonia (82-0-0)	676	955	708	940
Urea (46-0-0)	477	649	494	677
Phosphate (Cdn\$/tonne)				
MAP (11-52-0)	712	794	684	817
Potash (Cdn\$/tonne)				
Potash (0-0-60)	481	644	552	714
Fuel (Cdn¢/litre)				
Diesel	84	110	73	94
Gasoline (regular unleaded)	97	109	73	96

Source: Agriculture and Agri-Food Canada's Farm Input Price Survey.

Table B.9: Comparison of Selected Average Fertilizer and Fuel Prices Between Saskatchewan and Montana, 2010 and 2011

	Saskatchewan		Montana	
	Fall 2010	Fall 2011	Fall 2010	Fall 2011
Nitrogen (Cdn\$/tonne)				
Anhydrous Ammonia (82-0-0)	677	1,037	-	1,102
Urea (46-0-0)	465	643	473	692
Phosphate (Cdn\$/tonne)				
MAP (11-52-0)	676	772	617	795
Potash (Cdn\$/tonne)				
Potash (0-0-60)	501	651	586	629
Fuel (Cdn\$/litre)				
Diesel	77	96	73	94
Gasoline (regular unleaded)	90	102	78	97

Source: Agriculture and Agri-Food Canada's Farm Input Price Survey.

Table B.10: Agricultural Inputs, Canada, 2006-2010

	2006	2007	2008	2009	2010
	(\$000)				
Machinery Operating Costs	4,276,318	4,498,095	5,067,591	4,458,685	4,563,948
Commercial Feed	4,097,993	4,813,781	5,644,445	5,404,360	4,993,054
Cash Wages, Room and Board	3,985,796	4,098,318	4,231,955	4,259,172	4,391,641
Fertilizer and Lime	2,610,776	3,201,313	3,835,299	3,978,017	3,360,559
Interest	2,646,197	2,977,855	2,929,299	2,348,588	2,241,798
Rent	1,331,428	1,466,640	1,746,900	1,692,999	1,676,950
Pesticides	1,787,729	1,923,586	2,319,933	2,344,794	2,102,835
Livestock Purchases	1,489,030	1,246,540	1,252,872	1,271,464	1,336,452
Commercial Seed	1,155,958	1,274,400	1,422,167	1,516,224	1,576,603
Building and Fence Repairs	751,474	768,974	793,822	797,219	819,768
Electricity	752,239	814,615	822,653	819,630	839,418
Property Taxes	516,015	522,174	529,327	517,861	525,314
Crop and Hail Insurance	504,543	586,466	765,816	802,806	810,481
Business Insurance	693,487	732,237	758,485	778,413	806,982
A.I. Fees and Veterinary	693,860	709,756	719,118	710,315	718,600
Other*	3,889,614	4,122,597	4,233,034	4,351,933	4,234,448
Depreciation	4,849,321	5,011,431	5,187,354	5,470,607	5,482,910
Total Expenses after rebates	36,031,778	38,768,778	42,260,070	41,523,087	40,481,761

Source: Statistics Canada, Catalogue No. 21-012-XIE, Agriculture Economic Statistics, November 2011.

Note: Input expenses are net of government rebates and may include rounding.

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

Methodology for Farm Financial Conditions

Table B.1: Farm Assets and Figure B.1: Asset Class as a Percentage of Farm Assets

Farm asset and asset class information is from data published by the Agriculture Division of Statistics Canada in Catalogue No. 21-016-XIE, Agriculture Economic Statistics.

Table B.2: Farm Debt and Figure B.2: 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.3: Farm Bankruptcies and Figure B.3: 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.4: Farm Credit Canada (FCC) Loans Receivable Portfolio and Figure B.4: Distribution of the Amount of FCC Loans Receivable

FCC information on total loans receivable and loans approved is from the FCC 2009-10 Annual Report. Information on the provincial distribution of total loans receivable is from FCC.

Table B.5: New Loans Registered Under the CALA and Figure B.5: Distribution of the Amount of New Loans Registered under the CALA

Data is reported on: 1) new loans registered under CALA; 2) distribution of the amount of new loans registered under CALA, by province. All data were provided by the CALA administration.

Table B.6: 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.6: 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.7, B.8 and B.9: 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.10: 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, 2004-05 to 2011-12

Allocated		2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
		(\$ 000)							
N.L.	Federal	11,622	14,035	8,989	12,574	9,855	9,525	10,621	13,266
	Provincial	10,713	14,872	15,485	18,121	17,339	20,529	22,315	24,708
	% Fed.	52.03	48.55	36.73	40.96	36.24	31.69	32.25	34.93
P.E.I.	Federal	46,280	31,086	40,817	37,581	42,774	26,995	42,020	34,333
	Provincial	38,770	31,852	28,268	43,137	33,421	32,338	32,027	32,401
	% Fed.	54.42	49.39	59.08	46.56	56.14	45.50	56.75	51.45
N.S.	Federal	34,938	35,587	40,916	39,246	28,471	47,580	32,173	42,257
	Provincial	49,037	47,333	45,628	66,064	56,776	61,594	55,679	53,981
	% Fed.	41.61	42.92	47.28	37.27	33.40	43.58	36.62	43.91
N.B.	Federal	45,854	33,109	46,819	53,804	31,660	41,290	37,938	41,169
	Provincial	31,962	26,574	25,667	32,359	31,975	27,287	27,896	27,731
	% Fed.	58.93	55.47	64.59	62.44	49.75	60.21	57.63	59.75
Que.	Federal	523,602	537,417	529,269	650,564	338,626	502,148	500,641	476,581
	Provincial	708,706	818,077	905,053	911,966	1,034,066	1,002,689	1,030,040	964,920
	% Fed.	42.49	39.65	36.90	41.64	24.67	33.37	32.71	33.06
Ont.	Federal	668,650	796,385	762,065	903,850	871,054	667,786	635,823	671,365
	Provincial	577,520	540,901	510,779	718,236	453,366	462,128	396,220	612,112
	% Fed.	53.66	59.55	59.87	55.72	65.77	59.10	61.61	52.31
Man.	Federal	469,310	604,275	519,005	552,679	312,263	466,076	388,907	564,185
	Provincial	204,798	300,319	248,121	275,182	275,213	286,227	270,262	275,182
	% Fed.	69.62	66.80	67.66	66.76	53.15	61.95	59.00	67.22
Sask.	Federal	986,886	1,147,828	1,073,796	865,964	645,635	680,542	847,402	885,674
	Provincial	458,874	489,963	421,240	331,289	437,093	372,312	457,710	519,307
	% Fed.	68.26	70.08	71.82	72.33	59.63	64.64	64.93	63.04
Alta.	Federal	891,659	1,054,875	924,598	751,747	730,275	679,980	689,778	731,494
	Provincial	822,437	868,562	967,859	640,894	1,065,952	729,484	659,594	678,292
	% Fed.	52.02	54.84	48.86	53.98	40.66	48.24	51.12	51.89
B.C.	Federal	238,122	160,720	201,867	215,863	148,582	146,039	156,901	161,084
	Provincial	80,408	61,992	73,889	100,947	81,747	78,307	58,729	70,192
	% Fed.	74.76	72.16	73.21	68.14	64.51	65.10	72.76	69.65
Others	Federal	422,035	437,051	473,870	434,822	619,301	941,187	759,936	517,550
	Provincial	-	-	-	-	-	-	-	-
	% Fed.	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Canada	Federal	4,338,960	4,852,368	4,622,011	4,518,694	3,778,496	4,209,148	4,102,140	4,138,958
	Provincial	2,983,225	3,200,445	3,241,988	3,138,197	3,486,948	3,072,893	3,010,472	3,258,826
	% Fed.	59.26	60.26	58.77	59.01	52.01	57.80	57.67	55.95

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, 2004-05 to 2011-12

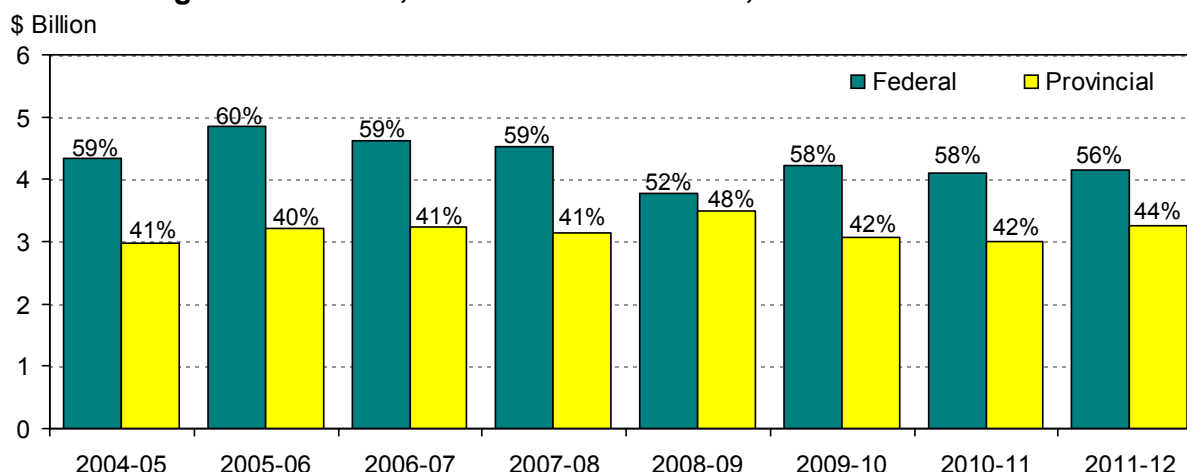
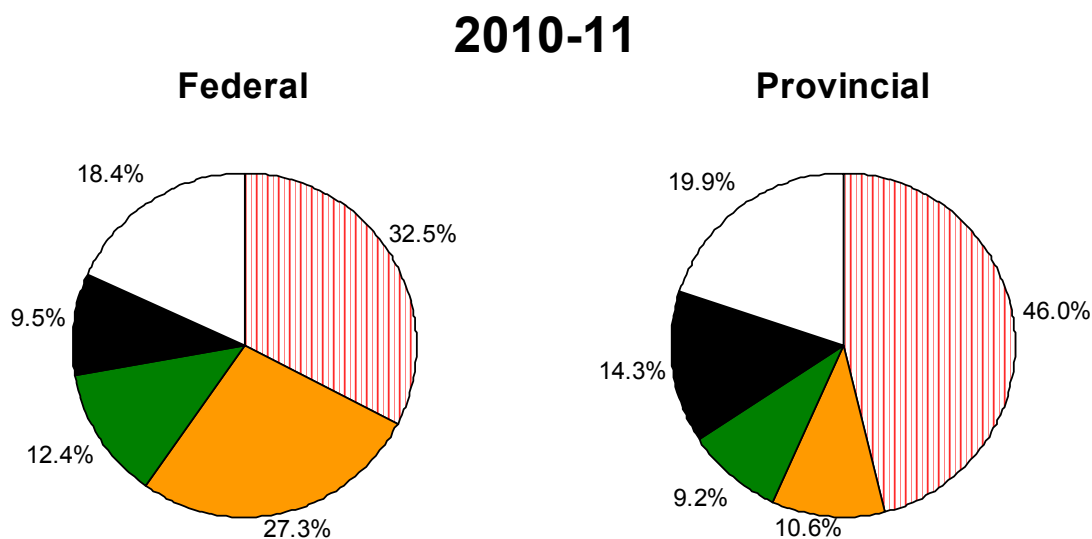
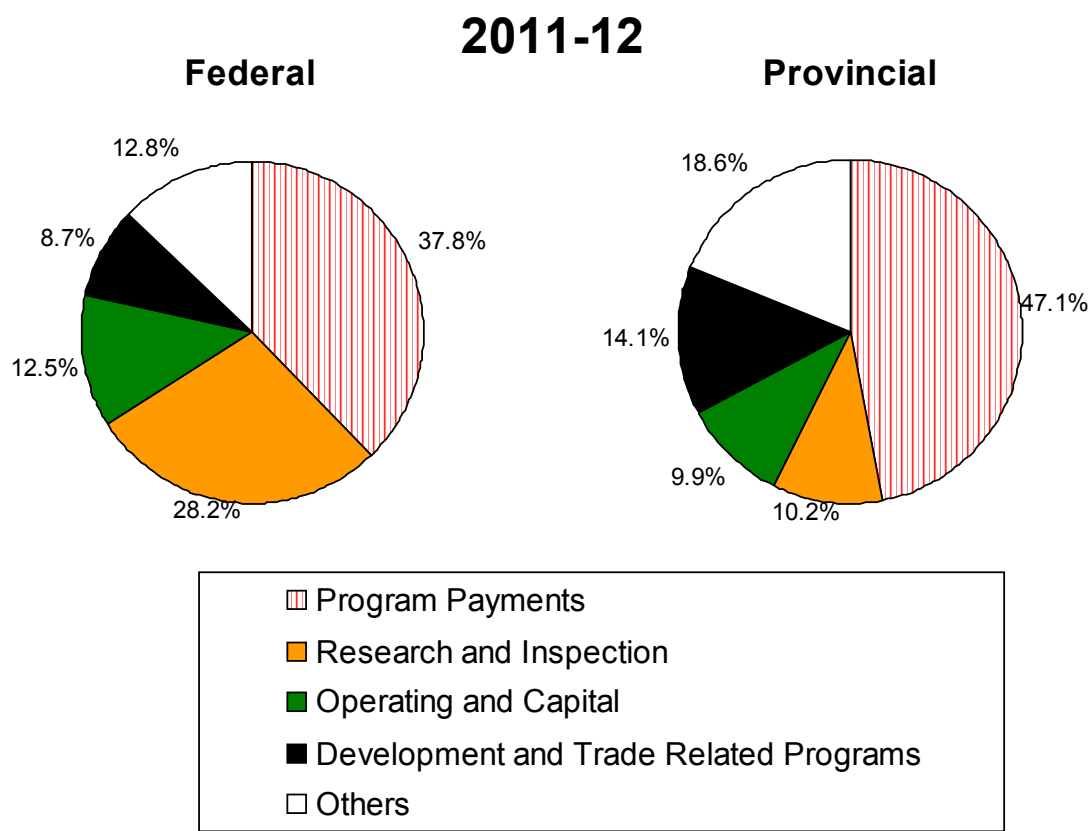


Figure C.2: Federal and Provincial Government Expenditures by Major Category



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.

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

Others include program payments for storage and freight, 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, 2008-09 to 2011-12

	PROVINCIAL				FEDERAL			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
	(\$000)							
CANADA								
A. Operating Expenditures	802,023	799,729	775,828	865,800	1,501,720	1,629,928	1,626,011	1,711,741
B. Capital Expenditures	105,839	88,692	83,420	77,422	58,649	92,127	93,238	61,980
C. Program Expenditures	2,512,868	2,086,591	2,088,849	2,265,882	2,390,027	2,662,986	2,560,066	2,540,226
c.1 Income Support & Stabilization	1,518,304	1,056,277	892,327	1,031,902	528,786	652,040	563,629	755,905
c.2 Ad Hoc and Cost Reduction	50,611	54,033	179,501	148,354	352,030	48,710	333,045	404,317
c.3 Production Insurance	365,672	380,121	387,690	455,027	493,243	435,234	447,056	392,430
c.4 Financing Assistance	64,121	66,087	66,664	53,985	35,148	279,279	45,872	79,627
c.5 Storage and Freight	1,322	1,961	10,991	(6,258)	6,120	-	-	-
c.6 Social and Labour	26,795	27,320	29,642	27,729	642	456	959	864
c.7 Research	108,062	144,051	134,104	134,987	22,038	36,378	65,703	60,623
c.8 Food Inspection	41,057	47,055	44,944	47,368	72,847	53,225	68,599	79,411
c.9 Food Aid	-	-	-	-	618,528	939,379	757,202	513,928
c.10 Marketing and Trade	31,321	37,559	36,875	42,014	48,902	65,530	66,866	29,492
c.11 Rural and Regional Development	66,268	54,048	66,276	81,286	72,913	89,825	130,194	111,291
c.12 Environment	62,812	54,755	59,913	52,370	97,826	39,476	53,303	75,311
c.13 Education	136,969	119,390	136,165	131,245	78	-	24	-
c.14 Extension	39,553	43,934	43,758	65,872	40,927	23,454	27,615	37,027
D. Tax Expenditures	379,048	387,780	370,627	374,090	-	-	-	-
Sub-Total Gross Expenditures	3,799,777	3,362,792	3,318,723	3,583,194	3,950,396	4,385,041	4,279,315	4,313,947
Recoveries	(312,829)	(289,899)	(308,251)	(324,368)	(171,900)	(175,893)	(177,175)	(174,989)
Total Net Expenditures	3,486,948	3,072,893	3,010,472	3,258,826	3,778,496	4,209,148	4,102,140	4,138,958
NEWFOUNDLAND AND LABRADOR								
A. Operating Expenditures	8,856	9,623	10,043	10,630	4,104	4,472	4,435	4,431
B. Capital Expenditures	1,636	2,269	2,252	2,629	157	246	247	164
C. Program Expenditures	6,847	8,637	10,020	11,449	6,074	5,277	6,408	9,133
c.1 Income Support & Stabilization	261	239	216	202	480	336	321	325
c.2 Ad Hoc and Cost Reduction	2,133	3,553	4,973	7,182	(1)	945	657	0
c.3 Production Insurance	27	35	32	24	38	53	48	42
c.4 Financing Assistance	-	-	-	140	14	4	13	11
c.5 Storage and Freight	173	155	122	250	-	-	-	-
c.6 Social and Labour	-	-	-	-	-	-	9	2
c.7 Research	277	96	582	119	475	414	596	1,055
c.8 Food Inspection	483	1,820	567	697	323	609	547	1,723
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	1,578	719	1,491	1,050	362	521	859	144
c.11 Rural and Regional Development	440	429	421	318	3,570	2,112	2,816	2,868
c.12 Environment	180	172	237	229	651	275	529	1,942
c.13 Education	1,155	1,075	1,239	1,239	78	-	0	-
c.14 Extension	141	343	140	-	84	9	14	1,021
D. Tax Expenditures	-	-	-	-	-	-	-	-
Sub-Total Gross Expenditures	17,339	20,529	22,315	24,708	10,335	9,995	11,090	13,728
Recoveries	-	-	-	-	(480)	(470)	(469)	(463)
Total Net Expenditures	17,339	20,529	22,315	24,708	9,855	9,525	10,621	13,266

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

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

Preliminary: figures based on actuals and budget estimates when actuals are not available.

Estimates: figures based on budget estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2008-09 to 2011-12 (cont'd)

	PROVINCIAL				FEDERAL			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
	(\$000)							
PRINCE EDWARD ISLAND								
A. Operating Expenditures	7,561	7,399	8,205	9,037	14,325	14,771	14,540	15,220
B. Capital Expenditures	145	61	81	13	547	840	823	547
C. Program Expenditures	23,746	22,909	21,814	22,037	29,572	12,988	28,223	20,111
c.1 Income Support & Stabilization	3,748	5,035	4,804	4,691	11,807	(3,608)	10,628	4,278
c.2 Ad Hoc and Cost Reduction	6,103	2,972	958	811	7,798	188	(535)	3
c.3 Production Insurance	3,960	6,313	6,300	7,813	4,185	6,204	7,407	6,502
c.4 Financing Assistance	1,359	520	636	636	497	1,931	695	727
c.5 Storage and Freight	30	-	400	400	-	-	-	-
c.6 Social and Labour	8	5	28	31	-	2	33	8
c.7 Research	2,516	1,671	1,457	932	60	197	577	948
c.8 Food Inspection	508	539	79	25	369	545	654	1,297
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	1,301	1,063	987	1,027	235	567	2,359	207
c.11 Rural and Regional Development	-	-	-	-	2,662	5,304	4,070	4,001
c.12 Environment	175	362	1,570	1,570	1,434	1,282	1,388	1,416
c.13 Education	3,119	4,081	4,256	3,819	-	-	0	-
c.14 Extension	921	348	340	283	525	376	947	725
D. Tax Expenditures	1,968	1,968	1,968	1,968	-	-	-	-
Sub-Total Gross Expenditures	33,421	32,338	32,069	33,056	44,444	28,599	43,586	35,878
Recoveries	-	-	(41)	(655)	(1,669)	(1,604)	(1,566)	(1,545)
Total Net Expenditures	33,421	32,338	32,027	32,401	42,774	26,995	42,020	34,333
NOVA SCOTIA								
A. Operating Expenditures	15,794	15,201	15,790	15,366	18,020	17,396	17,422	18,072
B. Capital Expenditures	697	586	711	1,018	692	1,032	1,012	673
C. Program Expenditures	38,952	44,485	37,864	38,923	11,870	31,123	15,665	25,411
c.1 Income Support & Stabilization	2,315	4,166	2,212	3,056	1,691	11,722	5,017	10,445
c.2 Ad Hoc and Cost Reduction	235	1,089	679	639	402	921	594	1
c.3 Production Insurance	297	496	422	591	277	709	705	619
c.4 Financing Assistance	5,325	6,146	2,159	3,024	42	3,255	80	205
c.5 Storage and Freight	695	1,115	750	250	-	-	-	-
c.6 Social and Labour	-	-	-	-	-	14	7	9
c.7 Research	1,123	1,196	1,070	1,000	1,135	1,039	192	3,363
c.8 Food Inspection	3,790	5,090	3,973	4,229	2,006	2,828	826	1,185
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	3,924	3,589	3,625	3,321	1,206	638	667	1,472
c.11 Rural and Regional Development	-	-	-	-	2,452	8,380	5,734	6,097
c.12 Environment	3,167	2,645	2,028	2,208	1,803	1,220	1,506	1,336
c.13 Education	15,668	16,663	18,240	18,025	-	-	0	-
c.14 Extension	2,413	2,290	2,706	2,580	858	398	335	677
D. Tax Expenditures	1,333	1,322	1,315	1,323	-	-	-	-
Sub-Total Gross Expenditures	56,776	61,594	55,679	56,631	30,582	49,551	34,099	44,156
Recoveries	-	-	-	(2,650)	(2,110)	(1,971)	(1,926)	(1,899)
Total Net Expenditures	56,776	61,594	55,679	53,981	28,471	47,580	32,173	42,257

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

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

Preliminary: figures based on actuals and budget estimates when actuals are not available.

Estimates: figures based on budget estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2008-09 to 2011-12 (cont'd)

	PROVINCIAL				FEDERAL			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
	(\$000)							
NEW BRUNSWICK								
A. Operating Expenditures	12,892	12,992	13,010	12,658	17,011	17,658	17,392	18,411
B. Capital Expenditures	725	933	491	625	653	1,022	1,021	679
C. Program Expenditures	16,847	12,331	12,858	12,763	15,988	24,561	21,468	23,996
c.1 Income Support & Stabilization	6,597	3,386	5,480	4,937	3,974	2,741	5,212	7,953
c.2 Ad Hoc and Cost Reduction	1,907	2,554	772	2,000	422	264	1,930	865
c.3 Production Insurance	1,727	1,803	1,807	1,848	2,584	2,702	2,708	2,377
c.4 Financing Assistance	1,545	25	34	-	474	5,418	338	576
c.5 Storage and Freight	-	151	-	-	-	-	-	-
c.6 Social and Labour	3	8	1	-	-	-	29	9
c.7 Research	505	655	835	650	656	1,838	2,007	1,750
c.8 Food Inspection	202	266	260	229	1,829	641	592	1,256
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	1,302	314	341	300	306	1,008	315	572
c.11 Rural and Regional Development	28	-	90	-	4,402	8,267	6,503	6,551
c.12 Environment	896	1,126	1,105	685	1,046	1,541	1,611	1,384
c.13 Education	1,470	1,636	1,783	1,847	-	-	0	-
c.14 Extension	666	405	350	267	293	141	223	701
D. Tax Expenditures	1,539	1,192	1,866	1,844	-	-	-	-
Sub-Total Gross Expenditures	32,003	27,448	28,226	27,890	33,652	43,241	39,880	43,085
Recoveries	(28)	(161)	(329)	(159)	(1,993)	(1,951)	(1,942)	(1,916)
Total Net Expenditures	31,975	27,287	27,896	27,731	31,660	41,290	37,938	41,169
QUEBEC								
A. Operating Expenditures	207,709	208,215	208,371	199,387	229,627	248,491	248,707	261,184
B. Capital Expenditures	12,353	12,783	13,425	12,678	8,945	14,210	14,421	9,586
C. Program Expenditures	772,436	738,829	762,480	708,981	127,334	266,578	264,914	232,876
c.1 Income Support & Stabilization	577,874	543,338	555,518	497,587	34,693	126,580	137,860	125,964
c.2 Ad Hoc and Cost Reduction	4,998	3,744	3,858	3,741	6,703	3,338	21,578	160
c.3 Production Insurance	17,107	19,237	19,081	19,086	24,036	25,713	28,066	24,637
c.4 Financing Assistance	36,578	28,678	25,300	28,115	5,952	61,725	17,099	22,558
c.5 Storage and Freight	-	-	-	-	-	-	-	-
c.6 Social and Labour	15,823	15,644	18,402	16,669	641	350	381	134
c.7 Research	16,795	22,694	20,091	20,412	2,733	5,241	8,740	7,792
c.8 Food Inspection	18,023	17,069	21,695	23,139	10,286	3,128	10,411	13,959
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	13,835	16,539	19,847	23,730	6,801	10,587	9,519	4,872
c.11 Rural and Regional Development	3,939	3,167	6,124	8,119	11,526	14,191	14,867	16,309
c.12 Environment	30,213	26,593	26,753	22,838	12,807	11,839	10,098	11,071
c.13 Education	23,786	22,854	25,598	22,921	-	-	4	-
c.14 Extension	13,465	19,271	20,212	22,624	11,155	3,885	6,291	5,421
D. Tax Expenditures	41,569	42,862	45,764	43,874	-	-	-	-
Sub-Total Gross Expenditures	1,034,066	1,002,689	1,030,040	964,920	365,907	529,279	528,043	503,646
Recoveries	-	-	-	-	(27,281)	(27,131)	(27,401)	(27,065)
Total Net Expenditures	1,034,066	1,002,689	1,030,040	964,920	338,626	502,148	500,641	476,581

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

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

Preliminary: figures based on actuals and budget estimates when actuals are not available.

Estimates: figures based on budget estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2008-09 to 2011-12 (cont'd)

	PROVINCIAL				FEDERAL			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
	(\$000)							
ONTARIO								
A. Operating Expenditures	201,087	197,164	218,552	235,350	348,587	367,931	370,076	390,101
B. Capital Expenditures	18,750	5,669	12,293	10,750	13,403	21,246	21,671	14,404
C. Program Expenditures	271,027	275,353	227,223	404,316	549,940	319,174	285,253	307,526
c.1 Income Support & Stabilization	136,839	135,383	91,744	261,904	115,561	128,222	95,065	147,609
c.2 Ad Hoc and Cost Reduction	7,788	8,045	2,129	13,621	302,906	24,598	28,357	6,012
c.3 Production Insurance	33,939	34,183	33,000	40,000	48,496	48,459	49,636	43,571
c.4 Financing Assistance	145	3,863	11,555	213	4,294	55,403	7,975	18,364
c.5 Storage and Freight	-	-	-	-	-	-	-	-
c.6 Social and Labour	245	381	484	305	1	31	158	201
c.7 Research	49,311	45,498	45,143	44,883	8,064	10,894	14,738	14,204
c.8 Food Inspection	11,491	13,755	12,520	12,757	15,533	7,329	16,554	19,162
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	5,326	8,597	9,361	11,139	6,339	16,079	12,488	7,046
c.11 Rural and Regional Development	5,911	7,271	6,765	6,667	21,771	14,602	46,002	24,626
c.12 Environment	7,519	6,897	2,823	2,724	19,222	9,691	9,976	17,911
c.13 Education	5,200	5,200	5,200	5,200	-	-	6	-
c.14 Extension	7,313	6,281	6,499	4,904	7,752	3,865	4,299	8,822
D. Tax Expenditures	38,717	33,406	35,172	35,929	-	-	-	-
Sub-Total Gross Expenditures	529,581	511,592	493,240	686,345	911,930	708,351	677,000	712,031
Recoveries	(76,214)	(49,465)	(97,021)	(74,233)	(40,876)	(40,564)	(41,177)	(40,666)
Total Net Expenditures	453,366	462,128	396,220	612,112	871,054	667,786	635,823	671,365
MANITOBA								
A. Operating Expenditures	51,899	56,186	59,782	59,206	156,806	174,415	175,592	185,301
B. Capital Expenditures	8,124	8,522	8,753	8,764	5,805	9,860	10,025	6,665
C. Program Expenditures	155,366	151,842	134,763	138,998	167,358	300,625	222,331	391,037
c.1 Income Support & Stabilization	67,024	55,155	48,296	50,518	34,262	109,498	62,191	124,193
c.2 Ad Hoc and Cost Reduction	6,465	21,589	1,368	1,716	17,240	6,221	46,920	158,156
c.3 Production Insurance	47,685	44,111	43,485	50,351	73,149	67,162	63,909	56,100
c.4 Financing Assistance	4,938	2,468	822	412	6,113	82,348	6,802	13,405
c.5 Storage and Freight	-	245	-	-	6,120	-	-	-
c.6 Social and Labour	43	619	44	44	-	45	99	93
c.7 Research	2,044	2,804	1,115	1,115	1,895	4,395	11,832	4,683
c.8 Food Inspection	2,278	1,728	2,740	2,740	5,533	5,612	7,013	9,639
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	1,753	944	1,020	909	5,064	12,527	8,070	4,626
c.11 Rural and Regional Development	11,497	12,733	12,439	12,934	4,211	7,362	9,824	9,275
c.12 Environment	3,374	1,592	14,275	9,654	10,793	3,159	3,592	7,305
c.13 Education	7,868	7,333	8,787	8,212	-	-	3	-
c.14 Extension	397	521	372	393	2,978	2,294	2,076	3,562
D. Tax Expenditures	63,155	73,475	73,541	74,508	-	-	-	-
Sub-Total Gross Expenditures	278,545	290,025	276,839	281,475	329,969	484,900	407,948	583,003
Recoveries	(3,332)	(3,798)	(6,577)	(6,293)	(17,706)	(18,824)	(19,040)	(18,818)
Total Net Expenditures	275,213	286,227	270,262	275,182	312,263	466,076	388,907	564,185

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

Notes: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.
Preliminary: figures based on actuals and budget estimates when actuals are not available.
Estimates: figures based on budget estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2008-09 to 2011-12 (cont'd)

	PROVINCIAL				FEDERAL			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
	(\$000)							
SASKATCHEWAN								
A. Operating Expenditures	61,406	48,022	37,495	69,468	296,632	342,664	346,855	364,386
B. Capital Expenditures	3,098	2,737	2,662	2,694	10,677	18,752	19,333	12,851
C. Program Expenditures	391,855	336,020	445,627	478,690	370,888	354,927	517,922	544,718
c.1 Income Support & Stabilization	182,099	131,432	136,600	143,200	101,825	96,636	142,622	161,284
c.2 Ad Hoc and Cost Reduction	3,282	5,402	124,507	104,264	2,572	2,312	171,499	188,146
c.3 Production Insurance	113,932	111,071	97,549	131,335	171,476	163,128	140,009	122,901
c.4 Financing Assistance	12,994	16,534	15,754	13,885	11,886	47,137	8,093	11,924
c.5 Storage and Freight	424	295	319	1,042	-	-	-	-
c.6 Social and Labour	94	66	85	81	-	12	70	179
c.7 Research	15,593	19,259	17,470	18,464	2,956	6,599	16,820	12,093
c.8 Food Inspection	2,474	5,083	3,110	3,066	12,041	13,474	3,685	11,996
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	1,765	2,341	(30)	93	15,289	7,962	6,502	3,443
c.11 Rural and Regional Development	41,778	28,997	38,837	50,298	11,271	8,611	8,813	13,549
c.12 Environment	16,508	14,966	10,921	12,462	32,866	4,161	13,439	12,942
c.13 Education	389	-	-	10	-	-	5	-
c.14 Extension	525	574	507	490	8,707	4,896	6,364	6,262
D. Tax Expenditures	129,984	126,314	106,014	109,828	-	-	-	-
Sub-Total Gross Expenditures	586,343	513,093	591,798	660,680	678,197	716,343	884,110	921,956
Recoveries	(149,250)	(140,781)	(134,087)	(141,373)	(32,562)	(35,802)	(36,708)	(36,282)
Total Net Expenditures	437,093	372,312	457,710	519,307	645,635	680,542	847,402	885,674
ALBERTA								
A. Operating Expenditures	200,642	214,142	175,585	226,788	324,649	347,385	338,589	356,690
B. Capital Expenditures	57,018	54,597	41,916	37,881	14,257	19,449	19,251	12,795
C. Program Expenditures	798,449	456,126	414,232	414,744	427,879	350,279	368,559	398,133
c.1 Income Support & Stabilization	515,456	149,609	33,363	43,537	203,507	160,609	69,588	145,348
c.2 Ad Hoc and Cost Reduction	16,334	4,384	39,645	11,431	11,975	4,341	59,332	47,069
c.3 Production Insurance	139,998	155,872	179,015	196,980	157,613	109,698	142,971	125,501
c.4 Financing Assistance	1,237	7,186	10,403	7,560	5,370	21,216	4,565	10,683
c.5 Storage and Freight	-	-	9,400	(8,200)	-	-	-	-
c.6 Social and Labour	10,580	10,596	10,600	10,600	-	-	71	178
c.7 Research	19,504	49,173	46,321	46,938	3,213	4,268	8,094	10,353
c.8 Food Inspection	(367)	1,336	-	-	9,335	12,305	24,883	14,205
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	387	1,756	226	220	10,916	13,423	22,842	4,796
c.11 Rural and Regional Development	2,675	1,450	1,450	1,450	7,227	16,221	23,703	17,568
c.12 Environment	780	402	200	-	11,519	2,624	7,424	15,052
c.13 Education	78,306	60,548	71,063	69,972	-	-	5	-
c.14 Extension	13,557	13,814	12,546	34,256	7,202	5,574	5,081	7,381
D. Tax Expenditures	93,849	100,313	98,057	97,885	-	-	-	-
Sub-Total Gross Expenditures	1,149,957	825,178	729,789	777,297	766,785	717,113	726,399	767,618
Recoveries	(84,005)	(95,694)	(70,195)	(99,005)	(36,510)	(37,133)	(36,621)	(36,124)
Total Net Expenditures	1,065,952	729,484	659,594	678,292	730,275	679,980	689,778	731,494

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

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

Preliminary: figures based on actuals and budget estimates when actuals are not available.

Estimates: figures based on budget estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2008-09 to 2011-12 (cont'd)

	PROVINCIAL				FEDERAL			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
	(\$000)							
BRITISH COLUMBIA								
A. Operating Expenditures	34,178	30,784	28,995	27,909	91,959	94,696	92,371	97,943
B. Capital Expenditures	3,292	535	837	370	3,513	5,469	5,435	3,616
C. Program Expenditures	37,344	40,058	21,968	34,982	63,824	56,316	69,419	69,735
c.1 Income Support & Stabilization	26,092	28,533	14,094	22,270	21,024	19,304	35,094	28,508
c.2 Ad Hoc and Cost Reduction	1,366	701	610	2,950	2,013	5,582	2,714	3,906
c.3 Production Insurance	7,000	7,000	7,000	7,000	11,389	11,409	11,596	10,179
c.4 Financing Assistance	-	667	-	-	506	843	212	1,173
c.5 Storage and Freight	-	-	-	-	-	-	-	-
c.6 Social and Labour	-	-	-	-	-	-	100	50
c.7 Research	395	1,005	19	473	832	1,418	1,679	3,985
c.8 Food Inspection	2,175	368	-	488	15,588	6,616	3,278	4,461
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	151	1,697	8	226	2,382	1,841	2,798	1,292
c.11 Rural and Regional Development	-	-	150	1,500	3,083	4,451	7,152	9,680
c.12 Environment	-	-	-	-	5,634	3,480	3,387	4,359
c.13 Education	8	-	-	-	-	-	1	-
c.14 Extension	157	87	87	75	1,372	1,372	1,408	2,142
D. Tax Expenditures	6,933	6,929	6,930	6,931	-	-	-	-
Sub-Total Gross Expenditures	81,747	78,307	58,729	70,192	159,295	156,482	167,225	171,294
Recoveries	-	-	-	-	(10,713)	(10,442)	(10,324)	(10,210)
Total Net Expenditures	81,747	78,307	58,729	70,192	148,582	146,039	156,901	161,084

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

Notes: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.
Preliminary: figures based on actuals and budget estimates when actuals are not available.
Estimates: figures based on budget estimates.

Table C.3: Research and Inspection in Support of the Agri-Food Sector, Canada and Provinces, 2008-09 to 2011-12

	PROVINCIAL				FEDERAL			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
	(\$000)							
CANADA								
Research Expenditures								
- Operating	18,224	18,632	17,416	16,228	240,637	275,765	272,115	279,880
- Capital	5,725	6,007	6,612	11,162	11,944	11,582	9,393	9,751
- Program	108,062	144,051	134,104	134,987	22,038	36,378	65,703	60,623
Total Research	132,012	168,689	158,132	162,377	274,618	323,725	347,211	350,254
Inspection Expenditures								
- Operating	145,876	142,105	146,430	155,269	634,811	711,857	709,916	758,056
- Capital	4,532	2,539	2,250	1,618	26,058	34,978	41,201	27,829
- Program	41,057	47,055	44,944	47,368	72,847	53,225	68,599	79,411
Total Inspection	191,465	191,699	193,625	204,255	733,716	800,060	819,716	865,296
NEWFOUNDLAND AND LABRADOR								
Research Expenditures								
- Operating	635	728	992	1,028	672	755	728	740
- Capital	269	7	8	77	33	31	25	26
- Program	277	96	582	119	475	414	596	1,055
Total Research	1,181	830	1,582	1,224	1,180	1,200	1,349	1,821
Inspection Expenditures								
- Operating	2,037	2,184	2,256	2,517	1,672	1,889	1,842	1,919
- Capital	160	48	85	12	73	93	109	74
- Program	483	1,820	567	697	323	609	547	1,723
Total Inspection	2,680	4,053	2,908	3,226	2,068	2,592	2,498	3,715
PRINCE EDWARD ISLAND								
Research Expenditures								
- Operating	-	-	-	-	2,337	2,511	2,465	2,471
- Capital	-	-	-	-	116	106	83	86
- Program	2,516	1,671	1,457	932	60	197	577	948
Total Research	2,516	1,671	1,457	932	2,513	2,813	3,125	3,506
Inspection Expenditures								
- Operating	2,292	2,346	2,326	3,047	5,855	6,199	5,997	6,443
- Capital	70	61	81	13	253	319	364	246
- Program	508	539	79	25	369	545	654	1,297
Total Inspection	2,870	2,946	2,486	3,085	6,478	7,063	7,015	7,987

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, 2008-09 to 2011-12 (cont'd)

	PROVINCIAL				FEDERAL			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
	(\$000)							
NOVA SCOTIA								
Research Expenditures								
- Operating	1	-	-	-	2,954	3,092	2,958	3,037
- Capital	-	-	-	480	147	130	102	106
- Program	1,123	1,196	1,070	1,000	1,135	1,039	192	3,363
Total Research	1,124	1,196	1,070	1,480	4,235	4,260	3,252	6,506
Inspection Expenditures								
- Operating	2,529	2,474	1,748	1,725	7,365	7,602	7,391	7,889
- Capital	-	-	-	-	320	392	447	302
- Program	3,790	5,090	3,973	4,229	2,006	2,828	826	1,185
Total Inspection	6,319	7,563	5,722	5,953	9,691	10,822	8,665	9,376
NEW BRUNSWICK								
Research Expenditures								
- Operating	772	586	517	525	2,789	3,054	2,965	3,065
- Capital	34	20	0	1	138	128	103	107
- Program	505	655	835	650	656	1,838	2,007	1,750
Total Research	1,311	1,261	1,352	1,176	3,584	5,020	5,075	4,922
Inspection Expenditures								
- Operating	2,936	3,139	3,193	2,733	6,950	7,504	7,408	7,956
- Capital	161	185	9	87	302	388	451	305
- Program	202	266	260	229	1,829	641	592	1,256
Total Inspection	3,299	3,591	3,462	3,049	9,081	8,534	8,451	9,518
QUEBEC								
Research Expenditures								
- Operating	4,770	4,153	3,915	4,234	38,190	42,468	41,879	43,289
- Capital	-	-	-	-	1,895	1,786	1,453	1,508
- Program	16,795	22,694	20,091	20,412	2,733	5,241	8,740	7,792
Total Research	21,565	26,847	24,006	24,646	42,818	49,496	52,071	52,589
Inspection Expenditures								
- Operating	38,223	38,107	41,593	38,811	97,139	106,188	106,437	114,085
- Capital	-	1,041	216	245	4,135	5,395	6,373	4,304
- Program	18,023	17,069	21,695	23,139	10,286	3,128	10,411	13,959
Total Inspection	56,245	56,217	63,503	62,194	111,560	114,711	123,221	132,348

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, 2008-09 to 2011-12 (cont'd)

	PROVINCIAL				FEDERAL			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
	(\$000)							
ONTARIO								
Research Expenditures								
- Operating	2,380	2,565	3,168	3,577	57,221	63,819	63,250	65,042
- Capital	4,250	5,150	6,250	10,250	2,840	2,671	2,183	2,266
- Program	49,311	45,498	45,143	44,883	8,064	10,894	14,738	14,204
Total Research	55,941	53,213	54,561	58,710	68,124	77,384	80,171	81,512
Inspection Expenditures								
- Operating	36,893	36,225	38,040	42,300	148,051	161,399	162,600	173,749
- Capital	500	500	1,000	500	6,196	8,067	9,578	6,467
- Program	11,491	13,755	12,520	12,757	15,533	7,329	16,554	19,162
Total Inspection	48,884	50,479	51,559	55,557	169,781	176,795	188,732	199,379
MANITOBA								
Research Expenditures								
- Operating	-	-	-	-	24,785	29,553	29,299	30,098
- Capital	-	-	-	-	1,230	1,240	1,010	1,049
- Program	2,044	2,804	1,115	1,115	1,895	4,395	11,832	4,683
Total Research	2,044	2,804	1,115	1,115	27,910	35,188	42,141	35,829
Inspection Expenditures								
- Operating	8,441	10,998	11,521	11,237	66,942	77,809	78,001	83,131
- Capital	200	200	180	180	2,684	3,743	4,429	2,993
- Program	2,278	1,728	2,740	2,740	5,533	5,612	7,013	9,639
Total Inspection	10,919	12,926	14,441	14,157	75,159	87,164	89,442	95,763
SASKATCHEWAN								
Research Expenditures								
- Operating	668	2,698	2,280	902	45,582	56,041	56,877	58,030
- Capital	5	5	4	4	2,262	2,357	1,948	2,022
- Program	15,593	19,259	17,470	18,464	2,956	6,599	16,820	12,093
Total Research	16,266	21,962	19,754	19,370	50,800	64,997	75,644	72,145
Inspection Expenditures								
- Operating	3,222	3,101	4,184	4,184	126,816	151,023	152,588	162,567
- Capital	-	-	-	-	4,936	7,119	8,543	5,770
- Program	2,474	5,083	3,110	3,066	12,041	13,474	3,685	11,996
Total Inspection	5,695	8,184	7,294	7,250	143,793	171,616	164,816	180,333

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, 2008-09 to 2011-12 (cont'd)

	PROVINCIAL				FEDERAL			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
	(\$000)							
ALBERTA								
Research Expenditures								
- Operating	8,995	7,901	6,455	5,877	51,110	58,126	55,896	57,778
- Capital	1,167	825	350	350	2,537	2,445	1,939	2,013
- Program	19,504	49,173	46,321	46,938	3,213	4,268	8,094	10,353
Total Research	29,666	57,899	53,126	53,165	56,860	64,838	65,930	70,143
Inspection Expenditures								
- Operating	43,629	37,598	36,339	43,423	136,605	152,005	148,244	157,889
- Capital	739	472	380	380	5,535	7,384	8,508	5,745
- Program	(367)	1,336	-	-	9,335	12,305	24,883	14,205
Total Inspection	44,001	39,406	36,719	43,803	151,475	171,694	181,635	177,839
BRITISH COLUMBIA								
Research Expenditures								
- Operating	3	-	90	85	14,997	16,346	15,799	16,331
- Capital	-	-	-	-	744	688	548	569
- Program	395	1,005	19	473	832	1,418	1,679	3,985
Total Research	398	1,005	109	558	16,573	18,452	18,026	20,885
Inspection Expenditures								
- Operating	5,674	5,933	5,231	5,292	37,415	40,219	39,401	42,428
- Capital	2,703	31	300	201	1,624	2,077	2,398	1,624
- Program	2,175	368	-	488	15,588	6,616	3,278	4,461
Total Inspection	10,552	6,333	5,531	5,981	54,627	48,911	45,077	48,513

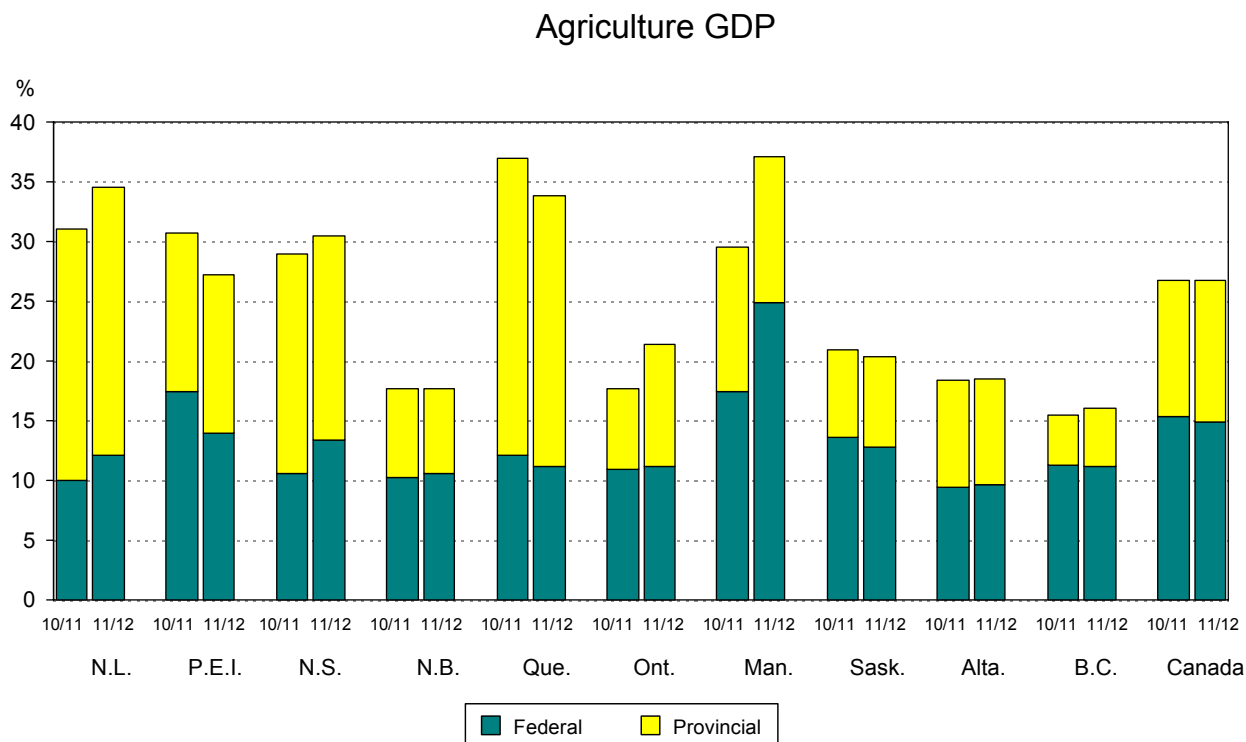
Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Table C.4: Government Expenditures to the Agri-Food Sector as a Percentage of Agriculture GDP and Agri-Food GDP, Canada and Provinces, 2008-09 to 2011-12

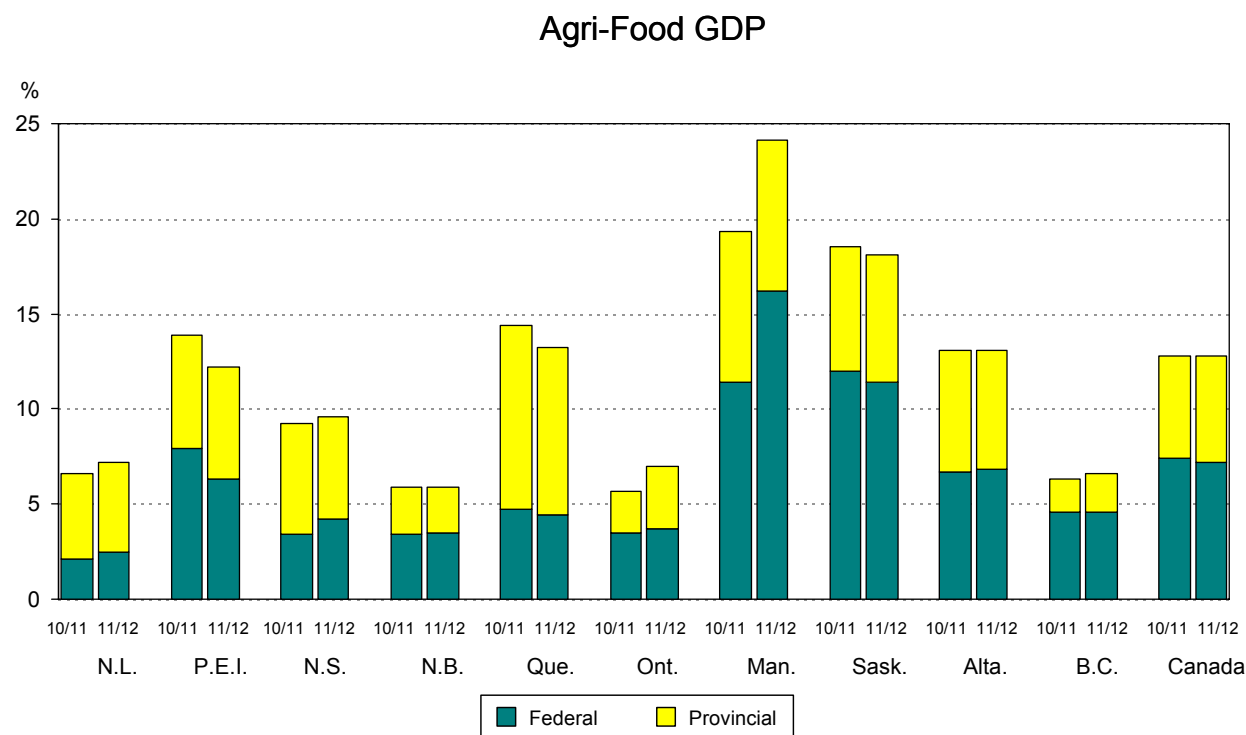
	Agriculture				Agri-Food			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
NEWFOUNDLAND AND LABRADOR								
Provincial GDP (\$ million)	98.7	96.8	106.0	110.1	519.5	467.4	497.2	523.2
Federal (%)	10.0	9.8	10.0	12.1	1.9	2.0	2.1	2.5
Provincial (%)	17.6	21.2	21.1	22.4	3.3	4.4	4.5	4.7
PRINCE EDWARD ISLAND								
Provincial GDP (\$ million)	223.8	230.5	241.4	245.0	495.2	518.7	535.3	544.7
Federal (%)	19.1	11.7	17.4	14.0	8.6	5.2	7.9	6.3
Provincial (%)	14.9	14.0	13.3	13.2	6.7	6.2	6.0	5.9
NOVA SCOTIA								
Provincial GDP (\$ million)	273.4	284.8	304.1	314.8	888.6	917.5	954.6	995.0
Federal (%)	10.4	16.7	10.6	13.4	3.2	5.2	3.4	4.2
Provincial (%)	20.8	21.6	18.3	17.1	6.4	6.7	5.8	5.4
NEW BRUNSWICK								
Provincial GDP (\$ million)	349.1	358.0	372.8	387.9	1,040.7	1,079.9	1,118.2	1,164.7
Federal (%)	9.1	11.5	10.2	10.6	3.0	3.8	3.4	3.5
Provincial (%)	9.2	7.6	7.5	7.1	3.1	2.5	2.5	2.4
QUEBEC								
Provincial GDP (\$ million)	3,815.5	3,877.3	4,138.8	4,262.6	10,066.9	10,108.3	10,607.7	10,911.6
Federal (%)	8.9	13.0	12.1	11.2	3.4	5.0	4.7	4.4
Provincial (%)	27.1	25.9	24.9	22.6	10.3	9.9	9.7	8.8
ONTARIO								
Provincial GDP (\$ million)	5,549.6	5,512.4	5,856.2	6,017.2	16,921.6	17,258.1	17,940.6	18,338.0
Federal (%)	15.7	12.1	10.9	11.2	5.1	3.9	3.5	3.7
Provincial (%)	8.2	8.4	6.8	10.2	2.7	2.7	2.2	3.3
MANITOBA								
Provincial GDP (\$ million)	2,507.7	2,467.7	2,241.2	2,261.4	3,605.0	3,601.5	3,409.0	3,485.2
Federal (%)	12.5	18.9	17.4	24.9	8.7	12.9	11.4	16.2
Provincial (%)	11.0	11.6	12.1	12.2	7.6	7.9	7.9	7.9
SASKATCHEWAN								
Provincial GDP (\$ million)	7,691.4	6,945.3	6,253.5	6,902.4	8,515.4	7,737.5	7,088.9	7,774.3
Federal (%)	8.4	9.8	13.6	12.8	7.6	8.8	12.0	11.4
Provincial (%)	5.7	5.4	7.3	7.5	5.1	4.8	6.5	6.7
ALBERTA								
Provincial GDP (\$ million)	7,902.1	6,225.4	7,341.3	7,585.4	10,970.1	9,001.1	10,331.8	10,726.0
Federal (%)	9.2	10.9	9.4	9.6	6.7	7.6	6.7	6.8
Provincial (%)	13.5	11.7	9.0	8.9	9.7	8.1	6.4	6.3
BRITISH COLUMBIA								
Provincial GDP (\$ million)	1,486.4	1,404.8	1,385.7	1,444.1	3,405.9	3,330.3	3,375.3	3,533.2
Federal (%)	10.0	10.4	11.3	11.2	4.4	4.4	4.6	4.6
Provincial (%)	5.5	5.6	4.2	4.9	2.4	2.4	1.7	2.0
CANADA								
Federal GDP (\$ million)	27,437.9	25,898.1	26,613.1	27,713.0	55,837.9	54,001.0	55,734.2	57,726.9
Federal (%)	13.8	16.3	15.4	14.9	6.8	7.8	7.4	7.2
Provincial (%)	12.7	11.9	11.3	11.8	6.2	5.7	5.4	5.6

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, 2010-11 and 2011-12



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, 2008-09 to 2011-12

	Total GDP				Total Expenditures			
	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates	2008-09	2009-10	2010-11 Preliminary	2011-12 Estimates
NEWFOUNDLAND AND LABRADOR								
Total Provincial (\$ million)	28,575	23,552	26,391	28,082	5,378	5,958	6,407	7,358
Agri-Food GDP as % of Total GDP	1.82	1.98	1.88	1.86				
Agri-Food Exp. as % of Total Exp.					0.32	0.34	0.35	0.34
PRINCE EDWARD ISLAND								
Total Provincial (\$ million)	4,303	4,464	4,553	4,704	1,420	1,581	1,475	1,493
Agri-Food GDP as % of Total GDP	11.51	11.62	11.76	11.58				
Agri-Food Exp. as % of Total Exp.					2.35	2.05	2.17	2.17
NOVA SCOTIA								
Total Provincial (\$ million)	31,382	32,533	33,770	35,103	7,569	7,960	7,874	8,345
Agri-Food GDP as % of Total GDP	2.83	2.82	2.83	2.83				
Agri-Food Exp. as % of Total Exp.					0.75	0.77	0.71	0.65
NEW BRUNSWICK								
Total Provincial (\$ million)	25,359	25,908	27,241	28,270	7,305	7,872	8,130	8,091
Agri-Food GDP as % of Total GDP	4.10	4.17	4.11	4.12				
Agri-Food Exp. as % of Total Exp.					0.44	0.35	0.34	0.34
QUEBEC								
Total Provincial (\$ million)	285,553	287,853	302,349	314,542	63,855	66,093	66,923	66,753
Agri-Food GDP as % of Total GDP	3.53	3.51	3.51	3.47				
Agri-Food Exp. as % of Total Exp.					1.62	1.52	1.54	1.45
ONTARIO								
Total Provincial (\$ million)	544,290	549,865	579,783	603,070	103,342	115,055	120,669	124,068
Agri-Food GDP as % of Total GDP	3.11	3.14	3.09	3.04				
Agri-Food Exp. as % of Total Exp.					0.44	0.40	0.33	0.49
MANITOBA								
Total Provincial (\$ million)	47,612	48,694	50,742	53,573	10,015	10,568	10,820	11,378
Agri-Food GDP as % of Total GDP	7.57	7.40	6.72	6.51				
Agri-Food Exp. as % of Total Exp.					2.75	2.71	2.50	2.42
SASKATCHEWAN								
Total Provincial (\$ million)	61,121	54,193	59,317	64,524	11,306	12,486	10,124	10,679
Agri-Food GDP as % of Total GDP	13.93	14.28	11.95	12.05				
Agri-Food Exp. as % of Total Exp.					3.87	2.98	4.52	4.86
ALBERTA								
Total Provincial (\$ million)	275,068	240,098	263,004	280,900	36,657	36,684	38,712	38,994
Agri-Food GDP as % of Total GDP	3.99	3.75	3.93	3.82				
Agri-Food Exp. as % of Total Exp.					2.91	1.99	1.70	1.74
BRITISH COLUMBIA								
Total Provincial (\$ million)	181,947	180,251	191,517	202,622	31,366	31,759	32,850	34,618
Agri-Food GDP as % of Total GDP	1.87	1.85	1.76	1.74				
Agri-Food Exp. as % of Total Exp.					0.26	0.25	0.18	0.20
TOTAL - PROVINCIAL								
Total Provincial (\$ million)	1,485,211	1,447,412	1,538,666	1,615,390	278,213	296,016	303,983	311,776
Agri-Food GDP as % of Total GDP	3.80	3.73	3.63	3.59				
Agri-Food Exp. as % of Total Exp.					1.25	1.04	0.99	1.05
CANADA - FEDERAL								
Total Federal (\$ million)	1,493,761	1,455,486	1,547,670	1,625,186	221,467	274,198	270,463	259,946
Agri-Food GDP as % of Total GDP	3.74	3.71	3.60	3.55				
Agri-Food Exp. as % of Total Exp.					1.71	1.54	1.52	1.59

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 and 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. "Agriculture" GDP data include all primary agriculture and related services industries. "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. 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.

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, 2008-2010

	2008	2009	2010 Preliminary
	(\$ Million)		
Total value of production (at farm gate)	42,287	41,140	40,245
of which share of MPS commodities ¹ (%)	85	83	83
Total value of consumption (at farm gate)	28,633	26,767	30,092
Producer Support Estimate (PSE)	5,953	7,672	7,655
Market price support (MPS)	2,735	4,364	4,665
Payments based on output	2	0	0
Payments based on input use	528	483	458
Payments based on current A/An/R/I ² , production required	1,794	2,285	2,044
Payments based on non-current A/An/R/I, production required	137	17	396
Payments based on non-current A/An/R/I, production not required	719	217	7
Payments based on non-commodity criteria	0	285	57
Miscellaneous payments	38	21	29
Percentage PSE	13	17	18
Producer Nominal Protection Coefficient (Producer NPC)	1.07	1.12	1.13
Producer Nominal Assistance Coefficient (Producer NAC)	1.15	1.21	1.22
General Services Support Estimate (GSSE)	2,901	3,300	3,202
Research and development	393	460	477
Agricultural schools	257	254	257
Inspection services	864	955	943
Infrastructure	564	448	601
Marketing and promotion	823	1,183	924
Public stockholding	0	0	0
Miscellaneous	0	0	0
Consumer Support Estimate (CSE)	-3,055	-4,893	-5,241
Transfers to producers from consumers	-2,721	-4,351	-4,653
Other transfers from consumers	-334	-542	-588
Transfers to consumers from taxpayers	0	0	0
Excess feed cost	0	0	0
Percentage CSE	-11	-18	-17
Consumer Nominal Protection Coefficient (Consumer NPC)	1.12	1.22	1.21
Consumer Nominal Assistance Coefficient (Consumer NAC)	1.12	1.22	1.21
Total Support Estimate (TSE)	8,855	10,973	10,858
Transfers from consumers	3,055	4,893	5,241
Transfers from taxpayers	6,133	6,621	6,204
Budget revenues	-334	-542	-588

Source: OECD, Agricultural Policies Monitoring and Evaluation 2011: OECD Countries and Emerging Economies.

¹ MPS commodities for Canada are: wheat, oats, corn, other grains, pulses, oilseeds, potatoes, 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, 2008-2010

	2008	2009	2010 Preliminary
	Percentage PSE (% of gross farm receipts)		
Australia	4	3	2
Canada	13	17	18
European Union ¹	22	24	20
Japan	48	48	50
Mexico	12	13	12
New Zealand	1	0	1
USA	9	10	7
OECD	20	22	18

Source: OECD, Agricultural Policies Monitoring and Evaluation 2011: OECD Countries and Emerging Economies..

¹ EU27 for 2008, 2009 and 2010.

	2008	2009	2010 Preliminary
	Total PSE (\$US Million)		
Australia	1,623	991	952
Canada	5,576	6,722	7,431
European Union ¹	132,115	119,405	101,365
Japan	42,829	44,784	52,888
Mexico	6,313	5,572	6,219
New Zealand	69	50	76
USA	30,477	31,423	25,551
OECD	261,074	250,523	227,265

Source: OECD, Agricultural Policies Monitoring and Evaluation 2011: OECD Countries and Emerging Economies..

¹ EU27 for 2008, 2009 and 2010.

Table D.3: Composition of Producer Support Estimate (PSE) for Selected OECD Countries, 2008-2010

		2008	2009	2010 Preliminary
		(% share in PSE)		
Australia	Support based on commodity output	0	0	1
	Payments based on input use	45	56	54
	Payments based on current A/An/R/I ¹ , production required	6	6	7
	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	48	36	36
	Payments based on non-commodity criteria	1	2	2
	Miscellaneous payments	0	0	0
Canada	Support based on commodity output	46	57	61
	Payments based on input use	9	6	6
	Payments based on current A/An/R/I, production required	30	30	27
	Payments based on non-current A/An/R/I, production required	2	0	5
	Payments based on non-current A/An/R/I, production not required	12	3	0
	Payments based on non-commodity criteria	0	4	1
	Miscellaneous payments	1	0	0
European Union²	Support based on commodity output	29	26	16
	Payments based on input use	13	13	16
	Payments based on current A/An/R/I, production required	17	18	18
	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	37	40	47
	Payments based on non-commodity criteria	3	2	2
	Miscellaneous payments	0	0	0
Japan	Support based on commodity output	89	87	83
	Payments based on input use	4	4	4
	Payments based on current A/An/R/I, production required	1	2	6
	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	6	7	8
	Payments based on non-commodity criteria	0	0	0
	Miscellaneous payments	0	0	0
Mexico	Support based on commodity output	23	28	28
	Payments based on input use	53	50	51
	Payments based on current A/An/R/I, production required	2	1	1
	Payments based on non-current A/An/R/I, production required	5	5	5
	Payments based on non-current A/An/R/I, production not required	17	16	16
	Payments based on non-commodity criteria	0	0	0
	Miscellaneous payments	0	0	0
New Zealand	Support based on commodity output	68	67	71
	Payments based on input use	31	37	28
	Payments based on current A/An/R/I, production required	1	1	0
	Payments based on non-current A/An/R/I, production required	0	1	1
	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 Monitoring and Evaluation 2011: OECD Countries and Emerging Economies..

¹ A (Area planted), An (Animal numbers), R (Receipts), I (Income).² EU27 for 2008, 2009 and 2010.

Table D.3: Composition of Producer Support Estimate (PSE) for Selected OECD Countries, 2008-2010 (cont'd)

		2008	2009	2010 Preliminary
		(% share in PSE)		
USA	Support based on commodity output	6	16	7
	Payments based on input use	30	30	37
	Payments based on current A/An/R/I, production required	33	25	22
	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	23	20	23
	Payments based on non-commodity criteria	8	8	10
	Miscellaneous payments	0	0	0
OECD	Support based on commodity output	45	47	47
	Payments based on input use	13	13	14
	Payments based on current A/An/R/I, production required	15	14	15
	Payments based on non-current A/An/R/I, production required	1	0	1
	Payments based on non-current A/An/R/I, production not required	24	23	21
	Payments based on non-commodity criteria	3	2	2
	Miscellaneous payments	0	0	0

Source: OECD, Agricultural Policies Monitoring and Evaluation 2011: OECD Countries and Emerging Economies..

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

² EU27 for 2008, 2009 and 2010.

Table D.4: Single Commodity Transfers (Percentage SCT)¹ for Selected OECD Countries, 2008-2010

	Wheat			Maize			Other grains			Canola/Rapeseed			Soybean		
	2008	2009	2010p	2008	2009	2010p	2008	2009	2010p	2008	2009	2010p	2008	2009	2010p
Australia	0	0	0	n.c.	n.c.	n.c.	0	0	0	0	0	0	0	0	0
Canada	1	2.4	3.6	3.8	6.9	2.5	2.9	4.8	4.5	0.5	1.5	3.4	0.3	1.1	0.7
European Union ²	0.5	0.8	0.2	0	0	0	0	0	0	0	0	0	3.6	2.2	1.7
Japan	42.6	42	46.3	n.c.	n.c.	n.c.	38.6	66.5	67	n.c.	n.c.	n.c.	13.3	15.7	13.6
Mexico	8.8	17.1	15.7	5	8	7.8	7.3	8.9	9	n.c.	n.c.	n.c.	6.6	14.7	16.9
New Zealand	0	0	0	0	0	0	0	0	0	n.c.	n.c.	n.c.	n.c.	n.c.	n.c.
USA	5.3	12.3	6	4.2	4.5	2.6	5.6	5.8	4.2	n.c.	n.c.	n.c.	4.8	3.6	3.2
OECD	2.9	7.2	5	3.7	4.7	3.2	3.2	8	6.7	0.5	0.8	1.5	5.4	4.3	4.2

	Beef and veal			Pigmeat			Milk			Poultry			Eggs		
	2008	2009	2010p	2008	2009	2010p	2008	2009	2010p	2008	2009	2010p	2008	2009	2010p
Australia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Canada	4	3	2	4	5	3	33.1	54.7	60.5	20.9	19.1	16	-1.1	18.5	28.6
European Union	31	34	13	8	4	3	2	1.2	1.8	33.8	37.6	31.3	1.8	1.6	1
Japan	29	29	39	70	72	68	48.8	54	48.5	10.3	10.1	10.2	14.6	14.9	15.1
Mexico	9	9.0	9	9	9	2	0.4	10.9	5.4	8.9	11.3	8.2	0	-0.2	-0.6
New Zealand	0	0	0	0	0	0	0	0	0	13.4	10.3	13.7	2.6	0	4.7
USA	0	0	0	0	0	0	0	13.2	1.8	0.1	0.1	0	0	0	0
OECD	14.9	16.3	9.8	13.3	11.4	10.3	7.5	13.5	10.6	13.8	15.5	13	5.2	4.9	5.9

Source: OECD, Agricultural Policies Monitoring and Evaluation 2011: OECD Countries and Emerging Economies.

p: Preliminary

n.c. not calculated

¹ Percentage of farm gross receipts for the specific commodity.² EU27 for 2008, 2009 and 2010.**Table D.5: General Services Support Estimate (GSSE)¹ for Selected OECD Countries, 2008-2010**

	2008		2009		2010 Preliminary	
	GSSE (in US\$ million)	GSSE as a share of TSE (%)	GSSE (in US\$ million)	GSSE as a share of TSE (%)	GSSE (in US\$ million)	GSSE as a share of TSE (%)
Australia	767	35	688	46	796	53
Canada	2,718	33	2,892	30	3,108	29
European Union ²	18,532	12	13,678	10	13,319	11
Japan	10,956	20	10,763	19	6,743	11
Mexico	835	10	764	10	870	12
New Zealand	222	76	193	79	246	76
USA	45,088	43	56,651	46	69,849	52
OECD	83,805	22	90,926	24	99,385	27

Source: OECD, Agricultural Policies Monitoring and Evaluation 2011: OECD Countries and Emerging Economies.

¹ See note at the end of the methodology.² EU27 for 2008, 2009 and 2010.

Table D.6: Composition of General Services Support Estimate (GSSE)¹ for Selected OECD Countries, 2008-2010

		2008	2009	2010 Preliminary
		(% share in GSSE)		
Australia	Research and development	64	72	71
	Agricultural schools	1	1	1
	Inspection services	10	11	11
	Infrastructure	24	15	16
	Marketing and promotion	1	1	1
	Public stockholding	0	0	0
	Miscellaneous	0	0	0
Canada	Research and development	14	14	15
	Agricultural schools	9	8	8
	Inspection services	30	29	29
	Infrastructure	19	14	19
	Marketing and promotion	28	36	29
	Public stockholding	0	0	0
	Miscellaneous	0	0	0
European Union²	Research and development	17	22	21
	Agricultural schools	7	9	12
	Inspection services	6	7	8
	Infrastructure	42	33	29
	Marketing and promotion	26	27	30
	Public stockholding	2	2	0
	Miscellaneous	0	0	0
Japan	Research and development	8	9	14
	Agricultural schools	4	4	6
	Inspection services	1	1	2
	Infrastructure	82	82	72
	Marketing and promotion	1	1	0
	Public stockholding	2	2	3
	Miscellaneous	2	2	3
Mexico	Research and development	15	16	12
	Agricultural schools	33	33	44
	Inspection services	13	5	7
	Infrastructure	26	33	26
	Marketing and promotion	13	13	8
	Public stockholding	0	0	0
	Miscellaneous	1	0	4
New Zealand	Research and development	28	23	22
	Agricultural schools	8	10	7
	Inspection services	36	39	43
	Infrastructure	28	29	28
	Marketing and promotion	0	0	0
	Public stockholding	0	0	0
	Miscellaneous	0	0	0

Source: OECD, Agricultural Policies Monitoring and Evaluation 2011: OECD Countries and Emerging Economies.

¹ See note at the end of the methodology.² EU27 for 2008, 2009 and 2010.

Table D.6: Composition of General Services Support Estimate (GSSE)¹ for Selected OECD Countries, 2008-2010 (cont'd)

		2008	2009	2010 Preliminary
		(% share in GSSE)		
USA	Research and development	5	4	3
	Agricultural schools	0	0	0
	Inspection services	2	2	2
	Infrastructure	12	5	6
	Marketing and promotion	76	85	86
	Public stockholding	0	0	0
	Miscellaneous	5	4	3
OECD	Research and development	10	9	8
	Agricultural schools	3	2	3
	Inspection services	4	4	4
	Infrastructure	29	21	16
	Marketing and promotion	49	60	66
	Public stockholding	1	1	1
	Miscellaneous	3	3	3

Source: OECD, Agricultural Policies Monitoring and Evaluation 2011: OECD Countries and Emerging Economies.

¹ See note at the end of the methodology.² EU27 for 2008, 2009 and 2010.**Table D.7: Consumer Support Estimate (CSE) for Selected OECD Countries, 2008-2010**

	2008	2009	2010 Preliminary
	Percentage CSE (%) ¹		
Australia	-1	-1	-1
Canada	-11	-18	-17
European Union ²	-7	-7	-4
Japan	-43	-43	-42
Mexico	0	-1	-3
New Zealand	-2	-1	-2
USA	11	14	14
OECD	-9	-9	-8

Source: OECD, Agricultural Policies Monitoring and Evaluation 2011: OECD Countries and Emerging Economies.

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 EU27 for 2008, 2009 and 2010.

**Table D.8: Total Support Estimate (TSE) for Selected OECD Countries
2008-2010**

	2008	2009	2010 Preliminary
	Total Support Estimate in percentage of GDP (%)		
Australia	0.21	0.15	0.12
Canada	0.55	0.72	0.67
European Union ¹	0.84	0.82	0.72
Japan	1.10	1.10	1.09
Mexico	0.79	0.86	0.72
New Zealand	0.22	0.21	0.23
USA	0.73	0.86	0.91
OECD	0.86	0.92	0.85

Source: OECD, Agricultural Policies Monitoring and Evaluation 2011: OECD Countries and Emerging Economies.

¹ EU27 for 2008, 2009 and 2010.

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 NPC): ratio between the average price paid by consumers (at farm gate) and the border price (measured at farm gate). The Consumer NPC 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.

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