



# The Daily

Statistics Canada

Monday, May 25, 1998

For release at 8:30 a.m.

## MAJOR RELEASES

- **Farm net income and farm cash receipts, 1997 and first quarter 1998** 3  
 Farm net cash income rose 9% in 1997, as a 3% increase in cash receipts more than offset a 1% gain in operating expenses. By contrast, total net income, which is adjusted for depreciation costs, value of inventory change and income in kind, decreased by 55%. Farm cash receipts for the first quarter of 1998 were unchanged from the same period of last year.

*(continued on following page)*

### Is high school enough?

1995 School Leavers Follow-up Survey

For many young people, entering the work force during the 1990s has not been easy. The nature and pace of technological, economic and social change have added to the challenges of getting established.

Results from the 1991 School Leavers Survey and from the 1995 School Leavers Follow-up Survey present a unique opportunity to examine school-to-work transitions. The initial survey interviewed youths aged 18 to 20 to collect information about school-leaving (youths who leave high school without graduating). The 1995 follow-up survey re-interviewed the same people, who were by then aged 22 to 24. Together, these two sources make it possible to assess the progress of not only school leavers, but of all young people this age. (Both surveys were conducted by Statistics Canada on behalf of Human Resources Development Canada.)

*High school may not be enough* (81-585-XPE), released today, examines in-depth the results from the 1995 survey. (The survey's initial results were released in October 1996 as *After high school, the first years* (81-581-XPB).) The report released today includes an overview of the youth labour market and a discussion of school-to-work transitions. A range of topics are addressed relating to young people's experiences beyond high school: education and training, involvement in the labour market, and the kinds of skills being used. Also explored is the potential importance of early childhood experiences on eventual outcomes.

To obtain *High school may not be enough* (catalogue SP-105-05-98E), contact the Public Enquiries Centre (fax: 819-953-7260), Communications Branch, Human Resources Development Canada, Hull, Quebec, K1A 0J9. The publication is also available on the Internet: [www.hrdc-drhc.gc.ca/hrdc/corp/stratpoll/arbsite/research/rsctoc\\_e.html](http://www.hrdc-drhc.gc.ca/hrdc/corp/stratpoll/arbsite/research/rsctoc_e.html)

For further information, contact Jeff Frank (613-951-1504; fax: 613-951-9040; [fran Jef@statcan.ca](mailto:fran Jef@statcan.ca)), Centre for Education Statistics or Louise Boyer (819-994-3695; fax: 819-953-8584; [louise.boyer@spg.org](mailto:louise.boyer@spg.org)), Human Resources Development Canada.

---

## **OTHER RELEASES**

---

|   |   |
|---|---|
| Direct payments in agriculture, 1997                | 7 |
| Crushing of oilseeds, April 1998                    | 7 |
| Residential Telephone Service Survey, February 1998 | 7 |
| Civil aviation operating statistics, March 1998     | 7 |
| Sawmills and planing mills, March 1998              | 7 |
| Pulpwood and wood residue, March 1998               | 8 |
| Annual Survey of Manufactures, 1996                 | 8 |

---

## **PUBLICATIONS RELEASED**

---

9

---

## MAJOR RELEASES

---

### Farm net income and farm cash receipts

1997 and first quarter 1998

Farm net cash income rose 9% in 1997, as a 3% increase in cash receipts more than offset a 1% gain in operating expenses. In contrast, total net income, which is adjusted for depreciation costs, value of inventory change and income in kind, decreased by 55%. Farm cash receipts for the first quarter of 1998 were unchanged from the same period of last year.

#### Net cash income posted another strong increase in 1997

The net cash income of farm businesses was \$6.9 billion in 1997, compared with \$6.4 billion the year before. Farm cash receipts continued their seven-year climb, once again setting a record high. At 3%, the increase in receipts more than offset a 1% rise in operating expenses in 1997. Operating expenses, in nominal terms, have been expanding steadily over the last 25 years, and also established a new record high in 1997.

Net cash income rose each year from 1994 to 1997, as the rate of growth in receipts exceeded that of operating expenses. Total farm cash receipts increased 22% between 1993 and 1997, while operating expenses grew 20%. Crop receipts rebounded strongly from the depressed levels seen in the early 1990s, reflecting improved markets and growing conditions. In 1997, crop revenues stood 54% above their 1993 level. The livestock sector also experienced steady growth (+18%) over the last four years, as the cattle herd underwent liquidation following the peak of the cattle

#### Note to readers

*Net cash income of farm businesses is farm cash receipts less operating expenses. It does not include income in kind, the value of changes in farmer-held inventories, or depreciation expenses. It represents the amount of cash generated by the farm business that is available for debt repayment, investment or withdrawal by the owner. Other measures of net income are available (see table), which may be more suitable for different types of analysis. Disaggregating the data by type and size of farm will show different movements in receipts, expenses and net income.*

*Farm cash receipts measure the gross revenue of farm businesses in current dollars. They are not a measure of profit because expenses have not been deducted. They include sales of crops and livestock products (except sales between farms in the same province) and program payments. They also include Canadian Wheat Board and Ontario Wheat Producers' Marketing Board payments and deferred grain receipts. Program payments measure the value of cheques issued to farmers to support their production, usually under ongoing programs jointly funded by farmers and the federal and provincial governments.*

*Farm cash receipts and operating expenses included in this release are not directly comparable with the similarly named series derived from the 1996 Census of Agriculture. The data presented here exclude the value of agricultural products (livestock and poultry, seed and seedlings, and feed) sold from one farm to another farm within the same province, whereas the Census of Agriculture data include these inter-farm transactions. Custom-work receipts are also excluded from the data in this release. Furthermore, these data will be revised in November 1998 as a result of revisions to individual commodities, revisions which are based on the results of the 1996 Census of Agriculture.*

cycle, particularly in 1996 and 1997. Direct program payments to farmers stabilized in 1997, following four years of declines from the 1992 peak. In 1997, payments were 62% below their 1993 level.

### Net farm income

|                                    | 1996          | 1997          | 1996<br>to<br>1997<br>%<br>change |
|------------------------------------|---------------|---------------|-----------------------------------|
|                                    | \$ millions   |               |                                   |
| <b>Total farm cash receipts</b>    | <b>28,640</b> | <b>29,514</b> | <b>3</b>                          |
| - Operating expenses after rebates | 22,266        | 22,565        | 1                                 |
| = Net cash income                  | 6,374         | 6,949         | 9                                 |
| + Income in kind                   | 222           | 225           | 1                                 |
| - Depreciation charges             | 3,708         | 3,947         | 6                                 |
| = Realized net income              | 2,887         | 3,226         | 12                                |
| + Value of inventory change        | 1,120         | -1,414        | ...                               |
| <b>= Total net income</b>          | <b>4,008</b>  | <b>1,812</b>  | <b>-55</b>                        |

... Figures not appropriate or not applicable.

Note: Figures may not add to totals due to rounding.

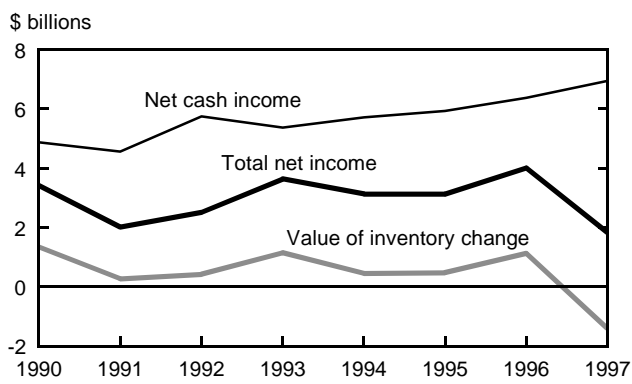
### Total net farm income plummeted

In contrast, total net income (net cash income adjusted for depreciation, value of inventory change and income in kind) decreased by 55% in 1997. Total net income measures the receipts and expenses relating to calendar year production of crops and livestock. Crops and livestock produced in 1997, but marketed in 1998, are credited back to the year in which they were produced by means of the value of inventory change adjustment. This allows a more accurate comparison of receipts with the expenses incurred in that production.

The major contributor to the decline in total net income in 1997 was a 17% drop in December 31 inventories of major grains and oilseeds. This drop resulted largely from lower wheat and barley production in 1997-98 and higher marketings in the fall of 1997. Livestock inventories fell as a result of higher cattle marketings in the liquidation phase of the cattle cycle. The increase in net cash income in 1997 was built on the depletion of crop and livestock inventories both, leaving reduced inventories to market in 1998. With prices falling, grain producers continued to maintain a high but declining (-10%) level of deferred grain income.

Depreciation rose 6% in 1997, as the value of machinery and equipment was up 6% compared with 1996. Farm businesses made significant purchases of machinery and equipment in the last four years. The value of cars, trucks and other machinery on farms has risen 28% since 1993. This higher value translates into higher depreciation charges.

### A drop in farm inventories pushed total net farm income down 55% in 1997



### Total net farm income went negative in Saskatchewan

In 1997, total net farm income in Saskatchewan was negative for the first time since 1988. Net cash income there increased 28% in 1997, an increase second only to Manitoba (+52%). However, farms in Saskatchewan recorded a disproportionate -\$759 million value of inventory change, 54% of the national total. Saskatchewan's farms accounted for just 20% of national farm cash receipts in 1997. On the positive side, farmers in Saskatchewan received 56% of the capital payment in 1996 from the Western Grain Transition Payments Program, for a total of \$902 million (as a capital payment, this amount is not included in these data).

Farm businesses in all other provinces, except Newfoundland and British Columbia, also reported decreases in total net income in 1997.

### Total net farm income by province

|                      | 1996         | 1997         | 1996<br>to<br>1997<br>% |
|----------------------|--------------|--------------|-------------------------|
|                      | \$ millions  |              | change                  |
| <b>Canada</b>        | <b>4,008</b> | <b>1,812</b> | <b>-55</b>              |
| Saskatchewan         | 1,185        | -79          | ...                     |
| Manitoba             | 474          | 203          | -57                     |
| Alberta              | 705          | 319          | -55                     |
| New Brunswick        | 41           | 21           | -49                     |
| Nova Scotia          | 54           | 38           | -30                     |
| Quebec               | 938          | 703          | -25                     |
| Ontario              | 514          | 464          | -10                     |
| Prince Edward Island | 24           | 23           | -2                      |
| Newfoundland         | 10           | 10           | 8                       |
| British Columbia     | 64           | 109          | 69                      |

... Figures not appropriate or not applicable.

**Note:** Figures may not add to totals due to rounding.

### Adjusted net incomes were well below 1975 records

After adjusting for inflation, net farm cash income in 1997 was 43% below the record high seen in 1975. Adjusted farm cash receipts stood 8% above 1975 levels. Operating expenses have increased 49% since 1975, reflecting the industry's increased dependence on purchased inputs such as hired labour, fertilizers, pesticides and commercially-formulated livestock feeds. Total net income, after adjusting for inflation, was 82% below the record 1975 level. In 1997, adjusted depreciation was at its highest level since 1980, and 32% higher than in 1975. At -\$1.1 billion, the adjusted value of inventory change in 1997 was the largest negative value on record, compared with +\$0.5 billion in 1975.

### Farm cash receipts virtually unchanged in the first quarter

Farm cash receipts for the first quarter of 1998 remained virtually unchanged, compared with the same quarter last year. Crop receipts declined 2% to \$4.0 billion; livestock receipts increased 3% to \$3.6 billion.

The growth in livestock revenues was mainly supported by the cattle sector. Cattle and calves revenues rose to \$1.4 billion, up 17% from the first quarter of 1997. Higher marketings for cattle, and higher prices for both cattle and calves were responsible for this increase. Livestock receipts would have been stronger if hog receipts had not declined 21% due to lower prices.

### Farm cash receipts

|  | First<br>quarter<br>1997 | First<br>quarter<br>1998 | First<br>quarter<br>1997<br>to<br>First<br>quarter<br>1998<br>% |
|--|--------------------------|--------------------------|---|
|  | \$ millions              |                          | change  |
| Wheat                                  | 676                      | 591                      | -12   |
| Canadian Wheat Board payments          | 304                      | 415                      | 36  |
| Barley                                 | 171                      | 148                      | -14   |
| Liquidation of deferred grain receipts | 1,061                    | 959                      | -10   |
| Canola                                 | 493                      | 557                      | 13  |
| Corn                                   | 180                      | 150                      | -17   |
| Soybeans                               | 201                      | 212                      | 6   |
| Other cereals and oilseeds             | 77                       | 63                       | -18   |
| Other crops                            | 921                      | 922                      | 0   |
| <b>Crops receipts, total</b>           | <b>4,084</b>             | <b>4,016</b>             | <b>-2</b>   |
| Cattle and calves                      | 1,205                    | 1,407                    | 17  |
| Hogs                                   | 732                      | 578                      | -21   |
| Dairy products                         | 921                      | 938                      | 2   |
| Poultry                                | 348                      | 374                      | 7   |
| Other livestock                        | 311                      | 317                      | 2   |
| <b>Livestock receipts, total</b>       | <b>3,516</b>             | <b>3,615</b>             | <b>3</b>  |
| Net Income Stabilization Account       | 39                       | 44                       | 13  |
| Gross Revenue Insurance Plan           | 22                       | 4                        | -83   |
| Crop insurance                         | 64                       | 48                       | -25   |
| Provincial Stabilization               | 21                       | 52                       | 148   |
| Other payments                         | 72                       | 57                       | -20   |
| <b>Payments, total</b>                 | <b>218</b>               | <b>206</b>               | <b>-6</b>   |
| <b>Farm cash receipts, total</b>       | <b>7,819</b>             | <b>7,836</b>             | <b>--</b>   |

-- Amount too small to be expressed.

**Note:** Totals may not add due to rounding.

Lower crop receipts in the first three months of 1998, compared with the same period last year, were due to less liquidation of grain income deferred from the previous year (-10%) and to lower receipts for wheat (-12%), corn (-17%) and barley (-14%). These declines were partially offset by higher Canadian Wheat Board payments for wheat and regular barley, as well as by higher canola receipts as deliveries increased.

Program payments to farmers continued to slide in the first quarter, declining to \$206 million, down 6% from the same period last year. Increases in provincial stabilization programs and Net Income Stabilization Account payments were more than offset by declines in payments from crop insurance and other programs.

**Available on CANSIM: matrices 171-172, 208-215, 225, 244, 249-259, 263-272, 3571-3603 and 5631.**

*Agriculture economic statistics supplement* (21-603-UPE, Issue 98-001, \$26/\$52) will be released in July. See *How to order publications*. The January-March 1998 issue of *Farm cash receipts* (21-001-XIB, \$15/\$48) is now available at [www.statcan.ca](http://www.statcan.ca). See *How to order publications*.

For further information on net farm income, contact Liz Leckie (613-951-2448; [leckliz@statcan.ca](mailto:leckliz@statcan.ca)), Agriculture Division.

For further information on farm cash receipts, contact Martin Beaulieu (613-951-6357; [beaulma@statcan.ca](mailto:beaulma@statcan.ca)), Agriculture Division. ■

---

## OTHER RELEASES

---

### Direct payments in agriculture 1997

Direct program payments received by farmers are available for 1997. Included are data on gross payments, producer-paid premiums, rebates, and net payments by program and by province.

*Agriculture economic statistics supplement* (21-603-UPE, Issue 98-001, \$26/\$52) will be released in July. See *How to order publications*.

For further information on this release, contact Martin Beaulieu (613-951-6357; [beaulma@statcan.ca](mailto:beaulma@statcan.ca)), Agriculture Division. ■

### Crushing of oilseeds

April 1998

Oilseed processors crushed 297 076 metric tonnes of canola in April, a 0.7 % decrease from the March crush of 299 175 tonnes. In April, oil production totalled 125 822 tonnes, while meal production amounted to 183 657 tonnes.

In the first nine months of the 1997/98 crop year, processors crushed a record 2 478 248 tonnes of canola, up from 2 013 693 tonnes in the same months of 1996/97.

**Available on CANSIM: matrix 5687.**

The April 1998 issue of *Cereals and oilseeds review* (22-007-XPB, \$15/\$149) will be released in June. See *How to order publications*.

For further information on this release, contact Rick Burroughs (613-951-2890; [burrric@statcan.ca](mailto:burrric@statcan.ca)) or Les Macartney (613-951-8714; [macales@statcan.ca](mailto:macales@statcan.ca)), Grain Marketing Unit, Agriculture Division. ■

### Residential Telephone Service Survey

February 1998

Data are now available from the Residential Telephone Service Survey for February 1998. The information in this microdata file refers to telephone service penetration rates in the 10 provinces in February 1998.

To order the microdata file (56M0001XDB, \$500), contact Carol Nusum-Sol (613-951-4598; 1-800-461-9050), Special Surveys Division. ■

For further information on this release, contact Marc Hamel (613-951-2495; [hamemar@statcan.ca](mailto:hamemar@statcan.ca)), Special Surveys Division. ■

### Civil aviation operating statistics

March 1998

Canadian Airlines International Ltd. (CAI) reported a 3% decrease in passenger-kilometres (seasonally adjusted data) on their international routes in March 1998.

**Available on CANSIM: matrix 385.**

The March 1998 data (operational) on civil aviation for Air Canada and Canadian Airlines International Ltd. will be published in the June issue of *Aviation service bulletin* (51-004-XIB, \$8/\$82), which is published monthly on the Internet. A print-on-demand service is also available at a different price. It can be ordered directly from [www.statcan.ca](http://www.statcan.ca), or by calling 1-800-267-6677.

For further information on this release, contact Robert Lund (613-951-0125), Aviation Statistics Centre, Transportation Division. ■

### Sawmills and planing mills

March 1998

In March, sawmills produced 5 941 000 cubic metres of lumber and ties, a 7.7% increase from 5 512 300 cubic metres (after revisions) in March 1997.

For January to March 1998, production was 16 261 300 cubic metres, up 0.1% from 16 230 700 cubic metres (after revisions) during the same period in 1997.

**Available on CANSIM: matrices 53 and 122 (series 2).**

The March 1998 issue of *Sawmills and planing mills* (35-003-XPB, \$12/\$114) will be available shortly. See *How to order publications*.

For further information on this release, contact Gilles Simard (613-951-3516; [simales@statcan.ca](mailto:simales@statcan.ca)), Manufacturing, Construction and Energy Division. ■

## Pulpwood and wood residue

March 1998

Pulpwood receipts in March totalled 3 307 945 cubic metres, down 6.0% from 3 519 856 cubic metres in March 1997. Wood residue receipts totalled 6 111 083 cubic metres, down 4.8% from 6 420 068 cubic metres in March 1997. Consumption of pulpwood and wood residue totalled 8 539 003 cubic metres, a 10.3% decrease from 9 516 053 cubic metres in March 1997.

The closing inventory of pulpwood and wood residue declined 1.9% to 15 285 273 cubic metres, down from 15 587 788 cubic metres in March 1997. Year to date consumption of pulpwood and wood residue (25 462 467 cubic metres) decreased 10.0% from 28 288 967 cubic metres a year earlier. The 1997 figures have been revised.

**Available on CANSIM: matrix 54.**

The March 1998 issue of *Pulpwood and wood residue statistics* (25-001-XPB, \$8/\$73) will be available shortly. See *How to order publications*.

For further information on this release, contact Gilles Simard (613-951-3516; [simales@statcan.ca](mailto:simales@statcan.ca)), Manufacturing, Construction and Energy Division. ■

## Annual Survey of Manufactures

1996

The Annual Survey of Manufactures provides information on over 200 different industries. Principal statistics for each industry are released on CANSIM as they become available. Data for the industries listed in the following table are now available. Data for 221 industries have now been released.

**Available on CANSIM: matrices 5386, 5388, 5392, 5396, 5405, 5474, 5481, 5498 and 6897.**

Data for the industries listed in the table appear in *Food industries* (32-250-XPB, \$40), *Beverage and tobacco products industries* (32-251-XPB, \$40), *Printing, publishing and allied industries* (36-251-XPB, \$40), *Manufacturing industries of Canada, national and provincial areas* (31-203-XPB, \$68) and *Products shipped by Canadian manufacturers* (31-211-XPB, \$67). The 1995 issues of these publications are now available. See *How to order publications*.

For further information on this release, look under contacts in the following table (fax: 613-951-9499; [pentlii@statcan.ca](mailto:pentlii@statcan.ca)).

## Value of shipments

|  | 1995        | 1996    | 1995<br>to<br>1996 | Publication<br>catalogue<br>number | Contact         |              |
|--|-------------|---------|--------------------|------------------------------------|-----------------|--------------|
|  | \$ millions |         | %<br>change        |                                    |                 |              |
| <b>Industry (Standard Industry Classification)</b>           |             |         |                    |                                    |                 |              |
| Other dairy products (1049)                                  | 4,353.6     | 4,622.5 | 6.2                | 32-250-XPB                         | P. Zylstra      | 613-951-3511 |
| Prepared flour mixes and prepared cereal foods (1052)        | 851.3       | 923.2   | 8.4                | 32-250-XPB                         | P. Zylstra      | 613-951-3511 |
| Bread and other bakery products (1072)                       | 2,151.0     | 2,223.0 | 3.3                | 32-250-XPB                         | P. Zylstra      | 613-951-3511 |
| Tea and coffee (1091)  | 1,004.7     | 945.6   | -5.9               | 32-250-XPB                         | P. Zylstra      | 613-951-3511 |
| Wine (1141)  | 322.0       | 373.4   | 15.9               | 32-251-XPB                         | P. Zylstra      | 613-951-3511 |
| Wooden household furniture (2611)                            | 1,103.4     | 1,229.1 | 11.4               |                                    | E. Saint-Pierre | 613-951-9837 |
| Other furniture and fixture, not elsewhere classified (2699) | 537.9       | 587.8   | 9.3                |                                    | E. Saint-Pierre | 613-951-9837 |
| Other commercial printing (2819)                             | 6,413.7     | 6,757.7 | 5.4                | 36-251-XPB                         | S. Boyer        | 613-951-5669 |
| Other manufactured products, not elsewhere classified (3999) | 1,001.2     | 1,214.5 | 21.3               |                                    | S. Boyer        | 613-951-5669 |



## PUBLICATIONS RELEASED

**Farm cash receipts, January to March 1998**  
**Catalogue number 21-001-XIB**  
 (Canada: \$15/\$48; outside Canada: US\$15/US\$48).

**All prices exclude sales tax.**

Catalogue numbers with an -XIB or an -XIE extension are Internet versions; those with -XMB or -XME are microfiche; and -XPB or -XPE denote a paper version.

### How to order publications

Simplify your data search with the *Statistics Canada Catalogue* (11-204-XPE, \$16; outside Canada: US\$16).

Its keyword index will guide you to statistics on Canada's social and economic activity.

#### Order publications by phone:

Please refer to the • Title • Catalogue number • Volume number • Issue number • Your VISA or MasterCard number.

|                                       |                         |
|---------------------------------------|-------------------------|
| In Canada and the United States call: | <b>1-800-267-6677</b>   |
| From other countries call:            | <b>1-613-951-7277</b>   |
| To fax your order:                    | <b>1-800-889-9734</b>   |
| Address changes or account inquiries: | <b>1-800-700-1033</b>   |
| Internet:                             | <b>order@statcan.ca</b> |

**To order a publication by mail write:** Statistics Canada, Circulation Management, Operations and Integration Division, Ottawa, K1A 0T6.

Include a cheque or money order payable to **Receiver General of Canada/Publications**. Canadian customers add 7% GST and applicable PST.

**Authorized agents and bookstores also carry Statistics Canada's catalogued publications.**

**The Daily**  
 Statistics Canada

Thursday, June 5, 1997  
 For release at 9:30 a.m.

**MAJOR RELEASES**

- **Urban transit, 1995** 2  
 Despite the emphasis on taking urban transit, Canadians are using it less and less. In 1996, each Canadian took an average of about 5.1 trips on some form of urban transit, the lowest level in the past 25 years.
- **Productivity, hourly compensation and unit labour cost, 1995** 4  
 Growth in productivity among Canadian businesses was modest weak again in 1996, accompanied by sluggish gains in employment and slow economic growth during the year.

**OTHER RELEASES**

- **Map-based Index, May 1997** 3
- **Short-term Expectations Survey** 9
- **Steel primary forms, week ending May 31, 1997** 12
- **Egg production, April 1997** 13

**PUBLICATIONS RELEASED** 11

Statistics Canada / Statistique Canada

### Statistics Canada's official release bulletin

Catalogue 11-001E.

Published each working day by the Communications Division, Statistics Canada, 10-H, R.H. Coats Bldg., Tunney's Pasture, Ottawa, Ontario K1A 0T6.

To access *The Daily* on the Internet, visit our site at <http://www.statcan.ca>. To receive *The Daily* each morning by E-mail, send an E-mail message to [listproc@statcan.ca](mailto:listproc@statcan.ca). Leave the subject line blank. In the body of the message, type "subscribe daily firstname lastname".

Editor: Tim Prichard (613-951-1103, [prictim@statcan.ca](mailto:prictim@statcan.ca))  
 Head of Official Release: Chantal Prévost (613-951-1088, [prevcha@statcan.ca](mailto:prevcha@statcan.ca))

Published by authority of the Minister responsible for Statistics Canada. © Minister of Industry, 1998. Citation in newsprint, magazine, radio, and television reporting is permitted subject to the requirement that Statistics Canada is acknowledged as the source. Any other reproduction is permitted subject to the requirement that Statistics Canada is acknowledged as the source on all copies as follows: Statistics Canada, *The Daily*, catalogue 11-001E, along with date and page references.