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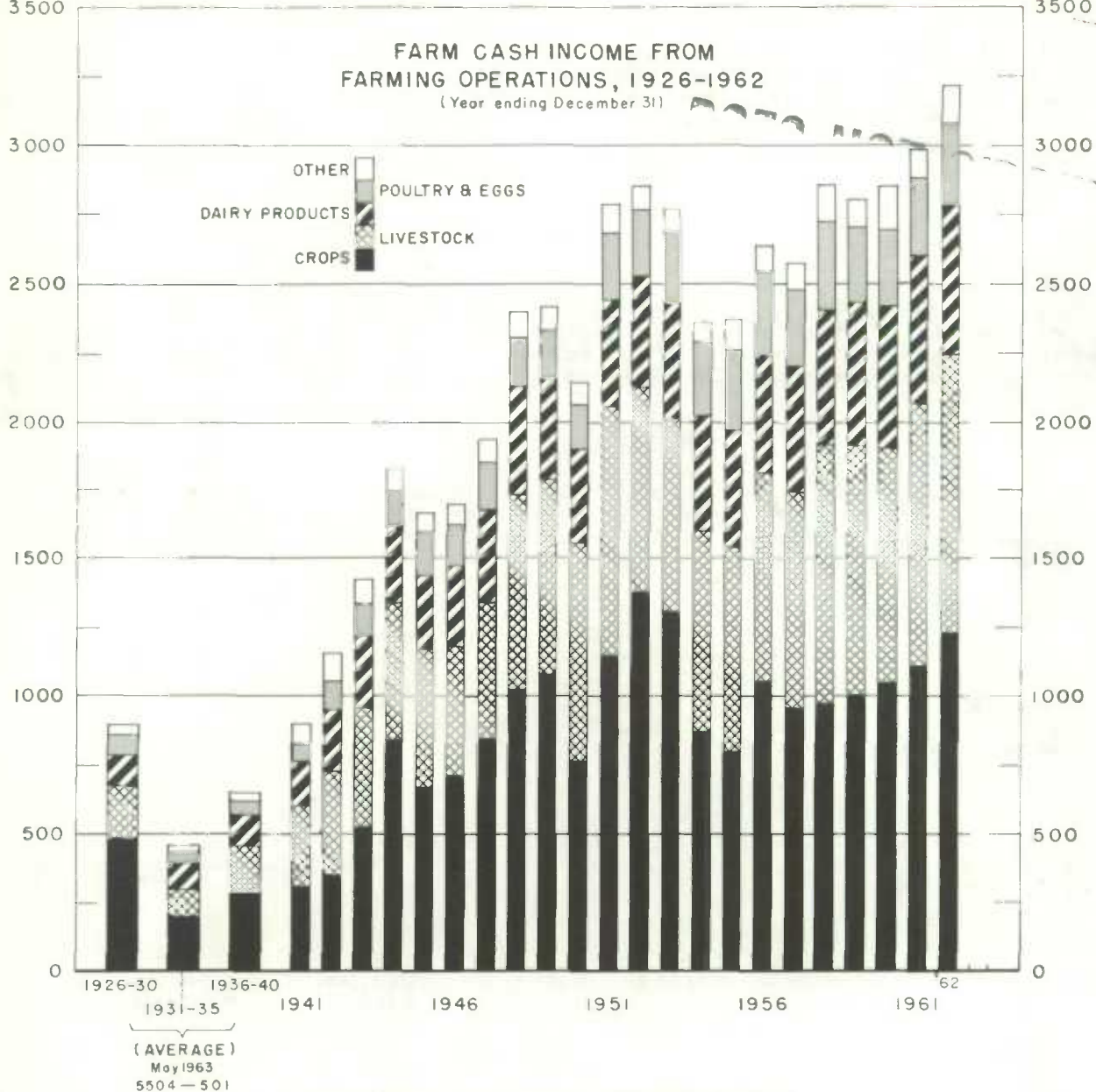
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FARM CASH INCOME, 1962

(FOURTH QUARTER AND ANNUAL TOTALS)

MILLION DOLLARS
3500



Prepared in Farm Finance Section, AGRICULTURE DIVISION

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FARM CASH INCOME FROM FARMING OPERATIONS, 1962(1)

This report presents the detailed annual preliminary estimates of farm cash income from farming operations for the year 1962. As a result of more up-to-date information becoming available in recent weeks, the estimated total farm cash income for 1962 differs slightly from that contained in the advance preliminary report published in February.

The present estimate indicates that, during 1962, cash income to Canadian farmers from farming operations reached the all-time high of 3,149.4 million dollars. This is 6.6 per cent above the previous record high of 2,954.0 million dollars established a year earlier and 13.4 per cent above the 1960 estimate of 2,776.7 million.

Included in these estimates are cash income from the sale of farm products, Canadian Wheat Board participation payments on previous years' grain crops, net cash advances on farm-stored grains in Western Canada, and deficiency payments made under the provisions of the Agricultural Stabilization Act, but not supplementary payments mentioned below. In this report no allowance is made for costs incurred by farmers in the production of the commodities sold. Detailed estimates of farmers' net returns from farming operations after deductions for operating expenses and depreciation charges will be published in the report entitled "Farm Net Income" to be released in about two weeks.

The more important contributions to the gain in farm cash income between 1961 and 1962 were made by increased returns from the deliveries of wheat, oats, cattle, calves, hogs and poultry products, larger participation payments on previous years' grain crops, and increased net advances on farm-stored grains in Western Canada. Lesser contributions were made by rye, vegetables and dairy products. The more important items for which income was lower in 1962 than in 1961 were barley, rapeseed and tobacco.

All provinces shared in the increase in farm cash income in 1962. On a percentage basis, the provincial gains amounted to: less than one per cent for Nova Scotia; nearly two per cent for New Brunswick; between four and five per cent for Prince Edward Island, Quebec, Ontario, Manitoba and Alberta; ten per cent for British Columbia; and, 14 per cent for Saskatchewan.

In addition to the above income, farmers received, during 1962, 70.3 million dollars in the form of supplementary payments paid out under the provisions of the Prairie Farm Assistance Act and the Western Grain Producers' Acreage Payment plan. This was in contrast with the supplementary payments during 1961 of approximately 35.8 million dollars, most of which was paid out under the Prairie Farm Assistance Act.

When added together, farmers' income from farming operations and supplementary payments totalled 3,219.7 million dollars for 1962. This is 7.7 per cent above the corresponding estimate of 2,989.7 million dollars for 1961, and a new record high.

Field Crops - Total cash income to farmers in 1962 from field crops, including Canadian Wheat Board payments and cash advances on farm-stored grain, amounted to 1,229.9 million dollars, 10.7 per cent above the 1,110.7 million dollars estimated for 1961. This gain in total income from field crops in 1962 reflects higher income from sales of wheat and oats, larger participation payments on previous years' grain crops, and increased net advances on farm-stored grains in Western Canada. In total, income from field crops, for 1962, accounted for 39.1 per cent of total farm cash income for the year, excluding supplementary payments.

(1) Excludes Newfoundland.

During 1962, the Canadian Wheat Board paid out 181.1 million dollars in participation payments on previous years' grains, 36 per cent higher than the 133.3 million paid out during the previous year. These payments arise out of the system of grain marketings in Western Canada whereby farmers, at the time of delivery, are given initial payments and certificates stating the quantities and grades delivered. These certificates entitle farmers to share any surpluses accumulated by the Board through subsequent sales of these grains for domestic consumption and export. The share of the surplus accruing to farmers represents the Canadian Wheat Board payments included in these estimates of farm income.

Marketings of wheat for the first nine months of 1962 lagged behind those for the first nine months of a year earlier as a result of the small 1961 crop. However, the large crop of 1962 and the availability of elevator space permitted farmers to deliver sufficient grain during the last quarter of 1962 to offset the earlier reduction in marketings and provide a total delivery figure for the year slightly above that for 1961. This, together with an increase, on March 1, 1962, of ten cents per bushel in the initial delivery payment, resulted in a total income from this source of 530.8 million dollars, 8.6 per cent above that of a year earlier. An increase in oats marketings of nearly 50 per cent during the year is reflected in cash income from this source of 35.3 million dollars as against 24.7 million dollars in 1961.

Another important contribution to income from field crops during 1962 was the net advances on farm-stored grains amounting to nearly six million dollars. This is a reverse of the situation in 1961 when repayments exceeded advances by 34.5 million dollars.

Of those crops for which lower income was estimated in 1962, the most important were barley, rapeseed and tobacco. In the case of both barley and rapeseed, a substantial reduction in marketings accounted for most of the decline in cash receipts. Reduced income from tobacco reflects a marketing situation in Ontario during the fall months of 1962 in which sales through the tobacco auctions moved very slowly or were entirely halted.

Livestock & Animal Products - During 1962, it is estimated that farmers in Canada received a record high return from the sale of livestock and animal products of 1,883.2 million dollars, 4.2 per cent above the previous all-time high of 1,807.8 million dollars received a year earlier. Income was higher for cattle, calves, hogs, and poultry and dairy products, but lower for sheep and lambs. Total income from livestock and animal products for 1962 represented 59.8 per cent of total farm cash income, excluding supplementary payments.

Income from cattle and calves reached the all-time high of 677.9 million dollars for 1962, 7.8 per cent above the previous record high of 628.8 million dollars established a year earlier. Since marketings were practically unchanged from those of a year ago, the increase in returns from this source was entirely attributable to higher prices. Income from the sale of hogs was up from 317.7 million dollars in 1961 to 329.0 million in 1962 as a result of increased prices and slightly higher marketings.

Higher prices of poultry meat were almost entirely responsible for the gain in income from poultry products, from 283.0 million dollars in 1961 to 294.8 million in 1962. Slight increases in both marketings and prices of dairy products resulted in an income from this source totalling 538.8 million dollars, up nearly five million dollars over the 1961 level.

The estimates contained herein are based on reports of marketings and prices received by farmers for principal farm products and are subject to revision as more complete data become available. The estimates include the amounts paid by the Canadian Wheat Board in the form of participation payments. They also include deficiency payments made under the present farm prices support program and net cash advances on farm-stored grains. Payments made under the provisions of the Prairie Farm Assistance Act, the Western Grain Producers' Acreage Payment Plan and the Federal-Provincial Emergency Unthreshed Grain Assistance Policy are not included with cash income from farming operations but are included in total cash income in the year in which payments are made, under the heading, "Supplementary Payments". Again, it should be emphasized that, in preparing these estimates, no allowance is made for costs incurred by farmers in the production of the items sold.

In Table 1 below is summarized the preliminary estimate of cash income from farming operations, by quarters and by provinces, for the calendar year 1962 and revised estimates for 1960 and 1961. Tables 2, 3 and 4 present farm cash income by commodity sources for each province, in the three years and include supplementary payments. No information is available for Newfoundland.

TABLE 1. Farm Cash Income from Farming Operations, by Quarters, 1960-62(1)

	January March	April June	July September	October December	Year
thousand dollars					
1962 (preliminary):					
Prince Edward Island	4,951	7,019	6,001	7,034	25,005
Nova Scotia	9,313	10,281	12,640	13,201	45,435
New Brunswick	8,756	10,677	9,928	13,625	42,986
Quebec	87,756	116,411	130,104	122,650	456,921
Ontario	231,593	217,327	249,815	232,433	931,168
Manitoba	35,061	55,709	73,127	91,236	255,133
Saskatchewan	80,395	196,175	187,666	220,489	684,725
Alberta	109,876	132,900	139,133	175,018	556,927
British Columbia	28,429	27,008	40,063	55,587	151,087
Canada(2)	596,130	773,507	848,477	931,273	3,149,387
1961 (revised):					
Prince Edward Island	5,290	6,851	5,587	6,129	23,857
Nova Scotia	9,375	11,163	12,556	12,001	45,095
New Brunswick	10,393	10,336	9,595	11,903	42,227
Quebec	86,718	112,070	122,904	115,916	437,608
Ontario	247,782	183,876	234,609	223,798	890,065
Manitoba	44,530	60,753	70,037	68,279	243,599
Saskatchewan	112,022	154,013	180,961	153,216	600,212
Alberta	117,026	105,007	151,144	160,907	534,084
British Columbia	28,153	25,599	35,419	48,033	137,204
Canada(2)	661,289	669,668	822,812	800,182	2,953,951
1960 (revised):					
Prince Edward Island	7,313	9,163	5,332	7,351	29,159
Nova Scotia	8,599	10,143	11,989	12,273	43,004
New Brunswick	12,051	13,527	10,237	14,217	50,032
Quebec	77,234	108,108	116,891	108,872	411,105
Ontario	225,562	188,140	226,351	229,232	869,285
Manitoba	39,695	55,860	63,165	64,588	223,308
Saskatchewan	91,189	149,161	168,448	141,577	550,375
Alberta	105,998	111,495	125,069	130,695	473,257
British Columbia	23,783	24,869	33,803	44,743	127,198
Canada(2)	591,424	670,466	761,285	753,548	2,776,723

(1) Excludes supplementary payments.
(2) Excludes Newfoundland.

TABLE 2. Preliminary Estimate of Farm Cash Income from Farming Operations, by Provinces, (1) 1962

Commodity	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Canada
thousand dollars										
Wheat	-	-	-	-	15,918	61,973	333,399	115,757	3,714	530,761
Wheat, C.W.B. payments(2)	-	-	-	-	-	17,275	100,357	34,891	-	152,523
Oats	422	47	446	2,694	4,775	10,308	6,607	8,647	1,320	35,266
Oats, C.W.B. payments(2)	-	-	-	-	-	831	758	2,712	-	4,301
Barley	-	-	-	36	524	7,788	16,517	26,714	1,863	53,442
Barley, C.W.B. payments(2)	-	-	-	-	-	3,703	8,646	11,895	-	24,244
C.W.B. net cash advance payments(3)	-	-	-	-	-	2,005	3,678	233	-	5,916
Rye	-	-	-	-	229	2,706	4,271	1,603	-	8,809
Flaxseed	-	-	-	-	919	20,654	15,145	10,863	91	47,672
Rapeseed	-	-	-	-	-	830	5,132	4,165	-	10,127
Soybeans	-	-	-	-	12,457	-	-	-	-	12,457
Potatoes	6,069	521	7,684	5,568	10,754	694	175	2,770	2,542	36,777
Fruits	319	3,542	1,359	4,893	22,469	-	-	-	19,448	52,030
Vegetables(4)	475	951	543	12,748	53,341	1,213	484	1,155	7,739	78,649
Tobacco	42	33	5	4,156	91,203	--	-	-	-	95,439
Other crops	723	686	845	10,722	33,981	6,957	4,022	13,767	9,796	81,499
Total crops	8,050	5,780	10,882	40,817	246,570	136,937	499,191	235,172	46,513	1,229,912
Cattle and calves	5,968	8,458	6,669	68,925	228,455	44,013	110,942	174,074	30,411	677,915
Hogs	3,621	3,935	3,401	77,455	121,280	20,225	23,820	72,727	2,521	328,985
Sheep and lambs	147	359	315	1,068	3,299	497	1,106	3,182	693	10,666
Dairy products	5,131	12,533	12,125	180,693	193,966	27,486	29,592	41,090	36,136	538,752
Poultry	425	3,998	1,409	42,471	60,116	10,391	9,010	13,287	12,211	153,318
Eggs	1,188	6,950	3,504	25,016	62,021	9,568	6,973	10,940	15,329	141,489
Other livestock and products	132	798	184	2,095	8,469	5,652	3,739	5,876	5,147	32,092
Total livestock and products	16,612	37,031	27,607	397,723	677,606	117,832	185,182	321,176	102,448	1,883,217
Forest and maple products	330	2,617	3,538	18,323	5,933	300	325	525	2,100	33,991
Deficiency payments:(5)										
Eggs	13	7	2	58	326	64	27	54	26	577
Sugar beets	-	-	-	-	733	-	-	-	-	733
Potatoes	-	-	957	-	-	-	-	-	-	957
Cash Income from Farming Operations	25,005	45,435	42,986	456,921	931,168	255,133	684,725	556,927	151,087	3,149,387
Supplementary payments(6)	-	-	-	-	-	11,765	36,861	21,387	300	70,313
Total Cash Income	25,005	45,435	42,986	456,921	931,168	266,898	721,586	578,314	151,387	3,219,700

(1) Excludes Newfoundland.

(2) Represents interim and final payments made by the Canadian Wheat Board direct to producers on crop delivered in previous years.

(3) Explanation of this item included in each of the quarterly reports for the years 1958 and 1959.

(4) Estimates of income from the sale of vegetables in all provinces except Ontario and British Columbia for the years 1957 to 1962 inclusive will not be strictly comparable with earlier years because of changes in methods of estimation. Comparability will be restored as soon as earlier estimates can be reworked by the new methods.

(5) Made under the authority of the Agricultural Stabilization Act.

(6) Payments made under the provisions of the Prairie Farm Assistance Act and the Western Grain Producers' Acreage Payment Plan.

-- 500 dollars or less.

TABLE 3. Revised Estimate of Farm Cash Income from Farming Operations, by Provinces, (1) 1961

Commodity	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Canada
thousand dollars										
Wheat	-	-	-	-	16,778	67,510	289,716	111,438	3,185	488,627
Wheat, C.W.B. payments(2)	-	-	-	-	-	14,543	76,441	31,346	-	122,330
Oats	420	49	468	2,792	4,132	3,038	3,567	9,147	1,056	24,669
Oats, C.W.B. payments(2)	-	-	-	-	-	2,634	3,264	3,030	-	8,928
Barley	-	-	-	34	482	10,009	21,459	31,429	1,300	64,713
Barley, C.W.B. payments(2)	-	-	-	-	-	366	782	874	-	2,022
C.W.B. net cash advance payments(3)	-	-	-	-	-	- 7,223	- 22,197	- 5,118	-	- 34,538
Rye	-	-	-	-	224	1,067	2,110	1,545	-	4,946
Flaxseed	-	-	-	-	906	12,603	22,236	13,961	154	49,860
Rapeseed	-	-	-	-	-	508	8,319	8,220	-	17,047
Soybeans	-	-	-	-	12,649	-	-	-	-	12,649
Potatoes	5,928	529	7,695	6,525	11,505	496	211	2,361	2,851	38,101
Fruits	396	4,098	1,404	5,769	24,302	-	-	-	17,828	53,797
Vegetables(4)	276	1,155	660	12,664	48,654	1,201	477	1,143	7,684	73,914
Tobacco	12	15	-	5,399	97,325	1	-	-	-	102,752
Other crops	693	689	887	10,103	31,375	6,405	5,429	15,776	9,495	80,852
Total crops	7,725	6,535	11,114	43,286	248,332	113,158	411,814	225,152	43,553	1,110,669
Cattle and calves	4,795	7,562	5,705	63,794	207,227	52,066	107,676	158,866	21,151	628,842
Hogs	3,907	3,483	3,622	68,167	114,277	23,016	27,767	70,986	2,520	317,745
Sheep and lambs	186	361	337	1,460	3,025	576	1,169	3,879	685	11,678
Dairy products	5,043	12,747	12,195	179,541	188,363	27,433	30,434	41,617	36,605	533,978
Poultry	483	3,640	1,595	35,475	52,514	11,895	10,282	15,076	10,911	141,871
Eggs	1,216	7,432	3,222	24,474	62,571	9,230	6,611	11,446	14,901	141,103
Other livestock and products	116	661	215	2,070	7,795	5,917	4,131	6,576	5,075	32,556
Total livestock and products	15,746	35,886	26,891	374,981	635,772	130,133	188,070	308,446	91,848	1,807,773
Forest and maple products	385	2,672	4,189	19,339	5,956	307	328	485	1,800	35,461
Deficiency payments:(5)										
Eggs	1	2	--	2	5	1	--	1	3	15
Sugar beets	-	-	-	-	-	-	-	-	-	-
Potatoes	-	-	33	-	-	-	-	-	-	33
Cash Income from Farming Operations	23,857	45,095	42,227	437,608	890,065	243,599	600,212	534,084	137,204	2,953,951
Supplementary payments(6)	390	-	-	-	-	3,414	23,627	8,233	102	35,766
Total Cash Income	24,247	45,095	42,227	437,608	890,065	247,013	623,839	542,317	137,306	2,989,717

(1) Excludes Newfoundland.

(2) Represents interim and final payments made by the Canadian Wheat Board direct to producers on crop delivered in previous years.

(3) Explanation of this item included in each of the quarterly reports for the years 1958 and 1959.

(4) Estimates of income from the sale of vegetables in all provinces except Ontario and British Columbia for the years 1957 to 1962 inclusive will not be strictly comparable with earlier years because of changes in methods of estimation. Comparability will be restored as soon as earlier estimates can be reworked by the new methods.

(5) Made under the authority of the Agricultural Stabilization Act.

(6) Payments made under the provisions of the Prairie Farm Assistance Act and the Western Grain Producers' Acreage Payment Plan. They also include payments made to P.E.I. potato growers in connections with losses sustained as a result of fusarium rot in the 1960 potato crop.

-- 500 dollars or less.

TABLE 4. Revised Estimate of Farm Cash Income from Farming Operations, by Provinces, (1) 1960

Commodity	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Canada
thousand dollars										
Wheat	-	-	-	-	15,284	57,795	268,555	101,280	1,738	444,652
Wheat, C.W.B. payments(2)	-	-	-	-	-	8,529	43,633	18,478	-	70,640
Oats	377	48	465	2,567	4,166	5,214	5,754	5,293	364	24,248
Oats, C.W.B. payments(2)	-	-	-	-	-	1,164	1,249	740	-	3,153
Barley	-	-	-	30	536	14,137	25,774	28,083	766	69,326
Barley, C.W.B. payments(2)	-	-	-	-	-	971	2,191	2,173	-	5,335
C.W.B. net cash advance payments(3)	-	-	-	-	-	2,223	15,067	3,750	-	21,040
Rye	-	-	-	-	273	1,011	2,238	889	-	4,411
Flaxseed	-	-	-	-	429	12,189	16,729	12,522	121	41,990
Rapeseed	-	-	-	-	-	588	9,158	3,197	-	12,943
Soybeans	-	-	-	-	10,035	-	-	-	-	10,035
Potatoes	11,778	822	15,918	8,171	17,616	721	361	2,242	3,461	61,090
Fruits	394	2,894	1,370	6,930	23,528	-	-	-	16,965	52,081
Vegetables(4)	319	1,133	647	12,463	46,876	1,061	421	1,008	6,842	70,770
Tobacco	-	-	-	4,722	91,709	-	-	-	11	96,442
Other crops	866	668	1,037	9,551	33,285	5,658	3,925	13,294	8,760	77,044
Total crops	13,734	5,565	19,437	44,434	243,737	111,261	395,055	192,949	39,028	1,065,200
Cattle and calves	4,347	6,622	5,502	62,640	197,964	40,964	82,110	143,808	19,077	563,034
Hogs	3,178	3,170	3,271	57,018	106,162	18,227	22,430	61,563	2,571	277,590
Sheep and lambs	177	390	376	1,689	2,920	465	969	3,516	710	11,212
Dairy products	4,840	12,401	11,934	171,688	185,064	26,657	29,976	39,596	35,596	517,752
Poultry	645	3,345	1,619	30,864	53,848	10,411	8,244	12,991	11,624	133,591
Eggs	1,613	7,914	2,871	19,595	64,639	9,196	7,676	11,248	12,732	137,484
Other livestock and products	133	690	197	1,951	7,496	4,925	3,490	5,468	4,266	28,616
Total livestock and products	14,933	34,532	25,770	345,445	618,093	110,845	154,895	278,190	86,576	1,669,279
Forest and maple products	445	2,882	4,816	20,942	5,759	350	330	450	1,500	37,474
Deficiency payments: (5)										
Eggs	47	25	9	208	1,164	226	95	195	94	2,063
Sugar beets	-	-	-	76	532	626	-	1,473	-	2,707
Potatoes	-	-	-	-	-	-	-	-	-	-
Cash Income from Farming Operations	29,159	43,004	50,032	411,105	869,285	223,308	550,375	473,257	127,198	2,776,723
Supplementary payments(6)	-	-	-	-	-	9,724	42,181	25,010	289	77,204
Total Cash Income	29,159	43,004	50,032	411,105	869,285	233,032	592,556	498,267	127,487	2,853,927

(1) Excludes Newfoundland.

(2) Represents interim and final payments made by the Canadian Wheat Board direct to producers on crop delivered in previous years.

(3) Explanation of this item included in each of the quarterly reports for the years 1958 and 1959.

(4) Estimates of income from the sale of vegetables in all provinces except Ontario and British Columbia for the years 1957 to 1962 inclusive will not be strictly comparable with earlier years because of changes in methods of estimation. Comparability will be restored as soon as earlier estimates can be reworked by the new methods.

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