

CATALOGUE No.
21-001

QUARTERLY

DOMINION BUREAU OF STATISTICS

OTTAWA - CANADA

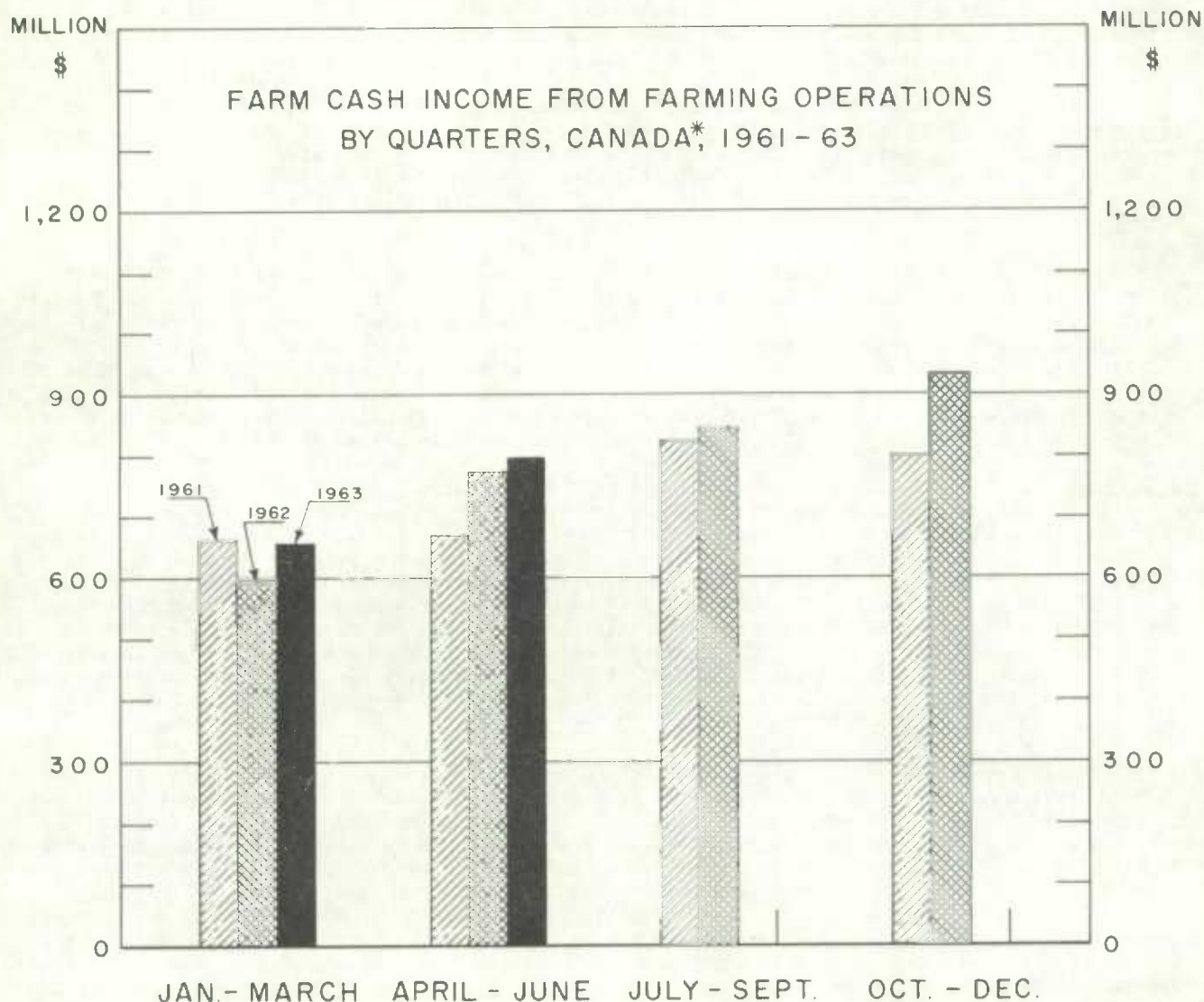
Published by Authority of the Minister of Trade and Commerce

1963 No. 2

Price: 25 cents, \$1.00 a year

FARM CASH INCOME

APRIL TO JUNE 1963



*Newfoundland excluded

SEPTEMBER 1963
5504-501

Prepared in Farm Finance Section, AGRICULTURE DIVISION

FARM CASH INCOME FROM FARMING OPERATIONS, JANUARY - JUNE 1963(1)

Preliminary estimates indicate that, during the first six months of 1963, Canadian farmers received cash income from farming operations (excluding supplementary payments) amounting to 1,449.7 million dollars, a record high for this period of the year. This estimate is 5.8 per cent, or 80.1 million dollars, above the previous record high of 1,369.6 million dollars established during the first six months of a year ago. These estimates include 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. It should be emphasized that no allowance is made in these estimates for costs incurred by farmers in the production of commodities sold.

The most notable contributions to the increase in total farm cash income, between the first half of 1962 and the first half of 1963, were higher receipts from the sale of wheat, coarse grains, potatoes, poultry products, and cattle and calves; in the case of receipts from the sale of wheat and coarse grains in Western Canada, this represents only the cash income received at time of delivery. Subsequent participation payments on these grain crops are treated separately, and, during the first half of 1963, they totalled below the level for the corresponding period of 1962.

Increases in cash income from farming operations were recorded for all provinces except Alberta where cash receipts totalled one per cent less than a year ago. For the remaining provinces, the gains amounted to: less than one per cent for British Columbia; approximately five per cent for Nova Scotia and Quebec; six per cent for Ontario; seven per cent for Saskatchewan; between eleven and twelve per cent for Prince Edward Island and New Brunswick; slightly more than twenty-three per cent for Manitoba.

In addition to these returns, farmers received, during the first half of 1963, 11.9 million dollars in the form of supplementary payments, paid out entirely under the provisions of the Prairie Farm Assistance Act. This was in contrast with the supplementary payments during the first six months of 1962 of 66.3 million dollars which included, not only payments under the Prairie Farm Assistance Act, but also those made under the Western Grain Producers' Acreage Payment Plan. When added together, farmers' cash income from farming operations and supplementary payments totalled 1,461.6 million dollars for the January-June period of 1963, 1.8 per cent above the 1,435.9 million dollars realized in the corresponding months of 1962 and the previous record high for this period of the year.

Field Crops - It is estimated that, during the first half of 1963, farmers' cash returns from the sale of field crops, participation payments on previous years' western grain crops and net cash advance payments on farm-stored grains in Western Canada amounted to 556.0 million dollars. This is 14 per cent above the revised estimate of 486.8 million for the same period a year earlier. By far the greatest contribution to this gain was made by wheat the income from which rose from 147.0 million dollars in 1962 to 220.0 million in 1963, entirely as a result of a sharp increase in marketings. Total deliveries of oats and barley during the first half of 1963 were more than double those for the corresponding months of a year earlier and this is reflected in total cash receipts from these grains in 1963 of nearly 45.0 million dollars, as against 21.0 million for 1962. Income from potatoes, at 20.4 million dollars for 1963, was nearly one third above the 1962 level as a result of increases in both marketings and prices.

Set off against these gains in income were reduced contributions from such important items as Canadian Wheat Board participation payments on previous years' grain crops, net cash advance payments on farm-stored grains in Western Canada, and sales of flaxseed. Participation payments during the first six months of 1963 amounted to 124.0 million dollars as against 152.8 million for the like period of 1962. These payments arise out of the system of grain marketings in Western Canada whereby farmers, at the time they deliver their grain, are given initial payments and certificates stating the quantities and grades delivered. These certificates entitle farmers to share in surpluses accumulated by the Board through subsequent sales of these grains for domestic consumption or export. The share of the surpluses accruing to farmers represents the Canadian Wheat Board payments included in these estimates of farm income.

As in the first half of 1962, total cash advances on farm-stored grains in Western Canada during the first six months of 1963 were exceeded by repayments with the result that the net entry in farm cash income estimates for this item is negative. During the 1963 period, this net entry amounted to minus 13.2 million dollars as against minus 6.1 million for the same period in 1962.

(1) Excludes Newfoundland.

Cash receipts from marketings of flaxseed dropped from 10.4 million dollars a year ago to 6.7 million in 1963. Although 1963 prices averaged below last year's level for the first half of the year, reduced marketings contributed most to this decline in income.

Livestock and Livestock Products - Cash receipts received by farmers from the sale of livestock and livestock products during the first six months of 1963 are estimated at 871.6 million dollars, approximately 10.0 million dollars above the 1962 level for the corresponding period. This estimated income accounts for about 60 per cent of total cash income from farming operations (excluding supplementary payments). With the exception of hogs, all items considered in this commodity group contributed to the increase in income.

Cash receipts from poultry products rose from approximately 125.0 million dollars for the 1962 period to 133.0 million for 1963. Income from eggs increased from 68.1 million dollars to 72.6 million as a result of higher prices more than offsetting some decline in marketings. Heavier marketings of poultry meat during the first half of 1963 are reflected in total cash income from this item amounting to 60.5 million dollars as against 56.8 million for the 1962 period. Cash returns from cattle and calves amounted to 307.1 million dollars, up by slightly more than five million dollars over the 1962 level. Marketings of cattle were above those of 1962, but calf sales were down; no significant change was noted in prices. Compared with a year ago, total cash income from the sale of hogs during the first half of 1963 was down by 3.4 per cent to 153.6 million dollars. Practically all of this decline occurred in the Prairie Provinces and resulted from a reduction in marketings. Sales of dairy products in the six months ending June were practically unchanged from those for the 1962 period, but prices moved up to give a total cash income from this source of 257.6 million dollars as compared with 255.7 for the previous year.

Estimates of farm cash income from the sale of farm products include the returns from all sales of agricultural products except those associated with direct interfarm transfers. The prices used to value all products sold are prices to farmers at the farm level; they include any subsidies, bonuses and premiums which can be attributed to specific products, but they exclude any storage, transportation, processing and handling charges which are not actually received by farmers.

Many sources of information are used in the preparation of these estimates. These include the Censuses of Agriculture; periodic Bureau surveys of production and disposition of crops, livestock and animal products; farm product marketing agencies; processors of agricultural products; Bureau surveys of prices received by farmers in connection with agricultural activities; agricultural statistics arising out of administrative responsibilities of various government departments, both Federal and Provincial.

In Table I overleaf is summarized the preliminary estimates of cash income from farming operations, by provinces, for the first six months of 1962 and 1963 and revised estimates for 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
January - June, 1961-63(1)

	Jan. - Mar.	Apr. - June	Jan. - June
thousand dollars			
1963 (preliminary):			
Prince Edward Island	6,214	7,124	13,338
Nova Scotia	10,020	10,618	20,638
New Brunswick	10,930	10,692	21,622
Quebec	93,344	120,414	213,758
Ontario	248,147	228,284	476,431
Manitoba	42,814	68,989	111,803
Saskatchewan	91,629	204,686	296,315
Alberta	124,844	115,406	240,250
British Columbia	28,232	27,352	55,584
Canada(2)	656,174	793,565	1,449,739
1962 (preliminary):			
Prince Edward Island	4,951	7,019	11,970
Nova Scotia	9,313	10,281	19,594
New Brunswick	8,756	10,677	19,433
Quebec	87,756	116,411	204,167
Ontario	231,593	217,327	448,920
Manitoba	35,061	55,709	90,770
Saskatchewan	80,395	196,175	276,570
Alberta	109,876	132,900	242,776
British Columbia	28,429	27,008	55,437
Canada(2)	596,130	773,507	1,369,637
1961 (revised):			
Prince Edward Island	5,290	6,851	12,141
Nova Scotia	9,375	11,163	20,538
New Brunswick	10,393	10,336	20,729
Quebec	86,718	112,070	198,788
Ontario	247,782	183,876	431,658
Manitoba	44,530	60,753	105,283
Saskatchewan	112,022	154,013	266,035
Alberta	117,026	105,007	222,033
British Columbia	28,153	25,599	53,752
Canada(2)	661,289	669,668	1,330,957

(1) Excludes supplementary payments.

(2) Excludes Newfoundland.

TABLE 2. Preliminary Estimate of Farm Cash Income from Farming Operations, by Provinces(1), January to June 1963

Commodity	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Canada
thousand dollars										
Wheat	-	-	-	-	2,671	31,351	139,902	44,355	1,643	219,922
Wheat, C.W.B. payments(2)	-	-	-	-	-	13,724	74,450	35,772	-	123,946
Oats	228	22	227	1,356	2,539	4,791	4,173	5,465	273	19,074
Barley	-	-	-	17	285	4,068	8,587	12,274	533	25,764
C.W.B. net cash advance payments(3)	-	-	-	-	-	- 3,004	- 7,503	- 2,735	-	- 13,242
Rye	-	-	-	-	-	518	1,441	509	-	2,468
Flaxseed	-	-	-	-	-	1,884	2,451	2,356	20	6,711
Rapeseed	-	-	-	-	-	15	850	397	-	1,262
Soybeans	-	-	-	-	4,799	-	-	-	-	4,799
Potatoes	5,329	93	6,565	2,002	4,056	315	75	1,062	913	20,410
Fruits	27	1,007	34	201	3,112	-	-	-	4,242	8,623
Vegetables(4)	160	108	62	1,753	8,687	274	110	260	2,165	13,579
Tobacco	56	77	24	4,582	84,393	-	-	-	-	89,132
Other crops	382	311	469	5,006	17,602	2,057	1,472	2,841	3,384	33,524
Total crops	6,182	1,618	7,381	14,917	128,144	55,993	226,008	102,556	13,173	555,972
Cattle and calves	2,443	3,571	2,464	34,344	123,512	22,275	40,338	72,740	5,459	307,146
Hogs	1,784	1,996	1,704	36,528	62,277	8,973	8,689	30,521	1,165	153,637
Sheep and lambs	3	46	22	132	804	109	190	1,062	137	2,505
Dairy products	1,938	5,877	5,499	80,238	98,038	13,648	14,516	20,173	17,644	257,571
Poultry	91	1,873	651	21,056	24,056	2,393	1,102	4,092	5,156	60,470
Eggs	651	3,717	1,957	12,596	31,284	5,345	3,577	4,931	8,518	72,576
Other livestock and products	74	578	101	1,128	5,010	2,641	1,750	3,148	3,247	17,677
Total livestock and products	6,984	17,658	12,398	186,022	344,981	55,384	70,162	136,667	41,326	871,582
Forest and maple products	171	1,362	1,842	12,644	3,270	131	142	230	1,082	20,874
Deficiency payments(5)	1	--	1	175	36	295	3	797	3	1,311
Cash Income from Farming Operations	13,338	20,638	21,622	213,758	476,431	111,803	296,315	240,250	55,584	1,449,739
Supplementary payments(6)	-	-	-	-	-	813	5,574	5,492	17	11,896
Total Cash Income	13,338	20,638	21,622	213,758	476,431	112,616	301,889	245,742	55,601	1,461,635

(1) Excludes Newfoundland.

(2) Represents interim and final payments made by the Canadian Wheat Board direct to producers on crops 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 1963 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. For this report, this item includes only deficiency payments on eggs, sugar beets and potatoes. Deficiency payments on other products are included as part of the estimated income for them.

(6) Payments made under the provisions of the Prairie Farm Assistance Act.

-- 500 dollars or less.

TABLE 3. Preliminary Estimate of Farm Cash Income from Farming Operations, by Provinces(1), January to June 1962

Commodity	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Canada
thousand dollars										
Wheat	-	-	-	-	3,435	12,504	89,346	40,365	1,395	147,045
Wheat, C.W.B. payments(2)	-	-	-	-	-	16,966	94,344	34,270	-	145,580
Oats	213	25	214	1,265	2,351	311	340	1,698	282	6,699
Barley	-	-	-	18	252	1,736	4,254	7,551	426	14,237
Barley, C.W.B. payments(2)	-	-	-	-	-	1,267	3,061	2,879	-	7,207
C.W.B. net cash advance payments(3)	-	-	-	-	-	668	3,149	2,277	-	6,094
Rye	-	-	-	-	-	273	746	456	-	1,475
Flaxseed	-	-	-	-	-	1,978	4,864	3,483	36	10,361
Rapeseed	-	-	-	-	-	9	1,727	807	-	2,543
Soybeans	-	-	-	-	3,817	-	-	-	-	3,817
Potatoes	3,277	75	3,861	1,857	3,164	160	44	949	1,038	14,425
Fruits	29	1,050	30	166	3,124	-	-	-	3,679	8,078
Vegetables(4)	96	102	60	1,668	8,445	257	104	244	2,199	13,175
Tobacco	42	33	5	4,156	85,103	-	-	-	-	89,339
Other crops	342	298	367	4,576	14,535	1,571	1,505	2,307	3,395	28,896
Total crops	3,999	1,583	4,537	13,706	124,226	36,364	197,186	92,732	12,450	486,783
Cattle and calves	3,213	3,186	2,610	34,052	113,256	19,579	43,030	76,677	6,363	301,966
Hogs	1,711	1,951	1,647	34,142	54,486	10,574	14,350	39,038	1,182	159,081
Sheep and lambs	4	40	10	97	800	79	185	1,107	80	2,402
Dairy products	2,089	6,222	5,761	78,721	95,365	13,802	14,894	20,542	18,307	255,703
Poultry	128	1,577	614	17,996	23,365	2,405	1,437	4,188	5,097	56,807
Eggs	580	3,242	1,640	12,009	29,418	4,823	3,567	5,149	7,682	68,110
Other livestock and products	81	476	122	1,121	4,521	3,016	1,783	3,120	3,226	17,466
Total livestock and products	7,806	16,694	12,404	178,138	321,211	54,278	79,246	149,821	41,937	861,535
Forest and maple products	165	1,317	1,788	12,323	3,483	128	138	223	1,050	20,615
Deficiency payments(5)	-	-	704	-	-	-	-	-	-	704
Cash Income from Farming Operations	11,970	19,594	19,433	204,167	448,920	90,770	276,570	242,776	55,437	1,369,637
Supplementary payments(6)	-	-	-	-	-	11,672	35,458	18,850	295	66,275
Total Cash Income	11,970	19,594	19,433	204,167	448,920	102,442	312,028	261,626	55,732	1,435,912

(1) Excludes Newfoundland.

(2) Represents interim and final payments made by the Canadian Wheat Board direct to producers on crops 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 1963 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. For this report, this item includes only deficiency payments on potatoes. Deficiency payments on other products are included as part of the estimated income for them.

(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 4. Revised Estimate of Farm Cash Income from Farming Operations, by Provinces(1), January to June 1961

Commodity	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Canada
thousand dollars										
Wheat	-	-	-	-	3,645	34,638	145,230	54,495	1,333	239,341
Wheat, C.W.B. payments(2)	-	-	-	-	-	4,849	34,387	9,222	-	48,458
Oats	232	25	252	1,400	1,923	1,815	2,305	2,195	191	10,338
Oats, C.W.B. payments(2)	-	-	-	-	-	1,161	1,302	1,390	-	3,853
Barley	-	-	-	16	241	5,302	10,612	11,291	343	27,805
Barley, C.W.B. payments(2)	-	-	-	-	-	366	782	874	-	2,022
C.W.B. net cash advance payments(3)	-	-	-	-	-	- 6,573	- 21,660	- 6,633	-	- 34,866
Rye	-	-	-	-	-	459	1,163	607	-	2,229
Flaxseed	-	-	-	-	-	4,504	11,363	5,553	66	21,486
Rapeseed	-	-	-	-	-	4	1,342	452	-	1,798
Soybeans	-	-	-	-	2,242	-	-	-	-	2,242
Potatoes	3,847	109	5,498	2,873	5,135	261	138	913	1,090	19,864
Fruits	34	1,277	36	154	3,666	-	-	-	3,789	8,956
Vegetables(4)	120	119	69	1,566	8,137	228	91	218	2,227	12,775
Tobacco	12	15	-	5,399	81,752	1	-	-	-	87,179
Other crops	348	308	400	4,542	13,353	1,843	1,738	1,686	3,237	27,455
Total crops	4,593	1,853	6,255	15,950	120,094	48,858	188,793	82,263	12,276	480,935
Cattle and calves	2,492	3,311	2,342	31,923	102,566	21,249	41,731	68,580	5,492	279,686
Hogs	1,968	1,798	1,852	31,723	58,303	10,398	12,694	35,621	1,356	155,713
Sheep and lambs	7	32	26	149	691	99	136	1,359	103	2,602
Dairy products	2,065	6,293	5,677	77,617	92,521	13,936	15,419	20,473	18,245	252,246
Poultry	129	1,949	683	15,996	20,631	2,851	1,746	4,810	5,011	53,806
Eggs	630	3,557	1,620	11,417	29,138	4,637	3,413	5,363	7,233	67,008
Other livestock and products	64	394	145	1,108	4,203	3,123	1,963	3,357	3,130	17,487
Total livestock and products	7,355	17,334	12,345	169,933	308,053	56,293	77,102	139,563	40,570	828,548
Forest and maple products	192	1,349	2,129	12,903	3,506	131	140	206	900	21,456
Deficiency payments(5)	1	2	--	2	5	1	--	1	6	18
Cash Income from Farming Operations	12,141	20,538	20,729	198,788	431,658	105,283	266,035	222,033	53,752	1,330,957
Supplementary payments(6)	-	-	-	-	-	625	2,770	4,113	99	7,607
Total Cash Income	12,141	20,538	20,729	198,788	431,658	105,908	268,805	226,146	53,851	1,338,564

(1) Excludes Newfoundland.

(2) Represents interim and final payments made by the Canadian Wheat Board direct to producers on crops 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 1963 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. For this report, this item includes only deficiency payments on eggs. Deficiency payments on other products are included as part of the estimated income for them.

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

-- 500 dollars or less.

STATISTICS CANADA LIBRARY
BIBLIOTHEQUE STATISTIQUE CANADA



1010640934