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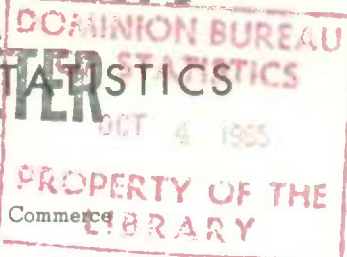
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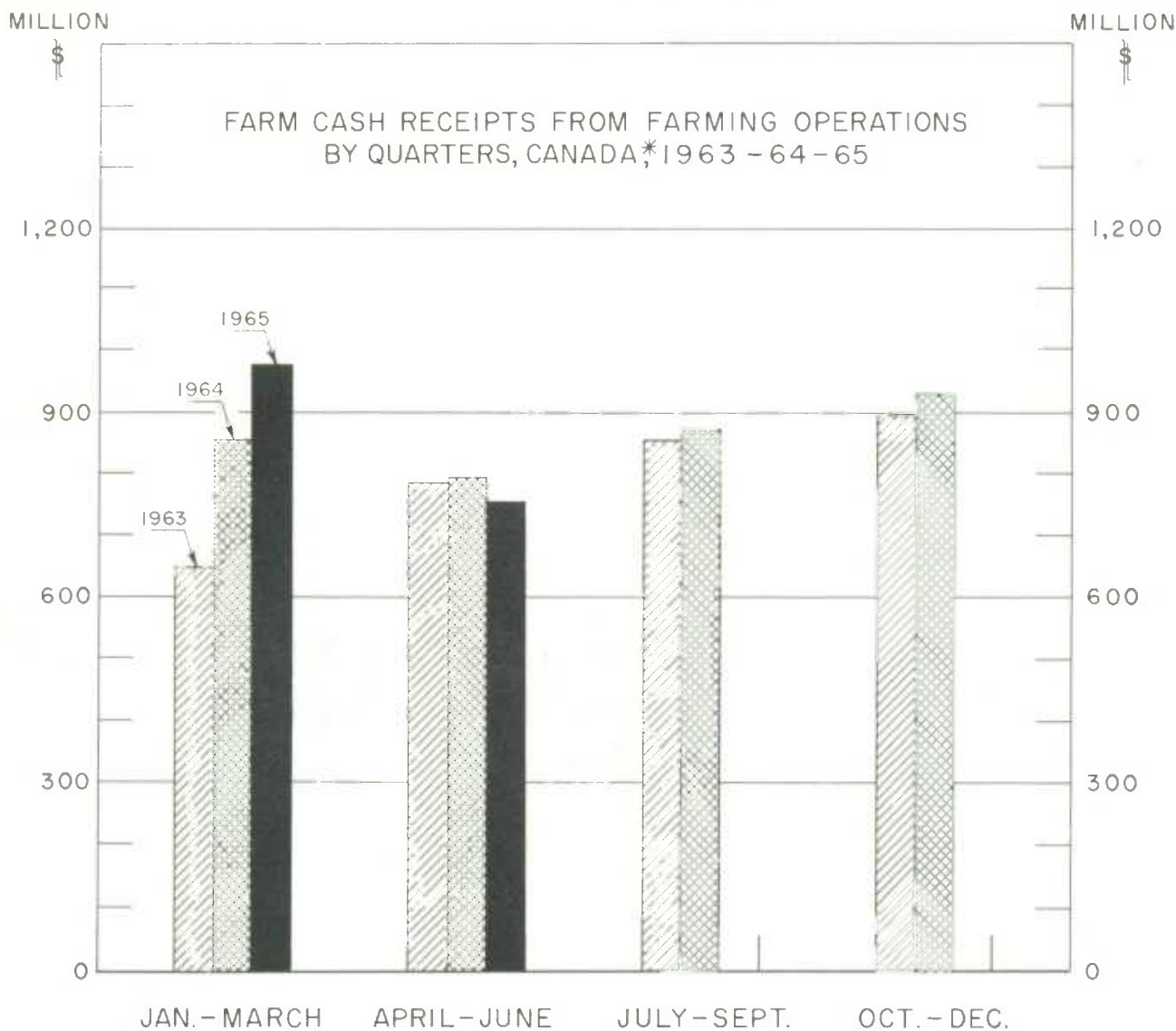


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FARM CASH RECEIPTS

APRIL TO JUNE 1965



*Newfoundland excluded

OCTOBER 1965
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Farm Finance Section, AGRICULTURE DIVISION

ROGER DUHAMEL, F.R.S.C., Queen's Printer and Controller of Stationery, Ottawa

FARM CASH RECEIPTS, JANUARY - JUNE 1965(1)

During the first six months of 1965, farmers' total cash receipts from farming operations reached 1,730.2 million dollars, about 5 per cent above the record high figure of 1,648.9 million dollars realized during the corresponding period of 1964. These estimates include cash receipts 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 by the Agricultural Stabilization Board. No deductions are made for the cost of production of commodities sold(2).

The increase in the level of farm cash receipts between the first half of 1964 and the first half of 1965 can be attributed in large part to the substantial Canadian Wheat Board participation payments made during the first quarter of this year and higher returns from the sale of potatoes, livestock and dairy products. On the other hand returns from the sales of wheat were well down from the 1964 levels for the first six months as a result of a substantial drop in marketings. Some reduction also occurred in receipts from coarse grains, flaxseed, tobacco, eggs and fruit.

All provinces, except Saskatchewan, shared in the increase with the most significant absolute gains occurring in Ontario and Alberta. In Ontario, the rise in receipts is attributable for the most part to cattle and hogs while in Alberta it stems largely from increased participation payments, cattle and hogs. On a percentage basis the most important increases were recorded in Prince Edward Island and New Brunswick where potato prices rose well above the average reached in the first half of 1964. In the case of Saskatchewan, participation payments were well above last year's level and cash receipts from livestock were up, but wheat marketings were sharply lower.

Under the provisions of the Prairie Farm Assistance Act(3), farmers also received supplementary payments amounting to 10.8 million dollars during the January-June period of 1965 as against 6.9 million for the corresponding 1964 period. When added together, farmers' cash receipts from farming operations and supplementary payments totalled 1,741.0 million dollars for the 1965 period, about 5 per cent above the 1964 level of 1,655.8 million dollars.

Field Crops - Total cash receipts from field crops for Canada, including Canadian Wheat Board participation payments and cash advances on farm-stored grains in Western Canada, amounted to 781.0 million dollars during the first half of 1965, as compared with 776.3 million realized a year earlier. Smaller receipts from wheat, coarse grains, flaxseed, tobacco and fruit were slightly more than offset by increased receipts from potatoes, reduced repayments of cash advances on farm-stored grains and large Canadian Wheat Board participation payments. These participation payments represent final payments on the marketings of the 1963 crops of wheat, oats and barley of 48.2 cents, 9.8 cents and 22.6 cents per bushel respectively. They arose 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 cash receipts.

Total receipts to farmers from the sale of potatoes increased very substantially from 23.5 million dollars for the first six months of 1964 to 48.6 million for the corresponding period of 1965. Although marketings were slightly above year-ago levels, most of this gain is attributable to a very substantial increase in prices arising out of a short crop in the United States in 1964 and a resultant strong demand in that country for Canadian potatoes. The marked increase in returns from this crop is reflected in the spectacular rise in total cash receipts occurring in Prince Edward Island and New Brunswick. Increased marketings of both rapeseed and soybeans at prices above the 1964 level provided total cash receipts from these commodities above those realized during the first half of 1964.

Wheat was the most important field crop item for which a decline in farm cash receipts occurred. Total returns at time of delivery amounted to 266.4 million dollars for the first half of 1965, as against 350.6 million for the same period of 1964. This situation reflects the substantial decline in farmers' marketings between the two periods. Up to the end of June 1965, farmers had also delivered less coarse grains and flaxseed than during the same period of a year ago and total returns were down accordingly. Cash receipts from the sale of tobacco declined from 64.7 million dollars for the 1964 period to 54.0 million dollars in 1965. A smaller crop in 1964 resulting in smaller marketing during the first half of this year more than offset higher prices.

(1) Excludes Newfoundland.

(2) Estimates of all farm income from farming operations as well as costs incurred in farm production are published in the spring of each year in the DBS publication entitled Farm Net Income (Catalogue No. 21-202).

(3) Payments to farmers under the provisions of the Prairie Farm Assistance Act are made from the Prairie Farm Emergency Fund to which farmers help contribute by means of a one per cent levy on grain marketings.

Livestock and Livestock Products - During the first six months of 1965, total cash receipts to farmers from the sale of livestock and livestock products for Canada amounted to 929.4 million dollars, almost 9 per cent above the 854.1 million dollars for the corresponding period of a year ago. This amount represented 53.7 per cent of total receipts from farming. Farmers marketed more cattle and calves during the first half of 1965 than in the same period of 1964 at average prices not greatly different from those of a year ago to give a total return of 337.8 million dollars. This is 15.8 per cent above the estimate of 291.7 million dollars for the 1964 period. Higher prices and increased marketings combined to give total receipts from hogs of 174.4 million dollars for 1965 as against 156.7 million in 1964.

Cash receipts from dairy products reached a total of 260.3 million dollars to the end of June 1965, 3.7 per cent above the 1964 figure of 251.0 million; while the quantities sold remained about the same, prices increased. Increased poultry meat production is reflected in total cash receipts which rose from 64.7 million in 1964 to 69.6 million in 1965. In the case of eggs, the lower prices offset increased output to give total receipts of 65.8 million dollars, 3.8 per cent below year-ago levels.

Estimates of cash receipts from farming operations 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.

TABLE 1. Farm Cash Receipts from Farming Operations, by Quarters

January - June, 1963-65(1)

	January - March	April - June	January - June
thousand dollars			
1965:			
Prince Edward Island	10,238	12,148	22,386
Nova Scotia	9,758	10,676	20,434
New Brunswick	15,676	17,575	33,251
Quebec	90,030	122,530	212,560
Ontario	248,634	227,893	476,527
Manitoba	78,847	61,833	140,680
Saskatchewan	294,729	149,241	443,970
Alberta	194,675	124,789	319,464
British Columbia	30,708	30,201	60,909
Canada(2)	973,295	756,886	1,730,181
1964:			
Prince Edward Island	5,723	9,841	15,564
Nova Scotia	9,841	9,856	19,697
New Brunswick	9,146	13,564	22,710
Quebec	88,709	115,453	204,162
Ontario	217,481	225,735	443,216
Manitoba	72,880	55,703	128,583
Saskatchewan	251,135	210,947	462,082
Alberta	170,005	124,433	294,438
British Columbia	29,952	28,488	58,440
Canada(2)	854,872	794,020	1,648,892
1963:			
Prince Edward Island	6,122	6,833	12,955
Nova Scotia	10,196	10,477	20,673
New Brunswick	10,642	10,261	20,903
Quebec	89,412	117,919	207,331
Ontario	245,298	225,432	470,730
Manitoba	42,570	68,893	111,463
Saskatchewan	89,937	203,306	293,243
Alberta	123,544	114,513	238,057
British Columbia	28,053	28,140	56,193
Canada(2)	645,774	785,774	1,431,548

(1) Excludes supplementary payments.

(2) Excludes Newfoundland.

TABLE 2. Farm Cash Receipts from Farming Operations, by Provinces(1), January to June 1965

Commodity	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Canada
thousand dollars										
Wheat	-	-	-	-	2,917	32,521	155,730	72,654	2,547	266,369
Wheat, C.W.B. payments(2)	-	-	-	-	-	25,672	188,403	57,896	-	271,971
Oats	228	24	191	1,155	2,250	1,902	1,351	1,798	412	9,311
Oats, C.W.B. payments(2)	-	-	-	-	-	1,416	1,829	1,462	-	4,707
Barley	-	-	-	12	405	2,573	6,166	15,893	1,651	26,700
Barley, C.W.B. payments(2)	-	-	-	-	-	1,909	6,890	11,294	-	20,093
C.W.B. net cash advance payments(3) ..	-	-	-	-	-	- 1,323	- 6,277	- 4,492	-	- 12,092
Rye	-	-	-	-	-	783	1,374	663	-	2,820
Flaxseed	-	-	-	-	-	5,189	3,760	3,095	24	12,068
Rapeseed	-	-	-	-	-	557	2,608	3,474	-	6,639
Soybeans	-	-	-	-	3,919	-	-	-	-	3,919
Potatoes	12,865	159	18,235	3,373	8,491	1,230	187	2,330	1,754	48,624
Fruits	35	1,046	34	125	4,853	-	-	-	3,357	9,450
Vegetables(4)	145	175	61	2,324	8,329	433	156	612	2,833	15,068
Tobacco	(5)	(5)	(5)	4,100	49,924	-	-	-	-	54,024
Other crops	873	463	719	4,677	25,023	1,713	2,128	2,002	3,758	41,356
Total crops	14,146	1,867	19,240	15,766	106,111	74,575	364,305	168,681	16,336	781,027
Cattle and calves	2,846	2,976	2,595	30,380	132,216	30,199	50,150	79,109	7,313	337,784
Hogs	2,212	2,200	1,469	34,976	69,477	12,594	12,440	37,838	1,207	174,413
Sheep and lambs	7	29	11	93	789	117	182	1,059	188	2,475
Dairy products(6)	2,313	6,220	5,485	81,736	104,773	11,807	10,563	19,921	17,471	260,289
Poultry	78	2,005	998	23,985	28,478	2,678	1,152	4,567	5,630	69,571
Eggs	578	3,088	1,806	12,654	26,415	5,595	2,868	4,673	8,078	65,755
Other livestock and products	49	678	117	1,319	4,981	2,977	2,181	3,362	3,473	19,137
Total livestock and products	8,083	17,196	12,481	185,143	367,129	65,967	79,536	150,529	43,360	929,424
Forest and maple products	155	1,370	1,529	11,633	3,234	130	128	246	1,209	19,634
Deficiency payments(7)	2	1	1	18	53	8	1	8	4	96
Cash Receipts from Farming Operations	22,386	20,434	33,251	212,560	476,527	140,680	443,970	319,464	60,909	1,730,181
Supplementary payments(8)	-	-	-	-	-	318	6,824	3,647	41	10,830
Total Cash Receipts	22,386	20,434	33,251	212,560	476,527	140,998	450,794	323,111	60,950	1,741,011

(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 receipts from the sale of vegetables in all provinces except Ontario and British Columbia for the years 1957 to 1965 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 re-worked by the new methods.

(5) Receipts from the sale of tobacco are included with "other crops" because less than three firms reporting.

(6) Receipts from dairy product sales, contained in estimates of Farm Cash Receipts for the period 1962 to 1965 inclusive, are revised data.

(7) 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.

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

TABLE 3. Farm Cash Receipts from Farming Operations by Provinces(1), January to June 1964

Commodity	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Canada
thousand dollars										
Wheat	-	-	-	-	3,377	24,349	238,647	82,699	1,509	350,581
Wheat, C.W.B. payments(2)	-	-	-	-	-	25,815	131,785	42,142	-	199,742
Oats	179	19	171	1,096	2,296	1,927	3,419	4,150	300	13,557
Oats, C.W.B. payments(2)	-	-	-	-	-	3,971	3,808	2,894	-	10,673
Barley	-	-	-	12	300	2,970	10,463	19,245	1,119	34,109
Barley, C.W.B. payments(2)	-	-	-	-	-	2,266	5,339	6,487	-	14,092
C.W.B. net cash advance payments(3) ..	-	-	-	-	-	- 1,599	- 13,698	- 9,057	-	- 24,354
Rye	-	-	-	-	-	495	1,887	530	-	2,912
Flaxseed	-	-	-	-	-	7,521	8,416	4,192	14	20,143
Rapeseed	-	-	-	-	-	216	839	638	-	1,693
Soybeans	-	-	-	-	2,855	-	-	-	-	2,855
Potatoes	6,798	86	8,519	2,035	3,812	420	91	864	865	23,490
Fruits	33	889	48	206	4,351	-	-	-	5,103	10,630
Vegetables(4)	138	188	60	2,517	8,322	411	149	592	2,706	15,083
Tobacco	158	118	32	4,046	60,320	-	-	-	-	64,674
Other crops	472	303	449	5,149	19,253	2,386	2,183	2,669	3,589	36,453
Total crops	7,778	1,603	9,279	15,061	104,886	71,148	393,328	158,045	15,205	776,333
Cattle and calves	2,671	3,360	2,287	33,106	109,525	23,245	40,343	70,123	7,009	291,669
Hogs	1,920	1,905	1,561	34,670	62,512	11,003	10,435	31,416	1,240	156,662
Sheep and lambs	5	38	9	114	761	115	196	1,141	148	2,527
Dairy products(5)	2,232	5,806	5,397	75,611	101,127	11,954	11,091	20,431	17,395	251,044
Poultry	81	2,014	709	21,359	27,239	2,447	1,104	4,846	4,904	64,703
Eggs	668	2,955	1,869	12,114	29,122	5,641	3,231	4,812	7,911	68,323
Other livestock and products	54	668	123	1,440	4,920	2,901	2,227	3,379	3,428	19,140
Total livestock and products	7,631	16,746	11,955	178,414	335,206	57,306	68,627	136,148	42,035	854,068
Forest and maple products	155	1,348	1,476	10,687	3,124	129	127	245	1,200	18,491
Deficiency payments(6)	-	-	-	--	--	--	--	--	--	--
Cash Receipts from Farming Operations	15,564	19,697	22,710	204,162	443,216	128,583	462,082	294,438	58,440	1,648,892
Supplementary payments (7).....	-	-	-	-	-	2,169	485	4,048	160	6,862
Total Cash Receipts	15,564	19,697	22,710	204,162	443,216	130,752	462,567	298,486	58,600	1,655,754

(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 receipts from the sale of vegetables in all provinces except Ontario and British Columbia for the years 1957 to 1965 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 re-worked by the new methods.

(5) Receipts from dairy product sales, contained in estimates of Farm Cash Receipts for the period 1962 to 1965 inclusive, are revised data.

(6) 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.

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

-- 500 dollars or less.

TABLE 4. Farm Cash Receipts 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	32,695	140,233	43,491	1,590	220,680
Wheat, C.W.B. payments(2)	-	-	-	-	-	13,724	74,450	35,772	-	123,946
Oats	228	22	227	1,356	2,539	4,808	4,166	5,095	538	18,979
Barley	-	-	-	17	285	4,060	8,480	11,799	881	25,522
C.W.B. net cash advance payments(3) ..	-	-	-	-	-	- 3,003	- 7,503	- 2,735	-	- 13,241
Rye	-	-	-	-	-	518	1,441	509	-	2,468
Flaxseed	-	-	-	-	-	1,884	2,451	2,341	22	6,698
Rapeseed	-	-	-	-	-	15	850	397	-	1,262
Soybeans	-	-	-	-	4,799	-	-	-	-	4,799
Potatoes	5,329	93	6,565	2,119	4,056	357	75	1,062	913	20,569
Fruits	33	1,155	38	231	3,076	-	-	-	4,784	9,317
Vegetables(4)	150	154	54	2,308	8,374	399	140	543	2,520	14,642
Tobacco	56	77	24	4,582	84,393	-	-	-	-	89,132
Other crops	372	306	441	4,858	16,400	2,055	1,456	2,823	3,433	32,144
Total crops	6,168	1,807	7,349	15,471	126,593	57,512	226,239	101,097	14,681	556,917
Cattle and calves	2,225	3,353	2,446	34,552	122,214	22,136	40,378	72,428	5,489	305,221
Hogs	1,774	1,966	1,663	36,345	63,113	8,923	8,655	30,554	1,130	154,123
Sheep and lambs	3	46	22	133	787	106	191	1,061	135	2,484
Dairy products(5)	1,834	5,717	5,122	72,620	93,810	11,904	11,144	19,081	16,683	237,915
Poultry	86	1,961	587	21,213	24,627	2,562	1,243	4,610	5,335	62,224
Eggs	652	3,721	1,959	12,604	31,281	5,347	3,575	4,924	8,500	72,563
Other livestock and products	50	778	107	1,308	5,024	2,551	1,677	3,282	3,137	17,914
Total livestock and products	6,624	17,542	11,906	178,775	340,856	53,529	66,863	135,940	40,409	852,444
Forest and maple products	162	1,323	1,647	12,910	3,246	127	138	223	1,100	20,876
Deficiency payments(6)	1	1	1	175	35	295	3	797	3	1,311
Cash Receipts from Farming Operations	12,955	20,673	20,903	207,331	470,730	111,463	293,243	238,057	56,193	1,431,548
Supplementary payments(7)	-	-	-	-	-	813	5,574	5,492	17	11,896
Total Cash Receipts	12,955	20,673	20,903	207,331	470,730	112,276	298,817	243,549	56,210	1,443,444

(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 receipts from the sale of vegetables in all provinces except Ontario and British Columbia for the years 1957 to 1965 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 re-worked by the new methods.

(5) Receipts from dairy product sales, contained in estimates of Farm Cash Receipts for the period 1962 to 1965 inclusive, are revised data.

(6) 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.

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

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