



1959 No. 4

Price 25 cents per copy.

FARM CASH INCOME, 1959

MILLION DOLLARS

3000

FARM CASH INCOME FROM THE SALE
OF FARM PRODUCTS, 1926-1959

(Year ending December 31)

2500

OTHER

POULTRY AND EGGS

DAIRY PRODUCTS

LIVE STOCK

CROPS

2000

1500

1000

500

0

1926-30

(AVERAGE)

1931-35

1936

1941

1946

1951

1956

59

5504-501-129

Prepared in Farm Finance Section, AGRICULTURE DIVISION

The Queen's Printer and Controller of Stationery, Ottawa, 1959

DOES NOT CIRCULATE

NE PAS PRÊTER

DOES NOT CIRCULATE

NE PAS PRÊTER

FARM CASH INCOME FROM THE SALE OF FARM PRODUCTS, 1959^{1/}

During 1959, Canadian farmers received an estimated 2,786 million dollars from the sale of farm products, participation payments on previous years' grain crops, net cash advances on farm-stored grains, and deficiency payments made under the present farm prices support program. This estimate is only slightly below the 1958 level of 2,813 million dollars and compares with the record high estimate of 2,859 million dollars realized in 1952. Income from the sale of livestock and animal products during 1959 was slightly lower than a year earlier, whereas returns from the sale of field crops remained about the same. In addition to the above cash receipts, farmers in western Canada received, in 1959, supplementary payments totalling 22.1 million dollars, most of which represented payments made under the provisions of the Prairie Farm Assistance Act. This was in contrast to the 1958 supplementary payments of about 60 million dollars which, in addition to Prairie Farm Assistance payments, included most of the 40 million dollars distributed under the Western Grain Producers' Acreage Payment Plan. Provincially, the greatest absolute declines in farm cash income in 1959 took place in Alberta and Saskatchewan, followed by Ontario, Quebec and New Brunswick. Little or no change occurred in cash returns in Manitoba and British Columbia, while some increase was recorded for Prince Edward Island and Nova Scotia.

Field crops - Total returns from field crops which includes fruits and vegetables as well as Canadian Wheat Board participation payments and net cash advances on farm-stored grains amounted to 997.0 million dollars, little different from the 996.6 million realized from this source one year earlier. While returns from particular commodities within this group differed between 1958 and 1959 they tended to be offsetting. Income from wheat, at 422.3 million dollars, was down by 13 million dollars and oats, at 22.1 million, was 7 million below the 1958 level; in each case marketings were smaller. A lower output of fruits in 1959 was reflected in a total cash income from this source of 35.8 million dollars as against 43.8 million in the previous year. On the other hand, larger returns were realized from Canadian Wheat Board participation payments, net cash advances on farm-stored grains and sales of such commodities as flaxseed, barley, potatoes and tobacco. In the case of flaxseed, substantially higher marketings were combined with higher prices. Increased prices of potatoes more than offset a decline in marketings.

Livestock and Animal Products - Farmers received about 1,750 million dollars from the sale of livestock and animal products in 1959, only slightly below the level of a year ago. Income from cattle and calves, estimated at 574.9 million dollars, was about 6 per cent below that of 1958 as a result of smaller marketings. For the year 1959, prices for both cattle and calves at the farm level were on the average higher than in 1958; it was not until the last quarter of the year that cattle prices in general declined to levels slightly below those for the corresponding quarter in 1958. The drop in marketings can be attributed in large measure to a softening of the United States market for live cattle and to a continued build-up of beef cow numbers on Canadian farms. The effects of the decline in income from the sale of cattle and calves were offset in part by higher returns from hogs. From 325.1 million in 1958, the returns to hog producers rose to 343.9 million dollars as a result of a very substantial increase in marketings during 1959 more than counterbalancing a fairly significant decline in average prices.

^{1/} Excludes Newfoundland.

Income from dairy products during the year 1959 totalled nearly 515 million dollars, about 19 million dollars more than in the previous year as a result of both higher prices and increased production. Producers' returns from the sale of eggs were estimated at 139.6 million dollars, 6 per cent below the amount realized a year earlier. In this case somewhat higher production was offset by lower prices.

CASH ADVANCES IN FARM INCOME ESTIMATES

Advance payments to western grain growers on farm-stored grain have had to be included in farm cash income estimates in such a way that duplication would be avoided. Statistics available for estimates of income received from the sales of grains in western Canada include total deliveries and total price received regardless of whether or not advance payments have been made on any of it. To add together gross returns from deliveries and gross advance payments would in effect result in cash income estimates which included some grains on which a partial double payment had been made. For example - suppose a farmer delivers a bushel of wheat on which he has received an advance of 50 cents per bushel and at time of delivery is paid \$1.00 by the country elevator part of which must be used to repay the advance. To include both amounts without adjustment would mean that cash income estimates would be too high by the amount of the advance, or 50 cents. At the same time, however, it is necessary to include in cash income those advances made on grains which are still on farms.

To accomplish this farm cash income estimates should include gross returns from deliveries less repayments to the advance payments fund plus advances on grain still held in storage on farms. In presenting this in the farm cash income publication the entries can be reduced to gross returns from deliveries plus net advance on farm-stored grains.

As long as the net advances are positive quantities little confusion is likely to arise. However, the time will come when repayments to the fund during certain accounting periods will exceed advances from the fund with the result net advances will in effect be minus quantities. Conceptually the inclusion of minus entries for net advances is quite correct. For example, during a certain period of time a farmer may receive an advance of 50 cents per bushel on 100 bushels of farm-stored wheat and the farm cash income estimates for that period will include an entry of \$50 under net advance payments. During a following period of time he may deliver the 100 bushels of grain and receive \$1.00 per bushel or \$100. Part of this will be used to repay the advances made in the previous period so that his net cash position over the two periods will be \$100. To reflect this situation the entries in the cash income estimates for the second period of time would be cash income from the sale of wheat \$100; net advances from advance payments fund - \$50; net cash returns from wheat for period \$100 - \$50 = \$50.

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 on account of wheat participation certificates, oats and barley equalization and adjustment payments and those Federal and Provincial Government payments which farmers receive as subsidies to prices. Payments made under the provisions of the

Prairie Farm Assistance Act are not included with cash income from the sale of farm products but are included in total cash income in the year in which payments were made, being classified as "Supplementary Payments".

In Table 1 below, is summarized the preliminary estimate of cash income from the sale of farm products, by provinces, for the calendar year 1959, and revised estimates for 1957 and 1958. 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 the Sale of Farm Products, by Provinces, 1957-59^{1/}

	1959 (preliminary)	1958 (revised)	1957 (revised)
- million dollars -			
Prince Edward Island	28.3	27.8	24.5
Nova Scotia	43.0	41.7	41.9
New Brunswick	44.7	45.9	43.9
Quebec	420.9	423.6	383.3
Ontario	867.3	872.3	790.2
Manitoba	223.0	222.0	199.8
Saskatchewan	559.3	573.3	537.3
Alberta	476.8	484.7	436.3
British Columbia	122.7	122.0	116.1
Canada ^{2/}	2,786.0	2,813.3	2,573.3

^{1/} Excludes supplementary payments.

^{2/} Excludes Newfoundland.

TABLE 2. - PRELIMINARY ESTIMATE OF FARM CASH INCOME FROM THE SALE OF FARM PRODUCTS BY PROVINCES^{1/} 1959

	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Canada
- thousand dollars -										
Wheat	-	-	-	-	6,105	55,120	258,009	101,775	1,250	422,259
Wheat, C.W.B. payments ^{2/}	-	-	-	-	-	6,988	48,136	17,538	-	72,662
Oats	346	51	476	2,254	4,373	5,552	5,445	3,455	148	22,100
Oats, C.W.B. payments ^{2/}	-	-	-	-	-	694	824	554	-	2,072
Barley	-	-	-	33	563	16,643	32,001	33,212	752	83,204
Barley, C.W.B. payments ^{2/}	-	-	-	-	-	980	2,678	2,463	-	6,121
C.W.B. net cash advance payments ^{2/}	-	-	-	-	-	350	1,330	792	-	2,472
Rye	-	-	-	-	220	1,081	2,368	1,248	-	4,917
Flaxseed	-	-	-	-	364	11,069	20,944	16,656	131	49,164
Potatoes	9,484	909	9,545	7,033	11,321	598	281	1,673	2,810	43,654
Fruits	203	1,991	1,003	5,055	15,641	-	-	-	11,902	35,795
Vegetables ^{3/}	283	1,504	859	16,085	42,099	1,131	447	1,073	6,595	70,076
Tobacco	-	-	-	3,255	85,314	-	-	-	11	88,580
Other crops	828	662	903	9,202	45,660	5,138	7,030	15,897	8,637	93,957
TOTAL CROPS	11,144	5,117	12,786	42,917	211,660	105,344	379,493	196,336	32,236	997,033
Cattle and calves	5,272	7,501	6,089	63,792	206,229	40,362	93,025	132,214	20,406	574,890
Hogs	3,808	2,600	3,109	69,480	127,749	23,318	33,011	77,878	2,931	343,884
Sheep and lambs	179	416	365	1,777	2,948	470	906	2,845	650	10,556
Dairy products	5,195	12,863	12,082	168,643	184,808	26,394	29,674	37,569	37,457	514,685
Poultry	654	3,340	1,813	28,538	57,632	12,205	10,046	12,775	11,660	138,663
Eggs	1,451	7,567	2,908	21,560	64,585	9,526	8,291	10,943	12,803	139,634
Other livestock and products	125	436	275	1,824	6,145	5,004	4,550	5,785	3,195	27,339
TOTAL LIVESTOCK AND PRODUCTS	16,684	34,723	26,641	355,614	650,096	117,279	179,503	280,009	89,102	1,749,651
Forest and maple products	495	3,101	5,265	22,407	5,546	396	330	429	1,353	39,322
CASH INCOME FROM FARM PRODUCTS	28,323	42,941	44,692	420,938	867,302	223,019	559,326	476,774	122,691	2,786,006
Supplementary payments ^{4/}	-	-	-	-	-	1,719	13,104	7,128	136	22,087
TOTAL CASH INCOME	28,323	42,941	44,692	420,938	867,302	224,738	572,430	483,902	122,827	2,808,093

^{1/} Excludes Newfoundland. ^{2/} C.W.B. = Canadian Wheat Board. ^{3/} Estimates of income from the sale of vegetables in all provinces except Ontario and British Columbia for 1957, 1958 and 1959 will not be strictly comparable with earlier years because of a change in methods of estimation. Comparability will be restored as soon as it is possible to rework the earlier estimates on the basis of the new method. ^{4/} Payments made under the provisions of the Prairie Farm Assistance Act and Western Grain Producers' Acreage Payment Plan.

TABLE 3. - REVISED ESTIMATE OF FARM CASH INCOME FROM THE SALE OF FARM PRODUCTS, BY PROVINCES^{1/} 1958

	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Canada
- thousand dollars -										
Wheat	-	-	-	-	15,671	51,123	272,472	95,092	1,135	435,493
Wheat, C.W.B. payments ^{2/}	-	-	-	-	-	6,077	40,226	17,955	-	64,258
Oats	303	55	509	2,338	3,962	7,649	8,022	5,816	155	28,809
Barley	-	-	-	36	543	14,725	33,247	30,986	701	80,238
Barley, C.W.B. payments ^{2/}	-	-	-	-	-	1,431	3,380	2,759	-	7,570
C.W.B. net cash advance payments ^{2/}	-	-	-	-	-	789	-4,524	335	-	-3,400
Rye	-	-	-	-	327	783	2,741	1,705	-	5,556
Flaxseed	-	-	-	-	326	7,952	17,974	9,878	98	36,228
Potatoes	8,697	824	9,055	7,115	10,623	703	269	1,807	2,974	42,067
Fruits	303	1,614	1,026	6,212	20,810	-	-	-	13,830	43,795
Vegetables ^{3/}	311	1,278	730	14,910	44,477	1,054	416	1,005	7,093	71,274
Tobacco	-	-	-	2,854	80,778	-	-	-	18	83,650
Other crops	821	614	985	9,680	48,745	5,851	6,768	18,651	8,917	101,032
TOTAL CROPS	10,435	4,385	12,305	43,145	226,262	98,137	380,991	185,989	34,921	996,570
Cattle and calves	5,291	6,568	6,119	66,194	209,046	47,127	102,708	149,720	20,612	613,385
Hogs	3,849	2,064	3,181	65,436	115,944	20,542	33,861	77,794	2,423	325,094
Sheep and lambs	186	440	370	2,003	3,026	488	950	2,729	487	10,679
Dairy products	4,912	12,084	12,102	167,060	171,442	26,671	29,188	37,073	35,033	495,565
Poultry	822	4,084	2,592	32,840	62,750	12,763	11,251	12,478	10,421	150,001
Eggs	1,603	7,949	3,016	21,314	70,516	10,512	9,366	12,001	12,683	148,960
Other livestock and products	132	559	227	2,096	6,704	5,308	4,662	6,425	3,837	29,950
TOTAL LIVESTOCK AND PRODUCTS ...	16,795	33,748	27,607	356,943	639,428	123,411	191,986	298,220	85,496	1,773,634
Forest and maple products	562	3,523	6,010	23,556	6,593	450	375	488	1,538	43,095
CASH INCOME FROM FARM PRODUCTS	27,792	41,656	45,922	423,644	872,283	221,998	573,352	484,697	121,955	2,813,299
Supplementary payments ^{4/}	-	-	-	-	-	8,650	31,710	19,394	374	60,128
TOTAL CASH INCOME	27,792	41,656	45,922	423,644	872,283	230,648	605,062	504,091	122,329	2,873,427

^{1/} Excludes Newfoundland. ^{2/} C.W.B. = Canadian Wheat Board. ^{3/} Estimates of income from the sale of vegetables in all provinces except Ontario and British Columbia for 1957, 1958 and 1959 will not be strictly comparable with earlier years because of a change in methods of estimation. Comparability will be restored as soon as it is possible to rework the earlier estimates on the basis of the new method.

^{4/} Payments made under the provisions of the Prairie Farm Assistance Act and Western Grain Producers' Acreage Payment Plan.

TABLE 4. - REVISED ESTIMATE OF FARM CASH INCOME FROM THE SALE OF FARM PRODUCTS, BY PROVINCES ^{1/} 1957

	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskat- chewan	Alberta	British Columbia	Canada
- thousand dollars -										
Wheat	-	-	-	-	12,314	39,982	230,484	95,454	1,181	379,415
Wheat, C.W.B. payments ^{2/}	-	-	-	-	-	6,187	52,449	20,678	-	79,314
Oats	340	59	579	2,312	3,089	10,354	11,921	8,964	227	37,845
Barley	-	-	-	40	525	14,425	32,287	28,305	713	76,295
C.W.B. net cash advance payments ^{2/}	-	-	-	-	-	5,392	15,223	4,375	-	24,990
Rye	-	-	-	-	279	577	2,061	1,086	-	4,003
Flaxseed	-	-	-	-	326	11,143	32,489	14,048	232	58,238
Potatoes	7,102	908	7,869	7,154	9,799	579	242	1,679	2,653	37,985
Fruits	239	2,699	1,127	4,995	18,658	-	-	-	14,826	42,544
Vegetables ^{3/}	280	1,204	685	10,499	39,308	1,327	527	1,265	7,996	63,091
Tobacco	-	-	-	3,018	73,736	-	-	-	36	76,790
Other crops	716	656	908	8,718	43,827	6,320	5,971	15,650	7,671	90,437
TOTAL CROPS	8,677	5,526	11,168	36,736	201,861	96,286	383,654	191,504	35,535	970,947
Cattle and calves	4,083	6,534	4,847	51,816	174,979	36,852	76,156	110,704	15,736	481,707
Hogs	3,745	1,999	2,564	58,918	114,664	15,792	26,692	65,442	2,326	292,142
Sheep and lambs	176	453	327	1,974	2,989	445	723	2,548	476	10,111
Dairy products	4,466	11,796	11,757	153,861	160,953	23,714	25,819	33,912	33,546	459,824
Poultry	964	3,219	2,577	26,766	55,650	10,914	9,730	13,268	10,428	133,516
Eggs	1,542	7,623	2,939	22,131	64,644	9,817	9,481	12,681	12,398	143,256
Other livestock and products	129	465	293	1,899	6,535	5,392	4,564	5,685	3,735	28,697
TOTAL LIVESTOCK AND PRODUCTS ...	15,105	32,089	25,304	317,365	580,414	102,926	153,165	244,240	78,645	1,549,253
Forest and maple products	694	4,341	7,425	29,240	7,924	555	463	602	1,897	53,141
CASH INCOME FROM FARM PRODUCTS	24,476	41,956	43,897	383,341	790,199	199,767	537,282	436,346	116,077	2,573,341
Supplementary payments ^{4/}	-	-	-	-	-	501	574	905	7	1,987
TOTAL CASH INCOME	24,476	41,956	43,897	383,341	790,199	200,268	537,856	437,251	116,084	2,575,328

^{1/} Excludes Newfoundland. ^{2/} C.W.B. = Canadian Wheat Board. ^{3/} Estimates of income from the sale of vegetables in all provinces except Ontario and British Columbia for 1957, 1958 and 1959 will not be strictly comparable with earlier years because of a change in methods of estimation. Comparability will be restored as soon as it is possible to rework the earlier estimates on the basis of the new method.

^{4/} Payments made under the provisions of the Prairie Farm Assistance Act.

588045

STATISTICS CANADA LIBRARY
BIBLIOTHEQUE STATISTIQUE CANADA



1010756319