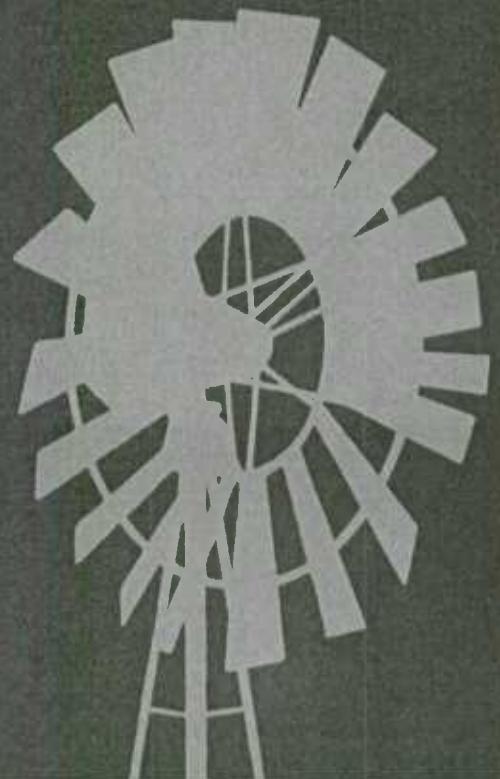
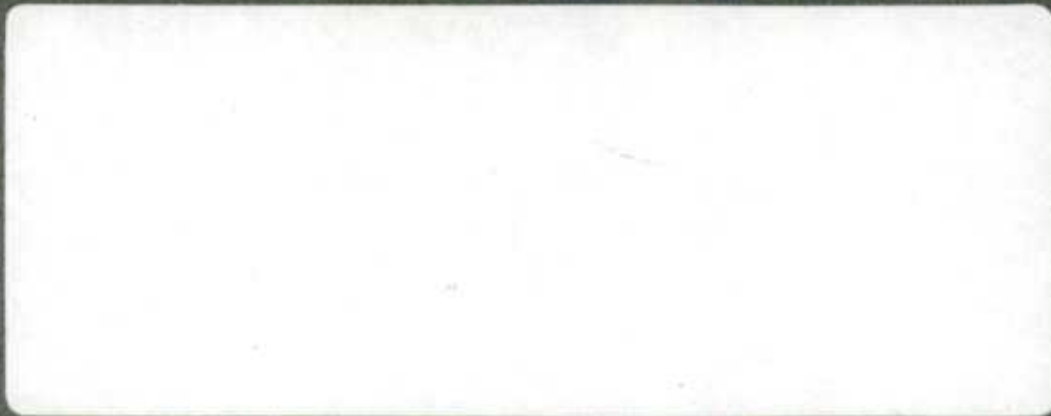


21-601E
no. 26
c. 3

Agriculture Division

Division de l'agriculture

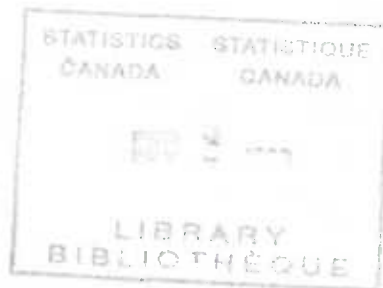


Statistics
Canada

Statistique
Canada

Canada

Statistics Canada
Agriculture Division



WORKING PAPER #26

Farm Business Performance: Estimates from the Farm Database

W. Steven Danford, Agriculture Division, Statistics Canada

12 October 1994

Cat. No.: 21-6010MPE26000

Price: \$5.00

The responsibility for the analysis and interpretation of the data is that of the authors and not of Statistics Canada.

© Minister of Industry, Science and Technology, Statistics Canada, 1992. All rights reserved. No part of this paper may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise.



Farm Business Performance: Estimates from the Whole Farm Database

Introduction

Purpose: The purpose of this paper is to investigate the performance of farm businesses in Canada, to determine the relation of profitability to size as measured by financial indicators. Are bigger farms more profitable? Is the relation of profitability to size sufficient to describe farm businesses?

Hypothesis: that the curve of profitability related to size is an upside-down U-shape. This would indicate that profitability increases as size increases up to a certain point and then begins to decrease as size continues to increase.

Discussion of process

Creation of indicators: The 1992 Taxation sample, some 64,000 records, was used as the basis of this analysis. Thus the financial variables represent the 1992 fiscal year, the latest year for which tax information is available.

The taxation sample was divided into three profit groups by the criteria of low, average, and high performance. Performance was measured as operating earnings per dollar of total agricultural operating revenues. Operating costs were defined as total operating expenditures plus depreciation charges less interest expenses. Operating earnings are the difference between total operating revenues and operating costs. (See Appendix A for a description of the components of the income statement and the associated codes used in the Taxation file).

The size of farm businesses was defined using sales classes as described in Appendix A.

The charges for interest were not included in this analysis because the objective of this paper was to look at the operating performance of the farm business. To include interest charges adds the factor of indebtedness to the picture. A business which is other-wise well-run could have very high or very low debt charges to cover, depending on factors extraneous to the operation of the farm such as the age of the farmer or the year in which the debt was incurred.

Definition: **Low** performers did no better than break even. **Average** had operating expenditures and depreciation less interest of 70 to 99 cents per dollar of revenues. **High** performers spent less than 70 cents per dollar of revenues.



Observations:

Overall, for all records at the Canada level, the curve of operating earnings per dollar of revenues is indeed an upside-down U-shape. The lowest performance is measured for the smallest farms. As the size of farms increases, so does profitability up to sales class 5 (\$100,000-\$250,000) after which it declines.

However, when the sample is broken up into the three groups of low, average, and high farms a very different picture emerges. (See Table 1). The group of low performers loses less money with increasing size. The group of average performers is just that: all sales classes show about the same level of profitability. The third group, of high performers, decreases in profitability with increasing size, levelling off in the three largest sales classes. The smallest farms in this group are the most efficient, in sharp contrast to the group of low performers where the smallest farms are the least efficient.

At the provincial level essentially the same results are found for the three groups. The low performers increase in profitability with increasing sales, the average group exhibits little change, and in the high groups profitability declines and then levels off with increasing sales.

These results were found to be essentially the same when using the results from the 1991 Census of Agriculture. The indicators are not exactly the same conceptually, but are close enough to provide a check on the results from Tax.

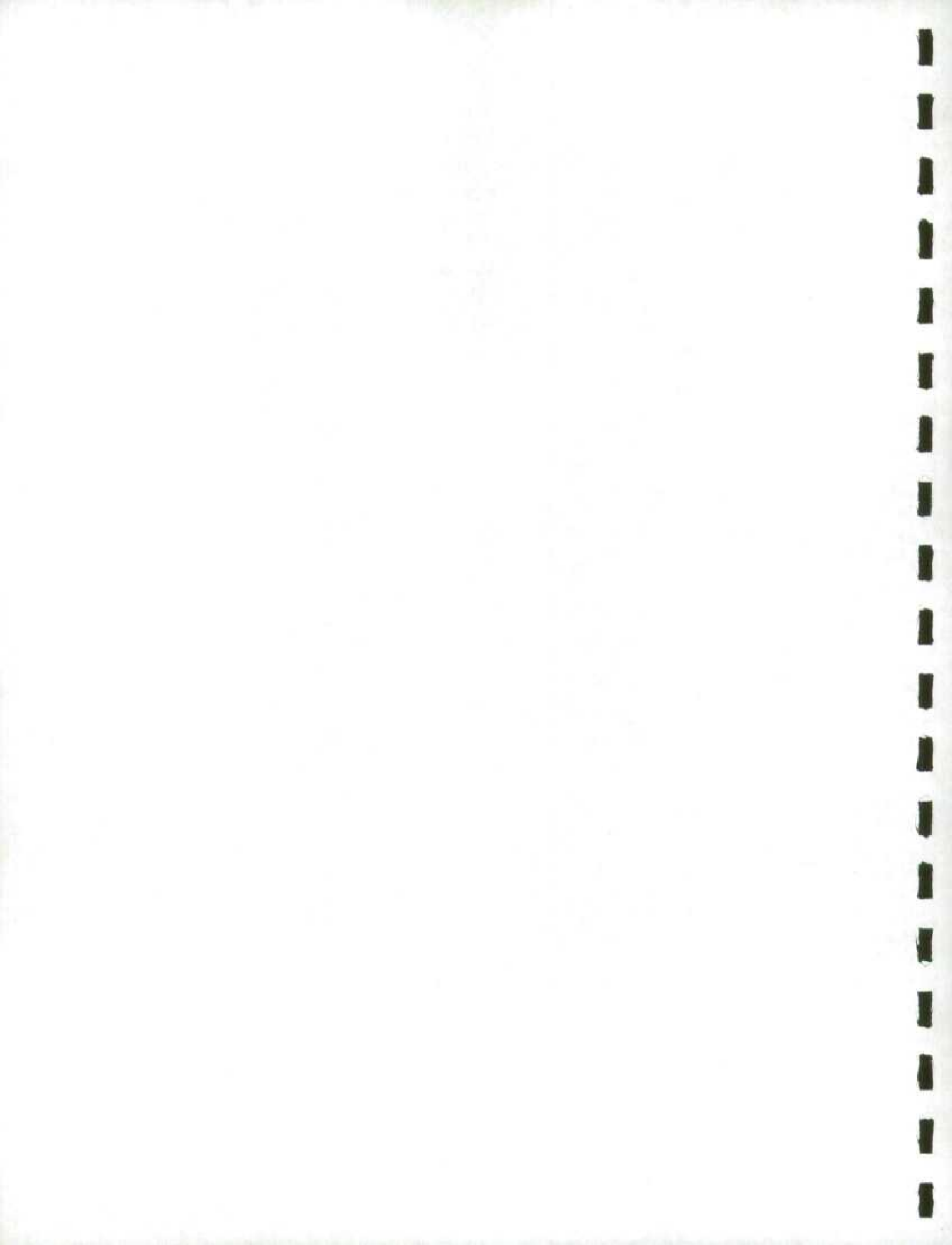


Table 1: Operating Earnings per Dollar of Revenues (\$)
Taxation Data Program 1992 - Canada
Farms with Revenues \geq \$10,000
(numbers of farms in brackets)

Sales Classes	All Records	Low Performers	Average Performers	High Performers
All Farms	0.14 (231,360)	- 0.20 (62,480)	0.15 (110,410)	0.42 (57,810)
\$10,000 to \$24,999	- 0.05 (59,460)	- 0.50 (28,940)	0.14 (14,560)	0.54 (15,505)
\$25,000 to \$49,999	0.10 (48,630)	- 0.31 (15,650)	0.15 (19,980)	0.48 (12,955)
\$50,000 to \$99,999	0.17 (51,875)	- 0.20 (9,555)	0.16 (28,245)	0.42 (14,015)
\$100,000 to \$249,999	0.19 (50,975)	- 0.17 (5,690)	0.17 (32,765)	0.40 (12,510)
\$250,000 to \$499,999	0.16 (14,475)	- 0.13 (1,690)	0.15 (10,405)	0.39 (2,380)
\$500,000 and over	0.08 (5,945)	- 0.10 (960)	0.11 (4,540)	0.40 (450)

Source: Statistics Canada - Whole Farm Data Base

When operating earnings are broken down into revenues and operating expenditures by profit group and sales class (see Table 2), it can be seen that within each sales class the average revenue per farm is essentially the same for each profit group, because revenue is used to classify the farms. Consequently the difference in operating earnings can only be attributed to differences in operating expenditures. The difference in operating expenditures between the largest and smallest in each group is an order of magnitude larger than the comparable differences in revenues, being about 50-70% for expenditures and 4-7% for revenues.



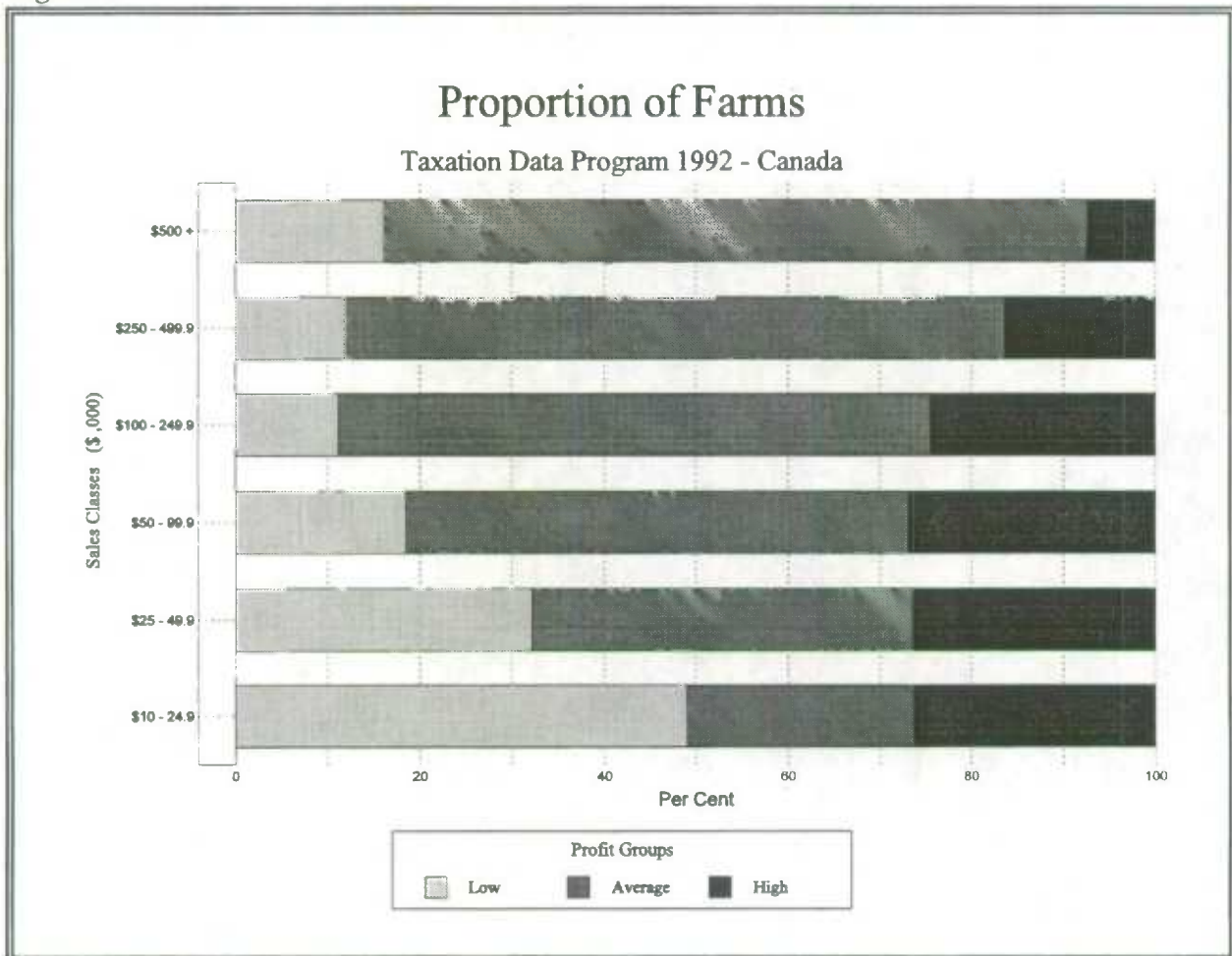
**Table 2: Operating Revenues, Operating Costs and Earnings
Taxation Data Program 1992 - Canada, Per Farm**

Profit Group	Sales Classes 000 \$	# Farms Reporting	Operating Revenues	Operating Costs	Operating Earnings
All Farms		231,360	111,461	96,068	15,393
All	\$10-\$24.9	59,460	16,507	17,390	-883
Low	\$10-\$24.9	28,940	16,210	24,248	-8,038
Average	\$10-\$24.9	14,560	17,343	14,886	2,457
High	\$10-\$24.9	15,505	16,348	7,454	8,894
All	\$25-\$49.9	48,360	36,340	32,794	3,546
Low	\$25-\$49.9	15,650	35,625	46,590	-10,965
Average	\$25-\$49.9	19,890	36,928	31,323	5,605
High	\$25-\$49.9	12,955	36,369	18,745	17,624
All	\$50-\$99.9	51,875	72,192	59,906	12,286
Low	\$50-\$99.9	9,555	69,817	83,957	-14,140
Average	\$50-\$99.9	28,245	72,995	60,987	12,008
High	\$50-\$99.9	14,015	72,183	41,563	30,620
All	\$100-\$249.9	50,975	153,967	125,098	28,869
Low	\$100-\$249.9	5,690	148,581	173,160	-24,579
Average	\$100-\$249.9	32,765	156,191	129,903	26,288
High	\$100-\$249.9	12,510	150,556	90,806	59,750
All	\$250-\$499.9	14,475	336,773	283,239	53,534
Low	\$250-\$499.9	1,690	340,484	383,451	-42,967
Average	\$250-\$499.9	10,405	338,491	286,687	51,804
High	\$250-\$499.9	2,380	326,693	198,247	128,446
All	\$500 +	5,945	1,104,430	1,010,711	93,719
Low	\$500 +	960	1,312,471	1,443,594	-131,123
Average	\$500 +	4,540	1,093,030	973,033	119,997
High	\$500 +	450	775,839	467,433	308,406

Source: Statistics Canada - Whole Farm Data Base



Figure 1



Source: Statistics Canada - Whole Farm Data Base

In Figure 1 we can see the relative distribution of low, average, and high performers by sales class. Note that the proportion of average performers is smallest in the \$10,000 - 24,999 sales class and increases thereafter, while the proportion of low performers decreases with increasing size until the sales class \$100,000 - \$249,999 after which it increases slightly. The group of high performers is the least variable as a proportion of the total number of farms.



Off-farm income was examined for a subsample of each of these three groups. Off-farm income is available only for unincorporated taxfilers. Not too surprisingly the group of low performers was also the group with the highest off-farm income for all sales classes. Off-farm income for this group varied from \$21,400 to \$29,400 per operator. The group of average performers varied from \$7,800 to \$22,100, but with only one sales class (\$10,000-\$24,999) greater than \$15,000 in off-farm income. The group of high performers showed a maximum off-farm income of \$19,000, but four out of the other five groups were under \$10,000 in off-farm income.

When operating earnings per dollar of Total Income (Gross Farm Operating Revenues + Total Off-farm Income) are considered the smaller operators (those with Farm Operating Revenues of \$10,000 to \$100,000) behave differently than when off-farm income is not considered. The smaller operators in the group of low performers lose less as a proportion of the total, as do the groups of average operators and high operators. For the operators in sales classes over \$100,000 the impact of off-farm income is minor.

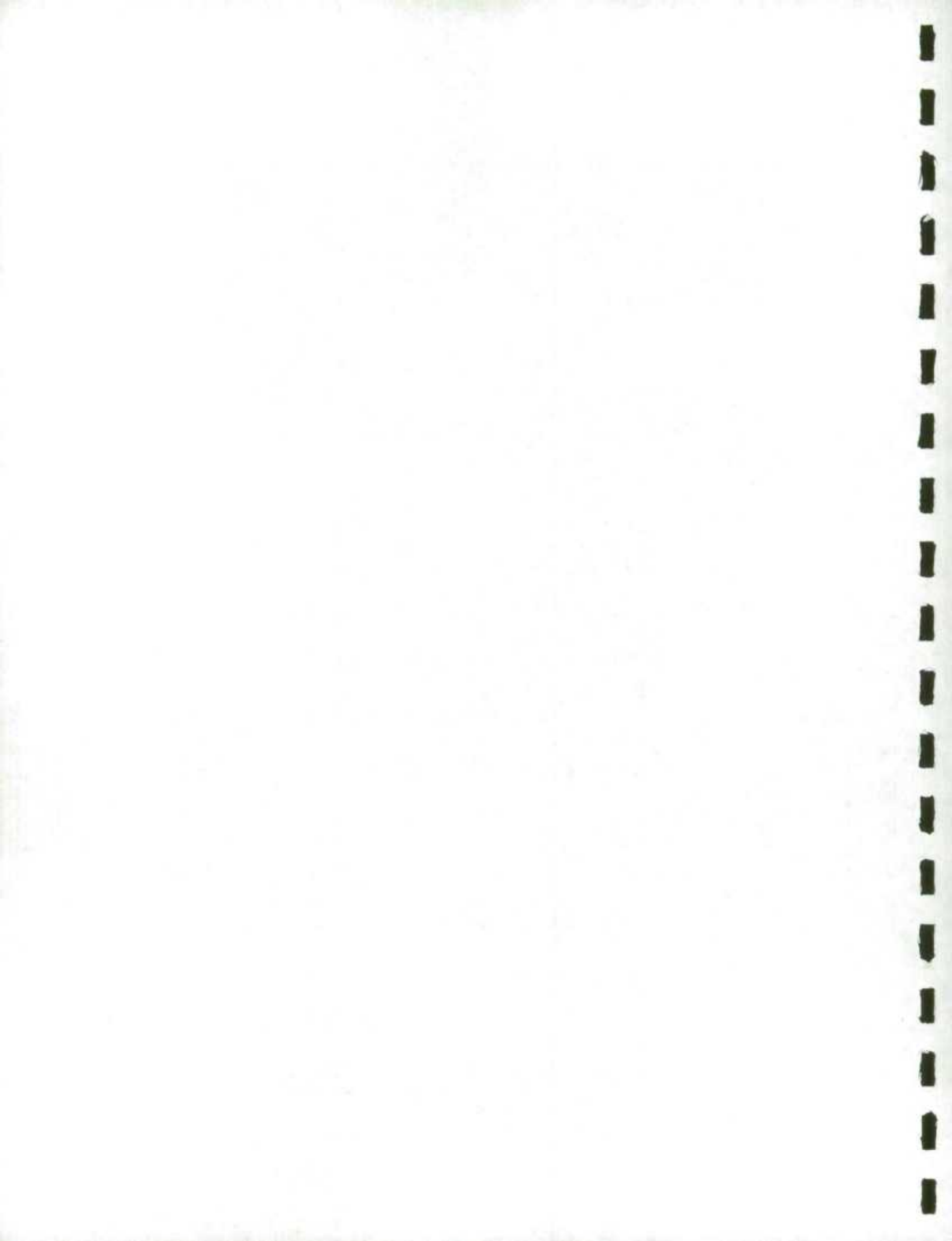
In Table 4 we see that the sum of operating earnings and off-farm income is relatively constant for the sales classes up to \$50,000 no matter which profit group is examined. Above the level of \$50,00 in sales the sum of operating earnings and off-farm income becomes much more variable.

Table 3: Operating Earnings per Dollar of Total Income*
Unincorporated Operators
Taxation Data Program 1992 - Canada
(numbers of operators in brackets)
(\$)

Sales Classes	All Records	Low Performers	Average Performers	High Performers
\$10,000 to \$24,999	- 0.02 (65,190)	- 0.16 (32,620)	0.06 (15,680)	0.24 (16,455)
\$25,000 to \$49,999	0.06 (52,835)	- 0.15 (17,325)	0.10 (21,470)	0.32 (13,890)
\$50,000 to \$99,999	0.15 (57,395)	- 0.13 (10,245)	0.14 (30,665)	0.36 (16,450)
\$100,000 to \$249,999	0.19 (60,040)	- 0.13 (5,135)	0.16 (37,085)	0.37 (17,800)
\$250,000 to \$499,999	0.17 (14,595)	- 0.09 (985)	0.15 (10,100)	0.37 (3,500)
\$500,000 and over	0.09 (3,175)	-0.07 (385)	0.10 (2,435)	0.38 (355)

*Total Income = Gross Farm Operating Revenues + Total Off-Farm Income

Source: Statistics Canada - Whole Farm Data Base



**Table 4: Operating Earnings and Off-Farm Income
Unincorporated Operators
Taxation Data Program 1992 - Canada**

Profit Group	SalesClasses 000 \$	# Operators Reporting	Operating Earnings	Off-Farm Income	Total
All Farms	>= \$10	253,240	10,888	16,093	26,981
All	\$10-\$24.9	65,190	-747	24,894	24,147
Low	\$10-\$24.9	32,620	-6,798	29,392	22,594
Average	\$10-\$24.9	15,680	2,224	22,071	24,295
High	\$10-\$24.9	16,455	8,022	18,998	27,020
All	\$25-\$49.9	52,835	3,319	19,595	22,914
Low	\$25-\$49.9	17,325	-8,791	28,499	19,708
Average	\$25-\$49.9	21,470	5,033	14,931	19,964
High	\$25-\$49.9	13,890	15,524	15,781	31,305
All	\$50-\$99.9	57,395	10,667	12,532	23,199
Low	\$50-\$99.9	10,245	-10,743	21,873	11,130
Average	\$50-\$99.9	30,665	10,573	10,925	21,498
High	\$50-\$99.9	16,450	24,047	9,710	33,757
All	\$100-249.9	60,040	22,095	8,673	30,768
Low	\$100-249.9	5,135	-17,005	21,443	4,438
Average	\$100-249.9	37,085	20,274	8,148	28,422
High	\$100-249.9	17,800	37,062	6,062	43,124
All	\$250-499.9	14,595	36,623	9,017	45,640
Low	\$250-499.9	985	-25,049	24,772	-277
Average	\$250-499.9	10,100	34,480	7,788	42,268
High	\$250-499.9	3,500	59,399	8,145	67,544
All	\$500 +	3,175	49,556	14,298	63,854
Low	\$500 +	385	-67,431	27,452	-39,979
Average	\$500 +	2,435	58,633	12,990	71,623
High	\$500 +	355	117,593	8,796	126,389

Source: Statistics Canada - Whole Farm Data Base



Operating Earnings by Type of Farm - For this part of the analysis, I have used dairy, hogs, and grain and oilseeds farm types.

Operating Earnings for Farms Typed as Dairy - Farms typed as dairy in the 1992 Taxation Data sample exhibited much the same behaviour as those in the entire sample. (See Table 5). The farms in each of the three profit groups behave as do those in the entire Tax sample, where unprofitable farms grow less unprofitable with size, average farms don't change much, and the high farms level off in the higher sales classes.

However, even though each profit group behaves in a similar fashion the distribution of farms amongst these groups is much different. For the Tax sample as a whole low performers constitute about 27% of farms, average about 48%, and the high about 27%. for dairy farms the groups are skewed toward the average and high. Only 6% of dairy farms fall into the low category, while 60% are average and 35% are high.

Table 5: Operating Earnings per \$ of Revenues
Taxation Data Program 1992 - Canada
Farms Typed as Dairy
 (numbers of farms in brackets)

Sales Classes	All Records	Low Performers	Average Performers	High Performers
\$10,000 to \$24,999	0.12 (765)	- 0.40 (250)	0.14 (255)	0.53 (205)
\$25,000 to \$49,999	0.24 (2015)	- 0.24 (305)	0.18 (890)	0.46 (815)
\$50,000 to \$99,999	0.24 (6,305)	- 0.21 (430)	0.19 (3,680)	0.39 (2,195)
\$100,000 to \$249,999	0.25 (14,035)	- 0.14 (445)	0.20 (8,440)	0.38 (5,155)
\$250,000 to \$499,999	0.22 (3,670)	- 0.13 (120)	0.18 (2,570)	0.37 (975)
\$500,000 and over	0.19 (670)	-- --	0.18 (545)	0.37 (100)

Source: Statistics Canada - Whole Farm Data Base



Operating Earnings for Farms Typed as Hogs - Farms typed as hogs showed the same groupings as in the total sample. Numbers of hog farms were skewed away from the high group compared to the total sample. 25% of hog farms were found in the group of low performers, 61% in the group of average performers and 14% in the group of high performers.

Table 6: Operating Earnings per \$ of Revenues
Taxation Data Program 1992 - Canada
Farms Typed as Hogs
(numbers of farms in brackets)

Sales Classes	All Records	Low Performers	Average Performers	High Performers
\$10,000 to \$24,999	- 0.27 (1,455)	- 0.63 (920)	0.18 (280)	0.61 (250)
\$25,000 to \$49,999	0.03 (1,220)	- 0.33 (470)	0.13 (490)	0.47 (260)
\$50,000 to \$99,999	0.15 (2,015)	- 0.20 (415)	0.16 (1,140)	0.40 (445)
\$100,000 to \$249,999	0.14 (3,175)	- 0.13 (455)	0.16 (2,365)	0.38 (355)
\$250,000 to \$499,999	0.14 (1,685)	- 0.07 (175)	0.14 (1,395)	0.38 (105)
\$500,000 and over	0.09 (765)	- 0.10 (100)	0.11 (640)	0.41 (25)

Source: Statistics Canada - Whole Farm Data Base

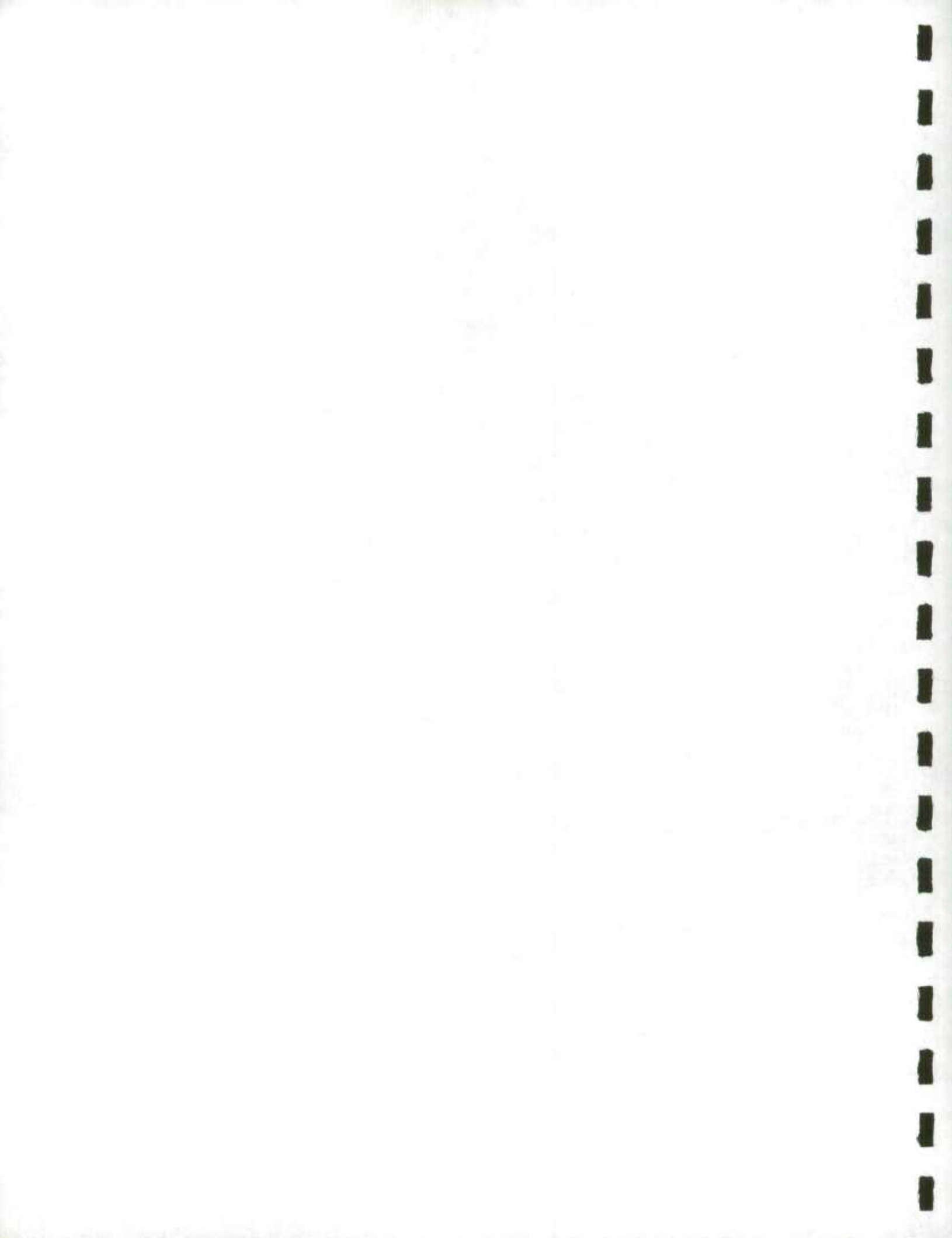


Operating Earnings for Farms Typed as Grains and Oilseeds - Farms typed as grains and oilseeds again exhibited the same groupings as the total sample. However, the distribution amongst the low, average, and high groups was much the same as for the total sample, in contrast to the dairy records which were heavily skewed toward the average and high groups, and also in contrast to hogs where the distribution leaned more heavily toward average.

Table 7: Operating Earnings per \$ of Revenues
Taxation Data Program 1992 - Canada
Farms Typed as Grains and Oilseeds
 (numbers of farms in brackets)

Sales Classes	All Records	Low Performers	Average Performers	High Performers
\$10,000 to \$24,999	0.07 (24,910)	- 0.41 (9,575)	0.14 (6,745)	0.56 (8,405)
\$25,000 to \$49,999	0.13 (21,805)	- 0.25 (6,315)	0.16 (9,250)	0.49 (6,210)
\$50,000 to \$99,999	0.18 (23,555)	- 0.18 (4,185)	0.16 (12,915)	0.42 (6,440)
\$100,000 to \$249,999	0.17 (17,105)	- 0.15 (2,070)	0.16 (11,430)	0.40 (3,605)
\$250,000 to \$499,999	0.17 (3,010)	- 0.12 (405)	0.16 (2,040)	0.40 (555)
\$500,000 and over	0.17 (615)	- 0.09 (70)	0.16 (430)	0.39 (115)

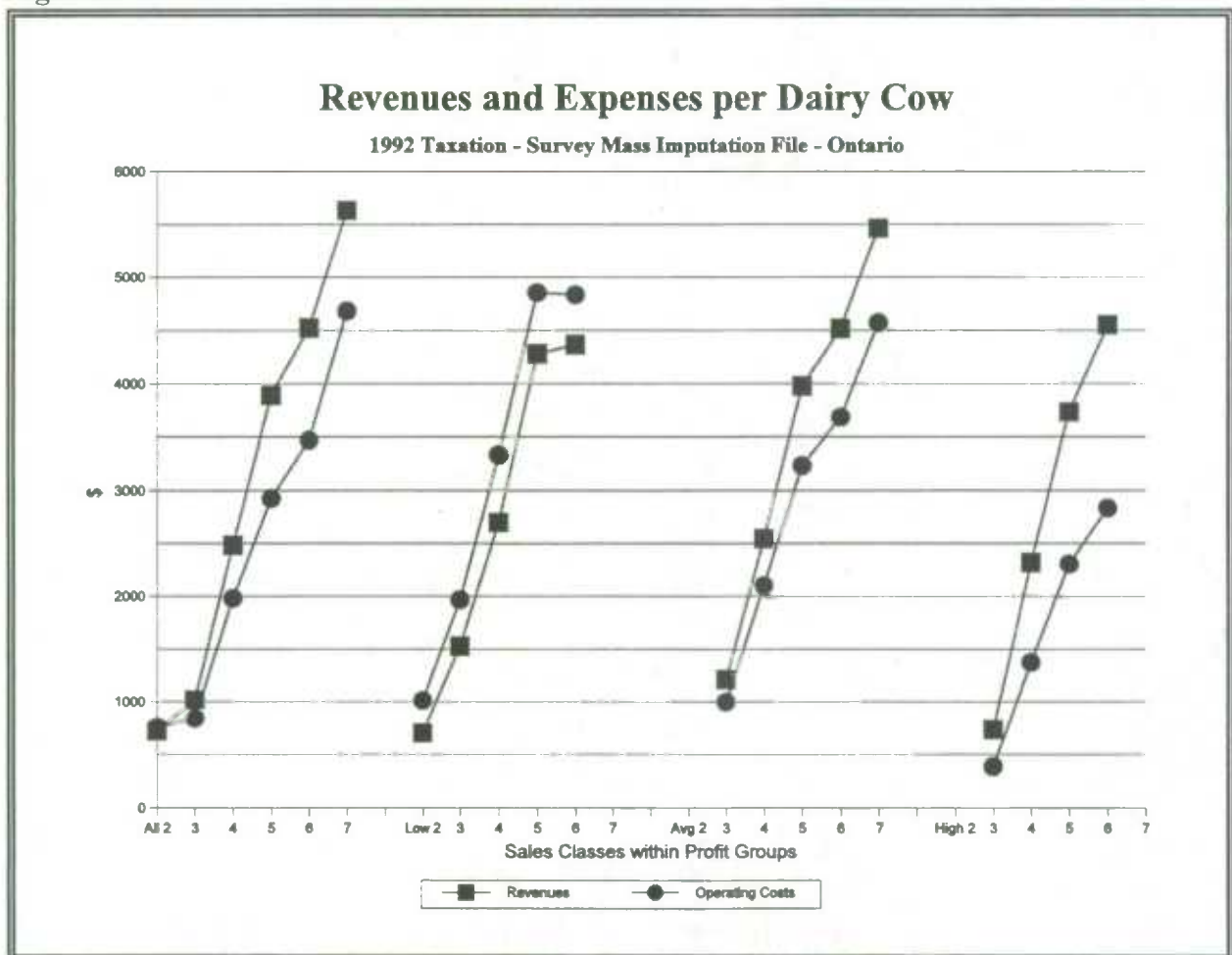
Source: Statistics Canada - Whole Farm Data Base



Revenues and Expenses Classified by Numbers of Animals - On an experimental basis, we have used the technique of mass imputation to construct a combined Taxation Data - Survey file that contains both financial and physical variables. A discussion of the technique of mass imputation is beyond the scope of this paper, however it can briefly be said that we integrate the tax and survey files using a linked subgroup of tax and survey records after which we impute the physical values of the linked records to the unlinked portion of the file. The end result is an integrated file with physical variables attached to both linked and unlinked tax records. The financial variables refer to the 1992 Tax year and the physical variables to the end of 1992 for livestock and the 1992-93 crop year for acreages.

I have attached a graph (Figure 2) showing Total Operating Revenues and Operating Costs divided by numbers of dairy cows classified by sales class and profit group for farms in Ontario typed as dairy farms.

Figure 2



Source: Statistics Canada - Whole Farm Data Base



Note from Figure 2 that while the group of high performers have revenue per cow as high as or slightly worse than the group of average performers, the operating costs for the group of high performers are always lower than those for the group of average performers. This indicates that while the group of high performers does not have higher revenues per cow than the group of average producers they do manage to better control their costs.

Discussion of Results

The profitability of farms does not appear to depend on their size. In the aggregate medium size farms appear to be the most profitable. The operating earnings of \$0.19 per dollar of operating revenues are found in the \$100,000 to \$250,000 sales class. Splitting farms into the three groups of low, average, and high performers clearly shows that this is not at all the whole story. Amongst low performers, the largest sales class, that of \$500,000 and over in sales, loses the least money in relative terms, while the group of smallest farms loses the most. Within the group of high performers the smallest sales class makes the most at \$0.54 per dollar of revenues. Even the average group doesn't follow exactly the overall trend.

The results from the 1991 Census of Agriculture compare well with the 1992 Taxation sample, indicating that two different sets of estimates from two different universes, farm taxfilers and the Census of Agriculture, show much the same results.

Comparing the results of cost per dollar of Total Operating Revenue with cost per dollar of (Total Operating Revenue + Off-farm Income) shows that farmers adjust total income to compensate for unprofitability.

Off-farm income is highest for those operators in the low performance group, and also for those operators in the lower sales classes, from \$10,000 - \$24,999 and from \$25,000 - \$49,999. These results are intuitively appealing, considering that off-farm income is necessary to maintain an adequate income level, either if the farm business is losing money, or if it is making a high return percentage-wise, but at a low absolute level of net income.

Each farm type divided into the three profitability groups showed much the same characteristics. The principal difference is in the distribution of farms both amongst these groups and by sales class and farm type within the groups.

Conclusion

Size is not a good measure of performance as measured by profitability unless other factors are taken into consideration. By analysing the Taxation sample using three performance groups, it can be seen that both large and small farm businesses can make a profit or lose quantities of money. The interaction of cost and revenues, with the influence of cost being predominant, makes the difference.



Appendix A - Definitions

Note - Most of these definitions are based on those to be found in the Whole Farm Data Base Reference Manual, July 27, 1994.

Farm Type - The type of farm is based on a percentage of agricultural sales. The commodity or commodity group that makes up 51% or more of the sales determines the primary farm type that will be assigned to an individual farm. The Standard Industrial Classification (SIC) four digit codes act as a basis for classifying the farm types. In some cases a fifth digit has been added to the codes to further disaggregate the farm type.

The 11 most commonly used farm types are;

- 1110 Dairy
- 1120 Cattle
- 1130 Hogs
- 1140 Poultry and Eggs
- 1190 Livestock Combination
- 1370 Tobacco
- 1380 Potatoes
- 1500 Fruit and Vegetable
- 1625 Greenhouse and Nursery
- 9990 Grain and Oilseed
- 9995 Other Farm Types

Sales Classes - The Whole Farm Data Base makes use of standard revenue classes for producing tables. These classes are:

- Class 2 - \$ 10,000 to \$ 24,999
- Class 3 - \$ 25,000 to \$ 49,999
- Class 4 - \$ 50,000 to \$ 99,999
- Class 5 - \$ 100,000 to \$249,999
- Class 6 - \$ 250,000 to \$499,999
- Class 7 - \$ 500,000 and over

Revenue - refers to the total operating revenues, that is to say all revenues from the sale of agricultural commodities as well as agricultural payments and subsidies. Also included are sales from forest products and interfarm sales. The code for Total Operating Revenues is R2040.



Income Statement - A standard income statement would consist of the following items. the variable names for the taxation records are beside each item, where applicable:

Sales Revenue	R2040
- Cost of Goods Sold	
= Gross Profit	
- Operating Expenses	R2140 - R2126
- Depreciation Expenses	R330
= Operating Earnings	R2040 - (R2140 + R330 - R2126)
- Interest Expense	R2126
= Earnings Before Tax	R2040 - (R2140+ R330)
- Income Tax Expense	
= Net Income	



Statistical Appendix



**Table a.1: Operating Earnings and Off-Farm Income
Unincorporated Operators
Taxation Data Program 1992 - Atlantic Provinces**

Profit Group	Sales Classes 000 \$	# Operators Reporting	Operating Earnings	Off-Farm Income	Total
All Farms	>= \$10	6,380	13,264	15,245	28,509
All	\$10-\$24.9	1,790	-1,014	23,158	22,144
Low	\$10-\$24.9	910	-6,256	27,014	20,758
Average	\$10-\$24.9	530	2,135	20,136	22,271
High	\$10-\$24.9	335	7,721	18,026	25,747
All	\$25-\$49.9	1,200	1,694	19,218	20,912
Low	\$25-\$49.9	460	-8,576	26,884	18,308
Average	\$25-\$49.9	470	4,435	15,262	19,697
High	\$25-\$49.9	270	14,008	13,181	27,189
All	\$50-\$99.9	1,035	9,395	11,639	21,034
Low	\$50-\$99.9	210	-13,243	20,329	7,086
Average	\$50-\$99.9	555	10,491	9,215	19,706
High	\$50-\$99.9	270	24,517	9,790	34,307
All	\$100-249.9	1,505	23,987	8,381	32,368
Low	\$100-249.9	120	-16,468	24,671	8,203
Average	\$100-249.9	995	23,289	7,387	30,676
High	\$100-249.9	390	38,901	5,844	44,745
All	\$250-499.9	635	40,597	8,488	49,085
Low	\$250-499.9	---	---	---	---
Average	\$250-499.9	490	38,932	8,721	47,653
High	\$250-499.9	120	54,361	5,601	59,962
All	\$500 +	215	61,145	12,327	73,472
Low	\$500 +	---	---	---	---
Average	\$500 +	180	64,936	10,211	75,147
High	\$500 +	---	---	---	---

Source: Statistics Canada - Whole Farm Data Base



**Table a.2: Operating Earnings and Off-Farm Income
Unincorporated Operators
Taxation Data Program 1992 - Québec**

Profit Group	Sales Classes 000 \$	# Operators Reporting	Operating Earnings	Off-Farm Income	Total
All Farms	>= \$10	32,555	16,148	9,103	25,251
All	\$10-\$24.9	5,320	-341	19,885	19,544
Low	\$10-\$24.9	2,345	-6,441	24,495	18,054
Average	\$10-\$24.9	1,615	2,149	19,546	21,695
High	\$10-\$24.9	1,325	7,074	12,527	19,601
All	\$25-\$49.9	4,635	4,943	16,182	21,125
Low	\$25-\$49.9	1,050	-5,960	38,466	32,506
Average	\$25-\$49.9	2,155	5,028	10,195	15,223
High	\$25-\$49.9	1,430	12,759	8,859	21,618
All	\$50-\$99.9	7,735	13,362	7,303	20,665
Low	\$50-\$99.9	560	-12,174	25,350	13,176
Average	\$50-\$99.9	4,280	11,535	6,585	18,120
High	\$50-\$99.9	2,895	20,957	4,870	25,827
All	\$100-249.9	12,105	23,763	3,800	27,563
Low	\$100-249.9	335	-14,682	9,736	-4,946
Average	\$100-249.9	6,825	20,222	3,884	24,106
High	\$100-249.9	4,945	31,294	3,282	34,576
All	\$250-499.9	2,355	37,266	4,345	41,611
Low	\$250-499.9	55	-16,671	19,098	2,427
Average	\$250-499.9	1,745	34,371	4,122	38,493
High	\$250-499.9	545	52,522	3,464	55,986
All	\$500 +	400	63,076	7,027	70,103
Low	\$500 +	---	---	---	---
Average	\$500 +	325	62,805	4,692	67,497
High	\$500 +	60	---	5,724	5,724

Source: Statistics Canada - Whole Farm Data Base



**Table a.3: Operating Earnings and Off-Farm Income
Unincorporated Operators
Taxation Data Program 1992 - Ontario**

Profit Group	Sales Classes 000 \$	# Operators Reporting	Operating Earnings	Off-Farm Income	Total
All Farms	>= \$10	60,360	11,076	19,100	30,176
All	\$10-\$24.9	16,480	-2,330	30,794	28,464
Low	\$10-\$24.9	10,285	-6,651	34,061	27,411
Average	\$10-\$24.9	3,355	2,176	25,469	27,645
High	\$10-\$24.9	2,670	7,713	26,400	34,113
All	\$25-\$49.9	10,875	2,360	26,472	28,832
Low	\$25-\$49.9	4,155	-8,544	36,620	28,076
Average	\$25-\$49.9	3,985	4,670	20,406	25,076
High	\$25-\$49.9	2,650	15,291	20,238	35,529
All	\$50-\$99.9	10,230	8,452	14,688	23,140
Low	\$50-\$99.9	2,035	-12,365	19,551	7,186
Average	\$50-\$99.9	5,340	9,053	15,027	24,080
High	\$50-\$99.9	2,860	22,051	10,589	32,640
All	\$100-249.9	16,310	21,385	9,232	30,617
Low	\$100-249.9	1,240	-13,709	20,729	7,020
Average	\$100-249.9	9,810	18,874	9,310	28,184
High	\$100-249.9	5,265	34,262	6,379	40,641
All	\$250-499.9	5,355	35,485	8,604	44,089
Low	\$250-499.9	300	-24,540	35,640	11,100
Average	\$250-499.9	3,565	33,328	7,285	40,613
High	\$250-499.9	1,480	52,812	6,335	59,147
All	\$500 +	1,105	50,816	9,457	60,273
Low	\$500 +	100	-38,362	29,341	-9,021
Average	\$500 +	875	53,716	7,867	61,583
High	\$500 +	130	103,458	5,223	108,681

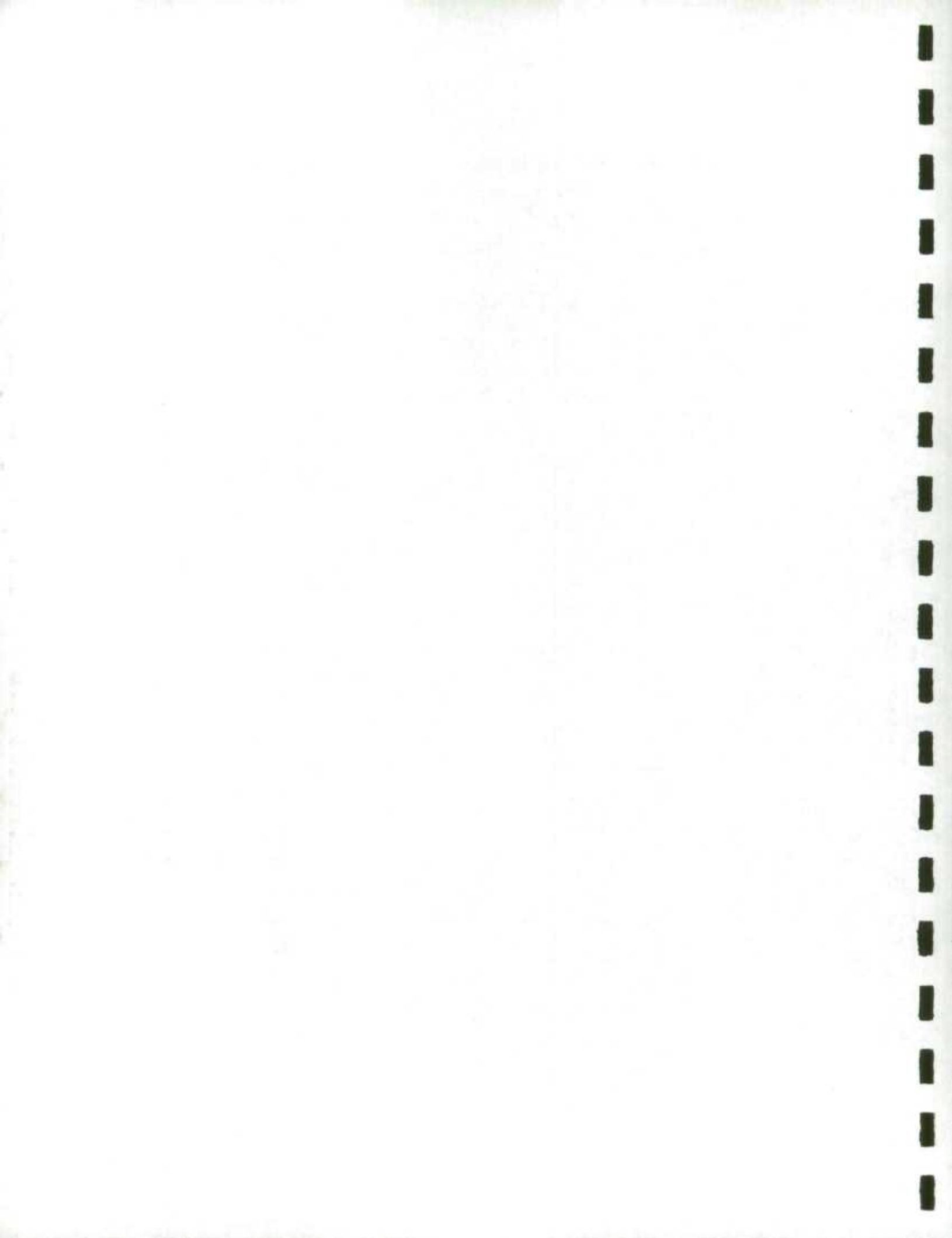
Source: Statistics Canada - Whole Farm Data Base



**Table a.4: Operating Earnings and Off-Farm Income
Unincorporated Operators
Taxation Data Program 1992 - Manitoba**

Profit Group	Sales Classes 000 \$	# Operators Reporting	Operating Earnings	Off-Farm Income	Total
All Farms	>= \$10	24,895	9,375	13,428	22,803
All	\$10-\$24.9	6,580	22	20,742	20,764
Low	\$10-\$24.9	2,940	-7,063	27,621	20,558
Average	\$10-\$24.9	1,625	2,408	17,342	19,750
High	\$10-\$24.9	1,960	8,384	13,365	21,749
All	\$25-\$49.9	5,050	3,709	14,422	18,131
Low	\$25-\$49.9	1,585	-7,685	19,642	11,957
Average	\$25-\$49.9	2,265	4,956	12,659	17,615
High	\$25-\$49.9	1,195	16,440	10,821	27,261
All	\$50-\$99.9	5,950	9,239	10,855	20,094
Low	\$50-\$99.9	1,295	-9,187	16,385	7,198
Average	\$50-\$99.9	3,295	10,350	9,457	19,807
High	\$50-\$99.9	1,360	24,179	8,971	33,150
All	\$100-249.9	5,945	18,899	8,290	27,189
Low	\$100-249.9	695	-14,540	13,917	-623
Average	\$100-249.9	4,210	19,309	7,863	27,172
High	\$100-249.9	1,035	39,116	6,239	45,355
All	\$250-499.9	1,155	34,079	7,874	41,953
Low	\$250-499.9	95	-20,684	18,955	-1,729
Average	\$250-499.9	875	33,113	7,214	40,327
High	\$250-499.9	190	62,816	5,482	68,298
All	\$500 +	220	36,471	9,470	45,941
Low	\$500 +	35	---	12,003	12,003
Average	\$500 +	160	38,393	8,675	47,068
High	\$500 +	25	---	10,601	10,601

Source: Statistics Canada - Whole Farm Data Base



**Table a.5: Operating Earnings and Off-Farm Income
Unincorporated Operators
Taxation Data Program 1992 - Saskatchewan**

Profit Group	Sales Classes 000 \$	# Operators Reporting	Operating Earnings	Off-Farm Income	Total
All Farms	>= \$10	60,545	10,448	14,755	25,203
All	\$10-\$24.9	15,540	1,362	20,224	21,586
Low	\$10-\$24.9	5,850	-6,030	22,935	16,905
Average	\$10-\$24.9	4,375	2,382	18,847	21,229
High	\$10-\$24.9	5,220	8,514	18,366	26,880
All	\$25-\$49.9	15,100	4,936	16,337	21,273
Low	\$25-\$49.9	4,080	-7,553	21,733	14,180
Average	\$25-\$49.9	6,945	5,575	13,471	19,046
High	\$25-\$49.9	4,065	16,260	15,781	32,041
All	\$50-\$99.9	17,225	12,178	11,858	24,036
Low	\$50-\$99.9	2,680	-8,955	19,073	10,118
Average	\$50-\$99.9	9,930	11,309	10,743	22,052
High	\$50-\$99.9	4,605	26,151	10,091	36,242
All	\$100-249.9	10,845	23,407	9,887	33,294
Low	\$100-249.9	1,070	-16,945	21,025	4,080
Average	\$100-249.9	7,090	21,815	8,939	30,754
High	\$100-249.9	2,685	43,736	7,944	51,680
All	\$250-499.9	1,585	39,808	11,264	51,072
Low	\$250-499.9	150	-23,430	19,810	-3,620
Average	\$250-499.9	1,085	35,440	10,953	46,393
High	\$250-499.9	340	79,305	8,476	87,781
All	\$500 +	240	42,246	12,045	54,291
Low	\$500 +	40	-86,782	12,481	-74,301
Average	\$500 +	180	56,877	11,414	68,291
High	\$500 +	---	---	---	---

Source: Statistics Canada - Whole Farm Data Base



**Table a.6: Operating Earnings and Off-Farm Income
Unincorporated Operators
Taxation Data Program 1992 - Alberta**

Profit Group	Sales Classes 000 \$	# Operators Reporting	Operating Earnings	Off-Farm Income	Total
All Farms	>= \$10	57,440	9,040	17,807	26,847
All	\$10-\$24.9	15,870	-1,197	25,975	24,778
Low	\$10-\$24.9	8,135	-7,461	29,479	22,018
Average	\$10-\$24.9	3,410	2,111	26,018	28,129
High	\$10-\$24.9	4,275	7,932	19,513	27,445
All	\$25-\$49.9	13,325	2,169	18,684	20,853
Low	\$25-\$49.9	4,930	-10,694	27,379	16,686
Average	\$25-\$49.9	4,775	4,885	14,617	19,502
High	\$25-\$49.9	3,595	16,013	12,292	28,305
All	\$50-\$99.9	13,115	9,832	14,310	24,142
Low	\$50-\$99.9	3,020	-11,067	26,114	15,047
Average	\$50-\$99.9	6,485	10,389	11,367	21,756
High	\$50-\$99.9	3,600	26,015	9,694	35,709
All	\$100-249.9	11,620	21,650	11,192	32,842
Low	\$100-249.9	1,430	-21,377	25,610	4,233
Average	\$100-249.9	7,325	21,037	9,647	30,684
High	\$100-249.9	2,855	44,373	7,924	52,297
All	\$250-499.9	2,740	35,502	12,197	47,699
Low	\$250-499.9	295	-29,853	21,362	-8,491
Average	\$250-499.9	1,865	35,399	8,962	44,361
High	\$250-499.9	580	70,014	17,860	87,874
All	\$500 +	765	41,480	13,635	55,115
Low	\$500 +	165	-96,921	28,373	-68,548
Average	\$500 +	545	68,659	9,389	78,048
High	\$500 +	55	187,191	10,723	197,914

Source: Statistics Canada - Whole Farm Data Base



**Table a.7: Operating Earnings and Off-Farm Income
Unincorporated Operators
Taxation Data Program 1992 - British Columbia**

Profit Group	Sales Classes 000 \$	# Operators Reporting	Operating Earnings	Off-Farm Income	Total
All Farms	>= \$10	11,055	8,429	25,153	33,582
All	\$10-\$24.9	3,600	-2,498	29,120	26,623
Low	\$10-\$24.9	2,140	-7,317	33,122	25,805
Average	\$10-\$24.9	755	1,945	24,796	26,741
High	\$10-\$24.9	665	7,084	20,952	28,036
All	\$25-\$49.9	2,650	984	30,481	31,465
Low	\$25-\$49.9	1,075	-10,179	31,883	21,704
Average	\$25-\$49.9	875	3,782	20,631	24,413
High	\$25-\$49.9	685	14,123	40,961	55,084
All	\$50-\$99.9	2,105	9,082	20,885	29,967
Low	\$50-\$99.9	450	-13,347	32,820	19,474
Average	\$50-\$99.9	790	8,486	12,667	21,153
High	\$50-\$99.9	860	21,215	22,251	43,466
All	\$100-249.9	1,705	21,149	14,617	35,766
Low	\$100-249.9	245	-18,839	38,459	19,620
Average	\$100-249.9	830	19,136	11,857	30,993
High	\$100-249.9	625	39,164	8,640	47,804
All	\$250-499.9	765	41,156	12,389	53,545
Low	\$250-499.9	55	-32,855	17,170	-15,685
Average	\$250-499.9	465	37,370	13,302	50,672
High	\$250-499.9	235	67,199	9,485	76,684
All	\$500 +	235	55,121	60,489	115,610
Low	\$500 +	---	---	---	---
Average	\$500 +	170	54,897	74,765	129,662
High	\$500 +	35	---	13,584	13,584

Source: Statistics Canada - Whole Farm Data Base



**Table b.1: Revenues and Expenses per Dairy Cow
Taxation Data Program 1992 - Survey Mass Imputation File - Ontario**

Profit Group	Sales Classes 000 \$	Operating Revenues	Operating Costs	Operating Earnings
All Farms	>= \$10	3,789	2,916	873
All	\$10-\$24.9	721	757	(36)
Low	\$10-\$24.9	703	1,013	(310)
Average	\$10-\$24.9	---	---	---
High	\$10-\$24.9	---	---	---
All	\$25-\$49.9	1,019	844	175
Low	\$25-\$49.9	1,529	1,968	(439)
Average	\$25-\$49.9	1,214	997	217
High	\$25-\$49.9	738	387	351
All	\$50-\$99.9	2,484	1,979	505
Low	\$50-\$99.9	2,701	3,334	(633)
Average	\$50-\$99.9	2,546	2,101	445
High	\$50-\$99.9	2,320	1,376	944
All	\$100-249.9	3,894	2,929	965
Low	\$100-249.9	4,283	4,854	(571)
Average	\$100-249.9	3,979	3,233	746
High	\$100-249.9	3,734	2,306	1,428
All	\$250-499.9	4,524	3,469	1,055
Low	\$250-499.9	4,369	4,835	(466)
Average	\$250-499.9	4,520	3,687	833
High	\$250-499.9	4,551	2,837	1,714
All	\$500 +	5,634	4,683	951
Low	\$500 +	---	---	---
Average	\$500 +	5,468	4,573	895
High	\$500 +	---	---	---

Source: Statistics Canada - Whole Farm Data Base



References

Statistics Canada 1994:

Whole Farm Data Base Reference Manual. Ottawa, Ontario.

Statistics Canada 1994:

Whole Farm Data Base Taxation Data Program Files. Ottawa, Ontario

Tracy, John A.,

How To Read A Financial Report, 2nd edition, John Wiley and Sons, Inc, 1983.

Ca 005

STATISTICS CANADA LIBRARY
BIBLIOTHEQUE STATISTIQUE CANADA



1010277063

d.3

