

Total income of farm families, 2017

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From 2016 to 2017, average total income of farm families operating a single farm in Canada increased 1.1% to \$166,682, according to taxation records.

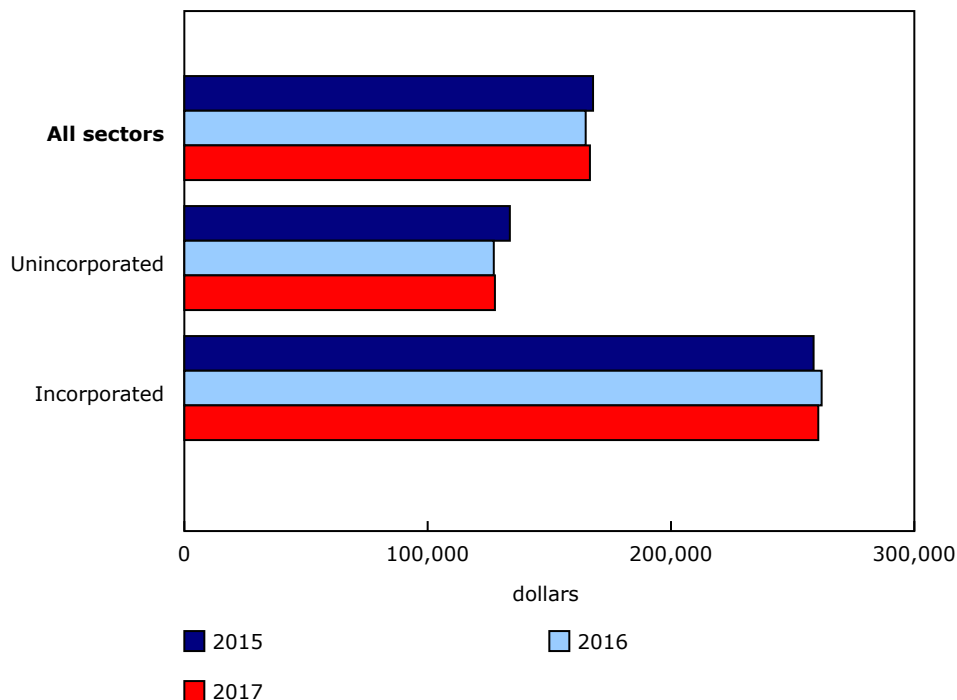
Over the same period, average off-farm income increased 3.7% to \$99,272, while average net operating income declined 2.6% to \$67,410. Average net operating income was down as the 4.3% decline in average net market income neutralized the 12.6% increase in average net program payments.

The increase in average off-farm income reflected growth in all of its major components. Since 2016, investment income (+11.3%) rose the most, followed by pension income (+7.2%) and government social transfers (+6.4%).

In 2017, off-farm income accounted for 59.6% of the total income of farm families, up from 58.0% in 2016. The reliance on off-farm income increased by 1.8 percentage points to 74.9% for families in the unincorporated sector, and by 2.3 percentage points to 41.5% for families in the incorporated sector.

Average total income of farm families in the unincorporated sector edged up 0.4% to \$127,642, while it edged down 0.5% to \$260,527 for those in the incorporated sector.

Chart 1
Average total income of farm families, by sector

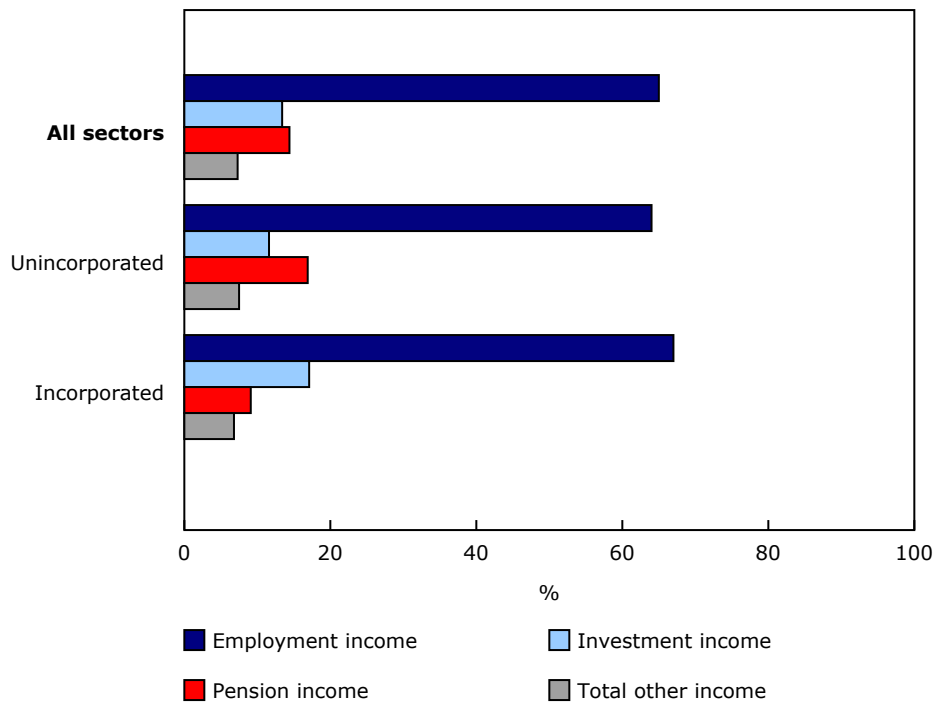


Source(s): Table 32-10-0213-01.

Farm families in the incorporated sector rely more on investment income and less on pension income than those in the unincorporated sector

In 2017, average off-farm income among farm families in the unincorporated sector rose 2.8% to \$95,580, while average off-farm income among farm families in the incorporated sector increased 5.2% to \$108,149. Investment income accounted for 17.1% of off-farm income among families in the incorporated sector and 11.6% among families in the unincorporated sector, while pension income accounted for 16.9% of off-farm income among families in the unincorporated sector and 9.1% among families in the incorporated sector. Employment income was by far the most important component of off-farm income, representing about two-thirds of off-farm income in both sectors.

Chart 2
Off-farm income composition of farm families

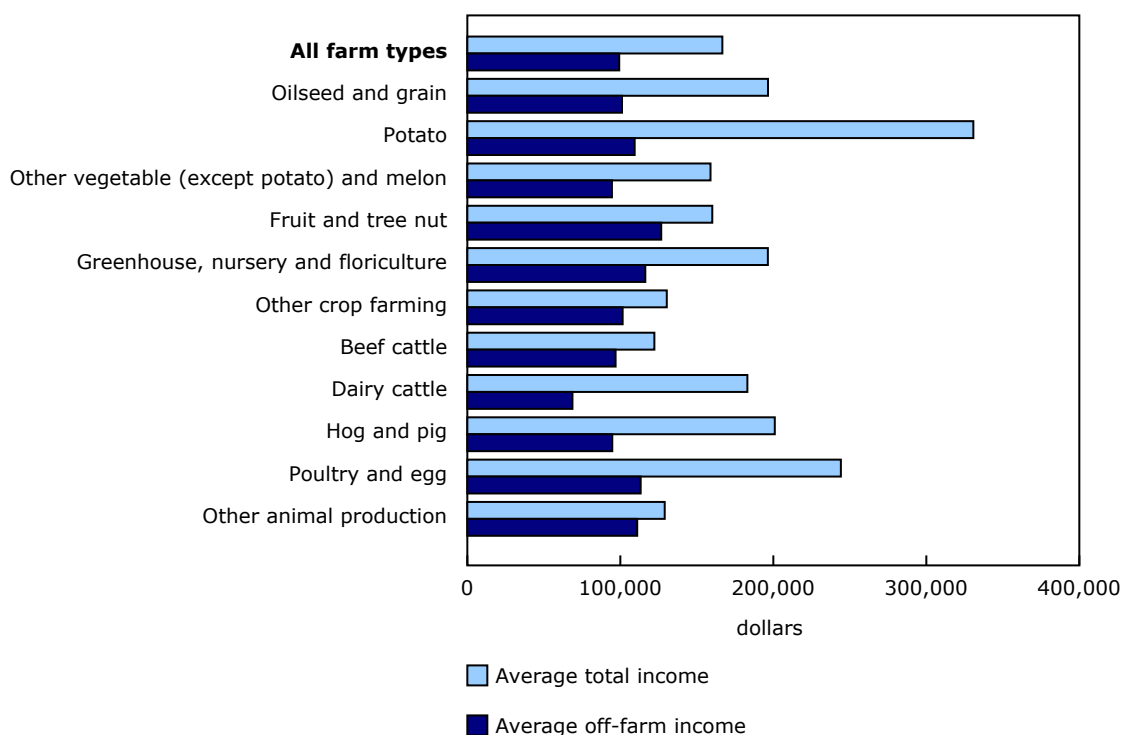


Source(s): Table 32-10-0213-01.

Farm families specializing in potato farming reap the largest growth in average total income

In 2017, farm families specializing in potato farming reaped a 15.0% growth in average total income. This pushed their average total income to just over \$330,000—well above the average total income of all farm families. The increase was largely the result of a 20.6% gain in average net operating income, which was partly explained by higher revenues from potato sales.

Chart 3
Average total and off-farm income of farm families, by farm type



Source(s): Table 32-10-0213-01.

Farm families operating hog farms posted the next largest percentage gain (+10.8%) in average total income. Increases in both average net operating income (+14.8%) and average off-farm income (+6.7%) pushed the average total income of farm families operating hog farms up to \$200,953. The growth in average net operating income was largely attributable to higher revenues from hog sales at higher prices because of the ongoing strength in pork exports—despite growing North American inventories.

Families involved in oilseed and grain farming saw their average total income rise 1.8% to \$196,510. This is because the growth in average off-farm income (+4.2%) and average net program payments (+2.8%) outstripped the decline in average net market income (-1.1%).

Lower revenues from the sales of lentils and dry peas were major factors in pushing down average net market income. Because growing conditions improved in India, there was a sharp decrease in demand for Canadian exports that negatively affected both the prices and quantities sold.

The decreases in lentil and dry pea revenues followed a brief period of strong gains—mainly because of higher exports to India—after poor growing conditions had resulted in lentil and dry pea shortages in that country. The Indian government's imposed duties on pulse imports in late 2017 further weakened that export market.

Families specializing in greenhouse, nursery and floriculture production (+3.6%) and other crop farming (+3.0%) also posted increases in average total income above the national average of 1.1%.

Cattle farms had the lowest average total income at \$122,246 per farm family.

Farm families specializing in fruit and tree nut farming maintain the highest average off-farm income

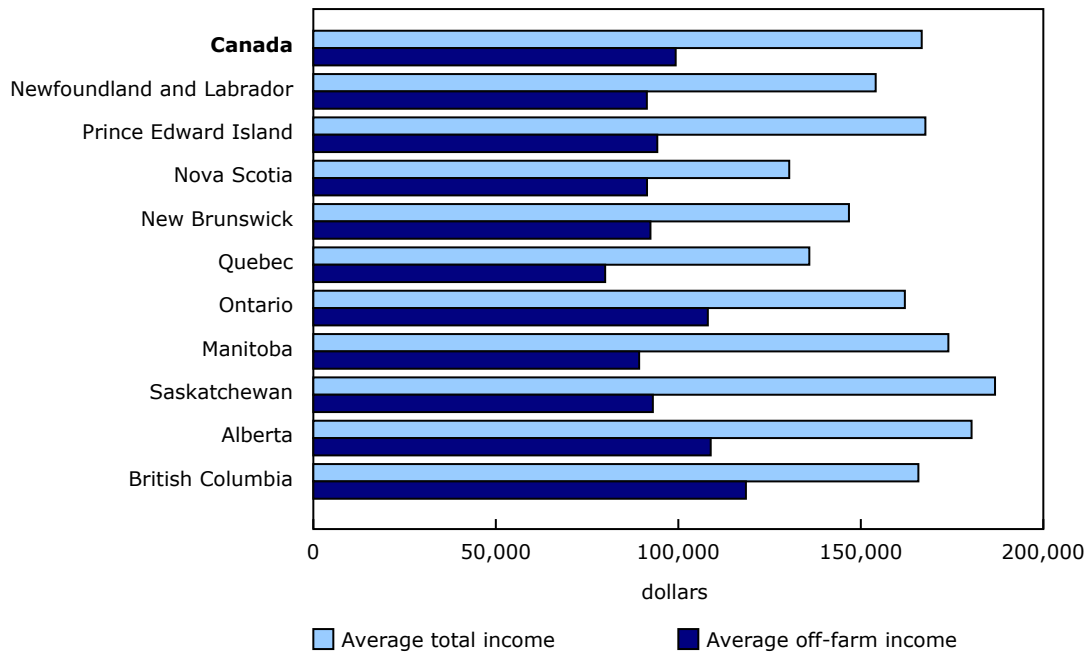
In 2017, average off-farm income of farm families grew for every farm type, except for fruit and tree nut farms. Despite a 5.5% decline, fruit and tree nut farms continued to lead the way with \$126,734 per farm family. This was followed by farm families specializing in greenhouse, nursery and floriculture production (\$116,320) and poultry and egg production (\$113,286).

On the other hand, average off-farm income of farm families specializing in beef cattle ranching and farming, vegetable farming and hog farming fell below the national average of \$99,272, while average off-farm income of farm families specializing in dairy farming followed well behind, at \$68,699.

Prairie farm families earn the highest average total income in the country

In 2017, farm families in Saskatchewan earned the highest average total income nationally for a second consecutive year. However, their average total income was down 1.1% to \$186,766. Alberta's farm families followed once again, with average total income down 0.7% from 2016 to \$180,338. In these two provinces, the decline in average net market income offset higher average net program payments and average off-farm income.

Chart 4
Average total income and off-farm income of farm families, by province



Source(s): Table 32-10-0213-01.

In Saskatchewan, lower revenues from other grains such as lentils and dry peas, which offset the increase in canola revenue, largely contributed to the decline in average net market income.

Since feed shortages in Saskatchewan led producers to ship cattle and calves to Alberta, higher livestock purchases in Alberta helped to push down the province's average net market income.

In 2017, farm families in Manitoba posted the second-largest growth in average total income, up 8.8% to \$173,986. The increase was mostly attributable to the 11.5% rise in average net operating income, which was, in large part, bolstered by higher revenues from most of the major grains and oilseeds. These families benefitted from excellent growing conditions and good harvesting weather, which resulted in record production for most types of crops. The 6.3% rise in average off-farm income also helped to push average total income higher.

Farm families in Prince Edward Island moved up from seventh highest to fourth highest in average total income in 2017. This 44.6% increase in average net operating income—largely attributable to the potato sector—combined with the 0.7% rise in average off-farm income, resulted in a 16.2% increase in average total income of farm families in Prince Edward Island. They earned, on average, \$167,688 in total income—also surpassing the national average.

Average total income of farm families also increased in New Brunswick (+3.3%), British Columbia (+2.4%), Ontario (+1.5%) and Quebec (+0.7%).

British Columbia's farm families maintain the highest average off-farm income

Farm families in British Columbia posted the highest average off-farm income nationally, at \$118,514. Alberta's farm families followed at \$108,869, while Ontario's farm families fell slightly behind with \$108,083. In all other provinces, average off-farm income was below the national average.

Average off-farm income of farm families grew in every province except British Columbia (-1.1%) and Newfoundland and Labrador (-0.8%) in 2017.

Note to readers

The estimates cover farm families involved in a single farm that is either unincorporated with total operating revenues of \$10,000 or more, or incorporated with total operating revenues of \$25,000 or more.

The Agriculture Taxation Data Program (ATDP) underwent a redesign for reference year 2015. Because of the changes implemented, data users are advised to use caution when comparing 2015, 2016 and 2017 data with data from the previous years.

Note that not all farm family income earned from a farming operation is net operating income. Income reported as wages and salaries may have come from the farm. However, the investment income has been adjusted to exclude the actual number of dividends received by families from taxable Canadian farming corporations.

For statistical purposes, farm families who hold an interest in a partnership that has filed a T5013 Partnership Information Return are included in the incorporated sector, starting with reference year 2017. Prior to 2017, all farm families who were members of a partnership were included in the unincorporated sector.

Farm families may include more than one operator. An ATDP operator is a person that reports revenue on their individual tax form as a result of a financial stake of an ATDP farm operation. The financial stake may be direct in the case of an unincorporated farm (typically T1) or indirect through shares for an incorporated farm (typically T2).

In this release, average always refers to average per farm family. Table 32-10-0213-01 also presents averages per farm family reporting.

These data are subject to revision.

The [Agriculture and food statistics](#) portal, accessible from the Subjects module of the Statistics Canada website, provides users with a single point of access to a variety of information on agriculture and food.

Available tables: [32-10-0213-01](#) and [32-10-0214-01](#).

Definitions, data sources and methods: survey number [3447](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).