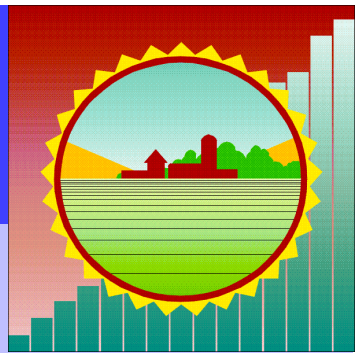
ECONOMIC OVERVIEW OF FARM INCOMES

Grain and Oilseed Farms



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Debbie Niekamp
Author

To obtain more information on this analysis, please contact:

Debbie Niekamp
Agriculture and Agri-Food Canada
Tel.: (613) 759-1897
E-mail: niekamd@agr.gc.ca

To obtain additional data, please contact:

Client Services
Statistics Canada
Tel.: 1 800 465-1991
E-mail: agriculture@statcan.ca

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INTRODUCTION

Grain and Oilseed Farms is the second in the 1997/98 taxation data bulletin series, *Economic Overview of Farm Incomes*, a joint publication of Agriculture and Agri-Food Canada (AAFC) and Statistics Canada (STC). This bulletin provides a detailed analysis of farm structure and financial performance of grain and oilseed farms and farm operators, by revenue class and by province. Information is provided on farm structure including the distribution of farms, concentration of production, degree of specialization and the physical characteristics of grain and oilseed farms. Detailed financial information is provided on farm-level revenues, expenses and net operating income in 1998, before depreciation, as well as total operator income.[1] To be classified as a grain and oilseed farm, 51% or more of its agricultural sales must come from the sale of grains and oilseeds.[2]

Most of the analysis in this bulletin is based on data derived from STC's *Taxation Data Program* (TDP). Group averages, not individual records, are provided by STC to AAFC, and are subject to confidentiality restrictions prior to their release. The TDP estimates presented in this bulletin are derived from a random sample of income tax returns from three sources:

- individuals operating unincorporated farms with operating revenues of $10,000 and over
- incorporated farms with sales of $25,000 and over, and for which 51% or more of their sales come from agricultural activities
- communal farming operations, such as Hutterite colonies[3]

The bulletins also include information from the *June Crops Survey* (JCS), the *July Livestock Survey* (JLS) and the biennial *Farm Financial Survey* (FFS). For discussion of the methodology behind the STC data, refer to the *Introduction* and *Methodology* sections in Bulletin 1.

In an effort to provide a more complete picture of the grain and oilseed sector, the analysis in this bulletin also draws on supporting information from other STC data sources, such as the *Farm Cash Receipts Unit Data Base*.

The series has eight bulletins:

- Bulletin 1: All farms
- **Bulletin 2: Grain and oilseed farms**
- Bulletin 3: Cattle farms
- Bulletin 4: Dairy farms
- Bulletin 5: Hog farms
- Bulletin 6: Poultry and egg farms
- Bulletin 7: Horticultural farms
  - *Fruit and vegetable farms*
  - *Greenhouse and nursery farms*
  - *Potato farms*
- Bulletin 8: Farm families

1. *Refer to the glossary in Bulletin 1 for definitions.*
2. *Grain and oilseed products include: all wheat, oats, barley, canola, soybeans, grain corn and seed corn, other and non-specified small grains, and other and non-specified grains and oilseeds (including rye, flaxseed, dry peas and beans).*
3. *Communal farming operations are included beginning in 1993.*

POLICY ENVIRONMENT

The 1990s was a period of extensive policy changes. The focus of spending shifted from commodity price support to non-trade-distorting "green" programs consistent with the World Trade Organization (WTO) principles.

In 1990, the *Farm Income Protection Act* was introduced to provide a general safety net framework for income stabilization programs based on a whole farm approach. The objectives under this framework were market neutrality, equity among commodities and regions, social and economic well-being, environmental sustainability, and consistency with international obligations. Four main elements were included in this safety net framework:

- crop insurance
- Gross Revenue Insurance Program (GRIP) which was later abandoned
- Net Income Stabilization Account (NISA)
- provincial-specific companion programs

In 1994, the WTO negotiated an agreement on agriculture that introduced penalties on agricultural subsidies that distorted producers' decisions. The federal government's goal was to establish programs that were compatible with the WTO Agreement on Agriculture and to avoid establishing a support system that distorted producers' decisions.

As a result of the WTO Agreement on Agriculture, the subsidy under the *Western Grain Transportation Act* (WGTA) was eliminated in 1995. The federal government provided a $1.6 billion capital payment to landowners and established a $300 million fund to facilitate adjustment to the new safety net framework.[4] In conjunction with the elimination of the WGTA subsidy, the Feed Freight Assistance Program was also terminated.

The 1997 Red River flood affected many farms in Manitoba. The water damaged hundreds of farms, homes, buildings and stored grain and killed livestock.[5] The Jobs and Economic Restoration Initiative (JERI), a federal-provincial cost-shared program, was introduced to restore economic activity to pre-flood levels and to prevent permanent job loss in flood affected areas. Under this initiative, agricultural producers received $13.1 million in the 1997/98 crop year, and $2.9 million in the 1998/99 crop year.

Beginning in 1997, three amendments were made to the *Canadian Wheat Board* (CWB) *Act*:

- the introduction of operational flexibilities relating to grain purchases
- the replacement of the appointed commissioners with a president and a producer-elected Board of Directors
- the introduction of a requirement to establish a contingency fund for potential losses associated with cash trading and adjusted payments (initial payments would continue to be guaranteed by the government)

The federal government introduced the Agriculture Income Disaster Assistance (AIDA) Program in 1998. The program was criticized as being too restrictive and too complex, resulting in minimal payments. So in 1999, the federal government made a number of changes to help farmers in need.

In 2000, the federal government replaced AIDA with the Canadian Farm Income Program (CFIP).

Size categories

In this bulletin series, revenue class defines farm size:

Size category	Revenue class
Small	$10,000 to $24,999 $25,000 to $49,999
Medium	$50,000 to $99,999
Commercial	$100,000 and over
Large	*$100,000 to $249,999* *$250,000 to $499,999*
Very Large	*$500,000 and over*

4. *These figures are from internal calculations by AAFC. The $1.6 billion capital payment was non-taxable.*
5. *Richard Dobbins and Gordon Reichert. "The Flood of the Century—from out of this world."* Canadian Agriculture at a Glance*, Catalogue no. 96-325-XPB. Ottawa, Statistics Canada, December 1999.*

FARM STRUCTURE

Distribution of Farms

The total number of grain and oilseed farms in Canada with revenues of $10,000 or more declined in 1997 and 1998.

The total number of grain and oilseed farms in Canada with revenues of $10,000 or more tends to fluctuate in conjunction with grain and oilseed revenues. In the 1990s, the total number of grain and oilseed farms varied from a low of 90,995 farms in 1992 to a high of 105,730 farms in 1996. In 1998, the total number fell to 95,495 farms (down 9.7% from 1996 and 2.6% from 1997) as a result of reduced grain and oilseed revenue due to lower grain and oilseed prices and/or marketings.

By Revenue Class

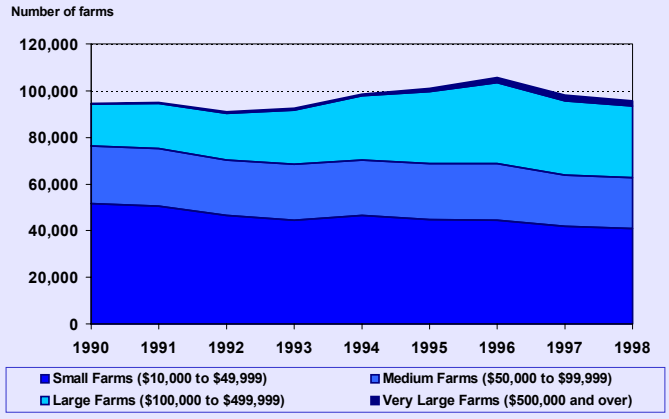
The increase in the number of commercial size grain and oilseed farms since 1990 is similar to the Canada-wide upward trend exhibited by all farms (Bulletin 1). The number of commercial size grain and oilseed farms rose 78.5% (+14,395 farms) between 1990 and 1998—with increases of almost 400% for very large farms and 71.3% for large farms (Figure 1). However, between 1997 and 1998, the total number of grain and oilseed farms declined.

Revenue class	*% change 1997 to 1998*	*% change 1990 to 1998*	*absolute change 1990 to 1998*
All Grain & Oilseed Farms	-2.6	+0.8	+785
Small Farms	-2.1	-20.5	-10,570
Medium Farms	0.0	-12.2	-3,045
Large Farms (Commercial)	-4.2	+71.3	+12,760
Very Large Farms (Commercial)	-12.5	+375.9	+1,635

In 1998, there were 95,495 grain and oilseed farms in Canada:

- 42.9% (40,925 farms) were small
- 22.9% (21,835 farms) were medium
- 32.1% (30,660 farms) were large
- 2.2% (2,070 farms) were very large

Figure 1: Number of Grain and Oilseed Farms in Various Size Categories, Canada, 1990 to 1998*

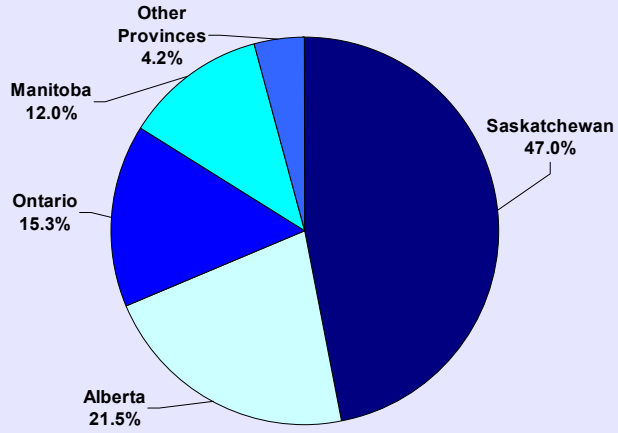


**Data prior to 1993 exclude communal farming operations.*
Source: Statistics Canada, Whole Farm Data Base.

By Province

About half of the grain and oilseed farms with revenues of $10,000 or more are located in Saskatchewan. In 1998, 47.0% or 44,860 grain and oilseed farms were in Saskatchewan (Figure 2). Alberta was second with 21.5% or 20,540 farms.

Figure 2: Distribution of Grain and Oilseed Farms with Revenues of $10,000 or More, by Province, 1998



Source: Statistics Canada, Whole Farm Data Base.

Concentration of Production[6]

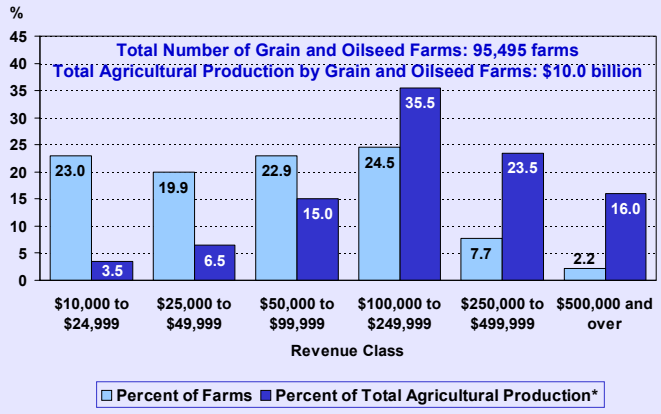
In 1998, one third of grain and oilseed farms in Canada were commercial size farms and they produced three quarters of total grain and oilseed farm production.

Grain and oilseed farms represent an important segment of Canadian agriculture. In 1998, they accounted for 29.1% or $10.0 billion of total agricultural production by all farms with revenues of $10,000 and over. This amount is 4.3% lower than that reported in 1997, but 73.3% higher than the $5.8 billion reported in 1990. Total agricultural production for grain and oilseed farms peaked in 1996 when total production nearly reached $11 billion. Slightly over 40% of farms in Canada are specialized in grain and oilseed production, deriving 51% or more of agricultural sales from the sale of grains and oilseeds.

By Revenue Class

Production is becoming increasingly concentrated on commercial size farms. Their share increased almost 25% between 1990 and 1998, from 52.6% to 75.0% of total agricultural production by grain and oilseed farms (Figure 3 below and Table 1 on page 14). In 1998, commercial size farms, which represented 34.3% of grain and oilseed farms with revenues of $10,000 and over, produced 75.0% ($7.5 billion) of total farm output for grain and oilseed farms in Canada. Small and medium farms accounted for 65.7% of farms, but produced only 25.0% ($2.5 billion) of total output.

Figure 3: Concentration of Production, Grain and Oilseed Farms, by Revenue Class, Canada, 1998



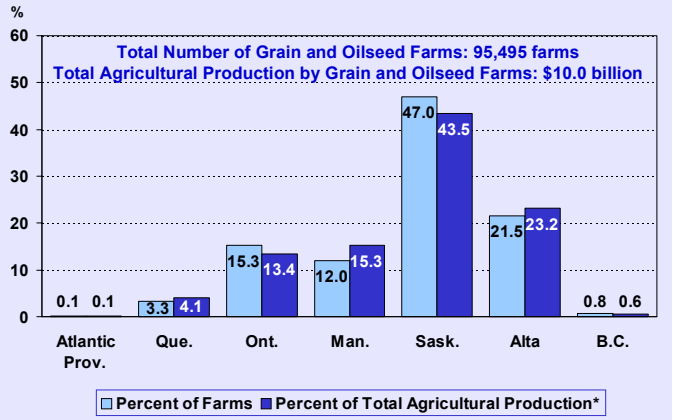
**Total operating revenues (excluding program payments).*
Source: Statistics Canada, Whole Farm Data Base.

Production on grain and oilseed farms tends to be more heavily concentrated on large farms rather than on very large farms, though this distribution is changing. Production on large farms with revenues of $100,000 to $249,999 has remained relatively steady throughout the 1990s, accounting for around one third of total production by grain and oilseed farms. Production of large farms with revenues of $250,000 to $499,999 as a share of total production by grain and oilseed farms increased from 13.0% in 1990 to 23.5% in 1998. The share of production by very large farms increased from 5.1% to 16.0% during the same period.

By Province

Saskatchewan has the highest concentration of grain and oilseed farms of any province[7] (Figure 4). In 1998, close to one out of every two grain and oilseed farms was located in Saskatchewan, accounting for 43.5% of total agricultural production for grain and oilseed farms nationally.[8]

Figure 4: Concentration of Production, Grain and Oilseed Farms, by Province, 1998



**Total operating revenues (excluding program payments).*
Source: Statistics Canada, Whole Farm Data Base.

Given the high concentration of grain and oilseed farms in Saskatchewan, that province is much more susceptible to adverse market conditions affecting its agricultural sector. When production (total operating revenues excluding program payments) decreases due to declines in prices and/or marketings, total agricultural production in the province is reduced.

6. *Concentration of production refers to the contribution of farms to total agricultural production (total operating revenues excluding program payments).*

7. *The Atlantic provinces are excluded from further analyses due to their small sample sizes.*

8. *Three out of four farms (75.8%) in Saskatchewan were grain and oilseed farms and they accounted for almost 75% (72.3%) of total production in the province.*

The geography of grain and oilseed farming shifted slightly away from the Prairie provinces between 1990 and 1998. Central Canada experienced a slight increase in the relative share of farms (+4.4 percentage points) and production (+1.2 percentage point), while the Prairies experienced a slight decrease in the relative share of farms (-4.6 percentage points) and production (-1.0 percentage point).[9]

Production by grain and oilseed farms in Quebec and Manitoba is more heavily concentrated on commercial size farms. In 1998, their share of total production was 83.8% and 82.0%, respectively. Saskatchewan had the smallest share of very large farms, resulting in lower contributions by this group than for the other provinces.

Grain and Oilseed Farms 1998		Small/ Medium	Large	Very Large (commercial)
Quebec	% of farms	53.4	42.2	4.4
	% of production	16.0	60.8	23.5
Ontario	% of farms	75.3	22.5	2.2
	% of production	31.5	48.1	20.3
Manitoba	% of farms	55.8	40.8	3.5
	% of production	18.0	62.6	19.4
Saskatchewan	% of farms	66.7	32.0	1.4
	% of production	27.7	61.7	10.5
Alberta	% of farms	63.7	33.5	2.8
	% of production	22.1	57.8	20.1
Canada	% of farms	65.7	32.1	2.2
	% of production	25.0	59.0	16.0

9. *Between 1990 and 1998, there was an increase in the number of farms specialized in grain and oilseed production in Quebec (+128.7%), Ontario (+20.9%) and British Columbia (+24.0%). During the same period, production rose 218.3%, 64.8%, and 39.6%, respectively. In Ontario, the increase in number was partly the result of two factors: a number of farms shifted away from swine production, cattle production and dairy production toward grain and oilseed production and a number of very small grain and oilseed farms increased in size (farms in the revenue class of less than $10,000 that are excluded from our analysis). Similarly, in Quebec, the increase was the result of farms shifting away from dairy production toward grain and oilseed production, particularly non-commercial size farm operations.*

Over the same period, the number of grain and oilseed farms declined in the Prairie provinces. Decreases in the number of grain and oilseed farms were 11.2% in Manitoba, 3.7% in Saskatchewan and 2.6% in Alberta. However, production rose 70.4%, 80.0%, and 57.7%, respectively. The decrease in number was partly the result of farms shifting away from grain and oilseed production toward cattle production.

Degree of Specialization

Slightly more than 70% of grain and oilseed farms were highly specialized in 1998. Smaller farms tend to be more highly specialized than larger farms.

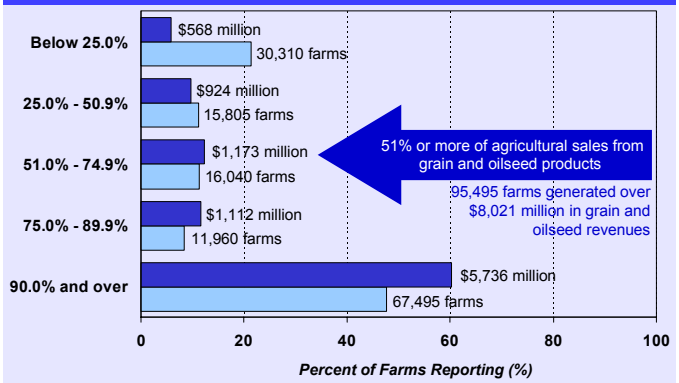
For grain and oilseed farms, program payments as a share of total operating revenues tend to increase with degree of specialization and decrease with revenue class.

Specialization measures to what degree a farm's sales are derived from any one particular commodity or commodity group. The degree of specialization influences a farm's ability to respond to changing market conditions and price shocks. More specialized farms depend to a greater extent on one particular commodity (or commodity group) and are more vulnerable to its price declines. However, increased specialization increases the relative efficiency in producing that commodity.

All Farms

Of the estimated 230,230 farms in Canada, more farms reported sales from grains and oilseeds than from any other commodity. Farms diversify production in these commodities to grow feed for their livestock or for crop rotation, as in the case of potato farms. Nearly two thirds of all farms reported revenues from grains and oilseeds, but not all were specialized in grain and oilseed production. In 1998, 141,610 farms reported revenues from grains and oilseeds, with 95,495 farms (67.4% of these farms) classified as grain and oilseed farms and 46,120 farms (32.6%) classified under another farm type (Figure 5).

Figure 5: Degree of Specialization, Farms Reporting Grain and Oilseed Revenues, Canada, 1998

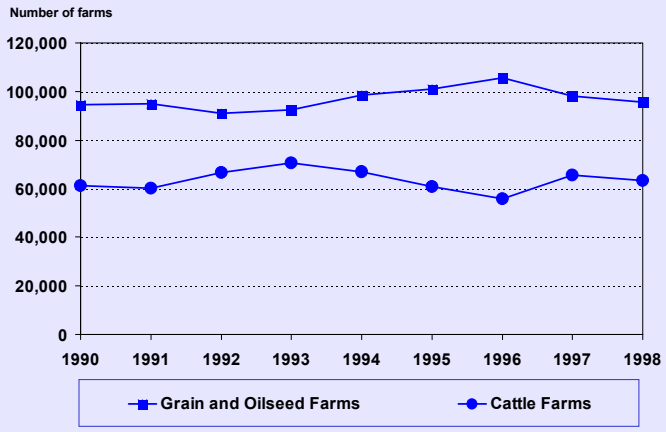


Total Number of Farms Reporting Grain and Oilseed Revenues: 141,610 farms
Total Revenues from Grains and Oilseeds: $9,513 million

Source: Statistics Canada, Whole Farm Data Base.

Because of their lower degree of specialization, the farms in the 25.0% to 50.9% and the 51.0% to 74.9% groups may switch between farm types in any given year, depending on relative prices and revenues. In 1996, with higher revenues generated from grains and oilseeds, the number of grain and oilseed farms increased as some farms classified as cattle farms in 1995 switched back to grains and oilseeds (Figure 6). The reverse occurred in 1997—i.e. more cattle farms and fewer grain and oilseed farms.

Figure 6: Number of Grain and Oilseed Farms and Cattle Farms, Canada, 1990 to 1998*



*Data prior to 1993 exclude communal farming operations.
Source: Statistics Canada, Whole Farm Data Base.

Grain and Oilseed Farms

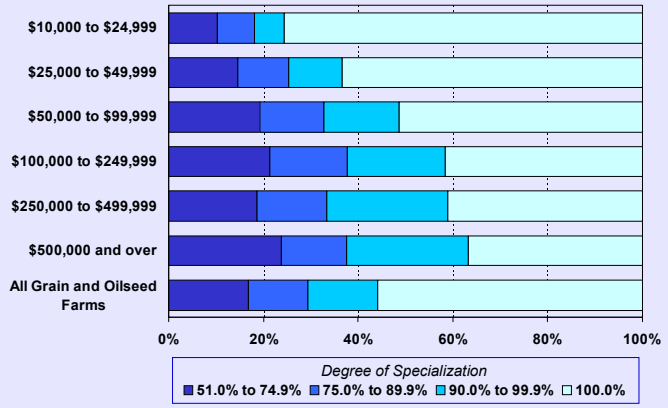
A farm is considered highly specialized in grain and oilseed production when 90% or more of its agricultural sales are derived from grains and oilseeds. In 1998, 70.7% of grain and oilseed farms were highly specialized, and more than half (55.8%) were 100% specialized in grain and oilseed production.

Program payments generally increase as farms become more specialized. Based on estimates from Table 2 on page 15, in 1998, program payments represented 4.5% of operating revenues for farms 100% specialized and 3.7% of operating revenues for less specialized grain and oilseed farms (51.0%-74.9% specialized). The main reason is that crop insurance is an integral component of risk management for grain and oilseed producers and the crop insurance payments are included under program payments. The more specialized the grain and oilseed farm, the greater the likelihood that it will receive crop insurance payments.

By Revenue Class

In general, smaller farms are more highly specialized than larger farms. In 1998, more of the smallest farms (81.8%) were highly specialized in grain and oilseed compared with the very large farms (62.3%) (Figure 7).

Figure 7: Distribution of Grain and Oilseed Farms by Degree of Specialization and Revenue Class, Canada, 1998



Source: Statistics Canada, Whole Farm Data Base.

Program payments as a share of average total operating revenues tend to decline with revenue class, reflecting the lower level of specialization by larger farms. Program payments represented 5.4% of average total operating revenues for the smallest farms and 3.6% of average total operating revenues for very large farms.

By Province

On average, grain and oilseed farms are quite highly specialized, based on grain and oilseed sales as a share of total agricultural sales. In Alberta, since cattle production is more likely coupled with grain and oilseed farming, grain and oilseed farms in that province tend to be less specialized. In 1998, Alberta reported an average of 84.4% of sales from grains and oilseeds.

Physical Characteristics

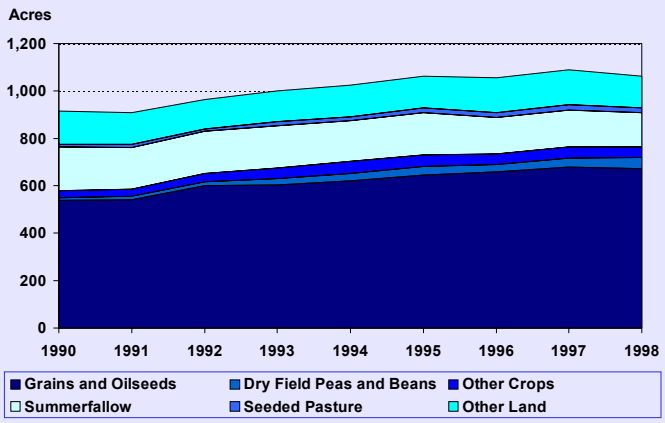
The average area devoted to crops increased steadily between 1990 and 1998.

Total grain and oilseed farm area continues to increase. Between 1990 and 1998, the average grain and oilseed farm area increased 16.0% to 1,064 acres (Table 3 on page 17). An increasing share of total acreage is being allocated to crops, resulting in declining summerfallow area (Figure 8). The average area devoted to crops increased 32.1% over this period, while average summerfallow area decreased 22.3%.

The average area planted in grains and oilseeds, and dry field peas and beans also increased. Between 1990 and 1998, the average area for grains and oilseeds increased 24.3% and the average area for dry field peas and beans jumped over 500%, from 8 acres per farm to 49 acres.

In 1998, 71.9% of the average total acreage was devoted to crops, 13.4%, to summerfallow, and 14.7% to other land and seeded pasture.[10]

Figure 8: Average Area of Grain and Oilseed Farms, by Land Use, Canada, 1990 to 1998



Source: Statistics Canada, Whole Farm Data Base.

About 30% of grain and oilseed farms reported raising cattle and calves in 1998. On these farms, the average herd was 93 head per farm–a decrease of 7.9% from 1997. Fewer grain and oilseed farms reported hogs in 1998 (3.6% of farms) compared with 1997 (4.2%). The average hog herd was 345 head per farm–an increase of 41.4%.

By Revenue Class

The average grain and oilseed farm varied from 389 acres for the smallest farms to 3,217 acres for the very large farms. Generally, larger farms allocate a larger portion of land to crops (84.3% for very large farms in 1998) and a smaller share to summerfallow (5.2% in 1998).

By Province

Producers choose their crop mix based on the climatic conditions in their region, the relative commodity prices and expected returns, and the history of the land resource in the growing region. Crop type influences the purchase of equipment and machinery and each type may require different maintenance methods and management decisions. On the Prairies, the crop mix depends on the soil zone in which the farm is located.

There are three major soil zones in the Prairies: brown, dark brown and black. The brown soil zone is semi-arid and supports drought-tolerant crops. Wheat is the dominant crop in the brown soil zone. In the dark brown soil zone, wheat still dominates but rainfall permits a greater variety of crops such as canola. The black soil zone has the highest organic matter along with higher moisture levels, allowing a wide variety of crops.

The northern sections of the black soil zone have a much shorter growing season. The shorter growing season often limits crop production to short-seasoned cereals (such as barley), cool-season oilseeds (such as canola) and forage crops.

In Ontario and Quebec, much of the farmland is flat with a high clay content requiring tile drainage to relieve the wet conditions of the soil.[11] The higher moisture levels and a longer growing season permit the production of crops such as corn and soybeans.

In 1998, the primary crops grown were wheat, canola and barley on the Prairies, and corn and soybeans in Ontario and Quebec. On average, farms in Manitoba, Alberta and British Columbia were more diversified in their crops, with less than 40% of crop acreage devoted to any one particular crop.

10. Other land includes woodland, wild hay, unimproved land for pasture and wasteland.

11. D.F. Acton and L.J. Gregorich,"The health of our soils: Toward sustainable agriculture in Canada." Ottawa: Research Branch, Agriculture and Agri-Food Canada, 1995.

Province	Que.	Ont.	Man.	Sask.	Alta	B.C.
	(% share of crop acreage planted in 1998)					
Wheat	3.2	15.0	32.8	45.4	36.9	21.6
Corn	53.3	29.6	0.6	x	x	–
Barley	4.5	1.4	8.9	9.9	19.8	15.8
Canola	0.7	0.8	28.9	18.4	26.2	32.5
Soybeans	25.8	44.5	–	x	x	–
Peas and Beans	2.1	1.6	4.1	8.6	3.7	1.9
Oats	3.1	0.6	7.3	4.6	2.7	3.1
Tame Hay	5.3	4.4	5.2	4.2	8.3	23.7
Other Crops	2.1	2.1	12.2	8.8	2.4	1.4

Source: Statistics Canada, Whole Farm Data Base, June Crops Survey.

All provinces witnessed a dramatic shift in crop mix between 1990 and 1998.[12] The relative share of crop area planted in wheat dropped in all provinces between 1990 and 1998, with substantial declines in Saskatchewan (-21.3 percentage points) and Manitoba (-22.7 percentage points), while the relative share of crop area devoted to oilseeds (canola and soybeans) increased considerably in Quebec (+21.9 percentage points), Manitoba (+20.8 percentage points) and Ontario (+14.7 percentage points).

Moisture is the main factor limiting crop production on the Prairies.[13] Drier drought-like summer conditions typify the climate in this region. Summerfallowing compensates for the lack of soil moisture by allowing water reserves to accumulate during the year that the land is not cropped for use the following season. Of the three Prairie provinces, Saskatchewan has the highest share of summerfallow acreage due to the large area in the brown soil zone, while Manitoba holds the lowest share as it is largely in the black soil zone. Because of the higher moisture levels in Quebec and Ontario, summerfallowing is not practised in these two provinces.

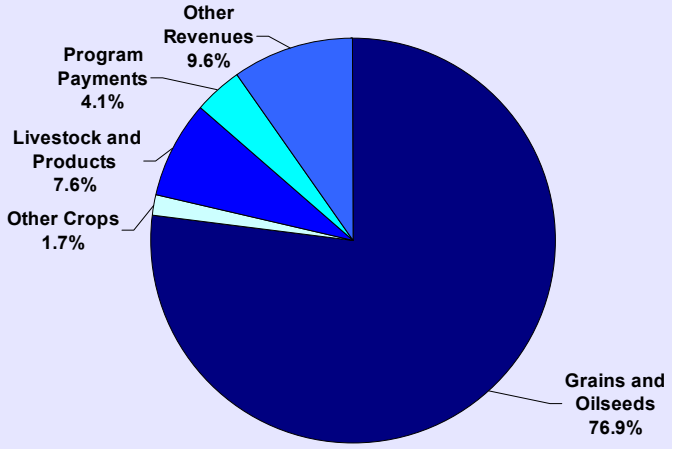
FINANCIAL SITUATION

The relative importance of revenue and expense items reflect both the production mix of Canadian farms and the effect of relative prices on input costs and returns to farming.

Revenues

Between 1990 and 1998, the importance of grain and oilseed revenues has increased for the average grain and oilseed farm. By 1998, over three quarters (76.9%) of average total operating revenues came from the sale of grains and oilseeds (Figure 9).

Figure 9: Operating Revenues for Grain and Oilseed Farms, Canada, 1998



Source: Statistics Canada, Whole Farm Data Base.

From 1990 to 1998, average total operating revenues increased 58.2% to $109,154 (Table 4 on page 18). Higher revenues from grains and oilseeds (+81.3%) contributed most to the increase in average total operating revenues over this period. The large rise in grain and oilseed revenues was largely the result of increased prices and marketings of canola and soybeans (Figures 10, 11 and 12).[14, 15]

Prices for wheat, barley, canola and corn peaked in 1996, falling afterward, due in part to oversupply on world markets (Figure 10). Prices for soybeans peaked in 1997. By 1998, most

12. *The 1997 Red River flood in Manitoba caused a reduction in seeded acreage for a number of grain and oilseed farms along the flood plain. Many farms had to delay seeding until the following year (1998); about 2,000 hectares of the 182,000 hectares of flooded farmland were not seeded as of June 14, 1997. Major crops grown in this region include spring wheat, oats, barley, rye and potatoes (Dobbins and Reichert, op.cit.).*

13. *David McNabb. "Summerfallow out of favour in Western Canada."* Canadian Agriculture at a Glance, *Catalogue no. 96-325-XPB. Ottawa, Statistics Canada, December 1999.*

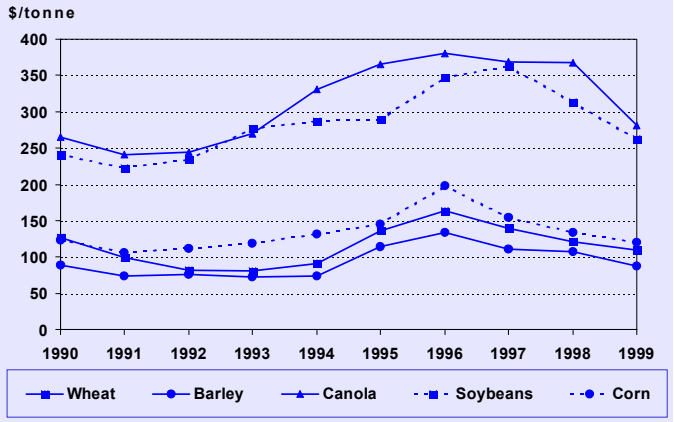
14. *Price refers to the average price received by farmers for the sales at the first transaction point. For wheat excluding durum, durum wheat and barley purchased by the Canadian Wheat Board and for wheat purchased by the Ontario Wheat Producers Marketing Board, the price includes payments (initial, adjusted initial, interim and final) and excludes fees deducted before the farmer is paid (e.g. storage, transport, marketing and administrative costs, etc.) Marketed production refers to total quantity of grains delivered to be sold on the domestic or the international market.*

15. *Data on prices, marketings and farm cash receipts were revised on November 26, 2001. They may differ from the data shown in Bulletin No. 1.*

of these commodity prices had declined significantly from their peak, namely corn (-32.7%), wheat (-26.6%), barley (-20.4%) and soybeans (-13.8%).[16]

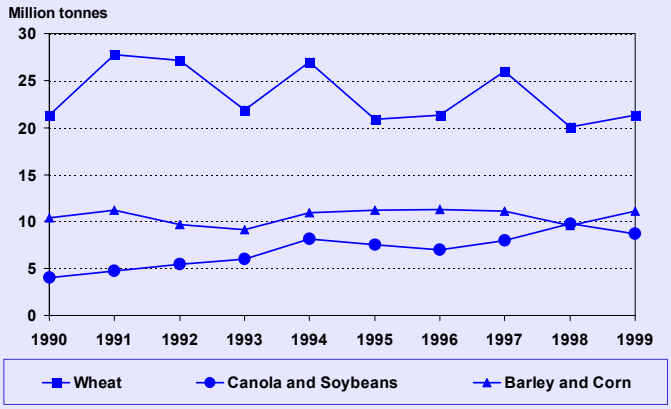
Slumping grain and oilseed prices combined with lower marketings of wheat and barley led to a decrease of 2.5% in average grain and oilseed revenues between 1997 and 1998. Record deliveries of canola tempered this decrease. In 1998, record production of canola, along with increased crushing capacity, boosted deliveries to an all-time high (Figure 11). Lower revenues from grains and oilseeds contributed largely to the 2.1% decrease in average total operating revenues between 1997 and 1998.

Figure 10: Major Grain and Oilseed Prices,* Canada, 1990 to 1999



*Farm gate prices are on a calendar year basis.
Source: Statistics Canada, Farm Cash Receipts Unit Data Base.

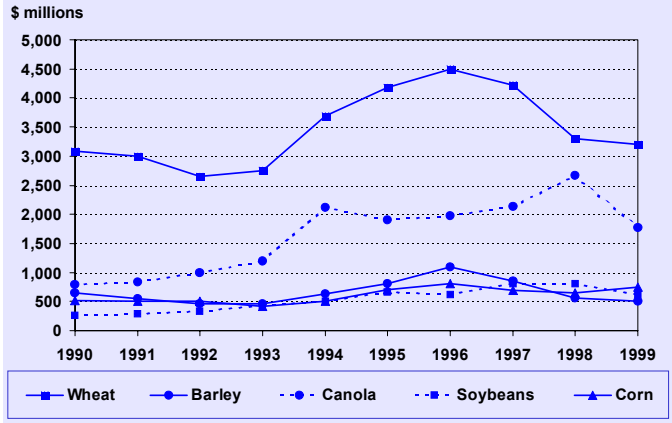
Figure 11: Marketings of Major Grains and Oilseeds,* Canada, 1990 to 1999



*Quantities are on a calendar year basis.
Source: Statistics Canada, Farm Cash Receipts Unit Data Base.

16. *By 1999, prices dipped further for barley (-18.4%), soybeans (-16.2%), corn (-10.2%) and wheat (-9.1%). Canola prices dropped 3.3 % between 1996 and 1998 and 23.6% between 1998 and 1999.*

Figure 12: Farm Cash Receipts of Major Crops,* Canada, 1990 to 1999



*Farm gate prices are on a calendar year basis.
Source: Statistics Canada, Farm Cash Receipts Unit Data Base.

For a discussion of growing conditions and production in 1998, please refer to *Grain Trade of Canada*, 1997-98, Catalogue no. 22-201-XPB, Ottawa, Statistics Canada.

Livestock and product revenues increased significantly over the 1990-1998 period. They rose 68.2%, from $4,959 in 1990 to $8,340 in 1998. Other revenues excluding program payments and insurance proceeds rose 22.9% from 1990 to 1998.[17] Program payments for grain and oilseed farms declined 45.1% from 1990, down to $4,439 in 1998. The drop was due to a decline in crop insurance payments, due to better weather conditions during planting and harvesting, and in other payments.

Program payments are relatively more important to grain and oilseed farms than to most other farm types because of the availability of crop insurance. Other program payments include income from provincial stabilization programs and other subsidies, excluding dairy subsidies and NISA withdrawals for unincorporated farms.[18]

17. *Other revenues include custom work and machine rental, rental income, forest and maple products, net cash advance payments and miscellaneous revenues.*

18. *The Net Income Stabilization Account (NISA) program comprises two funds. Fund 1 holds producer deposits while Fund 2 contains the matching government contributions and all accumulated interest earned from both funds.*

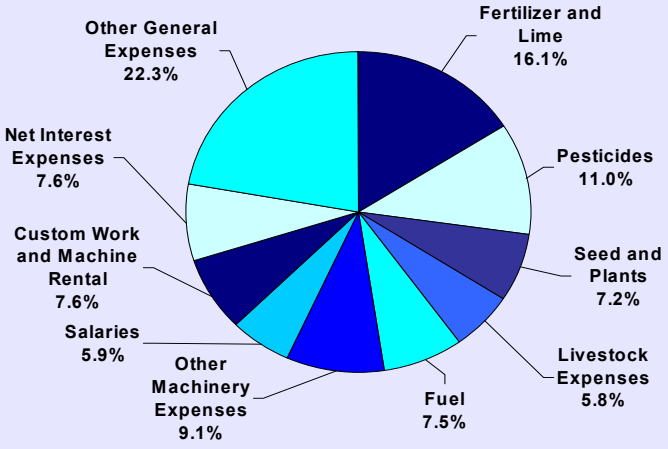
Producer deposits, Fund 1, use post-tax money and are therefore not taxed when withdrawn from the NISA fund account. Money in the government portion of the account, Fund 2, is taxed when withdrawn.

In the TDP data, program payments do not include NISA withdrawals for unincorporated farms. For this group, the government portion of NISA withdrawals (Fund 2) is reported under investment income rather than farm income. These amounts are reported on line 130 'Other income' rather than on line 121 'Interest and other investment income' since NISA Fund 2 payments may include federal and provincial contributions. In the incorporated sector, these withdrawals are considered as program payment revenues under farm income.

Expenses

Crop expenses represent about one third of total operating expenses for grain and oilseed farms (34.4% in 1998). Fertilizer is the most important crop expense, representing 16.1% of the total in 1998 (Figure 13). General expenses make up the greatest share of total operating expenses, accounting for 43.3% of total operating expenses in 1998.

Figure 13: Operating Expenses for Grain and Oilseed Farms, Canada, 1998



Source: Statistics Canada, Whole Farm Data Base.

Between 1990 and 1998, average total operating expenses increased 57.8%, up to $84,637 in 1998 in conjunction with revenue increases. The increase was largely the result of higher crop expenses that more than doubled over the period and higher total general expenses.

By Revenue Class

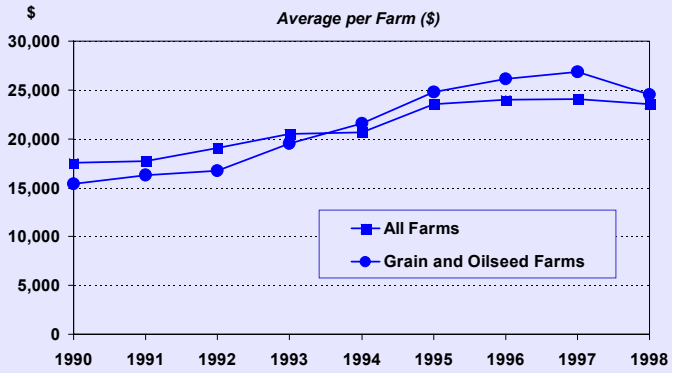
Machinery and general expenses (excluding salaries) were higher for small farms than for commercial farms, demonstrating that economies of scale do exist in the farm sector. Larger operations are able to spread fixed costs over a larger revenue base.

Net Operating Income

Average net operating income decreased 8.9% to $24,517 between 1997 and 1998, reflecting the slumping commodity prices seen during the later part of the 1990s.

Between 1990 and 1997, average net operating income for grain and oilseed farms increased 75.1% to $26,900 due to considerable improvement in major grain and oilseed prices. (Figure 14).[19] However, in 1997 and 1998, grain and oilseed prices began to fall causing average net operating income to decrease 8.9% to $24,517 in 1998(an increase of 59.5% between 1990 and 1998). Expanding global stocks of wheat, barley and corn led to downward pressure on prices.

Figure 14: Average Net Operating Income for Grain and Oilseed Farms and All Farms, Canada, 1990 to 1998



Source: Statistics Canada, Whole Farm Data Base.

By Revenue Class

In 1998, average net operating income ranged from $2,873 for the smallest farms to $172,232 for very large farms (Table 7 on page 20).

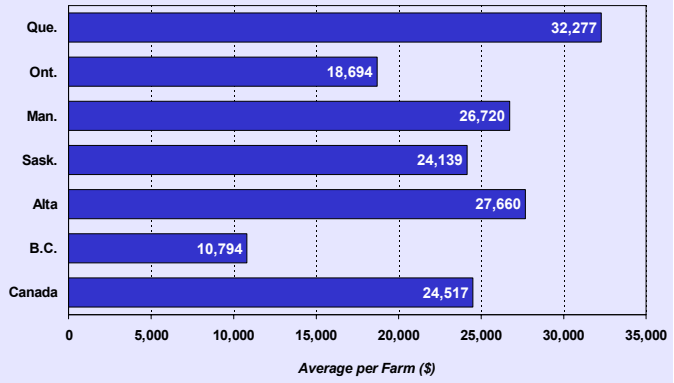
By Province

From 1994 to 1997, Alberta reported the highest average net operating income.[20] In 1998, Quebec reported the highest average net operating income at $32,277 (Figure 15). Average net operating income increased in Quebec by 25.8% between 1997 and 1998, due to higher program payments (Table 8 on page 21).[21]

19. *The largest annual increase occurred between 1992 and 1993, when the average net operating income increased 16.6%.*
20. *Quebec was second in 1994 and 1996, Saskatchewan in 1995 and Manitoba in 1997.*
21. *Program payments declined in most provinces between 1997 and 1998. Alberta was the only other province to report an increase (+4.4%).*

British Columbia and Ontario typically report lower average net operating incomes due to a smaller share of commercial grain and oilseed farms.

Figure 15: Average Net Operating Income for Grain and Oilseed Farms, by Province, 1998



Source: Statistics Canada, Whole Farm Data Base.

Distribution of Farms by Net Operating Income

More grain and oilseed farms reported operating losses in 1998 compared with 1997.

The distribution of farms by net operating income provides an indication of the degree to which the farm sector is experiencing income stress. It may also provide some indication of whether farms are expanding or contracting in size. A larger number of farms experienced some financial stress between 1997 and 1998. There was a 5.6% increase in the number of farms reporting losses of $10,000 or less and a 7.9% increase in those reporting losses over $10,000.

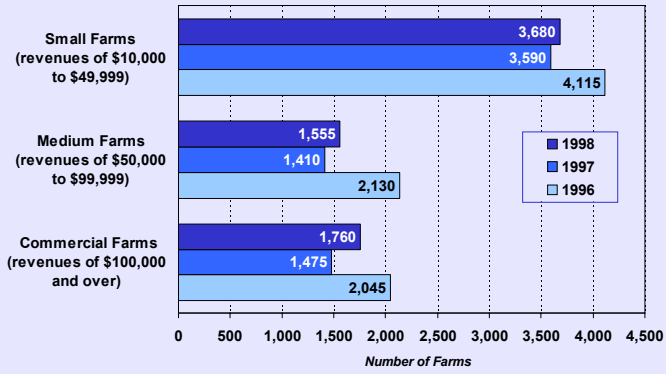
In 1998, 19.4% of grain and oilseed farms reported operating losses, up 1.7 percentage points from 1997:

- 12.1% of grain and oilseed farms (11,510 farms) had operating losses between $0 and $10,000 in 1998
- 7.3% (6,995 farms) had operating losses over $10,000.

By Revenue Class

A higher share of small farms report operating losses. In 1998, 29.8% of small farms, 16.2% of medium farms and 8.5% of commercial size farms reported operating losses (estimates derived from Table 5 on page 19). The number of grain and oilseed farms with operating losses over $10,000 increased in each of the size categories in 1998 (Figure 16).

Figure 16: Distribution of Grain and Oilseed Farms Reporting Operating Losses Over $10,000, by Farm Size, Canada, 1996 to 1998



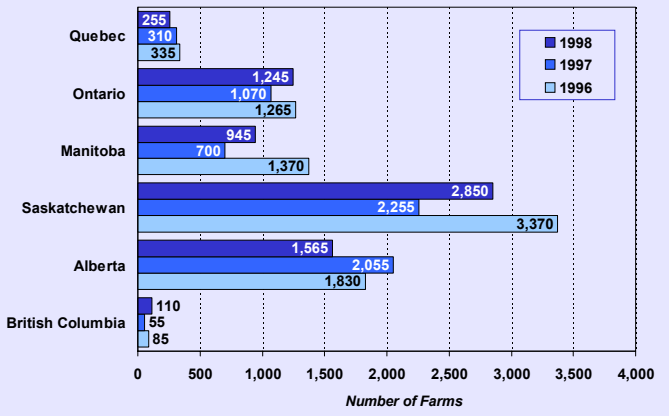
Source: Statistics Canada, Whole Farm Data Base.

By Province

A higher share of grain and oilseed farms in Ontario (25.1%) reported operating losses in 1998 (estimates derived from Table 6 on page 19). For the second straight year, Saskatchewan has reported the lowest share (17.0% in 1998 and 15.4% in 1997) of farms with operating losses. Between 1996 and 1998, the share of grain and oilseed farms reporting operating losses remained higher than 20% only in Ontario and it remained below 20% only in Saskatchewan.

In 1998, all provinces except Quebec and Alberta reported a higher number of farms with operating losses over $10,000 (Figure 17).

Figure 17: Distribution of Grain and Oilseed Farms Reporting Operating Losses Over $10,000, by Province, 1996 to 1998



Source: Statistics Canada, Whole Farm Data Base.

Operating Margins

In 1998, 22.5 cents of every dollar of revenue earned went to the farm.

Operating margins are a measure of profitability and the rate of return to the farm. They reflect to some degree the efficiency of the farm operation, especially when comparing farms within the same farm type. In 1998, the average operating margin for grain and oilseed farms was 22.5 cents per dollar of revenue (Table 7 on page 20), down from 24.1 cents in 1997.

By Revenue Class

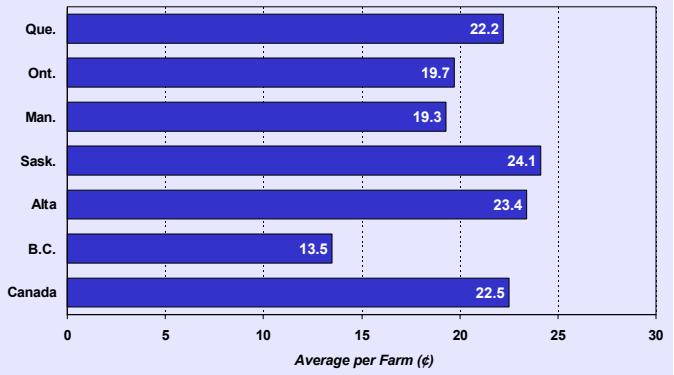
Farms generally become more efficient as they become larger. The smallest farms reported lower operating margins compared to larger farms, reflecting the relative inefficiencies of small farm operations.

When comparing farms that produce similar commodities, operating margins provide a means to compare the efficiency of these farm operations. Farms 100% specialized in grain and oilseed production reported an average operating margin of 25.0 cents per dollar of revenue. Farms 100% specialized with average operating margins greater than 25.0 cents per dollar tend to operate more efficiently than those with operating margins lower than this amount. For farms specialized to this degree, the amount reported for grain and oilseed farms was higher than the average for any other farm type.[22]

By Province

Saskatchewan reported the highest average operating margin, followed by Alberta (Figure 18).

Figure 18: Average Operating Margins for Grain and Oilseed Farms, by Province, 1998



Source: Statistics Canada, Whole Farm Data Base.

Operator Income

Average total income for farm operators fell 2.2% between 1997 and 1998 to $43,622.

In 1998, the average total income for grain and oilseed farm operators was $43,622, a decline of 2.2% from 1997. Farm operators received on average $20,385 (46.7%) from net operating income and $23,237 (53.3%) from off-farm income. Off-farm income includes income from seven sources:

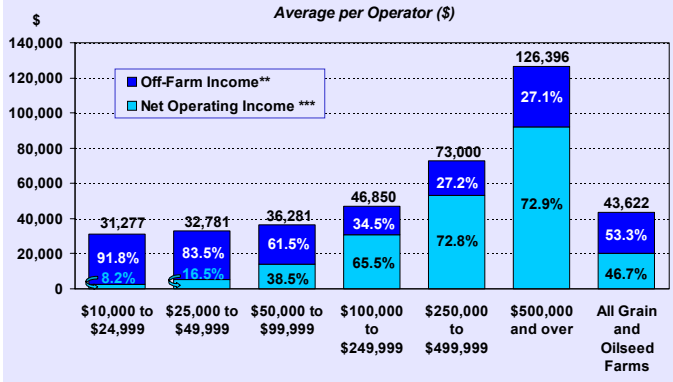
- wages and salaries
- net non-farm self-employment income
- investment income
- pension income
- government social transfers
- registered retirement savings plan income
- other off-farm income

Income from wages and salaries is the most important source of off-farm income, accounting for about half the off-farm income. In 1998, wages and salaries accounted for 52.2% of off-farm income, followed by pensions and investment income.

By Revenue Class

In general, off-farm income as a share of total operator income declines with farm size. In 1998, operators of the smallest farms received 91.8% of their income from off-farm sources compared with operators of very large farms which received 27.1% of their total income from off-farm income (Figure 19 and Table 9 on page 24).

Figure 19: Average Total Income for Grain and Oilseed Farm Operators*, by Revenue Class, Canada, 1998



**Excludes communal farming operations.*
***Excludes taxable capital gains.*
****Before capital cost allowance.*
Source: Statistics Canada, Whole Farm Data Base.

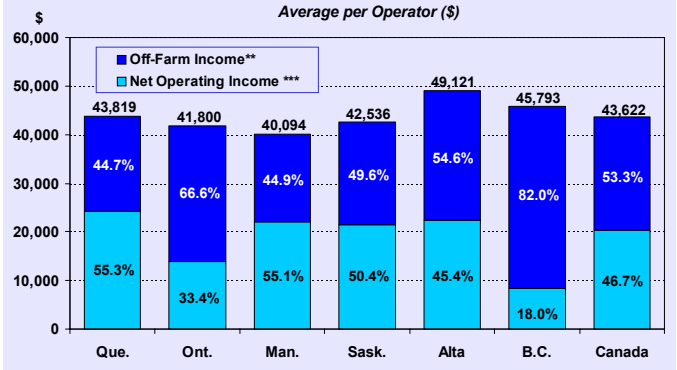
22. *The higher operating margins do not mean that the farms 100% specialized are more efficient than less specialized farms. Rather, it means that the cost structure for farms specialized to this degree results in average operating margins of the amounts shown. A poultry and egg farm that is diversified in grains and oilseeds will have a higher operating margin than one that is diversified in fruit and vegetable production because of the different cost structures.*

In dollar terms, operators of very large farms received the highest amount from wages and salaries, $20,134, partly because of the higher share of incorporated farms in this revenue class. Operators of incorporated farms may allocate to themselves part of their net operating income in the form of wages and salaries, thus reducing net operating income (as salaries then become an expense) and increasing off-farm income (wages and salaries are considered as income) for the farm operator.

By Province

Operator income varies slightly by province. More off-farm employment opportunities (wages and salaries and net non-farm self-employment income) exist in regions close to urban areas. Off-farm income as a share of total operator income is highest in British Columbia (82.0%) and lowest in Quebec (44.7%) and Manitoba (44.9%) (Figure 20).

Figure 20: Average Total Income for Grain and Oilseed Farm Operators*, by Province, 1998



*Excludes communal farming operations.
**Excludes taxable capital gains.
***Before capital cost allowance.
Source: Statistics Canada, Whole Farm Data Base.

SUMMARY

The grain and oilseed sector continues to undergo structural change to remain competitive. The average area devoted to crops has steadily increased. Between 1990 and 1998, the average grain and oilseed farm area increased 16.0% to 1,064 acres. An increasing share of total acreage is being allocated to crops, resulting in declining summerfallow area. The average area devoted to crops increased 32.1% over this period, while average summerfallow area decreased 22.3%.

All provinces witnessed a dramatic shift in crop mix. The relative share of crop area planted to wheat dropped off in all provinces, while the relative share of crop area devoted to oilseeds (canola and soybeans) went up considerably in Quebec, Manitoba and Ontario. On average, farms in Manitoba, Alberta and British Columbia were more diversified in their crops, with less than 40% of crop acreage devoted to any one particular crop.

Net operating income for grain and oilseed farms climbed steadily between 1990 and 1997, increasing 75% over this period. In 1998, net operating income declined 8.9% due to declines in commodity prices, which began to drop in 1997. This resulted in a 6.5% increase in the number of grain and oilseed farms reporting losses in 1998. Despite the decrease in income, average net operating income in 1998 of $24,517 was still 60% higher than that reported in 1990.

Symbols

The following standard symbols are used in the tabulations:

..	Figures not available
...	Figures not appropriate or not applicable
–	Nil or zero
--	Amount too small to be expressed
x	Confidential to meet secrecy requirements of the Statistics Act

TABLES

Table 1: Concentration of Production by Province and Revenue Class, 1998

Province	$10,000 to $24,999	$25,000 to $49,999	$50,000 to $99,999	$100,000 to $249,999	$250,000 to $499,999	$500,000 and over	Total[2]	
	Percent of Total (%)							Value
Newfoundland and Labrador								
Number of Farms	x	-	-	-	-	-	100.0	x
Total Operating Revenues[1]	x	-	-	-	-	-	100.0	x
Program Payments	x	-	-	-	-	-	100.0	x
Prince Edward Island								
Number of Farms	x	x	x	x	x	x	100.0	50
Total Operating Revenues[1]	x	x	x	x	x	x	100.0	2,593,802
Program Payments	x	x	x	x	x	x	100.0	161,554 **
Nova Scotia								
Number of Farms	x	-	x	x	x	-	100.0	x
Total Operating Revenues[1]	x	-	x	x	x	-	100.0	x
Program Payments	x	-	x	x	x	-	100.0	x
New Brunswick								
Number of Farms	87.5	x	x	-	x	-	100.0	40 **
Total Operating Revenues[1]	30.4	x	x	-	x	-	100.0	1,762,131
Program Payments	x	x	x	-	x	-	100.0	x
Quebec								
Number of Farms	16.1	16.5	20.5	30.7	11.6	4.4	100.0	3,190
Total Operating Revenues[1]	1.9	4.1	10.0	33.4	27.7	23.5	100.0	405,811,269
Program Payments	2.4	6.3	11.4	34.9	26.0	19.4	100.0	57,461,996
Ontario								
Number of Farms	26.1	25.9	23.2	16.6	5.8	2.2	100.0	14,630
Total Operating Revenues[1]	4.7	9.6	17.1	27.3	20.8	20.3	100.0	1,342,007,706
Program Payments	3.5	11.5	14.9	31.6	21.6	16.8	100.0	43,028,007
Manitoba								
Number of Farms	16.1	18.1	21.6	29.3	11.5	3.5	100.0	11,425
Total Operating Revenues[1]	1.9	4.8	11.3	34.2	28.5	19.4	100.0	1,525,177,559
Program Payments	2.6	5.9	10.5	28.7	30.3	22.0	100.0	55,398,297
Saskatchewan								
Number of Farms	23.9	19.2	23.6	25.1	6.8	1.4	100.0	44,860
Total Operating Revenues[1]	3.9	6.8	17.0	39.2	22.5	10.5	100.0	4,345,224,509
Program Payments	7.2	8.3	18.6	34.7	22.3	8.9	100.0	154,515,116
Alberta								
Number of Farms	22.3	18.8	22.5	25.4	8.1	2.8	100.0	20,540
Total Operating Revenues[1]	3.1	5.6	13.4	34.7	23.0	20.1	100.0	2,319,775,184
Program Payments	3.5	8.9	16.3	33.3	23.3	14.5	100.0	109,978,724
British Columbia								
Number of Farms	47.3	17.3	15.3	12.7	5.3	x	100.0	750
Total Operating Revenues[1]	9.1	7.6	13.2	24.3	22.9	x	100.0	56,645,542
Program Payments	11.7	2.0	15.9	27.9	33.5	x	100.0	3,190,877
Canada								
Number of Farms	23.0	19.9	22.9	24.5	7.7	2.2	100.0	95,495
Total Operating Revenues[1]	3.5	6.5	15.0	35.5	23.5	16.0	100.0	9,999,737,381
Program Payments	4.7	8.1	15.6	33.2	24.1	14.3	100.0	423,902,250

1. Excluding program payments.
2. Totals may not add up due to rounding and/or confidentiality restrictions.
Source: Statistics Canada, Whole Farm Data Base.

**Use with caution.*
***Unreliable.*

Table 2: Grain and Oilseed Farms by Degree of Specialization and Revenue Class, Canada, 1998

Revenue Class	Degree of Specialization[1]				
	51.0% to 74.9%	75.0% to 89.9%	90.0% to 99.9%	100.0%	Total
$ 10,000 – $ 24,999					
Number of Farms	2,260	1,730	1,345	16,580	21,920
Average Total Agricultural Sales ($)	14,874	15,006	15,345	13,694	14,020
Average Program Payments ($)	722 *	643 *	489 *	993	906
Average Total Operating Revenues ($)	17,353	17,516	17,681	16,589	16,808
Average Agricultural Sales from Primary Activity ($)	9,284	12,329	14,598	13,694	13,186
Primary Commodity (% of Total Agricultural Sales)	62.4	82.2	95.1	100.0	94.1
Secondary Commodity (% of Total Agricultural Sales)	23.9	8.6	2.5	-	3.5
Secondary Commodity (Name)	Cattle	Cattle	Other	-	Cattle
Third Most Important Commodity (Name)	Other[2]	Other	Cattle	-	Other
$ 25,000 – $ 49,999					
Number of Farms	2,780	2,040	2,145	12,055	19,010
Average Total Agricultural Sales ($)	29,635	31,010	31,348	29,600	29,953
Average Program Payments ($)	1,942 *	1,669 *	1,519 *	1,864	1,815
Average Total Operating Revenues ($)	35,892	37,174	36,285	35,715	35,962
Average Agricultural Sales from Primary Activity ($)	19,042	25,558	30,060	29,600	27,676
Primary Commodity (% of Total Agricultural Sales)	64.3	82.4	95.9	100.0	92.4
Secondary Commodity (% of Total Agricultural Sales)	25.1	9.6	2.1	-	4.9
Secondary Commodity (Name)	Cattle	Cattle	Other	-	Cattle
Third Most Important Commodity (Name)	Other	Other	Cattle	-	Other
$ 50,000 – $ 99,999					
Number of Farms	4,195	2,970	3,455	11,215	21,835
Average Total Agricultural Sales ($)	61,448	63,220	62,291	60,167	61,167
Average Program Payments ($)	2,938	2,984	3,530 *	2,915	3,026
Average Total Operating Revenues ($)	71,515	73,174	72,863	71,058	71,723
Average Agricultural Sales from Primary Activity ($)	39,019	51,971	59,891	60,167	54,946
Primary Commodity (% of Total Agricultural Sales)	63.5	82.2	96.1	100.0	89.8
Secondary Commodity (% of Total Agricultural Sales)	29.5	13.0	1.8	-	7.8
Secondary Commodity (Name)	Cattle	Cattle	Cattle	-	Cattle
Third Most Important Commodity (Name)	Other	Other	Other	-	Other
$ 100,000 – $ 249,999					
Number of Farms	4,965	3,860	4,810	9,715	23,350
Average Total Agricultural Sales ($)	142,284	141,993	141,187	133,683	138,437
Average Program Payments ($)	5,675	5,455	5,819	6,555	6,034
Average Total Operating Revenues ($)	160,569	159,895	159,777	154,931	157,955
Average Agricultural Sales from Primary Activity ($)	91,085	117,551	136,171	133,683	122,481
Primary Commodity (% of Total Agricultural Sales)	64.0	82.8	96.4	100.0	88.5
Secondary Commodity (% of Total Agricultural Sales)	26.9	13.2	1.8	-	8.5
Secondary Commodity (Name)	Cattle	Cattle	Cattle	-	Cattle
Third Most Important Commodity (Name)	Other	Other	Other	-	Other

1. *Percent of total sales derived from grains and oilseeds.*
2. *Includes: aquaculture; artificial insemination, semen and stud service; bees, honey; Christmas trees; forage crops (including seed) such as hay, alfalfa, etc.; furs; ginseng; maple products; mushrooms; other field crops such as sugar beets, turnips (for livestock feed), etc.; other livestock such as horses, ponies, dogs, etc.; PMU (pregnant mare urine); sheep, goats, lambs, etc.*

**Use with caution.*
***Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Table 2: Grain and Oilseed Farms by Degree of Specialization and Revenue Class, Canada, 1998 (concluded)

Revenue Class	Degree of Specialization[1]				
	51.0% to 74.9%	75.0% to 89.9%	90.0% to 99.9%	100.0%	Total
$ 250,000 – $ 499,999					
Number of Farms	1,360	1,075	1,875	3,000	7,310
Average Total Agricultural Sales ($)	295,791	290,962	290,690	287,829	290,501
Average Program Payments ($)	11,789	11,398	13,251	16,294	13,957
Average Total Operating Revenues ($)	333,463	330,753	336,326	338,028	335,674
Average Agricultural Sales from Primary Activity ($)	185,930	240,786	281,681	287,829	260,435
Primary Commodity (% of Total Agricultural Sales)	62.9	82.8	96.9	100.0	89.7
Secondary Commodity (% of Total Agricultural Sales)	24.2	12.2	1.5	-	6.8
Secondary Commodity (Name)	Cattle	Cattle	Cattle	-	Cattle
Third Most Important Commodity (Name)	Other	Other	Other	-	Other
$ 500,000 and over					
Number of Farms	490	285	535	760	2,070
Average Total Agricultural Sales ($)	766,265	708,043	669,029	650,297	690,622
Average Program Payments ($)	30,454	32,547 *	25,264	29,966	29,223
Average Total Operating Revenues ($)	871,045	818,355	778,438	771,195	803,253
Average Agricultural Sales from Primary Activity ($)	473,416	589,338	649,479	650,297	599,784
Primary Commodity (% of Total Agricultural Sales)	61.8	83.2	97.1	100.0	86.8
Secondary Commodity (% of Total Agricultural Sales)	19.1	10.0	1.4	-	6.8
Secondary Commodity (Name)	Cattle	Cattle	Other	-	Cattle
Third Most Important Commodity (Name)	Hogs	Other	Cattle	-	Other
Total					
Number of Farms	16,040	11,960	14,175	53,320	95,495
Average Total Agricultural Sales ($)	115,666	112,341	133,142	73,377	94,231
Average Program Payments ($)	4,886	4,694	5,823	3,879	4,439
Average Total Operating Revenues ($)	131,765	128,260	153,185	86,360	109,154
Average Agricultural Sales from Primary Activity ($)	73,129	92,948	128,655	73,377	83,991
Primary Commodity (% of Total Agricultural Sales)	63.2	82.7	96.6	100.0	89.1
Secondary Commodity (% of Total Agricultural Sales)	25.0	12.2	1.6	-	7.3
Secondary Commodity (Name)	Cattle	Cattle	Cattle	-	Cattle
Third Most Important Commodity (Name)	Other	Other	Other	-	Other

1. *Percent of total sales derived from grains and oilseeds.*
2. *Includes: aquaculture; artificial insemination, semen and stud service; bees, honey; Christmas trees; forage crops (including seed) such as hay, alfalfa, etc.; furs; ginseng; maple products; mushrooms; other field crops such as sugar beets, turnips (for livestock feed), etc.; other livestock such as horses, ponies, dogs, etc.; PMU (pregnant mare urine); sheep, goats, lambs, etc.*

**Use with caution.*
***Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Table 3: Physical Characteristics, Grain and Oilseed Farms, Canada, 1996–1998

	1998							1997	1996
	$10,000 to $24,999	$25,000 to $49,999	$50,000 to $99,999	$100,000 to $249,999	$250,000 to $499,999	$500,000 and over	All Classes	All Classes	All Classes
	Average per Farm (Acres)								
Total Area of Farms	389	560	850	1,371	2,026	3,217	1,064	1,090	1,058
Total Crops	244	358	561	982	1,617	2,711	765	764	735
Grains and Oilseeds	209	318	500	862	1,406	2,334	671	678	660
Wheat	93	154	236	396	602	909	302	323	345
Oats	15	17	28	43	61	90	33	32	36
Barley	34	41	63	109	182	305	87	101	106
Grain Corn	5	10 *	10	18	48	134	19	16	17
Canola	38	58	107	205	361	605	156	141	101
Soybeans	9	12	16	23	42	128	22	22	18
Flaxseed	8	12	23	39	61	87	29	27	18
Other Grains and Oilseeds	7	13	17	28	48	75 *	23	18	19
Dry Field Peas and Beans	12 *	14	26	62	131	243	49	39	29
Other Crops	23	25	36	57	80	134	46	47	45
Summerfallow	71	105	152	186	171	167	143	156	153
Other Land[1]	73	98	137	203	239	339	156	170	170
	Average per Farm Reporting								
Cattle and Calves (Head)	55	58	78	99	142	311	93	101	106
No. of Farms Reporting	2,090	3,315	5,295	7,825	2,125	540	21,205	29,545	30,165
% of Farms Reporting	20.7	26.2	33.4	38.2	33.8	28.3	31.5	42.5	39.2
Hogs (Head)	114 **	116 *	203 *	294	797 **	1,500	345	244	201
No. of Farms Reporting	235 *	330 *	620	825	285 *	115 *	2,415	2,955	2,840
% of Farms Reporting	2.3	2.6	3.9	4.0	4.5	6.0	3.6	4.2	3.7

1. Includes seeded pasture.

Source: Statistics Canada, Whole Farm Data Base, June Crops and July Livestock Surveys.

** Use with caution.*
*** Unreliable.*

Table 4: Operating Revenues and Expenses by Revenue Class, Canada, 1997 and 1998

		$10,000 to $24,999	$25,000 to $49,999	$50,000 to $99,999	$100,000 to $249,999	$250,000 to $499,999	$500,000 and over	All Farms
Number of Farms	**1998**	**21,920**	**19,010**	**21,835**	**23,350**	**7,310**	**2,070**	**95,495**
	1997	21,870	19,930	21,835	24,505	7,495	2,365	98,000
		Revenues — Average per Farm ($)						
Total Crops	**1998**	13,464	28,274	56,035	125,215	265,814	617,680	85,891
	1997	13,185	28,375	56,711	125,573	268,514	610,188	88,017
Total Livestock	**1998**	557	1,679	5,133	13,221	24,686	72,942	8,340
	1997	600	1,925	5,229	12,738	25,484	64,917	8,392
Program Payments	**1998**	906	1,815	3,026	6,034	13,957	29,223	4,439
	1997	1,253	2,076	3,568	6,185	14,206	30,904	4,876
Total Other Revenues	**1998**	1,881	4,193	7,529	13,484	31,216	83,408	10,483
	1997	1,856	4,062	6,772	13,590	28,927	76,054	10,196
Total Revenues[1]	**1998**	**16,808**	**35,962**	**71,723**	**157,955**	**335,674**	**803,253**	**109,154**
	1997	16,894	36,438	72,280	158,085	337,130	782,062	111,481
		Expenses — Average per Farm ($)						
Total Crops	**1998**	3,391	8,556	17,848	43,093	95,591	215,523	29,091
	1997	3,294	8,218	16,949	40,511	90,561	202,365	28,124
Total Livestock	**1998**	395	1,261 *	2,538	6,748	15,399	51,440	4,867
	1997	460 *	1,567 *	2,404	6,214	15,771	43,998	4,779
Total Machinery	**1998**	3,468	6,465	11,699	20,750	34,625	70,821	14,018
	1997	3,708	6,779	12,245	22,406	36,989	73,205	15,133
Total General Expenses	**1998**	6,681	13,643	23,627	49,841	110,559	293,239	36,661
	1997	7,034	12,715	23,093	48,431	109,376	280,249	36,543
Total Expenses[1]	**1998**	**13,935**	**29,926**	**55,713**	**120,432**	**256,174**	**631,022**	**84,637**
	1997	14,495	29,279	54,692	117,562	252,697	599,817	84,580
		Net Operating Income — Average per Farm ($)						
Net Operating Income[2]	**1998**	**2,873**	**6,036**	**16,009**	**37,523**	**79,500**	**172,232**	**24,517**
	1997	2,399	7,159	17,588	40,523	84,433	182,246	26,900

1. *Totals may not add up due to rounding and/or confidentiality restrictions.*
2. *Net operating income does not include depreciation.*

**Use with caution.*
***Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Table 5: Distribution of Net Operating Income by Revenue Class, Canada, 1998

Revenue Class	Net Operating Income[1]						
	Below -$10,000	-$10,000 to $0	$1 to $9,999	$10,000 to $24,999	$25,000 to $49,999	$50,000 and over	Total
	Number of Farms						
$10,000 to $24,999	1,600	5,625	10,175	4,525	-	-	21,920
$25,000 to $49,999	2,085	2,890	6,430	6,290	1,325	-	19,010
$50,000 to $99,999	1,555	1,975	4,050	7,815	5,665	780	21,835
$100,000 and over	1,760	1,015	1,720	4,245	9,285	14,705	32,725
Total Farms[2]	**6,995**	**11,510**	**22,370**	**22,880**	**16,265**	**15,480**	**95,495**
Percent of Total Farms	7.3	12.1	23.4	24.0	17.0	16.2	100.0

1. *Net operating income does not include depreciation.*
2. *Totals may not add up due to rounding and/or confidentiality restrictions.*

**Use with caution.*
***Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Table 6: Distribution of Net Operating Income by Province, 1998

Province	Net Operating Income[1]						
	Below -$10,000	-$10,000 to $0	$1 to $9,999	$10,000 to $24,999	$25,000 to $49,999	$50,000 and over	Total
	Number of Farms						
Newfoundland and Labrador	-	-	-	x	-	-	x
Prince Edward Island	x	x	x	x	x	x	50
Nova Scotia	x	-	x	x	x	-	x
New Brunswick	x	x	x	x	-	x	40 **
Quebec	255 *	320 *	645	660	550	765	3,190
Ontario	1,245	2,420	4,210	3,255	1,825	1,680	14,630
Manitoba	945	1,295	2,400	2,515	2,065	2,200	11,425
Saskatchewan	2,850	4,760	10,520	11,510	8,415	6,805	44,860
Alberta	1,565	2,640	4,360	4,675	3,335	3,955	20,540
British Columbia	110 *	50	215	230 *	70 *	70	750
Canada	**6,995**	**11,510**	**22,370**	**22,880**	**16,265**	**15,480**	**95,495**
Percent of Total Farms	7.3	12.1	23.4	24.0	17.0	16.2	100.0

1. *Net operating income does not include depreciation.*
2. *Totals may not add up due to rounding and/or confidentiality restrictions.*

**Use with caution.*
***Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Table 7: Operating Revenues and Expenses by Revenue Class, Canada, 1998

	$10,000 to $24,999	$25,000 to $49,999	$50,000 to $99,999	$100,000 to $249,999	$250,000 to $499,999	$500,000 and over	All Farms
Number of Farms	**21,920**	**19,010**	**21,835**	**23,350**	**7,310**	**2,070**	**95,495**
	Revenues — Average per Farm ($)						
Total Grains & Oilseeds	13,186	27,676	54,946	122,481	260,435	599,784	83,991
Potatoes	x	2	3	40 **	37 **	x	24 *
Fruits & Vegetables	14 **	62 **	81 *	395 *	872	3,644 *	277
Tobacco	--	2	12	45 **	219 **	x	34 **
Greenhouse & Nursery Products	2 *	4	25	63 *	131 *	242 **	38
Forage Crops (including seed)	257	520	896	2,034	3,624	10,472	1,369
Other Crops	x	8 **	72 **	158 **	496 *	2,936 *	158
Total Other Crops	277	597	1,088	2,734	5,379	17,896	1,900
Total Crop Revenues	13,464	28,274	56,035	125,215	265,814	617,680	85,891
Cattle	486	1,468	4,785	11,753	19,654	46,618	6,887
Hog	16	50	177	985	2,929	11,413	766
Poultry & Eggs	10 **	61 **	66 **	149 *	384 *	4,303	189
Dairy Products & Subsidies	1 **	3 **	17 **	49 *	957 *	8,578	276
Other Livestock & Products	44 **	98 **	87	286	763	2,031 *	222
Total Livestock & Product Revenues	557	1,679	5,133	13,221	24,686	72,942	8,340
Program Payments	906	1,815	3,026	6,034	13,957	29,223	4,439
Custom Work & Machine Rental	378	1,746	3,615	6,401	14,143	48,664	4,964
Rental Income	493 *	671	1,215	1,776	3,303	6,283	1,348
Forest & Maple Products	11 **	32 **	52 **	101 **	625 **	526	105 *
Miscellaneous Revenues	999	1,744	2,647	5,206	13,145	27,935	4,067
Total Other Revenues	1,881	4,193	7,529	13,484	31,216	83,408	10,483
Total Operating Revenues [1]	**16,808**	**35,962**	**71,723**	**157,955**	**335,674**	**803,253**	**109,154**
	Expenses — Average per Farm ($)						
Fertilizer & Lime	1,553	4,020	8,509	20,597	44,631	95,572	13,628
Pesticides	1,037	2,504	5,471	13,460	31,455	73,194	9,274
Seed & Plants	784	1,974	3,792	8,843	19,229	45,989	6,072
Other Crop Expenses	16	57 **	76	192	277 *	767 *	117
Total Crop Expenses	3,391	8,556	17,848	43,093	95,591	215,523	29,091
Cattle Purchases	144 *	596 **	1,382	3,796	9,100	26,959	2,677
Hog Purchases	4 **	10	32	245 *	823	2,845	195
Poultry & Egg Purchases	7 **	10 **	x	31 *	54 **	530	30
Other Livestock Purchases	27 **	152 **	123 **	202 *	698 *	2,129 *	214
Feed, Supplements, Straw & Bedding	155	387	758	1,896	3,845	16,931	1,411
Vet Fees, Medicine & Breeding Fees	57 *	107	230	577	856	1,977	336
Other Livestock Expenses	-	-	x	1 **	24 *	69 *	4 *
Total Livestock Expenses	395	1,261 *	2,538	6,748	15,399	51,440	4,867
Small Tools	194	305	491	682	743	739	457
Net Fuel Expenses, Machinery, Truck, Auto	1,749	3,158	5,474	9,306	15,067	29,770	6,356
Repairs, Licenses and Insurance	1,525	3,003	5,735	10,763	18,815	40,312	7,205
Total Machinery Expenses	3,468	6,465	11,699	20,750	34,625	70,821	14,018
Salaries (including CPP, QPP, EI)	287	826	2,179	6,255	17,586	63,521	4,982
Rent	339	925	1,909	5,491	15,788	48,051	4,292
Insurance	596	1,280	2,599	5,451	11,367	23,692	3,703
Utilities	575	1,009	1,508	2,471	4,199	10,389	1,829
Custom Work & Machine Rental	1,138	2,830	4,387	8,528	18,835	47,965	6,395
Net Interest Expenses	1,057	2,240	4,532	9,500	18,878	42,243	6,409
Net Property Taxes	1,263	1,745	2,443	3,880	6,053	10,870	2,844
Building & Fence Repairs	403	678	957	1,739	3,468	8,049	1,312
Marketing Expenses	62	222	475	1,320	4,036	14,010	1,103
Miscellaneous Expenses	961	1,887	2,637	5,205	10,349	24,448	3,794
Total General Expenses	6,681	13,643	23,627	49,841	110,559	293,239	36,661
Total Operating Expenses[1]	**13,935**	**29,926**	**55,713**	**120,432**	**256,174**	**631,022**	**84,637**
	Net Operating Income — Average per Farm ($)						
Net Operating Income	**2,873**	**6,036**	**16,009**	**37,523**	**79,500**	**172,232**	**24,517**
Capital Cost Allowance (CCA)	2,492	4,939	9,887	22,409	50,587	112,668	15,611
Net Operating Income (after CCA)	**381**	**1,097**	**6,122**	**15,114**	**28,913**	**59,563**	**8,906**
	Operating Margins per $ of Revenue						
Operating Margin	0.17	0.17	0.22	0.24	0.24	0.21	0.22
Operating Margin (after CCA)	0.02	0.03	0.09	0.10	0.09	0.07	0.08

1. *Totals may not add up due to rounding and/or confidentiality restrictions.*

** Use with caution.*
*** Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Table 8: Operating Revenues and Expenses by Province, 1998

	Newfoundland and Labrador		Prince Edward Island		Nova Scotia		New Brunswick	
	1998	Change 1998/1997	1998	Change 1998/1997	1998	Change 1998/1997	1998	Change 1998/1997
Number of Farms	**x**	**x**	**50**	**(9.1)**	**x**	**x**	**40 ****	**(27.3)**
Revenues—Average per Farm ($)								
Total Grains & Oilseeds	x	x	36,683	0.8	x	x	x	x
Potatoes	x	x	x	x	x	…	-	…
Fruits & Vegetables	x	x	x	x	x	x	x	x
Tobacco	x	x	-	…	x	…	-	…
Greenhouse & Nursery Products	x	x	-	x	x	x	-	…
Forage Crops (including seed)	x	x	2,932 *	…	x	x	x	x
Other Crops	x	x	-	…	x	…	-	x
Total Other Crops	x	x	3,795	…	x	x	x	x
Total Crop Revenues	x	x	40,478	8.6	x	x	36,455 *	(6.7)
Cattle	x	x	x	x	x	x	x	x
Hog	x	x	-	x	x	…	-	…
Poultry & Eggs	x	x	x	x	x	x	x	x
Dairy Products & Subsidies	x	x	-	x	x	…	-	x
Other Livestock & Products	x	x	-	x	x	…	-	…
Total Livestock & Product Revenues	x	x	x	x	x	x	x	x
Program Payments	x	x	x	x	x	x	x	x
Custom Work & Machine Rental	x	x	4,302	(15.5)	x	x	4,278 **	(8.9)
Rental Income	x	x	x	x	x	x	x	x
Forest & Maple Products	x	x	x	x	x	x	x	x
Miscellaneous Revenues	x	x	1,675	46.8	x	x	1,201 **	(75.9)
Total Other Revenues	x	x	10,137	18.8	x	x	6,815 *	(33.4)
Total Operating Revenues [1]	**x**	**x**	**55,107**	**(3.2)**	**x**	**x**	**46,050 ***	**(10.9)**
Expenses—Average per Farm ($)								
Fertilizer & Lime	x	x	7,333	(8.9)	x	x	5,012 *	29.3
Pesticides	x	x	x	x	x	x	x	x
Seed & Plants	x	x	4,003	20.8	x	x	2,955 *	(34.5)
Other Crop Expenses	x	x	x	x	x	x	x	x
Total Crop Expenses	x	x	x	x	x	x	8,969 *	(8.7)
Cattle Purchases	x	x	x	x	x	x	x	x
Hog Purchases	x	x	-	…	x	…	-	…
Poultry & Egg Purchases	x	x	x	x	x	…	x	x
Other Livestock Purchases	x	x	-	…	x	…	-	…
Feed, Supplements, Straw & Bedding	x	x	612	(55.7)	x	x	310 **	(71.8)
Vet Fees, Medicine & Breeding Fees	x	x	x	x	x	x	x	x
Other Livestock Expenses	x	x	-	x	x	…	-	x
Total Livestock Expenses	x	x	x	x	x	x	455 *	(70.4)
Small Tools	x	x	252 *	(29.0)	x	x	327 **	(9.2)
Net Fuel Expenses, Machinery, Truck, Auto	x	x	3,299	(23.9)	x	x	4,365	8.0
Repairs, Licenses and Insurance	x	x	3,803	(6.4)	x	x	6,705 *	29.0
Total Machinery Expenses	x	x	7,354	(16.0)	x	x	11,398	18.8
Salaries (including CPP, QPP, EI)	x	x	4,057	(42.1)	x	x	5,341 *	(23.7)
Rent	x	x	2,859	16.2	x	x	1,340 **	(9.1)
Insurance	x	x	1,208	(6.6)	x	x	2,443 *	66.1
Utilities	x	x	999	(23.1)	x	x	1,943 *	1.2
Custom Work & Machine Rental	x	x	4,938	(14.9)	x	x	3,812 *	(38.5)
Net Interest Expenses	x	x	3,085	(38.4)	x	x	4,987 **	…
Net Property Taxes	x	x	933	(14.8)	x	x	1,214 **	29.4
Building & Fence Repairs	x	x	886	(60.7)	x	x	3,115 **	31.7
Marketing Expenses	x	x	423	x	x	x	x	x
Miscellaneous Expenses	x	x	2,529	(34.0)	x	x	2,884	3.2
Total General Expenses	x	x	21,916	(27.8)	x	x	28,436 *	1.0
Total Operating Expenses[1]	**x**	**x**	**44,664**	**(20.9)**	**x**	**x**	**49,258**	**0.3**
Net Operating Income—Average per Farm ($)								
Net Operating Income	**x**	**x**	**10,443**	**…**	**x**	**x**	**(3,208)**	**…**
Capital Cost Allowance (CCA)	x	x	5,745	(23.7)	x	x	8,900	28.6
Net Operating Income (after CCA)	**x**	**x**	**4,698**	**…**	**x**	**x**	**(12,108)**	**…**
Operating Margins per $ of Revenue								
Operating Margin	x		0.19		x		(0.07)	
Operating Margin (after CCA)	x		0.09		x		(0.26)	

1. Totals may not add up due to rounding and/or confidentiality restrictions.
Source: Statistics Canada, Whole Farm Data Base.

** Use with caution.*
*** Unreliable.*

Table 8: Operating Revenues and Expenses by Province, 1998 (continued)

	Quebec		Ontario		Manitoba		Saskatchewan	
	1998	Change 1998/1997	1998	Change 1998/1997	1998	Change 1998/1997	1998	Change 1998/1997
Number of Farms	**3,190**	**(7.3)**	**14,630**	**3.8**	**11,425**	**(2.4)**	**44,860**	**(4.2)**
	Revenues—Average per Farm ($)							
Total Grains & Oilseeds	101,906	3.1	71,758	(3.0)	110,139	(1.9)	79,912	(2.2)
Potatoes	-	x	19 **	(13.6)	41 **	(76.0)	30 *	x
Fruits & Vegetables	2,259 *	34.8	1,117	(14.9)	46	(33.3)	26	…
Tobacco	-	…	225 **	25.0	-	…	x	…
Greenhouse & Nursery Products	x	x	46 **	…	34	25.9	50	47.1
Forage Crops (including seed)	627 *	(11.9)	1,320	5.3	1,483	6.8	818	(7.9)
Other Crops	x	…	269 **	…	167 *	(35.0)	x	x
Total Other Crops	2,916	18.2	2,996	6.2	1,771	(7.4)	924	(1.6)
Total Crop Revenues	104,822	3.4	74,754	(2.7)	111,910	(2.0)	80,837	(2.2)
Cattle	2,281	(7.0)	3,030	1.6	7,876	(4.3)	6,196	(4.6)
Hog	1,410 *	29.6	1,323	34.0	1,711	4.4	333	(3.2)
Poultry & Eggs	149 **	(59.7)	371 *	(16.3)	416 *	(13.0)	73	35.2
Dairy Products & Subsidies	2,459 *	13.0	647 **	(15.2)	138	(22.5)	71	(17.4)
Other Livestock & Products	212 **	(1.9)	239 *	26.5	258	(6.9)	208	23.8
Total Livestock & Product Revenues	6,510	3.3	5,610	4.5	10,398	(3.8)	6,881	(3.7)
Program Payments	18,013	…	2,941	(32.1)	4,849	(25.9)	3,444	(20.1)
Custom Work & Machine Rental	12,064	9.2	7,381	(3.1)	4,848	11.9	3,818	(0.8)
Rental Income	1,497 *	34.0	1,167	21.1	490	(1.8)	946	2.6
Forest & Maple Products	715 *	(18.8)	75 *	25.0	95 **	…	55 **	34.1
Miscellaneous Revenues	1,606	8.8	2,744	(14.5)	5,753	22.2	4,325	10.2
Total Other Revenues	15,881	9.4	11,366	(4.1)	11,187	17.1	9,144	4.7
Total Operating Revenues [1]	**145,227**	**12.3**	**94,671**	**(3.8)**	**138,344**	**(2.0)**	**100,306**	**(2.5)**
	Expenses—Average per Farm ($)							
Fertilizer & Lime	18,062	0.5	11,175	7.4	21,580	(1.7)	11,488	1.4
Pesticides	6,496	15.8	5,820	(7.4)	14,590	4.4	9,381	4.3
Seed & Plants	11,480	10.1	6,913	(3.4)	9,235	13.8	5,174	7.5
Other Crop Expenses	438 *	62.8	177 *	39.4	127	27.0	64	14.3
Total Crop Expenses	36,475	6.4	24,086	0.5	45,531	3.1	26,106	3.6
Cattle Purchases	724 *	32.8	1,568	12.2	2,808	7.8	2,082	10.5
Hog Purchases	179 **	…	365 *	91.1	512	(0.6)	67	(11.8)
Poultry & Egg Purchases	51 **	x	x	x	91 *	(8.1)	9	-
Other Livestock Purchases	39 **	x	175 **	94.4	219 **	23.0	234	(12.4)
Feed, Supplements, Straw & Bedding	1,897	(18.1)	1,956	25.2	1,740	(7.9)	866	(7.4)
Vet Fees, Medicine & Breeding Fees	261	6.5	225	8.2	400	(7.8)	280	(14.4)
Other Livestock Expenses	20 **	(16.7)	x	x	1 **	(83.3)	4 *	(55.6)
Total Livestock Expenses	3,171	(2.4)	4,347	24.0	5,771	0.8	3,540	0.9
Small Tools	226	24.9	379	(1.0)	424	(3.4)	475	(4.4)
Net Fuel Expenses, Machinery, Truck, Auto	5,723	(4.2)	4,573	(9.4)	7,707	(10.1)	6,809	(10.8)
Repairs, Licenses and Insurance	9,400	4.4	5,678	(5.8)	8,734	(4.8)	6,757	(5.2)
Total Machinery Expenses	15,349	1.2	10,630	(7.2)	16,866	(7.3)	14,041	(8.0)
Salaries (including CPP, QPP, EI)	7,135	(0.4)	4,407	(20.5)	6,070	(3.4)	4,409	1.4
Rent	5,010	7.1	5,908	(2.5)	6,855	10.2	3,119	7.7
Insurance	3,510	(0.7)	3,005	15.5	5,154	10.0	3,477	6.0
Utilities	3,489	(4.1)	1,927	(8.3)	1,962	(6.8)	1,659	(9.1)
Custom Work & Machine Rental	11,351	16.3	6,728	0.7	7,001	8.8	5,603	--
Net Interest Expenses	12,666	20.8	6,851	15.8	6,747	5.0	5,408	7.7
Net Property Taxes	3,308	12.1	2,038	(34.6)	3,017	2.4	3,377	4.2
Building & Fence Repairs	3,028	36.2	1,664	(4.5)	1,440	(2.4)	904	(9.6)
Marketing Expenses	1,137	8.0	592	(7.9)	1,419	(41.4)	1,162	(31.6)
Miscellaneous Expenses	7,321	33.1	3,796	(6.4)	3,790	(2.0)	3,362	(2.5)
Total General Expenses	57,955	13.7	36,914	(4.0)	43,455	1.4	32,480	0.4
Total Operating Expenses[1]	**112,950**	**8.9**	**75,977**	**(1.8)**	**111,623**	**0.6**	**76,167**	**(0.2)**
	Net Operating Income—Average per Farm ($)							
Net Operating Income	**32,277**	**25.8**	**18,694**	**(10.9)**	**26,720**	**(11.5)**	**24,139**	**(9.0)**
Capital Cost Allowance (CCA)	16,933	8.4	12,113	1.2	17,153	1.9	14,629	3.1
Net Operating Income (after CCA)	**15,343**	**52.9**	**6,582**	**(27.0)**	**9,568**	**(28.4)**	**9,510**	**(22.9)**
	Operating Margins per $ of Revenue							
Operating Margin	0.22		0.20		0.19		0.24	
Operating Margin (after CCA)	0.11		0.07		0.07		0.09	

1. Totals may not add up due to rounding and/or confidentiality restrictions.
Source: Statistics Canada, Whole Farm Data Base.

** Use with caution.*
*** Unreliable.*

Table 8: Operating Revenues and Expenses by Province, 1998 (concluded)

	Alberta		British Columbia		Canada	
	1998	Change 1998/1997	1998	Change 1998/1997	1998	Change 1998/1997
Number of Farms	**20,540**	**(1.4)**	**750**	**(21.9)**	**95,495**	**(2.6)**
	Revenues—Average per Farm ($)					
Total Grains & Oilseeds	85,601	(4.3)	54,611	5.3	83,991	(2.5)
Potatoes	x	x	-	…	24 *	(17.2)
Fruits & Vegetables	53	51.4	x	x	277	2.6
Tobacco	-	x	-	…	34 **	30.8
Greenhouse & Nursery Products	x	x	x	…	38	18.8
Forage Crops (including seed)	2,502	2.7	5,574	…	1,369	2.4
Other Crops	450 *	(18.0)	x	x	158	3.9
Total Other Crops	3,021	(1.3)	5,604	…	1,900	2.9
Total Crop Revenues	88,622	(4.2)	60,215	11.4	85,891	(2.4)
Cattle	11,441	0.9	4,133 *	…	6,887	(2.1)
Hog	722	0.4	x	x	766	10.5
Poultry & Eggs	199	50.8	x	x	189	0.5
Dairy Products & Subsidies	208	50.7	-	x	276	(1.1)
Other Livestock & Products	230 *	0.4	61 *	(39.0)	222	12.1
Total Livestock & Product Revenues	12,800	1.9	4,204 *	…	8,340	(0.6)
Program Payments	5,354	4.4	4,255	(34.1)	4,439	(9.0)
Custom Work & Machine Rental	4,726	(11.4)	4,159	(16.6)	4,964	(1.3)
Rental Income	2,767	(0.9)	2,357	42.2	1,348	4.5
Forest & Maple Products	76 **	…	1,799 **	…	105 *	43.8
Miscellaneous Revenues	3,948	1.4	2,793	39.2	4,067	7.0
Total Other Revenues	11,517	(4.4)	11,108	18.9	10,483	2.8
Total Operating Revenues [1]	**118,294**	**(3.3)**	**79,782**	**11.4**	**109,154**	**(2.1)**
	Expenses—Average per Farm ($)					
Fertilizer & Lime	15,086	5.8	10,576	48.2	13,628	2.7
Pesticides	9,119	(3.3)	6,403	30.9	9,274	1.6
Seed & Plants	4,908	14.6	4,183	24.3	6,072	8.1
Other Crop Expenses	137	(26.3)	57 *	(56.2)	117	8.3
Total Crop Expenses	29,249	3.8	21,218	36.7	29,091	3.4
Cattle Purchases	4,984	(5.4)	3,395 **	…	2,677	4.4
Hog Purchases	187 *	35.5	-	…	195	24.2
Poultry & Egg Purchases	21	(19.2)	x	x	30	(3.2)
Other Livestock Purchases	227 *	(23.8)	x	x	214	(5.3)
Feed, Supplements, Straw & Bedding	1,973	(7.7)	1,061 *	74.8	1,411	(2.0)
Vet Fees, Medicine & Breeding Fees	521	8.5	255 *	10.9	336	(4.3)
Other Livestock Expenses	4 **	(63.6)	x	x	4 *	(55.6)
Total Livestock Expenses	7,918	(5.3)	4,756 **	…	4,867	1.8
Small Tools	533	(2.9)	318	18.7	457	(3.0)
Net Fuel Expenses, Machinery, Truck, Auto	6,053	(13.5)	4,824	11.7	6,356	(11.0)
Repairs, Licenses and Insurance	8,122	(2.6)	6,294	13.4	7,205	(4.2)
Total Machinery Expenses	14,708	(7.4)	11,437	12.8	14,018	(7.4)
Salaries (including CPP, QPP, EI)	5,629	(14.1)	6,787	15.3	4,982	(6.7)
Rent	4,234	12.5	2,727	31.4	4,292	7.7
Insurance	3,988	6.9	1,988	33.0	3,703	7.8
Utilities	1,825	(6.1)	1,143	13.1	1,829	(7.6)
Custom Work & Machine Rental	6,789	0.5	6,319	22.6	6,395	2.4
Net Interest Expenses	7,168	4.5	5,499	55.7	6,409	8.9
Net Property Taxes	2,133	2.5	1,777	5.6	2,844	(2.3)
Building & Fence Repairs	1,621	(6.7)	1,028	29.8	1,312	(3.7)
Marketing Expenses	1,169	1.1	741	(29.8)	1,103	(25.9)
Miscellaneous Expenses	4,205	(9.9)	3,570	7.8	3,794	(3.1)
Total General Expenses	38,759	(1.2)	31,577	21.5	36,661	0.3
Total Operating Expenses[1]	**90,634**	**(1.1)**	**68,988**	**28.7**	**84,637**	**0.1**
	Net Operating Income—Average per Farm ($)					
Net Operating Income	**27,660**	**(9.7)**	**10,794**	**(40.1)**	**24,517**	**(8.9)**
Capital Cost Allowance (CCA)	19,411	(0.7)	10,758	13.1	15,611	1.9
Net Operating Income (after CCA)	**8,249**	**(25.5)**	**36**	**…**	**8,906**	**(23.1)**
	Operating Margins per $ of Revenue					
Operating Margin	0.23		0.14		0.22	
Operating Margin (after CCA)	0.07		--		0.08	

1. Totals may not add up due to rounding and/or confidentiality restrictions.
Source: Statistics Canada, Whole Farm Data Base.
** Use with caution.*
*** Unreliable.*

Table 9: Total Income of Farm Operators by Revenue Class, Unincorporated and Incorporated Sectors, Canada, 1998

	$10,000 to $24,999	$25,000 to $49,999	$50,000 to $99,999	$100,000 to $249,999	$250,000 to $499,999	$500,000 and over	Total
Number of Operators	24,570	21,190	25,030	28,540	10,930	3,660	113,910
Number of Farms	21,920	19,010	21,835	23,345	7,305	2,045	95,470
	Average per Operator ($)						
Farm Income							
Total Revenues	14,995	32,262	62,568	129,204	224,346	435,915	90,903
Total Expenses	12,432	26,847	48,602	98,513	171,171	343,755	70,517
Net Operating Income [1]	**2,563**	**5,415**	**13,966**	**30,691**	**53,175**	**92,161**	**20,385**
Off-Farm Income							
Wages and Salaries	15,453	14,652	11,844	7,532	9,694	20,134	12,124
Net Non-Farm Self-Employment Income	1,798 *	1,472 *	1,168	1,451	1,332	1,626	1,462
Investment Income	3,301	4,370	3,355	2,929	4,821	8,778	3,740
Pension Income	6,110	5,126	3,817	1,972	1,462	1,386	3,789
Old Age Security Pension	1,664	1,373	1,029	563	400	406	1,033
Canada and Quebec Pension Plan Benefits	2,131	1,866	1,507	876	601	630	1,435
Net Federal Supplements	241	156	90	40	18 *	x	112
Other Pensions or Superannuation	2,074	1,731	1,192	493	443	x	1,208
Government Social Transfers (excluding pension amounts)	522	431	377	252	275	227	372
Employment Insurance Benefits	254 *	225 *	182 *	54	45 **	23 **	155
Workers' Compensation Benefits	122 **	81 **	58 **	30 *	16 **	x	64 *
Social Assistance Payments	24	27 *	15 **	6 *	5 **	x	16
Child Tax Benefits	121 *	98	122	162	209	181	138
Other Off-Farm Income	946 **	835	1,352	1,620	1,985	1,820	1,311
Registered Retirement Savings Plan Income (RRSP)	584 *	484	412	434	359 *	376 **	462
Total Off-Farm Income [2] (excluding taxable capital gains)	**28,714**	**27,366**	**22,315**	**16,159**	**19,825**	**34,235**	**23,237**
Total Operator Income	**31,277**	**32,781**	**36,281**	**46,850**	**73,000**	**126,396**	**43,622**
Off-Farm Income as a Share of Total Income (%)	91.8	83.5	61.5	34.5	27.2	27.1	53.3

1. Net operating income does not include depreciation.
2. Totals may not add up due to rounding and/or confidentiality restrictions.
Source: Statistics Canada, Whole Farm Data Base.

**Use with caution.*
***Unreliable.*

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ECONOMIC OVERVIEW OF FARM INCOMES

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