

not include storage, transportation, processing and handling charges which are not actually received by farmers.

Total cash receipts from farming operations for 1971, excluding supplementary payments, are now estimated at \$4,494.9 million for Canada (excluding Newfoundland). This estimate is 8.6% above the revised value of \$4,139.0 million in 1970 and 5.4% above the average for the five-year period 1966-70 (Table 11.1). This increase in cash receipts can be attributed to increases in almost all cash receipts items with the more important exceptions of flaxseed, potatoes, tobacco, pigs and eggs (Table 11.2).

The largest increase in total cash receipts occurred in Saskatchewan which registered a rise of 31.4%. In Alberta the increase in total cash receipts amounted to 11.5% and in Manitoba a rise of 9.9% occurred. In contrast, Prince Edward Island, Nova Scotia and New Brunswick registered declines of 12.3%, 3.6% and 10.2%, respectively. Such decreases were caused mainly by lower cash receipts from potatoes and pigs.

In addition to the above income, farmers also received supplementary payments amounting to \$18.3 million during 1971, considerably below the \$58.2 million received in 1970 (Table 11.3). For both years, these payments included those made under the provisions of the Prairie Farm Assistance Act, which are made from the Prairie Farm Emergency Fund to which farmers contribute by means of a 1% levy on grain marketings, together with payments made under the Lower Inventory for Tomorrow (LIFT) program. In Manitoba, in 1971, they also included payments to farmers under the Farm Acreage Payment program. When added together, cash receipts from farming operations and supplementary payments totalled \$4,513.1 million, 7.5% above the estimate of \$4,197.2 million in 1970.

Farm net income. Two different estimates of farm net income from farming operations are prepared by Statistics Canada. Realized net income is obtained by adding together farm cash receipts from farming operations, supplementary payments and the value of income in kind, and deducting farm operating expenses and depreciation charges. This estimate of farm net income represents the amount of income from farming that operators have left for family living, personal taxes and investment after provision has been made for operating expenses and depreciation charges. The second estimate is referred to as total net income and is obtained by adjusting realized net income to take into account changes occurring in inventories of livestock and stocks of field crops on farms between the beginning and end of the year. This latter estimate is used in calculating the contribution of agriculture to the "income" component of the system of national accounts and for making comparisons with net income of non-farm business enterprises (Table 11.3).

Realized net income of farm operators from farming operations for the year 1971 is estimated at \$1,359.6 million. This is 12.5% above the revised 1970 value of \$1,209 million and 6.7% above the revised 1969 value of \$1,274 million. During 1971, increased cash receipts more than offset increased farm operating expenses and depreciation charges and decreased supplementary payments. The estimate of total farm net income takes into account changes in the value of farm-held inventories of field crops and livestock. In 1971, total farm net income amounted to \$1,593.5 million, 25% above the 1970 level of \$1,274.5 million and 1.9% above the 1969 value of \$1,564.3 million. Total operating expenses and depreciation charges during 1971 reached a level of \$3,660.7 million, 4.5% above the revised 1970 value of \$3,503.8 million.

11.4.2 Field crops

Canada's 1971 wheat crop, estimated at 529.6 million bu, was 60% above the 1970 crop of 331 million bu. The average yield per acre at 27.3 bu was 3% more than the 1970 yield of 26.6 bu. The average protein content of the 1971 crop of hard red spring wheat was 13.5% — higher than the 1970 level of 13.2% but still below the 13.9% in 1969.

Total supplies of Canadian feed grain (oats, barley, rye, corn, buckwheat and mixed grains) increased by 10% in 1971-72 compared with the previous year, due to higher levels in carryover stocks of rye combined with larger production of barley, corn and mixed grains. Total supplies of oats at 488.8 million bu were some 4% below the 509.2 million bu in 1970-71, while supplies of barley, reflecting a record production, amounted to an all-time high of 745.9 million bu and exceeded the previous year's high level of 615.8 million bu by 21%. The 1971 out-turn of mixed grains at 107.1 million bu also set a new record and surpassed the 1970 crop of 98.6 million bu by 9%. Record grain corn production, at 116 million bu, represented a 15% increase over the 1970 level of 100.9 million bu. Imports of corn in 1971-72, at about 11.7