

except tobacco and deficiency payments. The most notable increases occurred in Canadian Wheat Board payments for wheat and barley, as well as receipts for rapeseed, potatoes, cattle and calves, hogs and poultry (Table 11.2). Rising prices in both the crops and livestock sectors in all regions of Canada resulted in increased total cash receipts in all provinces.

Farmers also received supplementary payments amounting to \$72 million during 1973, down slightly from the \$77 million received during 1972. These payments included those made under the provisions of the Prairie Farm Assistance Act, the Lower Inventory for Tomorrow (LIFT) program, the two-price wheat program, cash grants paid to farmers in Quebec and Ontario under the rain damage program and to farmers in Alberta and British Columbia under the Western Emergency Assistance program. Total cash receipts from farming operations and supplementary payments in 1973 amounted to \$6,801 million, 25% above the estimate of \$5,463 million recorded in 1972.

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 therefore represents the amount of income from farming that operators have left for family living, personal taxes and investment. 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 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).

It is estimated that in Canada (excluding Newfoundland), realized net income of farm operators from farming operations amounted to \$2,706.4 million in 1973, a 26.4% increase over the revised 1972 amount of \$2,141.8 million.

Contributing to this increase in realized net income was an estimated 24.2% expansion in realized gross income to \$7,478.2 million in 1973 from the 1972 revised figure of \$6,022.5 million. All components of gross income contributed to the increase with the largest, cash receipts from the sale of agricultural products, rising by 24.9% in 1973.

Farm operators incurred operating expenses and depreciation charges totalling an estimated \$4,771.8 million, 23.0% above the revised 1972 value of \$3,880.7 million. Although expenditures on most farm input items were substantially above the 1972 levels, the leading contributors to the increase in expenses were gross farm rent, feed, fertilizer and other crop expenses.

Total farm net income from farming operations (realized net income adjusted for inventory changes) is estimated at \$3,343.9 million for 1973. The value of inventory change on farms which contributed to this level of total net income is plus \$637.6 million, compared to minus \$295.3 million in 1972. This expansion in inventories was due partly to an increase in the number of cattle on farms. The value of inventory change for 1973 also includes an amount equal to \$305 million to counter-balance deferred payments which are removed from cash receipts. ("Deferred payments" refers to the value of farmers' deliveries in the Prairie Provinces of grain in 1973 for which payments were deferred until 1974.)

11.4.2 Field crops

Canada's 1973 wheat crop, estimated at 628.7 million bu, was 17.9% above the 1972 crop of 533.3 million bu and 18.7% above the 1971 crop of 529.6 million bu. The average yield per acre at 25.4 bu was 1.6% more than the 1972 yield of 25.0 bu and 7.0% less than the 1971 yield of 27.3 bu. The average protein content of the 1973 crop of hard spring wheat was 13.3%, higher than the 1972 level of 13.0% and lower than the 1971 level of 13.5%.

Acreages, yields and prices of the principal field crops for the years 1969-73, with averages for 1964-68 are shown in Table 11.4; acreages and production of field crops by province for 1972 and 1973 in Table 11.5 and acreages and production of grain in the Prairie Provinces for the years 1969-73 in Table 11.6. Table 11.7 shows the stocks of Canadian grain on hand in Canada and in the United States on July 31 for the years 1970-72 with averages for the 10-year period 1960-69.