

Agriculture and various provincial departments, as well as such agencies as the Canadian Grain Commission and the Canadian Wheat Board, contribute statistical data and aid directly in Statistics Canada survey work. Thousands of farmers throughout Canada send in reports voluntarily and dealers and processors also provide much valuable data. The figures in this section do not include estimates for Newfoundland; agriculture plays a minor part in Newfoundland's economy and commercial production of most agricultural products is small. Subsection details are given for the most recent year available with earlier comparisons; figures for the latest year are subject to revision and it should be noted that many of those given for earlier years have been revised since the publication of the *Canada Year Book 1975*.

## Farm income

### 11.4.1

**Cash receipts from farming operations.** Estimates of cash receipts from farming operations include cash revenue from the sale of farm products, Canadian Wheat Board participation payments on previous years' grain crops, cash advances on farm-stored grains and deferred income from the sale of grain in western Canada, deficiency payments made by the Agricultural Stabilization Board and supplementary payments. Cash receipts from the sale of farm products include the returns from all sales of agricultural products except those associated with direct inter-farm transfers. The prices used to value all products sold are prices to farmers at the farm level; they include any subsidies, bonuses and premiums that can be attributed to specific products but do not include storage, transportation, processing and handling charges which are not actually received by farmers.

Total cash receipts from farming operations for 1975, excluding supplementary payments, are estimated at \$9,877 million for Canada, 12.0% above the revised value of \$8,821 million in 1974 (Table 11.1). This gain can be attributed to expansion in cash receipts from the sale of both crop and livestock products. Notable increases occurred in sales of western grains but other crop products showed declines in 1975. Cash receipts from the sale of livestock products showed gains for all items except poultry and eggs (Table 11.2).

Farmers also received supplementary payments amounting to \$30 million during 1975, down considerably from the \$57 million received during 1974. These payments in 1974 and 1975 included those made by federal and provincial governments under the provisions of various crop assistance programs for farmers affected by adverse weather conditions, payments made under the Prairie Farm Assistance Act, and payments made by the province of Quebec to beef, hog, dairy, poultry and potato producers due to poor economic conditions. Total cash receipts from farming operations and supplementary payments in 1975 amounted to \$9,907 million, 11.6% above the estimate of \$8,879 million in 1974.

**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 \$4,176.5 million in 1975, an 8.1% increase over the revised 1974 amount of \$3,864.4 million.