81.6 kg in 1976 largely because beef consumption was at a record high of 51.4 kg per capita. By 1982 apparent per capita consumption of red meat dropped to 72.0 kg and of beef to 40.4 kg, levels comparable to those of the late 1960s and early 1970s. In 1980 apparent per capita consumption of pork reached a record high of 31.3 kg before dropping to 27.9 kg in 1982.

The number of pigs on farms in Canada decreased during the early 1970s to a low of 5.5 million head at July 1, 1975 before climbing to a record high of 10.2 million at October 1, 1981. Most of this expansion occurred in Eastern Canada. Between 1976 and 1981 significant changes occurred. The number of farms reporting pigs in 1981 dropped 12%, from 63,606 in 1976 to 55,765 farms but the average number of pigs per farm nearly doubled from 91 to 177.

Meat exports increased substantially. Exports of dressed beef rose from 38.9 million kilograms in 1972 to 82.9 million kilograms in 1982, while live cattle and calf exports went from 299,625 head to 504,933 head. The exports went mostly to the United States.

Pork exports more than tripled in both the dressed and live categories. Dressed pork exports increased from 52.4 million kilograms to 163.5 million kilograms, while live exports rose from 88,725 head to 305,294 head. Major customers were the United States and Japan.

The per capita consumption in Canada of poultry — chickens, stewing hens and turkeys — increased by 12% over the period 1972-82, entirely due to more chicken consumption. Consumption of broilers and heavy birds went from 14.2 kg per person to 17.3 kg in 1982. Consumption of eggs per capita decreased from 20.5 dozen to 18.8 dozen.

The 1981 Census count of layers stood at 24.2 million, about 4% higher than the 1976 Census count of 23.2 million. All other chickens except layers and pullets increased by 6% to 56.1 million.

In 1982, 7.6 million kilolitres of milk were sold off farms, a 4% increase since 1972. Farm cash receipts including supplementary payments rose from $880.0 million to $2.9 billion. About one-third of this milk was used for fluid purposes and the rest for industrial purposes.

Production of creamery butter declined by 7%. Butter is the most important dairy product, with 56% of industrial milk and cream going into its manufacture.

Production of other major dairy products increased: cheddar cheese was up 2% to 89 056 tonnes; variety cheese, up 211% to 80 822 tonnes; ice cream, up 13% to 311 970 kilolitres and yogourt, up 209% to 37 914 kilolitres.

9.5.3 Farm expenses

Inflationary conditions during the 1972-82 period resulted in dramatic production cost increases. Total farm operating expenses and depreciation charges, $3.8 billion in 1972, increased fourfold to $15.6 billion with 70% of the increase directly the result of price increases. Inflation also greatly increased the value of farm assets. The value of farm real estate climbed from $18 billion in 1972 to $104 billion in 1982, about a sixfold increase, again largely the result of price though some was the result of investments in farm building construction, renovation and land improvement.

During the decade farmers substituted capital for labour as demonstrated by increased investment in farm machinery, increased farm machinery depreciation costs and a corresponding decrease in amounts spent on hired farm labour.

Many expenditures which were a substantial proportion of production costs in 1972 had been replaced in 1982 by others. These changes were largely the result of world developments such as sharply higher interest rates, the rapid increase in energy prices, lower grain prices late in the decade, changing farming practices and the continuous movement to substitute capital for labour. An example of these changes is farm expenses for interest. In 1972 interest expenses represented 9% of total farm expenditures, ranking as the fourth largest expense, well below feed which was the largest at 16%. In 1982 interest expenses became the largest single farm expenditure at $2.2 billion or 14% of all farm expenses.

Fuel in 1972 represented 7% of all farm expenses, ranking fifth, but moved up into third position by 1982 largely because of price. The proportion might have been even higher if farmers had not adopted measures to reduce their energy costs. For example, in Western Canada 55% of farmers purchased larger and more efficient machinery since 1978; nationally, three out of 10 farmers increased vehicle and machinery maintenance to improve efficiency and reduce energy costs. Addition of insulation to farm buildings was another method adopted to conserve energy.

Fertilizer costs also increased as a proportion of total farm expenditures. They reached $1 billion annually or 7% of total expenses, up to fourth largest from sixth. Nationally the amounts of fertilizer applied in 1982 were almost double those of 1972.

Expenditures for hired farm labour dropped since 1972 from being the third largest farm expenditure to the fifth. Wage rates and the number of hired workers both showed moderate growth but the rate of increase was not as high as in other expenditures. Many farmers appear to have substituted capital for labour. An example is the investment in machinery which in 1982 was about four and one-half times greater in value than in 1972. Almost 40% of that increase represents growth in the stock of new equipment, almost all of it larger, more efficient labour-saving machinery. The remaining 60% is the