



STATISTICS CANADA RELEASES REVISED NET FARM INCOME AND QUARTERLY FARM CASH RECEIPTS DATA

2010 NET FARM INCOME

On November 24, 2011 Statistics Canada released revised estimates of Net Farm Income for Canada and the provinces for 2010. *Total net farm income* measures the financial flows and stock changes of farm businesses (*net cash income* minus *depreciation* plus *income in kind* and *value of inventory change*). On Prince Edward Island total net farm income in 2010 was valued at \$15.7 million. Net farm income on P.E.I. for 2009 was -\$13.1 million.

The value of realized net income in 2010, which also allows for depreciation and income-in-kind, increased from -\$12.5 million in 2009 to -\$0.4 million in 2010. The detailed results for Canada and Prince Edward Island are presented Table 1.

Net cash income in 2010 was valued at \$40.1 million, an increase of \$11.3 million over the previous year. The increase in net cash income was a result of a \$14.5 million decrease in total operating expenses after rebates combined with a \$3.1 million decline in total farm cash receipts (including government payments).

Table 1. NET FARM INCOME, CANADA AND P.E.I., 2008 – 2010

Item:	2008		2009		2010	
	Canada	PEI	Canada	PEI	Canada	PEI
	(thousands \$)		(thousands \$)		(thousands \$)	
+ Total farm cash receipts incl. payments	\$46,093,917	\$393,171	\$44,599,139	\$406,784	\$44,473,335	\$403,640
- Total operating expenses after rebates	\$37,072,721	\$361,273	\$36,052,477	\$378,040	\$34,998,847	\$363,582
= Net cash Income	\$9,021,196	\$31,898	\$8,546,662	\$28,744	\$9,474,488	\$40,058
+ Income-in-kind	\$42,549	\$568	\$39,212	\$480	\$40,078	\$421
- Depreciation	\$5,187,353	\$40,714	\$5,470,605	\$41,688	\$5,482,912	\$40,927
= Realized Net Income	\$3,876,392	-\$8,248	\$3,115,269	-\$12,464	\$4,031,654	-\$448
+ Value of inventory change	\$3,198,419	-\$25,962	-\$281,390	-\$680	-\$1,072,448	\$16,165
= Total Net Income	\$7,074,811	-\$34,210	\$2,833,879	-\$13,144	\$2,959,206	\$15,717

Source: Statistics Canada

QUARTERLY FARM CASH RECEIPTS

Statistics Canada also released preliminary estimates of farm cash receipts for Canada and the provinces for the third quarter of 2011. Prince Edward Island's farm cash receipts for the first three quarters of 2011 totalled \$361.0 million, a new all-time high, up 23.2 per cent compared to the same period last year. Total crop receipts saw an increase of 33.2 per cent, while livestock receipts increased by 8.5 per cent over the first three quarters of 2010.

Nationally, farm cash receipts totalled \$35.8 billion in the first three quarters of 2011, up \$3.5 billion or 10.9 per cent from the same period in 2010. Crop receipts increased by 15.0 per cent, due mainly to higher prices for most major grains and oilseeds. Livestock receipts grew by 6.3 per cent to reach \$15.0 billion. Farmers received \$2.5 billion in program payments during the first three quarters of 2011, up 11.2 per cent from the same period the previous year. National and provincial farm cash receipts for the first three quarters of 2011 and comparable data for 2010 are presented in Table 2.

Table 2. NATIONAL AND PROVINCIAL FARM CASH RECEIPTS

Province:	January to September 2010	January to September 2011	Jan-Sep. 2010 To Jan-Sep. 2011
	\$ millions		% change
Canada	32,316	35,838	10.9
Newfoundland and Labrador	91	97	6.4
Prince Edward Island	293	361	23.2
Nova Scotia	376	407	8.3
New Brunswick	355	391	10.3
Quebec	5,224	5,846	11.9
Ontario	7,105	7,803	9.8
Manitoba	3,624	3,672	1.3
Saskatchewan	6,756	7,715	14.2
Alberta	6,642	7,663	15.4
British Columbia	1,851	1,883	1.7

Source: Statistics Canada.

Table 3. QUARTERLY FARM CASH RECEIPTS, P.E.I.

Item:	Farm Cash Receipts		
	Q1-Q3 2010 (\$ '000s)	Q1-Q3 2011 (\$ '000s)	Percentage change
Crops	174,993	233,112	33.2
<i>Potatoes</i>	147,085	200,505	36.3
<i>Other crops</i>	27,908	32,607	16.8
Livestock	95,807	103,989	8.5
<i>Cattle</i>	16,709	14,621	-12.5
<i>Hogs</i>	11,494	11,470	-0.2
<i>Dairy</i>	52,912	55,418	4.7
<i>Other</i>	14,692	22,480	53.0
Total direct payments	22,208	23,886	7.6
Total Receipts	293,008	360,987	23.2

Source: Statistics Canada

P.E.I. HIGHLIGHTS (see Table 3)

Crops

- Higher farm cash receipts during the first three quarters of 2011 was mainly a result of an increase in potato receipts.
- Potato receipts rose from \$147.1 million in the first three quarters of 2010 to \$200.5 million during the same period in 2011, an increase of 36.3 per cent.
- Vegetable and grain receipts totalled \$32.6 million, an increase of 16.8 per cent over 2010.

Livestock

- Livestock receipts during the first three quarters of 2011 totalled \$104.0 million, an 8.5 per cent increase compared to the same period in 2010.
- Cattle receipts declined by 12.5 per cent to value \$14.6 million.
- Hog receipts decreased by 0.2 per cent to total \$11.5 million.
- Dairy product receipts for the first three quarters of 2011, totalling \$55.4 million, have increased by 4.7 per cent over the same period in 2010.

Support payments

- Government payments and support to farmers totalled \$23.9 million, increasing by 7.6 per cent during the first three quarters of 2011 compared to the same period of 2010.
- Total farm cash receipts excluding government support payments increased by 24.5 per cent.

For more information contact:

Colin Mosley
Economics, Statistics and Federal Fiscal Relations Division
Department of Finance, Energy, and Municipal Affairs
368-4035