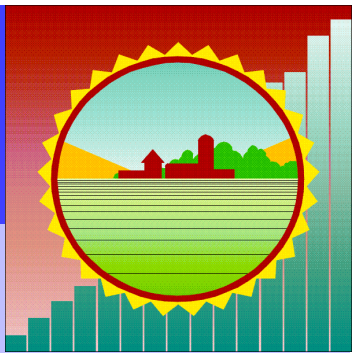
1996

ECONOMIC OVERVIEW OF FARM INCOMES

Poultry and Egg Farms



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To obtain more information on this analysis, please contact:

Kim O'Connor
Agriculture and Agri-Food Canada
Tel.: (613) 759-7387
E-mail: oconnork@em.agr.ca

To obtain additional data, please call:

Client Services
Statistics Canada
Tel.: 1 800 465-1991
E-mail: agriculture@statcan.ca

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INTRODUCTION

This is the seventh in the series of bulletins that are being published jointly by Agriculture and Agri-Food Canada (AAFC) and Statistics Canada (STC). The bulletins replace AAFC's annual publication *An Economic Overview of Farm Incomes by Farm Type, Canada* (publication no. 1946/E) and STC's annual publication *Agricultural Financial Statistics* (catalogue no. 21-205-XPB). This bulletin provides a detailed analysis of poultry and egg farms, which includes information on farm level revenues, expenses and net operating income before depreciation by revenue class and by province. Poultry and egg farms are defined as those farms for which 51% or more of agricultural sales are derived from the sale of poultry and egg products. Information on the concentration and specialization of production, as well as on the physical characteristics of poultry and egg farms, is also included by revenue class.

Most of the analysis in this series is based on data derived from STC's *Taxation Data Program (TDP)*. The bulletins also include information from the *June Crops Survey (JCS)* and the *July Livestock Survey (JLS)*. The TDP estimates presented in these bulletins are derived from a random sample of income tax returns of individuals operating unincorporated farms with operating revenues of $10,000 and over and incorporated farms with revenues of $25,000 and over and for which 51% or more of their sales come from agricultural activities. Communal farming operations, such as Hutterite colonies, are also included. Group averages, not individual records, are provided by STC to AAFC, and are subject to confidentiality restrictions prior to release. For further discussion of the methodology behind the STC data, refer to the Methodology section in Bulletin 1.

STC's TDP is the only source of annual intercensal data at the farm level that provides a detailed picture of revenues and expenses by size (revenue class), type and province. These data, which are derived from Revenue Canada tax returns, are the most comprehensive available but are not as timely as analysts would like. Information for tax purposes is collected in the year following the "tax year" being reported upon; in this case, 1996 data were collected in 1997. STC then undertakes extensive verification and confidentiality procedures before releasing the data a year later. While not timely, the resulting information is comprehensive, accurate and available on a consistent basis over time. Most importantly, it facilitates on-going analysis of major trends in farm structure and performance.

This bulletin provides information on poultry and egg farms based on 1996 data. Bulletin 1 provided an overview of all farms, and Bulletins 2 through 6 presented information on grain and oilseed, cattle, dairy, hog, and fruit and vegetable farms in Canada. Bulletins 8 and 9 will present similar information for greenhouse and nursery, and potato farms.

As in the case of dairy farms, the year 1996 was a time of change for poultry and egg farms as they strived to comply with challenges presented by the World Trade Organization (WTO) and the North American Free Trade Agreement (NAFTA).

Average net operating income was down significantly (-9.3%) for poultry and egg farms in 1996 due in part to the decline in revenues from poultry and egg products.

The market structure for poultry and egg products in Canada as well as the capital intensity of poultry and egg farms today contribute to a large proportion of farms being "highly specialized".

POLICY ENVIRONMENT AFFECTING THE POULTRY AND EGG SECTOR IN 1996

The World Trade Organization (WTO) Agreement on Agriculture, which came into effect on January 1, 1995, required all WTO members, including Canada and the United States, to convert their non-tariff quantitative import restrictions, such as quotas, to tariffs.

In compliance with its GATT/ WTO commitments, Canada converted its agricultural import controls to a system of tariff rate quotas (TRQs). Under these TRQs, imports within the quota are subject to low rates of duty, while imports over quota are subject to significantly higher rates of duty. The high rates enable Canada to maintain its system of orderly marketing for poultry products. These tariffs will gradually be reduced over the next few years, which will make the Canadian market more accessible to imported poultry and egg products. These reductions will also provide the Canadian poultry and egg industry with export opportunities and consequently, incentives to become more competitive in both domestic and global markets.

FARM INCOME BY REVENUE CLASS

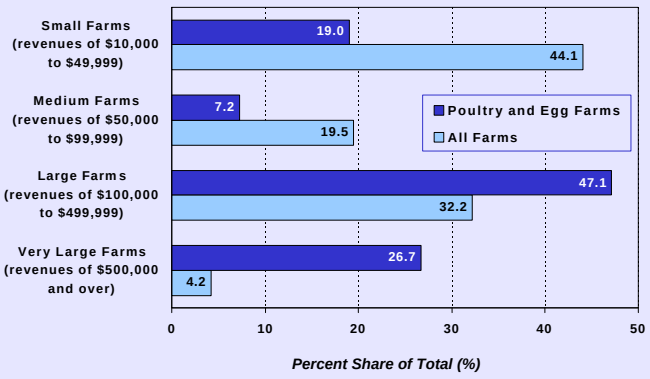
Distribution of Farms by Revenue Class

Almost three quarters of all poultry and egg farms were large farms ($100,000 and over), and over half had revenues of $250,000 and over.

The total number of poultry and egg farms declined, but the largest farms ($250,000 and over) increased in number. The number of the smallest farms also increased.

In 1996, there were an estimated 4,430 poultry and egg farms with revenues of $10,000 and over in Canada, down 2.6% from 1995 (see Table 1 and Figure 1). Almost three quarters of poultry and egg farms (73.9%) had revenues of $100,000 or more in 1996. Over half (53.5%) had revenues of $250,000 and over. The smaller farms (less than $100,000 in revenues) accounted for 26.0% of farms, while a similar number of farms (26.7%) reported revenues of $500,000 and over. However, the number of farms in the largest revenue class ($500,000 and over) increased the most between 1995 and 1996.

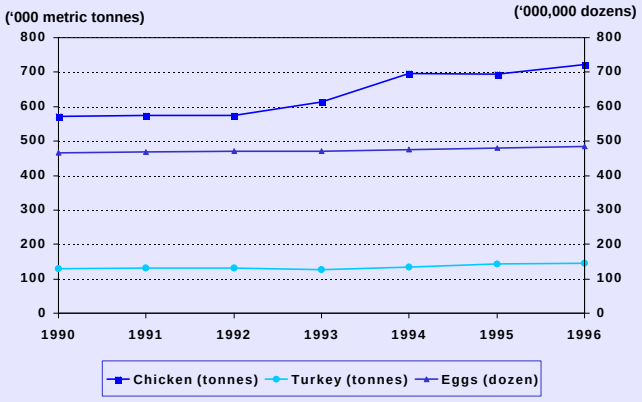
Figure 1: Distribution of Farms by Revenue Class, Poultry and Egg Farms and All Farms, 1996



Source: Statistics Canada, Whole Farm Data Base.

The number of poultry and egg farms increased slightly from 4,250 in 1990 to 4,430 in 1996. Production levels have continued to climb since 1990. Between 1990 and 1996, chicken production increased significantly (+26.1%) in order to meet the growing consumer demand. Turkey (+13.0%) and egg (+4.1%) production levels have been climbing at a slower rate during this period since the demand for these products lags compared to chicken (see Figure 2).

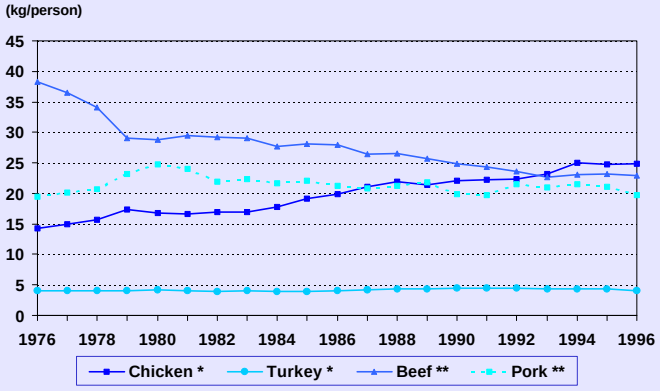
Figure 2: Poultry and Egg Production, 1990 to 1996



Source: Statistics Canada, Production of Poultry and Eggs, Catalogue no. 23-202-XIB.

Poultry consumption, particularly chicken consumption, has grown significantly over the past few decades because of the increased demand by Canadian consumers for leaner meats. Consumers perceive chicken as a healthy choice and they take advantage of the growing number of convenient and prepared products offered on the market. In 1996, Canadians ate 24.9 kg[1] per person of chicken compared to 24.8 kg in 1995 and 14.3 kg in 1976 (see Figure 3).

Figure 3: Per Capita Consumption of Poultry and Red Meat, 1976 to 1996

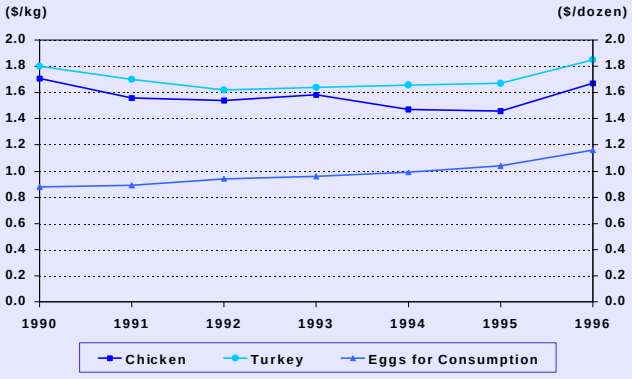


* Eviscerated weight.
** Retail weight.
Source: Statistics Canada, Food Consumption in Canada, Part 1 - Catalogue no. 32-229-XPB.

Contrary to chicken consumption, red meat consumption has generally been declining during the past two decades. In 1996, each Canadian consumed 22.9 kg[2] of beef, down 40.2% from the record high of 38.3 kg in 1976. They also consumed 19.7 kg[2] of pork, compared with 21.1 kg in 1995 and the record high of 24.8 kg in 1980.

Prices paid to producers for chicken, turkey and eggs increased in 1996 (see Figure 4). The cost of feed was a major contributing factor to the rise in prices.

Figure 4: Prices Paid to Producers for Poultry and Egg Products, 1990 to 1996



Source: Statistics Canada, Farm Cash Receipts Unit Data Base.

Under the supply management system, the level of production for poultry meat and eggs is established by domestic consumption. Three major sub-systems make up the Canadian poultry system – chicken, turkey and eggs.

Since 1972, four groups of poultry and egg producers have established national supply management agencies namely the Canadian Egg Marketing Agency (CEMA), the Canadian Broiler Hatching Egg Marketing Agency (CBHEMA), the Chicken Farmers of Canada (CFC), and the Canadian Turkey Marketing Agency (CTMA).

These agencies help to ensure that producers consistently have a market to sell their product at a reasonable price in addition to ensuring consumers receive a uniform supply at stable prices. The marketing agencies determine the level of consumer demand by consulting with members of the industry. Based on this information, a quota (allotment) is issued to each provincial marketing board who subsequently divides their quota among the individual producers. Producers then sell their products to hatcheries, graders and processors at a certain price negotiated by the provincial boards, industry associations and processors.

1. *The per capita disappearance figures are expressed in terms of eviscerated weight.*
2. *The per capita disappearance figures are expressed in terms of retail weight and not carcass weight.*

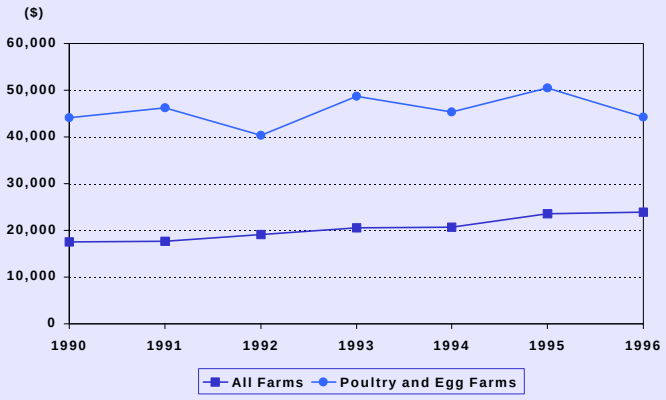
Net Operating Income

Poultry and egg farms in all revenue classes experienced declines in net operating income.

The average net operating income of poultry and egg farms declined 9.3% to $45,814 per farm in 1996, largely due to a drop in operating revenues (see Table 1). This is down from $50,523 in 1995 and 1.0% lower than the previous five-year average (1991 to 1995) of $46,259. The average net operating income of the smallest farms ($10,000 to $24,999) declined by 27.4% while for the largest farms ($500,000 and over), it decreased by 14.2%.

Compared to all farms, the average net operating income of poultry and egg farms has been consistently higher over the 1990 to 1996 period (see Figure 5). It is interesting to note that poultry and egg farms have experienced a very different trend in average net operating income throughout the period. In 1996, poultry and egg farms reported a decline in average net income while that of all farms increased.

Figure 5: Average Net Operating Income, 1990 to 1996



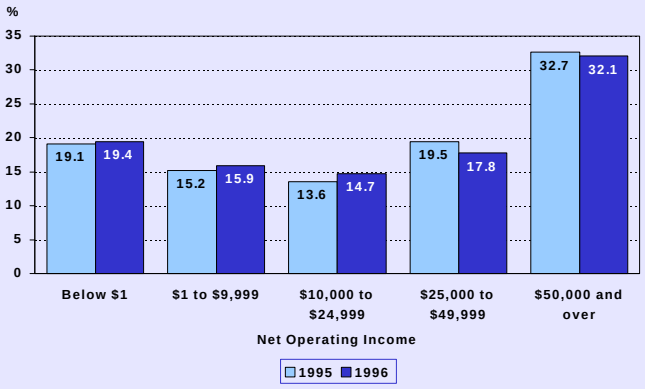
Source: Statistics Canada, Whole Farm Data Base.

Distribution of Farms by Net Operating Income

Of the 19.4% of poultry and egg farms reporting losses in 1996, over half earned $100,000 or more in gross operating revenues.

Compared to all farms, fewer poultry and egg farms reported operating losses (net operating income below $1) in 1996. Only 19.4% of poultry and egg farms reported losses compared with 24.8% of all farms. However, this is up slightly from 1995 when only 19.1% of poultry and egg farms reported losses (see Table 2 and Figure 6). Unlike all farms, where losses are primarily reported by small farms, over half (51.7%) of poultry and egg farms reporting losses earned $100,000 or more in gross operating revenues.

Figure 6: Distribution of Poultry and Egg Farms, by Net Operating Income, 1995 and 1996



Source: Statistics Canada, Whole Farm Data Base.

Comparison of 1995 and 1996 Major Revenues and Expenses

Revenues dropped slightly in response to lower poultry and egg product revenues. Expenses were higher because of increased crop and livestock expenses.

Between 1995 and 1996, average operating revenues for poultry and egg farms decreased slightly from $452,349 per farm to $449,020 per farm, a decrease of 0.7% (see Table 1). This was mainly due to lower revenues from poultry and egg products, down 1.1%, which represented almost 90% of total revenues for the average Canadian poultry and egg farm in 1996. Crop revenues were up 12.0% primarily as a result of higher grain and oilseed prices in the first half of the year. Program payments almost doubled in 1996 but accounted for only a small portion of total revenues for poultry and egg farms.

Program payments, which include insurance payments for crop or livestock losses due to adverse weather conditions, disease or other reasons, increased from $2,099 per farm in 1995 to $3,965 per farm in 1996. Farms in all revenue classes experienced substantially higher average program payments: farms with revenues between $25,000 and $99,999 registered increases of over 300%.

Average operating expenses rose by 0.3%, from $401,826 in 1995 to $403,206 in 1996. This increase was due mainly to higher crop and livestock expenses, which rose by 7.8% and 4.2%, respectively. Higher prices for fertilizer, pesticides, seed and feed led to an increase in these expenses. Machinery and general expense categories experienced decreases of 3.1% and 7.9%, respectively. All revenue classes except the smallest and largest classes experienced higher expenses. Expenses dropped by 3.1% for the smallest revenue class ($10,000 to $24,999) and dropped by 9.3% for the largest revenue class ($500,000 and over).

Relative Importance of Revenue and Expense Items

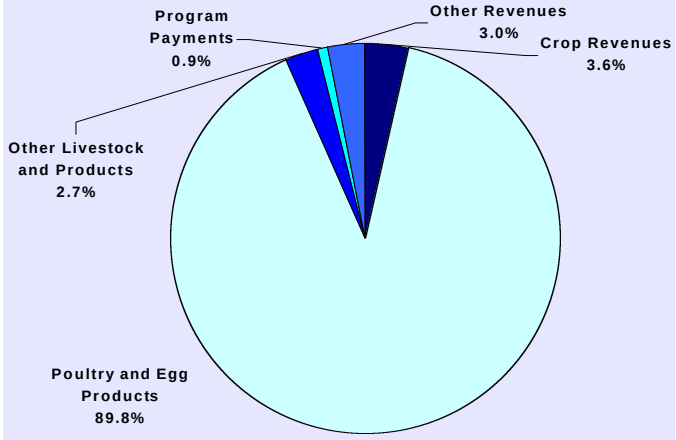
The relative importance of revenue and expense items reflects the effect of relative prices on input costs and returns to farming.

Detailed Operating Revenues

Poultry and egg farms rely to a large extent on poultry and egg product revenues, as reflected in the importance (89.8%) of these revenues.

Poultry and egg products made up the largest share of total operating revenues, at 89.8% of the total in 1996, while program payments accounted for only 0.9% in 1996 (see Table 3 and Figure 7). Obviously, poultry and egg farms tend to be less diversified than most other farm types, and less dependent on program payments than non-supply managed agricultural sectors. The reason is that the poultry and egg sector is supported through market structure and not through direct government expenditures.

Figure 7: Operating Revenues for Poultry and Egg Farms, 1996



Source: Statistics Canada, Whole Farm Data Base.

By revenue class, poultry and egg products contributed increasingly to total revenues as revenues increased, from 61.9% for farms in the $10,000 to $24,999 revenue class to 91.0% for those in the $500,000 and over category. Crop revenues accounted for 3.8% of total revenues for farms in the first two classes and then declined, from 5.8% for farms in the $50,000 to $99,999 revenue class to 3.1% for those in the $500,000 and over category.

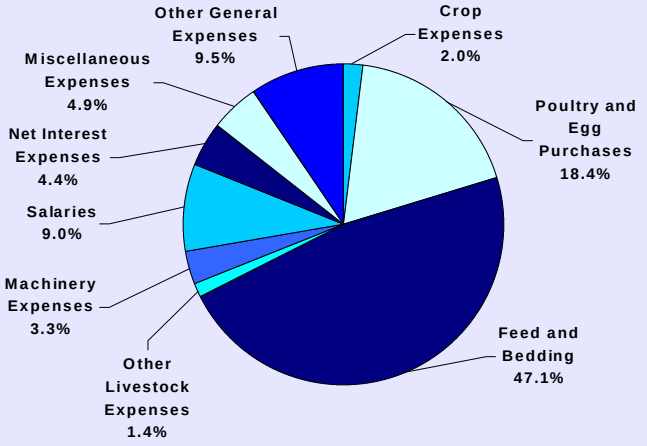
In 1996, 42.6% of poultry and egg farms reported receiving program payments. Program payments also declined in importance as revenues rose, from 7.7% for the smallest farms ($10,000 to $24,999) to 0.7% for the largest ($500,000 and over).

Detailed Operating Expenses

Due to the development of modern production practices such as new breeding, feeding and management methods, poultry and egg farms have become relatively capital-intensive. Poultry are now raised in highly automated barns with control systems regulating temperature, lighting, feed and water.

Livestock expenses (66.9%) were an important expense item for poultry and egg farms in 1996 with the cost of feed, supplements, straw and bedding accounting for most of these expenses (47.1% of total) and poultry and egg purchases representing another 18.4% (see Table 3 and Figure 8). General expenses (27.7%) were also important such as those for salaries, net interest expenses and miscellaneous expenses, which in the case of poultry and egg farms, includes marketing board fees, levies, transportation, advertising and accounting costs.

Figure 8: Operating Expenses for Poultry and Egg Farms, 1996



Source: Statistics Canada, Whole Farm Data Base.

By revenue class, some of the more important expense items, such as salaries, feed and supplements, represented an increasing share as farms got larger. Large poultry and egg farms have greater labour requirements than small farms and consequently, higher salary expenses as a share of the total. The importance of feed expenses rises with flock size. On the other hand, machinery expenses declined in importance as farms got larger since the cost of machinery can be spread over more assets.

Operating Margins

Average operating margins for poultry and egg farms fell for all revenue classes in 1996.

Operating margins are a measure of profitability and the rate of return to farm capital, labour and management. They reflect to some degree the efficiency of the farm operation, especially when comparing similar farm types. In 1996, poultry and egg farms reported an average operating margin of 10.2 cents per dollar of revenue, a decline from 11.2 cents in 1995 (see Table 3).

In general, there was variability in profitability across revenue classes. Farms in the $10,000 to $24,999 revenue class reported the lowest average operating margin at -11.7 cents per dollar of revenue. Farms in the $100,000 to $249,999 revenue class reported the highest average operating margin, at 13.2 cents per dollar of revenue.

Once interest is excluded, average operating margins rose from 10.2 cents to 14.1 cents per dollar of revenue in 1996. All revenue classes experienced an increase, with the highest margins (19.6 cents) reported by farms in the $50,000 to $99,999 revenue class.

FARM INCOME BY PROVINCE

Most poultry and egg farms are concentrated in Ontario and Quebec. However, average net operating income was highest for those in Nova Scotia.

Distribution of Farms by Province

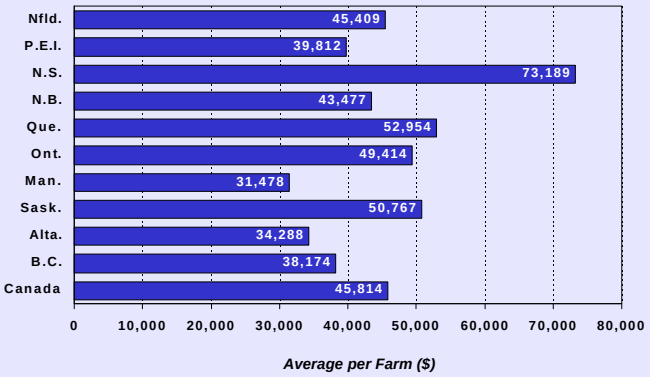
In 1996, the majority of poultry and egg farms were in Ontario (37.8%) and Quebec (19.9%). The remainder was divided between the Prairie provinces (23.4%), British Columbia (13.3%) and the Atlantic provinces (5.6%). Over half of the provinces experienced declines in the number of poultry and egg farms in 1996 when compared with the previous year. Of the provinces reporting increases in the number of farms, Saskatchewan reported the largest increase (+52.2%). Provinces reporting declines were as follows:

	Decline in number (1996/1995)	*% change (1996/1995)*
Newfoundland	15	-27.3%
Prince Edward Island	5	-12.5%
Nova Scotia	15	-13.6%
New Brunswick	5	-6.7%
Ontario	230	-12.1%
British Columbia	30	-4.8%

Net Operating Income

Net operating income varied widely across provinces. Nova Scotia, Quebec, Ontario and Saskatchewan all reported higher net operating income, on average, than the other provinces (see Table 4 and Figure 9). This may be the result of different cost structures that influence profitability, such as whether farms grow more of their own feed or whether there is a greater concentration of production or more efficient operations.

Figure 9: Average Net Operating Income for Poultry and Egg Farms, by Province, 1996



Source: Statistics Canada, Whole Farm Data Base.

Comparison of 1995 and 1996 Revenues, Expenses and Net Operating Income

Average net operating income fell in half of the provinces including in the major poultry and egg-producing provinces.

The decline in average net operating income for poultry and egg farms in Canada between 1995 and 1996 was primarily due to large decreases in net operating income in the major poultry and egg-producing provinces such as Ontario (-15.6%), Manitoba (-10.8%) and Quebec (-7.2%). On the other hand, poultry and egg farms in Prince Edward Island (+38.3%), Nova Scotia (+15.9%), New Brunswick (+15.6%), Alberta (+9.5%) and Saskatchewan (+1.7%), all experienced increases in average net operating income in 1996.

The large increase in Prince Edward Island occurred as a result of higher revenues, particularly from poultry and egg products (+8.4%) and other revenues (+15.9%). Both average total revenues and expenses were up in this province, but revenues rose more (+12.9%) than expenses (+9.2%). In Quebec, Ontario and Manitoba, the reasons for the decreases varied. Quebec experienced an increase in average total revenues, but this was offset by a larger increase in expenses. Ontario, on the other hand, experienced a decrease in average total expenses; however, average total revenues for that province fell by more. Manitoba showed significant declines in both revenues and expenses.

Average operating revenues increased in Prince Edward Island, Nova Scotia, Quebec, Alberta and British Columbia primarily because of higher crop revenues resulting from higher grain and oilseed prices in 1996, and due to higher poultry and egg product revenues, particularly in Nova Scotia. A large percentage decline in poultry and egg product revenues in Manitoba (-19.4%), Saskatchewan (-18.9%) and Newfoundland (-14.4%) resulted in a significant decline in average total revenues for these provinces.

Program payments increased sharply in all provinces except in Manitoba. In Manitoba, program payments declined by 19.5% in response to relatively healthy crop sectors, hence a reduction in crop insurance payments. Program payments include crop insurance and provincial stabilization programs. They do not include NISA withdrawals for unincorporated farms.

Changes in average operating expenses varied by province with significant increases occurring in Nova Scotia (+21.0%), Quebec (+9.7%) and Prince Edward Island (+9.2%). Expenses related to feed, supplements, straw and bedding were higher in most provinces in response to stronger feed grain prices in 1996, which led to increased feed costs.

Relative Importance of Revenue and Expense Items

Detailed Operating Revenues

Poultry and egg farms in British Columbia had the most reliance on poultry and egg products, while those in Manitoba had the least reliance on these products.

The importance of poultry and egg products as a percentage of total operating revenues varied across provinces, ranging from a low of 84.8% in Manitoba to a high of 93.8% in British Columbia (based on numbers reported in Table 4). The next largest source of operating revenues was grains and oilseeds, which accounted for 3.0% of total operating revenues in Canada. Significance of revenue sources varied across the provinces with grains and oilseeds representing the second largest source for farms in Quebec, Ontario and the Prairie provinces. Fruit and vegetable products were a significant source of revenues for Nova Scotia and British Columbia probably due to their diversification into orchards.

Program payments varied from 3.1% of revenues in Prince Edward Island to 0.6% in British Columbia.

Detailed Operating Expenses

Livestock expenses, particularly feed expenses, represented the most significant portion of total operating expenses in all provinces.

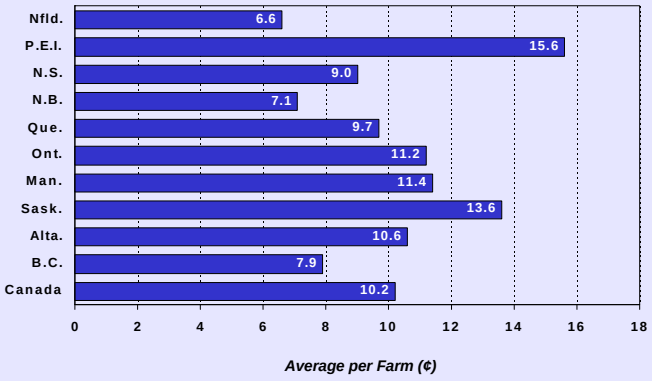
The relative importance of certain operating expenses varied across provinces. Feed, supplements, straw and bedding accounted for the largest share of expenses for poultry and egg farms in all provinces. However, these costs represented a much smaller share of total operating expenses in Manitoba, Saskatchewan and Ontario, where farmers may grow more of their own feed. These provinces, along with Alberta, also earned more revenues from grains and oilseeds, indicating that poultry and egg farms in these provinces were more diversified in grain and oilseed production. Crop expenses for these provinces were understandably more significant. Poultry and egg product expenses represented a slightly higher proportion of total operating expenses for Nova Scotia and Newfoundland. Total general expenses were noticeably higher in Saskatchewan (32.3%), mostly because salary expenses accounted for a greater share of the total, at 11.3%, compared to 9.0% for the national average.

Operating Margins

Poultry and egg farms in Prince Edward Island were the most profitable, followed by those in Saskatchewan.

Operating margins varied from 6.6 cents per dollar of revenue in Newfoundland to 15.6 cents in Prince Edward Island (see Table 4 and Figure 10). Poultry and egg farms in New Brunswick, British Columbia, Nova Scotia and Quebec were also below the national average (10.2 cents). Much of the variation between provinces reflects the cost structure of these farms and the comparative advantage some provinces have in producing poultry and egg products due to their accessibility to inputs and economies of scale.

Figure 10: Average Operating Margins for Poultry and Egg Farms, by Province, 1996



Source: Statistics Canada, Whole Farm Data Base.

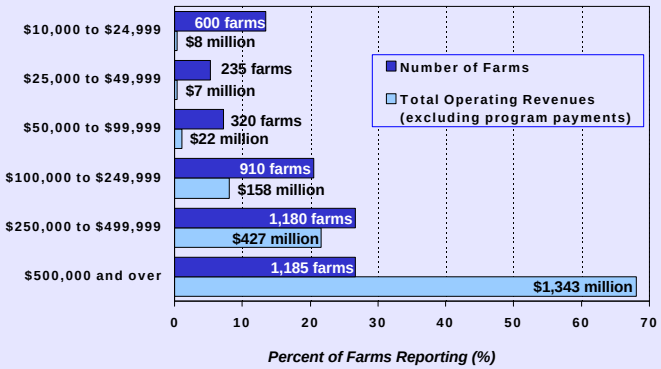
CONCENTRATION OF PRODUCTION

Poultry and egg production is more concentrated among farms with revenues of $500,000 and over.

The concentration of production describes the contribution of poultry and egg farms to total agricultural production by revenue class, as measured by total operating revenues net of program payments. In 1996, total operating revenues from poultry and egg farms (excluding program payments) were $2.0 billion, 6.1% of the total for all farms ($32.3 billion).

Both the distribution of farms and the distribution of production are concentrated in the higher revenue class ($500,000 and over). Approximately one quarter (26.7%) of farms earned revenues of $500,000 and over (see Figure 11). At the same time, these farms accounted for 68.1% of total agricultural production ($1.3 billion).

Figure 11: Concentration of Production, Poultry and Egg Farms, 1996



Total Number of Poultry and Egg Farms: 4,430 farms
Total Agricultural Production from Poultry and Egg Farms: $1,972 million

Source: Statistics Canada, Whole Farm Data Base.

A similar proportion (26.0%) of poultry and egg farms was small (with revenues under $100,000) and they produced just 1.9% of poultry and egg farm output. An additional 21.6% of total farm output was produced by farms in the $250,000 to $499,999 revenue class. The remaining farms had revenues of $100,000 to $249,999 and produced 8.0% of poultry and egg farm output.

DEGREE OF SPECIALIZATION

Almost three quarters of poultry and egg farms were "highly specialized" in 1996. They accounted for 81.4% of all poultry and egg farm revenues. Most of the "highly specialized" poultry and egg farms earned $100,000 and over in revenues.

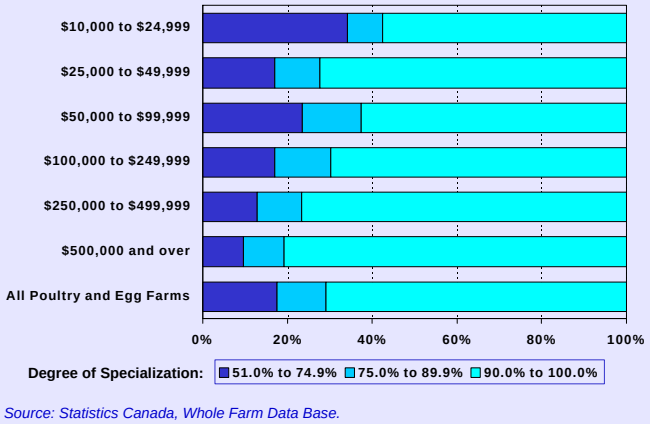
On the other hand, over half of the farms contributing to poultry and egg revenues were not classified as poultry and egg farms, having less than 51% of their total revenues derived from poultry and egg products.

Specialization measures the degree to which a farm's sales are derived from any one particular commodity. This will normally influence a farm's ability to respond to changing market conditions or price shocks. More specialized farms, which depend to a greater extent on a particular commodity, will be more vulnerable to its price declines. However, in the case of poultry and egg farms, which operate in orderly markets because of supply management, there is less variability in prices. Increased specialization in this case results in economies of scale in producing poultry and egg products.

Poultry and Egg Farms

Most poultry and egg farms are "highly specialized". A farm is considered "highly specialized" when 90% or more of its agricultural sales are derived from the sale of a particular commodity. In 1996, 72.3% of poultry and egg farms were "highly specialized". Of the farms classified as "highly specialized", 30.0% were in the $500,000 and over revenue class. Of the 1,185 poultry and egg farms with revenues of $500,000 and over, 81.0% were "highly specialized" (see Figure 12).

Figure 12: Distribution of Poultry and Egg Farms, by Degree of Specialization and Revenue Class, 1996



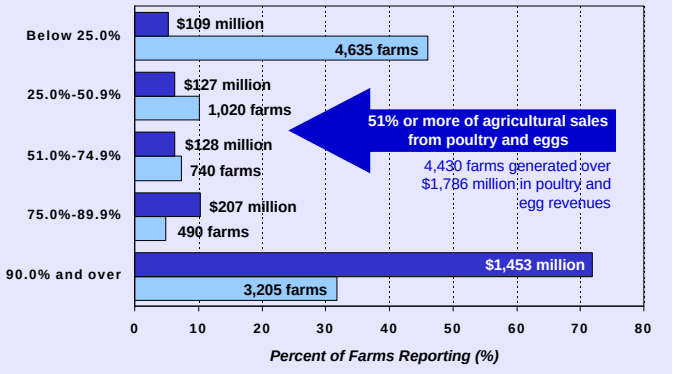
Source: Statistics Canada, Whole Farm Data Base.

Those poultry and egg farms reporting 100.0% of their agricultural sales from poultry and egg products represented 57.2% of poultry and egg farms in 1996 (see Table 5). Of these farms, 29.2% had revenues of $500,000 and over.

All Farms Reporting Poultry and Egg Revenues

In 1996, an estimated 10,075 farms reported earning $2,020 million in revenues from poultry and egg products (see Figure 13). Of these farms, 4,430 or 44.0% were classified as "poultry and egg farms" with 51% or more in revenues from the sale of poultry and egg products. Poultry and egg farms produced 88.4% of the total revenues from poultry and egg products, amounting to $1,786 million in 1996. The remaining 5,650 farms (56.0% of the total number reporting revenues from poultry and egg products) were not classified as poultry and egg farms and accounted for 11.7% of poultry and egg production.

Figure 13: Degree of Specialization, Farms Reporting Poultry and Egg Revenues, 1996



Total Number of Farms Reporting Poultry and Egg Revenues: 10,075 farms
Total Revenues from Poultry and Eggs: $2,020 million

Source: Statistics Canada, Whole Farm Data Base.

Of the 5,650 farms that were not classified as poultry and egg farms, most (82.0%) reported less than 25.0% of sales from poultry and egg products. A smaller percentage (18.1%) earned 25.0% to 50.9% of their agricultural sales from this source. Many farms in this group change farm type depending on the relative price of poultry and eggs compared to other agricultural commodities. Between 1995 and 1996, 18.8% of poultry and egg farms changed farm type classifications, with 6.9% switching to other farm types and 3.8% switching to cattle farms.

PHYSICAL CHARACTERISTICS

The size of average Canadian poultry and egg farms in 1996 was 179 acres with the majority of land being used for crop production. The average flock size in 1996 was 19,415 head.

In 1996, the average Canadian poultry and egg farm was 179 acres in size (see Table 6). Of this total, 71.5% was in crop production, including 59.2% in grains and oilseeds, and 12.3% in other crops. The remaining 28.5% was in "other land" (seeded pasture, summerfallow and other land).

Across revenue classes, the smallest farms ($10,000 to $24,999) averaged 107 acres while the largest farms ($500,000 and over), averaged 267 acres. In general, the percentage of total acreage sown in crops increased with increasing revenue, ranging from 54.2% for the smallest farms to 82.4% for the largest farms, while the share of total land devoted to "other land" was generally lower for farms in the larger revenue classes. The share of total crop area in grains and oilseeds also increased with increasing revenue, ranging from 39.3% for the smallest farms to 70.8% for the largest farms.

The average flock[3] size of a Canadian poultry and egg farm was 19,415 head, ranging from 739 head for the smallest farms ($10,000 to $24,999) to 39,208 head, on average, for the largest farms ($500,000 and over). Of the total number of head, 12.1% were hens and pullets; and 87.9% were other poultry. Hens and pullets accounted for the largest share of poultry (52.3%) in the $50,000 to $99,999 revenue class. "Other poultry" accounted for over 93% of total poultry on the largest farms ($250,000 and over).

3. *Includes chickens (roasters or broilers), hens and pullets (19 weeks and over), pullets and pullet chicks (under 19 weeks), all other chickens (stewing hens, roosters, Cornish, etc.) and turkeys.*

GLOSSARY

Concentration of Production. Describes the contribution of farms to total agricultural production (total revenues excluding program payments) by revenue class.

Degree of Specialization. Measures the percent a particular commodity contributes to that farm's total agricultural sales (crop and livestock sales). Farms are "highly specialized" in poultry and egg production when 90% or more of their sales are derived from the sale of poultry and eggs. Farms are not specialized in poultry and eggs when less than 51% of their agricultural sales are from the sale of poultry and egg products.

Depreciation. Measures the loss in value of an asset over its estimated life due to wear and tear and obsolescence. In the bulletins, depreciation is not included in expenses and net operating income is calculated before depreciation. (For tax purposes, depreciation is represented by the capital cost allowance, an amount deducted from income to account for annual depreciation costs at a rate specific to the depreciable capital item.)

Farm Operations. Include unincorporated farms with gross operating revenues of $10,000 or more, and incorporated farms with sales of $25,000 or more and for which 51% or more of their sales come from agricultural activities. (Since 1993, farm operations have also included communal farming operations that reported gross operating revenues of $10,000 or more.)

Farm Type. Classification is determined by the contribution of a particular commodity's sales to a farm's total agricultural sales. Farms on which 51% or more of sales are derived from poultry and eggs are considered poultry and egg farms. Eight major farm types are discussed in the bulletins: grain and oilseed, cattle, dairy, hog, fruit and vegetable, poultry and egg, greenhouse and nursery, and potato farms.

Net Operating Income. The profit or loss of the farm operation measured by total operating revenues less total operating expenses, before depreciation, and before other adjustments for tax purposes.

Operating Expenses. The business costs incurred by the farm operation in the production of agricultural commodities. (Inter-farm purchases are included in these costs and depreciation expenses are excluded.)

Operating Margin. The ratio of net operating income to operating revenues, measured in cents per dollar of revenue. It is a measure of profitability and the rate of return to farm capital, labour and management.

Operating Revenues. Those revenues from the sale of agricultural commodities as well as agricultural program payments and subsidies. (Revenues from the sale of forest products and other farm income are also included, as are inter-farm sales.)

Program Payments. Include income from provincial stabilization programs, the Gross Revenue Insurance Plan (GRIP) now terminated, payments and other subsidies (such as hog incentive programs, acreage payments, assistance for clearing land and government grants), plus aggregate amounts reported for subsidies, patronage dividends and reimbursements. Program payments also include insurance proceeds from programs for crops and livestock due to adverse weather conditions, disease or other reasons. Dairy subsidies are not included in program payments nor are Net Income Stabilization Account (NISA) withdrawals for unincorporated farms.

Total Agricultural Production. Total operating revenues minus program payments (used in calculation of concentration).

Total Agricultural Sales. Total crop revenues plus total livestock and product revenues (used in calculation of specialization).

REFERENCES:

- Canadian Egg Marketing Agency, Annual Report, 1996
- Canadian Chicken Marketing Agency, Annual Report, 1996
- Canadian Turkey Marketing Agency
- *Poultry Market Review 1996*, Agriculture and Agri-Food Canada, Market and Industry Services Branch
- National Farm Products Council (www.nfpc-cnpa.gc.ca)

Symbols

The following standard symbols are used in the tabulations:

..	Figures not available
...	Figures not appropriate or not applicable
–	Nil or zero
--	Amount too small to be expressed
x	Confidential to meet secrecy requirements of the Statistics Act

TABLES

Table 1: Operating Revenues and Expenses by Revenue Class, Canada, 1995 and 1996

		$10,000 to $24,999	$25,000 to $49,999	$50,000 to $99,999	$100,000 to $249,999	$250,000 to $499,999	$500,000 and over	All Farms
Number of Farms	1996	600	235 *	320	910	1,180	1,185	4,430
	1995	590	365 *	345	980	1,150	1,125	4,550
		Revenues - Average per Farm ($)						
Total Crops	1996	562 **	1,251 *	4,193 **	10,026	15,255	35,491	16,096
	1995	570 *	773 **	3,647 **	9,534	14,985	32,843	14,372
Total Livestock	1996	9,805	25,477	60,297	157,390	333,125	1,069,800	415,409
	1995	11,192	28,530	63,589	158,351	331,350	1,195,014	422,022
Program Payments	1996	1,134 **	1,740 **	2,212 **	2,481	3,201	8,189	3,965
	1995	715 **	420 **	518 *	1,280	2,520	4,130	2,099
Total Other Revenues	1996	3,305 *	4,126 *	5,747 *	6,660	13,133	28,331	13,551
	1995	3,224	5,672 **	5,261 *	6,848	10,903	33,787	13,856
Total Revenues[1]	1996	14,806	32,593	72,448	176,557	364,714	1,141,812	449,020
	1995	15,700	35,395	73,015	176,013	359,758	1,265,775	452,349
		Expenses - Average per Farm ($)						
Total Crops	1996	353 **	1,009 **	2,874 **	4,781	7,320	17,620	7,970
	1995	547 **	685 **	2,317 *	4,179	6,587	18,317	7,396
Total Livestock	1996	5,809	12,787	30,239	93,496	214,529	707,116	269,917
	1995	6,588	12,819	27,978	92,413	201,735	744,288	259,018
Total Machinery	1996	2,542	4,531 *	5,338	9,024	11,486	28,177	13,446
	1995	2,906	4,021	6,224	7,920	11,546	32,713	13,883
Total General Expenses	1996	7,838	13,888 *	24,881	45,902	90,594	278,252	111,873
	1995	7,021	14,155	26,711	45,712	91,521	341,534	121,530
Total Expenses[1]	1996	16,541	32,216	63,332	153,203	323,929	1,031,165	403,206
	1995	17,062	31,680	63,230	150,224	311,388	1,136,853	401,826
		Net Operating Income - Average per Farm ($)						
Net Operating Income[2]	1996	(1,735)	377	9,116	23,354	40,785	110,647	45,814
	1995	(1,362)	3,715	9,784	25,789	48,370	128,922	50,523

1. *Totals may not add up due to rounding and/or confidentiality restrictions.*
2. *Net operating income does not include depreciation.*

**Use with caution.*
***Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Table 2: Distribution of Net Operating Income by Revenue Class, Canada, 1996

Revenue Class	Net Operating Income[1]					
	Below $1	$1 to $9,999	$10,000 to $24,999	$25,000 to $49,999	$50,000 and over	Total
	Number of Farms					
$10,000 to $24,999	270 *	300 *	30 **	-	-	600
$25,000 to $49,999	75 **	105 **	35 **	x	-	235 *
$50,000 to $99,999	65 **	80 **	110 **	55 **	x	320
$100,000 and over	445	215	475	720	1,415	3,275
Total Farms[2]	860	705	650	790	1,420	4,430
Percent of Total Farms	19.4	15.9	14.7	17.8	32.1	100.0

1. *Net operating income does not include depreciation.*
2. *Totals may not add up due to rounding and/or confidentiality restrictions.*

**Use with caution.*
***Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Economic Overview of Farm Incomes, 1996 – Poultry and Egg Farms

Table 3: Operating Revenues and Expenses by Revenue Class, Canada, 1996

	$10,000 to $24,999	$25,000 to $49,999	$50,000 to $99,999	$100,000 to $249,999	$250,000 to $499,999	$500,000 and over	All Farms
Number of Farms	**600**	**235 ***	**320**	**910**	**1,180**	**1,185**	**4,430**
	Revenues - Average per Farm ($)						
Total Grains & Oilseeds	262 **	644 *	3,418 **	7,987	12,752	30,048	13,420
Potatoes	x	x	x	x	x	x	277 **
Fruits & Vegetables	161 **	72 *	315 **	531 **	1,584 *	2,998	1,384
Tobacco	-	-	-	x	-	x	x
Greenhouse & Nursery Products	x	-	-	x	x	x	278 *
Forage Crops (including seed)	127 **	534 **	458 **	637 *	519	682	530
Other Crops	-	x	x	-	-	x	x
Total Other Crops	300 **	607 **	774 **	2,040 **	2,503 *	5,443	2,675
Total Crop Revenues	562 **	1,251 *	4,193 **	10,026	15,255	35,491	16,096
Cattle & Semen	311 *	647 **	3,025 **	2,924 *	3,566	7,275	3,796
Swine	x	x	221 *	1,041 **	2,105	17,271	5,474
Poultry & Eggs	9,166	24,216	56,570	151,806	324,826	1,038,671	403,270
Dairy Products & Subsidies	x	x	x	1,247 **	2,154	6,189	2,501
Other Livestock & Products	186 **	146 **	x	371 **	474 **	395	369 *
Total Livestock & Product Revenues	9,805	25,477	60,297	157,390	333,125	1,069,800	415,409
Program Payments	1,134 **	1,740 **	2,212 **	2,481	3,201	8,189	3,965
Custom Work & Machine Rental	1,000 **	1,875 **	2,528 **	2,392	6,667 *	13,141	6,211
Rental Income	x	x	663 **	1,495 *	2,602 *	4,113	2,291
Forest & Maple Products	x	x	385 **	465 **	194 **	856 *	440 *
Miscellaneous Revenues	1,388 **	1,300 *	2,170 **	2,309	3,670	10,221	4,609
Total Other Revenues	3,305 *	4,126 *	5,747 *	6,660	13,133	28,331	13,551
Total Operating Revenues [1]	**14,806**	**32,593**	**72,448**	**176,557**	**364,714**	**1,141,812**	**449,020**
	Expenses - Average per Farm ($)						
Fertilizer & Lime	139 **	576 **	1,158 **	2,120	2,930	4,805	2,638
Pesticides	37	58 **	396 **	916 *	1,605	3,658	1,634
Seed & Plants	116 **	247 *	935 **	1,262	2,025	3,291	1,778
Other Crop Expenses	62 **	128 *	385 *	483 **	760 *	5,865	1,920
Total Crop Expenses	353 **	1,009 **	2,874 **	4,781	7,320	17,620	7,970
Cattle Purchases	64 *	x	1,111 **	519	1,564	3,970	1,681
Swine Purchases	18 **	x	x	228 *	522 *	5,155	1,579
Poultry & Egg Purchases	1,284 *	3,080 *	8,391	24,106	57,842	196,900	74,187
Other Livestock Purchases	145 **	x	285 **	115 **	x	169 *	171
Feed, Supplements, Straw & Bedding	4,139	9,085	19,857	67,655	152,742	495,196	190,061
Vet Fees, Medicine & Breeding Fees	159 *	426 **	546 *	836	1,537	5,244	2,073
Other Livestock Expenses	-	-	x	37 **	x	481	165
Total Livestock Expenses	5,809	12,787	30,239	93,496	214,529	707,116	269,917
Small Tools	339 **	374 *	438 *	522	500	351	432
Net Fuel Expenses, Machinery, Truck, Auto	1,073	1,919 *	2,158	3,584	4,338	8,490	4,572
Repairs, Licenses and Insurance	1,130	2,238 *	2,742	4,918	6,648	19,336	8,442
Total Machinery Expenses	2,542	4,531 *	5,338	9,024	11,486	28,177	13,446
Salaries (including CPP, QPP, EI)	489 **	1,400 **	2,743 *	8,778	21,053	106,152	36,267
Rent	165 **	2,138 **	623 **	1,258 *	3,404	9,925	4,012
Insurance	481 *	648 *	1,391	2,106	3,891	9,826	4,307
Utilities	880 *	1,982 *	4,352	7,209	12,341	30,146	13,399
Custom Work & Machine Rental	554 *	889 **	3,377 *	3,863	6,833	19,489	8,211
Net Interest Expenses	3,077 *	1,932 *	5,058	9,223	19,114	36,620	17,699
Net Property Taxes	511 **	617	1,081	1,856	2,785	5,257	2,714
Building & Fence Repairs	728 *	880 *	1,795	2,889	5,144	12,423	5,573
Miscellaneous Expenses	953	3,402 *	4,460	8,720	16,027	48,417	19,693
Total General Expenses	7,838	13,888 *	24,881	45,902	90,594	278,252	111,873
Total Operating Expenses[1]	**16,541**	**32,216**	**63,332**	**153,203**	**323,929**	**1,031,165**	**403,206**
	Net Operating Income - Average per Farm ($)						
Net Operating Income [2]	**(1,735)**	**377**	**9,116**	**23,354**	**40,785**	**110,647**	**45,814**
	Operating Margins per $ of Revenue						
Operating Margin	(0.12)	0.01	0.13	0.13	0.11	0.10	0.10
Operating Margin (excluding interest)	0.09	0.07	0.20	0.18	0.16	0.13	0.14

1. *Totals may not add up due to rounding and/or confidentiality restrictions.*
2. *Net operating income does not include depreciation.*

** Use with caution.*
*** Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Economic Overview of Farm Incomes, 1996 – Poultry and Egg Farms

Table 4: Operating Revenues and Expenses by Province, 1996

	Newfoundland		Prince Edward Island		Nova Scotia		New Brunswick	
	1996	Change 1996/1995	1996	Change 1996/1995	1996	Change 1996/1995	1996	Change 1996/1995
Number of Farms	**40**	**-27.3**	**35 ***	**-12.5**	**95**	**-13.6**	**70**	**-6.7**
	Revenues - Average per Farm ($)							
Total Grains & Oilseeds	-	…	x	x	5,720	91.9	x	x
Potatoes	x	x	-	…	x	x	-	…
Fruits & Vegetables	x	x	x	x	17,633	0.4	x	x
Tobacco	-	…	-	…	-	x	-	…
Greenhouse & Nursery Products	-	…	-	…	x	…	-	x
Forage Crops (including seed)	2,972 **	47.9	275 *	56.3	x	x	892 *	53.5
Other Crops	-	…	x	x	-	…	x	…
Total Other Crops	4,102 *	43.9	x	x	19,759	-5.8	x	x
Total Crop Revenues	4,102 *	43.9	1,936 *	-4.0	25,479	6.4	1,524	x
Cattle & Semen	2,902 *	-5.2	5,867 **	60.3	8,510	-16.4	4,163	-18.6
Swine	-	…	x	x	x	x	x	x
Poultry & Eggs	635,180	-14.4	219,457 *	8.4	719,268	21.3	568,482	-3.0
Dairy Products & Subsidies	x	x	x	x	13,931	57.3	13,886	x
Other Livestock & Products	x	x	-	…	x	x	x	x
Total Livestock & Product Revenues	666,459	-15.5	238,380	9.8	749,267	20.6	591,527	-2.1
Program Payments	11,868 **	…	7,965 *	…	6,201	56.4	8,337	x
Custom Work & Machine Rental	x	x	x	x	14,111	38.4	2,963	-54.7
Rental Income	x	x	1,920 **	x	x	x	x	x
Forest & Maple Products	x	x	x	x	x	x	x	x
Miscellaneous Revenues	1,917	-44.9	1,886 **	-21.1	8,323	-26.6	2,407	-37.3
Total Other Revenues	2,373	-42.9	7,575	15.9	30,640	28.6	7,061	-42.9
Total Operating Revenues [1]	**684,803**	**-14.3**	**255,856**	**12.9**	**811,587**	**20.6**	**608,449**	**-1.9**
	Expenses - Average per Farm ($)							
Fertilizer & Lime	x	x	825 **	74.1	4,864	99.3	878 *	35.9
Pesticides	x	x	172	-10.4	1,017	-39.2	x	x
Seed & Plants	x	x	635 **	89.6	2,128	-13.5	x	x
Other Crop Expenses	2,924 *	-65.3	3,212	-28.8	11,513	27.4	6,785	-25.7
Total Crop Expenses	4,857 *	-54.4	4,844	-12.1	19,522	25.0	7,863	-22.5
Cattle Purchases	x	x	5,718	x	4,285 *	27.5	1,594	-44.8
Swine Purchases	-	…	x	x	x	x	x	x
Poultry & Egg Purchases	132,239	-16.5	27,418 *	-8.6	162,439	30.0	87,043	-11.6
Other Livestock Purchases	x	…	x	…	x	x	x	x
Feed, Supplements, Straw & Bedding	334,327	-2.3	107,712 *	15.0	340,741	22.4	313,933	9.4
Vet Fees, Medicine & Breeding Fees	x	x	793 *	37.0	3,284	15.0	3,476	-23.0
Other Livestock Expenses	x	x	-	x	x	x	x	x
Total Livestock Expenses	469,113	-7.7	146,870 *	11.7	514,833	25.0	408,321	3.7
Small Tools	191	…	306 *	…	762	…	207	…
Net Fuel Expenses, Machinery, Truck, Auto	4,531	-21.4	3,530	35.6	10,381	22.4	5,432	3.6
Repairs, Licenses and Insurance	8,401	-18.9	5,136	0.5	12,667	32.4	9,437	-23.6
Total Machinery Expenses	13,123	-18.9	8,972	15.0	23,810	30.6	15,076	-14.7
Salaries (including CPP, QPP, EI)	64,263	-33.1	19,957	1.5	74,215	16.1	53,298	-28.8
Rent	1,866 *	-34.5	620 *	x	2,653	28.8	597	-51.7
Insurance	6,253	-7.0	1,441	-18.2	5,690	11.4	5,695	-0.7
Utilities	13,765	-34.3	4,590	-9.9	15,789	11.1	15,977	-13.9
Custom Work & Machine Rental	6,789 *	-24.2	4,541	x	6,831	-14.9	5,547	51.7
Net Interest Expenses	15,359	-17.0	4,615	-13.3	18,812	0.4	15,578	2.5
Net Property Taxes	1,023	-22.4	1,557	19.4	2,892	14.4	1,474	10.8
Building & Fence Repairs	4,106	-42.1	2,350	15.4	7,150	10.4	8,865	12.7
Miscellaneous Expenses	38,877	-0.3	15,686	1.4	46,200	6.4	26,681	-18.5
Total General Expenses	152,301	-24.4	55,358	4.3	180,233	9.6	133,711	-17.0
Total Operating Expenses[1]	**639,393**	**-13.2**	**216,044**	**9.2**	**738,398**	**21.0**	**564,971**	**-3.0**
	Net Operating Income - Average per Farm ($)							
Net Operating Income [2]	**45,409**	**-27.9**	**39,812**	**38.3**	**73,189**	**15.9**	**43,477**	**15.6**
	Operating Margins per $ of Revenue							
Operating Margin	0.07		0.16		0.09		0.07	
Operating Margin (excluding interest)	0.09		0.17		0.11		0.10	

1. *Totals may not add up due to rounding and/or confidentiality restrictions.*
2. *Net operating income does not include depreciation.*

** Use with caution.*
*** Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Economic Overview of Farm Incomes, 1996 – Poultry and Egg Farms

Table 4: Operating Revenues and Expenses by Province, 1996 (continued)

	Quebec		Ontario		Manitoba		Saskatchewan	
	1996	Change 1996/1995	1996	Change 1996/1995	1996	Change 1996/1995	1996	Change 1996/1995
Number of Farms	**880**	**3.5**	**1,675**	**-12.1**	**390**	**18.2**	**175 ***	**52.2**
	Revenues - Average per Farm ($)							
Total Grains & Oilseeds	9,620	27.0	17,978	16.9	20,221	17.6	14,845 *	-17.2
Potatoes	x	x	137 **	...	-	...	-	...
Fruits & Vegetables	427 **	...	1,243 **	-31.4	x	...	x	x
Tobacco	-	...	x	x	-	...	-	...
Greenhouse & Nursery Products	x	x	x	x	-	x	-	...
Forage Crops (including seed)	427 *	-4.7	379 *	-17.6	623 **	-21.4	488 **	-69.0
Other Crops	-	...	x	x	x	x	x	x
Total Other Crops	1,718 **	94.6	2,542 *	-19.4	973 *	-4.9	526 **	-67.9
Total Crop Revenues	11,339	34.1	20,520	10.7	21,194	16.3	15,370 *	-21.4
Cattle & Semen	2,507 *	-39.5	4,151	-3.6	3,297 *	0.7	4,802 **	72.7
Swine	8,995	-7.9	6,433	-27.2	5,214	-22.0	x	x
Poultry & Eggs	497,698	7.3	389,373	-4.5	233,875	-19.4	334,986 *	-18.9
Dairy Products & Subsidies	3,910 *	x	1,315 **	29.7	x	x	x	...
Other Livestock & Products	275 **	x	427 **	...	x	x	x	x
Total Livestock & Product Revenues	513,385	6.5	401,700	-4.9	242,956	-19.2	340,655 *	-20.4
Program Payments	5,872	15.7	3,159 *	...	2,235	-19.5	6,236 **	...
Custom Work & Machine Rental	4,714	23.3	7,834	31.4	3,799	-6.7	5,264 **	42.4
Rental Income	3,585	99.4	x	x	x	x	1,845 **	x
Forest & Maple Products	1,033 **	27.7	x	x	x	x	-	x
Miscellaneous Revenues	4,024	34.7	4,781	-42.3	4,590	-25.8	4,721 *	-49.8
Total Other Revenues	13,356	41.8	14,719	-6.9	9,478	-15.5	11,830 **	-12.3
Total Operating Revenues [1]	**543,951**	**7.8**	**440,097**	**-3.9**	**275,863**	**-17.1**	**374,091 ***	**-19.1**
	Expenses - Average per Farm ($)							
Fertilizer & Lime	1,643	11.7	2,741	7.4	5,272	-5.6	3,557 *	-20.0
Pesticides	1,074	64.7	2,124	25.2	2,761	-1.1	1,838 *	-11.4
Seed & Plants	1,603	12.0	2,373	32.0	2,768	74.6	1,440 *	10.3
Other Crop Expenses	1,031 *	-34.8	2,453	-7.7	541 *	46.2	1,550 **	-52.3
Total Crop Expenses	5,351	4.2	9,692	11.4	11,342	9.8	8,386 *	-24.3
Cattle Purchases	865 *	-54.4	2,224	-35.0	333 *	-75.2	2,523 **	2.7
Swine Purchases	x	x	1,876	x	1,468	-23.4	x	x
Poultry & Egg Purchases	93,168	2.9	74,734	-13.9	47,384	-33.1	46,835 *	-22.7
Other Livestock Purchases	x	x	199 **	x	x	x	x	x
Feed, Supplements, Straw & Bedding	242,954	18.8	175,033	14.8	103,793	-7.4	143,534 *	-21.4
Vet Fees, Medicine & Breeding Fees	3,738	39.0	1,519	-62.0	1,575 *	23.1	961 *	-22.2
Other Livestock Expenses	155 *	x	259	-50.6	x	x	x	x
Total Livestock Expenses	343,444	13.7	255,843	1.9	154,637	-17.8	194,837 *	-22.1
Small Tools	261 *	...	501	27.2	517	16.7	478	36.2
Net Fuel Expenses, Machinery, Truck, Auto	3,723	2.0	5,045	0.5	5,229	-9.8	5,184	-25.9
Repairs, Licenses and Insurance	10,254	4.6	8,267	-12.3	7,328	-2.9	10,076 *	-34.1
Total Machinery Expenses	14,237	5.1	13,814	-6.9	13,073	-5.2	15,738	-30.5
Salaries (including CPP, QPP, EI)	37,996	-13.5	37,908	-21.5	21,077	-31.8	36,438 *	-25.1
Rent	6,183	26.9	3,851	1.8	1,698	2.0	2,106 **	-52.7
Insurance	5,302	-0.7	4,230	-1.4	3,288	-15.9	3,350 *	-32.9
Utilities	17,908	1.2	13,713	-3.8	8,625	-1.3	9,848	-29.5
Custom Work & Machine Rental	8,595	21.0	8,409	-7.2	5,299	-12.9	6,013 *	6.0
Net Interest Expenses	15,120	3.0	19,221	7.6	8,320	-10.8	9,315	-28.6
Net Property Taxes	2,954	12.1	3,450	12.0	2,303	1.5	1,619	-24.3
Building & Fence Repairs	7,626	-10.8	5,771	-8.2	3,420	-15.7	3,493 *	-14.9
Miscellaneous Expenses	26,281	18.2	14,782	-16.2	11,303	-38.3	32,181 *	1.0
Total General Expenses	127,965	0.7	111,335	-10.6	65,333	-23.4	104,363 *	-19.1
Total Operating Expenses[1]	**490,997**	**9.7**	**390,684**	**-2.2**	**244,384**	**-17.9**	**323,324**	**-21.6**
	Net Operating Income - Average per Farm ($)							
Net Operating Income [2]	**52,954**	**-7.2**	**49,414**	**-15.6**	**31,478**	**-10.8**	**50,767**	**1.7**
	Operating Margins per $ of Revenue							
Operating Margin	0.10		0.11		0.11		0.14	
Operating Margin (excluding interest)	0.13		0.16		0.14		0.16	

1. *Totals may not add up due to rounding and/or confidentiality restrictions.*
2. *Net operating income does not include depreciation.*

** Use with caution.*
*** Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Table 4: Operating Revenues and Expenses by Province, 1996 (concluded)

	Alberta		British Columbia		Canada	
	1996	Change 1996/1995	1996	Change 1996/1995	1996	Change 1996/1995
Number of Farms	**465**	**1.1**	**590**	**-4.8**	**4,430**	**-2.6**
			Revenues - Average per Farm ($)			
Total Grains & Oilseeds	20,348	9.9	439 **	79.9	13,420	16.2
Potatoes	-	…	x	x	277 **	…
Fruits & Vegetables	x	x	3,067	-9.0	1,384	-19.0
Tobacco	-	…	-	…	x	x
Greenhouse & Nursery Products	-	…	872 **	x	278 *	x
Forage Crops (including seed)	1,237 *	15.9	350	22.0	530	-6.7
Other Crops	x	x	x	…	x	x
Total Other Crops	1,240 *	12.2	4,666	15.5	2,675	-5.3
Total Crop Revenues	21,589	10.0	5,104	19.2	16,096	12.0
Cattle & Semen	6,459 *	-12.0	1,732 *	-13.9	3,796	-11.6
Swine	x	x	2,074 *	73.1	5,474	-22.2
Poultry & Eggs	278,603	8.1	454,216	4.1	403,270	-1.1
Dairy Products & Subsidies	x	x	2,791 *	16.0	2,501	-0.6
Other Livestock & Products	247 **	-60.2	561 **	…	369 *	61.1
Total Livestock & Product Revenues	286,930	6.9	461,374	4.4	415,409	-1.6
Program Payments	2,922 *	88.5	2,981	…	3,965	88.9
Custom Work & Machine Rental	4,958 **	-48.8	6,363	91.4	6,211	15.2
Rental Income	1,928 **	x	2,694	-0.8	2,291	36.1
Forest & Maple Products	-	x	400 **	-61.6	440 *	19.9
Miscellaneous Revenues	4,365 *	-28.6	5,162	1.4	4,609	-28.1
Total Other Revenues	11,251	-36.7	14,619	20.1	13,551	-2.2
Total Operating Revenues [1]	**322,691**	**5.0**	**484,079**	**5.5**	**449,020**	**-0.7**
			Expenses - Average per Farm ($)			
Fertilizer & Lime	4,419	-5.2	456 **	x	2,638	7.5
Pesticides	1,633	7.0	x	x	1,634	24.5
Seed & Plants	1,256	-6.8	x	x	1,778	25.0
Other Crop Expenses	1,967	…	353	-59.3	1,920	-13.1
Total Crop Expenses	9,275	12.1	2,094	31.9	7,970	7.8
Cattle Purchases	2,795	-45.1	480 *	-35.3	1,681	-39.7
Swine Purchases	x	x	581 **	66.5	1,579	-35.3
Poultry & Egg Purchases	44,699	1.5	75,841	-12.0	74,187	-10.3
Other Livestock Purchases	200 **	…	147 **	13.1	171	76.3
Feed, Supplements, Straw & Bedding	133,302	12.1	223,880	22.0	190,061	13.3
Vet Fees, Medicine & Breeding Fees	1,148	-5.6	2,336	-8.2	2,073	-29.6
Other Livestock Expenses	x	x	47 *	-79.1	165	-51.9
Total Livestock Expenses	182,288	7.1	303,312	10.9	269,917	4.2
Small Tools	620	28.4	266	12.2	432	39.4
Net Fuel Expenses, Machinery, Truck, Auto	4,586	-5.0	2,853	-0.4	4,572	-1.4
Repairs, Licenses and Insurance	7,709	2.2	6,447	0.4	8,442	-5.5
Total Machinery Expenses	12,916	0.5	9,566	0.4	13,446	-3.1
Salaries (including CPP, QPP, EI)	23,029	-4.2	40,013	-13.6	36,267	-18.7
Rent	3,041	14.6	5,111	30.0	4,012	10.4
Insurance	3,927	2.1	3,941	0.3	4,307	-2.8
Utilities	10,441	0.3	12,161	-0.4	13,399	-3.5
Custom Work & Machine Rental	8,454	0.7	10,353	-13.7	8,211	-4.0
Net Interest Expenses	16,977	0.3	27,534	-2.9	17,699	-0.2
Net Property Taxes	1,348	-6.3	2,261	2.5	2,714	6.3
Building & Fence Repairs	4,072	0.7	4,825	3.2	5,573	-7.9
Miscellaneous Expenses	12,635	-3.7	24,735	14.8	19,693	-1.8
Total General Expenses	83,924	-1.1	130,934	-3.2	111,873	-7.9
Total Operating Expenses[1]	**288,403**	**4.4**	**445,905**	**6.2**	**403,206**	**0.3**
			Net Operating Income - Average per Farm ($)			
Net Operating Income [2]	**34,288**	**9.5**	**38,174**	**-1.9**	**45,814**	**-9.3**
			Operating Margins per $ of Revenue			
Operating Margin	0.11		0.08		0.10	
Operating Margin (excluding interest)	0.16		0.14		0.14	

1. *Totals may not add up due to rounding and/or confidentiality restrictions.*
2. *Net operating income does not include depreciation.*

** Use with caution.*
*** Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Economic Overview of Farm Incomes, 1996 – Poultry and Egg Farms

Table 5: Farms with Sales of Poultry and Eggs by Degree of Specialization and Revenue Class, 1995 and 1996

Revenue Class		Degree of Specialization[1]						
		Below 25.0%	25.0% to 50.9%	51.0% to 74.9%	75.0% to 89.9%	90.0% to 99.9%	100.0%	Total
		Number of Farms						
		Not Specialized		Specialized "Poultry and Egg Farms"				
$10,000 to $24,999	1996	1,390	430 *	205 *	50 **	x	325 *	2,420
	1995	1,590	335 *	170 **	115 **	x	280 *	2,520
$25,000 to $49,999	1996	815	110 **	40 **	25 **	x	140 *	1,160
	1995	985	205 **	80 **	50 **	30 **	210 *	1,560
$50,000 to $99,999	1996	950	75 **	75 **	45 **	x	180 *	1,335
	1995	905	105 **	70 **	35 **	30 *	220 *	1,360
$100,000 to $249,999	1996	845	120 *	155 *	120	170	460	1,875
	1995	935	120 *	140 *	160 *	200	485	2,040
$250,000 to $499,999	1996	265	130	150	125	215	685	1,575
	1995	230	135	135	125	225	660	1,510
$500,000 and over	1996	365	160	115	115	225	740	1,710
	1995	335	120	125	115	195	690	1,575
Total[2]	1996	4,635	1,020	740	490	665	2,535	10,075
	1995	4,990	1,025	720	600	690	2,540	10,565
Distribution by degree of specialization (%)	1996	46.0	10.1	7.3	4.9	6.6	25.2	100.0
	1995	47.2	9.7	6.8	5.7	6.5	24.0	100.0

1. *Percent of total sales derived from poultry and eggs.*
2. *Totals may not add up due to rounding and/or confidentiality restrictions.*

** Use with caution.*
*** Unreliable.*

Source: Statistics Canada, Whole Farm Data Base.

Table 6: Physical Characteristics of Poultry and Egg Farms, Canada, 1994–1996

	1996							1995	1994
	$10,000 to $24,999	$25,000 to $49,999	$50,000 to $99,999	$100,000 to $249,999	$250,000 to $499,999	$500,000 and over	All Classes	All Classes	All Classes
	Average per Farm (Acres)								
Total Area of Farms	107 **	205 **	92 **	144 **	177 *	267 *	179	182	213
Total Crops	58 **	102 **	54 **	104 **	116 *	220 *	128	134	152
Grains and Oilseeds	42 **	85 **	43 **	73 **	102 *	189 *	106	110 *	121
Other Crops	15 **	17 **	12 **	30 **	14 **	31 **	22 *	24 *	31 *
Other Land[1]	49 **	103 **	37 **	40 **	61 **	47 *	51 *	48 *	62 *
	Average per Farm (Head)								
Hens & Pullets[2]	197 **	385 **	5,146 **	3,886 **	1,249 **	2,694 **	2,345 *	3,662 **	..
Other Poultry	542 **	2,056 **	4,687 **	4,611 **	18,420 *	36,513 *	17,070	14,306	..
	Average per Farm Reporting								
Cattle and Calves (Head)	14 **	105 **	65 **	74 *	67 *	99 **	67	68 *	72 *
No. of Farms Reporting	150 **	45 **	65 **	145 *	325 **	185 **	925	1,235	860
% of Farms Reporting	37.5	23.7	20.6	14.9	22.6	15.4	20.5	23.4	23.3
Hogs (Head)	22 **	229 **	x	175 **	402 **	1,306	536 **	380 *	473 *
No. of Farms Reporting	100 **	25 **	x	35 **	55 **	100 **	315 **	325 **	325 **
% of Farms Reporting	25.0	13.2	x	3.6	3.8	8.3	7.0	6.1	8.8

1. *Includes seeded pasture, summerfallow and other land.*
2. *Hens and pullets, 19 weeks and over.*

** Use with caution.*
*** Unreliable.*

Source: Statistics Canada, Whole Farm Data Base, June Crops and July Livestock Surveys.

ECONOMIC OVERVIEW OF FARM INCOMES

BULLETIN SERIES

CURRENT RELEASES

Bulletin No. 1: All Farms
Bulletin No. 2: Grain and Oilseed Farms
Bulletin No. 3: Cattle Farms
Bulletin No. 4: Dairy Farms
Bulletin No. 5: Hog Farms
Bulletin No. 6: Fruit and Vegetable Farms
Bulletin No. 7: Poultry and Egg Farms

UPCOMING RELEASES

Bulletin No. 8: Greenhouse and Nursery Farms
Bulletin No. 9: Potato Farms

NOTE OF APPRECIATION

Canada owes the success of its statistical system to a long-standing partnership between Statistics Canada, the citizens of Canada, its businesses, governments and other institutions. Accurate and timely statistical information could not be produced without their continued cooperation and goodwill.