AgEcon SEARCH
RESEARCH IN AGRICULTURAL & APPLIED ECONOMICS

The World's Largest Open Access Agricultural & Applied Economics Digital Library

This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
http://ageconsearch.umn.edu
aesearch@umn.edu

*Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.*

Agriculture and Agri-Food Canada
Agriculture et Agroalimentaire Canada

Farm Income, Financial Conditions and Government Assistance

Data Book, 2010

Canada

Farm Income, Financial Conditions and Government Assistance

Data Book, 2010

Research and Analysis Directorate
Strategic Policy Branch

Farm Income, Financial Conditions and Government Assistance

Data Book, 2010

Research and Analysis Directorate
Strategic Policy Branch

Any policy views, whether explicitly stated, inferred or interpreted from the contents of this publication, should not be represented as reflecting the views of Agriculture and Agri-Food Canada.

Publication No. 11398E
Catalogue No. A31-1/2010E-PDF
ISBN No. 978-1-100-17665-9
ISSN No. 1482-9770

TABLE OF CONTENTS

INTRODUCTION 1

EXECUTIVE SUMMARY 3

SECTION A
Farm Income 5
Methodology for Farm Income 15

SECTION B
Farm Financial Conditions 17
Methodology for Farm Financial Conditions. 31

SECTION C
Government Expenditures in Support of the Agri-Food Sector 33
Methodology for Government Expenditures. 50

SECTION D
Estimates of Support to Agriculture 55
Methodology for OECD Support Indicators 65

LIST OF TABLES

SECTION A: Farm Income
Table A.1: Farm Cash Receipts, Expenses and Income, Canada and Provinces, 2000-2009 7
Table A.2: Gross Direct Payments and Producer Premiums, Canada and Provinces, 2004-2009 10
Table A.3: Average Total Operating Revenues, Operating Expenses and Net Operating Income per Farm, Canada and Provinces, 2007-2009 12
Table A.4: Average Operating Revenues, Operating Expenses and Net Operating Income per Farm by Farm Type, Canada, 2007-2009 13
Table A.5: Average Family Income by Source and Family Total Income Group, Unincorporated Farms, Canada, 2007 14

SECTION B: Farm Financial Conditions
Table B.1: Farm Assets at December 31, Canada and Provinces, 2000-2009 19
Table B.2: Farm Debt, Canada and Provinces, 2000-2009 20
Table B.3: Farm Bankruptcies by Province, 1995-2009 21
Table B.4: Farm Credit Canada (FCC) Loans Receivable Portfolio, 2004-05 to 2009-10 22
Table B.5: New Loans Registered Under the Canadian Agricultural Loans Act (CALA), 2003-04 to 2010-11 23
Table B.6: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2006, 2007 and 2008 24
Table B.7: Comparison of Selected Average Fertilizer and Fuel Prices Between Manitoba and Minnesota/North Dakota, 2009 and 2010 29
Table B.8: Comparison of Selected Average Fertilizer and Fuel Prices Between Ontario and Michigan/Ohio/Indiana, 2009 and 2010 29
Table B.9: Agricultural Inputs, Canada, 2005-2009 30

SECTION C: Government Expenditures in Support of the Agri-Food Sector
Table C.1: Federal and Provincial Government Expenditures in Support of the Agri-Food Sector, Canada and Provinces, 2003-04 to 2010-11 35
Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2007-08 to 2010-11 37
Table C.3: Research and Inspection in Support of the Agri-Food Sector, Canada and Provinces, 2007-08 to 2010-11 43
Table C.4: Government Expenditures to the Agri-Food Sector as a Percentage of Agriculture GDP and Agri-Food GDP, Canada and Provinces, 2007-08 to 2010-11 47
Table C.5: Total GDP and Total Government Expenditures, Canada and Provinces, 2007-08 to 2010-11 49

SECTION D: Estimates of Support to Agriculture
Table D.1: Estimate of Support to Agriculture, Canada, 2007-2009 57
Table D.2: Producer Support Estimate (PSE) for Selected OECD Countries, 2007-2009 58
Table D.3: Composition of Producer Support Estimate (PSE) for Selected OECD Countries, 2007-2009 59
Table D.4: Single Commodity Transfers (Percentage SCT) for Selected OECD Countries, 2007-2009 61
Table D.5: General Services Support Estimate (GSSE) for Selected OECD Countries, 2007-2009 61
Table D.6: Composition of General Services Support Estimate (GSSE) for Selected OECD Countries, 2007-2009 62
Table D.7: General Services Support Estimate (GSSE) for Selected OECD Countries, 2007-2009 63
Table D.8: Consumer Support Estimate (CSE) for Selected OECD Countries, 2007-09 64
Table D.9: Total Support Estimate (TSE) for Selected OECD Countries, 2007-09 64

LIST OF FIGURES

SECTION A: Farm Income

Figure A.1(a):Net Cash Income (Current Dollars), Canada, 2000-2009 9
Figure A.1(b):Net Cash Income (2002 Dollars), Canada, 2000-2009 9

SECTION B: Farm Financial Conditions

Figure B.1: Asset Class as a Percentage of Farm Assets, Canada, at December 31, 2005-2009. . 19
Figure B.2: Lender Shares as a Percentage of Farm Debt, Canada, as of December 31, 2005-2009 20
Figure B.3: Distribution of Farm Bankruptcies by Province, 2009 21
Figure B.4: Distribution of the Amount of FCC Loans Receivable, by Province, as of March 31, 2010 22
Figure B.5: Distribution of the Amount of New Loans Registered under CALA, by Province, Fiscal Year 2009 23
Figure B.6: FCC Mortgage Rate and Prime Interest Rate, 2001-2010 28

SECTION C: Government Expenditures in Support of the Agri-Food Sector

Figure C.1: Federal and Provincial Government Expenditures in Support of the Agri-Food Sector, Canada and Provinces, 2003-04 to 2010-11 35
Figure C.2: Federal and Provincial Government Expenditures by Major Category 36
Figure C.3: Government Expenditures to the Agri-Food Sector as a Percentage of Agriculture GDP and Agri-Food GDP, 2009-10 and 2010-11. 48

ABBREVIATIONS

AMPA	Agricultural Marketing Programs Act
CAIS	Canadian Agricultural Income Stabilization Program
CALA	Canadian Agricultural Loans Act
CSE	Consumer Support Estimate
CWB	Canadian Wheat Board
EDC	Export Development Corporation
FCC	Farm Credit Canada
FIMCLA	Farm Improvement and Marketing Cooperatives Loans Act
GDP	Gross Domestic Product
GSSE	General Services Support Estimate
NAC	Nominal Assistance Coefficient
NISA	Net Income Stabilization Account
PSE	Producer Support Estimate
TDP	Taxation Data Program
TSE	Total Support Estimate

SYMBOLS

n.c.	not calculated
..	not available
F	too unreliable to be published
x	confidential

INTRODUCTION

The Data Book is divided into four sections. Section A presents information related to farm income. Section B contains information on farm financial conditions. Section C provides data on government expenditures for the agri-food sector. Section D contains information on producer support estimates. Notes on the methodology are provided at the end of each section. This issue provides the most up-to-date key economic and financial indicators.

CONTACTS

SECTION A: Farm Income

Farm Income at the Aggregate Level
Robert Koroluk
Tel.: 613-773-2428
Internet: robert.koroluk@agr.gc.ca

Farm Family Income and Farm Income at the Farm Level
Lorraine Hope
Tel.: 613-773-2414
Internet: lorraine.hope@agr.gc.ca

SECTION B: Financial Conditions

Farm Debt, Bankruptcies, Farm Credit Canada (FCC) Loans, Canadian Agricultural Loans Act (CALA), and Average Assets, Liabilities, Net Worth and Net New Investment
Lorraine Hope
Tel.: 613-773-2414
Internet: lorraine.hope@agr.gc.ca

FCC Mortgage Rate, Fertilizer and Fuel Prices, and Expenses
Xianqiang Zhang
Tel.: 613-773-2426
Internet: xianqiang.zhang@agr.gc.ca

SECTION C: Government Expenditures in Support of the Agri-Food Sector

Luc Tanguay
Tel.: 613-773-2441
Internet: luc.tanguay@agr.gc.ca

SECTION D: Estimates of Support to Agriculture

Luc Tanguay
Tel.: 613-773-2441
Internet: luc.tanguay@agr.gc.ca

EXECUTIVE SUMMARY

FARM INCOME, FINANCIAL CONDITIONS AND GOVERNMENT ASSISTANCE DATA BOOK

The Farm Income, Financial Conditions and Government Assistance data book is a compendium of mainly historical data series from several sources. This information is compiled together to provide a comprehensive view of the situation in primary agriculture and the expenditures that governments are making to ensure a strong and competitive sector. The data book represents a convenient single resource for users of key economic and financial indicators of the primary agriculture sector. The data book also provides valuable information on government assistance to the agriculture and agri-food sector not readily available from other sources.

The information in the data book is prepared in consultation with the provincial ministries responsible for Agriculture. Information is also provided by other members of Agriculture and Agri-Food Canada as well as by other federal departments.

The data book is divided into four sections. Section A presents information related to farm income while Section B contains information on farm financial conditions. Section C provides data on government expenditures for the agri-food sector and Section D provides information on estimates of support to agriculture. Notes on the methodology are provided at the end of each section. Each issue provides the most up-to-date key economic and financial indicators.

HIGHLIGHTS

Section A - Farm Income

- In 2009 total market receipts from both crop and livestock sources reached $41.3 billion, the second highest level over the 10-year period 2000-2009. The record year for total market receipts, $41.8 billion, occurred a year earlier, in 2008. Most of the increase in market receipts in 2009 was due to the record crop receipts of $23.3 billion, as livestock receipts at $18.0 billion were 4.7 percent lower than the $18.8 billion received in 2008. Livestock receipts reached $19.0 billion in 2001, the highest level achieved over the 2000-2009 period.
- Net cash income in 2009 at $8.7 billion was also the second highest level reported over 2000-2009, surpassed only by the $8.8 billion achieved in 2008. In comparison, the lowest net cash income level over the reference period was $5.0 billion in 2003, the year that BSE was discovered in Canadian cattle herds.
- Program payments fell to $3.3 billion in 2009 from $4.2 billion a year earlier. Record income years in 2008 and 2009 due to strong market sales reduced the need for programs payments, especially for grain and oilseed producers.
- Preliminary estimates for 2009 show that on average, the largest farms are in Newfoundland and Labrador, which reported average operating revenues of $675,800 in 2009. The smallest farms are in Saskatchewan, where the average farm reported $233,885 in total operating revenues that year. Nationally, the average farm reported $304,679 in operating revenues and $256,954 in operating expenses in 2009 for an average net operating income of $47,725.
- Net operating income by farm type shows considerable variation. Potato farms had the highest average net operating income in 2009 at $214,693, while grains and oilseeds farms were at $63,776, fruit and tree farms at $25,519 and cattle farms at $11,740. Hog farms had an average net operating income of $36,876, which represented a significant increase (29 percent) from the previous year.
- The average farm family earned $93,700 from all sources, including farm and off-farm income, in 2007.

Section B - Farm Financial Conditions

- Farmers take on debt to meet short-term financial obligations and to make investments in their farming operations to take advantage of emerging marketing opportunities. At the national level, farm debt increased every year during the 10-year period 2000-2009. In 2009, total farm debt in Canada stood at $63.0 billion.
- There were only 121 farm bankruptcies in 2009, with Quebec (33 bankruptcies) and Ontario (33 bankruptcies) reporting the highest number.

The number of farm bankruptcies followed a declining trend between 1995 and 2009, with a sharp fall occurring in 2007 and later years.

- Farm Credit Canada approved 41,418 new loans in 2009. The average size of loan approved by Farm Credit Canada has increased steadily to $159,000 in 2009. Almost 4 out of 5 Canadian Agricultural Loans Act (CALA, formerly Farm Improvement and Marketing Cooperatives Loans Act) loans went to Saskatchewan in 2009.
- Farmers on the whole had healthy balance sheets in 2008. The average Canadian farm reported $1.6 million in assets and $0.3 million in debt, for an overall net worth of $1.3 million. There was considerable variation by farm type, with net worth of poultry farms averaging $3.8 million, potato farms at $3.5 million, dairy farms at $3.4 million, grain farms at $1.3 million, hog farms at $1.1 million, and beef farms at $900,000. Farms in British Columbia had the highest level of farm assets amongst provinces at $2.5 million, and the highest net worth at $2.1 million.
- Total expenses for farming declined in 2009, for the first time since 1986, to $41.3 billion, as agriculture moved out of a period of elevated fuel, fertilizer and feed prices experienced in 2008. Machinery operating costs, primarily fuel, commercial feed costs and interest costs were mainly responsible for this decline from the previous year.
- In the summer of 2010, urea cost an average of $419 per tonne in Manitoba and an average of $499 per tonne in Ontario. In the case of Manitoba, urea was priced lower than the $451 per tonne paid by farmers in the neighbouring states of Minnesota and North Dakota. Ontario farmers paid virtually the same prices as the $500 paid by neighbouring farmers in Michigan, Indiana and Ohio. Conversely, farmers in Manitoba and Ontario paid higher prices for diesel and gasoline than their US neighbours.

Section C - Government Expenditures in Support of the Agri-Food Sector

- Total government expenditures in support of the agriculture and agri-food sector remained virtually unchanged at $7.29 billion in 2009-10. During that period, federal expenditures are estimated to have increased by 11 percent to reach $4.19 billion while the provincial expenditures are estimated to have decreased by 11 percent to $3.10 billion.
- Expectations are that federal expenditures will continue to increase in 2010-11, reaching $4.23 billion, while the provincial expenditures will decrease slightly to $3.04 billion.
- In 2009-10, federal program payments, which include primarily payments made directly to producers, are expected to rise slightly compared to 2008-09, and reach $1.42 billion. These payments are expected to continue to increase in 2010-11, reaching $1.62 billion. During the same period, provincial program payments are expected to decrease significantly, falling from $2.0 billion in 2008-09 to $1.53 billion in 2009-10 and $1.50 billion in 2010-11.
- In 2009-10, program payments and research and inspection represent 58 percent and 56 percent of federal and provincial expenditures, respectively. However, the share of only research and inspection expenditures represents 26 percent at the federal level compared to 11 percent at the provincial level.

Section D - Estimates of Support to Agriculture

- Expressed as a percentage of gross farm receipts, the producer support estimates (PSE) for Canada increased to 20 percent in 2009 from 13 percent in 2008. This is explained by a strong increase in the market price support for milk, due to a decline in world prices for this commodity, and by higher budgetary transfers under the AgriInvest and AgriStability programs.
- In 2009, single commodity transfers represent 71 percent of total PSE, which is high when compared to the EU (30 percent) and the US (25 percent). This result for Canada can be explained by the high level of support to milk through market price support.
- In 2009, the level of support also increased in the EU and the US, but not by as much as in Canada. From 2008 to 2009, the PSE increased from 8 percent to 10 percent in the US and from 22 percent to 24 percent in the EU.

SECTION A

Farm Income

Table A.1: Farm Cash Receipts, Expenses and Income, Canada and Provinces, 2000-2009

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- $ Million -										
Crop Receipts											
2000	14	186	138	167	1,234	3,277	1,319	3,386	2,364	886	12,970
2001	15	151	122	192	1,250	3,178	1,517	3,807	2,304	970	13,505
2002	16	221	130	219	1,394	3,532	1,908	3,760	2,215	1,017	14,412
2003	16	219	147	195	1,412	3,663	1,703	2,816	2,027	1,114	13,312
2004	16	186	141	178	1,449	3,558	1,812	3,255	2,656	1,169	14,420
2005	14	195	140	189	1,467	3,677	1,296	3,071	2,403	1,074	13,526
2006	17	235	155	221	1,559	3,933	1,275	3,663	2,620	1,107	14,784
2007	19	234	127	205	1,664	4,285	2,197	5,203	3,459	1,126	18,520
2008	16	240	131	217	2,107	4,660	2,763	6,990	4,726	1,108	22,959
2009	19	252	130	244	2,075	4,806	2,891	7,289	4,467	1,168	23,340
Livestock Receipts											
2000	59	120	263	196	3,636	4,094	1,550	1,571	4,512	1,100	17,101
2001	63	126	282	218	3,863	4,520	1,800	1,685	5,245	1,171	18,973
2002	63	124	265	202	3,626	4,280	1,693	1,689	5,062	1,126	18,130
2003	64	114	259	204	3,643	4,159	1,522	1,339	3,707	1,074	16,085
2004	70	123	290	208	4,018	4,365	1,615	1,447	3,914	1,004	17,056
2005	74	129	300	209	4,009	4,497	1,818	1,780	4,346	1,192	18,354
2006	79	121	303	204	3,868	4,352	1,786	1,724	4,181	1,134	17,753
2007	87	127	311	220	4,092	4,538	1,734	1,694	4,293	1,171	18,267
2008	93	120	333	224	4,310	4,794	1,687	1,729	4,259	1,297	18,846
2009	93	118	308	223	4,232	4,570	1,616	1,447	4,097	1,249	17,952
Total Market Receipts											
2000	73	306	401	363	4,870	7,371	2,869	4,957	6,876	1,986	30,071
2001	77	278	403	410	5,113	7,698	3,316	5,491	7,549	2,141	32,477
2002	78	345	396	421	5,021	7,812	3,601	5,449	7,277	2,143	32,542
2003	81	333	405	400	5,054	7,822	3,224	4,155	5,734	2,189	29,397
2004	86	309	432	385	5,468	7,923	3,427	4,702	6,571	2,172	31,476
2005	88	324	440	398	5,476	8,174	3,113	4,851	6,749	2,266	31,879
2006	95	356	458	425	5,428	8,285	3,062	5,386	6,801	2,241	32,537
2007	106	361	439	425	5,755	8,823	3,931	6,897	7,752	2,297	36,786
2008	108	360	464	441	6,417	9,454	4,450	8,719	8,985	2,405	41,805
2009	111	371	439	466	6,307	9,376	4,506	8,736	8,564	2,417	41,292
Program Payments											
2000	0	17	12	6	541	422	287	777	708	39	2,809
2001	1	59	18	6	624	777	382	1,020	819	60	3,766
2002	1	24	11	8	468	623	219	1,004	1,039	31	3,429
2003	1	23	16	12	875	585	308	1,600	1,368	59	4,848
2004	1	40	25	36	835	674	430	1,190	1,443	188	4,862
2005	1	46	27	40	749	800	699	1,323	1,117	120	4,923
2006	1	21	15	34	858	662	626	1,267	945	105	4,534
2007	1	21	18	31	1,134	597	413	871	907	101	4,093
2008	1	33	14	31	1,092	649	350	680	1,174	109	4,134
2009	0	36	16	30	1,060	367	376	463	830	102	3,280
Total Cash Receipts											
2000	74	323	413	369	5,411	7,793	3,156	5,734	7,583	2,024	32,879
2001	78	336	421	417	5,737	8,476	3,698	6,511	8,368	2,201	36,243
2002	80	369	407	429	5,489	8,435	3,820	6,453	8,316	2,174	35,971
2003	81	355	422	412	5,929	8,408	3,532	5,755	7,102	2,248	34,245
2004	88	350	457	422	6,302	8,597	3,858	5,892	8,013	2,360	36,338
2005	89	370	467	438	6,225	8,974	3,812	6,175	7,866	2,386	36,803
2006	96	377	472	459	6,285	8,947	3,688	6,653	7,746	2,346	37,071
2007	107	382	456	456	6,890	9,420	4,344	7,768	8,659	2,397	40,879
2008	110	393	478	472	7,509	10,103	4,800	9,400	10,159	2,514	45,938
2009	112	407	455	497	7,367	9,743	4,882	9,199	9,393	2,519	44,572

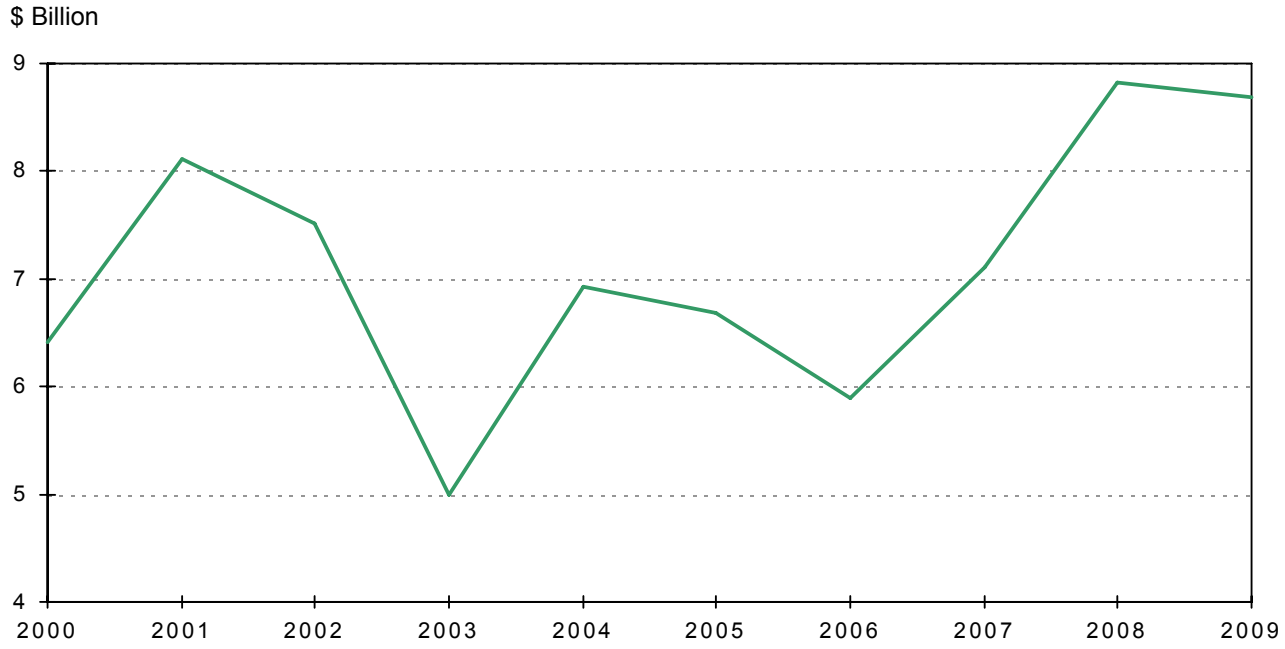
Source: Statistics Canada, Catalogue Nos. 21-010-XIE and 21-011-XIE, Agriculture Economic Statistics, November 2010.

Table A.1: Farm Cash Receipts, Expenses and Income, Canada and Provinces, 2000-2009 (cont'd)

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- $ Million -										
Net Operating Expenses											
2000	65	272	326	310	4,160	6,406	2,538	4,551	6,148	1,689	26,465
2001	70	276	343	329	4,399	6,942	2,771	4,764	6,459	1,772	28,124
2002	72	290	353	337	4,475	7,099	2,895	4,747	6,321	1,873	28,463
2003	75	298	366	349	4,777	7,169	3,040	4,929	6,324	1,917	29,243
2004	78	305	365	351	4,925	7,224	3,099	4,888	6,235	1,937	29,407
2005	79	310	367	360	4,877	7,375	3,012	5,141	6,562	2,033	30,116
2006	86	323	382	375	5,078	7,590	3,212	5,275	6,781	2,082	31,184
2007	96	338	400	389	5,555	8,059	3,536	5,865	7,320	2,215	33,773
2008	103	361	430	409	5,899	8,610	3,963	6,766	8,164	2,416	37,121
2009	104	371	413	408	5,768	8,507	3,809	6,464	7,768	2,275	35,887
Net Cash Income											
2000	9	51	87	59	1,251	1,387	618	1,182	1,435	335	6,414
2001	8	61	78	88	1,338	1,534	928	1,747	1,910	428	8,119
2002	8	79	54	92	1,013	1,336	925	1,705	1,995	301	7,508
2003	6	58	56	63	1,153	1,239	492	826	778	331	5,002
2004	9	45	92	70	1,378	1,373	758	1,004	1,778	423	6,931
2005	10	60	100	77	1,348	1,599	800	1,033	1,304	353	6,686
2006	10	54	90	84	1,207	1,357	476	1,378	965	264	5,886
2007	11	44	56	67	1,335	1,361	808	1,902	1,339	182	7,106
2008	7	32	47	63	1,610	1,493	838	2,634	1,995	99	8,817
2009	7	36	41	89	1,600	1,235	1,073	2,735	1,625	244	8,686
Realized Net Income											
2000	4	12	42	17	733	397	222	239	359	117	2,141
2001	2	21	30	43	795	528	516	774	797	210	3,717
2002	2	41	6	47	464	279	514	767	892	59	3,071
2003	0	20	7	17	562	189	52	-124	-358	81	446
2004	3	6	42	23	795	328	317	41	649	163	2,366
2005	3	20	48	27	714	503	344	70	133	81	1,943
2006	3	13	38	33	580	241	13	418	-224	-30	1,084
2007	3	5	3	15	682	216	342	904	97	-129	2,137
2008	-1	-8	-8	11	931	312	346	1,607	701	-217	3,673
2009	-1	-5	-18	35	874	13	553	1,628	264	-83	3,262
Total Net Income											
2000	4	29	40	27	665	215	390	558	389	118	2,436
2001	3	-46	29	39	883	408	446	143	538	230	2,674
2002	3	120	7	65	484	440	504	-11	-174	76	1,512
2003	1	16	6	12	676	212	452	691	583	125	2,775
2004	4	11	39	14	913	643	248	863	1,156	136	4,026
2005	4	0	46	37	663	492	110	752	444	36	2,584
2006	4	40	36	56	480	92	307	-148	-518	-66	284
2007	3	-21	4	1	764	-26	252	530	-183	-141	1,184
2008	-2	-34	-9	-10	773	335	835	3,774	1,447	-254	6,856
2009	-2	-5	-32	42	794	-34	596	2,105	-439	-113	2,911

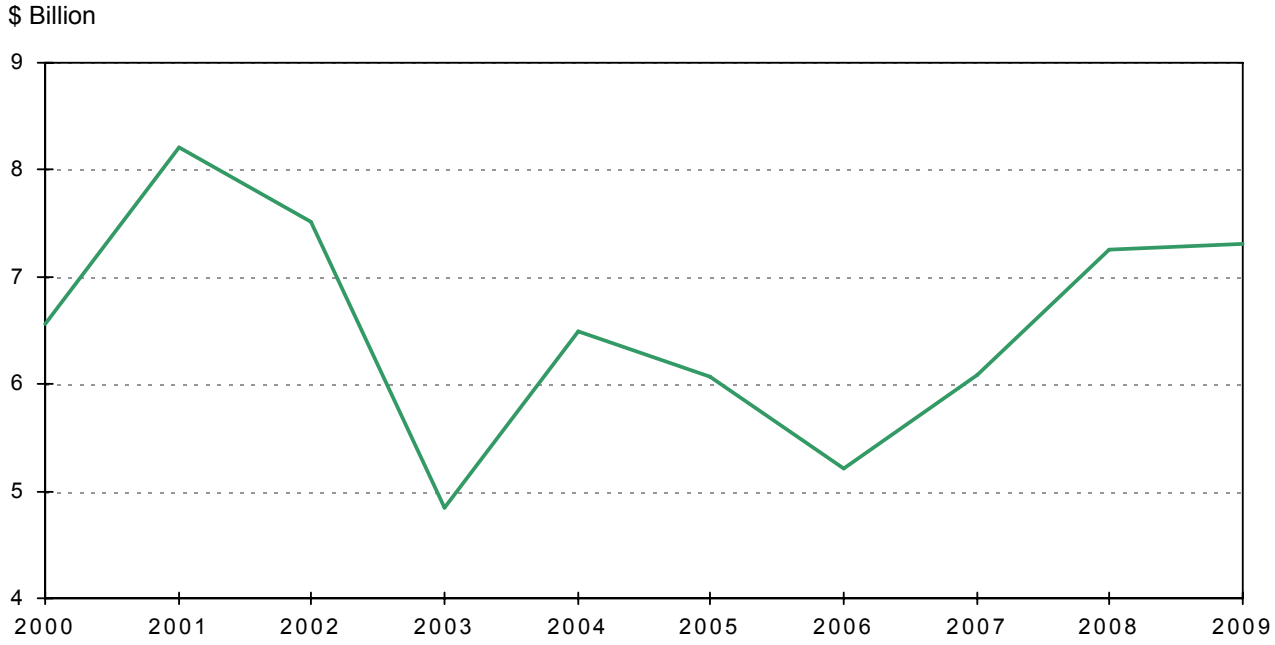
Source: Statistics Canada, Catalogue Nos. 21-010-XIE and 21-011-XIE, Agriculture Economic Statistics, November 2010.

Figure A.1(a): Net Cash Income (Current Dollars), Canada, 2000-2009



Source: Statistics Canada, Catalogue No. 21-010-XIE, Agriculture Economic Statistics, November 2010.

Figure A.1(b): Net Cash Income (2002 Dollars), Canada, 2000-2009



Source: Agriculture and Agri-Food Canada calculations based on historical data from Statistics Canada and the Conference Board of Canada for the GDP deflator.

Table A.2: Gross Direct Payments and Producer Premiums, Canada and Provinces, 2004-2009

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- $ Million -										
2004											
Crop Insurance[1]	0	3	0	3	63	82	84	280	230	10	756
NISA	0	11	6	14	7	108	79	222	305	25	777
Dairy	0	11	8	11	16	223	125	298	220	22	934
Income Disaster	0	3	2	1	1	16	14	94	99	8	237
Provincial Stabilization	0	0	0	0	626	0	0	0	0	0	626
Other Payments[2]	1	12	9	7	122	246	129	297	588	122	1,532
Total Program Payments	**1**	**40**	**25**	**36**	**835**	**674**	**430**	**1,190**	**1,443**	**188**	**4,862**
Input Rebates	0	0	1	0	88	5	1	0	19	0	113
Total Payments	**1**	**40**	**26**	**36**	**923**	**680**	**431**	**1,190**	**1,461**	**188**	**4,976**
Producer Premiums	0	3	0	0	196	54	81	207	156	3	700
2005											
Production Insurance[1]	0	6	1	5	59	50	299	277	115	8	820
CAIS	1	27	7	23	253	212	187	505	450	50	1,715
NISA	0	4	4	5	8	92	65	157	94	12	442
Income Disaster	0	0	0	0	0	62	0	0	0	0	62
Provincial Stabilization	0	0	0	0	391	0	0	0	0	0	391
Other Payments[2]	0	8	15	7	38	384	149	384	458	50	1,493
Total Program Payments	**1**	**46**	**27**	**40**	**749**	**800**	**699**	**1,323**	**1,117**	**120**	**4,923**
Input Rebates	0	0	1	0	96	5	18	0	17	0	137
Total Payments	**1**	**46**	**28**	**40**	**845**	**806**	**717**	**1,323**	**1,134**	**120**	**5,061**
Producer Premiums	0	3	0	2	123	44	59	216	159	3	610
2006											
Production Insurance[1]	0	6	2	6	56	41	146	143	189	14	600
CAIS	1	10	9	22	181	249	258	446	360	71	1,606
NISA	0	3	3	4	7	72	47	109	63	9	317
Income Disaster	0	2	1	1	42	264	148	402	288	6	1,154
Provincial Stabilization	0	0	0	0	497	0	0	0	0	0	497
Other Payments[2]	0	0	0	0	76	36	27	168	46	5	359
Total Program Payments	**1**	**21**	**15**	**34**	**858**	**662**	**626**	**1,267**	**945**	**105**	**4,534**
Input Rebates	0	1	1	0	102	5	25	0	17	0	150
Total Payments	**1**	**22**	**15**	**34**	**960**	**667**	**651**	**1,267**	**962**	**105**	**4,683**
Producer Premiums	0	4	0	2	161	42	69	200	158	4	640

Source: Statistics Canada, Catalogue No. 21-015-XIE, Agriculture Economic Statistics, November 2010.

[1] Excludes private hail insurance. Since April 1, 2003, the Crop Insurance program has been replaced by the Production Insurance program.

[2] Other payments include programs such as private hail insurance, Bovine Spongiform Encephalopathy Recovery and special assistance programs.

Table A.2: Gross Direct Payments and Producer Premiums, Canada and Provinces, 2004-2009 (cont'd)

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- $ Million -										
2007											
Production Insurance[1]	0	6	2	7	62	81	67	120	209	17	571
CAIS	0	7	5	14	176	201	139	214	310	44	1,111
Agri-Stability	0	0	1	2	8	0	29	3	0	1	43
NISA	0	3	2	3	6	63	37	95	57	6	272
Provincial Stabilization	0	0	0	0	838	0	0	0	0	0	838
Other Payments[2]	0	5	8	4	45	252	141	438	331	33	1,258
Total Program Payments	**1**	**21**	**18**	**31**	**1,134**	**597**	**413**	**871**	**907**	**101**	**4,093**
Input Rebates	0	0	1	0	3	5	27	0	14	0	50
Total Payments	**1**	**22**	**18**	**31**	**1,138**	**602**	**440**	**871**	**921**	**101**	**4,143**
Producer Premiums	0	3	1	3	270	53	88	247	175	4	843
2008											
Production Insurance[1]	0	9	1	10	43	68	78	94	262	32	599
CAIS	1	8	2	7	132	100	75	123	605	36	1,089
Agri-Stability	0	4	3	7	200	167	89	45	63	13	592
AgriInvest-KickStart	0	4	2	3	46	71	40	63	61	14	306
NISA	0	3	2	3	5	54	33	85	49	6	240
Provincial Stabilization	0	0	0	0	644	0	0	0	0	0	644
Other Payments[2]	0	4	3	1	22	187	35	270	134	8	663
Total Program Payments	**1**	**33**	**14**	**31**	**1,092**	**648**	**350**	**680**	**1,174**	**109**	**4,132**
Input Rebates	0	0	1	0	4	5	29	0	12	0	51
Total Payments	**1**	**33**	**15**	**31**	**1,096**	**653**	**380**	**680**	**1,185**	**109**	**4,183**
Producer Premiums	0	4	1	3	181	56	116	349	251	6	966
2009											
Production Insurance[1]	0	24	2	12	116	53	128	100	358	17	811
CAIS	0	0	1	1	23	9	8	9	122	13	186
Agri-Stability	0	6	8	13	190	182	134	66	141	50	790
AgriInvest-KickStart	0	4	2	3	35	63	50	112	78	11	358
NISA	0	2	2	2	4	46	28	72	40	5	202
Provincial Stabilization	0	0	0	0	689	0	0	0	0	0	689
Other Payments[2]	0	0	0	0	3	15	27	105	90	5	246
Total Program Payments	**0**	**36**	**16**	**30**	**1,060**	**367**	**376**	**463**	**830**	**102**	**3,280**
Input Rebates	0	0	1	0	2	5	35	0	7	0	50
Total Payments	**0**	**36**	**17**	**30**	**1,062**	**372**	**410**	**463**	**837**	**102**	**3,330**
Producer Premiums	0	5	1	3	293	52	113	338	253	6	1,065

Source: Statistics Canada, Catalogue No. 21-015-XIE, Agriculture Economic Statistics, November 2010.

[1] Excludes private hail insurance. Since April 1, 2003, the Crop Insurance program has been replaced by the Production Insurance program.

[2] Other payments include programs such as private hail insurance, Bovine Spongiform Encephalopathy Recovery and special assistance programs.

Table A.3: Average Total Operating Revenues, Operating Expenses and Net Operating Income per Farm, Canada and Provinces, 2007-2009

Province	2007	2008	2009 Preliminary	09/08
	- Dollars per farm -			%
Newfoundland and Labrador				
Operating revenues	515,233	573,193	675,800	18
Operating expenses	475,500	511,926	598,679	17
Net operating income	39,733	61,266	77,121	26
Prince Edward Island				
Operating revenues	353,551	397,049	450,147	13
Operating expenses	316,059	347,542	395,458	14
Net operating income	37,491	49,507	54,689	10
Nova Scotia				
Operating revenues	277,381	286,986	350,446	22
Operating expenses	233,543	252,694	309,140	22
Net operating income	43,838	34,291	41,305	20
New Brunswick				
Operating revenues	329,376	367,275	448,133	22
Operating expenses	284,498	318,609	385,593	21
Net operating income	44,877	48,666	62,540	29
Quebec				
Operating revenues	334,382	369,676	353,947	-4
Operating expenses	284,238	314,702	299,546	-5
Net operating income	50,144	54,974	54,402	-1
Ontario				
Operating revenues	263,373	284,937	293,845	3
Operating expenses	231,799	248,151	257,750	4
Net operating income	31,574	36,786	36,095	-2
Manitoba				
Operating revenues	292,692	340,713	344,943	1
Operating expenses	252,402	296,599	288,549	-3
Net operating income	40,290	44,114	56,394	28
Saskatchewan				
Operating revenues	184,108	223,740	233,885	5
Operating expenses	150,039	175,602	180,403	3
Net operating income	34,068	48,139	53,482	11
Alberta				
Operating revenues	292,068	323,418	316,548	-2
Operating expenses	252,875	271,787	267,491	-2
Net operating income	39,192	51,631	49,057	-5
British Columbia				
Operating revenues	305,430	339,761	349,494	3
Operating expenses	277,647	314,493	315,796	0
Net operating income	27,783	25,268	33,698	33
Canada				
Operating revenues	267,430	300,534	304,679	1
Operating expenses	230,164	255,039	256,954	1
Net operating income	37,267	45,495	47,725	5

Source: Statistics Canada, Whole Farm Data Project, Taxation Data Program.

Table A.4: Average Operating Revenues, Operating Expenses and Net Operating Income per Farm by Farm Type, Canada, 2007-2009

Farm Type	2007	2008	2009 Preliminary	09/08
	- Dollars per farm -			%
Dairy cattle and milk production				
Operating revenues	437,830	469,152	497,724	6
Operating expenses	334,988	365,596	391,532	7
Net operating income	102,842	103,556	106,192	3
Beef cattle ranching and farming				
Operating revenues	205,106	218,223	219,053	0
Operating expenses	194,000	204,720	207,313	1
Net operating income	11,106	13,503	11,740	-13
Hog and pig farming				
Operating revenues	1,090,837	1,221,534	1,165,310	-5
Operating expenses	1,019,727	1,192,960	1,128,434	-5
Net operating income	71,111	28,574	36,876	29
Poultry and egg production				
Operating revenues	896,670	1,044,666	1,046,208	0
Operating expenses	786,595	919,771	911,097	-1
Net operating income	110,075	124,895	135,112	8
Oilseed and grain farming				
Operating revenues	199,780	256,041	256,698	0
Operating expenses	158,783	193,780	192,921	0
Net operating income	40,997	62,261	63,776	2
Potato farming				
Operating revenues	891,748	976,455	1,145,188	17
Operating expenses	763,214	811,604	930,495	15
Net operating income	128,535	164,850	214,693	30
Fruit and tree nut farming				
Operating revenues	200,017	221,096	222,778	1
Operating expenses	163,633	189,573	197,260	4
Net operating income	36,384	31,523	25,519	-19
Other vegetable and melon farming				
Operating revenues	368,129	375,245	380,107	1
Operating expenses	318,631	334,255	325,463	-3
Net operating income	49,498	40,989	54,644	33
Greenhouse, nursery and floriculture production				
Operating revenues	874,440	934,982	1,000,145	7
Operating expenses	800,867	853,422	890,322	4
Net operating income	73,573	81,560	109,823	35
All farm types				
Operating revenues	267,430	300,534	304,679	1
Operating expenses	230,164	255,039	256,954	1
Net operating income	37,267	45,495	47,725	5

Source: Statistics Canada, Whole Farm Data Project, Taxation Data Program.

Table A.5: Average Family Income by Source and Family Total Income Group[1], Unincorporated Farms, Canada, 2007

Family Total Income Group[1]	Number of Farm Families		Off-Farm Employ-ment Income[2]	Invest-ment Income	Pension Income	Other, Off-Farm, income[3]	Total Off-Farm Income	Net Opera-ting Income	Total Family Income
	Number	% of Total							
All Farms									
Under $10,000[4]	5,720	4.7	14,366	2,291	3,672	5,123	25,453	-50,036	-24,583
$10,000 - $19,999	3,980	3.3	9,707	1,772	7,550	3,843	22,871	-7,023	15,848
$20,000 - $29,999	7,030	5.8	11,254	2,464	10,321	3,784	27,823	-2,166	25,657
$30,000 - $39,999	9,120	7.5	14,364	2,968	11,340	4,280	32,952	2,525	35,477
$40,000 - $49,999	10,350	8.5	20,074	3,414	11,499	4,747	39,735	5,267	45,001
$50,000 - $99,999	44,640	36.8	38,632	4,773	9,822	5,327	58,555	14,853	73,407
$100,000 +	40,330	33.3	100,447	16,453	8,668	7,254	132,821	45,336	178,156
TOTAL	121,170	100.0	52,112	8,059	9,360	5,692	75,223	18,480	93,703
Small Farms (Revenues $10,000-$49,999)									
Under $10,000[4]	2,300	4.1	12,589	1,486	4,331	4,645	23,051	-30,125	-7,074
$10,000 - $19,999	2,290	4.1	8,355	1,753	9,494	2,896	22,497	-6,535	15,962
$20,000 - $29,999	4,460	8.0	10,506	2,387	12,625	3,404	28,921	-3,180	25,742
$30,000 - $39,999	5,350	9.6	14,656	3,301	14,761	4,116	36,834	-1,827	35,007
$40,000 - $49,999	5,740	10.3	21,885	3,857	14,826	4,831	45,399	-281	45,118
$50,000 - $99,999	20,380	36.7	49,357	5,856	13,282	5,035	73,529	-1,010	72,520
$100,000 +	15,030	27.1	131,005	18,659	11,903	6,446	168,013	-2,034	165,979
TOTAL	55,540	100.0	58,930	8,238	12,633	5,072	84,873	-2,893	81,980
Medium Farms (Revenues $50,000-$99,999)									
Under $10,000[4]	1,240	5.6	12,748	1,973	4,215	4,851	23,788	-42,420	-18,633
$10,000 - $19,999	810	3.7	10,146	2,772	6,113	6,003	25,033	-8,857	16,176
$20,000 - $29,999	1,350	6.1	12,902	2,329	5,706	3,902	24,839	617	25,456
$30,000 - $39,999	1,760	8.0	13,130	2,771	7,366	4,160	27,426	8,230	35,657
$40,000 - $49,999	2,260	10.3	18,865	3,035	9,835	4,273	36,008	8,713	44,721
$50,000 - $99,999	8,610	39.1	38,513	4,938	9,919	5,289	58,659	13,338	71,998
$100,000 +	5,980	27.2	121,608	21,967	9,550	6,655	159,781	14,313	174,094
TOTAL	22,010	100.0	52,950	8,785	8,885	5,381	76,002	7,976	83,978
Large Farms (Revenues $100,000+)									
Under $10,000[4]	2,190	5.0	17,159	3,320	2,670	5,782	28,931	-75,155	-46,224
$10,000 - $19,999	890	2.0	12,796	F	3,873	4,305	21,881	-6,532	15,349
$20,000 - $29,999	1,220	2.8	12,165	2,895	7,007	5,048	27,115	-1,534	25,581
$30,000 - $39,999	2,000	4.6	14,662	2,251	5,686	4,821	27,420	9,191	36,611
$40,000 - $49,999	2,350	5.4	16,808	2,693	4,960	4,999	29,460	15,596	45,056
$50,000 - $99,999	15,660	35.9	24,740	3,273	5,266	5,728	39,007	36,315	75,322
$100,000 +	19,330	44.3	70,160	13,033	5,881	8,066	97,141	91,707	188,848
TOTAL	43,620	100.0	43,010	7,464	5,432	6,638	62,544	50,989	113,533

Source: Statistics Canada, Catalogue No. 21-207-XIE, Agriculture Economic Statistics, August 2010.

[1] Based on family income from all sources: farm (net operating income) and off-farm income.

[2] Off-farm employment income includes "wages and salaries" and "net non-farm self-employment income".

[3] Other off-farm income includes "government social transfers and RRSP".

[4] Includes losses.

Methodology for Farm Income

Table A.1: Farm Receipts, Expenses and Income

Net Cash Income measures farm business cash flow (gross revenue minus operating expenses) generated from the production of agricultural goods. It represents the money available for debt repayment, investment or withdrawal by the owner. *Realized Net Income* measures the financial flows, both monetary (cash income) and non-monetary (depreciation and income-in-kind), of farm businesses. It represents the net farm income in a given year regardless of the year the agricultural goods were produced. *Total Net Income* measures the financial flows and stock changes of farm businesses. It values agriculture economic production during the year that the agricultural goods were produced. It represents the return to owner's equity, unpaid labour, management and risks.

Crop and livestock receipts include only receipts from sales of agricultural products through commercial channels and exclude direct sales between farmers within the same province.

Total program payments include gross payments directly paid to producers under federal, provincial and municipal programs. Program payments represent the amount actually received by producers on a calendar year basis, with the exception of the "Other Payments" category which includes some payments on a fiscal or crop year basis. Program payments are allocated to the year during which they are actually received by producers.

NISA payments represent only the producers' withdrawals from Fund 2 (governments' fund). The large balances accumulated in Fund 1 (producers' fund) and unrealized triggers in Fund 2 are not included.

Farm operating expenses include all business costs incurred in the production of agriculture commodities for goods and services bought outside each province's agriculture sector.

Some government support programs are reflected in operating expenses to the extent that they reduce farm input costs, as is the case with provincial credit programs. Also included are producer premiums paid for insurance programs.

Figure A.1(a) and Figure A.1(b): Canadian Farm Income in Current Dollars and in 2002 Dollars

Real income is defined in terms of 2002 dollars using the Gross Domestic Product Implicit Price Deflator (GDP deflator, 2002 = 100).

Table A.2: Gross Direct Program Payments and Producer Premiums

Program payments include gross payments/ indemnities directly paid to producers under statutory programs such as AgriStability, as well as provincial income stabilization programs and other special income support programs such as drought assistance.

Production Insurance payments include only government production insurance programs; private hail insurance payments are excluded. The latter are included in Other Payments.

Producers also contribute to government programs by paying premiums for programs such as Production Insurance and provincial stabilization programs.

Table A.3 and Table A.4: Average Total Operating Revenue, Operating Expenses and Net Operating Income per Farm, by Province (A.3) and By Farm Type (A.4)

The Taxation Data Program (TDP) estimates of farm income are derived from a sample of individual tax filers who reported either positive gross farm income or non-zero net farm income from self-employment on their income tax returns. For incorporated farms, the sampling frame is made up of all corporations within the ten provinces and the territories that are classified as farms according to the North American Industry Classification System (NAICS) and that have sales of $25,000 or more. To be classified as a farm in NAICS, 50% of more of the sales has to come from agricultural activities. For purposes of statistical tabulations, the TDP excludes unincorporated farms with farm revenues below $10,000.

The TDP farm income estimates differ from the official farm cash receipts and expenses estimates reported in Agriculture Economic Statistics, Catalogue No. 21-011-XIE and 21-012-XIE. For explanation of some of the differences, please refer to "Understanding Measurements of Farm Income", Catalogue No. 21-525, Agriculture and Agri-Food Canada and Statistics Canada.

Operating revenues refers to revenue received from the sale of agricultural commodities, as well as from agricultural program payments and insurance proceeds. Revenue from the sale of forest products is also included.

Operating expenses refer to the business costs, not including depreciation, incurred by farm operators for goods and services used in the production of agricultural commodities.

For both operating revenues and operating expenses, inter-farm sales and purchases are included.

The type of farm is based on a percentage of agricultural sales. The commodity or commodity group that makes up 50% or more of the sales determines the primary farm type that is assigned to an individual farm. The NAICS acts now as the basis for classifying farm types.

For a detailed description of methodology, please refer to the Whole Farm Data Base Reference Manual, Statistics Canada, Catalogue No. 21F0005GPE.

Table A.5: Average Family Income by Source and Income Group, Unincorporated Farms

Total family income is derived from the personal tax records of individual family members. Farm families are identified by linking two source files: the Taxation Data Program's (TDP) sample of individuals operating unincorporated farms and the T1 Family File (T1FF) which contains family units developed by the Small Area and Administrative Data Division (SAADD) of Statistics Canada.

The following members and/or families are excluded:

1) Non-family persons who do not belong to a husband-wife or a lone parent family;

2) Families in which members derived all of their farm revenues from non-agricultural sources;

3) Families in which members are involved in more than one farming operation,

4) Families operating a farm showing a gross operating revenue of less than $10,000.

Off-farm income estimates are produced by adding the off-farm income components of family members and applying the appropriate family weight to each record which corresponds to a family.

For a detailed description of the methodology, please refer to Statistics on income of farm families, Statistics Canada, Catalogue No. 21-207-XIE.

SECTION B

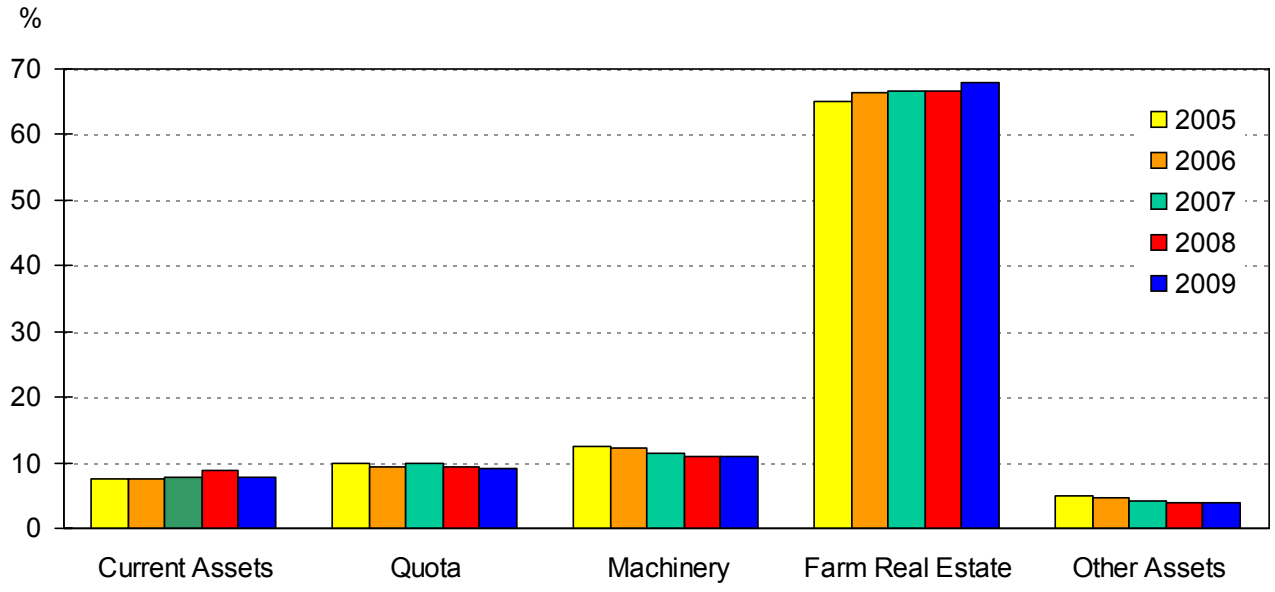
Farm Financial Conditions

Table B.1: Farm Assets at December 31, Canada and Provinces, 2000-2009

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- $ Million -										
2000	233	1,855	1,968	1,831	27,880	55,584	16,210	36,555	55,468	14,533	212,118
2001	244	1,873	2,057	1,930	29,228	58,180	16,535	36,539	58,018	15,357	219,963
2002	265	1,966	2,232	2,056	31,034	63,092	17,781	37,632	61,221	16,895	234,174
2003	285	1,966	2,211	2,073	32,354	66,068	17,919	37,077	62,607	18,339	240,899
2004	288	1,930	2,321	2,117	34,192	69,503	18,138	37,065	67,557	20,326	253,437
2005	313	2,035	2,355	2,215	35,567	71,126	18,337	38,543	73,154	23,105	266,750
2006	347	2,052	2,406	2,258	36,148	73,704	19,186	39,442	78,857	25,475	279,876
2007	385	2,040	2,518	2,278	37,956	77,637	20,781	43,829	86,672	28,579	302,674
2008	378	2,059	2,610	2,328	39,892	80,841	22,518	48,678	93,402	29,769	322,477
2009	387	2,027	2,654	2,392	40,835	83,104	23,617	50,650	95,458	29,250	330,374

Source: Statistics Canada, Catalogue No. 21-016-XIE Agriculture Economic Statistics, July 2010.

Figure B.1: Asset Class as a Percentage of Farm Assets, Canada, at December 31, 2005-2009



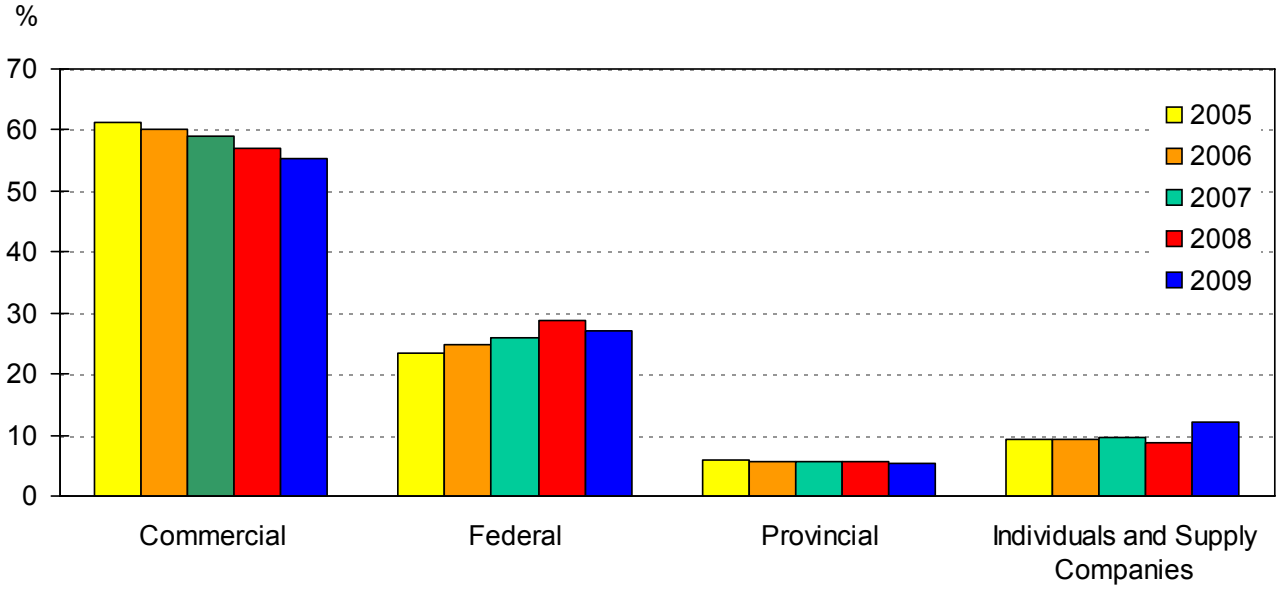
Source: Statistics Canada, Catalogue No. 21-016-XIE, Agriculture Economic Statistics, July 2010.

Table B.2: Farm Debt, Canada and Provinces, 2000-2009

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	Canada
	- $ Million -										
2000	47	435	422	379	7,180	9,091	3,628	6,175	9,162	2,298	38,819
2001	54	464	442	399	7,651	9,634	3,831	6,248	9,561	2,365	40,647
2002	63	504	488	443	8,589	10,925	4,100	6,258	9,916	2,568	43,855
2003	67	555	534	518	8,991	11,442	4,585	6,757	10,613	2,798	46,860
2004	78	578	562	519	9,326	12,146	4,892	6,914	10,881	3,004	48,900
2005	77	574	606	532	9,527	12,570	5,134	7,199	10,961	3,028	50,210
2006	92	583	608	537	9,866	12,749	5,414	7,511	11,548	3,379	52,287
2007	114	596	671	545	10,329	13,789	5,913	7,438	11,799	3,915	55,110
2008	130	603	750	616	10,927	14,855	6,530	8,027	13,175	4,549	60,163
2009	149	677	790	634	11,378	15,679	7,005	8,471	13,540	4,653	62,975

Source: Statistics Canada, Catalogue No. 21-014-XIE Agriculture Economic Statistics, November 2010.

Figure B.2: Lender Shares as a Percentage of Farm Debt, Canada, as of December 31, 2005-2009



ource: Statistics Canada, Catalogue No. 21-014-XIE, Agriculture Economic Statistics, November 2010.

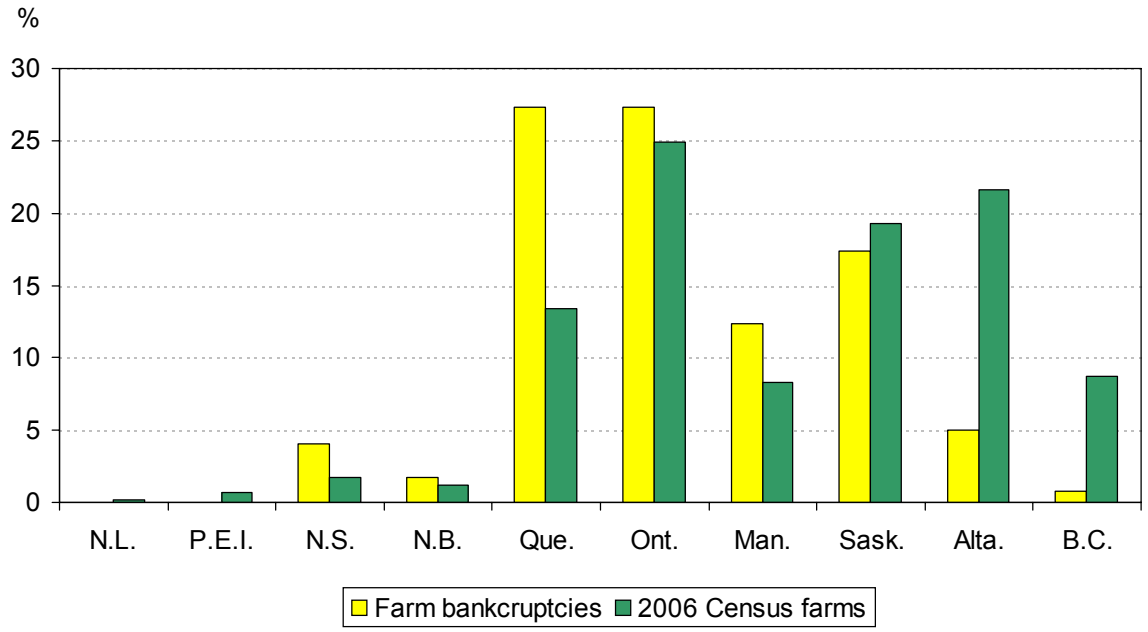
Table B.3: Farm Bankruptcies by Province, 1995-2009

	N.L.	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	NWT/ Yukon	Canada
1995	1	0	8	5	33	23	10	94	87	12	0	273
1996	0	0	5	4	54	17	24	95	75	1	0	275
1997	0	4	6	4	54	15	19	76	61	4	0	243
1998	0	1	4	1	47	12	27	92	55	5	0	244
1999	0	1	2	2	42	17	29	99	45	6	0	243
2000	0	1	4	2	40	20	18	76	38	14	0	213
2001	1	2	4	0	57	23	19	64	44	6	0	220
2002	0	2	1	4	28	30	41	50	32	9	0	197
2003	0	1	4	1	46	22	28	59	46	15	0	222
2004	0	6	3	2	31	34	27	64	56	4	0	227
2005	0	3	0	2	33	25	26	75	66	6	0	236
2006	0	6	1	4	37	29	36	79	16	8	0	216
2007	1	2	3	3	30	21	14	49	15	1	0	139
2008	0	3	1	2	20	31	22	34	6	6	2	127
2009	0	5	5	2	33	33	15	21	6	1	0	121

Source: Office of the Superintendant of Bankruptcy.

Note: Starting in 2004 statistics are reported based on the North American Industry Classification rather than the Standard Industrial Classification.

Figure B.3: Distribution of Farm Bankruptcies by Province, 2009



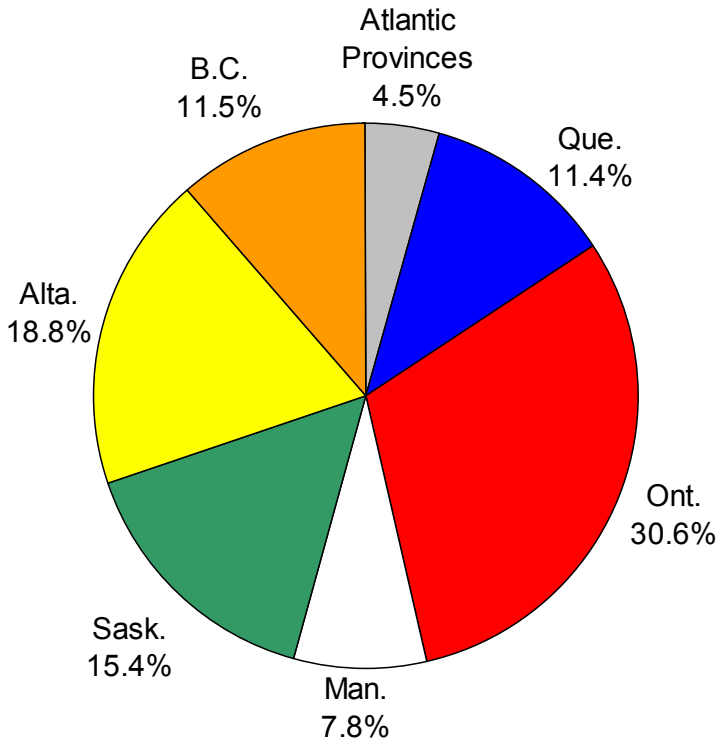
Sources: Office of the Superintendant of Bankruptcy, and Statistics Canada, 2006 Census of Agriculture.

Table B.4: Farm Credit Canada (FCC) Loans Receivable Portfolio, 2004-05 to 2009-10

	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10
Number of loans receivable	90,492	95,768	101,470	98,066	106,867	114,439
Amount receivable ($ million)	11,150	12,310	13,550	14,992	17,098	19,687
Number of loans approved	27,948	28,634	28,684	32,561	31,037	41,418
Amount of loans approved ($ million)	3,067	3,317	3,715	4,285	5,068	6,586
Average size of loans approved ($)	109,747	115,852	129,504	131,600	163,302	159,003

Source: FIMCLA Administration.

Figure B.4: Distribution of the Amount of FCC Loans Receivable, by Province, as of March 31, 2010



Source: Farm Credit Canada.

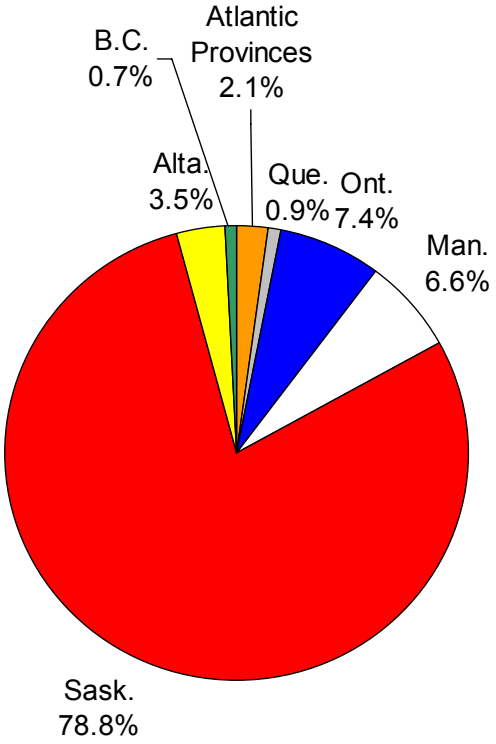
Table B.5: New Loans Registered Under the Canadian Agricultural Loans Act (CALA), 2003-04 to 2010-11

	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11*
Number of new loans registered	2,829	2,128	1,803	2,197	1,854	1,740	2,524	1,369
Amount of new loans registered ($000)	105,095	74,472	63,901	83,601	71,216	74,762	127,173	78,823
Average size of new loans registered ($)	37,149	34,996	35,442	50,257	38,412	42,967	50,385	57,577

Source: CALA, Agriculture and Agri-Food Canada.

* Preliminary numbers for 2010-11 are as of October 13, 2010.

Figure B.5: Distribution of the Amount of New Loans Registered under CALA, by Province, Fiscal Year 2009



Source: CALA, Agriculture and Agri-Food Canada.

Table B.6: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2006, 2007 and 2008

	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
	- Dollars per farm -							
CANADA								
Farm Assets								
- 2006	2,882,575	977,323	2,091,242	3,590,813	1,371,278	3,267,074	1,235,340	1,355,517
- 2007	3,131,425	1,007,173	2,058,978	3,576,187	1,276,717	3,697,566	1,413,198	1,455,158
- 2008	3,418,219	1,062,546	1,929,886	3,828,577	1,481,906	3,528,253	1,606,188	1,582,465
Farm Debt								
- 2006	679,553	145,538	604,604	687,174	242,004	898,667	205,802	252,981
- 2007	806,847	153,437	737,740	753,188	243,744	972,647	248,270	265,776
- 2008	941,199	163,736	787,129	894,836	283,602	897,164	242,168	301,369
Net Worth								
- 2006	2,203,021	831,785	1,486,638	2,903,639	1,129,274	2,368,407	1,029,538	1,102,537
- 2007	2,324,578	853,736	1,321,239	2,822,999	1,032,973	2,724,919	1,206,677	1,189,383
- 2008	2,477,021	898,810	1,142,757	2,933,741	1,198,304	2,631,089	1,364,019	1,281,096
Net New Investment								
- 2006	..	..	..	..	..	..	..	..
- 2007	101,036	17,418	85,621	128,611	45,034	150,552	43,157	44,893
- 2008	..	..	..	..	..	..	..	..
ATLANTIC								
Farm Assets								
- 2006	2,860,939	530,886	947,203	2,382,519	674,938	2,589,132	1,019,455	1,242,363
- 2007	2,954,218	576,574	1,071,906	2,945,024	548,332	2,807,854	1,025,133	1,509,370
- 2008	3,144,276	551,042	1,139,507	3,088,040	707,594	2,822,303	818,070	1,300,271
Farm Debt								
- 2006	771,915	63,840	369,070	491,098	113,265	801,217	195,874	307,880
- 2007	860,221	112,567	534,602	674,958	184,552	999,393	317,718	530,565
- 2008	859,037	74,101	693,960	689,677	127,990	876,897	211,093	333,437
Net Worth								
- 2006	2,089,024	467,045	578,133	1,891,421	561,674	1,787,915	823,582	934,483
- 2007	2,174,284	508,399	616,504	2,397,761	445,449	1,883,684	762,670	1,127,865
- 2008	2,285,238	476,942	445,547	2,398,364	579,604	1,945,406	606,977	966,833
Net New Investment								
- 2006	..	..	..	..	..	..	..	..
- 2007	91,170	12,881	94,738	103,376	36,194	130,752	41,215	65,229
- 2008	..	..	..	..	..	..	..	..

Source: Statistics Canada and Agriculture and Agri-Food Canada, Farm Financial Survey.

Table B.6: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2006, 2007 and 2008 (cont'd)

	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
	- Dollars per farm -							
QUEBEC								
Farm Assets								
- 2006	2,176,860	702,065	1,321,283	3,769,439	1,017,812	2,647,029	1,353,863	1,410,626
- 2007	2,412,444	661,314	1,270,860	3,474,523	902,933	1,638,110	1,220,714	1,353,078
- 2008	2,463,986	645,634	1,309,723	4,239,413	927,504	1,718,784	1,427,538	1,422,274
Farm Debt								
- 2006	572,551	172,894	567,218	687,786	288,624	691,201	346,352	370,966
- 2007	716,366	176,926	573,112	656,950	239,631	457,905	276,782	371,122
- 2008	766,188	179,300	600,169	929,118	252,688	419,134	330,126	404,235
Net Worth								
- 2006	1,604,309	529,171	754,065	3,081,653	729,188	1,955,828	1,007,512	1,039,660
- 2007	1,696,078	484,388	697,748	2,817,572	663,302	1,180,205	943,932	981,956
- 2008	1,697,798	466,334	709,554	3,310,296	674,816	1,299,650	1,097,412	1,018,039
Net New Investment								
- 2006	..	..	..	..	..	..	..	..
- 2007	91,205	21,449	41,162	70,816	32,023	21,396	21,396	54,016
- 2008	..	..	..	..	..	..	..	..
ONTARIO								
Farm Assets								
- 2006	3,068,668	877,806	1,874,645	3,389,344	1,397,728	3,540,355	1,223,514	1,470,471
- 2007	3,324,902	906,628	1,887,915	3,533,501	1,245,789	5,230,182	1,333,320	1,543,341
- 2008	3,867,809	920,121	1,782,422	3,903,414	1,414,090	3,123,603	1,343,710	1,642,311
Farm Debt								
- 2006	619,960	106,961	551,159	664,177	247,881	794,046	157,065	264,080
- 2007	725,676	116,349	786,897	815,976	259,770	715,870	195,145	298,698
- 2008	963,908	125,666	753,803	970,352	290,839	314,285	194,419	332,610
Net Worth								
- 2006	2,448,709	770,846	1,323,486	2,725,167	1,149,847	2,746,308	1,066,448	1,206,391
- 2007	2,599,226	790,280	1,101,018	2,717,525	986,020	4,514,312	1,138,176	1,244,643
- 2008	2,903,901	794,455	1,028,619	2,933,062	1,123,251	2,809,318	1,149,291	1,309,702
Net New Investment								
- 2006	..	..	..	..	..	..	..	..
- 2007	183,039	14,224	52,194	183,039	43,484	288,650	22,024	43,969
- 2008	..	..	..	..	..	..	..	..

Source: Statistics Canada and Agriculture and Agri-Food Canada, Farm Financial Survey.

Table B.6: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2006, 2007 and 2008 (cont'd)

	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
	- Dollars per farm -							
MANITOBA								
Farm Assets								
- 2006	3,181,568	633,369	2,840,604	2,168,956	2,549,250	9,397,203	1,242,705	1,108,669
- 2007	3,599,224	600,809	3,865,418	2,713,186	1,006,876	9,646,205	1,458,312	1,315,231
- 2008	3,868,550	649,985	3,468,541	2,280,257	1,124,694	9,215,086	1,645,299	1,401,027
Farm Debt								
- 2006	821,870	137,245	785,179	384,221	381,921	2,971,761	262,214	248,345
- 2007	1,076,888	98,009	1,075,954	578,686	868,570	2,523,033	278,882	266,944
- 2008	1,160,665	113,918	1,223,728	417,246	136,348	2,511,423	306,310	290,310
Net Worth								
- 2006	2,359,698	496,123	2,055,425	1,784,734	2,167,329	6,425,441	980,491	860,324
- 2007	2,522,336	502,800	2,789,464	2,134,499		7,123,172	1,179,430	1,048,287
- 2008	2,707,885	536,066	2,244,813	1,863,012	988,346	6,703,663	1,338,989	1,110,717
Net New Investment								
- 2006	..	..	..	..	..	..	..	..
- 2007	148,098	5,988	186,557	122,994	46,050	584,931	46,861	44,705
- 2008	..	..	..	..	..	..	..	..
SASKATCHEWAN								
Farm Assets								
- 2006	3,301,043	676,151	3,037,839	4,289,734	614,986	2,359,639	950,674	889,386
- 2007	4,329,821	724,954	4,082,301	5,875,953			1,188,333	1,086,731
- 2008	4,093,476	769,707	4,694,407	4,438,867	473,011	2,155,596	1,419,283	1,272,341
Farm Debt								
- 2006	790,915	124,300	676,644	1,086,766	52,725	856,281	183,556	171,835
- 2007	1,290,445	132,480	971,445	1,276,997			176,889	172,853
- 2008	1,399,808	141,061	1,288,216	989,955	28,316	531,290	213,612	203,400
Net Worth								
- 2006	2,510,128	551,852	2,361,195	3,202,967	562,261	1,503,358	767,118	717,551
- 2007	3,039,375	592,474	3,110,856	4,598,956			1,011,444	913,878
- 2008	2,693,668	628,646	3,406,191	3,448,912	444,694	1,624,305	1,205,671	1,068,941
Net New Investment								
- 2006	..	..	..	..	..	..	..	..
- 2007	61,026	14,796	143,876	201,347	71,724		47,136	39,306
- 2008	..	..	..	..	..	..	..	..

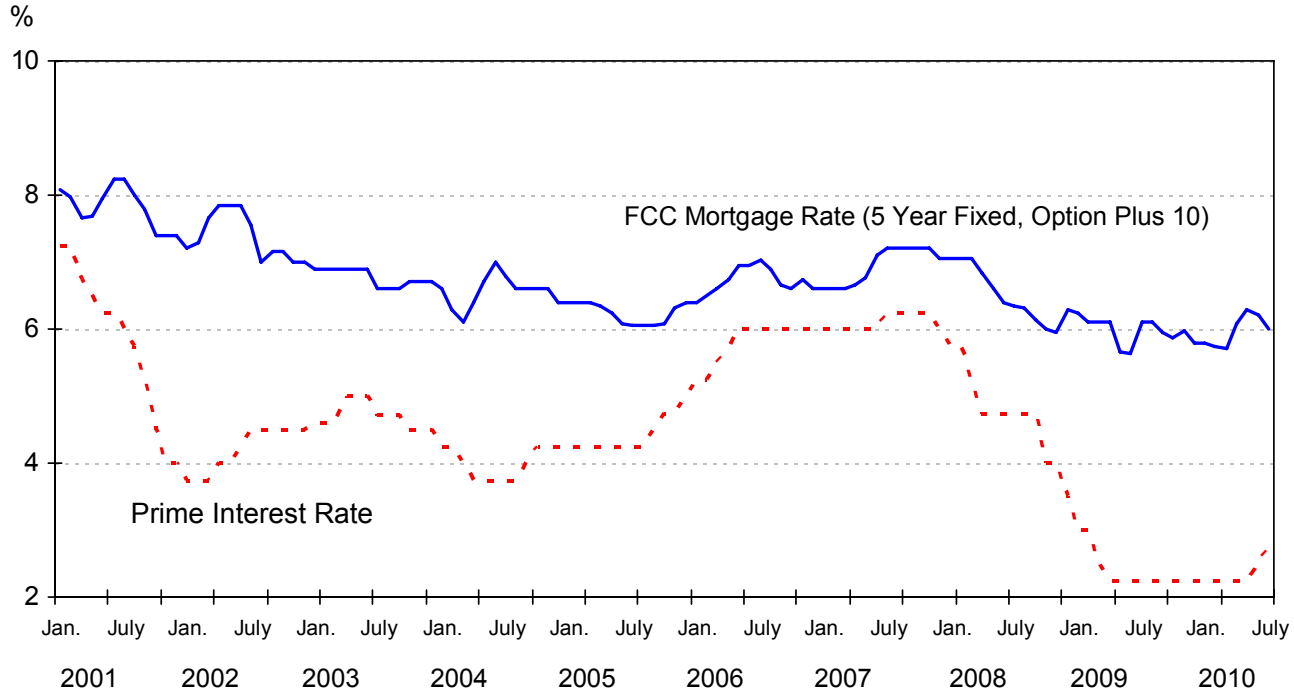
Source: Statistics Canada and Agriculture and Agri-Food Canada, Farm Financial Survey.

Table B.6: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type, Canada and Provinces, 2006, 2007 and 2008 (cont'd)

	Dairy	Beef	Hog	Poultry	Fruit and Vegetable	Potato	Grain	All Farms
	- Dollars per farm -							
ALBERTA								
Farm Assets								
- 2006	5,571,000	1,365,882	5,758,599	4,534,174	3,176,009	4,197,787	1,824,998	1,611,095
- 2007	5,662,553	1,376,507	3,332,089	3,508,198		6,566,875	1,987,874	1,692,647
- 2008	6,133,940	1,486,304	2,839,165	4,374,436	902,640	6,541,460	2,227,122	1,836,756
Farm Debt								
- 2006	1,247,141	183,555	832,457	1,079,108	586,216	1,135,199	232,920	217,896
- 2007	1,486,572	206,691	751,609	860,789		1,676,954	218,732	225,954
- 2008	1,576,895	213,234	1,115,315	1,269,615	171,136	1,607,779	289,558	267,035
Net Worth								
- 2006	4,323,859	1,182,326	4,926,142	3,455,065	2,589,794	3,062,588	1,592,077	1,393,198
- 2007	4,175,981	1,169,817	2,580,480	2,647,409		4,889,921	1,769,142	1,466,693
- 2008	4,557,045	1,273,070	1,723,850	3,104,821	731,504	4,933,681	1,937,564	1,569,721
Net New Investment								
- 2006	..	..	..	..	..	..	..	..
- 2007	129,184	23,321	33,271	153,008	39,378	325,629	60,862	45,644
- 2008	..	..	..	..	..	..	..	..
BRITISH COLUMBIA								
Farm Assets								
- 2006	7,257,767	1,358,190	2,041,138	4,396,328	1,863,507	3,652,818	1,981,602	2,136,005
- 2007	7,794,376	1,481,246	3,861,898	3,950,161	1,999,421	5,449,355	1,691,263	2,259,054
- 2008	9,265,015	1,678,048	4,847,162	3,548,860	2,453,091	3,610,718	2,075,132	2,476,849
Farm Debt								
- 2006	1,678,489	126,576	493,622	705,107	254,385	340,227	212,098	344,415
- 2007	1,675,265	118,743	731,063	693,010	306,943	339,802	159,818	350,539
- 2008	2,184,310	162,115	1,282,182	680,736	394,992	572,221	97,168	411,339
Net Worth								
- 2006	5,579,278	1,231,614	1,547,516	3,691,221	1,609,122	3,312,591	1,769,504	1,791,591
- 2007	6,119,110	1,362,503	3,130,836	3,257,151	1,692,477	5,109,553	1,531,445	1,908,515
- 2008	7,080,706	1,515,933	3,564,980	2,868,124	2,058,099	3,038,498	1,977,964	2,065,510
Net New Investment								
- 2006	..	..	..	..	..	..	..	..
- 2007	214,806	19,268	18,703	56,397	52,159	126,432	34,424	52,871
- 2008	..	..	..	..	..	..	..	..

Source: Statistics Canada and Agriculture and Agri-Food Canada, Farm Financial Survey.

Figure B.6: FCC Mortgage Rate and Prime Interest Rate, 2001-2010



Sources: Farm Credit Canada (FCC) and Bank of Canada Review.

Table B.7: Comparison of Selected Average Fertilizer and Fuel Prices Between Manitoba and Minnesota/North Dakota, 2009 and 2010

	Manitoba		Minnesota/North Dakota	
	Summer 10	Summer 09	Summer 10	Summer 09
Nitrogen (Cdn$/tonne)				
Anhydrous Ammonia (82-0-0)	628.38	847.67	618.30	792.06
Urea (46-0-0)	418.52	453.89	451.46	503.75
Phosphate (Cdn$/tonne)				
MAP (11-52-0)	615.77	578.31	615.28	660.72
Potash (Cdn$/tonne)				
Potash (0-0-60)	506.36	963.11	545.07	932.21
Fuel (Cdn¢/litre)				
Diesel	74.90	79.84	70.50	69.29
Gasoline (regular unleaded)	85.31	92.48	73.84	80.51

Source: Agriculture and Agri-Food Canada's Farm Input Price Survey.

Table B.8: Comparison of Selected Average Fertilizer and Fuel Prices Between Ontario and Michigan/Ohio/Indiana, 2009 and 2010

	Ontario		Michigan/Ohio/Indiana	
	June 9, 2010	June 10, 2009	June 9, 2010	June 10, 2009
Nitrogen (Cdn$/tonne)				
Anhydrous Ammonia (82-0-0)	721.93	1,062.50	655.14	788.45
Urea (46-0-0)	499.01	759.96	500.07	576.84
Nitrogen Solution (UAN, 28%)	314.36	478.36	317.44	387.50
Ammonium Nitrate	519.39	721.31	578.65	-
Phosphate (Cdn$/tonne)				
MAP (11-52-0)	607.06	1,099.18	622.43	717.70
DAP (18-46-0)	727.25	1,056.25	633.34	703.78
Triple Super (0-46-0)	673.14	1,305.80	601.57	712.79
Potash (Cdn$/tonne)				
Potash (0-0-60)	556.88	1,073.86	559.83	1,012.96
Fuel (Cdn¢/litre)				
Diesel	80.00	77.00	70.00	67.00
Gasoline (regular unleaded)	92.00	94.00	76.00	85.00

Source: Agriculture and Agri-Food Canada's Farm Input Price Survey.

Table B.9: Agricultural Inputs, Canada, 2005-2009

	2005	2006	2007	2008	2009
	($000)				
Machinery Operating Costs	4,134,136	4,276,318	4,498,095	5,067,591	4,412,408
Commercial Feed	4,134,003	4,097,993	4,813,781	5,644,445	5,362,061
Cash Wages, Room and Board	3,848,080	3,985,796	4,098,318	4,231,955	4,308,889
Fertilizer and Lime	2,489,961	2,610,776	3,201,313	3,835,299	3,823,663
Interest	2,278,415	2,647,266	2,978,790	2,929,676	2,354,732
Rent	1,305,313	1,331,428	1,466,640	1,746,900	1,693,268
Pesticides	1,757,561	1,787,729	1,923,586	2,319,933	2,376,130
Livestock Purchases	1,500,610	1,489,588	1,246,073	1,253,188	1,234,171
Commercial Seed	1,130,502	1,155,958	1,274,400	1,422,167	1,490,954
Building and Fence Repairs	736,496	751,474	768,974	793,822	812,136
Electricity	713,983	752,239	814,615	822,653	835,430
Property Taxes	537,508	516,015	522,935	530,276	521,662
Crop and Hail Insurance	507,226	504,539	600,910	812,616	801,190
Business Insurance	673,739	693,487	732,237	758,485	790,980
A.I. Fees and Veterinary	665,928	693,860	709,756	719,118	725,727
Other*	3,703,010	3,889,614	4,122,597	4,233,024	4,343,152
Depreciation	4,800,006	4,849,085	5,011,140	5,187,057	5,463,198
Total Expenses	34,916,477	36,033,165	38,784,160	42,308,205	41,349,751

Source: Statistics Canada, Catalogue No. 21-012-XIE, Agriculture Economic Statistics, November 2010.

Note: Input expenses are net of government rebates.

*Includes: Stabilization premiums; heating fuel; twine, wire and containers; telephone; irrigation; custom work; and other expenses.

Methodology for Farm Financial Conditions

Table B.1: Farm Assets and Figure B.1: Asset Class as a Percentage of Farm Assets

Farm asset and lender share information is from data published by the Agriculture Division of Statistics Canada in Catalogue No. 21-016-XIE, Agriculture Economic Statistics.

Table B.2: Farm Debt and Figure B.2: Lender Shares as a Percentage of Farm Debt

Farm debt and lender share information is from data published by the Agriculture Division of Statistics Canada in Catalogue No. 21-014-XIE, Agriculture Economic Statistics.

Table B.3: Farm Bankruptcies and Figure B.3: Distribution of Farm Bankruptcies

Bankruptcies are only one form of financial failure and the bankruptcy statistics represent a small part of the total number of farmers who leave agriculture because of financial difficulties.

Bankruptcy data are collected and reported monthly by the Office of the Superintendent of Bankruptcy.

Table B.4: Farm Credit Canada (FCC) Loans Receivable Portfolio and Figure B.4: Distribution of the Amount of FCC Loans Receivable

FCC information on total loans receivable and loans approved is from the FCC 2009-10 Annual Report. Information on the provincial distribution of total loans receivable is from FCC.

Table B.5: New Loans Registered Under the CALA and Figure B.5: Distribution of the Amount of New Loans Registered under the CALA

Data is reported on:1) new loans registered under CALA; 2) distribution of the amount of new loans registered under CALA, by province. All data were provided by the CALA administration.

Table B.6: Average Assets, Liabilities, Net Worth and Net New Investment, by Farm Type

Per farm information on farm assets, farm debt, net worth, and net new investment is from the Farm Financial Survey. The Farm Financial Survey is conducted by Statistics Canada for Agriculture and Agri-Food Canada every year and collects data from a sample of farms with annual gross revenues over $10,000.

Net new investment is measured by gross capital investment less capital sales.

Figure B.6: FCC Mortgage Rate and Prime Interest Rate

The prime interest rate in Canada is reported in the Bank of Canada Review (or at www.bank-banque-canada.ca). The FCC five-year fixed mortgage rate (option plus 10) is reported by Farm Credit Canada.

Tables B.7 and B.8: Selected Average Fertilizer and Fuel Prices

The information on fertilizer prices is provided for Manitoba and Ontario along with comparisons to adjacent U.S. states, by private consultants on contract to Agriculture and Agri-Food Canada.

Table B.9: Agricultural Inputs

Input expenses are reported net of government rebates. The rebates reduce some farm input costs. Inter-farm purchases are excluded.

For a detailed description of methodology, please refer to Agriculture Economic Statistics, Statistics Canada, Catalogue No. 21-012-XIE.

SECTION C

Government Expenditures in Support of the Agri-Food Sector

Table C.1: Federal and Provincial Government Expenditures in Support of the Agri-Food Sector, Canada and Provinces, 2003-04 to 2010-11

Allocated		2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
		($ 000)							
N.L.	Federal	6,950	11,622	14,035	8,989	12,574	9,924	9,624	8,401
	Provincial	14,229	10,713	14,872	15,485	18,121	17,339	22,912	25,115
	% Fed.	32.81	52.03	48.55	36.73	40.96	36.40	29.58	25.06
P.E.I.	Federal	40,396	46,280	31,086	40,817	37,581	43,060	25,609	37,021
	Provincial	34,463	38,770	31,852	28,268	43,137	33,417	31,527	32,027
	% Fed.	53.96	54.42	49.39	59.08	46.56	56.30	44.82	53.62
N.S.	Federal	41,195	34,938	35,587	40,916	39,245	29,215	44,381	39,068
	Provincial	42,934	49,037	47,333	45,628	66,064	56,776	61,594	55,004
	% Fed.	48.97	41.61	42.92	47.28	37.27	33.97	41.88	41.53
N.B.	Federal	48,112	45,854	33,109	46,819	53,804	32,930	36,284	41,574
	Provincial	23,096	31,962	26,574	25,667	30,480	33,099	28,062	29,726
	% Fed.	67.57	58.93	55.47	64.59	63.84	49.87	56.39	58.31
Que.	Federal	589,534	523,602	537,417	529,269	650,558	339,703	499,736	537,884
	Provincial	704,003	708,706	818,077	905,053	911,966	1,034,066	1,002,689	978,834
	% Fed.	45.58	42.49	39.65	36.90	41.64	24.73	33.26	35.46
Ont.	Federal	845,350	668,650	796,385	762,065	903,845	878,700	713,162	714,630
	Provincial	455,240	579,508	540,901	513,204	719,405	455,428	471,936	471,523
	% Fed.	65.00	53.57	59.55	59.76	55.68	65.86	60.18	60.25
Man.	Federal	512,982	469,310	604,275	519,005	552,679	312,068	405,255	453,946
	Provincial	273,550	204,798	300,319	248,121	290,031	274,962	270,547	264,111
	% Fed.	65.22	69.62	66.80	67.66	65.58	53.16	59.97	63.22
Sask.	Federal	1,272,169	986,886	1,147,828	1,073,796	865,976	645,144	718,899	824,705
	Provincial	427,519	458,874	489,963	421,240	331,289	438,325	373,183	373,662
	% Fed.	74.85	68.26	70.08	71.82	72.33	59.54	65.83	68.82
Alta.	Federal	1,492,378	891,659	1,054,875	924,598	751,748	730,877	656,330	737,957
	Provincial	975,929	826,089	868,557	967,859	640,895	1,065,952	756,284	748,403
	% Fed.	60.46	51.91	54.84	48.86	53.98	40.68	46.46	49.65
B.C.	Federal	198,637	238,122	160,720	201,867	215,861	150,206	143,410	166,005
	Provincial	61,784	80,408	61,992	73,889	100,947	81,747	78,259	62,138
	% Fed.	76.28	74.76	72.16	73.21	68.14	64.76	64.70	72.76
Others	Federal	392,882	422,035	437,051	473,870	434,822	619,301	941,134	667,218
	Provincial	-	-	-	-	-	-	-	-
	% Fed.	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00
Canada	Federal	5,440,586	4,338,960	4,852,368	4,622,011	4,518,694	3,791,127	4,193,824	4,228,408
	Provincial	3,012,749	2,988,865	3,200,440	3,244,414	3,152,336	3,491,110	3,096,993	3,040,544
	% Fed.	64.36	59.21	60.26	58.76	58.91	52.06	57.52	58.17

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Figure C.1: Federal and Provincial Government Expenditures in Support of the Agri-Food Sector, Canada and Provinces, 2003-04 to 2010-11

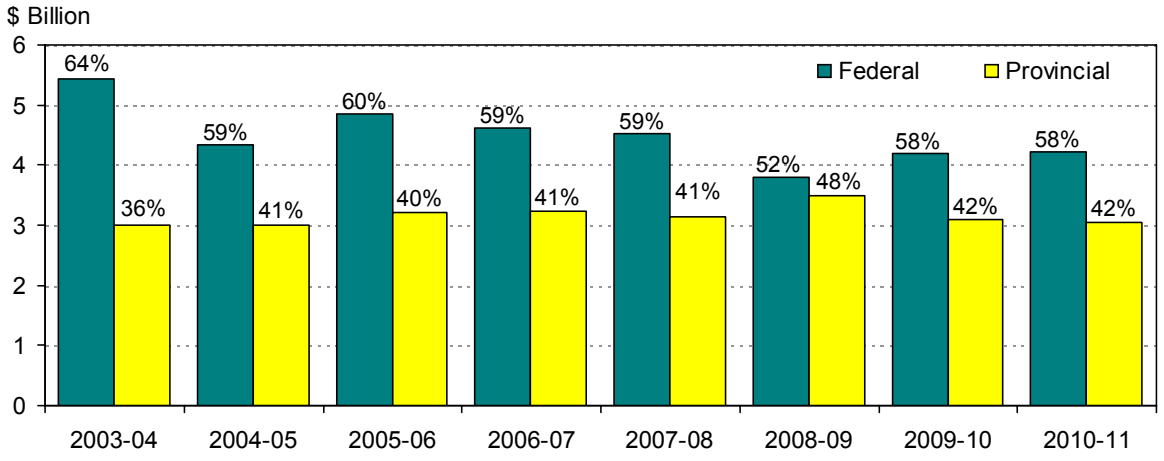
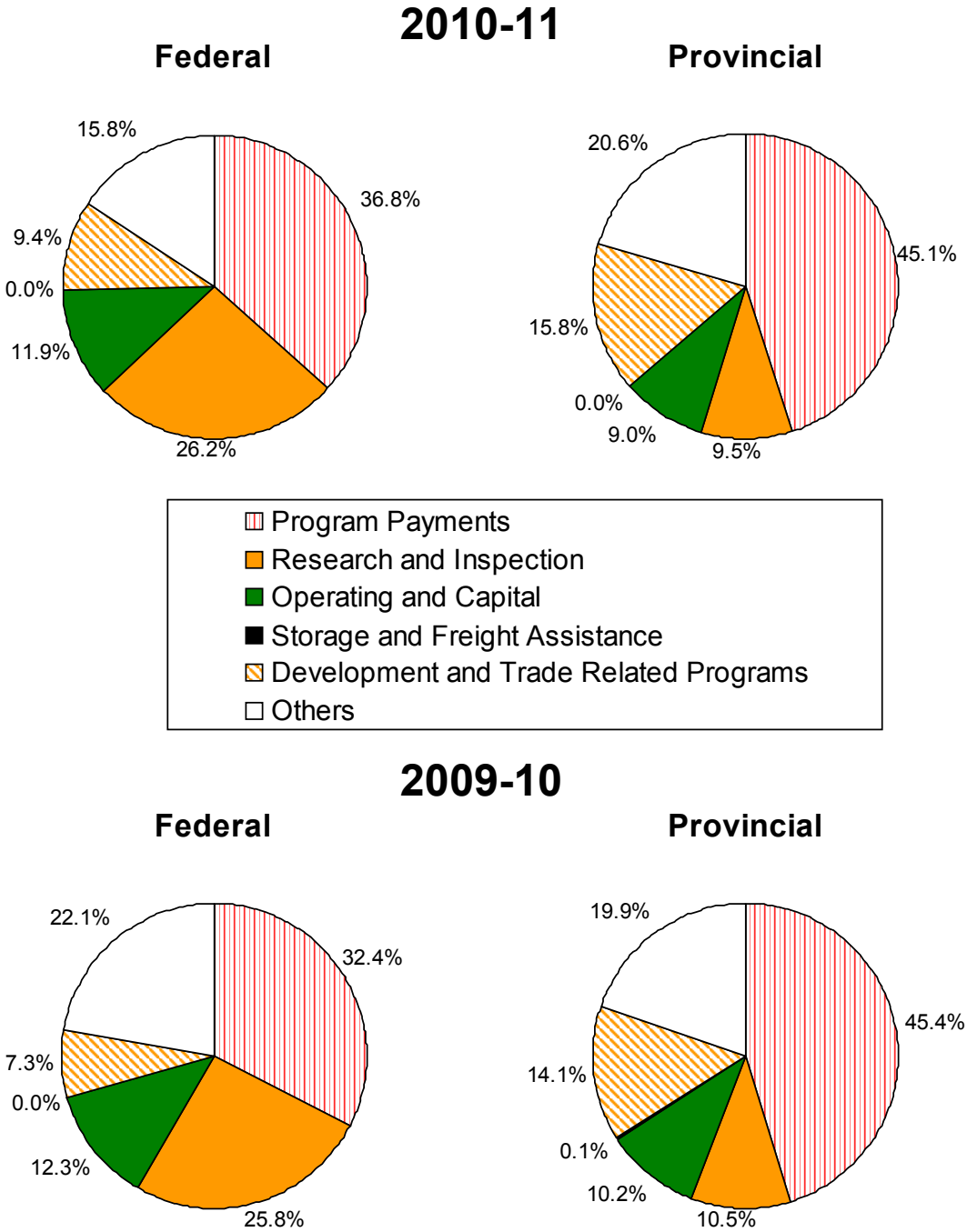


Figure C.2: Federal and Provincial Government Expenditures by Major Category



Program payments include income support and stabilization, ad hoc and cost reduction, production insurance and financing assistance programs.

Research and inspection include administration (e.g. salaries) and capital expenditures, and grants and contributions.

Operating and capital include general administration and management, policy, information and statistical services.

Storage and freight assistance include program payments for storage and freight.

Development and trade related programs include administration and capital expenditures, and grants and contributions for regional development, marketing and trade and environment.

Others include food aid and international assistance, extension, education, social program payments and tax expenditures.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2007-08 to 2010-11

	PROVINCIAL				FEDERAL			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
	($000)							
CANADA								
A. Operating Expenditures	761,963	807,663	808,226	825,377	1,560,470	1,501,720	1,629,730	1,570,083
B. Capital Expenditures	82,378	108,309	90,961	96,716	54,825	58,649	92,127	90,608
C. Program Expenditures	2,203,992	2,508,575	2,072,054	1,992,286	3,087,761	2,402,657	2,647,859	2,745,102
c.1 Income Support & Stabilization	1,142,634	1,518,469	1,052,722	962,903	1,200,399	528,505	651,997	770,095
c.2 Ad Hoc and Cost Reduction	95,785	48,331	30,236	88,601	449,750	352,311	48,752	251,316
c.3 Production Insurance	270,081	365,672	378,029	383,162	344,611	493,243	435,234	391,171
c.4 Financing Assistance	74,822	63,000	64,867	61,609	60,578	35,148	281,887	207,642
c.5 Storage and Freight	2,189	1,950	2,502	1,445	-	6,120	-	-
c.6 Social and Labour	20,265	28,857	29,958	27,207	833	642	456	864
c.7 Research	168,594	108,936	127,811	101,530	78,846	22,038	37,015	81,206
c.8 Food Inspection	69,336	37,310	47,110	42,937	97,521	72,847	57,064	91,707
c.9 Food Aid	-	-	-	-	432,435	618,528	939,379	667,143
c.10 Marketing and Trade	46,219	31,321	49,690	38,115	74,592	48,902	66,398	60,902
c.11 Rural and Regional Development	84,375	66,268	55,558	62,393	72,707	85,543	68,174	126,430
c.12 Environment	51,659	62,812	57,263	51,141	201,134	97,826	35,586	70,508
c.13 Education	144,236	136,969	134,546	133,794	167	78	51	55
c.14 Extension	33,797	38,680	41,763	37,450	74,189	40,927	25,865	26,060
D. Tax Expenditures	387,284	379,393	394,050	405,064	-	-	-	-
Sub-Total Gross Expenditures	3,435,617	3,803,939	3,365,291	3,319,443	4,703,055	3,963,027	4,369,716	4,405,792
Recoveries	(283,281)	(312,829)	(268,298)	(278,899)	(184,362)	(171,900)	(175,893)	(177,385)
Total Net Expenditures	3,152,336	3,491,110	3,096,993	3,040,544	4,518,694	3,791,127	4,193,824	4,228,408
NEWFOUNDLAND AND LABRADOR								
A. Operating Expenditures	8,516	8,856	10,295	10,225	4,297	4,176	4,533	4,218
B. Capital Expenditures	2,037	1,636	2,800	3,176	157	161	250	246
C. Program Expenditures	7,568	6,847	9,817	11,714	8,648	6,076	5,318	4,418
c.1 Income Support & Stabilization	79	261	239	313	416	480	336	341
c.2 Ad Hoc and Cost Reduction	2,090	2,133	4,075	6,089	181	(1)	945	561
c.3 Production Insurance	29	27	35	32	43	38	53	47
c.4 Financing Assistance	-	-	-	-	1	14	4	82
c.5 Storage and Freight	384	173	-	250	-	-	-	-
c.6 Social and Labour	-	-	-	-	3	-	-	2
c.7 Research	595	277	483	582	2,143	474	427	217
c.8 Food Inspection	50	483	1,727	562	272	323	618	155
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	2,636	1,578	1,407	1,849	552	363	589	153
c.11 Rural and Regional Development	394	440	429	421	3,315	3,570	2,016	2,598
c.12 Environment	387	180	140	237	1,547	652	283	191
c.13 Education	724	1,155	1,142	1,239	101	78	1	0
c.14 Extension	200	141	140	140	72	85	48	71
D. Tax Expenditures	-	-	-	-	-	-	-	-
Sub-Total Gross Expenditures	18,121	17,339	22,912	25,115	13,103	10,413	10,101	8,882
Recoveries	-	-	-	-	(529)	(488)	(477)	(481)
Total Net Expenditures	18,121	17,339	22,912	25,115	12,574	9,924	9,624	8,401

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Notes: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.
Preliminary: figures based on actuals and budget estimates when actuals are not available.
Estimates: figures based on budget estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2007-08 to 2010-11 (cont'd)

	PROVINCIAL				FEDERAL			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
	($000)							
PRINCE EDWARD ISLAND								
A. Operating Expenditures	7,949	7,561	9,689	8,205	15,441	14,439	14,675	14,463
B. Capital Expenditures	141	141	500	81	554	561	834	821
C. Program Expenditures	33,079	23,746	22,329	23,342	23,451	29,740	11,693	23,345
c.1 Income Support & Stabilization	4,580	3,748	5,091	4,804	4,442	11,806	(3,609)	4,420
c.2 Ad Hoc and Cost Reduction	3,581	6,133	1,068	958	4,337	7,799	189	1,965
c.3 Production Insurance	3,098	3,960	5,013	6,300	3,459	4,185	6,204	5,576
c.4 Financing Assistance	6,808	1,359	930	636	1,893	497	571	4,666
c.5 Storage and Freight	-	-	400	400	-	-	-	-
c.6 Social and Labour	-	8	10	28	-	-	2	8
c.7 Research	2,391	2,516	1,904	1,769	485	61	79	725
c.8 Food Inspection	2,899	508	1,172	327	1,556	370	558	669
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	5,542	1,301	938	1,333	203	235	814	522
c.11 Rural and Regional Development	-	-	-	-	4,031	2,824	5,190	3,919
c.12 Environment	23	175	1,247	1,570	2,252	1,437	1,257	639
c.13 Education	3,787	3,119	4,172	4,256	-	-	1	1
c.14 Extension	371	921	384	961	793	528	437	236
D. Tax Expenditures	1,968	1,968	1,968	1,968	-	-	-	-
Sub-Total Gross Expenditures	43,137	33,417	34,487	33,597	39,446	44,741	27,202	38,628
Recoveries	-	-	(2,960)	(1,569)	(1,865)	(1,681)	(1,593)	(1,607)
Total Net Expenditures	43,137	33,417	31,527	32,027	37,581	43,060	25,609	37,021
NOVA SCOTIA								
A. Operating Expenditures	13,923	15,794	15,201	14,690	19,458	18,047	17,067	16,935
B. Capital Expenditures	786	697	586	548	708	711	1,026	1,009
C. Program Expenditures	50,066	38,952	44,485	40,651	21,461	12,566	28,246	23,099
c.1 Income Support & Stabilization	3,471	2,315	4,166	3,056	5,207	1,689	11,722	10,502
c.2 Ad Hoc and Cost Reduction	520	235	1,089	244	2,975	402	921	2,345
c.3 Production Insurance	279	297	496	591	438	277	709	637
c.4 Financing Assistance	15,544	5,325	6,146	3,600	164	42	32	580
c.5 Storage and Freight	434	695	1,115	750	-	-	-	-
c.6 Social and Labour	-	-	-	-	19	-	14	10
c.7 Research	1,131	1,123	1,196	1,000	2,043	1,135	1,067	1,919
c.8 Food Inspection	4,734	3,790	5,090	3,998	1,254	2,006	2,860	720
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	4,803	3,924	3,589	4,074	1,151	1,210	835	642
c.11 Rural and Regional Development	150	-	-	-	3,971	3,136	8,289	4,668
c.12 Environment	1,006	3,167	2,645	2,584	3,328	1,807	1,325	785
c.13 Education	15,476	15,668	16,663	18,278	-	-	1	1
c.14 Extension	2,518	2,413	2,290	2,477	911	862	471	290
D. Tax Expenditures	1,290	1,333	1,322	1,315	-	-	-	-
Sub-Total Gross Expenditures	66,064	56,776	61,594	57,204	41,627	31,325	46,339	41,043
Recoveries	-	-	-	(2,200)	(2,382)	(2,110)	(1,958)	(1,975)
Total Net Expenditures	66,064	56,776	61,594	55,004	39,245	29,215	44,381	39,068

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Notes: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.
Preliminary: figures based on actuals and budget estimates when actuals are not available.
Estimates: figures based on budget estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2007-08 to 2010-11 (cont'd)

	PROVINCIAL				FEDERAL			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
	($000)							
NEW BRUNSWICK								
A. Operating Expenditures	12,722	12,892	12,992	12,542	18,393	17,165	17,526	17,331
B. Capital Expenditures	695	2,625	933	664	668	674	1,014	997
C. Program Expenditures	15,179	15,726	12,298	14,560	36,989	17,100	19,680	25,198
c.1 Income Support & Stabilization	6,423	6,597	3,386	6,470	18,740	3,973	2,741	8,064
c.2 Ad Hoc and Cost Reduction	758	1,907	2,553	2,350	3,943	425	264	2,348
c.3 Production Insurance	1,535	1,727	1,803	1,848	2,301	2,584	2,702	2,428
c.4 Financing Assistance	-	424	25	-	1,011	474	440	3,136
c.5 Storage and Freight	1,158	-	132	-	-	-	-	-
c.6 Social and Labour	3	3	8	-	12	-	-	10
c.7 Research	0	505	655	700	2,144	656	1,859	882
c.8 Food Inspection	183	202	266	264	563	1,829	655	774
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	1,934	1,302	301	300	193	309	1,152	632
c.11 Rural and Regional Development	-	28	-	-	5,891	5,502	8,218	5,862
c.12 Environment	1,159	896	1,126	635	1,916	1,050	1,443	776
c.13 Education	1,590	1,470	1,636	1,699	-	-	1	1
c.14 Extension	437	666	405	294	274	297	205	287
D. Tax Expenditures	1,934	1,883	2,081	2,163	-	-	-	-
Sub-Total Gross Expenditures	30,530	33,126	28,305	29,928	56,049	34,938	38,220	43,526
Recoveries	(50)	(28)	(243)	(203)	(2,245)	(2,009)	(1,936)	(1,952)
Total Net Expenditures	30,480	33,099	28,062	29,726	53,804	32,930	36,284	41,574
QUEBEC								
A. Operating Expenditures	250,284	207,709	208,215	204,663	258,897	229,798	249,088	243,203
B. Capital Expenditures	10,761	12,353	12,783	13,653	8,946	9,080	14,247	14,012
C. Program Expenditures	607,732	772,436	738,829	714,754	412,799	128,101	263,601	308,100
c.1 Income Support & Stabilization	420,096	577,874	543,338	526,240	262,199	34,693	126,580	128,013
c.2 Ad Hoc and Cost Reduction	20,862	4,998	3,744	3,283	50,127	6,696	3,338	38,279
c.3 Production Insurance	17,308	17,107	19,237	19,938	24,964	24,036	25,713	23,110
c.4 Financing Assistance	34,239	36,578	28,678	30,348	4,919	5,952	62,375	41,264
c.5 Storage and Freight	-	-	-	-	-	-	-	-
c.6 Social and Labour	2,761	15,823	15,644	12,086	753	641	350	134
c.7 Research	14,614	16,795	22,694	18,618	1,304	2,714	5,412	12,387
c.8 Food Inspection	16,740	18,023	17,069	19,328	19,874	10,280	3,240	19,153
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	12,101	13,835	16,539	17,795	4,859	6,798	8,569	9,062
c.11 Rural and Regional Development	3,074	3,939	3,167	3,747	13,586	12,275	11,847	21,757
c.12 Environment	32,310	30,213	26,593	24,637	16,338	12,839	11,744	10,903
c.13 Education	24,310	23,786	22,854	23,029	-	-	11	9
c.14 Extension	9,315	13,465	19,271	15,705	13,876	11,176	4,421	4,030
D. Tax Expenditures	43,189	41,569	42,862	45,764	-	-	-	-
Sub-Total Gross Expenditures	911,966	1,034,066	1,002,689	978,834	680,643	366,978	526,936	565,315
Recoveries	-	-	-	-	(30,084)	(27,276)	(27,200)	(27,431)
Total Net Expenditures	911,966	1,034,066	1,002,689	978,834	650,558	339,703	499,736	537,884

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Notes: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.
Preliminary: figures based on actuals and budget estimates when actuals are not available.
Estimates: figures based on budget estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2007-08 to 2010-11 (cont'd)

	PROVINCIAL				FEDERAL			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
	($000)							
ONTARIO								
A. Operating Expenditures	137,922	201,087	197,164	213,634	376,893	348,816	367,346	356,578
B. Capital Expenditures	3,742	18,750	5,669	17,792	13,658	13,741	21,211	20,861
C. Program Expenditures	610,360	273,088	278,558	264,155	559,222	556,988	365,102	378,030
c.1 Income Support & Stabilization	324,929	136,839	135,383	129,524	286,225	115,524	128,214	149,910
c.2 Ad Hoc and Cost Reduction	62,204	7,788	8,045	11,935	94,527	302,930	24,607	63,325
c.3 Production Insurance	31,258	33,939	34,183	30,500	49,893	48,496	48,459	43,553
c.4 Financing Assistance	476	145	3,863	32	5,603	4,294	101,800	20,912
c.5 Storage and Freight	-	-	-	-	-	-	-	-
c.6 Social and Labour	6,699	2,306	3,585	4,365	31	1	31	199
c.7 Research	97,777	50,184	46,824	45,623	23,327	8,059	11,031	18,443
c.8 Food Inspection	39,359	11,491	13,455	12,756	26,493	15,534	7,428	21,787
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	3,124	5,326	8,597	11,339	6,168	6,385	15,916	13,612
c.11 Rural and Regional Development	30,500	5,911	7,271	5,500	11,263	28,654	13,715	24,045
c.12 Environment	4,609	7,519	6,897	3,006	42,166	19,306	9,604	16,233
c.13 Education	8,200	5,200	5,200	5,200	-	-	9	13
c.14 Extension	1,225	6,440	5,255	4,375	13,527	7,805	4,290	6,000
D. Tax Expenditures	33,906	38,717	40,010	40,010	-	-	-	-
Sub-Total Gross Expenditures	785,930	531,642	521,400	535,591	949,773	919,545	753,659	755,470
Recoveries	(66,524)	(76,214)	(49,465)	(64,068)	(45,928)	(40,846)	(40,497)	(40,840)
Total Net Expenditures	719,405	455,428	471,936	471,523	903,845	878,700	713,162	714,630
MANITOBA								
A. Operating Expenditures	51,002	51,719	60,159	59,751	156,696	155,876	174,255	166,697
B. Capital Expenditures	4,966	8,124	7,707	8,753	5,480	5,698	9,850	9,687
C. Program Expenditures	170,931	155,295	134,614	128,644	408,931	168,102	239,956	296,527
c.1 Income Support & Stabilization	104,559	67,189	53,718	48,296	197,755	34,224	109,496	126,138
c.2 Ad Hoc and Cost Reduction	1,696	6,465	1,147	1,368	61,318	17,279	6,224	29,433
c.3 Production Insurance	36,781	47,685	45,660	43,485	56,359	73,149	67,162	60,362
c.4 Financing Assistance	588	4,938	833	822	8,821	6,113	27,107	28,219
c.5 Storage and Freight	-	-	-	-	-	6,120	-	-
c.6 Social and Labour	43	43	44	44	6	-	45	92
c.7 Research	1,201	2,044	3,490	1,115	18,924	1,899	4,461	8,564
c.8 Food Inspection	2,768	2,043	2,880	2,740	5,733	5,532	6,426	14,785
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	1,585	1,753	1,776	1,020	9,577	5,046	10,302	6,364
c.11 Rural and Regional Development	11,251	11,497	14,243	12,439	8,607	5,007	4,115	12,238
c.12 Environment	1,961	3,374	2,351	7,951	35,640	10,770	2,113	7,538
c.13 Education	8,140	7,868	8,103	9,032	-	-	4	6
c.14 Extension	360	397	369	332	6,192	2,964	2,501	2,786
D. Tax Expenditures	66,959	63,155	71,923	73,541	-	-	-	-
Sub-Total Gross Expenditures	293,859	278,294	274,404	270,688	571,107	329,676	424,060	472,911
Recoveries	(3,827)	(3,332)	(3,857)	(6,577)	(18,428)	(17,607)	(18,805)	(18,965)
Total Net Expenditures	290,031	274,962	270,547	264,111	552,679	312,068	405,255	453,946

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Notes: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.
Preliminary: figures based on actuals and budget estimates when actuals are not available.
Estimates: figures based on budget estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2007-08 to 2010-11 (cont'd)

	PROVINCIAL				FEDERAL			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
	($000)							
SASKATCHEWAN								
A. Operating Expenditures	45,225	61,406	52,194	43,457	274,874	296,054	343,303	323,721
B. Capital Expenditures	2,911	3,672	3,276	2,468	9,279	10,068	18,790	18,480
C. Program Expenditures	266,761	392,513	332,180	328,398	613,027	371,602	392,681	518,682
c.1 Income Support & Stabilization	115,798	182,099	131,432	140,312	230,560	101,738	96,632	165,767
c.2 Ad Hoc and Cost Reduction	54	3,282	1,002	2,028	126,409	2,659	2,316	50,264
c.3 Production Insurance	74,006	113,932	111,071	97,549	111,508	171,476	163,128	146,613
c.4 Financing Assistance	15,132	12,994	16,534	15,768	26,125	11,886	84,718	70,737
c.5 Storage and Freight	213	1,082	855	45	-	-	-	-
c.6 Social and Labour	144	94	66	85	-	-	12	176
c.7 Research	13,839	15,593	19,259	19,640	8,756	2,962	6,709	16,338
c.8 Food Inspection	3,168	2,474	5,083	3,110	8,559	12,037	13,551	13,957
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	3,966	1,765	2,341	172	28,695	15,209	10,081	12,240
c.11 Rural and Regional Development	36,049	41,778	28,997	38,837	9,693	12,312	6,143	22,885
c.12 Environment	3,278	16,508	14,966	10,321	39,090	32,720	4,145	14,381
c.13 Education	291	389	-	-	66	-	7	11
c.14 Extension	822	525	574	532	23,565	8,603	5,240	5,315
D. Tax Expenditures	128,623	129,984	126,314	133,428	-	-	-	-
Sub-Total Gross Expenditures	443,520	587,575	513,964	507,750	897,179	677,724	754,774	860,884
Recoveries	(112,231)	(149,250)	(140,781)	(134,087)	(31,204)	(32,580)	(35,875)	(36,179)
Total Net Expenditures	331,289	438,325	373,183	373,662	865,976	645,144	718,899	824,705
ALBERTA								
A. Operating Expenditures	197,733	206,462	211,478	227,300	334,744	323,922	348,249	334,437
B. Capital Expenditures	47,495	57,018	56,171	48,868	11,670	14,259	19,502	19,180
C. Program Expenditures	393,828	792,628	458,988	442,485	444,577	429,126	325,813	421,889
c.1 Income Support & Stabilization	137,692	515,456	147,537	84,909	139,540	203,405	160,594	148,026
c.2 Ad Hoc and Cost Reduction	3,995	14,025	6,812	59,735	87,320	12,078	4,356	50,589
c.3 Production Insurance	97,589	139,998	153,531	178,890	87,300	157,613	109,698	98,592
c.4 Financing Assistance	2,035	1,237	7,191	10,403	11,732	5,370	4,410	35,001
c.5 Storage and Freight	-	-	-	-	-	-	-	-
c.6 Social and Labour	10,590	10,580	10,600	10,600	-	-	-	183
c.7 Research	36,969	19,504	30,301	12,463	19,517	3,227	4,423	16,957
c.8 Food Inspection	(5,055)	(3,878)	-	-	21,059	9,339	14,964	15,718
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	494	387	12,504	226	21,369	10,937	15,038	14,206
c.11 Rural and Regional Development	2,950	2,675	1,450	1,450	7,380	8,429	6,159	22,164
c.12 Environment	6,675	780	1,298	200	36,034	11,520	97	14,926
c.13 Education	81,718	78,306	74,775	71,063	-	-	10	12
c.14 Extension	18,176	13,557	12,988	12,546	13,326	7,209	6,063	5,517
D. Tax Expenditures	102,488	93,849	100,640	99,945	-	-	-	-
Sub-Total Gross Expenditures	741,544	1,149,957	827,277	818,598	790,991	767,307	693,564	775,507
Recoveries	(100,649)	(84,005)	(70,993)	(70,195)	(39,244)	(36,430)	(37,234)	(37,550)
Total Net Expenditures	640,895	1,065,952	756,284	748,403	751,748	730,877	656,330	737,957

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Notes: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.
Preliminary: figures based on actuals and budget estimates when actuals are not available.
Estimates: figures based on budget estimates.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category, Canada and Provinces, 2007-08 to 2010-11 (cont'd)

	PROVINCIAL				FEDERAL			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
	($000)							
BRITISH COLUMBIA								
A. Operating Expenditures	36,687	34,178	30,838	30,911	100,776	93,427	93,619	92,500
B. Capital Expenditures	8,846	3,292	535	714	3,704	3,695	5,404	5,315
C. Program Expenditures	48,487	37,344	39,956	23,584	123,836	63,956	54,704	78,595
c.1 Income Support & Stabilization	25,007	26,092	28,431	18,980	55,049	21,013	19,293	28,915
c.2 Ad Hoc and Cost Reduction	25	1,366	701	610	18,603	2,043	5,593	12,210
c.3 Production Insurance	8,200	7,000	7,000	4,029	8,347	11,389	11,409	10,254
c.4 Financing Assistance	-	-	667	-	309	506	430	3,043
c.5 Storage and Freight	-	-	-	-	-	-	-	-
c.6 Social and Labour	25	-	-	-	9	-	-	51
c.7 Research	76	395	1,005	19	142	830	1,466	4,699
c.8 Food Inspection	4,490	2,175	368	(148)	12,156	15,592	6,649	3,989
c.9 Food Aid	-	-	-	-	-	-	-	-
c.10 Marketing and Trade	10,034	151	1,697	8	1,506	2,411	2,757	3,471
c.11 Rural and Regional Development	7	-	-	-	3,304	3,099	2,215	6,297
c.12 Environment	251	-	-	-	22,757	5,673	3,368	4,136
c.13 Education	-	8	-	-	-	-	3	3
c.14 Extension	373	157	87	87	1,654	1,400	1,522	1,529
D. Tax Expenditures	6,926	6,933	6,929	6,930	-	-	-	-
Sub-Total Gross Expenditures	100,947	81,747	78,259	62,138	228,316	161,079	153,727	176,410
Recoveries	-	-	-	-	(12,455)	(10,873)	(10,317)	(10,405)
Total Net Expenditures	100,947	81,747	78,259	62,138	215,861	150,206	143,410	166,005

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Notes: Expenditures for "Fuel tax exemption" programs in several provinces are estimates.
Preliminary: figures based on actuals and budget estimates when actuals are not available.
Estimates: figures based on budget estimates.

Table C.3: Research and Inspection in Support of the Agri-Food Sector, Canada and Provinces, 2007-08 to 2010-11

	PROVINCIAL				FEDERAL			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
	($000)							
CANADA								
Research Expenditures								
- Operating	14,306	18,224	16,985	15,703	257,305	240,637	275,759	265,417
- Capital	5,424	5,725	5,537	12,684	11,652	11,943	11,582	14,904
- Program	168,594	108,936	127,811	101,530	78,846	22,038	37,015	81,206
Total Research	188,324	132,885	150,333	129,917	347,803	274,618	324,356	361,527
Inspection Expenditures								
- Operating	147,493	151,686	151,489	138,612	680,268	634,811	712,037	659,699
- Capital	9,258	6,444	2,866	3,685	22,322	26,058	34,978	39,659
- Program	69,336	37,310	47,110	42,937	97,521	72,847	57,064	91,707
Total Inspection	226,087	195,440	201,465	185,234	800,111	733,716	804,079	791,065
NEWFOUNDLAND AND LABRADOR								
Research Expenditures								
- Operating	-	635	822	1,014	738	684	766	720
- Capital	3	269	12	77	33	34	31	40
- Program	595	277	483	582	2,143	474	427	217
Total Research	598	1,181	1,317	1,673	2,914	1,193	1,224	977
Inspection Expenditures								
- Operating	1,792	2,037	2,267	2,547	1,860	1,702	1,878	1,789
- Capital	64	160	28	12	64	74	95	108
- Program	50	483	1,727	562	272	323	618	155
Total Inspection	1,907	2,680	4,021	3,121	2,196	2,099	2,591	2,051
PRINCE EDWARD ISLAND								
Research Expenditures								
- Operating	-	-	-	-	2,602	2,363	2,494	2,404
- Capital	-	-	-	-	118	121	105	135
- Program	2,391	2,516	1,904	1,769	485	61	79	725
Total Research	2,391	2,516	1,904	1,769	3,205	2,544	2,677	3,264
Inspection Expenditures								
- Operating	2,079	2,292	3,019	2,326	6,588	5,896	6,155	5,975
- Capital	81	81	500	81	226	255	317	359
- Program	2,899	508	1,172	327	1,556	370	558	669
Total Inspection	5,060	2,881	4,691	2,734	8,370	6,521	7,030	7,003

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Table C.3: Research and Inspection in Support of the Agri-Food Sector, Canada and Provinces, 2007-08 to 2010-11 (cont'd)

	PROVINCIAL				FEDERAL			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
	($000)							
NOVA SCOTIA								
Research Expenditures								
- Operating	26	1	-	-	3,324	2,970	3,066	2,955
- Capital	-	-	-	-	151	154	129	166
- Program	1,131	1,123	1,196	1,000	2,043	1,135	1,067	1,919
Total Research	1,157	1,124	1,196	1,000	5,517	4,259	4,261	5,040
Inspection Expenditures								
- Operating	2,407	2,529	2,474	1,777	8,387	7,364	7,536	7,345
- Capital	-	-	-	-	288	320	389	442
- Program	4,734	3,790	5,090	3,998	1,254	2,006	2,860	720
Total Inspection	7,141	6,319	7,563	5,774	9,929	9,691	10,785	8,507
NEW BRUNSWICK								
Research Expenditures								
- Operating	674	772	586	548	3,134	2,825	3,030	2,921
- Capital	12	34	20	2	142	145	127	164
- Program	0	505	655	700	2,144	656	1,859	882
Total Research	686	1,311	1,261	1,250	5,420	3,626	5,016	3,967
Inspection Expenditures								
- Operating	3,022	2,936	3,139	2,634	7,904	7,007	7,445	7,260
- Capital	74	2,061	185	93	272	305	385	436
- Program	183	202	266	264	563	1,829	655	774
Total Inspection	3,279	5,199	3,591	2,991	8,739	9,141	8,485	8,470
QUEBEC								
Research Expenditures								
- Operating	5,206	4,770	4,153	3,915	41,987	38,300	42,577	41,044
- Capital	-	-	-	-	1,901	1,949	1,791	2,305
- Program	14,614	16,795	22,694	18,618	1,304	2,714	5,412	12,387
Total Research	19,820	21,565	26,847	22,533	45,192	42,964	49,780	55,736
Inspection Expenditures								
- Operating	35,809	38,223	38,107	37,380	107,658	97,125	106,455	102,016
- Capital	-	-	1,041	1,991	3,643	4,135	5,409	6,133
- Program	16,740	18,023	17,069	19,328	19,874	10,280	3,240	19,153
Total Inspection	52,550	56,245	56,217	58,699	131,174	111,539	115,103	127,302

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Table C.3: Research and Inspection in Support of the Agri-Food Sector, Canada and Provinces, 2007-08 to 2010-11 (cont'd)

	PROVINCIAL				FEDERAL			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
	($000)							
ONTARIO								
Research Expenditures								
- Operating	-	2,380	2,565	2,887	64,099	57,479	63,713	61,108
- Capital	3,742	4,250	5,150	12,250	2,903	2,975	2,667	3,431
- Program	97,777	50,184	46,824	45,623	23,327	8,059	11,031	18,443
Total Research	101,519	56,814	54,539	60,759	90,329	68,513	77,410	82,982
Inspection Expenditures								
- Operating	33,923	36,893	36,225	38,713	166,834	147,977	161,139	151,886
- Capital	-	500	500	500	5,561	6,192	8,053	9,131
- Program	39,359	11,491	13,455	12,756	26,493	15,534	7,428	21,787
Total Inspection	73,282	48,884	50,179	51,969	198,888	169,702	176,619	182,804
MANITOBA								
Research Expenditures								
- Operating	-	-	-	-	25,719	24,583	29,524	28,377
- Capital	-	-	-	-	1,165	1,194	1,238	1,593
- Program	1,201	2,044	3,490	1,115	18,924	1,899	4,461	8,564
Total Research	1,201	2,044	3,490	1,115	45,807	27,676	35,224	38,535
Inspection Expenditures								
- Operating	8,901	8,431	11,348	11,521	69,333	66,574	77,738	70,531
- Capital	200	200	200	180	2,231	2,669	3,740	4,240
- Program	2,768	2,043	2,880	2,740	5,733	5,532	6,426	14,785
Total Inspection	11,869	10,674	14,428	14,441	77,298	74,775	87,903	89,557
SASKATCHEWAN								
Research Expenditures								
- Operating	670	668	2,698	886	43,549	45,078	56,156	54,134
- Capital	1	5	5	5	1,972	2,021	2,362	3,040
- Program	13,839	15,593	19,259	19,640	8,756	2,962	6,709	16,338
Total Research	14,510	16,266	21,962	20,531	54,278	50,062	65,227	73,512
Inspection Expenditures								
- Operating	3,007	3,222	4,172	-	121,626	126,966	151,312	134,552
- Capital	-	-	-	-	3,778	4,939	7,134	8,089
- Program	3,168	2,474	5,083	3,110	8,559	12,037	13,551	13,957
Total Inspection	6,175	5,695	9,255	3,110	133,964	143,942	171,996	156,597

Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Table C.3: Research and Inspection in Support of the Agri-Food Sector, Canada and Provinces, 2007-08 to 2010-11 (cont'd)

	PROVINCIAL				FEDERAL			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
	($000)							
ALBERTA								
Research Expenditures								
- Operating	7,730	8,995	6,160	6,455	54,770	51,022	58,283	56,185
- Capital	1,666	1,167	350	350	2,480	2,542	2,452	3,155
- Program	36,969	19,504	30,301	12,463	19,517	3,227	4,423	16,957
Total Research	46,365	29,666	36,811	19,268	76,768	56,792	65,158	76,297
Inspection Expenditures								
- Operating	51,388	49,449	44,806	36,339	146,180	136,230	152,596	139,649
- Capital	798	739	380	380	4,752	5,522	7,404	8,395
- Program	(5,055)	(3,878)	-	-	21,059	9,339	14,964	15,718
Total Inspection	47,131	46,310	45,186	36,719	171,991	151,092	174,964	163,763
BRITISH COLUMBIA								
Research Expenditures								
- Operating	-	3	-	-	17,382	15,333	16,151	15,568
- Capital	-	-	-	-	787	807	679	874
- Program	76	395	1,005	19	142	830	1,466	4,699
Total Research	76	398	1,005	19	18,312	16,970	18,296	21,141
Inspection Expenditures								
- Operating	5,166	5,674	5,933	5,376	43,899	37,971	39,738	38,696
- Capital	8,041	2,703	31	448	1,508	1,648	2,052	2,326
- Program	4,490	2,175	368	(148)	12,156	15,592	6,649	3,989
Total Inspection	17,696	10,552	6,333	5,676	57,563	55,211	48,439	45,011

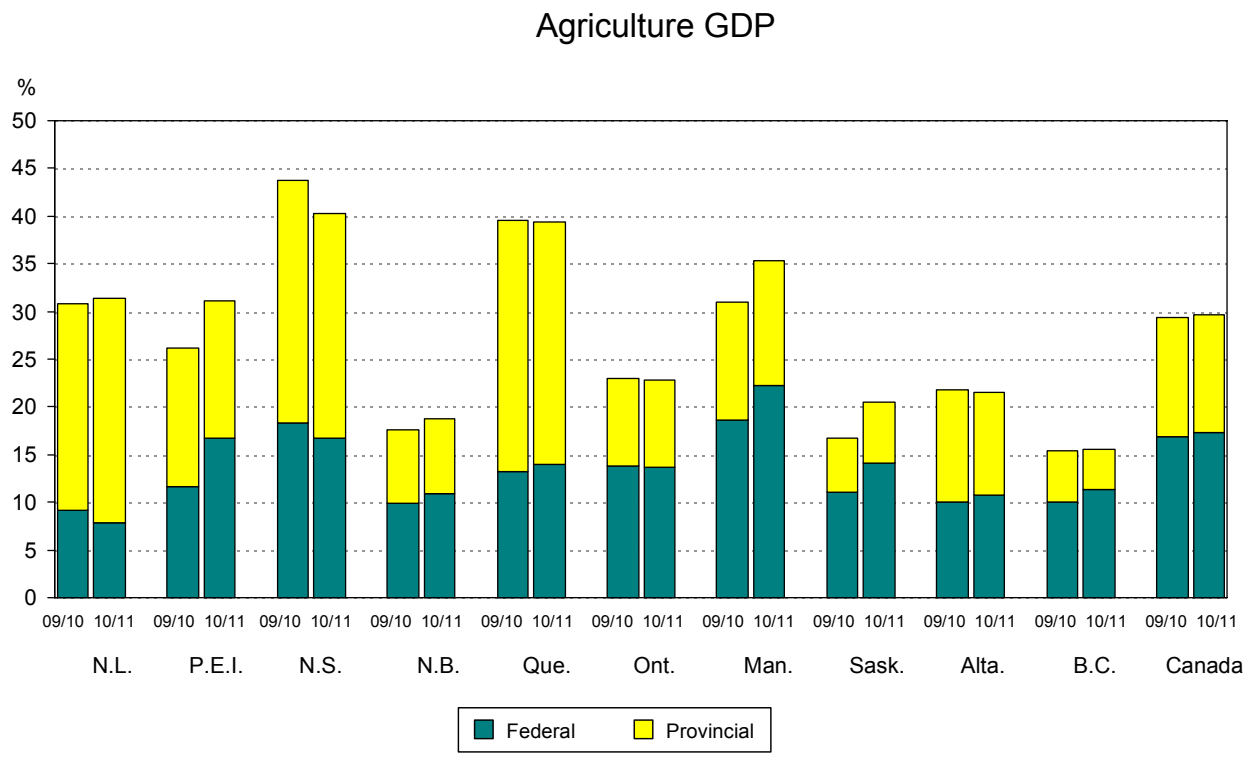
Source: Agriculture and Agri-Food Canada, Strategic Policy Branch.

Table C.4: Government Expenditures to the Agri-Food Sector as a Percentage of Agriculture GDP and Agri-Food GDP, Canada and Provinces, 2007-08 to 2010-11

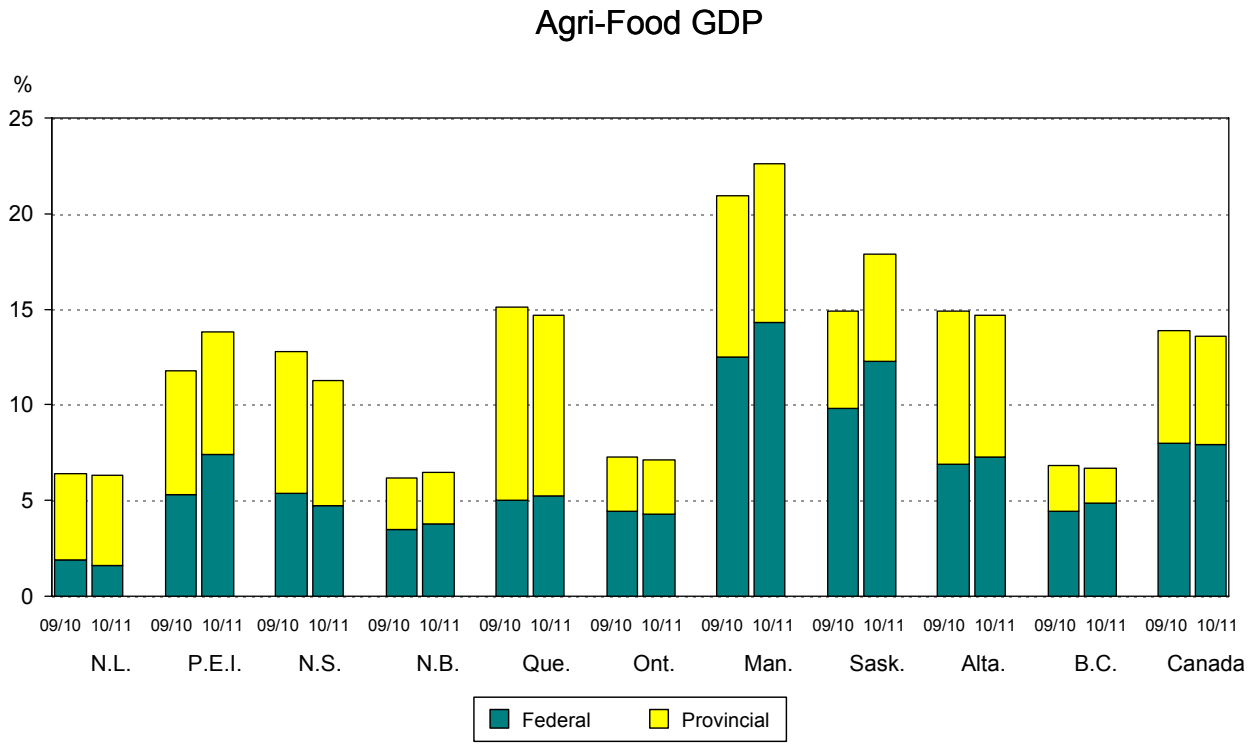
	Agriculture				Agri-Food			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
NEWFOUNDLAND AND LABRADOR								
Provincial GDP ($ million)	86.8	102.1	105.8	107.0	460.4	518.9	505.8	530.5
Federal (%)	14.5	9.7	9.1	7.9	2.7	1.9	1.9	1.6
Provincial (%)	20.9	17.0	21.7	23.5	3.9	3.3	4.5	4.7
PRINCE EDWARD ISLAND								
Provincial GDP ($ million)	238.2	221.7	219.2	222.2	503.0	479.5	486.8	502.7
Federal (%)	15.8	19.4	11.7	16.7	7.5	9.0	5.3	7.4
Provincial (%)	18.1	15.1	14.4	14.4	8.6	7.0	6.5	6.4
NOVA SCOTIA								
Provincial GDP ($ million)	277.4	259.7	242.5	233.6	829.7	845.6	829.0	837.7
Federal (%)	14.1	11.3	18.3	16.7	4.7	3.5	5.4	4.7
Provincial (%)	23.8	21.9	25.4	23.5	8.0	6.7	7.4	6.6
NEW BRUNSWICK								
Provincial GDP ($ million)	378.2	370.0	366.6	380.0	1,039.3	1,043.6	1,042.8	1,099.7
Federal (%)	14.2	8.9	9.9	10.9	5.2	3.2	3.5	3.8
Provincial (%)	8.1	8.9	7.7	7.8	2.9	3.2	2.7	2.7
QUEBEC								
Provincial GDP ($ million)	3,781.6	3,774.7	3,799.6	3,847.0	9,723.4	9,917.6	9,944.9	10,252.4
Federal (%)	17.2	9.0	13.2	14.0	6.7	3.4	5.0	5.2
Provincial (%)	24.1	27.4	26.4	25.4	9.4	10.4	10.1	9.5
ONTARIO								
Provincial GDP ($ million)	5,084.5	5,270.7	5,161.9	5,206.2	15,735.4	16,129.0	16,322.1	16,793.2
Federal (%)	17.8	16.7	13.8	13.7	5.7	5.4	4.4	4.3
Provincial (%)	14.1	8.6	9.1	9.1	4.6	2.8	2.9	2.8
MANITOBA								
Provincial GDP ($ million)	2,153.1	2,322.7	2,180.7	2,031.6	3,176.4	3,372.9	3,239.9	3,166.8
Federal (%)	25.7	13.4	18.6	22.3	17.4	9.3	12.5	14.3
Provincial (%)	13.5	11.8	12.4	13.0	9.1	8.2	8.4	8.3
SASKATCHEWAN								
Provincial GDP ($ million)	5,465.7	7,079.0	6,563.5	5,868.1	6,190.4	7,867.5	7,366.1	6,715.1
Federal (%)	15.8	9.1	11.0	14.1	14.0	8.2	9.8	12.3
Provincial (%)	6.1	6.2	5.7	6.4	5.4	5.6	5.1	5.6
ALBERTA								
Provincial GDP ($ million)	7,048.4	7,875.8	6,482.4	6,928.2	9,887.1	10,937.2	9,507.2	10,171.4
Federal (%)	10.7	9.3	10.1	10.7	7.6	6.7	6.9	7.3
Provincial (%)	9.1	13.5	11.7	10.8	6.5	9.7	8.0	7.4
BRITISH COLUMBIA								
Provincial GDP ($ million)	1,494.1	1,497.5	1,441.0	1,466.4	3,244.2	3,339.2	3,268.7	3,401.6
Federal (%)	14.4	10.0	10.0	11.3	6.7	4.5	4.4	4.9
Provincial (%)	6.8	5.5	5.4	4.2	3.1	2.4	2.4	1.8
CANADA								
Federal GDP ($ million)	24,776.7	26,458.5	24,791.1	24,484.5	51,167.3	54,076.7	52,500.6	53,556.1
Federal (%)	18.2	14.3	16.9	17.3	8.8	7.0	8.0	7.9
Provincial (%)	12.7	13.2	12.5	12.4	6.2	6.5	5.9	5.7

Sources: Agriculture and Agri-Food Canada, Strategic Policy Branch and Conference Board of Canada for GDP data.

Figure C.3: Government Expenditures to the Agri-Food Sector as a Percentage of Agriculture GDP and Agri-Food GDP, 2009-10 and 2010-11



Sources: Agriculture and Agri-Food Canada, Strategic Policy Branch and Conference Board of Canada for GDP data.



Sources: Agriculture and Agri-Food Canada, Strategic Policy Branch and Conference Board of Canada for GDP data.

Table C.5: Total GDP and Total Government Expenditures, Canada and Provinces, 2007-08 to 2010-11

	Total GDP				Total Expenditures			
	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates	2007-08	2008-09	2009-10 Preliminary	2010-11 Estimates
NEWFOUNDLAND AND LABRADOR								
Total Provincial ($ million)	27,975	28,707	25,506	27,536	5,383	5,847	5,477	5,774
Agri-Food GDP as % of Total GDP	1.65	1.81	1.98	1.93				
Agri-Food Exp. as % of Total Exp.					0.34	0.30	0.42	0.43
PRINCE EDWARD ISLAND								
Total Provincial ($ million)	4,071	4,205	4,261	4,466	1,307	1,410	1,474	1,475
Agri-Food GDP as % of Total GDP	12.36	11.40	11.42	11.26				
Agri-Food Exp. as % of Total Exp.					3.30	2.37	2.14	2.17
NOVA SCOTIA								
Total Provincial ($ million)	30,234	31,088	30,801	31,853	7,101	7,569	7,943	8,022
Agri-Food GDP as % of Total GDP	2.74	2.72	2.69	2.63				
Agri-Food Exp. as % of Total Exp.					0.93	0.75	0.78	0.69
NEW BRUNSWICK								
Total Provincial ($ million)	24,602	25,045	24,099	25,761	6,868	7,305	7,872	7,996
Agri-Food GDP as % of Total GDP	4.22	4.17	4.33	4.27				
Agri-Food Exp. as % of Total Exp.					0.44	0.45	0.36	0.37
QUEBEC								
Total Provincial ($ million)	280,954	287,739	286,978	299,354	61,638	63,855	66,093	66,923
Agri-Food GDP as % of Total GDP	3.46	3.45	3.47	3.42				
Agri-Food Exp. as % of Total Exp.					1.48	1.62	1.52	1.46
ONTARIO								
Total Provincial ($ million)	547,065	538,229	537,643	568,212	96,522	103,342	115,055	125,857
Agri-Food GDP as % of Total GDP	2.88	3.00	3.04	2.96				
Agri-Food Exp. as % of Total Exp.					0.75	0.44	0.41	0.37
MANITOBA								
Total Provincial ($ million)	45,525	47,215	46,238	48,831	9,393	10,015	10,287	10,820
Agri-Food GDP as % of Total GDP	6.98	7.14	7.01	6.49				
Agri-Food Exp. as % of Total Exp.					3.09	2.75	2.63	2.44
SASKATCHEWAN								
Total Provincial ($ million)	50,706	59,473	53,844	56,216	9,858	11,306	12,486	10,124
Agri-Food GDP as % of Total GDP	12.21	13.23	13.68	11.95				
Agri-Food Exp. as % of Total Exp.					3.36	3.88	2.99	3.69
ALBERTA								
Total Provincial ($ million)	255,255	279,569	262,307	285,979	33,432	36,657	36,375	38,712
Agri-Food GDP as % of Total GDP	3.87	3.91	3.62	3.56				
Agri-Food Exp. as % of Total Exp.					1.92	2.91	2.08	1.93
BRITISH COLUMBIA								
Total Provincial ($ million)	176,248	180,020	173,108	184,665	30,291	31,366	31,724	33,782
Agri-Food GDP as % of Total GDP	1.84	1.85	1.89	1.84				
Agri-Food Exp. as % of Total Exp.					0.33	0.26	0.25	0.18
TOTAL - PROVINCIAL								
Total Provincial ($ million)	1,442,633	1,481,291	1,444,785	1,532,874	261,793	278,671	294,786	309,485
Agri-Food GDP as % of Total GDP	3.52	3.68	3.63	3.49				
Agri-Food Exp. as % of Total Exp.					1.20	1.25	1.05	0.98
CANADA - FEDERAL								
Total Federal ($ million)	1,450,763	1,490,224	1,453,329	1,542,279	210,311	221,467	274,198	261,586
Agri-Food GDP as % of Total GDP	3.53	3.63	3.61	3.47				
Agri-Food Exp. as % of Total Exp.					2.15	1.71	1.53	1.62

Sources: Public Accounts / Main Estimates and Conference Board of Canada for GDP data.

Methodology for Government Expenditures

Definition of Government Expenditures in Support of the Agri-Food Sector

Government expenditures (GE) estimate how much governments spend on the agri-food sector (primary agriculture, agricultural input industries and food and beverage processing, excluding expenses related to aquaculture and fish processing) in a given fiscal year. They consist of charges paid for purchased goods and rendered services and monies paid directly or indirectly to individuals, agencies or other entities in the agri-food sector as part of a transfer payment or existing program by the federal and provincial governments. They also take into account transfers of funds to Crown Corporations, between departments and to other levels of government. The various sources of information, supplemented by officers working in departments, are federal and provincial public accounts, estimates and/or expenditure plans, Statistics Canada and other internal reports that cover areas of agri-food programs both inside and outside provincial and federal agriculture ministries.

Accrual accounting: Since fiscal year 2001–02, federal and provincial governments have used full accrual accounting, which conforms with generally accepted accounting principles (GAAP), recognized worldwide as a universal set of standards to record and report financial transactions. It is also in accordance with the Canadian Institute of Chartered Accountants (CICA). For GEs, this change affects the capitalization of tangible assets. Capital expenditures therefore reflect the amortization costs of tangible assets over their useful life.

Treatment of program deficits/surpluses: Program deficits, forgiveness of international food aid debts and/or debt reductions are shown as expenditures in the year in which they are recorded in the public accounts. Current program deficits or defaults not yet recognized by a transfer of funds from governments are excluded from the expenditure estimates. In cases where surpluses generated from government funded programs are returned to both levels of government upon the termination of a program, the refunds or recoveries for the program are accounted for in the year they are reported in official documents.

Treatment of Crown Corporations: Only transfers of funds by governments to Crown Corporations are included in the expenditure estimates. Crown Corporation expenditures, revenues and outstanding deficits/losses are excluded.

Expenditures outside Canada: Expenditures for food aid and support of international agricultural organizations are included only in the total federal expenditures and are identified as "outside Canada" expenditures. Therefore, the sum of federal expenditures by province does not add up to the total federal expenditure tables. These expenditures "outside Canada" include the purchase of Canadian agricultural commodities for distribution abroad and funds provided to international agricultural organizations.

Treatment of special program accounts: In the case of programs which are operated by a fund with contributions from governments and producers, only the governments' contribution to administration fees and to the funds are included. Producers' share of participation and payouts made to producers are excluded. Examples are Crop/Production Insurance and the Net Income Stabilization Account (NISA).

Treatment of Loans and Advances: Loans and advances made to producers and organizations are not included as they are eventually recovered. However, interest subsidies and defaults on loans as reported in public accounts are included because they represent a cost to governments. The accrual accounting system also allows provisions for doubtful accounts and valuation allowances that are part of the GE estimates. Similarly, provisions for probable losses on loan guarantees issued by the government are established whenever collectibility is considered doubtful and these valuations are included in the GE estimates.

Government Recoveries: Government recoveries include revenues from user fees for services, from licenses and permits, leases and rentals, sales and royalties, land sales, transfers from one level of government to another, refunds of previous years' expenditures and previous years' recoveries, including government share of program surpluses, and from other miscellaneous forms of recoveries. These recoveries are deducted from the program expenditures or the total expenditures

to generate an estimate of net expenditures. Repayments of loans and advance, and return on investments are not included in recoveries.

Treatment of Tax Expenditures: Provincial tax expenditures are limited to fuel tax rebates and exemptions and property tax rebates. Sales and income taxes are excluded from federal and provincial estimates.

Table C.1 and Figure C.1: Federal and Provincial Government Expenditures in Support of the Agri-Food Sector

The figures included in this table are government expenditures by various departments such as Agriculture and Agri-Food Canada, Health Canada, Transport Canada, Industry Canada and the Department of Finance. The figures also include government expenditures from various provincial departments.

Allocation of federal expenditures

- Federal expenditures by province are available for some programs only. Where allocation of such federal expenditures by province is required, the methods explained below are used.
- Program expenditures which are not available from estimates or expenditure plans are projected according to the previous three-year average program expenditures in each province.
- Operating and capital expenditures that were originally identified by province on the basis of administration centre or that were simply assigned to the National Capital Region and transfers to national organizations are allocated provincially as follows:
  - Operating and capital expenditures for the Prairie Farm Rehabilitation Administration and the Market and Industry Services Branch are allocated by province on the basis of program payments made by these organizations in each province. It is assumed that the operating and capital expenditures are proportional to program expenditures.
  - All other operating and capital expenditures and transfers to national organizations are allocated by province using a three-year moving average of the provincial distribution of Total Market Receipts (TMR) or market receipts for specific commodities, where more appropriate. Relative levels of TMR are therefore used as a proxy value for the relative benefits derived from these programs by each province. For example, the distribution by province of Total Market Receipts from grains and oilseeds is used for the allocation by province of Canadian Grain Commission operating and capital expenditures. Total Market Receipts have been used as a basis since 2000–2001 only. Total cash receipts were used prior to that time.
  - All transportation expenditures, except expenditures for the Atlantic Region Freight Assistance Transition Program, are allocated to provinces on the basis of the volume of rail shipments by province.
- The "Others" category includes monies paid to the Yukon, Northwest Territories and Nunavut as well as outside Canada for food aid assistance and monies to international organizations.

Table C.2: Government Expenditures in Support of the Agri-Food Sector, by Category

Operating Expenditures include all expenditures associated with the day-to-day operations of the department, including salaries, employee benefits, travel and purchases of goods and services, as well as the cost of administering various programs from various departments.

Capital Expenditures include charges for acquisition, construction and renovation of buildings and acquisition of physical assets such as land, property, large equipment and furnishings. Also included are amortization costs of tangible assets over their useful life.

Program Expenditures include monies paid directly or indirectly to individuals, agencies or other agricultural entities as part of a transfer payment or existing program instituted by federal and/or provincial departments or ministries.

- **Income Support and Stabilization programs** include subsidies and contributions paid under programs such as CAIS, NISA, the Dairy Subsidy Program, Safety Nets programs, most of the Companion programs and the income stabilization programs at the provincial level.

- **Ad Hoc and Cost Reduction programs** include subsidies and contributions paid under ad hoc programs such as the Grains and Oilseeds Payment Program (GOPP), BSE crisis and flood assistance programs, and adjustment/transition programs, as well as subsidies aimed at reducing production costs, such as artificial insemination and land leasing assistance. Excluded are cost reduction programs included in the categories below, such as interest rebate subsidies.
- **Crop/Production Insurance program** includes government premiums paid to funds associated with the program.
- **Financing Assistance** includes the Agricultural Marketing Programs Act (AMPA), which provides for the Advance Payments Program (APP) and the Price Pooling Program (PPP). It also includes the Farm Improvement and Marketing Cooperatives Loans Act (FIMCLA) and interest rebate programs, as well as provisions for doubtful accounts and provisions for probable losses on loan guarantees issued by the government.
- **Storage and Freight programs** include subsidies and contributions made under transportation assistance programs.
- **Social and Labour programs** include subsidies and contributions to community organizations and for general skills training, such as support to agricultural labour.
- **Research programs** are restricted to subsidies and contributions for research activities including research for product quality improvement. Administrative costs (e.g. researchers' salaries) are excluded. See Table C.3 for further information on research and inspection expenditures.
- **Food Inspection programs** are restricted to subsidies and contributions paid for animal health, veterinary services, product testing, disease and pest control and food quality. This category does not include administrative costs (e.g. inspectors' salaries). See Table C.3 for further information on research and inspection expenditures.
- **Food Aid and international development programs** include subsidies and contributions for activities related to international agricultural organizations. International development projects considered are farming, agricultural processing and food projects. Also included in this category is the forgiveness of debts owed by developing countries and negotiated through the Canadian International Development Agency (CIDA). Forgiveness of debts in this category of expenditures is based on loans and lines of credit originally agreed to for agriculture and agri-food development projects in those countries. This forgiveness of international food aid debt is incorporated in the federal time series of expenditures since 1990–91.
- **Marketing and Trade programs** include subsidies for activities related to product promotion and product and market development. This category also takes into account debt service reduction and/or reduction of the debt owed to the Canadian Wheat Board (CWB) and negotiated at the Paris Club. The debt reduction payments to the CWB are incorporated in the federal time series since 1991–92. It does not include payments made to the Export Development Corporation (EDC) in respect of the Paris Club agreement since these payments cover non-agricultural debt.
- **Rural and Regional Development programs** include subsidies and contributions for general irrigation projects and community pastures as well as general development projects under federal/provincial agreements.
- **Environment programs** include subsidies and contributions for activities related to the conservation of farm-related resources and wildlife, as well as expenditures for securing water supplies.
- **Education programs** include grants paid to agricultural educational institutions.
- **Extension programs** include subsidies and contributions paid for activities related to the provision of information, training and services to farmers such as those paid to the Canadian 4-H Council and for management of manure surpluses. Excluded is administration in the form of salaries paid to government employees for extension work. These costs are included in operating expenditures.

Tax Expenditures: Provincial tax expenditures include fuel tax rebates and exemptions, and property tax rebates. Sales and income taxes are excluded from both federal and provincial estimates.

Recoveries include revenues from user fees paid for services and from licenses and permits, leases and rentals, sales and royalties, land sales, transfers from one level of government to another, refunds of previous years' expenditures and previous years' recoveries including government share of program surpluses, and from other miscellaneous forms of recoveries. These recoveries are deducted from the program expenditures or the total expenditures to generate an estimate of net expenditures. The repayments of loans and advances and return on investments are not included in the recoveries.

Table C.3: Research and Inspection in Support of the Agri-Food Sector

Operating expenditures for research include as a large part researcher salaries and expenses associated with the day-to-day operations of research branches and centres working, for example, to improve production technology and product attributes in support of a competitive agri-food sector.

Operating expenditures for inspection and regulation of agricultural products include expenses associated with the day-to-day operations of inspection and control branches and centres, maintenance and coordination of network facilities and, as a large part, salaries of inspectors working in prevention and in verification and certification of commercially traded agri-food products.

Capital expenditures for research include expenditures for the acquisition of capital items such as research centres, furniture and large equipment, as well as amortization costs.

Capital expenditures for inspection and regulation include expenditures for the acquisition of capital items such as inspection plants, furniture and large equipment, and amortization costs.

Research program expenditures include grants and contributions for scientific and technological development in the agricultural sector provided to universities, scientific organizations and individuals. Also included are expenditures related to the Matching Investment Initiative.

Inspection program expenditures include grants and contributions as well as compensation for plant and animal losses such as those paid under the Health of Animals Act and the Plant Protection Act.

Table C.4 and Figure C.3: Government Expenditures to the Agri-Food Sector as a Percentage of Agriculture GDP and Agri-Food GDP, and Table C.5: Total GDP and Total Government Expenditures

GDP is the total unduplicated value of the goods and services produced in a country or region during a given period.

GDP data are provided by the Conference Board of Canada in 1997 dollars. These data correspond to GDP data at Basic Prices reported by Statistics Canada. They are expressed in current dollars using the aggregate GDP (implicit price index) deflator also provided by the Conference Board of Canada. GDP data are presented on a quarterly basis and are grouped into fiscal years.

The overall GDP data include all sectors of activities for the total Canadian economy and are available for all provinces and Canada. “Agriculture” GDP data include all primary agriculture and related services industries. “Agri-food” GDP is defined as the sum of agriculture, food and beverage GDPs. It does not include sectors such as the transportation and storage industries, the wholesale trade industries and the retail trade industries. Food GDP data include all food industries within the manufacturing industries. Beverage GDP data include all beverage industries within the manufacturing industries and are only available for Quebec, Ontario and Alberta for confidentiality reasons.

The totals for Canada, at the federal level, include the provinces as well as Yukon, Nunavut and Northwest Territories.

SECTION D

Estimates of Support to Agriculture

Table D.1: Estimate of Support to Agriculture, Canada, 2007-2009

	2007	2008	2009 Preliminary
	($ Million)		
Total value of production (at farm gate)	37,021	42,109	40,279
of which share of MPS commodities[1] (%)	76	77	76
Total value of consumption (at farm gate)	27,910	28,231	27,270
Producer Support Estimate (PSE)	7,696	5,839	8,896
Market price support (MPS)	3,759	2,996	5,137
Payments based on output	0	2	0
Payments based on input use	650	574	564
Payments based on current A/An/R/I[2], production required	1,680	1,392	2,587
Payments based on non-current A/An/R/I, production required	518	136	17
Payments based on non-current A/An/R/I, production not required	1,066	708	217
Payments based on non-commodity criteria	0	0	285
Miscellaneous payments	23	31	89
Percentage PSE	19	13	20
Producer Nominal Protection Coefficient (Producer NPC)	1.11	1.08	1.15
Producer Nominal Assistance Coefficient (Producer NAC)	1.23	1.15	1.25
General Services Support Estimate (GSSE)	2,924	2,846	2,604
Research and development	517	388	471
Agricultural schools	320	270	247
Inspection services	963	875	848
Infrastructure	484	514	393
Marketing and promotion	639	799	645
Public stockholding	0	0	0
Miscellaneous	0	0	0
Consumer Support Estimate (CSE)	-4,265	-3,334	-5,803
Transfers to producers from consumers	-3,748	-2,982	-5,120
Other transfers from consumers	-517	-352	-683
Transfers to consumers from taxpayers	0	0	0
Excess feed cost	0	0	0
Percentage CSE	-15	-12	-21
Consumer Nominal Protection Coefficient (Consumer NPC)	1.18	1.13	1.27
Consumer Nominal Assistance Coefficient (Consumer NAC)	1.18	1.13	1.27
Total Support Estimate (TSE)	10,619	8,685	11,500
Transfers from consumers	4,265	3,334	5,803
Transfers from taxpayers	6,871	5,703	6,380
Budget revenues	-517	-352	-683

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

[1] MPS commodities for Canada are: wheat, corn, other grains, oilseeds, milk, beef and veal, pigmeat, poultry and eggs.
[2] A (Area planted), An (Animal numbers), R (Receipts), I (Income).

Table D.2: Producer Support Estimate (PSE) for Selected OECD Countries, 2007-2009

	2007	2008	2009 Preliminary
	Percentage PSE (% of gross farm receipts)		
Australia	5	4	3
Canada	19	13	20
European Union[1]	24	22	24
Japan	46	48	48
Mexico	13	12	13
New Zealand	1	1	0
USA	10	8	10
OECD	22	21	22

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

[1] EU27 for 2007, 2008 and 2009.

	2007	2008	2009 Preliminary
	Total PSE ($US Million)		
Australia	1,802	1,550	927
Canada	7,163	5,469	7,794
European Union[1]	128,256	135,668	120,840
Japan	35,995	41,790	46,492
Mexico	6,119	6,320	5,821
New Zealand	97	69	34
USA	33,203	27,043	30,598
OECD	255,720	262,049	252,522

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

[1] EU27 for 2007, 2008 and 2009.

Table D.3: Composition of Producer Support Estimate (PSE) for Selected OECD Countries, 2007-2009

		2007	2008	2009 Preliminary
		(% share in PSE)		
Australia	Support based on commodity output	0	0	0
	Payments based on input use	52	46	51
	Payments based on current A/An/R/I[1], production required	2	6	9
	Payments based on non-current A/An/R/I, production required	0	0	0
	Payments based on non-current A/An/R/I, production not required	45	46	37
	Payments based on non-commodity criteria	1	1	2
	Miscellaneous payments	0	0	0
Canada	Support based on commodity output	49	51	58
	Payments based on input use	8	10	6
	Payments based on current A/An/R/I, production required	22	24	29
	Payments based on non-current A/An/R/I, production required	7	2	0
	Payments based on non-current A/An/R/I, production not required	14	12	2
	Payments based on non-commodity criteria	0	0	3
	Miscellaneous payments	0	1	1
European Union[2]	Support based on commodity output	35	29	25
	Payments based on input use	13	14	14
	Payments based on current A/An/R/I, production required	16	18	19
	Payments based on non-current A/An/R/I, production required	0	0	0
	Payments based on non-current A/An/R/I, production not required	34	36	40
	Payments based on non-commodity criteria	2	3	2
	Miscellaneous payments	0	0	0
Japan	Support based on commodity output	89	89	88
	Payments based on input use	4	4	3
	Payments based on current A/An/R/I, production required	0	1	2
	Payments based on non-current A/An/R/I, production required	0	0	0
	Payments based on non-current A/An/R/I, production not required	6	6	7
	Payments based on non-commodity criteria	0	0	0
	Miscellaneous payments	0	0	0
Mexico	Support based on commodity output	33	23	35
	Payments based on input use	42	53	43
	Payments based on current A/An/R/I, production required	1	2	1
	Payments based on non-current A/An/R/I, production required	6	5	5
	Payments based on non-current A/An/R/I, production not required	18	17	16
	Payments based on non-commodity criteria	0	0	0
	Miscellaneous payments	0	0	0
New Zealand	Support based on commodity output	78	68	42
	Payments based on input use	22	31	55
	Payments based on current A/An/R/I, production required	0	1	1
	Payments based on non-current A/An/R/I, production required	0	0	0
	Payments based on non-current A/An/R/I, production not required	0	0	0
	Payments based on non-commodity criteria	0	0	0
	Miscellaneous payments	0	0	0

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

[1] A (Area planted), An (Animal numbers), R (Receipts), I (Income).
[2] EU27 for 2007, 2008 and 2009.

Table D.3: Composition of Producer Support Estimate (PSE) for Selected OECD Countries, 2007-2009 (cont'd)

		2007	2008	2009 Preliminary
		(% share in PSE)		
USA	Support based on commodity output	40	7	18
	Payments based on input use	27	34	30
	Payments based on current A/An/R/I, production required	8	24	20
	Payments based on non-current A/An/R/I, production required	0	0	0
	Payments based on non-current A/An/R/I, production not required	17	26	23
	Payments based on non-commodity criteria	7	9	8
	Miscellaneous payments	0	0	0
OECD	Support based on commodity output	52	46	48
	Payments based on input use	13	13	13
	Payments based on current A/An/R/I, production required	11	13	13
	Payments based on non-current A/An/R/I, production required	1	1	0
	Payments based on non-current A/An/R/I, production not required	22	24	23
	Payments based on non-commodity criteria	2	3	2
	Miscellaneous payments	0	0	0

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

[1] A (Area planted), An (Animal numbers), R (Receipts), I (Income).

[2] EU27 for 2007, 2008 and 2009.

Table D.4: Single Commodity Transfers (Percentage SCT)[1] for Selected OECD Countries, 2007-2009

	Wheat			Maize			Other grains			Canola/Rapeseed			Soybean		
	2007	2008	2009p	2007	2008	2009p	2007	2008	2009p	2007	2008	2009p	2007	2008	2009p
Australia	0	0	0	n.c.	n.c.	n.c.	0	0	0	0	0	0	0	0	0
Canada	0.9	1.1	5.3	7.7	3.5	5	2.5	2.5	10	1.1	0.4	3	4.7	3.3	2.4
European Union[2]	3.3	0.5	0.8	23.1	0	0	0	0	6.5	0	0	0	0	3.6	2.1
Japan	43.3	42.6	42	n.c.	n.c.	n.c.	71.8	36.4	38.6	66.6	n.c.	n.c.	14.8	13.3	15.3
Mexico	9.4	8.8	13.9	2.4	5	5.4	5.5	7.3	8.5	n.c.	n.c.	n.c.	12.6	6.6	9
New Zealand	0	0	0	0	0	0	0	0	0	n.c.	n.c.	n.c.	n.c.	n.c.	n.c
USA	3.6	0.2	14.4	-0.5	2.8	-0.5	0.6	3	3.9	n.c.	n.c.	n.c.	0.6	5.6	-0.8
OECD	6	4	8	4	3	1	1	3	11	1	0	1	2	6	0

	Beef and veal			Pigmeat			Milk			Poultry			Eggs		
	2007	2008	2009p	2007	2008	2009p	2007	2008	2009p	2007	2008	2009p	2007	2008	2009p
Australia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Canada	2.7	3.8	3.2	-0.7	4.5	7.5	47.4	32.9	60.4	14.4	21	18.8	1.2	-1.1	18.6
European Union	44.4	31.2	33.6	-1.3	8.2	3	4.7	2.1	1	37	34.1	38.4	-0.1	1.8	1.3
Japan	28.1	29.4	28.6	63.2	70.3	74.4	45.6	41.2	48.6	10.4	10.3	10.4	14.7	14.6	14.6
Mexico	10.8	9.4	9.5	2.2	9	6.9	0	0.4	17.9	14.5	9.2	12.4	0	0	0
New Zealand	0	0	0	0	0	0	0	0	0	17.7	13.3	5	15.9	2.6	0
USA	0	0	0	0	0	0	24.8	0	14.3	0	0	0	0	0	0
OECD	19	15	16	8	13	11	15	9	16	14	14	15	3	5	5

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

p: Preliminary
n.c. not calculated

[1] Percentage of farm gross receipts for the specific commodity.
[2] EU27 for 2007, 2008 and 2009.

Table D.5: General Services Support Estimate (GSSE)[1] for Selected OECD Countries, 2007-2009

	2007	2008	2009 Preliminary
	GSSE (in US$ million)		
Australia	1,012	728	642
Canada	2,721	2,666	2,282
European Union[2]	16,138	19,936	16,269
Japan	9,992	10,956	10,350
Mexico	982	934	763
New Zealand	217	222	191
USA	41,659	46,045	59,984
OECD	77,337	85,807	95,270

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

[1] See note at the end of the methodology.
[2] EU27 for 2007, 2008 and 2009.

Table D.6: Composition of General Services Support Estimate (GSSE)[1] for Selected OECD Countries, 2007-2009

		2007	2008	2009 Preliminary
		(% share in GSSE)		
Australia	Research and development	52	67	75
	Agricultural schools	0	1	1
	Inspection services	7	11	11
	Infrastructure	40	20	11
	Marketing and promotion	1	1	1
	Public stockholding	0	0	0
	Miscellaneous	0	0	0
Canada	Research and development	18	14	18
	Agricultural schools	11	9	9
	Inspection services	33	31	33
	Infrastructure	17	18	15
	Marketing and promotion	22	28	25
	Public stockholding	0	0	0
	Miscellaneous	0	0	0
European Union[2]	Research and development	17	15	18
	Agricultural schools	9	7	8
	Inspection services	5	5	6
	Infrastructure	41	42	34
	Marketing and promotion	25	29	32
	Public stockholding	2	1	2
	Miscellaneous	0	0	0
Japan	Research and development	8	8	9
	Agricultural schools	4	4	4
	Inspection services	1	1	1
	Infrastructure	84	82	81
	Marketing and promotion	0	1	1
	Public stockholding	2	2	2
	Miscellaneous	2	2	2
Mexico	Research and development	18	13	15
	Agricultural schools	27	30	31
	Inspection services	26	22	12
	Infrastructure	13	23	33
	Marketing and promotion	17	12	8
	Public stockholding	0	0	0
	Miscellaneous	0	0	0
New Zealand	Research and development	31	28	23
	Agricultural schools	8	8	8
	Inspection services	35	36	39
	Infrastructure	26	28	29
	Marketing and promotion	0	0	0
	Public stockholding	0	0	0
	Miscellaneous	0	0	0

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

[1] See note at the end of the methodology.
[2] EU27 for 2007, 2008 and 2009.

Table D.6: Composition of General Services Support Estimate (GSSE)[1] for Selected OECD Countries, 2007-2009 (cont'd)

		2007	2008	2009 Preliminary
		(% share in GSSE)		
USA	Research and development	6	5	4
	Agricultural schools	0	0	0
	Inspection services	2	2	2
	Infrastructure	10	13	10
	Marketing and promotion	77	75	81
	Public stockholding	0	0	0
	Miscellaneous	5	5	4
OECD	Research and development	10	10	8
	Agricultural schools	3	3	3
	Inspection services	4	4	3
	Infrastructure	29	30	23
	Marketing and promotion	48	49	59
	Public stockholding	2	1	1
	Miscellaneous	3	3	3

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

[1] See note at the end of the methodology.
[2] EU27 for 2007, 2008 and 2009.

Table D.7: General Services Support Estimate (GSSE)[1] for Selected OECD Countries, 2007-2009

	2007	2008	2009 Preliminary
	GSSE as a share of Total Support Estimate (%)		
Australia	39	35	47
Canada	28	33	23
European Union[2]	11	13	12
Japan	22	21	18
Mexico	13	12	11
New Zealand	69	76	85
USA	43	41	46
OECD	21	23	25

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

[1] See note at the end of the methodology.
[2] EU27 for 2007, 2008 and 2009.

Table D.8: Consumer Support Estimate (CSE) for Selected OECD Countries, 2007-09

	2007	2008	2009 Preliminary
	Percentage CSE (%)[1]		
Australia	-1	-1	-1
Canada	-15	-12	-21
European Union[2]	-10	-8	-7
Japan	-40	-42	-42
Mexico	-4	-2	-4
New Zealand	-3	-2	-1
USA	5	11	14
OECD	-15	-12	-10

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

[1] Percentage CSE: the ratio of total consumption expenditures on commodities domestically produced (CSE) and the value of total consumption net of budgetary support to consumers.

[2] EU27 for 2007, 2008 and 2009.

Table D.9: Total Support Estimate (TSE) for Selected OECD Countries, 2007-09

	2007	2008	2009 Preliminary
	Total Support Estimate in percentage of GDP (%)		
Australia	0.29	0.21	0.15
Canada	0.69	0.54	0.75
European Union[1]	0.87	0.86	0.84
Japan	1.05	1.07	1.11
Mexico	0.75	0.72	0.79
New Zealand	0.24	0.23	0.20
USA	0.72	0.71	0.87
OECD	0.87	0.86	0.93

Source: OECD, Agricultural Policies in OECD Countries: At a Glance 2010.

[1] EU27 for 2007, 2008 and 2009.

Methodology for OECD Support Indicators

Since 1986, the Organization for Economic Cooperation and Development (OECD) has measured support for agriculture using several indicators of transfers, the most important and central one being the Producer Support Estimate (PSE). The results are the only available source of internationally comparable and transparent information on support levels in agriculture.

The PSE is a measure of the size and the type of transfers. The PSE categorizes the different types of transfers in a way to facilitate policy analysis and improve the evaluation of policy reform. Since the agricultural policy measures have evolved, the OECD has revised the classification system of the PSE to better reflect new types of measures. The OECD adopted significant changes in the nature of the generic policy categories in the PSE, changed the measure of support to commodities and improved the presentation of relevant indicators. The generic policy categories identify:

- The transfer basis for support: output, input, area/animal numbers/revenues/incomes, non-commodity criteria;
- Whether the support is based on current or non-current basis;
- Whether production is required or not.

The total PSE is no longer broken down by commodities. Instead, the total PSE is broken down into four categories reflecting the flexibility given to farmers' production decisions within the various policy measures. These categories are:

- Single Commodity Transfers (SCT);
- Group Commodity Transfers (GCT);
- All Commodity Transfers (ACT);
- Other Transfers to Producers (OCT).

Definition of categories in the PSE classification

Market Price Support (MPS): transfers from consumers and taxpayers to agricultural producers arising from policy measures that create a gap between domestic market prices and border prices of a specific agricultural commodity. Hence, MPS takes the form of an increase in the price levied by the producers and paid by the consumers of the commodity. The total amount of the support increases as the volumes produced increase. MPS is the only form of support that has a simultaneous impact on the production and consumption of a product. MPS is also available by commodity.

Payments based on output: transfers from taxpayers to agricultural producers from policy measures based on current output of a specific agricultural commodity.

Payments based on input use: transfers from taxpayers to agricultural producers arising from policy measures based on on-farm use of inputs:

- Variable input use that reduces the on-farm cost of a specific variable input or a mix of variable inputs.
- Fixed capital formation that reduces the on-farm investment cost of farm buildings, equipment, plantations, irrigation, drainage, and soil improvements.
- On-farm services that reduce the cost of technical, accounting, commercial, sanitary and phyto-sanitary assistance and training provided to individual farmers.

Payments based on current A/An/R/I, production required: transfers from taxpayers to agricultural producers arising from policy measures based on current area, animal numbers, revenue, or income, and requiring production.

Payments based on non-current A/An/R/I, production required: transfers from taxpayers to agricultural producers arising from policy measures based on non-current (i.e. historical or fixed) area, animal numbers, revenue, or income, with current production of any commodity required.

Payments based on non-current A/An/R/I, production not required: transfers from taxpayers to agricultural producers arising from policy measures based on non-current (i.e. historical or fixed) area, animal numbers, revenue, or income, with current production of any commodity not required but optional.

- Variable rates: payment rates vary with respect to levels of current output or input prices.
- Fixed rates: payment rates do not vary with respect to these parameters.

Payments based on non-commodity criteria: transfers from taxpayers to agricultural producers arising from policy measures based on:

- Long-term resource retirement: transfers for the long-term retirement of factors of production from commodity production. The payments in this subcategory are distinguished from those requiring short-term resource retirement, which are based on commodity production criteria.
- A specific non-commodity output: transfers for the use of farm resources to produce specific non-commodity outputs of goods and services, which are not required by regulations.
- Other non-commodity criteria: transfers provided equally to all farmers, such as a flat rate or lump sum payment.

Miscellaneous payments: transfers from taxpayers to farmers for which there is a lack of information to allocate them among the appropriate categories.

Definitions of the OECD indicators of support

The classification of total transfers (TSE) associated with agricultural policies groups government policy measures into three main categories: transfers to producers (PSE), transfers to consumers (CSE), and transfers to general services to agriculture (GSSE).

Producer Support Estimate (PSE): transfers from consumers and taxpayers to agricultural producers arising from policy measures that support agriculture, regardless of their nature, objectives or impacts on farm production or income.

Percentage PSE: PSE transfers as a share of total gross farm receipts including budgetary support.

Single Commodity Transfers (SCT): transfers from policies linked to the production of a single commodity such that the producer must produce the designated commodity in order to receive the transfer. This includes broader policies where transfers are specified on a per-commodity basis. SCT is also available by commodity.

Group Commodity Transfers (GCT): transfers from policies where payments are made on the basis that one or more of a designated list of commodities is produced. That is, a producer may produce from a set of allowable commodities and receive the transfer that does not vary with respect to this decision.

All Commodity Transfers (ACT): transfers from policies that place no restrictions on the commodity produced but require the recipient to produce some commodity of their choice.

Other Transfers to Producers (OTP): transfers made under policies that do not require any commodity production.

Producer Nominal Assistance Coefficient (Producer NAC): ratio between the value of total gross farm receipts including support and gross farm receipts (at farm gate) valued at border prices (measured at farm gate).

Producer Nominal Protection Coefficient (Producer NPC): ratio between the average price received by producers (at farm gate), including payments per tonne of current output, and the border price (measured at farm gate). The PNPC is also available by commodity.

General Services Support Estimate (GSSE): transfers to general services provided to agriculture as a sector (such as research, development, training, inspection, marketing and promotion), arising from policy measures which support agriculture regardless of their nature, objectives and impacts on farm production, income, or consumption of farm products.

Unlike the PSE and CSE transfers, these transfers are not received by producers or consumers individually, and do not directly affect farm receipts (revenue) or consumption expenditure by their amount, although they may affect production and consumption of agricultural commodities.

Percentage GSSE: share of support to general services provided to agriculture in the total support to agriculture (TSE).

Consumer Support Estimate (CSE): transfers to (from) consumers of agricultural commodities arising from policy measures which support agriculture, regardless of their nature, objectives or impacts on consumption of farm products.

The CSE is composed of explicit and implicit transfers from consumers to agricultural producers associated with market price support for agricultural products produced and consumed domestically (Transfers to producers from consumers), as well as transfers to the budget and/or to importers on the share of consumption that is imported (Other transfers from consumers).

This indicator is measured net of any transfers to consumers to offset their contribution to market price support of a specific commodity (Transfers to consumers from taxpayers), as well as the contribution of producers (as consumers of domestically produced crops) to market price support on crops used in animal feed (Excess feed cost).

When the CSE is negative, this indicates transfers from consumers, and measures the implicit tax on consumption associated with policies promoting the agricultural sector. Although consumption expenditure is increased or reduced by the amount of the implicit tax or payments, this indicator is not in itself an estimate of the impact on consumption expenditure.

Percentage CSE: ratio of the total value of consumption expenditure on commodities domestically produced and the value of total consumption minus budgetary support to consumers. It measures the implicit tax (or subsidy, if CSE is positive) on consumers as a share of consumption expenditure.

Consumer Nominal Assistance Coefficient (Consumer NAC): ratio between the value of consumption expenditure on agricultural commodities (at farm gate) and that valued at border prices.

Consumer Nominal Protection Coefficient (Consumer NPC): ratio between the average price paid by consumers (at farm gate) and the border price (measured at farm gate). The Consumer NPC is also available by commodity.

Total Support Estimate (TSE): transfers from taxpayers and consumers arising from policy measures that support agriculture, net of the associated budgetary receipts, regardless of their objectives and impacts on farm production and income, or consumption of farm products.

The TSE is the sum of the following transfers:

1) Explicit and implicit gross transfers from consumers of agricultural commodities to agricultural producers net of producer financial contributions (which appear in MPS and CSE);
2) Gross transfers from taxpayers to agricultural producers (in PSE);
3) Gross transfers from taxpayers to general services provided to agriculture (GSSE);
4) Gross transfers from taxpayers to consumers of agricultural commodities (in CSE).

As the transfers from consumers to producers are included in the MPS, the TSE is also the sum of the PSE, the GSSE, and the transfers from taxpayers to consumers (in the CSE). The TSE measures the overall cost of agricultural support financed by consumers (Transfers from consumers), and taxpayers (Transfers from taxpayers), net of import receipts (Budget revenues).

Percentage TSE: (%TSE): the share of total support to agriculture in the total Gross Domestic Product (GDP).

Treatment of taxes and levies

The PSE and CSE are defined as net of producer contributions which help finance policy measures that provide support to producers. In the same way, the receipts from production taxes and levies designed to finance a given measure are also deducted from the total amount of the payment provided to producers as a result of that measure.

The case of negative support

The concept of the PSE as a "gross" measure allows for cases of negative support. This is the case with agricultural policy measures that act as a tax on producers relative to the situation in the absence of such measures - i.e. if only general economy-wide policies were in place. The typical example of negative support is an export tax, or any other agricultural policy measure discouraging exports and resulting in a domestic price lower than the world price.

Meaning and interpretation of the main indicators

Producer Support Estimate (PSE) and producer Nominal Assistance Coefficient (Producer NAC)

The PSE is a static measure of support provided to agricultural producers in a given time period (e.g. one year or season) as defined by general macroeconomic conditions in the context of economy-wide policies.

For example, a situation of zero support to agriculture would occur when there are only general economy-wide policies in place with no policies specifically altering the transmission of the general macroeconomic condition for agriculture. In such situations, current total farm receipts would be generated entirely in the market without any policy-linked transfers to farmers. This can be seen as an extreme situation.

Thus, a percentage PSE of 60%, for example, expresses the share of transfers to agricultural producers in the total value of gross farm receipts (as measured by the PSE), or the share of gross farm receipts derived from policies. Hence 40% of gross farm receipts is derived from the market without any support.

When the producer NAC is equal to one, this means that gross farm receipts are entirely derived from the market without any budgetary support. Therefore, the higher the producer NAC, the lower the share of gross farm receipts derived from the market. For instance, a producer NAC of 2.50 means that the value of gross farm receipts is two and a half times what it would be if entirely obtained at world prices without any policy support.

Consumer Support Estimate (CSE) and Consumer Nominal Assistance Coefficient (Consumer NAC)

A percentage CSE of -60% indicates that 60% of total consumption expenditure on agricultural commodities represents a transfer from consumers to producers, or the share of the consumption expenditure created by policies.

When the consumer NAC is equal to one, this means that total consumption expenditure on agricultural commodities is at market prices, without any support to producers and consumers. Therefore, the higher the consumer NAC, the less the share of consumption expenditure reflects the market. For example, a consumer NAC of 2.50 indicates that consumer spending is two and a half times what it would be if conducted entirely at world market prices without any budgetary support to consumers.

Calculating Market Price Support (MPS)

Market Price Support (MPS) is only calculated where there are policies that alter the transmission of the general macroeconomic conditions to agricultural producers and create a "price gap" with transfers from consumers to producers.

Percentage GSSE and percentage TSE

The percentage GSSE measures the share of transfers to general services provided to agriculture in the total support to agriculture (TSE), and thus indicates the relative weight of the transfers that fall under the TSE and GSSE in each country.

All other things being equal, the lower the percentage GSSE, the higher the share of PSE transfers within the total support to agriculture and the greater the associated impacts on production and trade.

The percentage TSE measures the share of total support to agriculture in a country's GDP or the share of national income used to support agriculture. It is influenced by the importance of the agricultural sector in the economy.

Therefore, the higher the percentage TSE, the larger the share of national income used to support agriculture.

Note: In order to improve comparability and consistency across countries regarding information reported under GSSE, the OECD is currently undertaking a study that will review programs and policies presently reported under GSSE and examine if they are correctly classified. This study will also seek important gaps in the information reported under GSSE. It is expected that the OECD will develop a new methodology for deriving GSSE values on the basis of this review