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**RRSP CONTRIBUTIONS
BY CANADIAN FARM PRODUCERS IN 1994**

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RRSP CONTRIBUTIONS BY CANADIAN FARM PRODUCERS IN 1994

BY
MARCO MORIN

ABSTRACT

Registered retirement savings plans (RRSPs) are gaining in popularity as tools for building a retirement fund. How taxfilers use these plans, therefore, is an interesting area for investigation. This study focusses on a specific group of taxfilers, namely, farm producers. It describes RRSP contribution habits by farm producers from two points of view. First, it compares farmers with other groups of workers. Second, it takes a closer look at the specific situation of farm producers by exploring a number of characteristics specific to this group. The main results indicate that farm producers are among those who use RRSPs least, and who contribute the smallest amounts to RRSPs. The data also indicate, however, that farm producers who do contribute to RRSPs take full advantage of the opportunities provided by this tool. Like other workers, Canadian farm producers are most likely to contribute to RRSPs when their incomes are higher and as they approach retirement age. The farm producer's province is another variable (albeit less important than the first two) that explains RRSP contribution habits. When full-time and part-time farm producers are examined separately, part-time producers are found to contribute to RRSPs more frequently and in larger amounts than their full-time colleagues. Full-time farm producers use the deduction limit as often as their part-time colleagues, however, and even more when only contributors are examined. Finally, the type of farm enterprise and the value of total sales are two factors that influence RRSP participation by Canadian farm producers.

Note: Words in bold face in the text are explained in Appendix A.

Introduction

Actuarial forecasts suggest that premiums for public retirement plans -- specifically the Canada Pension Plan (CPP) and Quebec Pension Plan (QPP) -- must increase considerably if these plans are to maintain their present level of generosity (Mathews, 1996). In addition, even with the existing schedule of CPP/QPP increases, "some employers may be unwilling or unable to sponsor a supplementary plan for their workers" (Frenken, 1993). Some authors (eg, Th  roux, 1996) suggest that people should plan their retirement using other means for building a retirement fund, before political decisions are made in this matter. One such means is a **Registered Retirement Savings Plan (RRSP)**.

Target audience

The target audience for this study is composed of five groups: farm producers and their representatives; financial institutions that offer RRSPs (especially those operating in areas where farming is an important industry); federal and provincial departments of agriculture and other government agencies with an interest in this topic; university and economic researchers; and the general public.

Organizations that defend the interests of farm producers, like the Canadian Federation of Agriculture (CFA), are interested in knowing how their members

prepare for retirement. This information will tell them whether they need to educate their members with regard to preparation for retirement or, if need be, lobby decision-makers to make RRSPs more responsive to the needs of Canadian farm producers.

This information will also be useful to financial institutions, as an indication of the extent to which their farmer customers are major users of RRSPs. Consequently, they can adapt their product promotion strategies to the needs of farm producers. Government decision-makers can use the results to decide whether farm income legislation, regulations and programs are satisfactory or should be modified.

The study provides university and economic researchers with new information on an increasingly common personal financial management tool. The public is interested in the situation of farm producers, because farming is an important link in the agri-food chain.

Topic of the study

This study examines how Canadian **farm producers** use RRSPs. Farmers are **self-employed workers**. Therefore, unlike **wage earners**, they do not have access to an employer registered pension plan (RPP); on the other hand, they are entitled to accumulate fixed assets. In addition, one of the objectives of the RRSP program since it was inaugurated in 1957 was to provide a means to build a retirement fund to people who could not benefit from the tax advantages of an employer-funded RPP. These differences form the basis for the hypothesis that farm producers use RRSPs differently from other workers. In addition to comparing farm producers and other classes of workers (wage earners, **business, professionals, commission employees** and **fishermen**), the study examines in depth the characteristics of farm producers who contribute to RRSPs.

Review of the literature

No study in the literature examines the use of RRSPs by Canadian farm producers. Other studies of RRSP use in general, however, may shed some light on this topic.

One of these studies (Frenken, 1990) lists a number of factors that describe taxpayers likely to contribute to RRSPs. One determining factor is income. The author demonstrated that people earning \$50,000 and more (in the study year, 1987) were more likely to contribute to RRSPs. The second variable identified by the author is age: he concludes that "*the probability that a taxfiler contributes to an RRSP increases with age, at least until age 59. After age 59, the participation rate declines.*" Furthermore, people in their fifties accounted for the largest share (22%) of contributions in the study year. A third factor is source of revenue: RRSP participation depends on whether the main source of revenue for a taxfiler

is work for pay or self-employed work. For example, *“Self-employed professionals and salespersons, though only 3% of the taxfilers, represented 5% of RRSP contributions and were responsible for 10% of the contributions. Their average contribution was nearly twice that of the remaining contributors.”*

Another study (Frenken and Maser, 1993) using 1991 data concluded that income (\$60,000 and over) and age (increase to age 60) were still the main determinants of RRSP contribution.

Studies using 1993 data confirmed the importance of the income and age variables (Frenken, 1995b). The author notes that “age and income play important roles in the decision to contribute and in the extent to which available room is used. Older taxfilers and those with high incomes are more likely to maximize their contribution opportunities than are younger or less well off persons, since they generally have greater discretionary income and greater incentive to reduce their tax liability.”

In her study of people who save for retirement, Maser (1995) stresses that “participation [in RPPs or RRSPs] was very heavy among those with annual incomes averaging \$30,000 or more during this three-year period [1991-1993]; 94% belonged to an RRP and/or made RRSP contributions in at least one year; 83% did so all three years.” She adds that the situation is very different for people with an average income under \$20,000; the situation of those with income between \$20,000 and \$29,999 falls between that of other two groups.

Analytic framework

The study methodology is based essentially on comparisons between the study group and other classes of workers or farm producers. The objective is to draw the most complete portrait possible of farm producers’ RRSP situation.

The variables identified as important in the studies cited above will receive attention in this study as well. The **age** of contributors is one such variable. Income will be studied in a somewhat special way: focus will be placed on **earned income**, the quantity used to calculate **RRSP contribution room**. Worker classes such as those listed above, as well as classes of farm producers (full-time vs part-time), are also important variables. Data will be examined by province for each of these classes. Finally, since farm producers are the primary focus of this study, data on RRSP contributions by farm type and amount of sales will be presented.

Data sources

The two types of information described above arise from two distinct data sources. Data on RRSP contributions and related matters come from the **RRSP Contributors** file of the Small Area and Administrative Data Division. The second data source is the **Taxation Data Program** of the Agriculture Division. Data from 1994, the most recent year for which complete data were available, were used for this study.

Farm producer and other classes of workers

The proportion of taxfilers who contribute to an RRSP has been growing steadily since the early 1990s (see Table 1), from 22% in 1990 to 27% in 1994. In the same period, the average contribution per contributor has grown by a factor of 1.4, from \$2,781 to \$3,915. Among taxfilers reporting agricultural income on their income declaration, the proportion of RRSP contributors increased as well (see Table 2), from 29% to close to 34%. The average contribution by members of this group also increased by \$1,100, from \$3,252 in 1990 to \$4,319 in 1994. Even if the values for taxfilers reporting agricultural income are greater than those for all Canadian taxfilers, both sets of figures nonetheless indicate the same thing: that there are more and more people contributing to RRSPs, and that contributions are growing.

Table 1: Number of taxfilers and RRSP contributors, and total value of contributions, Canada, 1990 to 1994 (constant dollars)

| YEAR | TAXFILERS (number) | CONTRI- BUTORS (number) | PROPORTION CONTRI- BUTING (%) | TOTAL CONTRIBU- TIONS (\$000) | AVERAGE CONTRIBU- TION (\$) |
|------|-----------------------|-------------------------------|-------------------------------------|-------------------------------------|-----------------------------------|
| 1990 | 17,980,500 | 4,036,950 | 22.45 | 11,226,651 | 2,781 |
| 1991 | 18,372,610 | 4,596,030 | 25.02 | 14,647,967 | 3,187 |
| 1992 | 18,775,710 | 4,792,830 | 25.53 | 16,050,274 | 3,349 |
| 1993 | 19,469,430 | 5,140,200 | 26.40 | 19,227,541 | 3,741 |
| 1994 | 19,529,270 | 5,334,690 | 27.32 | 20,883,715 | 3,915 |

Source: Small Area and Administrative Data Division, RRSP Contributors, 1990 to 1994.

Table 2: Number of taxfilers and RRSP contributors, and total value of contributions, for taxfilers declaring agricultural income, Canada, 1990 to 1994 (constant dollars)¹

| YEAR | TAXFILERS (number) | CONTRI- BUTORS (number) | PROPORTION CONTRI- BUTING (%) | TOTAL CONTRIBU- TIONS (\$000) | AVERAGE CONTRIBU- TION (\$) |
|------|-----------------------|-------------------------------|-------------------------------------|-------------------------------------|-----------------------------------|
| 1990 | 369,240 | 108,075 | 29.27 | 351,475 | 3,252 |
| 1991 | 364,650 | 111,705 | 30.63 | 367,674 | 3,291 |
| 1992 | 364,120 | 115,175 | 31.63 | 406,574 | 3,530 |
| 1993 | 369,125 | 119,335 | 32.33 | 479,372 | 4,017 |
| 1994 | 372,105 | 125,770 | 33.80 | 543,259 | 4,319 |

Source: Agriculture Division, Taxation Data Program, 1990 - 1994.

Using these definitions, the number of taxfilers selected for analysis fell from 19.5 million to 14.2 million (see Tables 1 and 3), indicating that close to three quarters (73%) of taxfilers were selected. This smaller population, however, accounts for 97% of all RRSP contributions. This is logical, because earned income (which is used to calculate RRSP contributions) is made up primarily of **employment income**.

In 1994, Canadian wage earners accounted for the largest share of taxfilers (89%) and RRSP contributors (90%) (see Table 3). On the other hand, professionals contribute most to RRSPs (61%) and contribute the highest average amount (\$8,966). Farm producers, the target group for this study, have the second lowest rate of RRSP participation (27%) among the six groups considered. Only fishermen (25%) have a proportionally lower rate. Contributing farm producers also have the second lowest average RRSP contribution (\$4,072), followed only by wage earners (\$3,700). In the case of wage earners, however, the presence of the **pension adjustment** (which limits the amount that they are entitled to contribute to a RRSP) may explain this low average contribution.²

¹ Values from the Agriculture Division's Taxation Data Program are estimates, which may explain many of the differences between data from this source and comparable data from the RRSP Contributors file of the Small Area and Administrative Data Division. Appendix B presents the list of coefficients of variation. In addition, sums of data presented in tables from the Taxation Data Program may not equal the totals.

² Hubert Frenken, specialist in RRSPs and pension plans at Statistics Canada, claims that close to half of wage earners have a pension adjustment. On the other hand, very few self-employed workers have a pension adjustment. Therefore, the pension adjustment is not examined in the first part of the results.

Table 3: Number of taxfilers and RRSP contributors, and total value of contributions, by class of worker, Canada, 1994

| CLASS OF WORKER | TAXFILERS (number) | CONTRI- BUTORS (number) | PROPORTION CONTRI- BUTING (%) | TOTAL CONTRIBU- TIONS (\$000) | AVERAGE CONTRIBU- TION (\$) |
|-------------------------|-----------------------|-------------------------------|-------------------------------------|-------------------------------------|-----------------------------------|
| Wage earners | 12,628,600 | 4,665,930 | 36.95 | 17,265,770 | 3,700 |
| Business | 916,390 | 259,170 | 28.28 | 1,118,561 | 4,316 |
| Professionals | 202,480 | 124,170 | 61.32 | 1,113,330 | 8,966 |
| Comm empl | 76,370 | 25,970 | 34.01 | 139,652 | 5,377 |
| Fishermen | 38,220 | 9,390 | 24.57 | 41,546 | 4,424 |
| Non-farm S/E (subtotal) | 1,233,460 | 418,700 | 33.95 | 2,413,089 | 5,763 |
| Farmers | 300,200 | 82,270 | 27.41 | 335,005 | 4,072 |
| Total | 14,162,260 | 5,166,900 | 36.48 | 20,013,864 | 3,873 |

Source: Small Area and Administrative Data Division, RRSP Contributors, 1994.

Table 4 presents the situation by province. Here again, wage earners make up the largest contingent of workers in each province by far, while professionals participate most in RRSPs and make the largest RRSP contributions. Farm producers in Saskatchewan participate most in RRSPs (31%), while those in Newfoundland participate least (16%). Interestingly, these same two provinces also contain the largest (69,690) and smallest (310) number of farm producers. With the exception of New Brunswick (20%), participation rates in all other provinces fall between 24% and 29%, ie, close to the Canadian average. Farm producers in Quebec contribute least to RRSPs on average (\$3,171); at the other extreme, Newfoundland farm producers contribute \$6,400 on average.

Table 4: Number of taxfilers and RRSP contributors, and total value of contributions, by province and class of worker, Canada, 1994

| CLASS OF WORKER | TAXFILERS (number) | CONTRI- BUTORS (number) | PROPORTION CONTRI- BUTING (%) | TOTAL CONTRIBU- TIONS (\$000) | AVERAGE CONTRIBU- TION (\$) |
|-------------------------|-----------------------|-------------------------------|-------------------------------------|-------------------------------------|-----------------------------------|
| NEWFOUNDLAND | | | | | |
| Wage earners | 234,390 | 53,780 | 22.94 | 182,890 | 3,401 |
| Business | 8,070 | 1,830 | 22.68 | 6,885 | 3,762 |
| Professionals | 1,710 | 1,190 | 69.59 | 12,734 | 6,958 |
| Comm empl | 650 | 200 | 30.77 | 1,091 | 5,455 |
| Fishermen | 12,520 | 2,830 | 22.60 | 11,655 | 4,118 |
| Non-farm S/E (subtotal) | 22,951 | 6,050 | 26.36 | 32,365 | 5,350 |
| Farmers | 310 | 50 | 16.13 | 320 | 6,400 |
| Total | 257,650 | 59,880 | 23.24 | 215,575 | 3,600 |
| PEI | | | | | |
| Wage earners | 60,160 | 15,270 | 25.38 | 52,327 | 3,427 |
| Business | 3,600 | 890 | 24.72 | 3,464 | 3,892 |
| Professionals | 560 | 330 | 58.93 | 3,324 | 10,073 |
| Comm empl | 140 | 50 | 35.71 | 257 | 5,140 |
| Fishermen | 2,320 | 810 | 34.91 | 3,521 | 4,347 |
| Non-farm S/E (subtotal) | 6,620 | 2,080 | 31.42 | 10,566 | 5,080 |
| Farmers | 2,030 | 580 | 28.57 | 2,800 | 4,828 |
| Total | 68,810 | 17,930 | 26.06 | 65,693 | 3,664 |
| NOVA SCOTIA | | | | | |
| Wage earners | 395,320 | 115,590 | 29.24 | 407,305 | 3,524 |
| Business | 22,740 | 5,660 | 24.89 | 22,305 | 3,941 |
| Professionals | 4,610 | 2,930 | 63.56 | 28,817 | 9,835 |
| Comm empl | 1,220 | 460 | 37.70 | 2,458 | 5,343 |
| Fishermen | 9,080 | 2,240 | 24.67 | 11,125 | 4,967 |
| Non-farm S/E (subtotal) | 37,650 | 11,290 | 29.99 | 64,705 | 5,731 |
| Farmers | 3,030 | 740 | 24.42 | 3,545 | 4,791 |
| Total | 436,000 | 127,620 | 29.27 | 475,753 | 3,728 |
| NEW BRUNSWICK | | | | | |
| Wage earners | 336,040 | 87,080 | 25.91 | 282,805 | 3,248 |
| Business | 18,520 | 4,380 | 23.65 | 26,984 | 6,161 |
| Professionals | 3,040 | 1,780 | 58.55 | 16,201 | 9,102 |
| Comm empl | 1,040 | 370 | 35.58 | 1,703 | 4,603 |
| Fishermen | 2,720 | 620 | 22.79 | 2,054 | 3,313 |
| Non-farm S/E (subtotal) | 25,380 | 7,150 | 28.17 | 46,942 | 6,565 |
| Farmers | 2,280 | 460 | 20.18 | 1,585 | 3,446 |
| Total | 363,640 | 94,690 | 26.04 | 331,332 | 3,499 |
| QUEBEC | | | | | |
| Wage earners | 3,165,220 | 1,105,600 | 34.93 | 3,498,290 | 3,164 |
| Business | 172,620 | 42,430 | 24.58 | 152,085 | 3,584 |
| Professionals | 57,000 | 34,260 | 60.11 | 294,436 | 8,594 |
| Comm empl | 19,780 | 6,730 | 34.02 | 31,318 | 4,653 |
| Fishermen | 1,440 | 350 | 24.31 | 1,320 | 3,771 |
| Non-farm S/E (subtotal) | 250,840 | 83,770 | 33.40 | 479,159 | 5,720 |
| Farmers | 37,110 | 10,480 | 28.24 | 33,234 | 3,171 |
| Total | 3,453,170 | 1,199,850 | 34.75 | 4,010,683 | 3,343 |

Table 4: Number of taxfilers and RRSP contributors, and total value of contributions, by province and class of worker, Canada, 1994 (continued)

| CLASS OF WORKER | TAXFILERS (number) | CONTRI- BUTORS (number) | PROPORTION CONTRI- BUTING (%) | TOTAL CONTRIBU- TIONS (\$000) | AVERAGE CONTRIBU- TION (\$) |
|-------------------------|-----------------------|-------------------------------|-------------------------------------|-------------------------------------|-----------------------------------|
| ONTARIO | | | | | |
| Wage earners | 4,751,200 | 1,824,710 | 38.41 | 7,265,694 | 3,982 |
| Business | 357,320 | 103,010 | 28.83 | 468,416 | 4,547 |
| Professionals | 84,930 | 53,410 | 62.89 | 500,901 | 9,378 |
| Comm empl | 29,050 | 10,530 | 36.25 | 58,294 | 5,536 |
| Fishermen | 340 | 70 | 20.59 | 307 | 4,386 |
| Non-farm S/E (subtotal) | 471,640 | 167,020 | 35.41 | 1,027,918 | 6,154 |
| Farmers | 71,860 | 19,930 | 27.73 | 88,170 | 4,424 |
| Total | 5,294,700 | 2,011,660 | 37.99 | 8,381,782 | 4,167 |
| MANITOBA | | | | | |
| Wage earners | 463,670 | 176,840 | 38.14 | 583,141 | 3,298 |
| Business | 37,030 | 11,340 | 30.62 | 44,687 | 3,941 |
| Professionals | 6,630 | 4,210 | 63.50 | 38,664 | 9,184 |
| Comm empl | 2,290 | 970 | 42.36 | 5,080 | 5,237 |
| Fishermen | 930 | 70 | 7.53 | 187 | 2,671 |
| Non-farm S/E (subtotal) | 46,880 | 16,590 | 35.39 | 88,618 | 5,342 |
| Farmers | 32,700 | 7,840 | 23.98 | 29,693 | 3,787 |
| Total | 543,250 | 201,270 | 37.05 | 701,452 | 3,485 |
| SASKATCHEWAN | | | | | |
| Wage earners | 372,090 | 147,250 | 39.57 | 471,049 | 3,199 |
| Business | 32,510 | 9,980 | 30.70 | 37,399 | 3,747 |
| Professionals | 4,590 | 2,970 | 64.71 | 27,622 | 9,300 |
| Comm empl | 2,120 | 900 | 42.45 | 5,047 | 5,608 |
| Fishermen | 200 | 10 | 5.00 | 51 | 5,100 |
| Non-farm S/E (subtotal) | 39,420 | 13,860 | 35.16 | 70,119 | 5,059 |
| Farmers | 69,690 | 21,690 | 31.12 | 86,729 | 3,999 |
| Total | 481,200 | 182,800 | 37.99 | 627,897 | 3,435 |
| ALBERTA | | | | | |
| Wage earners | 1,212,900 | 487,180 | 40.17 | 1,941,549 | 3,985 |
| Business | 105,380 | 30,900 | 29.32 | 133,762 | 4,329 |
| Professionals | 12,690 | 7,300 | 57.53 | 57,859 | 7,926 |
| Comm empl | 6,270 | ... | ... | ... | ... |
| Fishermen | 140 | ... | ... | ... | ... |
| Non-farm S/E (subtotal) | 124,480 | ... | ... | ... | ... |
| Farmers | 66,100 | 16,950 | 25.64 | 71,643 | 4,227 |
| Total | 1,403,480 | 542,330 | 38.64 | 2,204,813 | 4,065 |
| BRITISH COLUMBIA | | | | | |
| Wage earners | 1,593,950 | 639,780 | 40.14 | 2,523,123 | 3,944 |
| Business | 156,190 | 48,070 | 30.78 | 219,193 | 4,560 |
| Professionals | 26,350 | 15,600 | 59.20 | 131,134 | 8,406 |
| Comm empl | 13,770 | 5,760 | 41.83 | 34,404 | 5,973 |
| Fishermen | 8,430 | 2,390 | 28.35 | 11,326 | 4,739 |
| Non-farm S/E (subtotal) | 204,740 | 71,820 | 35.08 | 396,057 | 5,515 |
| Farmers | 15,040 | 3,550 | 23.60 | 17,286 | 4,869 |
| Total | 1,813,730 | 715,150 | 39.43 | 2,936,466 | 4,106 |

Source: Small Area and Administrative Data Division, RRSP Contributors, 1994

When considered province by province, however, the situation of farm producers is somewhat different. Farm producers in four provinces have the lowest RRSP participation rate of the six classes of workers: Newfoundland (16%), Nova Scotia (24%), New Brunswick (20%) and British Columbia (24%). Farm producers score fourth place at best in two other provinces, Prince Edward Island (29%) and Quebec (28%). Newfoundland farmers score second among all worker groups in their province with regard to mean value of RRSP contribution (\$6,400).

Farmers in Prince Edward Island (\$4,828) and British Columbia (\$4,869) are in third place in their respective provinces. Quebec farm producers (\$3,171) barely avoid last place in that province, beating out wage earners (\$3,164) by a few dollars.

As was well demonstrated in the review of the literature, income is a strong determinant of RRSP participation. Table 5 illustrates this result eloquently. For all worker categories, the mean earned income of RRSP contributors is higher than the overall mean income for their group. Farm producers who contribute to RRSPs have an average earned income (\$21,177) double that of producers in general (\$10,921). Those who are better off, therefore, take most advantage of RRSPs.

Table 5: Mean earned income of taxfilers and RRSP contributors, by class of worker, Canada, 1994

| CLASS OF WORKER | TAXFILERS (number) | EARNED INCOME (\$000) | AVERAGE EARNED INCOME (\$) | CONTRI- BUTORS (number) | EARNED INCOME (\$000) | AVERAGE EARNED INCOME (\$) |
|--------------------------|-----------------------|-----------------------------|----------------------------------|-------------------------------|-----------------------------|-------------------------------------|
| Wage earners | 12,628,600 | 336,498,988 | 26,646 | 4,665,930 | 185,478,985 | 39,752 |
| Business | 916,390 | 12,203,570 | 13,317 | 259,170 | 6,792,990 | 26,211 |
| Professionals | 202,480 | 11,671,810 | 57,644 | 124,170 | 10,250,854 | 82,555 |
| Comm empl | 76,370 | 1,381,069 | 18,084 | 25,970 | 911,392 | 35,094 |
| Fisherman | 38,220 | 598,271 | 15,653 | 9,390 | 243,307 | 25,911 |
| Non-farm S/E (sub-total) | 1,233,460 | 25,854,720 | 20,961 | 418,700 | 18,198,543 | 43,464 |
| Farmers | 300,200 | 3,278,575 | 10,921 | 82,270 | 1,791,593 | 21,777 |
| Total | 14,162,260 | 365,632,283 | 25,817 | 5,166,900 | 205,469,121 | 39,766 |

Source: Small Area and Administrative Data Division, RRSP Contributors, 1994

When considered in conjunction with Table 3, however, this table is even more revealing. Excluding wage earners (because of the pension adjustment), there is a perfect correlation between earned income for the various worker groups and RRSP contribution. In other words, mean contribution increases with mean earned income (slight difference between self-employed business operators and fishermen). Furthermore, under the assumption that the pension adjustment for these workers is nil (see note 2), RRSP contribution room for the current year is determined simply as 18% of earned income. For each class of workers (considering only RRSP contributors) this yields the following deduction limits: business, \$4,718; professionals, \$14,860;³ commission employees, \$6,317; fishermen, \$4,664; and farm producers, \$3,920. As illustrated by these data, only farm producers have an average RRSP contribution (\$4,072) that exceeds the mean deduction limit (\$3,920), indicating that they exceed their limit by 4%.⁴

³ In fact, the limit for this worker group is \$13,500. The deduction limit is the lesser of \$13,500 or 18% of earned income for 1994. Therefore, for workers whose earned income exceeds \$75,000 (\$75,000 X 18% = \$13,500), the deduction limit is \$13,500.

⁴ At first glance, exceeding the RRSP limit may appear to defy logic. Consider the following, however: since 1991, the law has allowed contributors to take advantage of unused contribution room from previous years. Furthermore, as of the study year (1994) the law permitted contributors to contribute an additional sum (up to \$8,000) in their RRSPs. This latter provision was modified in

Age⁵ is another variable frequently cited in the literature (see Table 6). Workers in general contribute more to RRSPs as they get older, to age 64. In fact, this upward trend begins at age 25, for both participation rates and average contribution. Canadian farm producers follow this trend: their participation rate increases regularly for all age groups between 24 and 64 years of age (from 29% to 34%), while the average contribution increases by about \$500 for these same groups (from \$3,223 to \$4,720). Somewhat unexpectedly, however, the average contribution remains very high (\$4,216), even if the participation rate decreases from 65 years onward (28%). This phenomenon is not unique to farm producers, however: the other classes of workers also report high average contributions, although participation declines. Finally, as was the case with the breakdown by province, the breakdown by worker class confirms that farm workers do not have the highest RRSP participation rate and do not contribute the most. At best, they fall in third place among the six worker classes for participation rate (15%) and average contribution (\$2,280) among workers under 25 years.

the federal budget of February 27, 1995; a contributor may now only over-contribute by \$2,000. This over-contribution does not, however, appear on T1 slips.

⁵ In 1994, RRSP contributors were required to withdraw sums deposited in their RRSP accounts during the year of their 71st birthday. The federal budget of March 6, 1996 moved this age limit forward to 69 years.

Table 6: Number of taxfilers and RRSP contributors, and total value of contributions, by age group and worker class, Canada, 1994

| CLASS OF WORKER | TAXFILERS (number) | CONTRI- BUTORS (number) | PROPORTION CONTRI- BUTING (%) | TOTAL CONTRIBU- TIONS (\$000) | AVERAGE CONTRIBU- TION (\$) |
|-------------------------|-----------------------|-------------------------------|-------------------------------------|--|-----------------------------------|
| < 25 YRS | | | | | |
| Wage-earners | 2,124,850 | 226,910 | 10.68 | 336,871 | 1,485 |
| Business | 37,230 | 5,080 | 13.64 | 10,964 | 2,158 |
| Professionals | 1,020 | 910 | 89.22 | 2,078 | 2,284 |
| Comm empl | 3,390 | 520 | 15.34 | 1,038 | 1,996 |
| Fishermen | 4,030 | 430 | 10.67 | 1,316 | 3,060 |
| Non-farm S/E (subtotal) | 45,670 | 6,940 | 15.20 | 15,396 | 2,218 |
| Farmers | 8,740 | 1,330 | 15.22 | 3,033 | 2,280 |
| Total | 2,179,260 | 235,180 | 10.79 | 355,300 | 1,511 |
| 25 - 34 YRS | | | | | |
| Wage-earners | 3,430,450 | 1,185,670 | 34.56 | 3,194,812 | 2,695 |
| Business | 203,670 | 48,990 | 24.05 | 166,601 | 3,401 |
| Professionals | 37,990 | 20,770 | 54.67 | 148,618 | 7,155 |
| Comm empl | 14,000 | 4,770 | 34.07 | 19,248 | 4,035 |
| Fishermen | 9,460 | 1,610 | 17.02 | 6,768 | 4,204 |
| Non-farm S/E (subtotal) | 265,120 | 76,140 | 28.72 | 341,235 | 4,482 |
| Farmers | 38,830 | 11,190 | 28.82 | 36,069 | 3,223 |
| Total | 3,734,400 | 1,273,000 | 34.09 | 3,572,116 | 2,806 |
| 35 - 44 YRS | | | | | |
| Wage-earners | 3,373,250 | 1,424,860 | 42.24 | 4,933,854 | 3,463 |
| Business | 276,670 | 79,850 | 28.86 | 334,397 | 4,188 |
| Professionals | 66,880 | 43,440 | 64.95 | 400,675 | 9,224 |
| Comm empl | 21,670 | 8,370 | 38.62 | 44,876 | 5,362 |
| Fishermen | 10,310 | 2,340 | 22.70 | 10,364 | 4,429 |
| Non-farm S/E (subtotal) | 375,530 | 134,000 | 35.68 | 790,312 | 5,898 |
| Farmers | 61,630 | 19,880 | 32.26 | 75,149 | 3,780 |
| Total | 3,810,410 | 1,578,740 | 41.43 | 5,799,315 | 3,673 |
| 45 - 54 YRS | | | | | |
| Wage-earners | 2,371,250 | 1,177,030 | 49.64 | 4,863,900 | 4,132 |
| Business | 211,730 | 68,420 | 32.31 | 307,530 | 4,495 |
| Professionals | 49,670 | 32,720 | 65.87 | 312,990 | 9,566 |
| Comm empl | 19,890 | 8,060 | 40.52 | 45,865 | 5,690 |
| Fishermen | 7,980 | 2,070 | 25.94 | 9,075 | 4,384 |
| Non-farm S/E (subtotal) | 289,270 | 111,270 | 38.47 | 675,460 | 6,070 |
| Farmers | 55,550 | 18,770 | 33.79 | 79,891 | 4,256 |
| Total | 2,716,070 | 1,307,070 | 48.12 | 5,619,251 | 4,299 |
| 55 - 64 YRS | | | | | |
| Wage-earners | 1,086,900 | 571,540 | 52.58 | 3,408,576 | 5,964 |
| Business | 129,500 | 44,010 | 33.98 | 218,410 | 4,963 |
| Professionals | 26,530 | 17,900 | 67.47 | 173,879 | 9,714 |
| Comm empl | 10,940 | 4,660 | 42.60 | 27,663 | 5,936 |
| Fishermen | 4,800 | 1,320 | 27.50 | 5,634 | 4,268 |
| Non-farm S/E (subtotal) | 171,770 | 67,890 | 39.52 | 425,586 | 6,269 |
| Farmers | 59,950 | 20,270 | 33.81 | 95,674 | 4,720 |
| Total | 1,318,620 | 659,700 | 50.03 | 3,929,836 | 5,957 |

Table 6: Number of taxfilers, number of RRSP contributors and total value of contributions, by age group and worker class, Canada, 1994 (continued)

| CLASS OF WORKER | TAXFILERS (number) | CONTRI- BUTORS (number) | PROPORTION CONTRI- BUTING (%) | TOTAL CONTRIBU- TIONS (\$000) | AVERAGE CONTRIBU- TION (\$) |
|-------------------------|-----------------------|-------------------------------|-------------------------------------|--|-----------------------------------|
| 65 YRS AND + | | | | | |
| Wage-earners | 241,930 | 79,940 | 33.04 | 527,757 | 6,602 |
| Business | 57,580 | 12,850 | 22.32 | 69,879 | 5,438 |
| Professionals | 17,380 | 8,440 | 48.56 | 75,932 | 8,997 |
| Comm empl | 6,480 | 2,040 | 31.48 | 13,393 | 6,565 |
| Fishermen | 1,640 | 290 | 17.68 | 1,088 | 3,752 |
| Non-farm S/E (subtotal) | 83,080 | 23,620 | 28.43 | 160,292 | 6,786 |
| Farmers | 75,520 | 10,850 | 14.37 | 45,741 | 4,216 |
| Total | 400,530 | 114,410 | 28.56 | 733,790 | 6,414 |

Source: Small Area and Administrative Data Division, RRSP Contributors, 1994.

A number of conclusions emerge from this comparison of RRSP contribution habits among farm producers. First, farm producers contribute very little to RRSPs. They have one of the lowest participation rates of all worker classes. In addition, with the exception of wage earners, they make the smallest average contribution. They also have the lowest average income per contributor, however, which explains in large part their small RRSP contributions. Finally, like all other workers, Canadian farm producers contribute more to RRSPs when their incomes are higher and as they approach retirement age.

Comparisons among farm producers

In the first part of this study, farm producers were defined as deriving more than 50% of their income from agriculture. It may be assumed not only that these workers' chief livelihood is agriculture, but that they work full-time at this activity. In this second part, therefore, they will be called "full-time farm producers." Other taxfilers reporting agricultural income, however, should not be overlooked. For example, they may have earned less than half of their income from agriculture in the study year because they had a smaller harvest or received lower prices that year. Alternatively, they may be part-time farm producers. Although such farm operations usually generate fewer sales than those operated by producers whose main activity is farming, there are enough of them to warrant inclusion in the study. This second group will be called "part-time farm producers" in this second part.

According to these definitions, three out of five Canadian farmers worked their farms full time in 1994 (see Table 7). These farmers' RRSP participation, however, is lower than that of their part-time colleagues. Barely one in four full-time farmers contributed to an RRSP, compared to 46% of part-time farmers. The difference in average contribution between the two groups, however, is smaller. Full-time farmers contributed an average of \$4,054, while part-time farmers invested an average of \$4,550.

Table 7: Number of taxfilers and RRSP contributors, and total value of contribution, by class of farmer, Canada, 1994

| CLASS OF FARMER | TAXFILERS (number) | CONTRIBUTORS (number) | PROPORTION CONTRIBUTING (%) | TOTAL CONTRIBUTIONS (\$000) | AVERAGE CONTRIBUTION (\$) |
|-----------------|--------------------|-----------------------|-----------------------------|-----------------------------|---------------------------|
| Part time | 146,710 | 67,415 | 45.95 | 306,725 | 4,550 |
| Full time | 225,395 | 58,350 | 25.89 | 236,531 | 4,054 |
| Total | 372,105 | 125,770 | 33.80 | 543,259 | 4,319 |

Source: Agriculture Division, Taxation Data Program, 1994.

These Canada-wide trends regarding rates of RRSP participation by farmers are also true in each province (see Table 8). The greatest difference occurs in Nova Scotia, where one out of five full-time farm producers contributed to an RRSP in 1994, while more than half (52%) of part-time farmers in this province did so. The province next door, Prince Edward Island, reports the smallest difference between the two (less than 10%). Part-time farmers do not contribute more on average to RRSPs than their full-time colleagues in all provinces, however: in Newfoundland, Nova Scotia, New Brunswick and Manitoba, full-time farmers contribute more to RRSPs on average; in all other provinces (except British Columbia), less than \$210 separates the two groups.

Table 8: Number of taxfilers and RRSP contributors, and total value of contributions, by province and class of farm producer, Canada, 1994

| CLASS OF FARMER | TAXFILERS (number) | CONTRIBUTORS (number) | PROPORTION CONTRIBUTING (%) | TOTAL CONTRIBUTIONS (\$000) | AVERAGE CONTRIBUTION (\$) |
|------------------|--------------------|-----------------------|-----------------------------|-----------------------------|---------------------------|
| NEWFOUNDLAND | | | | | |
| Part-time | 310 | 100 | 32.26 | 429 | 4,293 |
| Full-time | 275 | ... | ... | ... | ... |
| Total | 585 | 150 | 25.64 | 753 | 5,017 |
| PEI | | | | | |
| Part-time | 965 | 325 | 33.68 | 1,611 | 4,958 |
| Full-time | 1,615 | 390 | 24.15 | 1,904 | 4,882 |
| Total | 2,585 | 720 | 27.85 | 3,524 | 4,894 |
| NOVA SCOTIA | | | | | |
| Part-time | 1,695 | 880 | 51.92 | 3,823 | 4,345 |
| Full-time | 2,285 | 465 | 20.35 | 2,407 | 5,177 |
| Total | 3,985 | 1,350 | 33.88 | 6,243 | 4,624 |
| NEW-BRUNSWICK | | | | | |
| Part-time | 1,545 | 670 | 43.37 | 2,153 | 3,214 |
| Full-time | 1,785 | 345 | 19.33 | 1,332 | 3,862 |
| Total | 3,330 | 1,010 | 30.33 | 3,486 | 3,452 |
| QUEBEC | | | | | |
| Part-time | 13,425 | 5,945 | 44.28 | 19,795 | 3,330 |
| Full-time | 28,715 | 8,130 | 28.31 | 25,376 | 3,121 |
| Total | 42,135 | 14,080 | 33.42 | 45,168 | 3,208 |
| ONTARIO | | | | | |
| Part-time | 37,545 | 18,390 | 48.98 | 81,131 | 4,412 |
| Full-time | 53,440 | 12,785 | 23.92 | 55,512 | 4,342 |
| Total | 90,990 | 31,180 | 34.27 | 136,652 | 4,383 |
| MANITOBA | | | | | |
| Part-time | 13,320 | 4,965 | 37.27 | 17,373 | 3,499 |
| Full-time | 22,025 | 5,730 | 26.02 | 21,601 | 3,770 |
| Total | 35,340 | 10,690 | 30.25 | 38,969 | 3,645 |
| SASKATCHEWAN | | | | | |
| Part-time | 25,925 | 12,230 | 47.17 | 51,173 | 4,184 |
| Full-time | 55,970 | 16,940 | 30.27 | 68,060 | 4,018 |
| Total | 81,890 | 29,175 | 35.63 | 119,227 | 4,087 |
| ALBERTA | | | | | |
| Part-time | 36,920 | 16,625 | 45.03 | 78,530 | 4,724 |
| Full-time | 48,115 | 11,205 | 23.29 | 51,016 | 4,553 |
| Total | 85,030 | 27,835 | 32.74 | 129,536 | 4,654 |
| BRITISH COLUMBIA | | | | | |
| Part-time | 15,050 | 7,280 | 48.37 | 50,688 | 6,963 |
| Full-time | 11,190 | 2,310 | 20.64 | 9,017 | 3,903 |
| Total | 26,235 | 9,590 | 36.55 | 59,702 | 6,225 |

Source: Agriculture Division, Taxation Data Program 1994.

The uses to which farm producers put their RRSPs are interesting as well. As illustrated in Table 9, there are differences in this regard between full-time and part-time farmers. For all filing farm producers, average earned income of part-time producers is three and one half times that of their full-time colleagues. In addition, the pension adjustment for part-time producers is greater than \$1,600,

while it is negligible for full-time producers.⁶ Despite these differences, however, full-time farmers only used 66% of their limit in 1994, compared to 69% for part-time farmers. Full-time farmers, therefore, contribute less than their part-time colleagues, in part apparently because the contribution limits for the two classes of farm producer are very different.

Table 9: Use of RRSP by farm producers, by class of farm producer, Canada, 1994

| CLASS OF FARM PRODUCER | TAXFILERS (number) | AVERAGE EARNED INCOME (\$) | AVERAGE LIMIT (\$) | AVERAGE PENSION ADJUSTMENT (\$) | AVERAGE CONTRIBUTION (\$) | PERCENTAGE OF LIMIT USED (%) |
|------------------------|--------------------|----------------------------|--------------------|---------------------------------|---------------------------|------------------------------|
| Part time | 146,710 | 30,298 | 5,454 | 1,661 | 2,091 | 68.79 |
| Full time | 225,395 | 8,876 | 1,598 | 7 | 1,049 | 66.08 |
| Total | 372,105 | 17,323 | 3,118 | 659 | 1,460 | 67.96 |

Source: Agriculture Division, Taxation Data Program, 1994.

Furthermore, the picture is just as striking if only contributing farm producers are considered (see Table 10). In absolute terms, average earned income, average limit, average pension adjustment and average contribution are higher for contributing part-time farmers than for contributing full-time farmers. On the other hand, part-time farmers only used 91% of their limit in 1994. In the same year, full-time farmers exceeded their limit by more than 16%.

Table 10: RRSP use by contributing farm producers, by class of farm producer, Canada, 1994

| CLASS OF FARM PRODUCER | TAXFILERS (number) | AVERAGE EARNED INCOME (\$) | AVERAGE LIMIT (\$) | AVERAGE PENSION ADJUSTMENT (\$) | AVERAGE CONTRIBUTION (\$) | PERCENTAGE OF LIMIT USED (%) |
|------------------------|--------------------|----------------------------|--------------------|---------------------------------|---------------------------|------------------------------|
| Part time | 67,415 | 40,306 | 7,255 | 2,064 | 4,550 | 91.16 |
| Full time | 58,350 | 19,410 | 3,494 | 12 | 4,054 | 116.37 |
| Total | 125,770 | 30,610 | 5,510 | 1,112 | 4,319 | 98.57 |

Source: Agriculture Division, Taxation Data Program, 1994.

With the exception of persons aged 65 years and over, Canadian farmers use RRSPs more and contribute larger sums as they get older (see Table 11). Despite a slight dip in participation by farmers aged 5 to 64 years, the trend is constant across all age groups. Interestingly, in no group did participation by full-time farmers exceed 32%, which is less than the participation rate by all farm producers (34%). Average contribution increases steadily, from \$2,295 for part-time farmers less than 25 years to \$6,066 for part-time farmers aged 55 to 64 years. Full-time farmers under 25 years contribute \$2,553 on average, compared with \$4,863 for the 55 – 64 year old group.

⁶ To some extent, this information reflects the initial assumption that part-time farmers obtain less than half their income from agriculture. Since farmers (like other self-employed workers) do not have access to an employer pension plan. Few if any of them have to report a pension adjustment on their T1 slips. On the other hand, almost all wage earners have a pension adjustment. This suggests that most part-time farmers are wage earners.

Table 11: Number of taxfilers and RRSP contributors, and total value of contributions, by age group and class of farm producer, Canada, 1994

| CLASS OF FARMER | TAXFILERS (number) | CONTRIBUTORS (number) | PROPORTION CONTRIBUTING (%) | TOTAL CONTRIBUTIONS (\$000) | AVERAGE CONTRIBUTION (\$) |
|-----------------|--------------------|-----------------------|-----------------------------|-----------------------------|---------------------------|
| < 25 YRS | | | | | |
| Part time | 4,740 | 1,365 | 28.80 | 3,132 | 2,295 |
| Full time | 3,655 | 660 | 18.06 | 1,685 | 2,553 |
| Total | 8,395 | 2,015 | 24.00 | 4,817 | 2,391 |
| 25 - 34 YRS | | | | | |
| Part time | 28,030 | 11,890 | 42.42 | 40,470 | 3,404 |
| Full time | 23,635 | 6,820 | 28.86 | 22,271 | 3,265 |
| Total | 51,665 | 18,710 | 36.21 | 62,741 | 3,353 |
| 35 - 44 YRS | | | | | |
| Part time | 46,380 | 21,160 | 45.62 | 86,755 | 4,100 |
| Full time | 39,845 | 12,355 | 31.01 | 47,476 | 3,843 |
| Total | 86,225 | 33,515 | 38.87 | 134,231 | 4,005 |
| 45 - 54 YRS | | | | | |
| Part time | 42,435 | 21,845 | 51.48 | 110,065 | 5,038 |
| Full time | 41,780 | 13,340 | 31.93 | 53,663 | 4,023 |
| Total | 84,215 | 35,185 | 41.78 | 163,728 | 4,653 |
| 55 - 64 YRS | | | | | |
| Part time | 19,190 | 9,425 | 49.11 | 57,173 | 6,066 |
| Full time | 46,920 | 14,715 | 31.36 | 71,565 | 4,863 |
| Total | 66,110 | 24,140 | 36.51 | 128,738 | 5,333 |
| 65 YRS AND + | | | | | |
| Part time | 5,940 | 1,725 | 29.04 | 9,142 | 5,300 |
| Full time | 69,560 | 10,455 | 15.03 | 39,875 | 3,814 |
| Total | 75,500 | 12,180 | 16.13 | 49,017 | 4,024 |

Source: Agriculture Division, Taxation Data Program, 1994.

To complete the portrait of farm producers, two other variables bear mention: type of farm and amount of sales.

Table 12 presents data by type of farm. Like the other tables, it confirms that RRSP participation is greater among part-time farmers than among full-time farmers. The table does contain one very interesting piece of data, however. For all producers, the four types of operation with the highest RRSP participation are, in order: tobacco (46%), poultry and eggs (41%), grains and oilseeds (38%), and dairy (36%). Furthermore, when only full-time farmers are considered, the top three are tobacco (45%), dairy (35%) and poultry and eggs (34%). These three types of operations, however, operate under supply management, indicating that these producers enjoy a more stable income than their colleagues in other types of agriculture and are therefore more likely to use RRSPs. In fact, they are like wage earners in this regard; other types of farmers, by contrast, are more like self-employed business operators. As indicated in Table 3, the participation rate of self-employed business operators (28%) is barely higher than that of farmers (27%). In addition, RRSP participation rate for full-time producers in other types of agriculture never exceeds 30%.

In the case of four of the farm types listed, average RRSP contribution is higher for full-time producers than for part-time producers: hog (\$3,787 vs \$4,435), poultry and eggs (\$4,650 vs \$3,639), tobacco (\$5,073 vs \$3,632) and potatoes (\$4,509 vs \$3,537). For all types of farm output, average contributions were fairly close to the Canadian average; one exception was greenhouses and nurseries (\$10,968).

Table 12: Number of taxfilers and RRSP contributors, and value of total contributions, by type of farm and class of farm producer, Canada, 1994

| CLASS OF FARMER | TAXFILERS (number) | CONTRIBUTORS (number) | PROPORTION CONTRIBUTING (%) | TOTAL CONTRIBUTIONS (\$000) | AVERAGE CONTRIBUTION (\$) |
|-----------------|--------------------|-----------------------|-----------------------------|-----------------------------|---------------------------|
| DAIRY | | | | | |
| Part time | 2,530 | 1,150 | 45.45 | 4,168 | 3,624 |
| Full time | 29,890 | 10,430 | 34.89 | 37,054 | 3,553 |
| Total | 32,415 | 11,575 | 35.71 | 41,215 | 3,561 |
| CATTLE | | | | | |
| Part time | 51,630 | 21,615 | 41.87 | 94,472 | 4,371 |
| Full time | 58,275 | 10,540 | 18.09 | 38,577 | 3,660 |
| Total | 109,905 | 32,160 | 29.26 | 133,052 | 4,137 |
| HOG | | | | | |
| Part time | 4,500 | 1,250 | 27.78 | 4,294 | 3,435 |
| Full time | 8,370 | 1,815 | 21.68 | 6,874 | 3,787 |
| Total | 12,870 | 3,070 | 23.85 | 11,168 | 3,638 |
| POUL & EGG | | | | | |
| Part time | 3,690 | 1,715 | 46.48 | 6,240 | 3,639 |
| Full time | 3,385 | 1,160 | 34.27 | 5,394 | 4,650 |
| Total | 7,070 | 2,880 | 40.74 | 11,624 | 4,036 |
| LIVESTOCK | | | | | |
| Part time | 1,135 | 320 | 28.19 | 867 | 2,708 |
| Full time | 2,430 | ... | ... | ... | ... |
| Total | 3,560 | 760 | 21.35 | 2,318 | 3,050 |
| TOBACCO | | | | | |
| Part time | 305 | 165 | 54.10 | 599 | 3,632 |
| Full time | 1,885 | 855 | 45.36 | 4,337 | 5,073 |
| Total | 2,195 | 1,015 | 46.24 | 4,948 | 4,875 |
| POTATOES | | | | | |
| Part time | 520 | 255 | 49.04 | 902 | 3,537 |
| Full time | 1,285 | 375 | 29.18 | 1,691 | 4,509 |
| Total | 1,810 | 635 | 35.08 | 2,601 | 4,096 |
| FRUITS / VEG | | | | | |
| Part time | 6,555 | 3,120 | 47.60 | 13,373 | 4,286 |
| Full time | 7,845 | 1,725 | 21.99 | 7,072 | 4,100 |
| Total | 14,405 | 4,845 | 33.63 | 20,451 | 4,221 |
| GREEN / NURS | | | | | |
| Part time | 2,080 | 940 | 45.19 | 14,602 | 15,534 |
| Full time | 2,670 | ... | ... | ... | ... |
| Total | 4,750 | 1,580 | 33.26 | 17,329 | 10,968 |
| GR / OILSDS | | | | | |
| Part time | 45,620 | 23,870 | 52.32 | 111,600 | 4,675 |
| Full time | 88,030 | 26,365 | 29.95 | 115,628 | 4,386 |
| Total | 133,645 | 50,240 | 37.59 | 227,215 | 4,523 |
| OTHER | | | | | |
| Part time | 28,150 | 13,015 | 46.23 | 55,632 | 4,274 |
| Full time | 21,325 | 4,000 | 18.76 | 15,706 | 3,927 |
| Total | 49,480 | 17,020 | 34.40 | 71,342 | 4,192 |

Source: Agriculture Division, Taxation Data Program, 1994.

Some interesting observations can be made regarding RRSP contribution behavior by farm producers, when data are broken down by total sales (see Table 13).

Table 13: Number of taxfilers and RRSP contributors, and value of total contributions, by total sales⁷ and class of farm producer, Canada, 1994

| CLASS OF FARMER | TAXFILERS (number) | CONTRIBUTORS (number) | PROPORTION CONTRIBUTING (%) | TOTAL CONTRIBUTIONS (\$000) | AVERAGE CONTRIBUTION (\$) |
|-----------------|--------------------|-----------------------|-----------------------------|-----------------------------|---------------------------|
| < \$10,000 | | | | | |
| Part time | 67,360 | 32,340 | 48.01 | 155,623 | 4,812 |
| Full time | 45,300 | 5,160 | 11.39 | 21,539 | 4,174 |
| Total | 112,660 | 37,495 | 33.28 | 177,160 | 4,725 |
| \$10 – 24,999 | | | | | |
| Part time | 33,000 | 14,670 | 44.45 | 60,459 | 4,121 |
| Full time | 34,315 | 5,730 | 16.70 | 19,273 | 3,364 |
| Total | 67,320 | 20,395 | 30.30 | 79,738 | 3,910 |
| \$25 – 49,999 | | | | | |
| Part time | 20,795 | 9,640 | 46.36 | 42,299 | 4,388 |
| Full time | 31,590 | 6,920 | 21.91 | 28,080 | 4,058 |
| Total | 52,390 | 16,560 | 31.61 | 70,387 | 4,250 |
| \$50 – 99,999 | | | | | |
| Part time | 14,200 | 6,110 | 43.03 | 25,330 | 4,146 |
| Full time | 40,655 | 11,910 | 29.30 | 42,622 | 3,579 |
| Total | 54,860 | 18,025 | 32.86 | 67,958 | 3,770 |
| \$100 – 249,999 | | | | | |
| Part time | 9,155 | 3,790 | 41.40 | 18,274 | 4,822 |
| Full time | 55,390 | 21,520 | 38.85 | 86,339 | 4,012 |
| Total | 64,540 | 25,305 | 39.21 | 104,605 | 4,134 |
| \$250 – 499,999 | | | | | |
| Part time | 1,685 | 680 | 40.36 | 3,534 | 5,196 |
| Full time | 14,385 | 5,755 | 40.01 | 30,036 | 5,219 |
| Total | 16,075 | 6,435 | 40.03 | 33,580 | 5,218 |
| \$500,000 + | | | | | |
| Part time | 505 | 200 | 39.60 | 1,189 | 5,947 |
| Full time | 3,755 | 1,350 | 35.95 | 8,637 | 6,397 |
| Total | 4,270 | 1,545 | 36.18 | 9,851 | 6,376 |

Source: Agriculture Division, Taxation Data Program, 1994.

RRSP contribution among full-time farm producers is more common as sales increase (except for the \$500,000 and over class). The opposite holds for part-time farmers, whose participation rate decreases as sales increase (except for the \$10,000-\$24,999 class). This is not too surprising, considering that full-time farmers, unlike part-time farmers, draw most of their employment income from their farm. The data also show a sharp break between two groups with respect to average contribution. Specifically, for farms with fewer than \$250,000 in sales, average RRSP contributions (for all categories considered together) never exceed \$5,000. For farms with \$250,000 and over in sales, no average contribution is less than \$5,000. In addition, on farms with less than \$250,000 in sales, part-time farmers contribute larger amounts; the opposite is true for farms with sales exceeding \$250,000.

⁷ Gross sales

In summary, part-time farm producers are more inclined to participate in RRSPs than their full-time colleagues, and tend to contribute larger amounts. Total contributions by RRSP contributors, however, are heavily dependent on the farmer's province of residence, type of farm and total sales. Finally, full-time farm producers use their deduction limit as much as their part-time colleagues, if not more so.

Conclusion

The objective of this study was to examine how farm producers use RRSPs. Comparisons with other classes of workers indicate that farmers are among those who use RRSPs least and contribute the smallest amounts. The data indicate, however, that farm producers who do contribute to RRSPs take full advantage of the opportunities offered by this tool.

Like other workers, Canadian farmers contribute more to RRSPs as their incomes rise and they approach retirement age. The farmer's province is another variable that explains RRSP contribution habits, albeit to a somewhat lesser extent than the other two.

When full-time farmers are considered separately from part-time farmers, results show part-time farmers participate more in the RRSP program than their full-time colleagues do, and contribute higher amounts. Nonetheless, full-time farmers use their deduction limit as much as their part-time colleagues, and even more so if only contributors are considered.

Finally, type of farm operation and total farm sales are two factors that explain RRSP participation by Canadian farmers.

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Appendix A

Notes for Users

Age: Calculated as of December 31 in the reference year (here, 1994).

RRSP Contributors: This database contains information on Canadian taxfilers who contributed to a Registered Retirement Savings Plan (RRSP) during a particular taxation year. Data are drawn from income tax returns. Most tax returns are completed in the spring following the reference year. For example, for taxation year 1994, income tax returns were submitted by April 30, 1995. In 1994, slightly over 19,500,000 Canadians (66.8% of the population) completed an income tax return. This database has some limitations. Longitudinal studies are not supported, because the database does not include a mechanism for following the same taxfiler from one year to the next. Second, the database contains data on individuals and not households. Household financial situation, however, may be a better predictor of RRSP usage behaviour.

Taxfiler: Individual who completed an income tax return for the year in question.

RRSP contribution room: This is the deduction limit, that is, the maximum contribution that a taxfiler is entitled to make to an RRSP during a particular year. Revenue Canada calculates this quantity from earned income, pension adjustment, past service pension adjustment, and unused RRSP contribution room brought forward. The limit for the current year is 18% of earned income for the previous year. The legislation does, however, set a ceiling that may not be exceeded. For 1994, this ceiling was set at \$13,500.⁸

Commission employee: See definition of *Self-employed worker*.

Self-employed business operator: See definition of *Self-employed worker*.

Pension adjustment: Measure of the value of an earned benefit for the preceding year under an employer-sponsored registered pension plan and/or deferred profit-sharing plan. In 1994, for example, the pension adjustment to calculate RRSP contribution room was determined from benefits earned in 1993. This pension adjustment reduces the RRSP contribution room. This amount is declared on line 206 of the T1 form.

Fisherman: See definition of *Self-employed worker*.

Farm producer: T1 tax forms that provide data for the Small Area and Administrative Data and Agriculture divisions do not collect data on respondents'

⁸ Transfers to an RRSP may involve certain types of income, such as retirement allowance, severance pay, or pension benefits transferred to a spouse's RRSP. For more details on this subject, consult the study by Frenken (1996).

occupation(s). Farmers operating non-incorporated farms, however, must report gross agricultural income on line 168 of form T1, and their net agricultural income on line 141 of the same form. Because this study compares farm producers (whose primary activity is agriculture) with other worker classes, it assumes that “true” farmers draw more than half their income from agriculture. In mathematical terms, this study defines a farm producer as: $> 50\% (\text{line } 141 / (\text{line } 101 + \text{line } 104 + \text{line } 135 + \text{line } 137 + \text{line } 139 + \text{line } 141 + \text{line } 143))$. Note that in the second part of this study, the expression **part-time farm producer** includes taxfilers with net agriculture income less than or equal to half their wage income. Therefore, the first definition refers to full-time farmers. In this study, “farmer” and “farm producer” are used indiscriminately.

Professional: See definition of *Self-employed worker*.

Taxation Data Program: Data base of the Whole Farm Data Project (WFDP) of the Agriculture Division, constructed from a sample of T1 and T2 tax forms. Only form data are used here. Information on off-farm income are transcribed at Revenue Canada and transmitted to the WFDP. On the other hand, Revenue Canada transmits farm financial data to the WFDP for transcription. Farmers who attach more than one financial report to their T1 form are excluded, however, because they create estimation problems. For 1994, there were an estimated 263,325 non-incorporated farmers. When multiple farms are excluded, this number declines to 258,605; this is the number in the database used in this investigation. Therefore, there are 5,290 unincorporated farm operators with multiple farms (2% of the initial estimate). The sample received from Revenue Canada contained 60,000 T1 forms and 10,000 T2 forms. A sampling weight equal to the inverse of the selection probability was associated with each of the observations. This database has some limitations. First, it is sample based, so that sampling error may creep in. Second, the fiscal year for self-employed workers may not be the calendar year, so that some observations may be missing. Third, sampling is based on gross and net income reported on the T1 form. If some farmers reported these data elsewhere, they may have been eliminated from the sample. Fourth, the database provides no information on the value of assets possessed by the farm producer. This value may influence the farmer’s RRSP participation if he or she believes that the sale of the farm may generate sufficient income for retirement. Fifth, the two limitations noted for the **RRSP Contributors** database apply here as well.

Registered Retirement Savings Plan (RRSP): An individual retirement plan registered with Revenue Canada. This personal savings plan allows for tax deductible contributions under certain conditions; income from investments under the plan is tax-free. Withdrawals from an RRSP or benefits paid from an RRSP are the only taxable items. There are individual and group RRSPs. In group RRSPs, a single agreement or trust is established on behalf of the employees of a company or members of a professional or trade association. Contributions are pooled as well. Nevertheless, each participant has a RRSP contract registered in

his or her name; individual accounts are maintained. Taxfilers report the amount contributed annually under this plan on line 208 of form T1.

Employment income: Includes salary, wages, commissions and net income from self-employment.

Earned income: Used to calculate maximum RRSP contributions for the current year. Includes employment income (paid employment and self-employment), net rental income, alimony received (less alimony paid), and benefits for certain kinds of lost income or disability payments. Note that income from investment, pension and government transfer payments are not included in the definition of earned income. Mathematically, earned income is calculated as line 101 + line 104 + line 212 + line 229 + line 135 + line 137 + line 139 + line 141 + line 143 + line 152 + line 126 + line 128 – line 220 of form T1. Because the data bases used in this study do not support longitudinal studies, however, it is assumed that earned income has not changed materially between 1993 and 1994. This assumption rests on data indicating that Canadian taxfilers earned a total of \$365.5 billion in 1993 and \$366.9 in 1994 (preliminary data in the latter case), a difference of barely 0.4%.

Wage earner: T1 tax forms that form the basis for the construction of data bases in the Small Area and Administrative Data and Agriculture divisions do not ask the respondent's occupation. Wage earners, however, must report their employment income on lines 101 and 104 of form T1. For purposes of comparing taxfilers in different occupational groups, the assumption was made that "real" wage earners were those who obtained more than half their income in the form of a wage from employment income. Mathematically, a wage earner in this study corresponds to: $> 50\% ((\text{line } 101 + \text{line } 104) / (\text{line } 101 + \text{line } 104 + \text{line } 135 + \text{line } 137 + \text{line } 139 + \text{line } 141 + \text{line } 143))$.

Self-employed worker: T1 tax forms that form the basis for the construction of data bases in the Small Area and Administrative Data and Agriculture divisions do not ask the respondent's occupation. Self-employed workers, however, may be grouped into five categories using information provided on lines 162 to 170 inclusive (gross income) and lines 135 to 143 inclusive (net income). These categories are: self-employed business operators, professionals, commission employees, farmers and fishermen:

Commission employees: For purposes of comparing taxfilers in different occupational groups, the assumption was made that "real" commission employees were those who obtained more than half their income in the form of commissions. Mathematically, a commission employee in this study corresponds to: $> 50\% ((\text{line } 139) / (\text{line } 101 + \text{line } 104 + \text{line } 135 + \text{line } 137 + \text{line } 139 + \text{line } 141 + \text{line } 143))$.

Self-employed business operators: For purposes of comparing taxfilers in different occupational groups, the assumption was made that “real” self-employed business operators were those who obtained more than half their income from a business. Mathematically, an entrepreneur in this study corresponds to: $> 50\% ((\text{line } 135) / (\text{line } 101 + \text{line } 104 + \text{line } 135 + \text{line } 137 + \text{line } 139 + \text{line } 141 + \text{line } 143))$.

Fishermen: For purposes of comparing taxfilers in different occupational groups, the assumption was made that “real” fishermen were those who obtained more than half their income from fishing. Mathematically, a fisherman in this study corresponds to: $> 50\% ((\text{line } 143) / (\text{line } 101 + \text{line } 104 + \text{line } 135 + \text{line } 137 + \text{line } 139 + \text{line } 141 + \text{line } 143))$.

Professional⁹: For purposes of comparing taxfilers in different occupational groups, the assumption was made that “real” professionals were those who obtained more than half their income from a liberal profession. Mathematically, a professional in this study corresponds to: $> 50\% ((\text{line } 137) / (\text{line } 101 + \text{line } 104 + \text{line } 135 + \text{line } 137 + \text{line } 139 + \text{line } 141 + \text{line } 143))$.

⁹ Use of the term “professional” is more appropriate in English than in French, in the sense of someone who practises a liberal profession. Because no stylistically appropriate French synonym could be found, the word “professional” is used in the above sense in both the French and English versions of this report.

Appendix B

List of Coefficients of Variation¹⁰

Table 2A: Number of taxfilers and RRSP contributors, and total value of contributions, for taxfilers declaring agricultural income, Canada, 1990 to 1994 (constant dollars)

| YEAR | TAXFILERS (number) | C.V. | CONTRI- BUTORS (number) | C.V. | TOTAL CONTRI- BUTIONS (\$000) | C.V. |
|------|-----------------------|------|-------------------------------|------|--|------|
| 1990 | 369,240 | 0.45 | 108,075 | 1.62 | 351,475 | 3.15 |
| 1991 | 364,650 | 0.44 | 111,705 | 1.47 | 367,674 | 2.51 |
| 1992 | 364,120 | 0.45 | 115,175 | 1.47 | 406,574 | 2.91 |
| 1993 | 369,125 | 0.45 | 119,335 | 1.43 | 479,372 | 3.10 |
| 1994 | 372,105 | 0.43 | 125,770 | 1.33 | 543,259 | 3.26 |

Source: Agriculture Division, Taxation Data Program, 1990 to 1994.

Table 7A: Number of taxfilers and RRSP contributors, and total value of contribution, by class of farmer, Canada, 1994

| TYPE OF FARMER | TAXFILERS (number) | C.V. | CONTRI- BUTORS (number) | C.V. | TOTAL CONTRI- BUTIONS (\$000) | C.V. |
|-------------------|-----------------------|------|-------------------------------|------|--|------|
| Part time. | 146,710 | 1.28 | 67,415 | 2.27 | 306,725 | 5.13 |
| Full time | 225,395 | 0.78 | 58,350 | 1.47 | 236,531 | 3.58 |
| Total | 372,105 | 0.43 | 125,770 | 1.33 | 543,259 | 3.26 |

Source: Agriculture Division, Taxation Data Program, 1994.

¹⁰ The Whole Farm Data Project section suggests that coefficients of variation be interpreted as follows:

0.01%-4.99% - very good

5.0%-9.99% - good

10.0%-14.99% - acceptable but use with caution

15.0%-24.99% - use with caution unless independent data source concurs with the estimate value

25% + - unreliable

Table 8A: Number of taxfilers and RRSP contributors, and total value of contributions, by province and class of farm producer, Canada, 1994

| TYPE OF FARMER | TAXFILERS (number) | C.V. | CONTRIBUTORS (number) | C.V. | TOTAL CONTRIBUTIONS (\$000) | C.V. |
|-------------------------|-----------------------|------|--------------------------|-------|--------------------------------|-------|
| NEWFOUNDLAND | | | | | | |
| Part time. | 310 | 1.47 | 100 | 3.29 | 429 | 6.33 |
| Full time | 275 | 1.51 | ... | ... | ... | ... |
| Total | 585 | 0.56 | 150 | 2.86 | 753 | 5.25 |
| PEI | | | | | | |
| Part time. | 965 | 5.83 | 325 | 11.87 | 1,611 | 23.40 |
| Full time | 1,615 | 3.23 | 390 | 3.09 | 1,904 | 3.95 |
| Total | 2,585 | 1.79 | 720 | 5.58 | 3,524 | 10.94 |
| NOVA SCOTIA | | | | | | |
| Part time. | 1,695 | 9.98 | 880 | 16.62 | 3,823 | 18.47 |
| Full time | 2,285 | 6.96 | 465 | 3.12 | 2,407 | 6.53 |
| Total | 3,985 | 4.10 | 1,350 | 10.91 | 6,243 | 11.61 |
| NEW BRUNSWICK | | | | | | |
| Part time. | 1,545 | 7.84 | 670 | 15.60 | 2,153 | 18.34 |
| Full time | 1,785 | 6.03 | 345 | 9.89 | 1,332 | 4.96 |
| Total | 3,330 | 3.03 | 1,010 | 10.57 | 3,486 | 11.39 |
| QUÉBEC | | | | | | |
| Part time. | 13,425 | 4.96 | 5,945 | 8.96 | 19,795 | 20.29 |
| Full time | 28,715 | 1.98 | 8,130 | 3.00 | 25,376 | 4.20 |
| Total | 42,135 | 1.57 | 14,080 | 4.07 | 45,168 | 9.16 |
| ONTARIO | | | | | | |
| Part time. | 37,545 | 2.90 | 18,390 | 4.88 | 81,131 | 7.19 |
| Full time | 53,440 | 1.92 | 12,785 | 3.78 | 55,512 | 8.21 |
| Total | 90,990 | 1.03 | 31,180 | 3.12 | 136,652 | 5.32 |
| MANITOBA | | | | | | |
| Part time. | 13,320 | 3.13 | 4,965 | 6.09 | 17,373 | 8.94 |
| Full time | 22,025 | 1.73 | 5,730 | 3.26 | 21,601 | 7.74 |
| Total | 35,340 | 1.01 | 10,690 | 3.19 | 38,969 | 5.77 |
| SASKATCHEWAN | | | | | | |
| Part time. | 25,925 | 2.91 | 12,230 | 4.91 | 51,173 | 7.84 |
| Full time | 55,970 | 1.36 | 16,940 | 2.60 | 68,060 | 4.51 |
| Total | 81,890 | 0.67 | 29,175 | 2.39 | 119,227 | 4.16 |
| ALBERTA | | | | | | |
| Part time. | 36,920 | 2.50 | 16,625 | 4.49 | 78,530 | 7.40 |
| Full time | 48,115 | 1.79 | 11,205 | 3.91 | 51,016 | 11.96 |
| Total | 85,030 | 0.89 | 27,835 | 2.94 | 129,536 | 6.44 |
| BRITISH COLUMBIA | | | | | | |
| Part time. | 15,050 | 3.30 | 7,280 | 6.26 | 50,688 | 23.72 |
| Full time | 11,190 | 3.78 | 2,310 | 6.93 | 9,017 | 5.36 |
| Total | 26,235 | 1.50 | 9,590 | 4.88 | 59,702 | 20.14 |

Source: Agriculture Division, Taxation Data Program, 1994.

Table 9A: Earned income and total value of pension adjustment for agricultural producers who filed tax returns, by class of farmer, Canada, 1994

| CLASS OF FARMER | TAXFILERS (number) | C.V. | EARNED INCOME (\$000) | C.V. | TOTAL PENS ADJUSTMT (\$000) | C.V. |
|-----------------|-----------------------|------|-----------------------------|------|-----------------------------------|-------|
| Part time | 146,710 | 1.28 | 4,445,057 | 2.09 | 243,628 | 3.63 |
| Full time | 225,395 | 0.78 | 2,000,696 | 1.09 | 1,548 | 20.64 |
| Total | 372,105 | 0.43 | 6,445,792 | 1.47 | 245,178 | 3.61 |

Source: Agriculture Division, Taxation Data Program, 1994.

Table 10A: Earned income and total value of pension adjustment for agricultural producers who contributed to an RRSP, by class of farmer, Canada, 1994

| CLASS OF FARMER | CONTRI- BUTORS (number) | C.V. | EARNED INCOME (\$000) | C.V. | TOTAL PENS ADJUSTMT (\$000) | C.V. |
|-----------------|-------------------------------|------|-----------------------------|------|-----------------------------------|-------|
| Part time | 67,415 | 2.27 | 2,717,235 | 3.11 | 139,149 | 5.33 |
| Full time | 58,350 | 1.47 | 1,132,586 | 1.35 | 693 | 16.71 |
| Total | 125,770 | 1.33 | ... | ... | ... | ... |

Source: Agriculture Division, Taxation Data Program, 1994.

Table 11A: Number of taxfilers and RRSP contributors, and total value of contributions, by age group and class of farm producer, Canada, 1994

| CLASS OF FARMER | TAXFILERS (number) | C.V. | CONTRI- BUTORS (number) | C.V. | TOTAL CONTRI- BUTIONS (\$000) | C.V. |
|-------------------------|-----------------------|------|-------------------------------|-------|--|-------|
| < 25 YEARS | | | | | | |
| Part time | 4,740 | 9.72 | 1,365 | 17.87 | 3,132 | 24.12 |
| Full time | 3,655 | 8.19 | 660 | 12.98 | 1,685 | 18.30 |
| 25-34 YEARS | | | | | | |
| Part time | 28,030 | 3.66 | 11,890 | 5.94 | 40,470 | 8.24 |
| Full time | 23,635 | 2.12 | 6,820 | 3.86 | 22,271 | 4.95 |
| 35-44 YEARS | | | | | | |
| Part time | 46,380 | 2.72 | 21,160 | 4.27 | 86,755 | 6.33 |
| Full time | 39,845 | 1.62 | 12,355 | 2.63 | 47,476 | 3.63 |
| 45-54 YEARS | | | | | | |
| Part time | 42,435 | 2.97 | 21,845 | 4.44 | 110,065 | 11.84 |
| Full time | 41,780 | 1.94 | 13,340 | 3.01 | 53,663 | 4.54 |
| 55-64 YEARS | | | | | | |
| Part time | 19,190 | 4.46 | 9,425 | 6.61 | 57,173 | 11.42 |
| Full time | 46,920 | 2.07 | 14,715 | 3.00 | 71,565 | 9.09 |
| 65 YEARS & + | | | | | | |
| Part time | 5,940 | 8.47 | 1,725 | 15.59 | 9,142 | 19.84 |
| Full time | 69,560 | 2.10 | 10,455 | 5.06 | 39,875 | 11.30 |

Source: Agriculture Division, Taxation Data Program, 1994.

Table 12A: Number of taxfilers and RRSP contributors, and total contributions, by type of farm and class of farm producer, Canada, 1994

| CLASS OF FARMER | TAXFILERS (number) | C.V. | CONTRIBUTORS (number) | C.V. | TOTAL CONTRIBUTIONS (\$000) | C.V. |
|-----------------|--------------------|-------|-----------------------|-------|-----------------------------|-------|
| DAIRY | | | | | | |
| Part time | 2,530 | 8.88 | 1,150 | 17.04 | 4,168 | 20.02 |
| Full time | 29,890 | 1.30 | 10,430 | 2.24 | 37,054 | 2.60 |
| Total | 32,415 | 1.35 | 11,575 | 2.61 | 41,215 | 3.08 |
| CATTLE | | | | | | |
| Part time | 51,630 | 2.58 | 21,615 | 4.30 | 94,472 | 6.82 |
| Full time | 58,275 | 1.93 | 10,540 | 3.88 | 38,577 | 5.25 |
| Total | 109,905 | 1.47 | 32,160 | 3.13 | 133,052 | 5.06 |
| HOG | | | | | | |
| Part time | 4,500 | 8.86 | 1,250 | 14.75 | 4,294 | 20.39 |
| Full time | 8,370 | 4.17 | 1,815 | 5.65 | 6,874 | 6.31 |
| Total | 12,870 | 4.10 | 3,070 | 6.88 | 11,168 | 8.75 |
| POULT / EGG | | | | | | |
| Part time | 3,690 | 11.90 | 1,715 | 18.07 | 6,240 | 22.02 |
| Full time | 3,385 | 8.09 | 1,160 | 9.70 | 5,394 | 7.89 |
| Total | 7,070 | 7.26 | 2,880 | 11.45 | 11,624 | 12.35 |
| LIVESTOCK | | | | | | |
| Part time | 1,135 | 17.11 | 320 | 26.82 | 867 | 20.85 |
| Full time | 2,430 | 7.87 | ... | ... | ... | ... |
| Total | 3,560 | 7.63 | 760 | 13.64 | 2,318 | 12.64 |
| TOBACCO | | | | | | |
| Part time | 305 | 20.74 | 165 | 27.15 | 599 | 22.77 |
| Full time | 1,885 | 6.81 | 855 | 9.82 | 4,337 | 9.79 |
| Total | 2,195 | 6.51 | 1,015 | 9.30 | 4,948 | 9.02 |
| POTATOES | | | | | | |
| Part time | 520 | 18.98 | 255 | 28.11 | 902 | 25.22 |
| Full time | 1,285 | 9.87 | 375 | 8.26 | 1,691 | 7.33 |
| Total | 1,810 | 8.90 | 635 | 12.38 | 2,601 | 10.01 |
| FRUIT / VEG | | | | | | |
| Part time | 6,555 | 7.81 | 3,120 | 12.07 | 13,373 | 15.05 |
| Full time | 7,845 | 5.34 | 1,725 | 7.10 | 7,072 | 14.65 |
| Total | 14,405 | 4.52 | 4,845 | 8.16 | 20,451 | 11.05 |
| GREEN / NURS | | | | | | |
| Part time | 2,080 | 16.04 | 940 | 24.53 | 14,602 | 79.84 |
| Full time | 2,670 | 10.02 | ... | ... | ... | ... |
| Total | 4,750 | 8.98 | 1,580 | 15.33 | 17,329 | 67.26 |
| GR / OILSDS | | | | | | |
| Part time | 45,620 | 2.50 | 23,870 | 3.72 | 111,600 | 5.97 |
| Full time | 88,030 | 1.41 | 26,365 | 2.24 | 115,628 | 6.67 |
| Total | 133,645 | 1.11 | 50,240 | 2.06 | 227,215 | 4.46 |
| OTHER | | | | | | |
| Part time | 28,150 | 4.21 | 13,015 | 6.53 | 55,632 | 9.61 |
| Full time | 21,325 | 4.48 | 4,000 | 10.17 | 15,706 | 15.67 |
| Total | 49,480 | 2.91 | 17,020 | 5.48 | 71,342 | 8.22 |

Source: Agriculture Division, Taxation Data Project, 1994.

Table 13A: Number of taxfilers and RRSP contributors, and value of total contributions, by total sales¹¹ and class of farm producer, Canada, 1994

| CLASS OF FARMER | TAXFILERS (number) | C.V. | CONTRIBUTORS (number) | C.V. | TOTAL CONTRIBUTIONS (\$000) | C.V. |
|-----------------|--------------------|------|-----------------------|-------|-----------------------------|-------|
| < \$10,000 | | | | | | |
| Part time | 67,360 | 2.50 | 32,340 | 4.28 | 155,623 | 9.65 |
| Full time | 45,300 | 3.37 | 5,160 | 11.90 | 21,539 | 23.47 |
| Total | 112,660 | 1.36 | 37,495 | 3.89 | 177,160 | 8.89 |
| \$10-24,999 | | | | | | |
| Part time | 33,000 | 2.06 | 14,670 | 3.31 | 60,459 | 6.16 |
| Full time | 34,315 | 1.95 | 5,730 | 5.30 | 19,273 | 10.39 |
| Total | 67,320 | 1.18 | 20,395 | 2.72 | 79,738 | 5.26 |
| \$25-49,999 | | | | | | |
| Part time | 20,795 | 2.63 | 9,640 | 4.08 | 42,299 | 5.87 |
| Full time | 31,590 | 2.02 | 6,920 | 4.61 | 28,080 | 21.11 |
| Total | 52,390 | 1.44 | 16,560 | 2.98 | 70,387 | 9.10 |
| \$50-99,999 | | | | | | |
| Part time | 14,200 | 2.47 | 6,110 | 4.08 | 25,330 | 5.57 |
| Full time | 40,655 | 1.17 | 11,910 | 2.57 | 42,622 | 4.59 |
| Total | 54,860 | 0.90 | 18,025 | 2.09 | 67,958 | 3.49 |
| \$100-249,999 | | | | | | |
| Part time | 9,155 | 2.51 | 3,790 | 3.96 | 18,274 | 6.18 |
| Full time | 55,390 | 0.70 | 21,520 | 1.45 | 86,339 | 2.01 |
| Total | 64,540 | 0.60 | 25,305 | 1.32 | 104,605 | 1.95 |
| \$250-499,999 | | | | | | |
| Part time | 1,685 | 3.73 | 680 | 6.19 | 3,534 | 7.86 |
| Full time | 14,385 | 1.08 | 5,755 | 1.94 | 30,036 | 2.49 |
| Total | 16,075 | 1.00 | 6,435 | 1.83 | 33,580 | 2.36 |
| \$500,000 + | | | | | | |
| Part time | 505 | 4.72 | 200 | 9.97 | 1,189 | 6.02 |
| Full time | 3,755 | 1.96 | 1,350 | 2.10 | 8,637 | 2.59 |
| Total | 4,270 | 1.80 | 1,545 | 2.21 | 9,851 | 2.37 |

Source: Agriculture Division, Taxation Data Project, 1994.

¹¹ Gross sales

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