

Measuring the Level of Need

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Showing the level of hurt in agriculture

Grains and Oilseeds

- Grain prices in 2004 are 19.4% lower than 2003 and 25.3% lower than 2002.
- From December 2003 – December 2004, Grain price index fell 36.8% (Source: StatsCan)
- Further, for 2005 it is estimated only 30.4% of grain crop will be in the top 2 grades, compared to a historic average of 66%. (Source: CWB)

Ruminants

From the StatsCan Farm Products Price Index:

- Cattle prices in 2004 are 23.1% lower than pre BSE 2002.
- For cull cows alone, 2004 prices were 67% lower than pre-BSE 2002 prices.
- Further, costs continue to rise – the total Canadian cattle herd is 1.2 million head greater in 2004 as compared to 2002. Animals continue to build behind the border. (Source: StatsCan)

Farm Costs

Despite falling incomes, costs continue to increase:

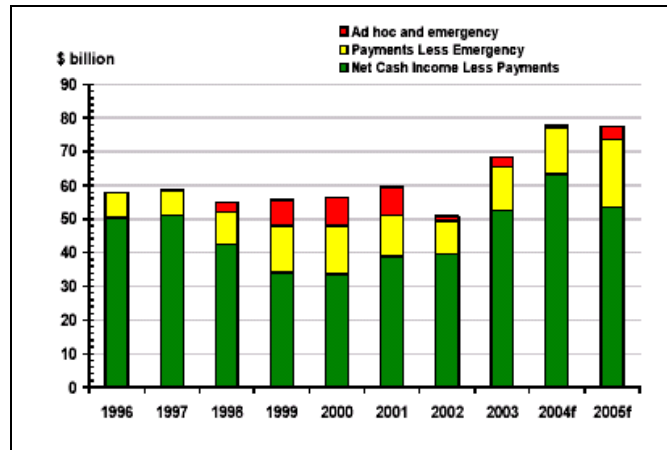
	Jan 2002	Jan 2005	% increase
Marked purple gasoline	44.07 cents/litre	62.02 cents/litre	+40.73
Diesel (Alta Prov. Allowance Deducted)	33.35 cents/litre	51.97 cents/litre	+55.83
Barbed wire 40kg	\$44.35	\$56.72	+27.89
82 – 0 – 0 Anhydrous (tonne)	\$553.50	\$676.35	+18.16
46 – 0 – 0 Urea (tonne)	\$342.05	\$420.49	+22.93
100kg bag (Herbicide Tolerant Canola Certified Seed)	\$760.56	\$1021.22	+34.27

Farm Debt in 2003 \$47.7 billion

- In the decade of 1993-2003 Farm Debt has grown a total of 104%
- On average Realized Net Income has fallen 5% every year in those same years. (Source: StatsCan)

Compared to the U.S.

- Per farm income in US, 2004: ~Cdn \$43,178 per year
- Average per farm debt in US, 2003: ~Cdn \$113,402
- Per Farm Net Cash Income in Canada, 2004: ~Cdn \$24,606 per year
- Average per farm debt in Canada, 2003: ~Cdn \$199,024
- 2003-2005 will be the best three years in a decade for the US.



U.S. Farm Incomes

- In contrast, the years 2003-2005 will be the three worst recorded years of Realized Net Income with an average per farm of \$3,734 per year.

Measuring the level of need

Comparing the previous three years of Realized Net Income (RNI) against the previous 10 years of RNI

Average RNI for Canada, 2003-2005: \$875,230,000
 Average RNI for Canada, 1993-2002: \$2,761,095,000

Difference to return producers back to historical average: \$1,885,865,000

Total deficiency to return the past three years to the historical average: \$5,657,595,000