

13. For poultry farmers with sales above \$35,000 in 1976, 26 percent had exited by 1981, for a compound rate of exit of 5.8 percent per year. Extrapolating this exit rate over 10 years from the mid-1970s to date, about one-half of the poultry farmers who were in the industry in the mid-1970s remain. If these farmers are split equally between those who are competitive and those who are not -- a pessimistic assumption -- about one-quarter of current farmers, in groups three and four, would be forced out of poultry production by the removal of border controls. Because these farmers produce less than average, they account for less than one-quarter of total Canadian production.

14. For example, a payback period of three years is roughly equivalent to a six-year, straight-line reduction in price from current levels to the U.S. level. If the Canadian supply price at current quota levels is less than the U.S. price, this six-year adjustment process would be worth more to producers than the quota value, given a three-year payback period.

15. Barichello, "Government Policies in Support of Canadian Agriculture."

16. Kapitany and Bollman.

17. C.A. Carter, M. Glenn, and O. Tangri, "Government Support in the Grains Sector: A Canadian-U.S. Comparison" (Unpublished working paper, University of Manitoba, Center for Transportation Studies, Winnipeg, 1983).