

reduction in Quebec and the Maritime Provinces but the major portion of the decline, \$395,000,000 of the total of \$403,000,000, resulted from a smaller grain crop and smaller grain marketings in the Prairie Provinces compared with a year earlier.

In all provinces farm expenses and depreciation charges were lower in 1957 than in 1956, which tended to offset somewhat the effects of lower income.

### 9.—Net Income of Farm Operators from Farming Operations, 1955-57

(Exclusive of Newfoundland)

NOTE.—Includes estimated value of farm homes and supplementary payments made under the provisions of the Prairie Farm Assistance Act.

Item	1955*	1956*	1957
	\$'000	\$'000	\$'000
1. Cash income from sale of farm products .....	2,350,198	2,663,520	2,591,861
2. Income in kind .....	328,435	329,271	327,435
3. Value of changes in inventory .....	211,853	220,042	-138,667
4. Gross income (Items 1+2+3) .....	2,890,486	3,212,833	2,780,629
5. Operating expenses .....	1,349,071	1,475,884	1,443,362
6. Depreciation charges .....	284,789	284,749	285,349
7. Total operating expenses and depreciation (Items 5+6) .....	1,633,860	1,760,633	1,728,711
8. Net income excluding supplementary payments (Items 4-7) .....	1,256,626	1,452,200	1,051,918
9. Supplementary payments .....	33,338	5,004	1,987
<b>Net Income of Farm Operators from Farming Operations (Items 8+9) .....</b>	<b>1,289,964</b>	<b>1,457,204</b>	<b>1,053,905</b>

### 10.—Net Income of Farm Operators from Farming Operations, by Province, 1955-57

NOTE.—Net income includes estimated rental value of farm homes and supplementary payments made under the provisions of the Prairie Farm Assistance Act.

Province	1955*	1956*	1957
	\$'000	\$'000	\$'000
Newfoundland .....	..	..	..
Prince Edward Island .....	11,961	12,608	8,822
Nova Scotia .....	15,957	17,245	13,567
New Brunswick .....	17,879	26,686	20,133
Quebec .....	228,482	192,724	185,425
Ontario .....	332,457	310,674	321,957
Manitoba .....	91,950	130,375	77,103
Saskatchewan .....	333,748	441,733	186,973
Alberta .....	209,199	272,096	184,562
British Columbia .....	48,331	53,063	55,363
<b>Totals .....</b>	<b>1,289,964</b>	<b>1,457,204</b>	<b>1,053,905</b>

### Subsection 3.—Volume of Agricultural Production

A preliminary estimate places the index of physical volume of agricultural production for 1957 at 130.5 (1935-39=100), about 23 p.c. below the all-time high estimate of 169.2 for 1956. As stated previously, the decline in total agricultural production in 1957 from the high level of 1956 was largely attributable to the substantial reduction in output of grains in Western Canada. Somewhat lesser contributions to the decline in total production were smaller outputs of livestock and tobacco. Increased production was recorded for almost all the remaining items considered in the index.

Reduced total agricultural production took place in all provinces except Prince Edward Island and British Columbia. On a percentage basis, the reductions ranged from less than 3 p.c. in Nova Scotia to about 44 p.c. in Saskatchewan. Percentage increases were 11.4 p.c. in Prince Edward Island and just over 13 p.c. in British Columbia.