

Realized Farm Net Income.—For the year 1959, it is estimated that the realized net income of Canadian farmers from farming operations amounted to \$1,260,300,000. These returns are below the estimate of \$1,417,700,000 for 1958 but are higher than the \$1,197,000,000 estimated for 1957 and the average level of \$1,210,800,000 established for the five-year period 1954-58. Increased operating expenses and depreciation charges, together with smaller supplementary payments and a decline in farm cash income, accounted for most of the reduction in realized net income between 1958 and 1959. The gain in 1959 over the five-year average for 1954-58 can be attributed to the fact that increases in farm cash income, income in kind, and supplementary payments more than offset higher farm operating expenses and depreciation charges.

Total Farm Net Income.—Taking into account changes in farm-held inventories of grains and livestock, total farm net income for 1959 is estimated at \$1,191,900,000. These net returns are below the estimate of \$1,353,100,000 for 1958, but are above the 1957 level of \$1,058,300,000. The five-year (1954-58) average was \$1,236,900,000.

8.—Net Income of Farm Operators from Farming Operations, 1957-59

(Exclusive of Newfoundland)

NOTE.—Includes estimated value of farm homes, supplementary payments made under the provisions of the Prairie Farm Assistance Act and, in 1958 and 1959, payments under the Western Grain Producers Acreage Payment Regulations.

Item	1957*	1958*	1959
	\$'000	\$'000	\$'000
1. Cash income.....	2,573,341	2,813,299	2,786,006
2. Income in kind.....	328,069	340,071	342,686
3. Supplementary payments.....	1,987	60,128	22,087
4. Realized gross income (Items 1+2+3).....	2,903,397	3,213,498	3,150,779
5. Operating and depreciation charges.....	1,706,439	1,795,815	1,890,494
6. Realized net income (Items 4-5).....	1,196,958	1,417,683	1,260,285
7. Value of inventory changes.....	-138,690	-64,621	-68,415
8. Total gross income (Items 4+7).....	2,764,707	3,148,877	3,082,364
Totals, Net Income (Items 8-5).....	1,058,268	1,353,062	1,191,870

9.—Net Income of Farm Operators from Farming Operations, by Province, 1957-59

NOTE.—Net income includes estimated rental value of farm homes, supplementary payments made under the provisions of the Prairie Farm Assistance Act and, in 1958 and 1959, payments under the Western Grain Producers Acreage Payment Regulations.

Province	1957*	1958*	1959
	\$'000	\$'000	\$'000
Newfoundland.....	—	—	—
Prince Edward Island.....	9,542	12,247	11,813
Nova Scotia.....	16,143	15,165	14,631
New Brunswick.....	20,499	19,703	17,702
Quebec.....	185,035	206,507	180,826
Ontario.....	330,127	401,797	328,643
Manitoba.....	74,835	129,580	100,108
Saskatchewan.....	183,277	246,885	243,310
Alberta.....	185,640	264,075	239,527
British Columbia.....	53,170	57,103	65,310
Totals.....	1,058,268	1,353,062	1,191,870

Subsection 3.—Volume of Agricultural Production*

Canada's index of physical volume of agricultural production is estimated at 143.6 (1935-39=100) for the year 1959, slightly below the level of 145.1 for 1958. The 1959 estimate is almost identical with the five-year average (1954-58) of 143.7, but is well below

* Excludes Newfoundland.