

farmers. All subsidy payments are taken into account so that the estimates represent only the net amounts paid by farmers. During 1962 the total of these expenses and depreciation charges reached a high of \$2,109,300,000, 5 p.c. above the \$2,007,800,000 estimated for 1961. With few exceptions, higher expenditures were recorded for each of the items of goods and services included in the estimates of farm operating expenses. The item for which the greatest increase in expenditure in absolute terms occurred was feed and seed; from \$370,000,000 in 1961 this outlay rose to \$393,900,000 in 1962, largely as a result of higher prices of feed. The next most important increase in expenditure was estimated for farm rent which rose from \$54,900,000 to \$78,800,000, reflecting the substantially larger grain crops produced in Western Canada in 1962 and the consequent higher share-rent payments made in this area.

8.—Net Income of Farm Operators from Farming Operations, 1959-62

(Exclusive of Newfoundland)

NOTE.—Includes estimated rental value of farm homes, supplementary payments made under the provisions of the Prairie Farm Assistance Act, payments under the Western Grain Producers' Acreage Payment Regulations and, in 1960, payments under the federal-provincial unthreshed grain assistance policy.

Item	1959 ^r	1960 ^r	1961	1962
	\$'000	\$'000	\$'000	\$'000
1. Cash income.....	2,791,190	2,776,723	2,953,951	3,149,387
2. Income in kind.....	344,464	351,168	342,702	342,590
3. Supplementary payments.....	22,087	77,204	35,766	70,313
4. Realized gross income (Items 1+2+3).....	3,157,741	3,205,095	3,332,419	3,562,290
5. Operating and depreciation charges.....	1,884,578	1,916,358	2,007,771	2,109,293
6. Realized net income (Items 4-5).....	1,273,163	1,288,737	1,324,648	1,452,997
7. Value of inventory changes.....	-73,800	51,627	-280,657	177,313
8. Total gross income (Items 4+7).....	3,083,941	3,256,722	3,051,762	3,739,603
Totals, Net Income (Items 8-5).....	1,199,363	1,340,364	1,043,991	1,630,310

9.—Net Income of Farm Operators from Farming Operations, by Province, 1959-62

NOTE.—Includes estimated rental value of farm homes, supplementary payments made under the provisions of the Prairie Farm Assistance Act, payments under the Western Grain Producers' Acreage Payment Regulations and, in 1960, payments under the federal-provincial unthreshed grain assistance policy.

Province	1959 ^r	1960 ^r	1961	1962
	\$'000	\$'000	\$'000	\$'000
Newfoundland.....	—	—	—	—
Prince Edward Island.....	12,218	13,355	6,507	6,372
Nova Scotia.....	14,883	15,041	13,041	10,893
New Brunswick.....	16,639	23,224	10,781	10,523
Quebec.....	191,848	185,686	179,073	179,668
Ontario.....	316,252	331,792	332,156	347,237
Manitoba.....	107,833	115,933	64,569	186,167
Saskatchewan.....	240,862	372,981	137,792	503,795
Alberta.....	242,781	229,200	241,129	317,847
British Columbia.....	56,047	53,152	58,943	67,808
Totals.....	1,199,363	1,340,364	1,043,991	1,630,310

Subsection 2.—Volume of Agricultural Production

This Subsection presents the results of the first large-scale revision of the index of farm production since it was published in August 1949 on the time and weight base of 1935-39=100. The construction of the new index was started in 1948 to measure the change taking place in the total annual physical production of agriculture in each of the