

tended to be slightly smaller in 1964 than in 1963, total expenditures for hired help continued to rise as wages climbed. Higher total interest payments occurred as a result of the use of increasing amounts of credit by the agricultural industry. Larger outlays for feed stemmed from greater consumption. Higher total costs for the operation of farm machinery reflected slightly higher prices for petroleum products and greater outlays for repair parts. Farmers continued to buy substantial amounts of new farm machinery, indicated by the continuing rise in the allowance for depreciation.

### 6.—Net Income of Farm Operators from Farming Operations, 1961-64

(Exclusive of Newfoundland)

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

Item	1961	1962*	1963*	1964
	\$'000	\$'000	\$'000	\$'000
1. Cash receipts from farming operations.....	2,951,862	3,115,956	3,184,526	3,455,582
2. Income in kind.....	339,793	343,952	354,917	367,844
3. Supplementary payments.....	35,766	70,313	14,769	8,477
4. Realized gross income (Items 1+2+3).....	3,327,421	3,530,221	3,554,212	3,831,903
5. Operating and depreciation charges.....	1,979,757	2,090,172	2,207,865	2,305,847
6. Realized net income (Items 4-5).....	1,347,664	1,440,049	1,346,347	1,526,056
7. Value of inventory changes.....	-272,992	187,686	308,406	-94,037
8. Total gross income (Items 4+7).....	3,054,429	3,717,907	3,862,618	3,737,866
<b>Totals, Net Income (Items 8-5).....</b>	<b>1,074,672</b>	<b>1,627,735</b>	<b>1,654,753</b>	<b>1,432,019</b>

### 7.—Net Income of Farm Operators from Farming Operations, by Province, 1961-64

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

Province	1961	1962*	1963*	1964
	\$'000	\$'000	\$'000	\$'000
Newfoundland.....	—	—	—	—
Prince Edward Island.....	6,808	6,808	6,981	13,409
Nova Scotia.....	14,819	12,246	11,533	8,050
New Brunswick.....	11,910	10,686	9,681	15,177
Quebec.....	190,985	185,041	171,921	154,521
Ontario.....	353,946	368,453	369,307	345,280
Manitoba.....	62,204	170,465	115,472	161,423
Saskatchewan.....	132,935	490,659	577,578	378,031
Alberta.....	240,064	312,938	322,847	286,804
British Columbia.....	61,001	70,439	69,433	69,324
<b>Totals.....</b>	<b>1,074,672</b>	<b>1,627,735</b>	<b>1,654,753</b>	<b>1,432,019</b>

### Subsection 2.—Volume of Agricultural Production

The index of physical volume of agricultural production for Canada was estimated at 151.5 for 1964 (1949=100). Although 7 p.c. below the high of 162.9 established in 1963, it was the second highest production estimate on record. The decline was entirely accounted for by the reduction in grain production, particularly in Saskatchewan and Alberta. For the remaining commodities considered in the index, production for all of Canada was above the level of the previous year.