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RESEARCH DEPARTMENT

INDEX NUMBERS OF FARM PRICES OF AGRICULTURAL PRODUCTS, NOVEMBER 1951 <sup>1/</sup>  
(1935-39 = 100)

A preliminary estimate places the index of farm prices at 277.3 for November, 1.6 points below the revised figure of 278.9 for the preceding month and 13.3 points above the figure for November 1950. The decline in the index between October and November is attributable to lower prices for livestock, grains, poultry and eggs more than offsetting substantially higher prices for potatoes. Compared with November 1950, current prices are higher for all commodities except grains. In this connection present prices for wheat, oats and barley in the Prairie Provinces are initial prices only, whereas prices used to construct the revised index of a year ago are final prices.

INDEX NUMBERS OF FARM PRICES OF AGRICULTURAL PRODUCTS

(1935-39 = 100)

Province	Monthly Index			Annual Index		
	Nov. 1951 <sup>2/</sup>	Oct. 1951 <sup>2/</sup>	Nov. 1950	1950	1949	1948
Prince Edward Island	312.7	256.8	172.5	188.3	204.1	236.6
Nova Scotia	265.6	247.9	203.1	203.4	210.5	214.1
New Brunswick	320.0	267.2	213.3	216.1	220.5	250.4
Quebec	305.4	304.8	268.7	260.4	261.3	265.6
Ontario	312.9	313.9	277.1	264.7	257.8	258.6
Manitoba	260.1	264.8	276.1	274.4	262.8	259.6
Saskatchewan	222.8	229.9	243.9	251.4	248.8	247.1
Alberta	259.0	267.1	276.1	275.9	265.6	262.9
British Columbia	312.4	310.1	257.0	244.4	245.1	240.2
CANADA <sup>1/</sup>	277.3	278.9	264.0	260.4	255.4	255.8

<sup>1/</sup> Excluding Newfoundland.

<sup>2/</sup> Based on initial price only for wheat, oats and barley in Manitoba, Saskatchewan and Alberta.

Prepared in Research Section, AGRICULTURE DIVISION.

Since August 1, 1951, prairie grain prices are initial prices only and amount to \$1.40 for No. 1 Northern Wheat, 65 cents for No. 2 C. W. oats and 96 cents for 3 C. W. 6 Row barley, at the Lakehead. The initial prices currently being paid are unchanged from those paid during the 1950-51 season with the exception of the barley price which is three cents above the 1950-51 level. In addition to the initial payments made at the time of delivery, producer certificates are issued to the grower covering quantities and grades delivered. These certificates entitle producers to share in any surpluses accumulated by the Board through the sale of these grains delivered to the Board during the crop year August 1, 1951 to July 31, 1952. Any participation payments made on these grains at a later date will be added to the initial prices currently used in the price index and the index revised upwards accordingly.

Most of the price information used in compiling the index is obtained from reports furnished monthly by volunteer farm correspondents throughout Canada. The prices used in computing the index are, as closely as can be determined, the prices which are actually received by farmers. Thus the storage, transportation, processing and handling charges which are not actually received by farmers are not included. On the other hand, subsidies, bonuses and premiums which can be attributed to specific products are all included to date.

The amounts paid per bushel on wheat participation certificates are included in the wheat prices up to July 1945. Subsequently, wheat prices include the ten cents per bushel retroactive increase announced on July 30, 1946 and paid on the 1945 crop, the 20 cent retroactive payment made on all wheat delivered during the crop years 1945-46, 1946-47 and up to April 1, 1948, and the 20 cents per bushel payment made on all wheat delivered during the crop years 1945-46, 1946-47, 1947-48 and up to April 1, 1949. They also include the 8.3 cent final payment made on all wheat delivered during the period August 1, 1945 to July 31, 1950 and the interim payment of 20 cents plus the final average payment of 28.7 cents made on the 1950 crop.

Oats and barley prices include advance equalization payments until their discontinuance on March 18, 1947 and the adjustment payments made by the Canadian Wheat Board and Western grain companies on deliveries of these grains from August 1 to October 21, 1947 when price ceilings were removed. In addition, oats and barley prices include final equalization payments up to July 1948 and participation payments made on the 1949 crops. From August 1, 1946 to March 17, 1947, barley prices include the 10 cent adjustment payment made in respect of barley delivered during that period. From August 1, 1950 to January 31, 1951 prices of oats and barley include the retroactive payments of 10 and 20 cents respectively, and for the crop year 1950-51 they include the final average payments of 9.4 cents on oats and 18.1 cents on barley.

Flax prices include the adjustment payments of 50 cents per bushel made on all deliveries of commercial flaxseed during the 1947-48 crop year.

In compiling the index the fixed base weighted aggregative method has been used. Each commodity has been weighted by the annual average amounts sold in the five-year base period 1935-39. No adjustments for seasonal variation of the prices have been made. The index is based upon prices for about 50 farm products which contributed approximately 90 per cent to the total cash income received by farmers from the sale of farm products, during the base period. The series is subject to revision as more complete data become available. An historical series of index numbers of farm prices of agricultural products is carried in the Quarterly Bulletin of Agricultural Statistics.

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