

D.B.S. MEMORANDUM

Dominion Bureau of Statistics, Ottawa, Canada



1952 No. 11

Price: \$1.00 per year.

INDEX NUMBERS OF FARM PRICES OF AGRICULTURAL PRODUCTS, NOVEMBER 1952 ^{1/} (1935-39 = 100)

The index of farm prices of agricultural products estimated at 244.3 for November is one point above the revised figure for October. This is the first time the index has moved upward since June 1952. Higher prices for dairy products, potatoes, poultry and eggs more than offset lower prices for grains and live stock. Compared with November 1951 when the index stood at 300.1, current prices are lower for all commodities except potatoes.

In comparing current index numbers with those prior to August 1952, it should be remembered that the prices for western wheat and coarse grains used in the construction of the index since August 1, 1952 are initial prices only whereas those used prior to that time are final prices. Any subsequent participation payments made on the 1952 crops will be added to the prices currently used and the index revised upward accordingly. An increase of 10 cents in the price of western wheat would result in an upward revision of approximately four points in the index for Canada. Increases of 10 cents for barley and oats would provide an upward index revision of about 0.4 and 0.5 points respectively.

INDEX NUMBERS OF FARM PRICES OF AGRICULTURAL PRODUCTS (1935-39 = 100)

Province	Monthly Index			Annual Index		
	Nov. 1952 ^{2/}	Oct. 1952 ^{2/}	Nov. 1951	1951	1950	1949
Prince Edward Island	293.8	294.6	312.8	235.8	189.6	204.1
Nova Scotia	248.0	248.9	275.4	243.6	206.5	210.5
New Brunswick	293.8	297.4	320.5	250.4	216.4	220.5
Quebec	275.8	272.4	308.0	304.8	260.9	261.3
Ontario	273.1	272.7	317.4	315.2	265.1	257.8
Manitoba	223.8	222.6	297.5	301.6	274.4	262.8
Saskatchewan	201.0	200.0	269.0	268.7	251.5	248.8
Alberta	220.0	218.7	298.9	308.0	276.1	265.6
British Columbia	281.2	281.7	319.4	288.4	244.3	245.1
CANADA ^{1/}	244.3	243.3	300.1	296.8	260.8	255.4

^{1/} Excludes Newfoundland.

^{2/} Based on initial prices only for wheat, oats and barley in Manitoba, Saskatchewan and Alberta.



1010719658

Since August 1, 1952, 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. six-row barley in store at the Lakehead. In addition to the 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, 1952 to July 31, 1953. Any participation payments made on these grains at a later date will be added to the prices currently used in the price index and the index revised upward 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 prices of wheat, oats, barley and flax contain all equalization, adjusting and final payments including the recently announced final payments of 18.5 cents of oats, 14.7 cents on barley and 25.2 cents on wheat. All payments of this kind are included in the year in which earned, not in the year in which paid.

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.