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Dominion Bureau of Statistics, Ottawa, Canada

1952 No. 12.

Price: \$1.00 per year.

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

The index of farm prices of agricultural products estimated at 244.0 for December 1952 is only fractionally below the revised figure of 244.1 for November. Higher prices for live stock and dairy products were offset by lower prices for potatoes, poultry and eggs. Changes in the provincial indices were relatively unimportant except in the case of Prince Edward Island and New Brunswick where lower prices for potatoes, poultry and eggs more than offset the higher prices for live stock and dairy products. The annual index for 1952 is estimated at 266.7.

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

Province	Monthly Index			Annual Index		
	Dec. 1952 ^{2/}	Nov. 1952 ^{2/}	Dec. 1951	1952 ^{3/}	1951	1950
Prince Edward Island	281.0	293.7	327.3	351.8	235.8	189.6
Nova Scotia	246.0	247.4	276.3	272.2	243.6	206.5
New Brunswick	280.2	293.4	320.9	343.9	250.4	216.4
Quebec	275.7	274.2	312.2	288.5	304.8	260.9
Ontario	273.0	273.3	320.1	286.8	315.2	265.1
Manitoba	223.9	223.7	296.9	253.0	301.6	274.4
Saskatchewan	200.6	200.9	264.1	228.2	268.7	251.5
Alberta	221.1	219.9	295.1	249.7	308.0	276.1
British Columbia	281.4	281.8	318.3	297.8	288.4	244.3
CANADA ^{1/}	244.0	244.1	299.8	266.7	296.8	260.8

^{1/} Excludes Newfoundland.

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

^{3/} Based on initial prices only for wheat, oats and barley in Manitoba, Saskatchewan and Alberta for the months of August to December inclusive.

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 prices of western wheat, oats or barley would result in upward revisions in the indices for each of the

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Prairie Provinces and Canada approximately as follows, in points:

	<u>Manitoba</u>	<u>Saskatchewan</u>	<u>Alberta</u>	<u>Canada</u>
Wheat	6.2	9.3	8.1	4.0
Oats	1.0	1.1	1.2	0.5
Barley	2.3	0.5	0.4	0.4

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 on 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.