

## D.B.S. MEMORANDUM

Dominion Bureau of Statistics, Ottawa, Canada

1952 No. 8

Price: \$1.00 per year.

INDEX NUMBERS OF FARM PRICES OF AGRICULTURAL PRODUCTS, AUGUST 1952 1/  
(1935-39 = 100)

The index of farm prices of agricultural products is estimated at 259.7 for August 1952 and compares with the revised estimate of 264.0 for the previous month and 295.1 for August 1951. The decline in the August figure results largely from a lowering of the advance payment for grains in western Canada and lower prices for live stock. Compared with August 1951, current prices are lower for grains, live stock, dairy products, poultry and eggs.

The western grain prices used in the construction of the index since August 1951 are advance payments only. During the period August 1951 to July 1952, advance payments consist of initial prices plus interim payments for wheat and barley and initial prices only for oats. For August 1952 advance payments consist of initial prices only for the three grains. Initial prices payable during the crop year 1952-53 are unchanged from those paid during the 1951-52 season. Any participation payments made at a later date will be added to these prices and the index revised upward.

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

Province	Monthly Index			Annual Index		
	Aug. 1952 2/	July 1952 3/	Aug. 1951 3/	1951 4/	1950	1949
Prince Edward Island	378.5	348.4	244.1	235.8	189.6	204.1
Nova Scotia	271.9	272.6	246.5	243.6	206.5	210.5
New Brunswick	376.9	370.8	243.0	250.4	216.4	220.5
Quebec	283.5	291.5	311.0	304.8	260.9	261.3
Ontario	293.2	293.2	325.0	315.2	265.1	257.8
Manitoba	231.8	244.4	297.2	293.2	274.4	262.8
Saskatchewan	209.9	215.4	255.5	257.8	251.5	248.8
Alberta	231.9	237.3	296.0	298.5	276.1	265.6
British Columbia	293.6	305.7	288.6	288.0	244.3	245.1
CANADA 1/	259.7	264.0	295.1	292.0	260.8	255.4

1/ Excludes Newfoundland.

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

3/ Based on initial price only for oats and initial prices plus interim payments for wheat and barley in Manitoba, Saskatchewan and Alberta.

4/ Based on initial price only for oats and initial prices plus interim payments for wheat and barley in Manitoba, Saskatchewan and Alberta for the period August to December inclusive.

Prepared in Research Section, AGRICULTURE DIVISION.



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For the period August 1951 to July 1952, prairie farm prices for wheat and barley are initial prices plus interim payments and for oats initial prices only. These prices amounted to \$1.60 for No. 1 Northern wheat, \$1.16 for No. 3 C.W. six-row barley and 65 cents for No. 2 C. W. oats. With the beginning of the crop year 1952-53, advance payments for western wheat and barley have reverted to initial payments only, amounting to \$1.40 per bushel for No. 1 Northern wheat and 96 cents for 3 C.W. six-row barley. Initial prices for grain in the Prairie Provinces for 1952-53 are unchanged from those paid during the 1951-52 season. 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 participation payments up to and including the interim payments of 20 cents per bushel for wheat effective February 1, 1952, and 20 cents for barley, effective March 1, 1952. 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.