

DOMINION BUREAU OF STATISTICS

OTTAWA - CANADA

Published by Authority of the Rt. Hon. C. D. Howe, Minister of Trade and Commerce



Memorandum

1953 No. 12

Price: \$1.00 per year.

INDEX NUMBERS OF FARM PRICES OF AGRICULTURAL PRODUCTS DECEMBER 1953 ^{1/} - (1935-39 = 100)

The index of farm prices of agricultural products estimated at 229.9 for December 1953 is one point above the revised figure of 228.9 for November. Higher prices for live stock and dairy products more than offset lower prices for potatoes, and poultry and eggs.

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

Province	Monthly Index			Annual Index		
	Dec. 1953 ^{2/}	Nov. 1953 ^{2/}	Dec. 1952 ^{3/}	1953 ^{5/}	1952 ^{4/}	1951
Prince Edward Island	166.5	167.1	281.1	192.7	351.8	236.4
Nova Scotia	215.0	221.9	255.6	230.4	275.1	243.2
New Brunswick	178.7	183.7	280.7	214.6	344.5	250.8
Quebec	269.3	264.1	277.8	272.9	290.2	305.6
Ontario	254.6	254.1	270.9	263.7	286.2	315.0
Manitoba	213.7	211.9	250.5	236.7	264.0	301.6
Saskatchewan	193.2	193.4	232.7	215.8	241.6	268.7
Alberta	217.0	215.3	249.4	236.4	261.5	308.0
British Columbia	265.7	265.0	279.4	270.0	293.0	287.0
CANADA ^{1/}	229.9	228.9	258.2	245.0	272.6	296.8

^{1/} Excludes Newfoundland.

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

^{3/} Based on initial price plus 12- cent interim payment for wheat in Manitoba, Saskatchewan and Alberta.

^{4/} Based on initial price plus 12- cent interim payment for wheat in Manitoba, Saskatchewan and Alberta for the period August to December inclusive.

^{5/} Based on initial plus 12- cent interim payment for western wheat, January to July, and on initial prices only for western wheat, oats and barley, August to December.

In comparing current index numbers with those prior to August 1953, the following points should be considered. Western grain prices used in the construction of the index prior to August 1, 1953 are final prices for all grains

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except wheat. For the crop year 1952-53, the western wheat prices used are initial prices plus a twelve-cent interim payment. Since August 1, 1953 only initial prices are available for western wheat, oats and barley. Any subsequent participation payments made on the 1952 crop of wheat and on the 1953 crops of wheat, oats and barley 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 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

During the period August 1952 to July 1953, initial prices to producers, basis Fort William—Port Arthur, amounted to \$1.60 per bushel for No 1 Northern wheat, and \$1.11 per bushel for No 3 C.W. 6-row barley. Since the first of August this year, initial prices to producers, basis the same grades at the Lakehead, have amounted to \$1.40 per bushel for wheat and 96 cents per bushel for barley. The initial price for oats has remained unchanged since August 1, 1952 at 65 cents per bushel for No 2 C.W. in store Fort William—Port Arthur. 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 interim payment of 12 cents per bushel on western wheat and the final average payments of 9.2 cents and 13.0 cents made on western oats and barley respectively. 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.