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Dominion Bureau of Statistics, Ottawa, Canada

1953 No. 7



Price: \$1.00 per year.

INDEX NUMBERS OF FARM PRICES OF AGRICULTURAL PRODUCTS, JULY 1953 1/
(1935-39 = 100)

The index of farm prices of agricultural products is estimated at 244.9 for July, down 5.0 points from the revised estimate of 249.9 for June. This decrease results from substantially lower prices for live stock and a fractional decline in grain prices more than offsetting higher prices for potatoes, dairy products and poultry and eggs.

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

Province	Monthly Index			Annual Index		
	July 1953 2/	June 1953 2/	July 1952	1952 3/	1951	1950
Prince Edward Island	179.0	194.0	348.4	351.8	236.4	189.6
Nova Scotia	225.2	227.3	272.2	275.1	243.2	206.5
New Brunswick	213.9	207.7	371.5	344.5	250.8	216.8
Quebec	274.8	279.3	292.7	290.2	305.6	260.9
Ontario	265.2	270.3	292.6	286.2	315.0	265.1
Manitoba	235.6	242.3	264.6	259.4	301.6	274.4
Saskatchewan	215.1	217.7	241.5	236.3	268.7	251.5
Alberta	236.5	244.3	259.8	256.7	308.0	276.1
British Columbia	264.5	270.7	301.4	293.0	287.0	244.3
CANADA 1/	244.9	249.9	275.3	270.2	296.8	260.8

1/ Excludes Newfoundland.

2/ Based on initial price only for oats and initial prices plus interim payments for wheat 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 for the months of August to December inclusive.

In comparing current index numbers with those prior to August 1952, the following points should be considered. Prices for western grains used in the construction of the index since August 1, 1952 are initial prices only for oats and initial prices plus interim payments for wheat and barley. Prior to August 1952, prices of these western grains 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

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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

Since August 1, 1952 prairie farm prices for oats are initial prices only and amount to 65 cents for No. 2 C.W. at the Lakehead. Prices for wheat and barley are initial prices plus retroactive interim payments. In total the initial and interim payments amount to \$1.11 per bushel for No. 3 C.W. 6-row barley and \$1.60 per bushel for No. 1 Northern wheat 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 recently announced interim payments of 20 cents per bushel on wheat and 15 cents per bushel on barley. 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.

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