

FEB 17 1954

D.B.S. MEMORANDUM

Dominion Bureau of Statistics, Ottawa, Canada

1953 No. 8

Price: \$1.00 per year.



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

The index of farm prices of agricultural products is estimated at 240.4 for August 1953, nearly 10 points below the revised estimate of 250.0 for July. The substantial difference between the two figures is largely attributable to two factors. First, the index numbers for the period August 1952 to July 1953 were revised upward to include the recently announced second interim western wheat payment amounting to 12 cents per bushel and payable on all wheat delivered during the past crop year 1952-53. Second, at the beginning of August the initial prices to western producers for barley and wheat were lowered 15 and 20 cents respectively; the initial payment for oats remaining unchanged. Offsetting this situation to some extent were slightly higher August prices for live stock, dairy products, and poultry and eggs.

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

Province	Monthly Index			Annual Index		
	Aug. 1953 2/	July 1953 3/	Aug. 1952 3/	1952 4/	1951	1950
Prince Edward Island	194.9	179.0	378.8	351.8	236.4	189.6
Nova Scotia	232.9	225.2	271.1	275.1	243.2	206.5
New Brunswick	218.1	214.1	377.7	344.5	250.3	216.8
Quebec	275.2	275.5	284.7	290.2	305.6	260.9
Ontario	267.7	265.6	292.7	286.2	315.0	265.1
Manitoba	225.2	243.1	254.6	262.4	301.6	274.4
Saskatchewan	200.0	226.3	240.5	241.0	268.7	251.5
Alberta	226.9	246.2	257.7	260.8	308.0	276.1
British Columbia	268.5	265.4	290.5	292.8	287.0	244.3
CANADA 1/	240.4	250.0	272.8	272.2	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 for wheat, oats and barley plus 12-cent interim payment on wheat in Manitoba, Saskatchewan and Alberta.

4/ Based on initial prices for wheat, oats and barley plus 12-cent interim payment on wheat in Manitoba, Saskatchewan and Alberta for the period August to December inclusive.

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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 prior to August 1, 1952 are final prices. During the crop year 1952-53 the prices used are initial prices plus the above-mentioned 12-cent interim payment on wheat. Since August 1, 1953 only initial prices are available. Any subsequent participation payments made on the 1952 and 1953 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 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 recently announced interim payment of 12 cents per bushel 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.