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INDEX NUMBERS OF FARM PRICES OF AGRICULTURAL PRODUCTS
(1961 = 100)

AUGUST 1969

The index of farm prices of agricultural products for Canada for August is estimated at 114.6 on the new time base of 1961 = 100. This is nearly 5 points below the estimate of 119.5 for July. Most of this decline can be attributed to lower cattle prices and a reduction in the initial grain prices in Western Canada at time of delivery.

This index has been completely rebased back to the year 1935. A brief description of the concepts and procedures used in this revision is set forth in the Bureau publication, Index of Farm Prices of Agricultural Products, Catalogue No. 62-529. Included in this publication are revised data on an annual basis for the years 1935 to 1956 and by months for the years 1957 to date.

Index Numbers of Farm Prices of Agricultural Products(1)
(1961 = 100)

	Monthly Index			Annual Index		
	Aug.(2) 1969	July(2) 1969	Aug.(2) 1968	1968(3)	1967	1966
Prince Edward Island ..	141.9	121.8	143.8	122.8	115.0	134.0
Nova Scotia	122.8	121.2	118.9	113.5	111.0	113.9
New Brunswick	123.7	120.2	128.3	117.4	111.5	122.5
Quebec	131.0	132.7	127.0	126.2	125.3	125.2
Ontario	129.8	135.5	125.4	123.7	123.0	122.0
Manitoba	101.5	106.1	105.3	105.0	109.5	110.9
Saskatchewan	90.2	97.6	98.3	98.9	106.9	108.1
Alberta	109.7	116.1	110.9	108.9	113.8	115.9
British Columbia	122.5	123.7	117.3	117.0	111.6	115.1
Canada	114.6	119.5	114.9	113.7	116.0	117.0

(1) Excludes Newfoundland.

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

(3) For Manitoba, Saskatchewan and Alberta the index is based on initial prices only for wheat, oats and barley for the period August to December inclusive.

Agriculture Division, Farm Finance Section

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In comparing current index numbers with those prior to August 1968, the following points should be considered. Prices of all Western grains used in the construction of the index prior to August 1, 1968 are final prices. From August 1, 1968 to date the Western grain prices used in the index are initial prices for wheat, oats and barley. Any subsequent participation payments will be added to the prices currently used and the index revised upward accordingly.

For the period August 1968 to July 1969, the initial prices to Western producers at Fort William - Port Arthur were on the basis of \$1.70 per bushel for No. 1 Northern wheat, 65 cents per bushel for No. 2 C.W. oats, and \$1.06 per bushel for No. 3 C.W. six-row barley. Commencing in August 1969 these initial prices were set at \$1.50 per bushel for No. 1 Northern wheat, 60 cents per bushel for No. 2 C.W. oats, and 91 cents per bushel for No. 3 C.W. six-row barley. 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 Canadian Wheat Board through the sale of these grains delivered to the Board. 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 the farmers at the farm level. Subsidies, bonuses and premiums which can be attributed to specific products are all included in the prices, whereas storage, transportation, processing and handling charges which are not actually received by farmers are excluded. In reporting prices to the Bureau each month, price correspondents are asked to report the average prices prevailing in their neighbourhood, taking into account the various grades of each commodity marketed. Thus, average prices reported by these correspondents may differ from month to month as a result of changes in price, changes in quality marketed or a combination of both. In effect, this index is not a measure of pure price change but a measure of the change in returns to farmers per unit of product marketed.

The prices of wheat, oats, barley and flaxseed contain all Canadian Wheat Board payments announced to date. All payments of this kind are included in the year in which earned, not in the year in which paid.

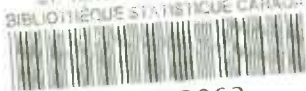
This index was first published in August 1946 on a time and weight base of 1935-39 = 100. In September 1969 it was republished on a weight base of 1960-62 = 100 and a time base of 1961 = 100. In each case the Laspeyre's formula was used in its preparation. Thus the resultant index expresses the current farm prices as a percentage of prices prevailing in the base period. For the years 1935 to 1956 inclusive, the index was based upon the prices of those products which accounted for about 90 per cent of total cash receipts received by farmers from the sale of farm products during the five-year base period 1935-39. For the period 1957 to date, the index is based upon those products which accounted for about 95 per cent of total cash receipts during the new weight base period of 1960-62. No adjustments for seasonal variations of the prices has been made. The series is subject to revisions as more complete and up-to-date data become available. This accounts for any changes between the indexes published in earlier reports and those appearing in the current publication.

Index Numbers of Farm Prices of Agricultural Products(1)
(1961 = 100)

	Canada	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.
1958	95.2	102.1	102.7	102.6	103.2	101.0	91.5	84.2	91.9	102.7
1959	95.2	114.7	100.4	109.5	101.4	99.2	92.0	86.0	93.1	101.0
1960	96.1	128.3	100.0	120.8	100.8	100.3	92.8	89.0	91.8	99.7
1961	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1962	104.3	100.2	101.8	97.8	100.9	102.6	105.6	105.8	108.2	103.0
1963	102.9	106.9	101.2	101.8	100.3	102.6	102.6	103.0	105.4	102.6
1964	101.3	118.9	98.3	111.6	101.4	100.5	99.8	101.7	102.0	99.1
1965	107.8	153.7	107.4	139.1	111.9	110.1	103.9	101.6	106.0	108.4
1966	117.0	134.0	113.9	122.5	125.2	122.0	110.9	108.1	115.9	115.1
1967	116.0	115.0	111.0	111.5	125.3	123.0	109.5	106.9	113.8	111.6
1968 - January ..	112.6	121.4	110.5	115.2	124.0	121.0	105.3	101.4	107.5	113.1
February ..	112.4	111.2	109.4	111.5	123.3	121.1	105.0	101.7	107.0	113.6
March	112.2	111.2	110.0	112.7	123.6	120.0	105.2	101.2	107.2	114.6
April	112.2	112.5	109.3	108.1	123.4	120.1	105.1	101.4	107.8	115.1
May	113.1	131.8	110.6	115.5	123.2	120.7	106.3	102.1	109.0	114.4
June	114.5	136.5	110.9	119.8	124.1	122.5	107.3	102.6	110.9	115.8
July	116.2	136.6	111.6	132.5	127.9	124.4	108.1	103.2	111.9	117.8
August ...	114.9	143.8	118.9	128.3	127.0	125.4	105.3	98.3	110.9	117.3
September ..	115.9	126.0	119.4	118.6	129.9	128.9	105.6	96.9	110.8	119.8
October ..	113.2	113.3	116.3	115.5	126.0	125.9	103.9	94.5	108.7	119.4
November ..	113.4	114.2	117.0	116.1	131.5	127.1	101.7	92.0	107.3	120.7
December ..	113.5	114.8	118.4	115.1	131.0	127.5	101.8	91.3	108.0	122.4
AVERAGE ..	113.7	122.8	113.5	117.4	126.2	123.7	105.0	98.9	108.9	117.0
1969 - January ..	112.3	116.8	116.6	114.5	129.6	125.7	100.2	91.3	106.1	121.3
February ..	112.4	115.6	116.4	114.1	130.2	125.2	100.0	91.6	107.1	122.0
March	112.3	114.8	116.0	110.7	128.8	125.4	100.2	91.4	107.7	121.7
April	113.9	114.4	116.8	111.1	128.5	127.6	102.9	93.3	109.2	122.4
May	117.1	123.4	118.6	116.0	131.3	128.8	104.5	96.5	116.8	123.6
June	119.1	120.5	121.1	114.8	131.4	134.1	107.3	96.9	117.4	124.9
July	119.5	121.8	121.2	120.2	132.7	135.5	106.1	97.6	116.1	123.7
August ...	114.6	141.9	122.8	123.7	131.0	129.8	101.5	90.2	109.7	122.5

(1) Excludes Newfoundland.

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