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# INDEX OF <br> FARM PRODUCTION 1953 



INDEX NUMBERS OF FHYSICAL VOLUME OF AGRICULTURAL PRODUCTION I/
The index of physical volume of agricultural production in Canada for 1953 is estimated at 155.0 ( $1935-39=100$ ). This figure is the third highest recorded since 1935 and is exceeded only by the estimate of 164.2 for 1942 and the all-time high of 165.2 established in 1952.

The drop of approximately 10 points in the index from 1952 to 1953 was largely attributable to smaller grain crops and a decline in the output of live stock. To a lesser degree, reduced production of sugar beets, fruits, tobacco, vegetables and maple products also contributed to the decline. Offsetting this to some extent were the gains in production recorded for potatoes, dairy products, and poultry and egge.

On a provincial basis, declines occurred only in the three Prairie Provinces where the output of wheat and barley in 1953 was somewhat below the record-shattering production of 1952. This, together with smaller total live-stock production in Manitoba and Saskatchewan, contributed largely to the feclines which ranged from nearly 10 per cent in Alberta to 20 per cent in Manitoba. Virtually no change was recorded for the index of production for Prince Edward Island and Nova Scotia. For the reraining provinces gains ranged from about 2 per cent in British Columbia to nearly 11 per cent in New Brunswick. In the latter province, the gain in production was due in large part to a substantial increase in potato production.

In constructing the index, no consideration is numally given to chanees occurring in the quality of production from your to year; it is generally assumed that the influence of this factor is negligible. Ilowever, when axtremely low quality is associated with an item as important to the index as the weste rn grain crop, it is felt that its effect on the index merited some consideration. Consequently, for the year 1950, when frost and wet weather reduced quality significantly, and for 1951 when adverse weather conditions again provide low grades, some attempt has been made to measure the extent to which quality considerations would reduce the index. Although available data did not permit a thorough study, there is evidence to indicate that these considerations would reduce the index for Canada in 1950 by about 3 points. Provincially the reductions would be nil for Manitoba, nearly 13 points for saskatchewan, and about 2 points for Alberta. For 1951 the downward adjustments would be of the order of 3.5 points for Canada, 2 for Manitoba, 8.5 for Saskatchewan, and about 8.5 for Alberts.

In construction of the index, provision was made to avoid the double-counting of farm production. Within a province, such double-counting, could occur when feed grains, credited to field crop production, are fed to live stock and appear later as live stock and live-stock products. Interprovincially, this duplication could occur when feed grains produced in one province are fed in another and when fueder cattle raised in one section of the country are shipped to another for finishing.

The base period used was the five-year period 1935 to 1939. This base was chosen in order that the index of physical volume of agricultural production would be directly comparable with the other Bureau indexes which are constructed on the same base. The formula used was the fixed base welghted aggregative. The commodities included in the index are the major items of agricultural production which are sold through commercial channels (ex. interfarm transfers) and / or consumed in farm homes. Omitted for the most part, are comodities which are used almost entirely as feed for live stock and those relatively insignificant products for which there is little reliable information regarding production and prices.

INDEX NUMBERS OF PHYSICAL VOLUNE OF AGRICULTURAL PRODUCTION - CANADA 1/ BY PROVINCES 1935-1953
$(1935-39=100)$



