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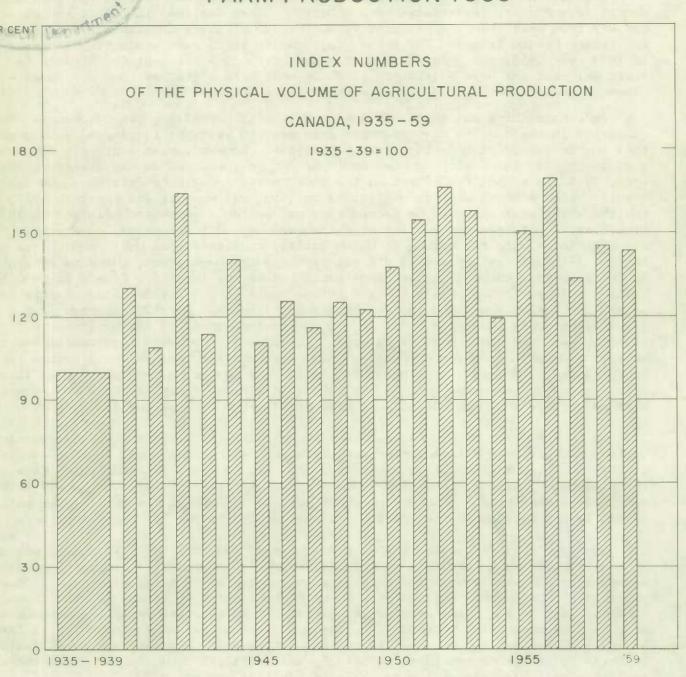


## DOMINION BUREAU OF STATISTICS

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## INDEX OF FARM PRODUCTION 1959



Prepared in Farm Finance Section, AGRICULTURE DIVISION

## INDEX NUMBERS OF PHYSICAL VOLUME OF AGRICULTURAL PRODUCTION, 19591/

Canada's index of physical volume of agricultural production is estimated at 143.6 (1935-39 = 100) for the year 1959, slightly below the revised index of 145.1 for 1958. The 1959 estimate is almost identical with the five-year average (1954-58) of 143.7, but is well below the record high of 169.5 established in 1956. Although some production increases were recorded for such important items as grains, livestock and dairy products in 1959 over 1958, they were not large enough to completely offset the declines estimated for most of the remaining agricultural products.

A reduction in agricultural production was recorded for each of the provinces except Nova Scotia, Saskatchewan and Alberta. These declines in output ranged all the way from less than one per cent for Quebec to slightly more than 12 per cent for Prince Edward Island. For those provinces in which farm production increased in 1959 over 1958, the gains in output ranged from five per cent for Alberta to seven per cent for Nova Scotia and slightly more than eight per cent for Saskatchewan.

In constructing the index, no consideration is normally given to changes occurring in the quality of production from year to year; it is generally assumed that the influence of this factor is negligible. However, when extremely low quality is associated with an item as important to the index as the western wheat crop, it is felt that its effect on the index merits some consideration. Consequently, when adverse weather conditions in 1950, wet weather and frost in 1951, and the worst rust epidemic on record plus unfavourable weather conditions in 1954 significantly reduced the quality of the wheat crop in those years, some attempt was 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 Alberta. For 1954 the downward adjustments would be approximately 3 points for Canada, about 3 points for Manitoba, 8.5 points for Saskatchewan, and nearly 5 points for Alberta. It should be emphasized that these adjustments have not been made to the published indexes; they are merely presented here as a guide to those who wish to make adjustments for the quality factor.

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 livestock and appear later as livestock and livestock products. Interprovincially, this duplication could occur when feed grains produced in one province are fed in another and when feeder 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 weighted 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 commodities which are used almost entirely as feed for livestock and those relatively insignificant products for which there is little reliable information regarding production and prices.

INDEX NUMBERS OF PHYSICAL VOLUME OF AGRICULTURAL PRODUCTION - CANADA 1/ BY PROVINCES 1940-1959

(1935-39 = 100)

	P.E.I.	N.S.	N.B.	Que.	Ont.	Man.	Sask.	Alta.	B.C.	CANADA
1940	103.9	90.2	108.2	111.8	103.8	134.9	165.2	151.9	115.5	130.1
941	90.6	91.3	101.9	108.2	107.9	133.9	110.1	100.9	113.4	109.1
1942	121.9	88.5	104.0	121.7	125.0	174.2	247.8	184.2	99.9	164.2
943	102.7	89.6	133.2	112.3	89.4	152.2	138.1	104.6	114.7	113.7
944	119.2	107.3	136.8	131.1	114.0	145.1	196.4	125.1	140.0	140.4
945	121.3	80.7	106.7	100.7	107.6	116.8	129.3	97.6	131.1	110.9
946	123.6	100.3	119.6	112.2	117.6	139.1	138.7	122.7	151.9	125.6
947	128.9	86.7	119.0	102.6	107.7	122.1	128.2	115.8	146.4	116.0
948	133.3	91.8	124.3	121.6	119.0	143.8	131.8	118.5	143.7	125.1
949	158.8	105.1	145.8	126.4	124.9	125.7	128.1	98.1	148.7	122.3
950	148.2	105.2	140.2	136.3	128.1	137.8	168.3	121.8	134.2	137.8
951	119.5	87.7	110.4	139.0	128.6	146.4	218.1	157.1	126.9	154.7
952	142.3	80.6	109.4	124.7	119.6	164.6	267.4	174.8	133.3	166.2
953	142.8	80.6	121.6	132.9	129.5	131.3	237.5	158.6	136.3	157.9
954	150.3	88.7	114.1	129.8	129.1	102.1	108.8	119.4	131.4	119.7
955	150.0	93.3	135.9	143.8	129.6	127.3	210.8	141.2	131.2	150.4
956	139.6	94.5	127.5	138.4	137.5	171.5	251.4	168.7	127.8	169.5
957	161.8	93.6	126.7	132.9	142.7	126.1	141.1	118.8	143.7	133.9
958	154.8	88.6	118.2	139.2	159.6	157.7	143.6	131.7	145.7	145.1
959	135.7	94.7	112.2	138.7	145.4	148.4	155.4	138.2	143.3	143.6

<sup>1/</sup> Excludes Newfoundland.

<sup>2/</sup> See opposite page, paragraph 3.

