

Balance sheet of the agricultural sector, December 31, 2017

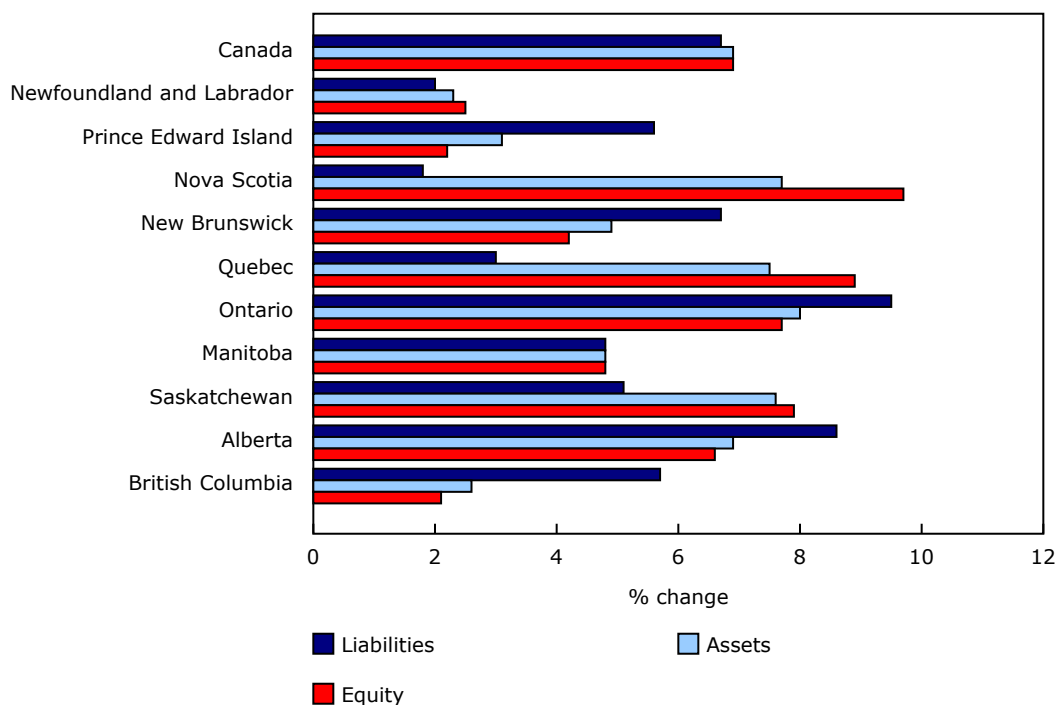
Released at 8:30 a.m. Eastern time in *The Daily*, Wednesday, June 20, 2018

Farm equity in Canada rose \$34.6 billion from 2016 to \$535.3 billion as of December 31, 2017. The 6.9% increase in equity follows a 4.6% gain in 2016. Farm asset values rose at a similar pace to farm liabilities.

Farm equity value increased in every province from 2016 to 2017.

Chart 1

Year-to-year change in total liabilities, total assets and equity, Canada, 2016 to 2017



Source(s): Table 32-10-0056-01.

Real estate values continue to drive farm asset values

The value of farm assets increased 6.9% to \$632.2 billion in 2017. Real estate values continued to drive the increase in farm asset values, rising 7.8% to \$480.1 billion. Farm real estate now accounts for over three-quarters of total farm asset value. The strength of the increases in farm real estate has moderated since the double-digit percentage gains from 2012 to 2014.

Inventory values increase

The total value of Canadian farm inventories of crops, inputs, poultry and livestock (including breeding livestock) increased 6.0% from 2016 to \$47.3 billion, contributing to the increase in farm asset values. This was the first increase in inventory value since 2014.



Market livestock and poultry inventory values rose 7.2% to \$8.7 billion due to higher prices for calves (+6.4%) and steers (+5.2%). Breeding livestock inventory value increased 5.2% to \$13.0 billion on higher prices for beef cows (+4.8%) and milk cows (+4.1%) since January 2017.

The value of crop inventories rose 6.7% to \$19.8 billion in 2017. Higher year-end stocks of canola (+9.5%) and soybeans (+44.0%) followed increased canola (+6.7%) and soybean (+17.0%) production from 2016 to 2017. Canola and soybeans accounted for 86.5% of the year-over-year increase in crop inventory value and 39.8% of the total value of crop inventories in 2017.

Farm debt increases at a greater pace than receipts

The value of total liabilities increased 6.7% to \$96.9 billion in 2017. The debt-to-asset ratio was 15.3% in 2017, just over the five-year average of 15.2%.

Note to readers

The balance sheet of the agricultural sector provides the value of farm assets used to produce agricultural products, the liabilities associated with these assets and the farm sector equity as of December 31 for Canada and the provinces.

Assets and liabilities in the agriculture sector's balance sheet include those of farm businesses and non-operator landlords (for farm real estate assets leased to farm operators and the corresponding liabilities) and exclude the personal portion of farm households. This most closely reflects the assets and liabilities used in the production of agricultural products.

The balance sheet of the agricultural sector integrates data already produced by Statistics Canada, such as farm debt, value of farm capital, livestock and crop estimates, farm product prices and selected data from the Farm Financial Survey. These data are subject to revision.

Available tables: table [32-10-0056-01](#).

Definitions, data sources and methods: survey number [5029](#).

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca) or Media Relations (613-951-4636; STATCAN.mediahotline-ligneinfomedias.STATCAN@canada.ca).