

2003 Farm Financial Survey

Highlights

Farm Income and Adaptation Policy Directorate

Strategic Policy Branch

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Agriculture and
Agri-Food Canada

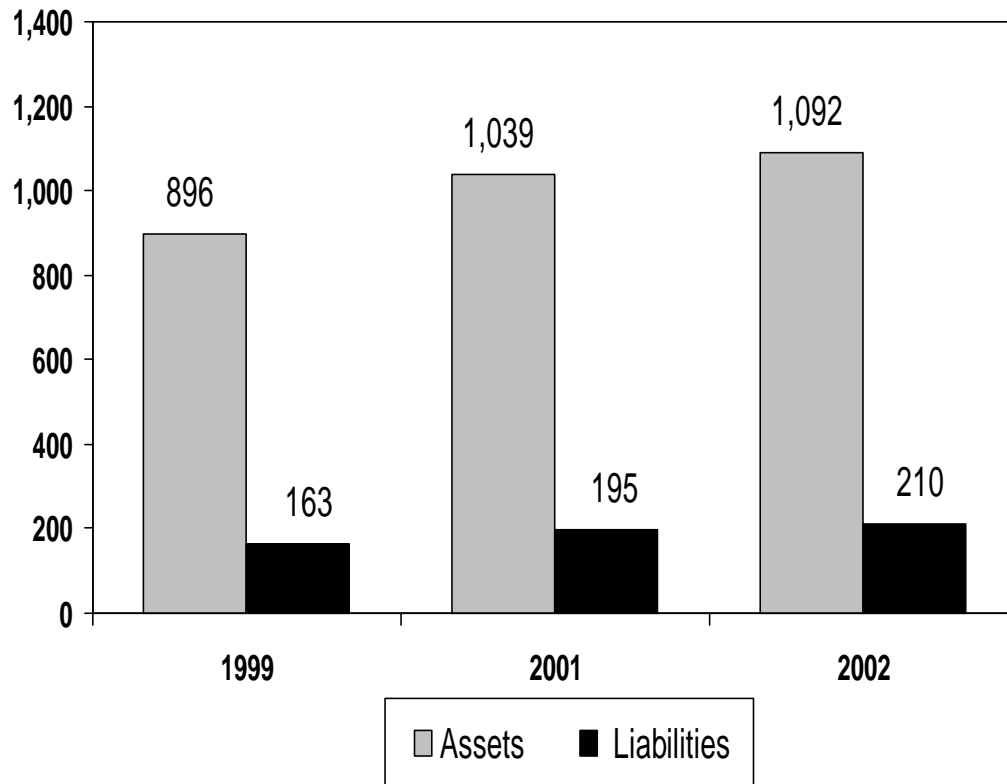
Agriculture et
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Introduction

- 23 The 2003 Farm Financial Survey was conducted by Statistics Canada and was funded by Agriculture and Agri-food Canada .
- 23 The results are based on a sample of 18,000 farms with gross revenue of over \$10,000 from all provinces and farm types.
- 23 The survey was first done in 1981 and has been done biannually since 1988.
- 23 Highlights of the survey are now being released and in January detailed results will be available in a publication on the INTERNET.

Average Farm Assets and Liabilities per farm, Canada 1999, 2001 & 2002

Thousands of \$



Average farm assets have shown a consistent increase since 1999.

? Average farm assets were \$ 1,092,000 in 2002.

? Assets increased 5% from 2001.

Average farm liabilities in 2002 were up from 2001.

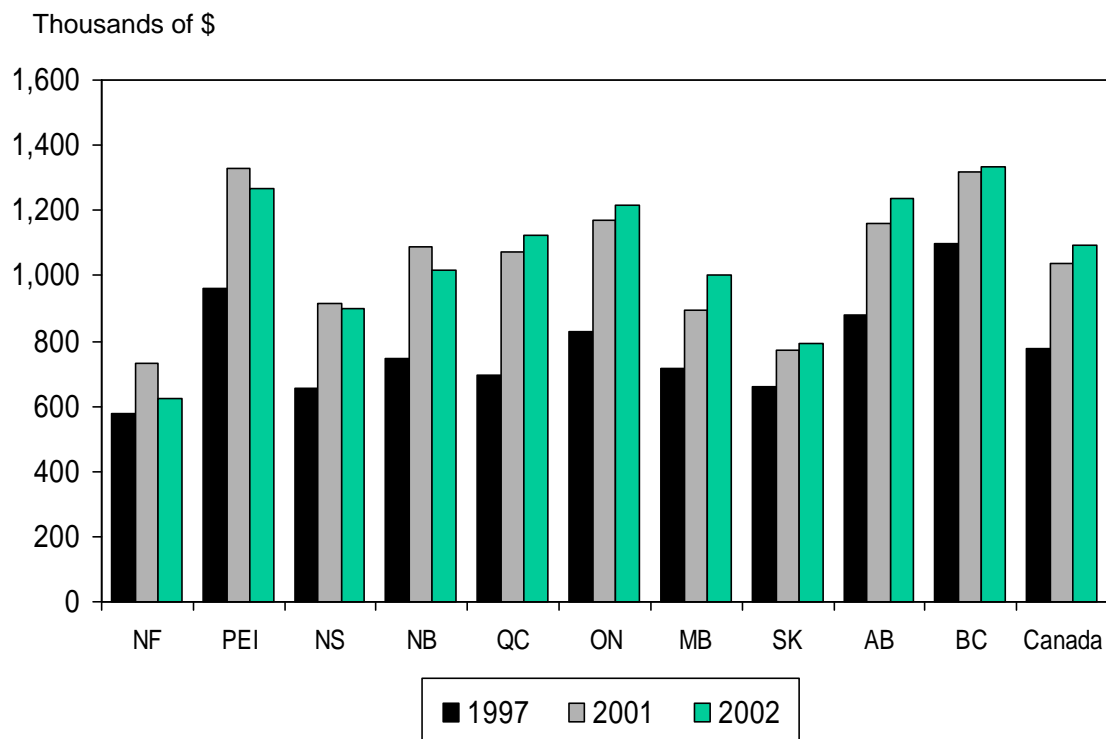
? Average farm liabilities were \$210,550 in 2002.

? Liabilities were up 7.5% from 2001.

Debt as a percent of assets was 19% in 2002-essentially unchanged from 2001.

Source: Statistics Canada - Farm Financial Surveys

Average Assets per farm by Province 1999, 2001 & 2002



Assets increased from Quebec west in 2002.

? British Columbia at \$ 1,336,000 had the highest average assets in 2002.

? Manitoba reported the highest percentage increase in assets of 12% in 2002.

? Saskatchewan showed a modest increase in asset values of 2.5%.

? The average farm had assets of over \$1,000,000 in each of the provinces has except for Newfoundland, Nova Scotia and Saskatchewan.

Assets decreased in the Atlantic region in 2002.

? Newfoundland showed a 14% decrease in assets in 2002 compared to 2001.

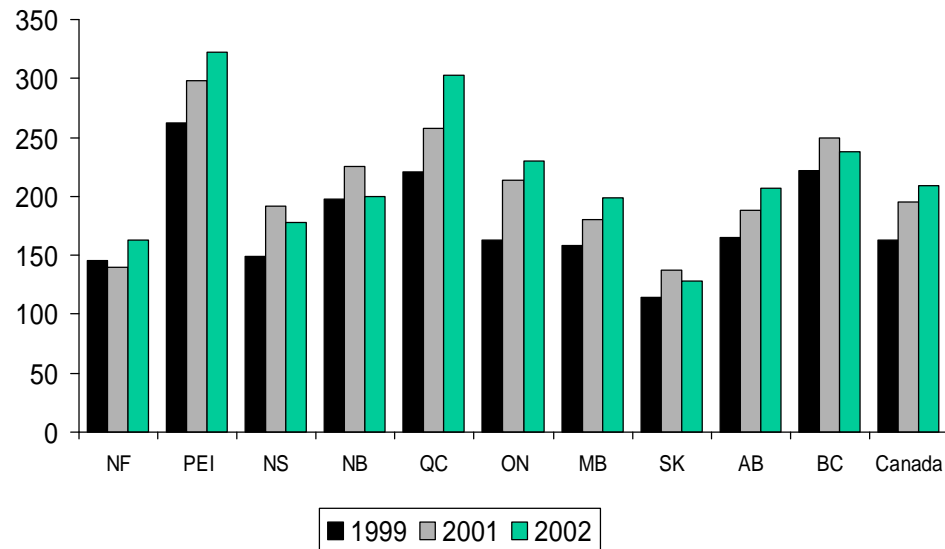
? PEI had a 5% decrease while New Brunswick had a 7% decrease.

? Nova Scotia had a modest decrease of 2% in asset values.

Source: Statistics Canada - Farm Financial Surveys

Average Liabilities per farm by Province 1999, 2001 & 2002

Thousands of \$



Average debt increased for Canadian farms.

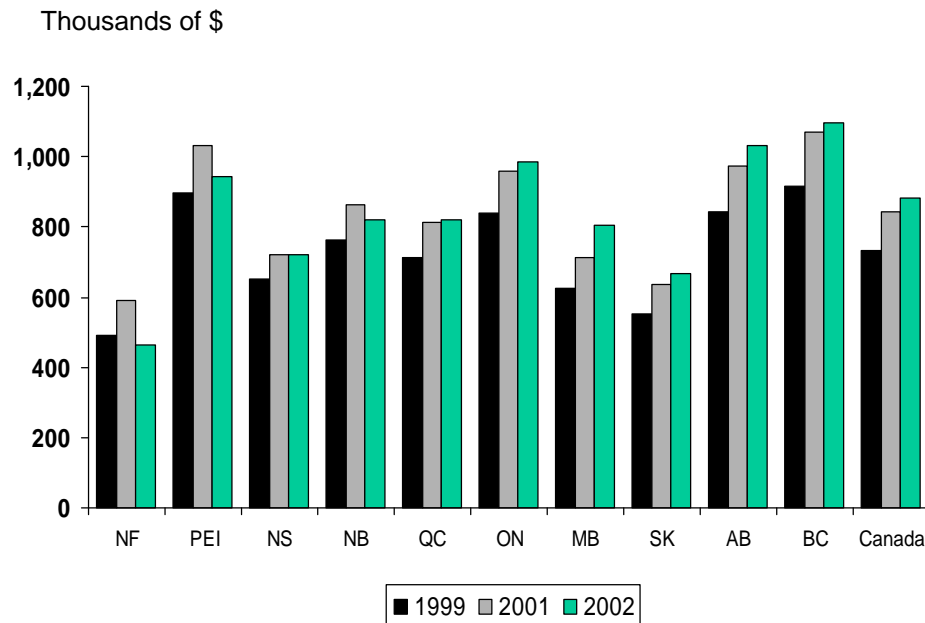
- ? Average liabilities in Canada was \$209,600 in 2002.
- ? Average liabilities increased 7.5% from 2001.

Liabilities varied among provinces in 2002.

- ? Prince Edward Island had the highest liabilities per farm at \$322,000.
- ? Quebec reported the largest increase in debts with a 17% increase from 2001 levels.
- ? Saskatchewan had the lowest liabilities per farm at \$128,200.

Source: Statistics Canada - Farm Financial Surveys

Average Net Worth per farm by Province 1999, 2001 & 2002



Average net worth has increased for Canadian farms.

- ? Average net worth was \$882,000 in 2002.
- ? The net worth increased 4.5% from 2001.

Net worth varied among provinces in 2002.

- ? The average farm in British Columbia and Alberta now has a net worth in excess of \$1,000,000.
- ? Ontario has an average net worth of \$985,900 per farm.
- ? Newfoundland and Saskatchewan had the lowest net worth in 2002 at \$463,000 and \$665,000 respectively.

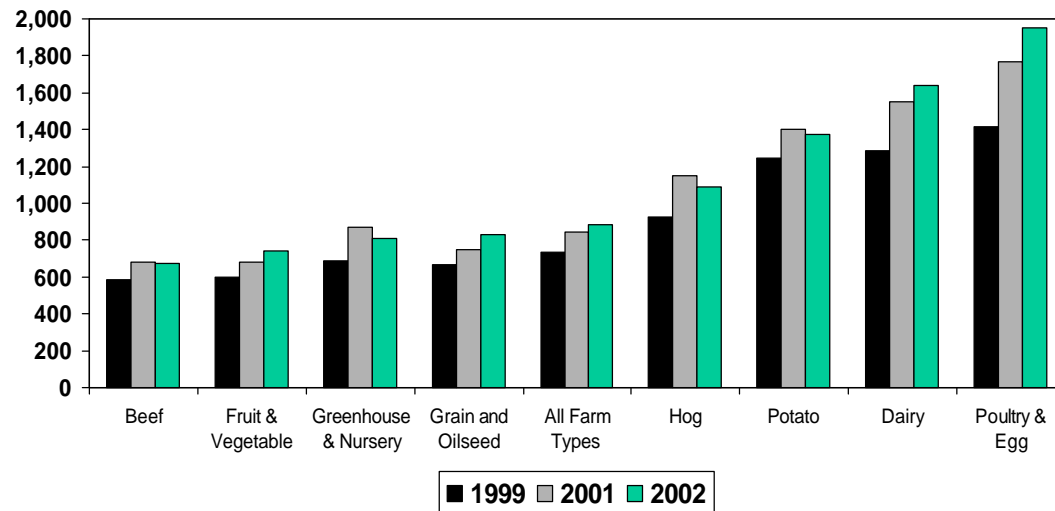
All provinces except for the Atlantic region showed an increase in net worth from 2001-2002.

- ? The decrease in Nova Scotia was less than \$1,000.

Source: Statistics Canada - Farm Financial Surveys

Average Net Worth per farm by Farm Type 1999, 2001 & 2002

Thousands of \$



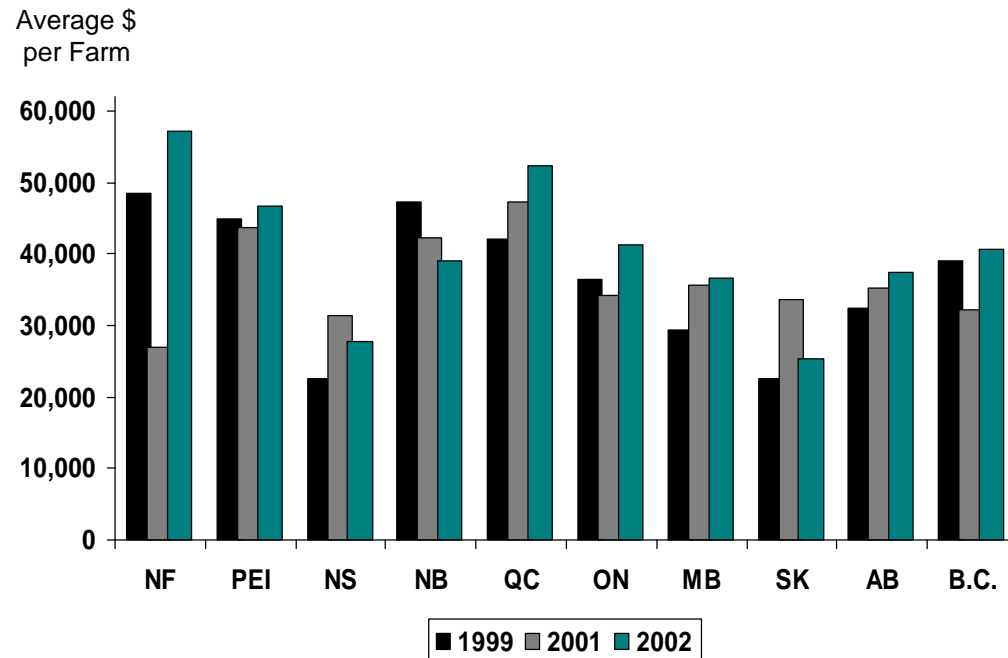
✍ Poultry and egg farms had the highest net worth in 2002 at \$1,952,800.

✍ Dairy farms and potato farms also had a high net worth at \$1,636,900 and \$1,376,900, respectively.

✍ Hog farms also reported an average net worth in excess of \$1,000,000.

✍ Beef farms had the lowest net worth at \$675,700.

Average Net Capital Investment by Province 1999, 2001 & 2002

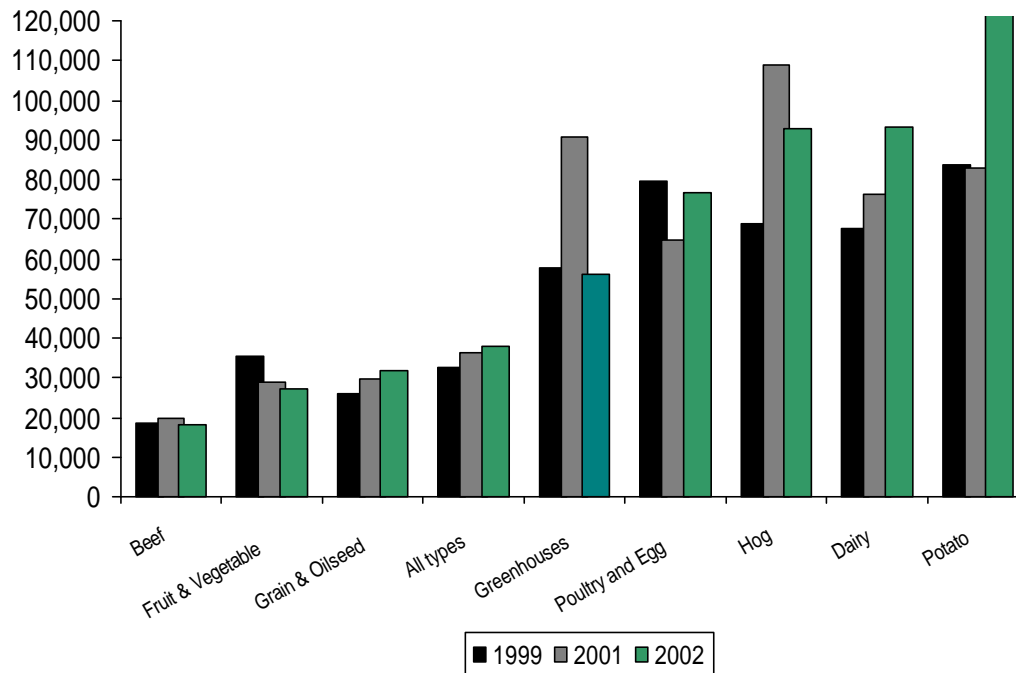


- ✍ Quebec and Newfoundland had the highest net capital investment in 2003 at \$52,300 and \$57,300 respectively.
- ✍ PEI, Ontario and B.C showed net investment in excess of \$40,000.
- ✍ Saskatchewan showed the lowest net capital investment in 2002 at \$25,300.

Source: Statistics Canada - Farm Financial Surveys

Average Net Capital Investment by Farm Type 1999, 2001 & 2002

Average \$
per Farm



✎ The average net capital investment of all farm types was \$37,800 in 2002 increasing from \$ 36,300 in 2001.

✎ Investment varied significantly between farm types.

? Potato farms had the highest net capital investment in 2002 at \$122,900 which is over 3 times the Canadian average.

? Hog farms although down from the \$108,850 in net capital investment reported in 2001 are still very high at an average of \$93,000 per farm in 2002.

✎ Beef farms had the lowest net capital investment at \$18,200.

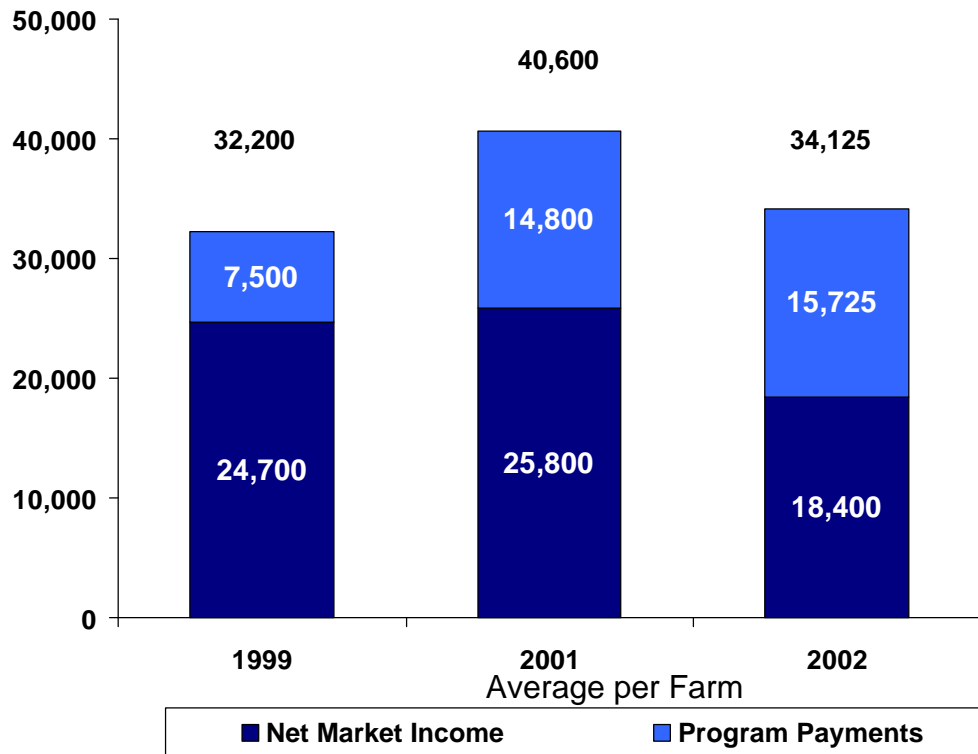
✎ Grain farms at \$31,650 were below the nation average of \$37,800. However the national averaged was skewed somewhat by the large investment of potato and hog farms.

Source: Statistics Canada - Farm Financial Surveys

Average Net Operating Income per Farm, Canada, 1999, 2001 & 2002



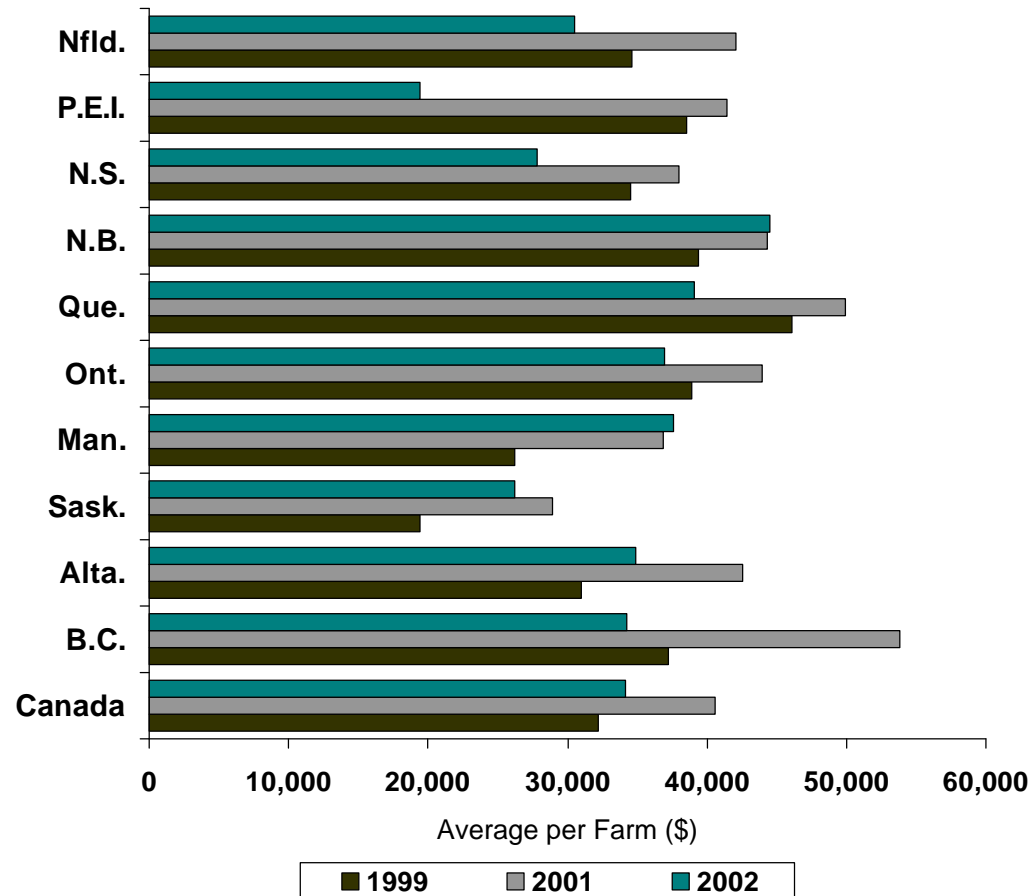
Average \$
per Farm



- Net operating income decreased by 16% between 2001 and 2002.
- Program payments (excluding NISA) more than doubled between 1999 and 2002.
- Program payments in 2002 were 2.4% higher than in 2001.
- Net market income at \$18,400 is 29% less than the \$25,800 for 2001.

Source: Statistics Canada - Farm Financial Surveys

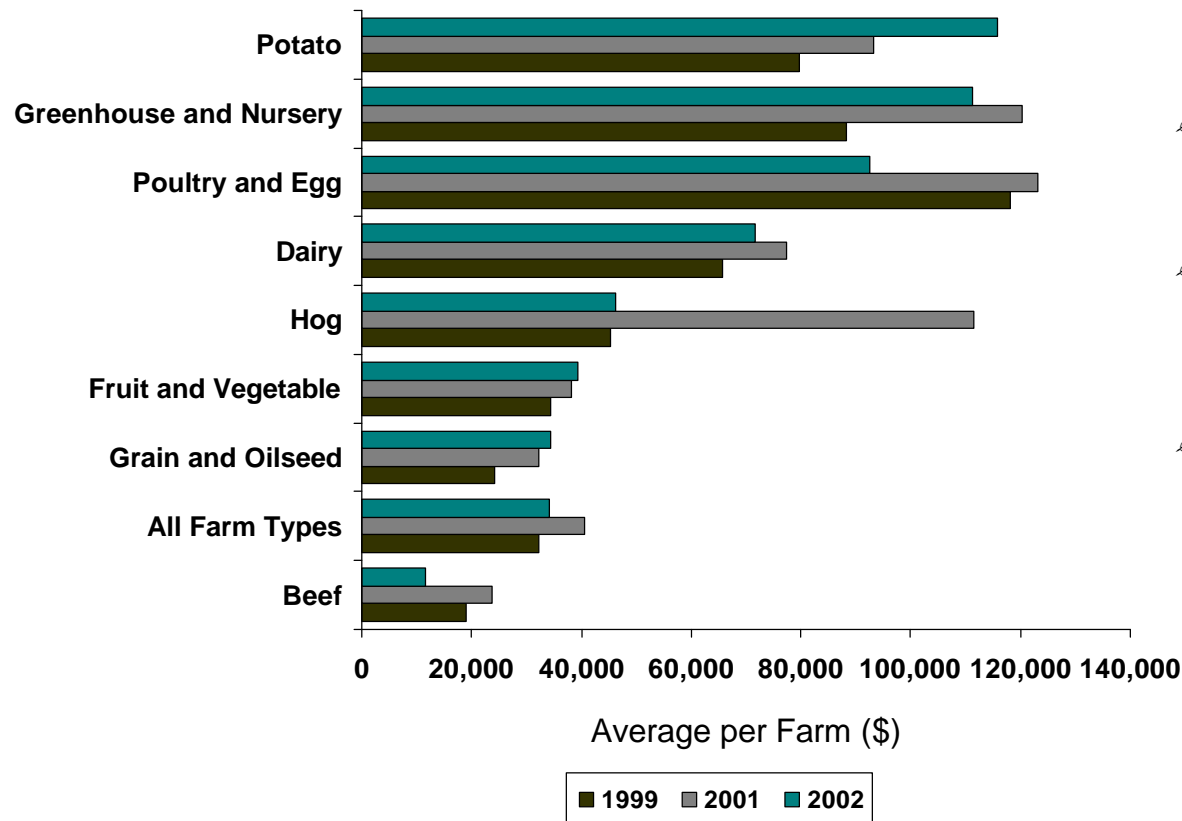
Average Net Operating Income per Farm, by Province, 1999, 2001 & 2002



- All provinces are reporting lower average net cash income except for New Brunswick and Manitoba.
- Manitoba is reporting a 2% increase in net cash income while New Brunswick was essentially unchanged.
- New Brunswick has the highest average net cash income at \$44,450.
- Prince Edward Island reported the lowest average net cash income at \$19,400

Source: Statistics Canada - Farm Financial Surveys

Average Net Operating Income per Farm, by Farm Type, 1999, 2001 & 2002



✍ Potato and Greenhouses reported the highest net cash farm income at \$115,900 and \$111,300 respectively.

✍ Hog farms reported a decline in net income from a record high in 2001. Their net income of \$46,250 compares favorably with the \$45,400 reported in 1999.

✍ Grain and Oilseed farms reported an increase of 6.5% in net cash farm income between 2002 and 2001.

Source: Statistics Canada - Farm Financial Surveys