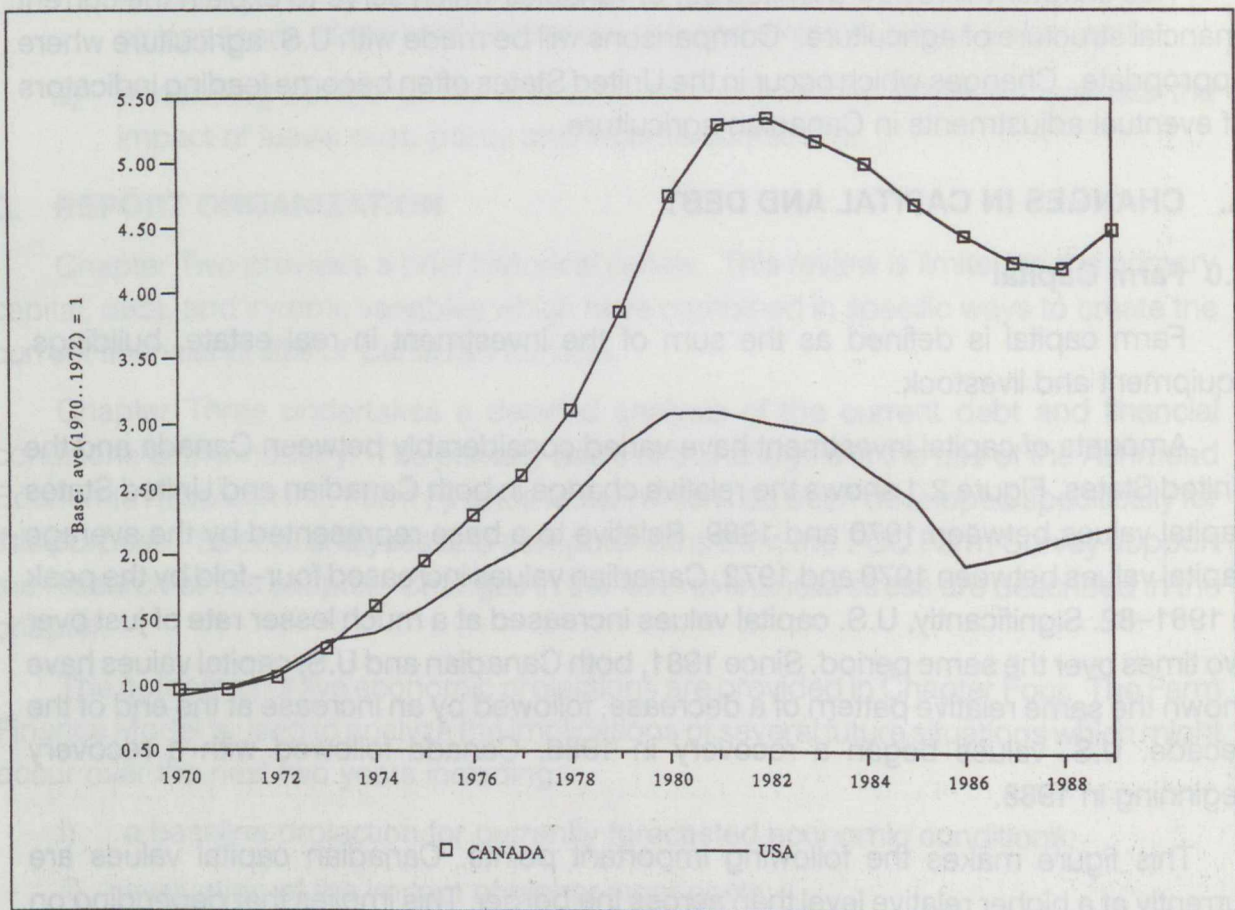


annual rate of nearly 14 percent between 1971 and 1982². After a downturn for the next six years in essentially all provinces, land values in Canada, led by Ontario, increased in value between 1988 and 1990.

In summary, Canadian agriculture has become more capital intensive than the United States over the past twenty years. A significant reason for this capital intensification is the rate of appreciation in farm real estate values.

Figure 2.1
Relative Changes in Total Capital Values, Canada and the United States,
1970 - 1989



Source: Statistics Canada & U.S. Department of Agriculture, Economic Research Service

² Farm Credit Corporation, *Farm Credit Statistics*, various issues.