

acres per farm, with Saskatchewan having the largest farms in Canada, at 1,036 acres on average.

The Census of Agriculture also reveals that the proportion of farmers under age 35 rose from 15% of the total in 1971 to 21% in 1981, declining to 19% in 1986. Farmers aged 55 and over made up 34% of the total in 1986; this was, strikingly, the highest proportion in over 30 years.

It should be noted that 99% of all farming operations in Canada have a family structure; that is, both equity and operational decisions are controlled by members of one family. Such farms were responsible for 94.6% of gross farm sales in 1986. Coincident with the declining number of farms and the increasing average age of farmers are more specialized farming operations that depend largely on borrowed capital.

The census data show that Canadian farming, and consequently the Canadian family farm, is a dynamic sector that must adjust to continual change. In this regard, the current financial crisis in farming has already put increased pressure on many farmers and has demanded rapid adaptation; for example, farmers and their families have decreased their expenditures and increased the proportion of their incomes from non-farm sources. Although these measures may be only transitional, they have transformed the socio-economic environment of the family farm. Important consequences of the present crisis are being felt where people are entering or leaving farming. Financial difficulties are forcing non-viable farmers into early retirement; among these, analysts have identified some farmers who started production in the 1970s but whose efforts to establish themselves have been hampered by economic conditions. Some older farmers who have not experienced any major problems but who have seen the value of their farm assets continue to decline for more than five years have been prompted to postpone their retirement. Paradoxically, although the value of farm assets has depreciated dramatically and interest rates have remained relatively low, the current uncertain agricultural markets discourage people from becoming farmers. The combined impact of these factors suggests that the farm financing crisis of the 1980s may accelerate change and accentuate the need for adjustment which characterized past cycles within the industry. The farm population will tend to be older; entry into agriculture will be more difficult; the transfer of farms will be accompanied by a lack of confidence on the part of the younger generation; and the size of farms will continue to increase.

The family farm has already experienced similar transitions and, given its ability to adapt, will likely maintain its dominant position in the farming sector in Canada.