Chapter III

The Family Farm in the Year 2000

All forecasting, especially for the long term, is subject to a high degree of error. The Committee, however, recognizes the importance of the expectations held by various parties with an interest in agriculture, and will therefore present, in two scenarios, the visions of the family farm in the year 2000 presented by witnesses.

A. Scenario 1: Current Trends

The current crisis in farm financing is having a major impact on the agricultural industry, and will continue to do so. It is not surprising, then, that most Canadian farmers see this crisis as a phenomenon that will characterize farming for many years to come.

After the rapid expansion in the industry in the 1970s, changing agricultural markets in the early 1980s triggered a process of transition that has affected all Canadian farmers, and primarily grain producers. The history of farming in Canada shows other transitional periods, but the severity of the current situation has increased uncertainty about the future of the family farm.

The most recent farm census shows that there were 293,089 farms in Canada in 1986, a decline of 8% from 1981. In fact, the number of farms has been steadily decreasing since 1941, when it stood at 732,832. The number of farms decreased by 16% between 1956 and 1961, by 10% between 1961 and 1966, and by 15% from 1966 to 1971. However, for the three five-year periods from 1971 to 1986, the rates of decline were less: 8%, 6% and 8%, respectively. Farm attrition is not uniform across Canada; the East has been losing farms at a faster rate than the West, with Nova Scotia showing the largest loss in 1986, down 15% from 1981. For the same period Alberta had a loss of only 0.5%.

By contrast, average farm acreage has been increasing in inverse proportion to the number of farms. In fact, it climbed steadily after 1921, and by 1986 it had reached 572