

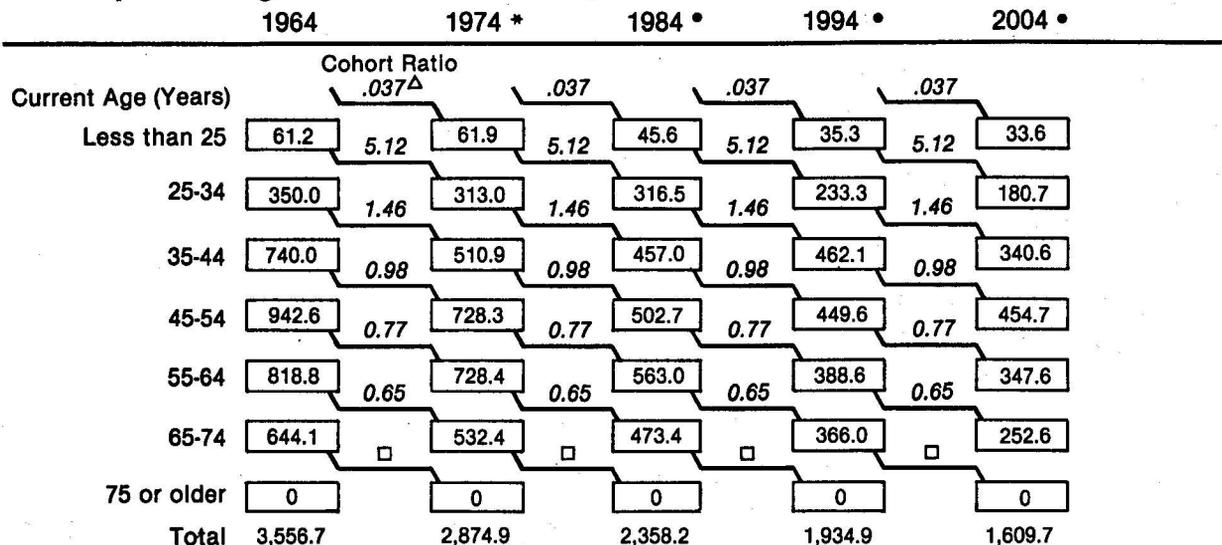
## Sales Distribution

Following the same procedure, the numbers of farm operators by sales class and acreage can be projected based on the age cohort ratios presented in tables 30 and 31. The entry rates are higher for the larger size groups as indicated by the larger cohort ratios. On the other hand, the ratios are higher for the smaller classes than the mid-classes, suggesting a real possibility of a bimodal distribution of the number of farms in the future. Also, the retention rates for older operators are higher in the larger and smallest size classes.

Of the projected 1.7 million farms in 2004, large farms (sales of at least \$100,000) will account for about 38 percent, an increase from 5 percent in 1974. By contrast, small farms (sales of less than \$20,000) will account for 49 percent, down from 72 percent in 1974 (table 32). However, part of the increase in the percentage of large farms is due to the anticipated price inflation. When sales receipts are expressed in 1964 price levels, the proportion reduces to only 9 percent. The number of farms reduces from the projected 620,000 to 129,300 in 2004 (table 33).

Figure 10

### Farm Operator Age Cohort Movements, 10 Year Periods



\* Data rounded after calculations.

$\Delta$  The ratio is defined as all new entrants under 25 years divided by the number of operators who, 10 years earlier, were 35-54 years old (see text for more detail).

□ Assume all exits by age 75.

• 1984, 1994, and 2004 are projections.

Numbers in boxes are in thousands.