

dispositions of family income, a sizeable proportion went into various forms of savings. These included bank savings and investments, life insurance premiums, and repayments of debts incurred during the survey year. This last item was considered as being saved from current income. Gross savings accounted for about 10 per cent of the average net income of wage-earner families, with amounts ranging between \$181 per family

in Ottawa and \$96 for Montreal families of foreign racial origin. However, balanced against these amounts were such debit items as loans and credit outstanding, sales of property, reductions in bank balances, trade-in allowances, etc. For more than one-third of survey families, debit items exceeded those of credit. Practically all the remainder ended the year with a net increase in credits. For survey families as a whole, there was a credit balance of approximately \$20.

The Quest for Income in Rural Cape Breton

By S. C. HUDSON AND J. N. LEWIS

THE struggle for existence under our modern economy results in a multiplicity of income patterns of varying degrees of complexity. The development of a new area is based on the exploitation of some natural resource and is directly or indirectly associated with agriculture. During these early stages of development the economy is usually one of almost complete self-sufficiency. Each household is an accumulation of inherited skills which enables it to feed, clothe and educate itself by the manipulation of its immediate environment.

As the advantages of the division of labour appear, individuals come to specialize in one skill or another, and perform that function for all other members of the community. The butcher, the baker, the shoemaker and the trader begin to appear as specialized occupations and an occupational pattern emerges in the community. The shift towards specialization, however, is not by any means uniform as between communities. While developed to a high

degree in large cities, the degree of specializations attainable in many rural communities is often limited by environment and available resources. Thus a study of the income pattern of a community and of the individuals making up that community may give a great deal of information regarding the potentialities of the particular area in question.

Cape Breton is one of the oldest settlements in Canada and as such its development is of great interest to the historian, the economist and the sociologist. Although visited from time to time by Spanish, Portuguese, French and English fishermen during the period following its discovery by John Cabot, little was done by way of settling Cape Breton until 1713 when the French established a military fort at Louisburg. Under the French the population of the island increased to 3,800 in 1738, the majority of whom were engaged in fishing, administrative or military pursuits. When permanently taken over by the English in 1757 the fort at Louisburg was destroyed and the French population entirely removed. Little real development occurred under the English regime until the beginning of the nineteenth century when, as a result of the enclosure laws and the introduction of sheep to the Highlands of Scotland, Cape Breton was

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The data upon which this article is based, were obtained in a survey of the economic and social status of Cape Breton County rural families, carried on by the Economics Division, Marketing Service, Dominion Department of Agriculture in co-operation with the Nova Scotia Department of Agriculture, and is part of a study of land utilization problems in Cape Breton County. The article is preliminary in nature. Additional details will be available as the work of analysis progresses.

settled by some 25,000 Scotch Highlanders who left a cultural inheritance which is still plainly visible.

With the introduction of improved technical methods of mining coal following 1826, a gradual trend towards urban development occurred. While the population of the island increased from 54,817 in 1851 to 132,581 in 1931, this increase was largely the result of the growth of towns and cities based on industrial activity. The rural population reached its highest point in 1891 and has since declined. Similarly a decrease of over 60 per cent in the number of farms and a falling off of improved acreage by over 70 per cent since the beginning of the 20th century, are all evidences of the industrialization of Cape Breton County.¹ The dependence of the urban area on agricultural supplies originating outside of Cape Breton County is shown by a

survey of a representative sample of rural Cape Breton families for the year 1938-39 indicated an average of 2.8 sources of cash income per family, some individual families having as many as 7 sources. Because of the numerous sources of income any occupational grouping of the families was very difficult. For purposes of this study a rough classification into primary or extractive, and secondary occupations was made on the basis of the proportion of the total income derived from sources falling into one or the other of these classes. Of the 241 families recorded, 125 fell into the primary group while 116 were classified as deriving their incomes mainly from secondary occupations. The percentage of the families obtaining revenue from each of the sources enumerated as well as the percentage of the total income derived from each source is shown in the accom-

The Occurrence of Various Sources of Income Among Cape Breton Rural Families Classified as to Type of Occupation and the Percentage of the Total Income Derived From Each Source.

Sources of Income	Per cent of families having source of income			Per cent of income derived from each source		
	Primary occupations	Secondary occupations	All families	Primary occupations	Secondary occupations	All families
	%	%	%	%	%	%
Farm Products.....	77.6	74.1	75.9	61.5	13.9	33.7
Forest Products.....	27.2	.6	17.0	5.4	.2	2.4
Fish.....	27.2	.8	17.0	12.1	.9	5.6
Mining and Steel.....	4.8	68.1	35.3	.5	54.8	32.2
Road work.....	48.0	.6	27.8	1.7	.3	.8
Other outside employment..	10.4	28.4	19.1	2.3	16.5	10.6
Miscellaneous.....	37.6	41.4	39.8	7.7	11.4	9.9
Pensions.....	16.0	.6	11.2	5.2	1.6	3.1
Contributions.....	16.0	.3	10.0	2.7	.2	1.2
Bonus and bounty.....	27.2	.6	17.0	.6	.1	.3
Relief.....	8.0	.4	6.2	.3	.1	.2

survey of the Sydney market conducted by the Dominion and Nova Scotia Departments of Agriculture in 1938. Results of this survey indicate that *less than 20 per cent of the farm produce consumed in the industrial area was produced within Cape Breton County.*²

Cape Breton County is characterized by a great diversity of occupations and a multiplicity of sources of income. A

panying table for all families as well as for those in the two occupational groups.

While all of the families surveyed had land available for agricultural production and thus obtained some non-cash benefits, only 76 per cent obtained cash revenue from the sale of farm products. By value, agricultural products constituted 34 per cent of the cash income for all families. Although in the primary group 61 per cent of the total income was from farm products, this source accounted for only 14 per cent of the income in the case of the secondary occupations.

(1) Census of Canada.

(2) An Economic Study of the Sydney Market for Farm Products, 1937. Economic Division, Department of Agriculture, Ottawa, in co-operation with the Nova Scotia Department of Agriculture.

For all families the second most common source of income was outside employment, 67 per cent having revenue from some kind of outside work. Employment in the mines or steel plant was reported by 35 per cent of those surveyed, revenue from this source accounting for 32 per cent of the income of the group as a whole some roadwork was done by 28 per cent of those surveyed but the revenue derived from this source amounted to less than 1 per cent of the total. Other outside employment such as trucking and periodic work in miscellaneous occupations³ was engaged in by 19 per cent of the families and accounted for 10 per cent of the revenue.

As might be expected income from mining and employment in the steel plant, being a specialized type of work, was confined largely to the secondary occupational group, while such periodic employment as road work was engaged into a greater extent by the primary group merely as a sideline.

A number of sources of income such as boarders, post offices and mail routes, and other odd jobs were grouped together as miscellaneous. Income was obtained from some of these sources by 40 per cent of all families and accounted for about 10 per cent of all receipts.

As indicated by the decrease in the number of farms during the past 30 years, Cape Breton has experienced a great migration of the younger people from the land. In this connection it was found that a substantial proportion of those living on farms at the present time are supported in part by government pensions or by contributions from relatives who left home some time ago to make their living elsewhere. These sources made up 8 per cent of the income of the primary group.

Income from forest products and fishing was confined almost entirely to the primary occupational group. Work in the woods is for the most part supplementary to farming operations, being fitted in during slack seasons when men and equipment are not otherwise engaged. Some 27 per cent of the heads of families

in the primary group derived income from forest products which amounted to about 5 per cent of the revenue of the group.

Fishing, on the other hand, is a more highly specialized occupation. Located as they are along the coast where the land is often rough and unproductive and isolation limits part-time industrial employment, fishermen in Cape Breton County are confined largely to fishing as their principal source of income. During the year 1938-39, 59 per cent of the fishermen's income was derived from fishing. Some roadwork was done by 70 per cent of the fishermen but since each obtained employment for only a short period on work of this kind, only 5 per cent of their income came from this source. Almost half of the fishermen interviewed sold some farm products although their value amounted to less than 4 per cent of all revenue. Seasonal employment at the Louisburg pier and other such work was obtained by about 23 per cent of the group thus augmenting their income by about 17 per cent. Government assistance in the form of bonuses based on their catch of cod and other shore fish together with bounties based on equipment used went to almost all fishermen and accounted for 3 per cent of their income. Similarly relief, while of minor importance in comparison with the total income, was received by some 28 per cent of all families engaged in fishing.

In addition to the cash income derived from the various sources discussed above, all of the families surveyed obtained certain non-cash benefits from living in the country which are reflected in a lower cash cost of living. These prerequisites include the use of a house together with farm products used as food and wood for fuel. The estimated value of prerequisites amounted to \$265 per family in the primary occupational group and \$239 in the secondary group. In both groups over 90 per cent of the families had the use of their house together with some farm produce for household use. Fuel was obtained from the farm by 74 per cent of the families in the primary group and 28 per cent of those in the secondary group.

(3) Includes carpentering, blacksmithing, plumbing, plastering, butchering, school teaching, fish canning and quarrying.