

If the governments try to meet these new charges by income taxes laid on already economically weak subjects, they will tend to offset whatever beneficial effects may arise from the development expenditures. In short, the taxable capacity of the Maritimes is gravely limited, and so also are therefore the revenue possibilities of the governments. The important new revenues of the last ten years have been secured partly from the Liquor Commissions, partly from taxation of corporations (particularly extra-Provincial corporations), and mainly from the increased gasoline taxes. But these cannot be expanded indefinitely. Too high gasoline taxes would hinder the tourist trade that the Maritimes are so anxious to develop, and economic re-

tardation limits the number of taxable corporations.

While the expenditure needs of the Maritimes tend to be comparatively great, their revenue possibilities are narrowly circumscribed. The rapid growth of debt in the last ten years (in Nova Scotia from \$35 million dollars in 1926 to 98 millions in 1937, and in New Brunswick from 34 millions to 76 millions in 1937), has been only slightly attributable to recent depression difficulties, and mainly to the fundamental long term disabilities under which these Provinces find themselves by reason of lack of resources, and incidence of national policies. New roads seemed to be a possible method of meeting the underlying difficulties.

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## The Trend of Rural Population in Nova Scotia

By A. B. BALCOM

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THE census returns for 1881 mark an important turning point in the story of rural life in this Province. Prior to that time a slow but fairly steady increase in rural population was taking place. But each census since that date records a steadily decreasing number of rural residents. By 1931 the number classified as rural was some one hundred thousand smaller than it was half a century earlier. In part this was merely a matter of classification, since the census lists as urban all who live in incorporated areas. Thus the number shown as rural residents was decreased as each new town was incorporated. This, however, was of minor significance. The fact remains that for more than half a century the rural population of this Province steadily decreased, whereas it should have doubled during that time from natural increase

alone. The total rural loss, therefore, can scarcely have been less than half a million people.

An estimate of the significance of these population trends requires an appreciation of the causes which occasioned them. The explanation of the earlier immigration is clear. The opportunities offered by the resources of this Province were sufficient to induce a goodly number to brave the hardships of pioneer life and settle in this land. The reasons for the more recent rural exodus, however, are not so obvious. The inducements to migrate were many. Greatest importance, however, must be attached to the far-reaching changes which the so-called Industrial Revolution effected in all phases of social life.

The influence of two aspects of these revolutionary occurrences on conditions in Nova Scotia during the period of this emigration is easily discernible. In agriculture the mechanization of farm process-

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es, the application of science to farming, improvements in transportation, etc., all of which tended to increase greatly the productivity of farm labor, also tended to decrease the proportion of the population engaged in agriculture, because the quantity of product the market would absorb profitably could be produced by a smaller number of farmers. A supplementary influence tending in the same direction was exerted by the substitution of factory-made products for things formerly produced in the homes or by rural craftsmen. This likewise tended to reduce the opportunities for getting a living which the rural community provided. Simultaneously the factory was acquiring a dominant place in industry. The growth of large-scale manufacturing with all its supplementary institutions, located in urban centers, presented a pressing invitation to the country youth to migrate to the cities and participate in the manifold opportunities which these new developments offered.

That all this has profoundly affected the life of Nova Scotia is beyond question. All forms of collective enterprise, whether by the state or by voluntary associations, have been more difficult than would have been the case could we have kept here in prosperity and contentment all those who have gone. In some sections the maintenance of such basic institutions as the highways, the school and the church has become an almost impossible burden. To the extent that the emigrants were the natural leaders, the biologically fit, the loss is incalculable.

But there is another side to the story. Migration occurred because the opportunities elsewhere proved more attractive than the opportunities at home. Had all remained here it would have been necessary to resort to poorer and poorer land with a constant downward pressure on rural standards of living. The rural exodus should be viewed as a much-to-be-regretted necessity.

The purpose of this article, however, is not to evaluate past occurrences, but to call attention to the fact that circum-

stances during the last few years have started a reverse trend. According to the estimates of the Dominion Bureau of Statistics, the rural population is now increasing—the exodus has been stopped.

The reasons for this sudden reversal are not difficult to ascertain. A major cause is the decreased demand for labor incident to the depression. This might lead one to assume that recovery will restore the old order. The fact is, however, that the extent to which industry will, in the future, be able to absorb a constantly increasing supply of labor is problematical.

This uncertainty as to the future of emigration is increased by a second major influence—the restrictive immigration policies of the United States, the country to which most of our immigrants went. While the limitation of Canadian immigration into that country since 1931 is due more to rigid enforcement of old regulations than to the imposition of new restrictions, the United States is now so definitely committed to a policy of preserving its labor market for its own citizens as to make it doubtful if the former ease and freedom of entrance is ever again restored to Canadians.

Only time can tell with certainty what the long-run trend will be, but if present tendencies shall prove to be permanent, our rural economy must be adapted to a steady increase in population of considerable dimensions, possibly reaching fifty thousand per decade. To accomplish this adjustment successfully will be no easy task. Both private effort and public policy must be directed towards discovering the best possible opportunities for applying additional labor, towards making this information available to all those seeking new opportunities, and towards inducing the most efficient exploitation of all our resources, native and acquired. But all this is most desirable whatever turn events may take in the future. Present tendencies merely make more emphatic and more urgent the development of constructive policy. There is no time to lose if serious consequences are to be averted.