

In the meantime the very successful powdered-coal installation has been made at the Seaboard Power Plant at Glace Bay, where two 7,500 K.W. turbines operating on steam at 750 degrees and 420 lbs. pressure, are fed from boilers using only refuse coal from the colliery picking belts, averaging over 20 per cent in ash content.

It may be conservatively stated that combustion practice in the East of Canada is modern in outlook and is developing along lines indicated by the character of the coals available. It may also be conceded after consideration of the facts reviewed in this summary of a very large set of questions, that there is no place as yet in our Canadian economy for plants

to produce "oil from coal". We actually possess in our large high-temperature coking and gas plants the equipment best suited to our conditions and capable of being quickly adapted to production of motor fuels, i.e., benzols—in the unlikely contingency of a shortage of petroleum products in North America.

The chief problem of the Canadian coal-producer and especially of the coal producer in Nova Scotia is to get coal to market at a cost competitive with imported coal. That is our real problem. Not the uses of coal, but how to get coal cheap enough to be able to get people to use it, is the line of research which is likely to be most profitable to all interested in Nova Scotia coal-mining, operators and workmen alike.

Economic Planning for Nova Scotia

By GEORGE V. HAYTHORNE

NOT many years ago anyone speaking on the subject of economic planning would have had to explain at some length his reasons for so doing. Unless he restricted the use of the term, as is rarely done, to apply only to planning done by individuals he would have had to answer the queries of those who would claim that any thought of planning in the field of economics constituted a serious interference with the existing organization of business, which it was thought, worked best when left completely alone. These questionings and doubts, today, are breaking down and more and more people are recognizing the importance of viewing economic problems on a wider scale, of taking stock of their economy as a whole to see what effect certain policies or lack of policies are having on the various groups in the country.

There have been several factors giving rise to this change of attitude on the part of people from a pre-occupation with those matters relating to how they make their own living to a wider interest in economic questions which confront the whole state.

An earlier interest in social problems affecting communities provided something of a basis for an interest in broader economic questions. Work in the fields of public hygiene, family welfare and education served as a background for this wider interest.

The recognition that the frontiers of settlement have been reached and that steps must be taken to conserve natural resources so that they will be of value for present and future generations has played an important part in bringing about the new emphasis. Until recently many young people left Nova Scotia annually to help open up sections in other parts of Canada. Today this is

EDITOR'S NOTE: The article is the shortened version of an address given before the Rural and Industrial Conference in Antigonish last August. Mr. Haythorne is Secretary of the Nova Scotia Economic Council.

largely a question of the past and young people must look more to the development of our own provincial resources.

The desire of countries, especially in Europe, to become politically powerful and economically self-sufficient has led to the drawing up of comprehensive plans for the development of their industries. A special five year economic plan was announced in Russia in 1928. Since then many other countries have followed suit. Results achieved by these plans have had an important bearing on efforts made in other countries to see that their own economic houses are in order. Besides, the threat of war has caused such countries as the United Kingdom and France to undertake broad policies designed to give an impetus to agriculture and other important industries.

The tendency towards the centralization of industry and the growth of large cartels, monopolies, trades unions and cooperatives have awakened a deeper interest in working out policies on a collective rather than on an individual basis. In a desire to control these developments and to ensure that their growth does not harm those industries in which there is no such centralization there has arisen a demand for investigation by public authorities of the practices and methods of such groups. Thus both directly and indirectly, as a result of this trend towards collectivism, an impetus has been given to economic planning on a broad scale.

But perhaps the most important factor in giving rise to a widening of the former somewhat narrow individualistic outlook was the economic depression beginning in September 1929. This depression, which was more serious than any previous depression greatly affected activities in many industries and left in its train a large army of unemployed persons. The presence of so many unemployed, who in Canada at one time numbered over seven hundred thousand, and the fact that the effects of the depression were by no means equally felt in all industries, or in all regions of Canada, meant that much more attention than ever before had to be

given to broader community, provincial and national problems. Work projects were undertaken, land settlement schemes were promoted and direct relief was paid. With responsibility accepted by the state in these matters it was recognized that careful study of the incidence of the depression and of the best type of policies needed to meet the situation was required.

Various expressions of this changed attitude towards economic planning have occurred in Canada during recent years. In our own province it is to be seen in the appointment of the Jones Commission in 1934 to study questions affecting the provincial economy and its relation to the Dominion. It is true that there were provincial commissions set up earlier, but in each case the emphasis was on a specific industry or on a specific problem. The appointment of the Jones Commission was the first time attention was focussed on the provincial economy as a whole. More especially, perhaps, this changed attitude towards the importance of economic planning is to be seen in the establishment of a permanent Economic Council which was itself recommended in the report of the Jones Commission.

The Nova Scotia Economic Council consists of nine members, who represent as nearly as possible all phases of economic life in the province, and a full-time secretary. Outside of the secretary the members give their services without remuneration, except for expenses and a *per diem* allowance when attending meetings. It is significant that the Council is a non-political agency and, unlike a similar Council which was established in British Columbia in 1933, it is not under a Government Department, but is an outside body directly responsible to the Premier. The Council, moreover, is not a spending body but deals only with investigations and studies of economic and social questions confronting Nova Scotia. Its studies are made on as objective and as scientific a basis as possible. Meetings are held once a month during most of the year. The results of investigations carried out are discussed at these meetings. Frequently, persons with particular knowledge on matters under

consideration are invited to attend. Conclusions reached from these discussions are carefully studied, and, if the Council thinks fit, recommendations based on these conclusions are forwarded to the Premier in the form of a report. Whether action is taken on these recommendations is, of course, entirely up to the Government. The Government may have reasons for not implementing the recommendations. If they are not acted on, however, it is not regarded as a reflection on the Council whose task it is to study all issues as objectively as possible.

During the three years which the Council has been functioning some thirty reports have been submitted to the Premier. Most of these have been printed in three separate volumes and are available to anyone interested.

The investigational work carried out by the Council covers a wide variety of subjects, as anyone who has seen these reports will realize. Discussion here will be confined however, to a few specific problems which can be taken as illustrative of the work done on all.

Important work has been done in connection with agriculture and fisheries. These two industries felt the effects of the depression more than most industries. To some extent this was due to the absence of any effective organization of those in these industries which could formulate policies to offset the effects of the depression, as was done by the more highly organized and centralized industries.

One of the first studies in the field of agriculture which the Council undertook had to do with the marketing of fluid milk. It was discovered that there was a lack of uniformity in the prices paid for milk by dairies in the province and that few standards of quality were maintained. As a result of the Council's recommendation a Dairy Arbitration Commission, with power to set prices and to regulate standards, has been established. Its work so far has been confined to the Halifax area but it will likely be extended to other parts of the province in the future.

The Council has also devoted consider-

able attention to the production of fruit in the province. The importance of using only the best grades of apples in the fresh trade and of developing the manufacture of canned apples and apple juices sufficiently to absorb the poorer grades of apples, has been stressed. In this way larger sales and better prices in the United Kingdom may be assured. A study has also been made of cranberry production in the province. As a result the Council concluded that the industry should be encouraged on a commercial scale and in a report, outlined definite ways in which this might be done.

Land settlement experience in Nova Scotia and elsewhere in Canada has been considered by the Council. In a report outlining the Council's conclusions the need for providing assistance for carefully selected farmers' sons, who desire to settle on approved farms is emphasized. The importance of supplying adequate supervision, especially during the early years of settlement, is also stressed. Those who have had little or no practical experience in farming, it is suggested, should be encouraged to obtain such experience on other farms before starting to farm on their own. Before any extensive land settlement program is undertaken, it is urged that more information be obtained regarding the availability of land that is more suited for farms than for forests. Efforts that are at present being made in this connection will be mentioned later.

The Council has devoted much of its time to problems confronting the fisheries industry. Because of the number and complexity of these problems there are many investigations in this field which have still to be made. As a result, however, of the work done to date, it is clear that the large decline in our exports of dried fish, following the Canada-British West Indies Trade Agreement of 1925, has been the main factor responsible for the depressed conditions in the whole industry. Because the outlet for dried fish has been restricted the quantity of fish available for fresh or green-salted uses has increased which, in turn, has tended to lower the prices paid in these

branches as well as in that of dried fish. A recommendation was made two years ago that a bonus be paid on dried fish in order to improve the position of this branch as well as to relieve the pressure on the others. It was recommended that the bonus should be paid by the Federal Government. When this was not done the Provincial Government decided in June 1937 to pay it and continued to do so until April of this year. Stimulated by this bonus dried fish production and export sales have increased during the last two years. The policy started by the province will be continued on a federal basis under the operations of the recently appointed Salt Fish Board.

Of more importance, however, for the future of the dried fish industry is the negotiating of mutually advantageous trade agreements with countries possessing potential markets for our fish. The agreement between Canada and the United States signed in Washington last November has been of some assistance to fresh and pickled fish.

What is needed now is trade agreements with such countries as Cuba and the Dominican Republic in which former dried fish markets could be restored, if favorable trade terms can be obtained. This cannot be done, however, until the present Canada-British West Indies Trade Agreement is terminated and it thus becomes possible for Canada to grant better terms on sugar. The granting of an additional preference to empire countries some thirteen years ago made it more difficult for sugar from Cuba and other non-empire countries to be sold in Canada. As a result Cuba's sales of sugar in Canada have gradually declined. As they have done so sales of dried fish and also of potatoes from the Maritime Provinces to Cuba have also declined. The Council has prepared an extensive report on the effects of the present trade agreement with the British West Indies and on its need for revision. This report was submitted to a public sitting of the Tariff Board on sugar in Ottawa in June.

Besides the investigational work on specific economic problems confronting the various industries there is another

aspect of the Council's work which may be of interest. The Council had not been functioning long before it realized that there is much basic information concerning the resources of Nova Scotia that is not known and which is essential before long-run economic policies can be properly worked out for the industries. It must be determined, for example, what the characteristics of soil and climate are in a certain area before it can be known whether the land can be used more economically for agriculture than for forestry, or vice versa. In the same way a knowledge of the potential coal resources in a mining area is essential before much can be said about its future development. In order to obtain the information regarding our resources which is lacking and to relate it to that which is already known, an Economic Survey Committee was set up a year ago on the recommendation of the Economic Council. This Committee, which consists of officials of various government departments, has laid out a comprehensive survey program, through which it is hoped the necessary information will be obtained within the next few years. For convenience the province has been divided into a number of regions. At present attention is being focussed particularly on the four counties from Cumberland to Antigonish, or on what has been termed the North Shore Region. The Department of Agriculture has undertaken a survey of the marshes around Amherst and is continuing its soil survey work started last year around Tatamagouche. The Department of Mines is extending its investigations of the coal deposits in the region and is exploring those of manganese. Besides a reclassification of the Geology of the region has been commenced by the Geological Survey of Canada. The aerial photography of the region has been completed by the Federal Government and the Provincial Department of Lands and Forests is planning to put a party in the region to make ground checks, which are required when mapping is done from the aerial photographs. The Federal Department of Fisheries is extending its investigational work in regard to the

potential production of oysters, clams and quahaugs along the Northumberland Strait. A survey is also being made of manufacturing, based on these resources, throughout the province. The results of these and other surveys will fill in the gaps of information that exist today and will thus provide a necessary background for economic planning and policy making in the future.

The Council is also undertaking a survey of the power resources of Nova Scotia based both on hydro and coal. In the near future it is planning to survey the road and rail transportation facilities in the province.

Because the work of the Economic Council in the field of economic planning has been described at some length it should not be thought that it is the sole agency interested or involved in such planning in Nova Scotia. Several of the local Boards of Trade, some government departments, certain branches of the universities, and many other public and private bodies are engaged in such work to some extent. As examples of such activities the work of the Transportation Commission of the Maritime Board of Trade, a land utilization survey of Cape Breton County undertaken by the

Economics Branch of the Federal Department of Agriculture, an analysis of provincial finance being made by the Institute of Public Affairs at Dalhousie University and certain features of the extension work being carried out by the various universities, may be mentioned. The Economic Council in dealing with matters relating to all industries and to the province as a whole is, perhaps, more likely to be confronted with wider problems and with the need for coordinating as much as possible the planning, or the policies that are worked out, by other groups.

It is recognized that the work of all these agencies will not solve all of our economic problems in Nova Scotia overnight. It may, however, be confidently expected that, as these various groups continue to search for basic facts, to analyse them in the light of their best knowledge, and to pass on their findings to the proper authorities, they will greatly assist in the solution of many of these problems. Through helping to work out short and long-run policies for our industries a greater measure of stability for each of them may be anticipated. Such a task is not easy and in confronting it the understanding and co-operation of all Nova Scotians is needed.

Marketing of Nova Scotia Apples

By A. W. MACDONALD

EVER since the farmers in the Annapolis Valley began to grow apples for export, marketing has been a serious problem. The question has developed new complications since the outbreak of hostilities in Europe, but in the period between the depression and the war, an improved technique of marketing had been developed.

EDITOR'S NOTE: The above article is taken from a comprehensive survey of the Nova Scotian apple industry undertaken this summer by the author. Mr. Macdonald is an honours student in Public Administration at Dalhousie University and Editor of the *Dalhousie Gazette*.

For years the industry was completely disorganized and low grade fruit, unregulated shipments and faulty packing attached a stigma to Nova Scotia fruit which even now has not completely disappeared. The formation of the United Fruit Companies improved the situation slightly, but the loose formation of the central company, and the fact that on the average the organization only shipped about one-third of the apples that were exported, made it impossible for any strict regulation to be