

FARM AND DAIRY & RURAL HOME

SOME FUNDAMENTAL REASONS FOR THE DEPOPULATION OF OUR COUNTRY DISTRICTS

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Rural Depopulation Continues to Increase in Spite of Efforts to Prevent it. So Called Remedies that Do Not Work. The Real Reasons.

Our System of Taxation at Fault. How Speculation in Land Keeps People Off the Land. The Effect in Country Districts. The Remedy.

WHAT are the main causes of rural depopulation? Why is it that in spite of all the money that is being spent to encourage immigration to this country, to extend the work of our departments of agriculture and of our agricultural colleges, to establish experimental farms, demonstration orchards, seed growers' associations, as well as the appointment of district representatives and other similar lines of activity intended to benefit the farmer, the rural population of Ontario has decreased by upwards of 100,000 during the past 10 years?

SUGGESTED CAUSES

Some say that we need better roads, and free rural mail delivery. This, however, cannot be the explanation, for we find that rural depopulation is even more pronounced in those European countries and in the Eastern States where there are the best of country roads and where rural mail delivery is practically universal.

Others say that we need better country schools. These abound in sections of the United States where modern consolidated schools have been established successfully, and in which the teaching of agriculture is emphasized, but rural depopulation continues in these sections with alarming rapidity just the same.

Some blame the middleman, but we now know that practically without exception modern business is conducted on a basis where the profits are made by doing a large volume of business on a low margin of profit on each article handled. This is what has made it so difficult for cooperative enterprises by farmers to succeed, and explains why thousands of small business concerns fail.

THE REAL CAUSES

For ten years I have been interested in this subject. For the past four years I have been giving it special study. During this period I have examined the effect of proposed remedies where they have been tried, as well as into conditions as they exist not only in different parts of this country but in the United States and other countries as well. As a result of these investigations I have come to the following conclusions:

Rural depopulation in Canada is due in part to certain tariff regulations which bear with undue hardship on the farmer:

It is due in part to the monopolization of our great natural resources, such as our coal mines, timber limits and water powers, the monopolization of which has enabled small classes in the community to enrich themselves at the expense of the many, including the farmer:

It is due in part to the partial control of our great transportation systems, with their enor-

mous and often inflated capitalizations, which unduly increase the cost to the public of doing business:

But above all it is due to our system of taxation which both in the city and on the farm encourages men to hold land idle for speculative purposes while it discourages men from putting it to profitable use.

Partly as a result of our system of taxation, land in portions of our cities, like Toronto and Montreal, has increased in value until it is worth from a few thousand to several million dollars an acre, depending upon its location. These enormous values have so increased the cost of doing

a barn or a milk house his taxes will not be increased thereby.

The farmer has nothing to lose and everything to gain from such a policy. While he holds large areas of land it is of low value when compared with the value of iron and coal lands, timber limits, water fronts, railway rights of way, water powers and valuable city property. The land in the city of Winnipeg alone, it was recently announced, is worth more than all the farm land in the province of Manitoba. United States Government statistics indicate that while the farmers of the United States own considerably over half the land in the United States, this land represents only one-tenth of the land values in the United States.

A GENERAL AWAKENING

All over the world a general awakening to these conditions is taking place. Great Britain, Germany, New Zealand and Australia are leading the way, but our own western provinces are playing an important part. In Alberta and large portions of British Columbia, including the cities of Vancouver and Victoria, all taxes have been taken off improvements and placed on land values, and the people are wonderfully well satisfied.

In Ontario this week there is meeting a special committee of the Legislature to consider two Bills, one introduced by a Conservative and one by a Liberal, which propose to give municipalities, by a vote of the ratepayers, the power to lower and eventually abolish all taxes on improvements, while increasing them on land values. Should either of these Bills be adopted much will have been accomplished to decrease rural depopulation.

LAND SPECULATION EXPLAINED

Rural depopulation in the United States has reached such proportions it is creating a serious condition of affairs. Several states have appointed commissions to investigate and report on these conditions. More and more these commissions are being led to study the prevailing systems of land taxation. Far-reaching results are likely to follow.

A few months ago Mr. I. S. Heron gave evidence before the Nebraska Rural Life Commission. Mr. Heron is the editor of the Nebraska Farmer, a farm paper that has among its subscribers some 40,000 of the best farmers in that section of the United States. The subject of land values, as they apply to the farm, was dealt with very fully by Mr. Heron, and in such an able manner, that I take pleasure in drawing a portion of it to the attention of the readers of Farm and Dairy. After drawing attention at considerable length to the decreasing rural population, the increasing size of the farms, the diminishing productivity of the land, and the great growth that was taking place in the number of tenant farmers in the state, Mr. Heron proceeds in part as follows:

"I am here to say that the reason for the exodus from our farms may be found in the price of

Something to Think About

Every person who has the cause of agriculture at heart is interested in the question of rural depopulation. We would all like to know its cause. Many explanations have been given. Most of these are being discarded, because it is becoming apparent that the real reasons lie deeper than has been commonly supposed.

In the article that appears on this page, an effort has been made to draw attention to some of these reasons. The subject is a broad one. Lack of space makes it impossible to deal with it more fully. We trust, however, that enough has been said on it to lead the readers of Farm and Dairy to look into it more fully, and with open minds, for themselves. If they will, we venture to predict that ultimately they will come to the conclusion that the principal causes of rural depopulation have been here set forth.

business in our cities that it affords the main explanation of the great difference between what the farmer receives for his produce and the price the city consumer pays for it. The greater part of this difference does not go to the middleman, as we have so often been led to suppose, but to the country who own this high-priced city land.

In our country districts the man who improves his farm by erecting better buildings or planting an orchard, has his taxes increased, even when he has had to borrow the money used to make these improvements, while the man who permits his buildings and farm to run down has his taxes reduced.

THE REMEDY

The remedy will be found in a gradual shifting of taxation from improvements to land values. This will discourage the holding of land idle, both in the city and on the farm, and will encourage the making of improvements, as the manufacturer will then know that when he erects a building for a factory he will not be taxed for so doing just as the farmer will know that when he erects