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IMMIGRATION PROBLEMS OF
CANADA.

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by

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Chapter I.

Introduction.

Migration is not a peculiarly modern problem. As far back in the annals of history of mankind as one may go we hear of tribes moving, looking for a more favorable environment. Thus about 3,000 B. C. the tribes, later to be known as Indo-Europeans, began to move apart, probably from the region north of the Black and Caspian Seas, westward into Europe, and eastward as far as India. Towards the end of ancient times we find the Germanic tribes moving westward over the declining Roman Empire. Still later we hear of the expansion of the Arabs, and of the Huns sweeping across Europe as far west as Vienna.

But coming into Europe these tribes settled down. We see the transition from a nomadic, pastoral civilization to an agricultural. Villages and towns began to grow up. Thus the time of migrations of semi-barbaric nations, of hostile movements of whole peoples, moving as military and political units was over, while the time of modern colonization had not been reached as yet.

There had been colonization movements in ancient times, significant, though on a rather small scale. The nations

particularly prominent in this connection are the Phoenicians, to be followed by the Greeks who founded colonies all over the Mediterranean. But with the decline of their civilization these activities too terminated.

We hear of practically no great migratory movements of European nations in the middle ages. The reasons for this are (1) that there was almost no increase in population, (2) that there were no large unsettled territories, such as were later found in the New World and (3) that means of transportation were exceedingly laborious.

With the discovery of the mariner's compass and other improvements in navigation a new era of expansion began at the close of the 15th century. With the discovery of America and the circumnavigation of Africa great opportunity for colonization was provided. Thus the vast movements of modern times began. England, Spain, France, Portugal and last but not least the Netherlands started a veritable scramble for colonies, until almost every accessible part of this earth was occupied.

Migration in the last two centuries has however been different from this colonization of peoples, which had largely been in organized groups or under direct political authorization. It has become a movement of families or

individuals, in most cases migrating on their own initiative. The movement to the New World from Europe reached huge proportions towards the end of the 19th and the beginning of the 20th century.

To find the motives for this movement of millions of people we should have to investigate the circumstances which led the individual to break all the established ties, to leave his family, his friends, his country behind him and turn toward a new life of risk and uncertainty. It is obviously impossible to do this. The best we can do, is to attempt to find some of the more general causes that have made people look for a new home.

The economic factors have probably been the most important. It is the man who has little to lose who is most apt to believe that a change would surely be for the better. A very large part of the stream of immigrants is made up of people from this class; usually from poor families, never really having a chance to rise above the social level of their parents, or to give their children a better start in life, as long as they stay in the old country.

A factor closely related to this is overpopulation, when the country is unable to support its whole population at even a low living standard. That is just the case mentioned above carried to the extreme. The classic instance

of this is of course Ireland, which could at the beginning of the nineteenth century not support its population at even a subsistence level. But there are, of course, other countries which would be considered overpopulated--such as India, parts of China, Japan, and parts of Western Europe.

But there are other than economic factors. First of all, there is always a number of adventurous and energetic people, who are willing to leave the dull, every-day life behind them in order to find new experiences and perhaps better conditions in a new land. Here we see of course how difficult it is often to keep the different factors separate, while in practice they frequently all play a part in the individual's decision.

Another factor which has frequently played a prominent part is the inducement of friends, relatives or members of the family who have settled in the new land and are satisfied with the conditions. Incidentally here we see that satisfied immigrants are one of the best methods of advertising for a country anxious to attract people.

This brings us to the next factor--government inducement to emigrate or immigrate, by the country which is overpopulated and by the country desirous of a larger population respectively. This factor played a very considerable part at one time, but has declined in importance. Since the 1930's

the European countries have been less eager to send out emigrants, partly due to the fact that the birthrate has been declining in practically all of western and central Europe, partly because of the new ideologies growing up in the non-democratic countries, which believe that a large population is a great asset--particularly for military purposes.

Lastly, we should consider the political and religious persecution, which has often caused large numbers of people to look for a country more willing to exercise tolerance in these respects. Numerous instances could be given from history, but that is unnecessary, since we have such a very glaring case of it happening before our very eyes. It should perhaps be mentioned here that this factor often bears upon a different class than the ones mentioned before. In a political persecution it is usually a more prominent, more educated, and frequently well-to-do class of people that is being persecuted, since it is usually that class of people which could cause any real trouble to an intolerant government. Again in a religious persecution it is usually the more steadfast, more faithful class, that prefers to leave the country rather than to adapt itself to the new conditions.

So far we have considered the causes which induce people to emigrate. Now we have to consider the other aspect of

this problem. People can only emigrate when another country is willing to let them enter. Why should a country be willing to admit immigrants or even be desirous of attracting them? There are, of course, those very obvious advantages of a large population, already known to the mercantilists and still held by many today: (1) A large population means greater production and greater national wealth. (2) Immigrants will increase consumption, as long as they are able to maintain themselves. (3) A larger market will result and trade will be fostered. (4) A large population makes a country more powerful. This is a very important factor as long as war is recognized as a way of settling international disputes. (5) Immigrants are a source of cheap labour, very welcome to the employer. (But for this very reason labour unions and the labouring classes in general have frequently been bitterly opposed to immigration.) (6) Immigrants can often be instrumental in introducing new industries to a country. This was clearly recognized by the mercantilists in Britain, who fostered immigration of Flemish textile workers with excellent results to that country.

Another factor of importance in a large, sparsely settled country, is that of "reducing overhead costs", to use an analogy from industry. An example will easily

illustrate what is meant by this. When there is a rather small number of settlers at a great distance from the next town, it will be necessary for them to have a railroad or at least a road leading to their settlement, they will have to have a general store to supply them, a school to send their children to, and so on and so forth. It is hard for a small community to cover all this overhead cost, and the task would be much easier if there were a larger settlement. This would also enable them to maintain many institutions, e.g. a hospital, a highschool, etc. quite beyond the reach of a small community.

What is here illustrated in a small way, is to a certain extent applicable to a country as a whole. There are such expenses as the maintenance of a government, of diplomats in foreign countries, of the civil service, etc., which do not increase in proportion with an increase in population. There is a ~~stage~~ of decreasing cost for a nation, just as for young industries. Thus it can be argued that a larger population would make a decline of per capita taxation possible, as the expenses could be divided among a larger number of people.

These are the economic factors--or at least the more important ones--that have caused countries to accept immigrants. But there has at times been a genuine desire to

permit refugees to enter, in order to alleviate their suffering. It is unfortunate that the experience of countries admitting groups of such unfortunates has often been anything but satisfactory. A classic instance is the experience Canada had with the Dhoukabor. Cases like that have done much to make people cautious in making any further experiments of this nature.

So far we have been considering immigration as a world problem. As such it is of considerable importance. A wise policy of the sending and receiving countries can do much to further international co-operation and good will. An aggressive policy by the former or a strictly closed door policy by the latter does cause bitterness and makes for friction between such countries. But such general considerations have little force when applied to specific countries. A country's policy toward immigration is naturally guided by more immediate interests--the economic, social and cultural effects of a large stream of immigrants upon the country to which they go.

These are the questions one has to keep in mind in considering what the future policy of a country like Canada should be. Moreover, it will be necessary to ask whether there are any particular classes of immigrants which are for any reason more or less desirable, whether direction

of immigrants toward any particular occupation or group of occupations might make their presence more desirable, whether it is possible to hasten their assimilation, etc.

It is, of course, impossible to reach a definite conclusion on all these problems--or even perhaps to any of them. The best that can be done is to try to point out the probable effects of a fairly large immigration--or the absence of it--on post-war Canada, and, conversely, the influence of conditions and policies of Canada in inducing or discouraging immigration and their effect on the immigrants after their arrival. This is as far as scientific analysis can go. Whether these effects will be deemed desirable or not, must largely depend on our individual religious, political and cultural ideas and ideals.

Chapter 2.

In order to be able to estimate Canada's capacity to receive immigrants in the future, it will be necessary to study the history of immigration to this country. There are several problems in particular which are of great importance and therefore merit careful consideration.

One of the most interesting problems is that of the influence of business cycles in Canada on the flow of immigration and emigration, and, on the other hand, the influence of migration to and from Canada on depression and prosperity. Mr. Harry Jerome of the staff of the National Bureau of Economic Research in the U. S. has made a very careful and suggestive study of this problem in his country. His conclusions can to a very large extent be applied to Canada, as the situation here is very similar in many respects.

A priori we would expect that prosperous conditions in the immigrant-receiving country would attract immigrants. Migrants, being sellers of labour, must naturally be sensitive to conditions of the labour market in particular. But, on the other hand, we would expect that conditions in the country of emigration also influence population

movements. The problem is to find which of these factors is of greater importance. It is clear that there is no way of measuring this exactly. If we find, however, that immigration to one country from many other countries increases and decreases more or less simultaneously, while emigration from those countries to other parts of the world does not fluctuate in the same way, the presumption will be that conditions in the immigrant-receiving country are of greater importance.

Mr. Jerome, making a close study of immigration into the U. S. from various countries over a considerable period of time, shows clearly that there is a definite and rather high correlation between these movements, thus proving that conditions in the U. S. are of greater importance than conditions in the countries from which the immigrants come. Making a study of the corresponding figures for Canada, we reach the same conclusion.

Immigrant Arrivals in Canada

1890 - 1925

(The Canada Year Book, 1941)

1890	75,067	Mild depression
1891	82,165	Depression, revival
1892	30,996	Mild prosperity
1893	29,633	Recession; depression
1894	20,829	Acute depression
1895	18,790	Depression
1896	16,835	Lessening depression

1897	21,716	Revival
1898	31,900	Prosperity
1899	44,543	Prosperity
1900	41,681	Prosperity, slight recession
1901	55,747	Revival, prosperity
1902	89,102	Prosperity, final disaster
1903	138,660	Prosperity
1904	131,252	Uneven prosperity
1905	141,465	Full prosperity
1906	211,653	Prosperity
1907	272,409	Prosperity, panic
1908	143,326	Depression, revival
1909	173,694	Revival
1910	286,839	Prosperity
1911	331,288	Prosperity
1912	375,756	Prosperity
1913	400,870	Prosperity, recession
1914	150,484	Depression
1915	36,665	Depression, revival
1916	55,914	War activity
1917	72,910	War activity
1918	41,845	War activity, recession, prosperity
1919	107,698	Revival
1920	138,824	Prosperity, recession
1921	91,728	Depression
1922	64,224	Depression, revival
1923	133,729	Moderate prosperity
1924	124,164	Recession
1925	84,907	Revival

It is quite clear from these figures that what is true for the U. S. is equally true for Canada. We find that the increase and decrease in immigration follow the pattern of the business cycle very closely. On closer examination we find that there is no year of depression in which immigration increases, and only in 1892 and 1925 do we find that immigration does not increase in a period of revival. We can therefore conclude that the correlation between prosperity

and depression and the volume of immigration has been quite close in Canada.

These facts have led many people to believe that these fluctuations in migration may act as an ameliorative factor in times of depression. But this conclusion, though seemingly logical at first glance, does not altogether stand up after a closer examination. (1) Although the volume of immigration decreases in times of depression, it seldom comes near zero. Even less frequently do we find an actual surplus of emigration over immigration. Moreover adjustment of immigrants in times of unemployment causes much friction and great difficulties, even though their number may almost or altogether be equalled by a stream of emigrants. We can thus see that the so-called safety-valve theory is by no means completely correct.

(2) There is, however, another aspect to this question. It is true that adjustment of migration to business cycles is not at all perfect. But it is clear that its adjustment is much more effective and rapid than that of the native population. Economists have held that supply of labour tends to adjust itself to demand. When there is a shortage of labour, wages will be high, workers will have larger families, the supply of labour will increase. If there is a surplus of labour the reverse will

happen. But even if we believe this theory to be correct, we can easily see that this adjustment must always be extremely slow and consequently of very little importance in alleviating a shortage or surplus of labour caused by short time cyclical fluctuations.

There is, of course, also a reservoir of labour within the native population, which is not drawn upon except in times of great prosperity. There are the so-called unemployables, which very often are drawn into industry when there is a shortage of labour. Moreover in recent times, and more particularly during the two world wars, it has been found that women can to a very large extent replace men.

There is, however, one difference, which is of some importance. Though numbers of the two classes referred to above will be pushed out of work in times of depression, they shall remain in the country and have to be looked after by the family or the public, at a time when neither of these can afford it. The immigrant, on the other hand, will not come into the country, and many of those who are here will emigrate. Therefore we may conclude that the adjustment of the native supply of labour to business conditions is even less perfect than that of migratory labour.

The effects of this adjustment are, however, not altogether beneficial. We have seen that prosperous conditions

attract immigrants. This increases the supply of labour, thus preventing the price of labour--wages--from rising, or from rising as much as they would otherwise. Thus one of the important checks to overexpansion is made ineffective. Immigration tends to increase the intensity of a boom, and consequently the severity of the following depression. As far as this is the case, migration is contributory to the intensity of fluctuation in business cycles.

On the whole, however, migration has a limited influence on business cycles, as compared with other, far more important factors. On the other hand, it is clear that the business cycle has great influence on migration, though it is not one of the primary causes.

There is another aspect of immigration that has given rise to much discussion in Canada, namely, its influence on population increase. Many have argued, particularly in more recent times, that the population of Canada would have been the same as it is, had there been no more immigration from 1850 onward. Others very much disagree with this view, pointing to the huge numbers of immigrants that have entered Canada since.

It is, of course, always extremely difficult to answer questions of this nature. A conclusion as to what would have happened had something else not happened must always be an

intelligent guess at its best. Nevertheless such speculation, when based on certain ascertainable facts, is not without value, and in absence of positive proof, is our only guide.

There are two ways in which immigration can influence the increase of native population: (1) By causing emigration (2) By causing, in a more or less direct way, a decline in the birth-rate. (It has been argued that due to unemployment and lower wages caused by immigration, marriages were delayed, families had to be smaller.) We do know that the natural increase in Canada's population would have been almost sufficient to make up her present population, had there been no emigration. It can thus be argued that immigrants only took the place of native Canadians whom they pushed out.

In the past there has been a very considerable stream of Canadians migrating to the U. S. The question is, whether these people left their native country due to lack of opportunity here or because they expected an even better future elsewhere. There are various criteria by which we can judge the relative merits of the two hypotheses. We should, first of all, find whether a large wave of emigration was always, or usually, preceded by a large stream of immigrants.

Leon E. Truesdell gives the following figures of Canadian-born in the U. S. A.:

		<u>Increase</u>
1850	147,711	-
1860	249,970	102,259
1870	493,464	243,494
1880	717,157	223,693
1890	980,938	263,781
1900	1,179,922	198,984
1910	1,204,637	24,715
1920	1,124,925	79,712
1930	1,286,389	161,464

Professor Hurd gives the figures of estimated net emigration of Canadian-born to the U. S. A.:

1861	117,030
1871	268,491
1881	273,039
1891	335,498
1901	297,078
1911	142,707
1921	40,752
1931	265,989 (?)

Net gain in immigrant population (Professor Hurd):

1861	220,000
1871	91,074
1881	11,409
1891	40,887
1901	55,629
1911	887,461
1921	368,775
1931	351,800

It is hard to draw positive conclusions from these figures. It seems, however, that on the whole they give little reason for believing that emigration was caused by immigration. The most striking fact, perhaps, is that during the 40 years, 1861-1901, when there was a very heavy stream of Canadians to the U. S., the estimated net emigration is 1,174,106--there was only a net immigration to Canada of 16,851. In the decades 1901-21, on the other hand, when immigration was very heavy, emigration declined considerably. From 1921 to 1931, however, both net immigration and emigration rose considerably.

Before we attempt to reach any conclusion, we should consider another important factor--the occupational distribution of immigrants and emigrants. Should we find that emigration is heavy from those occupations which immigrants enter to a large extent, this would make it more likely that the immigrants are displacing the emigrants.

Canadian-born gainful workers 16 years old and over in the U. S., 1910 (Truesdell):

			%	%
1. Professional persons	33,515		5.3	
2. Proprietors, managers & officials				
(a) Farmers	54,946			8.6
(b) Wholesale & Retail	20,521			3.2
(c) Other proprietors, managers & officials	<u>30,139</u>	105,606	16.6	4.7
3. Clerks & kindred workers		62,740	9.9	

			%	%
4.	Skilled workers & foremen	116,856	18.4	
5.	Semiskilled workers		26.7	
	(a) Semiskilled workers in manufacturing	122,704		19.3
	(b) Other	<u>47,420</u>	170,124	7.4
6.	Unskilled workers		23.2	
	(a) Farm laborers	24,435		3.8
	(b) Factory-construction	44,058		6.9
	(c) Other	42,779		6.7
	(d) Servant classes	<u>36,554</u>	147,826	5.7

It is difficult to get comparable figures for the occupational distribution of immigrants in Canada in 1910. But there are certain points which are obvious from even a superficial perusal of the existing statistical evidence.

The most obvious point is that the percentage of farmers and farm-labourers is very much higher among immigrants in Canada than among Canadians abroad. It is, of course, true that lately the percentage of farmers among immigrants has been decreasing, but they still make up slightly more than 50%. Another matter which must here be considered is, of course, that the occupational distribution greatly varies between various nationalities. This matter will be considered in greater detail when we come to discuss the desirability of various racial groups.

Secondly, the proportion of clerks, traders and professional men is noticeably higher among Canadians in the U. S. This seems to point toward the possibility that the

immigrants tend to push the native population upward rather than outward. It seems to be a well established fact that in the past the latest immigration group usually took over the low-paid and the unpleasant jobs, only to be pushed one step up the social scale by the next wave of immigration.

Our knowledge, of course, is not comprehensive enough to warrant a dogmatic answer. But after considering the various factors as we have, it seems that there is rather more reason to assume that, though immigration probably did have some influence on the emigration of Canadians, it is unlikely that it was one of the primary causes for it. It seems only natural that many people should leave for the U. S. when they find better opportunities there, particularly since climate, language, customs etc. are so very similar in most respects. We can thus almost say that the flow of Canadians to the U. S. was only a part of the great rural-urban movement which we have seen on this continent during the past decades.

Whatever our conclusion about the pushing out of Canadians by immigrants, maybe, it is clear that a very considerable percentage of immigrants did not stay in Canada for very long. This may be partly due to the fact that there was no place for them in Canada. But this is

by no means the only reason. There has always been a considerable number who just used Canada as a stepping stone to the U. S., while others, though it may not have been their original intention, were attracted by the greater opportunities there. Their re-emigration is all the easier, as they probably have not yet adjusted themselves to the new conditions in Canada to any extent, and are therefore not held back by any loyalties. This, of course, applies particularly to those who are not of British origin. Also there is always a considerable number of immigrants who come to the New World to make money, and return as soon as they succeed in their purpose to their homeland.

It is hard to estimate the relative importance of each of these factors, but their combined influence has been considerable. The figures given by Professor Hurd for apparent net emigration of immigrants are:

1851-1861	72,294
1861-1871	206,339
1871-1881	270,821
1881-1891	782,981
1891-1901	198,362
1901-1911	854,830
1911-1921	1,183,976
1921-1931	974,906

The emigration was quite heavy in the two decades, 1901-1920, and in 1921-1931 departure of immigrants remained very high. Generally all through the period from

1861 onward the figure for emigration was very considerable. The two decades 1901 to 1921 and that from 1880-1890, when Canada was in a bad depression almost for all the 10 years, are the most outstanding.

It has, however, been pointed out that the U. S. is becoming less willing and perhaps less capable of accepting such a large stream of immigrants; thus outward movement from Canada will--for better or for worse--be largely brought to a stop. This means that in the future Canada will have to count on retaining not only most of her own population but also a very much larger percentage of her immigrants. Another factor of importance in this connection is that the prospects of returning to Europe will probably for some time to come be far less attractive.

The next problem is that of the influence of immigration on the birthrate. The first assumption of those who argue that it was a cause of the decline in the birthrate, is, of course, that the standard of living has been lowered and that immigrants have taken away opportunities from the Canadians. Whether these assumptions are correct, is a question of much dispute. But even if we assume that they are, it is still questionable whether a lower standard of living causes a declining birthrate. It must, of course, be recognised that this is true when wages fall beneath the

subsistence level. But as long as that is not the case, it is doubtful whether we can reach this conclusion.

It is a well-known fact that the birthrate is lowest in the countries with the highest standard of living, and very high in many countries where the bulk of the people lives barely at the subsistence level. Also within any one country it is usually found that the poorer classes have the largest families. Thus, even if we accept the stated premises we must still doubt whether the influence of immigration on the birthrate has been unfavorable.

From all this it seems that we can conclude that immigration has been a positive influence on the growth of population in Canada. There are, of course, many who maintain that either emigration or immigration will have no influence on population, since population always has a tendency to increase until the subsistence level is reached, and can never increase further than that. If we define "subsistence level" as meaning, the customary minimum, there is no doubt that this statement, in the long run, is correct. But it must be admitted that as long as the population is very much smaller than could be maintained at the customary minimum, immigration will greatly increase the speed with which the maximum is reached. There is little

doubt that it would have taken much longer for the U. S. to reach her present population level had there been no immigration, let us say, after the declaration of independence.

The question we have to ask, therefore, is whether Canada is near the level where her population cannot increase without causing the standard of living to drop beneath the customary level. This depends primarily on two factors: (1) whether Canada can in the future expand her agriculture and industry to such an extent that more than the natural increase of population can be absorbed, and (2) whether Canada will be able to prevent periods of mass unemployment, such as she as well as other countries have periodically experienced in the past. An attempt to answer these questions will be made in the next chapter.

Chapter 3.

It is an extremely difficult task to estimate the receptive capacity of Canada with any amount of accuracy. Numerous attempts have been made to determine the maximum population Canada could absorb. Business men, politicians, economists, all have made their estimates, ranging from about 20 millions to figures as high as 200 millions. Not all these figures can be taken seriously, some being mere rhetorical guesses, others nothing but wishful thinking. But even the considered opinion of students in the field of population shows a sufficiently wide range to cause much disagreement.

Whatever our conclusion as to the maximum capacity may be, the really relevant question is, what the optimum capacity is. For all practical purposes, we are not really interested how large a population Canada could carry at the subsistence level. Our problem thus is, whether Canada has reached her optimum capacity, so that any considerable increase of population in the future would cause the average per capita income to decline.

Before we go on to deal with this problem, it should be pointed out that optimum population is by no means

static. Most estimates have been made on the tacit assumption that the technique of production and the nature of social organization would remain substantially unchanged. Consequently these estimates are really of little value as forecasts, since the underlying assumption is not true in reality. They are, however, of value as guides for present policy, since this must be necessarily based upon present conditions and not upon uncertain future developments.

Keeping this in mind, we may now attempt a critical evaluation of the various criteria proposed for judging whether a country is underpopulated or not. We will, of course, reject any notion that a country is underpopulated as long as it has not reached its carrying capacity. The assumption upon which we shall proceed is, that a country is underpopulated as long as an increase in population would cause its per capita income to increase.

This might lead us to believe that the fall or rise of per capita income with an increase of population sufficiently indicates whether a country has or has not reached her optimum population. This is the conclusion certain prominent students of population, such as the late Professor Allyn Young, Professor Carr-Saunders and Sir William Beveridge, actually draw. This is, of course,

an oversimplification, since there are many other factors which influence national income. Thus it is, for example, quite conceivable that per capita income in a country is going up as its population is increasing, but that it would have gone up even more, had population not increased. Nevertheless we may agree with Sir Wm. Beveridge when he says: "So long as the return to labour is rising rapidly or steadily, few men.....will concern themselves about overpopulation, or ask how the rise can be made greater. If it is falling, or after a rise has begun, tends to rise much less rapidly or to hesitate, the time for serious concern is at hand." (1)

Another test used to a large extent is density per square mile. This however is extremely superficial, not to say misleading. Surface area is only one of the many aspects of the natural physical environment, and its importance is probably decreasing. Climate, the constituents of the soil, topography, supplies of minerals and fuels, etc. are very important, as well as the technological, economic, and social conditions. We can see that density of population in itself means very little, and should therefore not be used as a basis for further conclusions.

(1) E. F. Penrose: Population Theories and their application page 51.

A more significant ratio is that of population to natural resources, but even here great difficulties are encountered. First, it is extremely difficult to find reliable figures on natural resources. Secondly, it is even more difficult to distinguish between actual and potential resources. Thus what is very valuable today, may have been practically useless at an earlier stage of technical development. The only practical method of evaluating a resource really is by its capacity to yield income. We know that there are many natural resources which are of no practical significance under existing conditions, but would be exploited if their price relative to other commodities should rise.

We must be very careful to distinguish between those natural resources which can be used under present conditions, and resources which might be used under certain different circumstances. Only in this way will we avoid the gross exaggerations so common in the past, when talk about the vast and unlimited resources of Canada was only too current.

As long, however, as we remember that there are other factors as well which are of importance, it is quite correct to give a significant place to natural resources in determining the economic capacity of a country. It is, therefore, necessary to determine what the actual resources

of Canada are. We may conveniently deal with this problem in two sections: agricultural and industrial.

In the past agriculture has played a predominant part in the development of Canada. It is only comparatively recently that industry has come to play a more important part, and that is probably, at least partly, due to artificial tariff barriers. Thus recently the number of those engaged in agriculture has fallen below fifty per cent of the entire population. But even though the importance of agriculture relative to other industries is a diminishing one, yet it still is and always will be, so vital a part of Canadian economy that we must devote to it our most careful attention.

There are two primary factors which determine the successful expansion of agriculture: First of all there must be land of good quality available. Secondly, markets ready to absorb the additional output must be found. Both these factors are of great importance, one without the other always being useless. We shall consider them both here.

Many experts, as well as men of lesser knowledge, have undertaken to give estimates of arable land potentially available for settlement in Canada. But no general agreement has been reached, the estimates showing considerable variety. Thus, the Canadian government reports yearly an estimated total of 351 million acres of potential agricultural

land, of which approximately 200 million acres are said to be available for agricultural occupation. ⁽¹⁾ This, of course, includes not only arable land, but also grazing lands and wood lots. But a good many authorities, among them chiefly Professor Mackintosh, consider this to be a gross overestimation. Another instance of these wide differences is seen here: Professor Mackintosh estimated in 1931 that in the Prairie Provinces there were about 20 million acres of arable land available, together with from 12 to 20 million acres of nonarable land which might be used in conjunction with it. The government estimate at the same time was that there were 105 million acres available.

One cause for such divergencies may be the fact that there is no general agreement as to the quality of the soil, climate, etc. required to justify the classification of such land as fit for settlement. Thus it may be held that a district can be settled if it gives people the opportunity of subsisting there, while much can be said for the point of view that only better land should be used.

It is, of course, impossible to draw a clear line between land which can be cultivated successfully and land which should not be used. Yet expediency commands that a

(1) Bowman: Limits of Land Settlement, page 71

certain standard should be set, so that settlers should not be confronted by more obstacles than is within their power to overcome. It is obvious that, as the return from additional land becomes poorer, the situation of the settler becomes more precarious. Thus land which may just repay settlement in boom periods, due to high prices which the farmer receives for his products, will often have to be abandoned in times of depression. This is partly due to the fact that the situation of the farmer is always particularly serious in times of depression, since his main expenses--interest on mortgage and taxes--remain constant, while prices for his products are declining.

Also as the frontier is being pushed out further, the good land which is found is rarely continuous for long distances. Thus the density of population in such areas is necessarily low and overhead costs for such communities are consequently high, if roads, rails, schools and other social institutions are to be maintained.

Development in such areas naturally is much slower than in the very suitable grasslands of the Prairie Provinces, which were settled first. Also greater risks are attached to the new settlements both from the point of view of the settler and of the governments concerned. The soils require more expert knowledge and greater care, while

the less favourable climate adds further difficulties. Therefore the cost of settlement will be greater, and it may be necessary for the government to step in and assume part of the cost, at least temporarily.

We can thus conclude that there are areas still available for settlement--mainly lands on the fringe of the established settlements in the Prairie Provinces, smaller areas in B. C., plus certain areas within the Canadian Shield (though here the settlers could probably not live off the land alone, but would be partially dependent on part-time employment in local industries). But such settlement would require careful planning, guidance and probably financial assistance on the part of the government.

Another difficulty is, that "large parts of Canada are amazingly endowed for the production of some one thing, but one thing only. Over a great part of the west it is 'wheat or nothing'. In large areas of the northern parts of Central Canada 'pulp and paper or nothing', or 'copper or nothing'. And so it goes on."⁽¹⁾ Such areas frequently not only depend on trade with other parts of Canada, but have to rely on foreign markets, since Canada's demand

(1) K. W. Taylor: The Canadian Economy and its Problems, page 182.

alone is not sufficient. This brings us to the second problem to be discussed here, Canada's dependence on export.

For some time in the past Canada has been one of the countries with the highest per capita foreign trade. Consequently she was particularly susceptible to the difficulties which arose due to the increasing trade barriers raised by most countries before the war. Moreover Canada's dependence on export always makes her position particularly difficult in times of depression. For countries which usually rely on imports try to use more of their own home products in order to provide employment for their own population.

This makes Canadian income highly flexible, while her economy is very rigid in most other respects. First of all, as has been pointed out above, in certain areas there is little or no alternative employment, if there is no demand for the staple product of the region. Secondly the social overhead in Canada is extraordinarily high. "A country of great length and little depth, a climate that builds up enormous peak-load costs in a few weeks or at the most in a few months of the year, demands a quantity and quality of permanent capital works in railways, shipping, canals, harbours and terminals that

are in full use for only a small part of the year. These things are reflected both in the public debt and in the expensive transport system." ⁽¹⁾ Thirdly, the cost of government is highly rigid. Fourthly, the servicing of the large public debt, and the large total of private and corporate debts is a very inflexible item. Lastly, even some of the current costs are quite rigid. Thus, for example, wage rates in the more highly organized trades only adjust themselves very slowly to changing conditions. Thus Canada suffers very heavily in times of depression, due to the very nature of her economy.

Though all this is true of the Canadian economy as a whole, it is the producer of raw materials who takes the heaviest losses. For in a depression the prices for raw materials tend to fall more than those of manufactured products. As far as agriculture is concerned, this is particularly pronounced, since there is usually no co-operation among the farmers, and therefore nothing to keep the prices from falling. There are, however, other factors in the Canadian economy which have worked to the detriment of agriculture. Thus it has been frequently and rightly pointed out, that tariffs which were introduced

(1) K. W. Taylor, page 183.

to protect certain industries, had the effect of making the prices of manufactured products remain high, while the prices of agricultural products were falling. This put the western farmer in a very poor position as compared with the eastern manufacturer. Moreover, the government's policy during the depression, of not allowing the dollar to fall, not only prevented wheat prices from rising in the home market, but put Canadian wheat exporters in a very weak position as compared with exporters from countries whose currency was depreciated.

It is clear from this discussion that there is a multitude of factors, beside the physical conditions of production, which determine the position of agriculture. Unfortunately Canada has practically no control over one of the most important factors: foreign markets. Moreover Canada is almost as powerless to prevent a depression from working its course, since her economy is so closely linked with the economies of other countries, on which she has no influence.

It is thus little wonder that Canada is not anxious to expand her agricultural production--and the production of wheat in particular--any further, especially if we realize that Canada will have a considerable surplus even at the present level of production, should European countries once more revert to the policy of antarky and economic nationalism.

One way out of all these difficulties has been suggested: subsistence farming. Only when commercial farming is considered, do all the problems which have been discussed above arise. Subsistence farming is quite--or almost--independent of world-markets, prices, etc. The farmer who lives largely on his own produce is not concerned how much the things he produces and consumes himself with his family, cost on the market, and whether there is a depression or not. It has often been emphasised how much more secure the position of this man is, as compared with a commercial farmer, who specializes on one product, or a factory worker who may lose his employment any time. Yet the condition of the subsistence farmer is not as pleasant as might be surmised at first.

It is true that a certain amount of security can be achieved this way; but it is purchased at the price of a very low standard of living. According to a survey made in the U. S., it was found that subsistence farmers were living a very primitive life, that their income was on the average much smaller than that of the average farmer. The question therefore is, whether the settlers would be willing to accept these conditions, when they could make more in another way. Chances are

that they would not do so, since present gain is usually valued higher than future security. It is therefore questionable whether subsistence farming could and would be carried on side by side with commercial farming. It would really mean maintaining a primitive, self-sufficient economy, next to a highly developed commercialized and industrialized economy, which would be very difficult if not impossible. It is therefore unlikely that subsistence farming will spread to any large extent in this country.

All this leads us to the conclusion that the days of rapid agricultural expansion are over. There are still some lands to be settled, but nothing like the great influx after the opening of the West will be possible again. It seems that in the future agriculture will come to play a less predominant part. In the past years the percentage of population occupied in agriculture has been steadily declining. For some time there has been a very definite rural-urban trend. Even immigrants no longer find their principal occupation in farming--and this despite the persistent efforts of the government to direct them toward it.

On the other hand the importance of industry has been steadily increasing. In the past, expansion of industry in Canada has largely been based upon the pushing

forward of the economic frontier, but that is over now, with certain comparatively insignificant exceptions. This does, however, not mean that the day for industrial expansion in Canada is over. Present industry in Canada is by no means sufficient to supply the population of this country at its present size, much less so if the population should be increased. The question is whether goods which are now imported could here be produced efficiently enough to compete with imports.

It is hardly necessary to point out here, that the agricultural basis of this country is certainly wide enough to support a much larger industrial superstructure. Certainly the supply of staple foods would be quite sufficient to support a vastly larger population. It is, therefore, clear that there is no physical obstacle here to a considerable expansion in other industries.

Another very important prerequisite for the development of industry is the presence of raw materials. It seems that here again, Canada has been very fortunate. Though her potential wealth in this respect too, has perhaps been overestimated in the past, yet it seems that even the most conservative estimates of her potential resources warrant considerable optimism. Let us, first of

all consider the great primary industries--forestry and mining.

Canada has very large resources of timber, since about half of the whole territory is covered with forest growth. Not all of this is of commercial value, however, as the forests in the far north are too sparsely wooded to repay exploitation. Even so, it is estimated that there are 310,000 square miles yielding commercial timber in the country, fit either for pulp wood or saw material.

It is, of course, no longer held that these resources are inexhaustible. The wasteful methods of the past, together with forest fires add up to an amount of depletion which is not nearly equalled by natural growth. It will therefore be necessary to proceed more carefully, to prevent cutting of undersized trees, to carry on some programs of reforestation, and--as is already being done--to attempt to avoid or check forest fires. If these precautions are taken, there is no reason to believe that the forest industries cannot continue to expand, as they have been doing in the past.

The pulp and paper industry in particular has experienced a rapid and, if we disregard cyclical fluctuations, rather steady increase. At first there was a good deal of pulpwood exported to the U. S. But more

recently the governments of practically all provinces have prohibited the export of unmanufactured timber from crown lands. It is important to remember that practically all the timberlands are owned by Dominion and provincial governments. Only the right to cut timber is sold to companies. Thus it always remains within the power of the governments to enforce their policy. This has done much to stimulate the pulp and paper industry in Canada.

With the depletion of their own resources the U. S. are becoming more dependent on imports of wood pulp and paper--particularly newsprint--from Canada. The same is true of many other countries, and it seems therefore that in this field there is little need to fear the restriction of foreign markets.

Canada has another great advantage with regard to the manufacture of pulp and paper: its abundance of water power, which is of great importance to this industry. The amount of water power available is very large, larger than in any other country except the U. S. Only very little of it has been developed so far relative to the potential resources, even though much of Canadian industry is being supplied with electrical power.

As we have seen, there has been a tendency in the pulp and paper industry in Canada toward exporting less raw materials and more semi-manufactured or finished products. But even now very little of the finer grades of paper is being manufactured in Canada, such as book and writing paper, wrapping paper, wall paper, cardboard, etc., while half of the pulp is still being exported. It seems that here is a field where considerable expansion is possible.

Next we must consider the second important primary industry of Canada: mining. In this field, too, the resources are considerable. More nickel is produced here than in any other country, and the production of copper, gold, lead, silver, zinc and cobalt are considerable. Non-metallic minerals found in large quantities are: asbestos, structural materials, natural gas, petroleum, gypsum, salt and coal. Not all these resources have been widely exploited so far. Thus, for example, the extensive coal fields in Alberta have hardly been tapped as yet. This is mainly due to the fact that transportation costs to the east are very high. Therefore coal is today largely imported from the U. S.

Another important deficiency is the absence of commercially valuable iron deposits. The situation is

somewhat the same as in the case of coal. Canada does have resources of iron-ore, but these have not been developed due to the competition of imports from the U. S. As long as the supply from the U. S. is sufficient, this situation is not likely to change to any considerable extent. Yet with the development of more efficient methods some expansion is not impossible in coal and iron production.

The outlook in other fields of mining is much more promising. Canada is even now one of the foremost producers of some of the important minerals, and most authorities are agreed that Canada has yet far to go before all her mineral resources are adequately used.

In the past the primary industries--forestry, mining, fishing, and the fur trade--have, together with agriculture, been of very great importance as compared with the secondary manufacturing industries. This of course is quite natural. It is typical of all new, pioneering economies, that raw materials are the main product and of course the chief items of export. At the same time finished goods are largely imported. Thus, not infrequently, raw materials were exported, worked up in a foreign country, and then reimported again by Canada.

More recently, Canada has begun to advance beyond this first stage of development. Manufacturing industries have been expanding considerably, largely with the help of British and foreign capital. In most of these industries, however, natural resources and capital are of far greater importance than labour. "It is probably due to the impetus of easy foreign credit that overhead capital investment is so high in this country. The whole economy has relied heavily on the exploitation of natural resources and on the export of natural products to pay interest on the very large national debt, which has quadrupled, while the counterbalancing corrective of a steadily increasing population has not proceeded therefrom." (1)

It can thus be seen that Canada has by no means reached a balanced or mature state of economy as yet, though it has tended to come closer to it. It seems that the frame is still too large for the structure within. It may thus be more important to emphasise intensification rather than expansion. It has already been pointed out that Canada's agriculture provides a wide enough basis for a more intense industrial economy, and we have seen that other raw materials are

(1) Bates: A Planned Nationalism. Page 150.

also found in sufficient abundance to warrant the same conclusion.

There is little doubt that this intensification would bring about considerable benefits. It would add to effectiveness in industry, and would certainly have a beneficial effect on the co-operative activities of the community. For "to increase population is to minimise distances, break down individual and group isolation, and so foster unity of purpose, connected action, and a community spirit".⁽¹⁾ Also an increased population would give rise to an increased home market, thus making mass production and greater specialization possible.

This would cause diversification of the economy, make it more balanced and less dependent on the export of a few staples. As a consequence Canada's position in times of depression would be less vulnerable, and she would always be more independent of foreign markets. This does not mean that Canada should aim at autarky or in any way deprive herself of the advantages of international trade. To have a more fully developed economy here, with a greater amount of labour to work with the

(1) Essays on Canadian Economic Problems: Canada's Optimum of Population and How it may be Obtained. Page 42.

capital and raw materials would have a stabilising and beneficial effect.

Canada's economic framework is much greater than she requires at the present. "There were organized and put into operation nine Provincial Administrative Systems, and these, in their zeal for service, have built roads, bridges, public buildings, schools, which are certainly not used as intensively as they might be. Those who do use this plant bear the whole burden of excess capacity. We are provided for in an expansive, but expensive, style."⁽¹⁾

Another very obvious case of overexpansion is seen in the top-heavy transportation system. A very large portion of the railway mileage is not used nearly to its optimum capacity, and, as a consequence, the rates are high, and so are deficits, which have to be made up by a general taxation levy. The railway mileage per person in this country is extremely high: one mile per 178 people, as compared with a mile per 400 people in the U. S.

All these considerations have, of course, been of a very general nature, and it is therefore impossible to draw definite conclusions. But it is at least

(1) Essays on Canadian Economic Problems: Canada's Optimum of Population and How it May be Obtained. Page 43.

possible to point out some aspects of the situation as it appears now. (1) Some increase in population would be beneficial, if these additional people could be absorbed without lowering present standards. (2) Some expansion in agriculture would seem possible, at least as far as physical conditions are concerned, particularly if Canada should be able to get some immigrants who would really make good pioneers and settlers. Whether such expansion would be economically possible depends on conditions which cannot be predicted today, and is therefore a question which cannot be answered. (3) The outlook in the forestry and mining industries is somewhat better and under "normal" conditions, if we can use this term, some expansion may be expected. (4) As the Canadian economy is becoming older and more mature, it is in the manufacturing industries that the greatest increase may be expected. It is an old, and often repeated argument to say that as population and with it the labour-force increases, demand also increases, and that increased population provides work for itself. This argument is perhaps an oversimplification of the situation, overlooking some important difficulties. Yet, there is a great deal of truth in it.

It is not implied here that Canada could absorb immigrants at rates as high as at the beginning of the century.

Nor is it implied that her resources are practically unlimited and her capacity to expand almost infinite. But facts seem to point to the conclusion that a moderate, but steady increase is quite feasible at a rate higher than the natural increase. One of the most important questions is how to attract the right kind of immigrants, how to keep the others out, and above, all, just what kind of immigrants is desirable. Almost everyone would agree that Canada's policy in the past, or often more correctly, the absence of a definite policy, has not always been satisfactory. Nor has the assimilation of immigrants already in the country always progressed as well as might be hoped for. It seems that some improvement in these fields would be possible and certainly desirable. It is to these questions that the next chapter will turn.

Chapter 4.

"Of all kinds of luggage men are the most difficult to move". While commodities, in the absence of artificial control, move rather freely in response to demand, this is not true of man. Too many non-economic factors enter into the situation, which make anything like free mobility impossible.

There are two aspects to the problem of immigration. First, there is the immigrant who must break with his familiar environment and start out once more in a new country with different ways and customs, to which he must gradually adjust himself. Secondly, there is the 'native' population of the immigrant-receiving country, whose reaction toward the newcomers is of extreme importance, in influencing the process of adjustment of the immigrant on the one hand, and in fostering or discouraging further immigration, on the other.

If assimilation is to progress in a satisfactory way, the first prerequisite is that the immigrant be willing and able to adjust himself to his new environment in such a way as will be satisfactory to himself and arouse least antagonism on the part of the community within which he

settles. What qualities are the most important for an immigrant who is to fulfil these requirements successfully?

(1) The man or woman who expects to come to Canada should be trained in the occupation which he or she intends to practice. If there is no prospect that they will find employment of the type they are used to, it may often be better to discourage them from coming, or at any rate not to admit them until the situation, with all its problems and difficulties, has been clearly presented to them. In this way mistakes of the past could be avoided, such as the admitting of large numbers of immigrants from the industrial areas of western Europe and England, for purposes of farm settlement. For it is only too obvious that settlers of this type, who know little or nothing about the work they are to undertake, can only in very rare cases be successful. Moreover it seems likely that pioneer life will not appeal to them, that they will long for the sociable city life they were used to in the old country. Such people are not apt to make either good or permanent agricultural settlers. This is only one instance; there are others which could be mentioned. Such situations are very unfortunate, and should be prevented as far as possible. For people who

cannot make a success of their work, often become dissatisfied with conditions as a whole, and consequently find assimilation very hard, if not impossible.

(2) It has often been emphasised that immigrants should come from an environment not too radically different from that in their country of adoption. There is, of course, some truth in this point of view; but it has on the whole been overdone. The policy of trying to get immigrants from conditions similar to those in Canada went so far that there was--and still is--great reluctance in admitting immigrants from southern and eastern Europe. Yet the government seemed anxious to get settlers of the agricultural class, which certainly were most easily available in those parts of Europe. Here we see that the first and the second of the desirable qualities to look for in immigrants may and do come into conflict.

Thus the question arises as to which of the two greater importance should be attached. No general answer can of course be given. Yet it is on the whole probably more important that the newcomer be fit for the type of employment he is expecting to do. For the man who is successful in his occupation, will most likely be satisfied,

and thus come to like the country which has given him the opportunity to do well for himself. On the other hand it is true that a man coming from similar conditions, or even from a community using the same language, will have an initial advantage. Thus we must conclude that it is of advantage if immigrants can be secured from western Europe and more particularly the British Isles. But if the type of people needed in this country cannot be found there, economic considerations should come first and immigrants from other parts should be admitted.

(3) There is another factor of great importance: personal fitness, physical and mental. It is on this basis that individual cases are, or at least should, be judged, rather than just by occupation or nationality. An intelligent person has a more flexible mind, is more likely to adjust himself to a new environment or a different type of work, and will learn a new language more easily.

In the past little attention has been paid to this factor. The immigrant only had to undergo a medical examination and nothing more. There seems to be no reason, however, why it would not be feasible to administer an intelligence test as well. For, though intelligence and

similar tests have not yet developed far enough to be a perfect measure of a man's capabilities, they would give a fairer basis of selection than anything used up to the present.

We have so far discussed the immigrant and his problems. We must now turn to the people among whom the immigrants live. Their attitude is of great importance to the newcomer. Their friendly acceptance is often one of the most important factors in helping the immigrant to start his new life. It is therefore unfortunate that this is frequently denied.

The unfriendly attitude often exhibited may be partly due to the fact that the immigrants are not always of a desirable type. But the truth of the matter probably is, that people have a tendency to dislike anyone different from themselves. Therefore the various forms of 'race-hatred' usually arise, no matter what the foreigner is like. Thus the presence of the poor, uneducated, primitive immigrants is resented, because they constitute a source of cheap labour. It is argued that in this way they tend to bring about a lowering of wages and consequently of the living standard. These people are despised and looked down upon as an uncivilized mob. Immigrants, on the other hand, who had some education and intelligence

and won good positions for themselves, were accused of taking away the best jobs from the Canadians.

This shows just how difficult it is to prevent the rising of resentment against 'foreigners', unless the population is educated toward tolerance for and sympathy with the newcomers. This aspect of the problem has been very badly neglected, and anything done in this direction would undoubtedly prove worthwhile. For when the immigrant finds that he is met by resentment, he is very apt to develop a certain defence mechanism. Nothing is more likely to make a man cling to his old customs and ways, to make him realize how precious his culture and his language are, than when he sees that others consider it to be inferior. If, however, the process of adjustment is left to take its course, nothing is more natural for the immigrant than to adapt himself to the new country steadily, though perhaps slowly.

"The last thing these foreigners want to do is to go back home. They all want their children to learn English and to be English-Canadians. They welcome every opportunity to have it so. Apart from odd communists or revolutionaries they value our institutions.....Their foreign papers and a few such things as Choral Societies, or Beer Gardens, are just a gesture, a wistful regret, a

tribute to their former mother country. As it is, they all want to learn to play hockey, to attend highschool and college, to join the Rotary Club, make money, and move right up into golf and bridge and have their wives members of the ladies' Every-Other-Wednesday Culture Group. In other words they want to be like us. Can you blame them? Leave them alone and pretty soon the Ukrainians will think they won the Battle of Trafalgar, and if the President of the Rotary Club is a Bulgarian, all he will ask is to forget it." (1)

This view, expressed by Mr. Leacock, may perhaps be somewhat overoptimistic. But on the whole it describes the situation not inaccurately. It is true, that outside of some minor and usually temporary exceptions, European languages, apart from the English and French, rapidly die out in America. It is also true that there is no foundation for the claim that the West has been "balkanized". All the institutions clearly show their British ancestry.

These facts prove that, if the immigrants do not meet uncommonly unfavorable circumstances, there is little reason to worry about their progress in assimilation. This is particularly true of those who settle in cities

(1) S. Leacock: My Discovery of the West.

or towns, where they come in constant contact with the Canadian population. Here the progress will be much quicker than in the West where pioneers often are far from other people and therefore slow to learn the language and the ways of the new country. But even there the problem is usually a matter of one generation only. For the children will attend English schools, and will soon feel much closer to other Canadians, than to the speech and ways of their parents.

There is, however, one point which causes a great deal of difficulty in Canada: there is no *conscience of a Canadian* nationality. If one asks a person, whose ancestors have been in this country for several generations, of what nationality he is, one will receive the answer that he is Scotch, French, Irish, Dutch, or anything else except Canadian. It cannot be disputed that this, is, strictly speaking, more correct. Yet such an attitude does not make for unity, and it would be of much greater benefit if this were discontinued. When a man in the U. S. obtains his citizen papers, he automatically becomes an American. This example should be imitated in Canada. It would do much to help foreigners become real citizens of their new country.

All these matters connected with immigration are of great importance to Canada as a whole and to every citizen of this country. It would, therefore, seem right that they be controlled by the one agency which is--at least theoretically--controlled by them and responsible to them all; that is to say, their own government. Many of the mistakes that have occurred in the past could probably have been prevented, had the railways not been left so free to carry out their policies.

It is not intended to slander the railways and their acts. But being commercial enterprises, that have to pay dividends to their stockholders and interest on their bonds, it is only natural that they were most interested in the revenue that the immigrant traffic would bring to them. It has been emphasised that this is one of the advantages of immigration; but it is not important enough to be the sole consideration, as it has frequently been with the railway companies. Their main interest was to bring in as many immigrants as possible--often with an entire disregard as to their suitability. For they could first transport them to their destination and then, which is even more important, have the benefit of the traffic of their produce. Thus it happened that men were brought over rather indiscriminately and then

settled on land, frequently without the necessary precaution of a thorough investigation of the suitability of the soil and climate.

Mistakes of this kind should be forestalled by intelligent government control. It has, of course, been pointed out that this would cause immigration policy to be involved in politics, which might be undesirable. There is some truth in this, but it does seem that the advantages would outweigh the disadvantages. For it is at least probable that the government would attempt to control policy in the national interest, rather than in the interest of any particular group.

The government should also take into its hands the spreading of propaganda in foreign countries. At times when the railways were anxious to obtain a large number of immigrants, it was not uncommon that the information distributed by them gave a view of Canada which, though perhaps not really incorrect, certainly was much too optimistic and led people to underestimate the difficulties and problems that might arise. More objective and fuller information would have helped much.

Another mistake very generally encountered was, that the greatest attention of the agents was directed toward attracting people of the poorest class. It was from this

class that the most and the easiest prospects came, and the agents were paid for each person to whom they sold transport tickets. This, of course, had the effect that the great bulk of immigrants were very uneducated. It went so far that some agents said they were really only interested in people who never went further than to public school. It has often been argued that these people do make very good settlers. But even if this be true, it is still doubtful whether it would not be better to direct more attention toward other classes. Canada does not need only settlers and cheap industrial labour. People who would bring their intelligence, education, and experience, as well as the mere power of their hands, could undoubtedly make a valuable contribution. To take just one important example: there is much room for the setting up of new industries, so far not found in Canada. That the effective transplanting of industry is possible, under the leadership of a capable man with the necessary initiative and with the help of a skeleton staff of expert workers, has been seen in the last few years. A very well known example of this is the setting up of the Bata Shoe Company, but there are others as well, though perhaps on a smaller scale. There can be little doubt that the multiplication of such instances would prove beneficial.

It has, of course, frequently been pointed out that it is very difficult under normal conditions to induce a successful man to emigrate. This is obviously true to a certain extent, for these men have little need to attempt to improve their economic situation. But there is another factor which cannot be overlooked. It is true that they do not fear economic uncertainty; but it is this very class that has most occasion to fear political uncertainty. It is here that Canada has a definite advantage, which many people who have had occasion to compare conditions here with those on the European continent have learned to recognize and appreciate. This, as well as other advantages, Canada has to offer. How many will want to avail themselves of them, depends on the situation in post-war Europe, as much as on the policy of Canada.

It is not within the scope of this work to make an attempt to predict the future developments in Europe. But it is hard to imagine any peace settlement which could make the impoverished, war-torn continent into a very livable place within a few years, not to say decades. There will be enough work to do, at least at first, in building up much of what has been destroyed. This will supply

sufficient employment for the majority. Yet there will be many eager to leave the old continent saturated with strife and hatred, if they are given the chance.

A great deal will also depend on the trend of the birthrate in the various countries. In western Europe this has been declining for quite some time, notably in France and the British Isles. In eastern Europe this was not the case before the war. But one might expect that in this, as in everything else, the east will eventually follow the west. Thus it seems likely that the European countries will be less eager to see their citizens emigrate. This trend was already quite noticeable in several countries before the war, and will probably become stronger here-after. But if the number of prospective immigrants is likely to be smaller, than in the early decades of this century, this is quite in line with Canadian needs. Pressure from huge numbers of immigrants would only be an embarrassment, since Canada would be unable to receive them.

Another point perhaps worth mentioning is, that the average European, particularly from the south and the east, has a much better education than his father had. The states which were set up in this region after the first world war took a great deal of interest in their educational system. Much was achieved in this respect, and the percentage of

illiterates decreased radically everywhere within the 20 years before 1939, Unfortunately the whole system has apparently been disrupted during this war. But even so most of the immigrants for the next few years will be of the generation which did have the opportunity to enjoy this good education.

Thus Canadians will have less reason to worry about illiteracy among immigrants, and there should be less occasion to regard these people as inferior. This is only too common now, though it is quite unjustified. There are no superior and inferior races. Given a favorable environment, there is no race which is not capable of good development. If it is necessary to present any proofs of this, it may be mentioned here that the percentage of illiterates is noticeably smaller among the children of immigrants, than among the average Canadians.

All these considerations lead us to the conclusion that Canada will be able to get immigrants of satisfactory character, if she will only avail herself of the opportunity. If the matter is directed in the best interest of both, Canada and the immigrant, no significant difficulties in assimilating the newcomers need be anticipated. There are, of course, exceptions to this general rule. The

oriental races and the negroes, for example, obviously can never be fully assimilated. They may become very 'Canadian' in their way of acting and thinking, but their appearance will never change. Therefore, as long as racial prejudices exist, their presence will always cause difficulties peculiar to their situation. Another type of difficulty arises with certain groups, such as the Dhoukabors. The main problem here is not that these people are not open to changes themselves, but that they will attempt to prevent their children from going to school, and generally from becoming assimilated. In this way the difficulty is perpetuated. Such cases are very unfortunate, even though the community in the long run cannot shut itself off from outside influence completely.

It is to be regretted that problems of this type have arisen. But more attention has been given to them than their numerical significance warrants. For they are very definitely the exception. It is, after all, only natural that in transplanting millions of people to a new continent some unhappy experiences should be encountered. Most of the immigrants come to this country to find better economic opportunities, greater social, political and religious freedom. When their expectations are not disappointed they are glad and eager to enter the community as whole-hearted members, if only the door is opened to them.

Chapter 5.

We have in the preceding chapters covered some of the most important points connected with Canadian immigration. It may help us to see the picture as a whole if the main conclusions are here briefly summarized.

(1) There is reason to believe that well-planned immigration would have a positive effect on population growth. We have seen that this would prove to be of advantage to Canada.

(2) Canada's resources make immigration on a reasonable scale possible. (a) Some expansion in agriculture may be possible, depending upon the development of foreign markets and a growing home market. Important here is also the relative position of agriculture as compared with other occupations. Only when the position of the farmer will not be economically inferior to that of others, may the rural-urban trend be expected to cease, and the prospect of agricultural settlement become more attractive for newcomers. Group settlements might help to introduce a higher degree of stability and help to effect settlement of the land more speedily. But the incorporation of such ethnic groups into the existing social and economic structure

creates such difficulties, that the disadvantages probably outweigh the advantages.

(b) A more rapid expansion may be expected in other primary industries and in manufacturing particularly if the necessary capital will be available. This is not improbable, since the declining rate of population increase in most of the European countries will very likely diminish opportunities for investments there.

(3) Immigration should come more directly under the control of the central government. This would make for more unified direction of policy, and probably for a more purposeful and intelligent control in the interests of Canada as a whole. It would also be better if statutory restrictions were kept down to a minimum, so that policy would be flexible, and could be directed and adjusted in accordance with the changing economic conditions.

(4) A more consistent effort to help immigrants in their economic and social adjustment would be very desirable. Anything done to foster assimilation of the newcomers and to overcome anti-alienism among the Canadian population would prove very beneficial in making Canadian citizens of the foreigners. A slow expansion, which would make the gradual absorption of foreign elements possible is to be preferred

to a rapid influx of numbers too large to be readily assimilated.

In this work we have almost exclusively considered immigration as a Canadian problem. But migration is essentially an international problem, in as much as overcrowded countries feel that the New World should be opened to their surplus population. As long as nations have absolute political supremacy within their boundaries and care as little about maintaining friendly relations with other countries as they frequently have in the past, such considerations will have little practical effect. Should, however, real and effective international co-operation emerge after this war, so that each country would no longer be completely free in the direction of policies which have an international bearing, the situation would change considerably. Whether such control will be established is a question of much dispute. Undoubtedly many countries will not be willing to give up their absolute supremacy.

Yet, even if complete autonomy of individual countries should be preserved, a less isolationist and self-centred attitude would be far more conducive toward producing international good-will. The influence of immigration policy in this field is, of course, only limited. But it is one of the

contributory factors, and the preservation of peace is so essential that nothing should be neglected, which would bring it nearer. It should therefore be remembered that, although the effects of migration on the immigrant-receiving country must always be of primary importance, the wider consequences of immigration policy cannot be neglected.

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