

## AGRICULTURE IN CANADA'S ECONOMY

Farming is everybody's business, not only because it furnishes our daily food but because it is the basis of so many industries and so much of Canada's trade and commerce.

Agriculture is our most important single industry. It employs a quarter of our gainfully occupied population. The economic welfare of the whole nation is affected by changes in farm income and purchasing power.

City people have quaint ideas about farm life. They see a farmer living in his own house, without rent to pay, growing a big part of his own food. He is free to work as and when he pleases. He need never fear unemployment.

These things are true, but the impression turns out differently if we follow a successful farmer around the clock. Success in farming is the result of clear thinking and skilful management, and a great deal of hard work.

The man on the farm is the force that welds land and equipment into a producing unit. He plans his crop rotations, attends to the fertility of his soil, balances his livestock programme with the feed available, controls expenses, uses labor and machinery efficiently, and finds his market.

That is a complex business. The changes wrought in farming during even one lifetime are astounding. Today's farmer must be able to use and maintain power machinery, hire and supervise labour, obtain and manage large amounts of capital, control expenses, attain a balance between all phases of his farm's business, and apply his own physical energy as his fathers did.

Not all this is to be learned in books. Farming is an ancient occupation. It has gathered round it a vast fund of wisdom and skill, transmitted from father to son on the thin air of oral tradition or of living example. We must not underestimate the worth and power of this body of rural lore and technique.

There are probably no instruments known to any craft which are more perfect in their adaptation, with more fine points upon which success or failure depend, than the simple implements of modern farming. The shaping of the mouldboard of a plough so as to give maximum efficiency with minimum effort is a problem of utmost nicety.

### The Farmer's Market

Just as agriculture is the basis of all other prosperity, so agriculture depends upon all other industry for its state of well-being. Only in an environment of high level employment, abundant production, and high purchasing power can farming be a profitable pursuit.

Because of limitations in the home market, Canadian farmers are dependent on export trade. Any attempt to keep their income at a high level requires maintaining exports at a high percentage of their production. Farmers have high interest, not only in normal functioning of the Canadian economy, but also in an expanding world economy, and therefore in world peace. There are many countries where, if they had the purchasing power, Canadian wheat and meat and fruit could be used to advantage. To develop them into markets should be the aim of those people who are in a position to influence such factors.

## Farm Finances

Good farmers have little difficulty, today, with their financing. Proper financing, both from the long-and-short term credit standpoints can mean a great deal in success or failure, but sources of credit are plentiful. Canadian chartered banks provide a large share of the short-term credit used by farmers. Their local branch managers know the financial and personal rating of the local farmers, and advances are readily arranged.

In talking of credit, it is well to emphasize the value of a true appraisal by the farmer of his needs, his ability to repay, and the most economical source of credit to meet his situation. Too easy credit should be avoided if it means taking excessive risks, and the farmer should consult his banker, or someone else equally familiar with the broad agricultural picture as well as with local conditions, before making decisions.

### Making Work Easier

However it is approached, farm work is hard work. The farmer owes it to himself to make it as easy and as efficient as possible. The general layout of the farm can be such as to save both land and labour, and at the same time to increase the very desirable margin between cost and gross income.

Before plunging deeply into expenditure for labour-saving devices, the farmer should carefully calculate their cost and the saving he hopes they will produce. Once purchased, the depreciation, repairs, and insurance become annual charges. Farm magazines and books provide many suggestions for a farm's efficiency. No man can take a ready-made formula and apply it to his own farm, but the general suggestions may be adapted and tailored to fit particular circumstances.

### Applying Science

Science is at hand, too, to help the farmer. All farm people, and the economy generally, will benefit by the discoveries of scientists and the technological developments which flow from them. In olden times, farmers were guided by superstition. Today the questions in farming are answered by men who have wrought over the problems by research in the agriculture colleges and experiment stations.

### Records

One of the best aids to management is a set of good records. Incomplete accounting in urban business is charged with being the cause of more failures than any other business shortcoming, and surely we may attribute an equal proportion of farm failure and of mediocre success to the same cause.

### Big or SMALL Farm?

What size of farm is required to permit an effective use of labour of the farm and to provide an acceptable standard of living? Most of our farms are too small or their operations too limited in capital to reach the degree of mechanization called for by economic standards. But acreage is not a final test of efficient production. More capital can be invested and more labour applied on ten acres intensively farmed than upon a thousand acres extensively farmed, with equally good income returns.