

# The Mail Bag

## PROPOSED GRAIN GROWERS' BANK

Editor, Guide:—I am glad to see that my recent letter proposing the organization of a Grain Growers' bank is meeting with favor. I am also glad to see the interest taken by Prof. Michell, of Queen's University, and to answer his questions and to assure him that I propose nothing impractical nor unattainable right away, is the object of this letter.

I propose that the Grain Growers' Association should appoint a committee and proceed to solicit shares under the present Bank Act, that we should apply for a charter with a capital of one million dollars, that when half that amount is subscribed in hundred dollar shares, we deposit \$250,000 with the Dominion Government and apply for our charter. If not granted it would expose the fallacy of the Bank Act and sweep the government from power as an upholder of special privileges which they maintain they are not.

When we receive this and are ready for business our deposit will be returned to us, with the exception of \$5,000 which is retained by the government. I think we can get one million of shares subscribed inside of one year. We will then be allowed under the act to issue a million dollars of notes. We then would have about two million dollars of medium of exchange to put into circulation.

Where the co-operation would come in would be that we could secure the business of the Saskatchewan Co-operative Elevator Co., and thru their paying agent at over two hundred elevators get our notes in circulation—how to do this is one of the great problems of the chartered banks. Drawing interest on these liabilities to the people is where they get their great income, and the further and longer away from their bank the greater the interest they draw on same. Therefore, I maintain that by organizing a financial institution such as a bank by the producers, doubling our capital and getting interest on our debts we will get an immediate benefit and be able to show up the iniquitous system of Special Privilege, which is upheld by the present Bank Act. It is a boomerang, and is all right so long as it is guided to work only one way by the mighty captains of finance. But let us call upon it to work in the control and ownership of the producers, which we can do, beating the devil at his own game, and the mask will soon be torn off by the other fellows. Then, without an effort on our part, the whole nation will be right glad to inaugurate purely co-operative banks, and until this is done we, the producers, will draw the unjust returns allowed under the act, which will not matter so much as we will be taking it from ourselves, as we are in the Co-operative Elevator Co., and can use them as a common fund to strengthen the economic position while working towards justice and equity.

Again I say,

ADVANCE.

## CO-OPERATIVE COMPETITION

Editor, Guide:—I noticed in the Mail Bag a few days ago a letter signed by a Mr. Kennedy, which seemed to me to strike a vital cord. In my home district here I notice there is much confusion regarding the numerous organizations to which we owe loyalty. For myself I belong to two or more, properly three, organizations, the Co-operative Elevator, the Grain Growers' Association, and The Grain Growers' Grain Company Limited, and when it comes to selling my grain, I find it hard to decide which of my companies to sell to. Then when I come to buy supplies, I must choose between two concerns, the Association, and The Grain Growers' Grain Company Limited.

Now I fully realize the value of the Co-operative Elevator to the farmers of this country, whether they are shareholders or not, and whether they sell to it or not. I also realize the advantage of having our good old Saskatchewan Association at last in a position to show

the most skeptical where he will benefit directly by being a member. Yet there comes up a question in my mind. We all know that a few short years ago The Grain Growers' Grain Company Limited was about our only hope. It was, as it still is, an interprovincial company doing for us all. With this vast country to serve, this company, thru our executive, laid very broad foundations, having no reason to doubt the patronage of the country generally, especially in the grain marketing business, which seems to be the chief source of revenue.

But what has happened? What have we done? Put a competitor in the field to cripple our own company, for I notice from the Company's annual statement that the Co-operative Elevator has caused a serious falling off of business from this province. Allowing that the same thing occurs in Alberta, where will this Company end up at finally, especially if we also compete with it in buying supplies? From whence will come the money to build upon these broad foundations?

For myself I do not fear the ultimate outcome. There is too much common sense running at large generally and too many good men at the heads of our companies to allow this crippling of one of our number, when there is nothing to gain and all to lose by such action.

A SASKATCHEWAN FARMER.

## THE TOBACCO TRUST

Editor, Guide:—Tobacco growing is, or rather was, an industry that has been cultivated extensively in the counties of Essex, Kent and Elgin for the past fifteen

leaf trade of Canada to import in any quantity cheap tobacco, produced by cheap labor from foreign countries, and our government holds this tobacco for the manufacturer for any length of time in government warehouses and allows it to be put on the market when our crop is short, thus preventing the Canadian grower from reaping any advantage whatever from the law of supply and demand.

A. M. FRASER.

Ont. Tobacco Growers' Ass'n,  
Blenheim, Ont.

## CO-OPERATIVE SOCIETIES

Editor, Guide:—Having read with interest a letter from Mr. Halsall re merchants and farmers, in issue of Dec. 23, in regard to co-operation, to my mind it would be a false impression for the merchant to form that farmers were trying to take his living from him. Any man is free to purchase his requirements in the best markets; also a number of farmers joined together have a perfect right to open a store even alongside the present storekeeper's, and as many farmers as find it to their advantage have also a perfect right to patronize the farmers' store, provided it be conducted in the proper co-operative principles. The profits from said society are divided amongst many, while from a store only one receives all. I have had all the experience and know all the difficulties that have to be overcome by all new societies. I was one of the founders of the Belfast Co-operative Society and was elected president for a number of years. This



"THE OLD HOMESTEAD," AT SHELLBROOK, SASK.

years. Hundreds of thousands of dollars have been expended in the building of barns that are of no other use than for curing tobacco, and these barns are now principally all empty because the prices paid for tobacco in the last two years was not sufficient to pay for the extra labor required to grow the crop. Competition in buying has been completely eliminated and the grower either takes the first and only price he is offered or he cannot sell his crop at all. Those who were known to have taken any part in forming our organization, and they are all responsible men and large growers, have still their 1913 crop of tobacco. Every species of discrimination has been practiced and every grower has been well instructed by experience that to even question the wisdom or policy of the tobacco trust partakes of the nature of crime.

These are the conditions our Association was formed to redress, and relief can only be obtained thru a re-adjustment of the Canadian tariff on tobacco. At present manufactured tobacco enjoys a protection in the way of a customs tariff, ranging from 55 cents to about four dollars a pound, while raw leaf or unmanufactured tobacco is free of customs duties. True, an additional excise duty of 28 cents a pound is levied on foreign leaf, but this is not levied until the tobacco is taken out of bonded warehouses to be manufactured. This enables the trust that controls the

Society commenced in a very small store. The committee assisted the manager in the evenings until sufficient members had been enrolled and capital raised to warrant them building a store of their own. When this was done a number of branches opened all over the city. The present building was then considered too small, and today one of the finest buildings in the city has been erected, with all requirements, such as a library, music hall, gymnasium, lecture hall, etc. A difficulty arose with local bakers so that all the supply of bread was stopped. This was speedily arranged for, by a sister society shipping a fresh supply every morning. Today, one of the finest equipped bakeries has been erected and they are doing an immense business. Such difficulties as have been mentioned must be looked for. Let no ill feeling arise, push steadily along always, keep co-operation before you; its motto is to encourage thrift and mutual benefit to all, and the uplifting of the masses.

Yours for co-operation,

SAMUEL J. PINK.

Neepawa, Man.

## COLLEGE Y.M.C.A.

The Young Men's Christian Association of the Manitoba Agricultural College wishes to present the following brief report of its work for the fall term, 1914.

The Association is sub-divided into three departments, viz., Bible study, mission study, and religious work. All

of these departments have been alert and have done efficient work. Bible study has been the strong feature, practically 90 per cent. of our men being enrolled in small group classes, meeting each Sunday at 9 a.m. This work is correlated in a normal class for group leaders led by Dr. Geo. F. Salton.

The Mission Study department has organized two groups of men, 25 in each, to study rural life in Western Canada. These groups are studying under competent leaders from the staff. Interest in the rural life movement has been greatly stimulated by a short conference on rural life held on November 27 and 29. At this conference the students were addressed on questions of rural life by Dr. T. Albert Moore and Rev. J. C. Robertson, of Toronto, and Inspector Best and J. S. Woodsworth, of Winnipeg. Also, under this department, a series of monthly addresses on foreign peoples is being given by Prof. V. W. Jackson.

The religious work committee takes charge of the regular association meeting held on Thursday evening. It also supports, as far as possible, the regular Sunday afternoon service, tho for this the responsibility is assumed by the staff. For all these meetings strong, instructive and inspiring speakers have been secured, including not only the College professors, but also leading professors and pastors from the city.

Another activity deserving of mention is the short informal song service and address provided on Sunday evening for those not able or not desiring to attend the city churches.

Thru these and other agencies our men are offered the best of religious education; they are brought face to face with fundamental life issues in all phases of experience, and the challenge of the highest manhood is held before them.

H. H. DENNISON.

Winnipeg.

## CO-OPERATIVE STORES

Editor, Guide:—Wm. Halsell in The Guide of December 23, on "Storekeepers and Co-operation," bewails the "bad feeling between the farmers and the merchant in town," because of co-operative buying by the farmers thru their own developed and financed institutions. While local merchants grumble at what the farmers are doing in the way of buying where they can buy the cheapest, does he not find more fault with the department stores for selling goods to all classes of people at a lower price than he does. Here are two supposed evils the merchant complains of and which are sapping the life blood out of his business. They are real causes for complaint from his standpoint. Is there not, however, a perfect remedy for both evils, a system of doing business that will keep the money at home, that the local merchant prates about so much, and at the same time break up the habit of patronizing catalog houses? Co-operative stores will do it. Can they be established in agricultural communities? We answer emphatically yes, for nearly two hundred have been organized in the States within the last six or seven years and most of them are doing well, paying a six per cent. dividend on paid up capital and from five to ten per cent. on purchases. Let us suppose a merchant having goods on his shelves that will invoice at \$5,000 or less and is willing to sell to a co-operative organization provided he is retained as manager, and who is willing to take what cash has been paid in and the notes guaranteed by the co-operative company to be paid over to him as fast as they are collected until he is fully paid, paying him an interest on his unpaid balance. The new company, with a stock of goods on hand, with the members of the company behind him and the prestige the merchant had among non-members, goes ahead with

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## NOTICE TO CORRESPONDENTS

This Department of The Guide is maintained especially for the purpose of providing a discussion ground for the readers where they may freely exchange views and derive from each other the benefits of experience and helpful suggestions. Every letter must be signed by the name of the writer, tho not necessarily for publication. The views of our correspondents are not of necessity those of The Guide.