

control over the legitimate or organized trade, then and not until then will the primary producer give one hundred per cent of his efforts to the production of a high quality product.

In an effort to overcome the costs which the producer felt were greater than they should be, cooperative agencies were set up throughout the country. The producers combined to control their own products with a view to eliminating some of what they felt to be unnecessary costs. The result desired was that the producer should get for his labour greater return from the consumer's dollar. However, in many cases these cooperative enterprises have not been the success which it was hoped they would be when they were organized. I am a member of a goodly number of these cooperative associations, so that what I say of them in a critical manner will be a criticism of myself and the other members of the associations. The purpose of these associations was very praiseworthy. In idea or theory they were one hundred per cent correct, but in many cases they have fallen short of achieving the purposes for which they were organized. If they had not fallen short of their objectives it would not be necessary for me to be here to-night speaking on the second reading of this marketing bill.

I should like to give the house what I believe to be some of the reasons why these cooperative associations failed. It was first necessary to inspire the producer to join these associations to market his goods and thereby decrease the cost of marketing. In order to carry out this work a man or woman had to have certain qualities—one might almost say missionary or inspirational qualities—in order to inspire the masses with the idea that it was to their own advantage to combine to market their products. In many cases the men who had been responsible for the organization of the association were placed at the head, the members forgetting entirely that it required a different type of man to manage the business. This, I believe, is one reason for the failures of some of them.

Another reason is, I think, that the cooperative organization devoted too much, if not their entire attention to the marketing of the product and in many cases lost sight almost completely of the improvement of quality and the continuity of supply. Had many of those cooperative organizations given the same effort to improvement of the quality of the goods they produced, thus ensuring to the consumer that through the organization he could get this quality of goods, it would have meant the difference between

[Mr. R. Weir.]

success and failure of many of those enterprises.

Another reason, I believe, that some cooperative organizations have failed is the constant effort made by private enterprises against the success of the cooperatives, because they recognized in them, and rightly so, one of their most dangerous competitors. The private interests were organized and could combine to meet what they perhaps felt was a keen enemy, so that it is possible that many of the cooperatives met defeat before sufficient reserves had been built up, before an efficient management could be installed and, in fact, even before they got started on their way toward making a success.

I believe another reason for their failure has been that too soon after they were organized the majority of the executive, as a matter of fact, the entire executive in some cases consisted of men well chosen for their business ability, but had not on it people who were vitally, financially interested in the production of the goods, and because there were not people of that type on the executive or at least in a position to advise the management, there was lacking in that management that close touch with the problems of the producer which it was the purpose of the cooperative organizations to solve.

I have omitted perhaps one of the greatest reasons and it is this: we are told and told authoritatively that the reason for the failure of some of those organizations, and especially under certain conditions, is the fact that there has been enough produced outside the cooperative organization to depress the market of those who were inside the organization. That is, a sufficient proportion of the goods produced were not controlled by the cooperative organization and it could be used to depress the market and to make it impossible for the others to carry on as efficiently as they otherwise would.

I may have seemed so far to be a little too harshly critical of the cooperatives, but I have taken the time to discuss the situation, because I feel that this will have a considerable bearing on what we shall have to say later on and also in the working out of the legislation provided for in this bill. Although it seems at first that in many instances the cooperatives have failed, I am not nearly so much discouraged at the failures that have taken place when the obstacles they were up against, with a complete lack of experience and training are considered, as I am encouraged by the great success that, in spite of those same difficulties, has been made by a very large number of cooperative marketing