

Farmers in Business for Ten Successful Years

the rate of twenty or thirty thousand bushels per day; on the other hand, to have refused these consignments would have killed all faith in the new agency among the farmers for all time to come.

Their Personal Security

That incoming grain looked like a mountain to the worried directors. The usual advances to farmers had been made upon it and by February (1907) the overdraft at the bank stood at \$350,000. Along came the bank with a demand for more security. To meet this the members of the executive gave their own notes, signing away every bit of personal property they possessed. They risked everything. It was this temporary relief which gave the Company time to sell enough of the grain in the East to keep going.

The situation was pretty desperate. Loyal support by the Manitoba Grain Growers' Association, the officers of the struggling farmers' company appealed finally to the Manitoba Government to take a hand in adjusting the matter. The idea of paying profits on a co-operative basis had been given up officially as soon as the Company found that they were overstepping legal rights. They were not reinstated by the Exchange, however, until April 15th.

In spite of all the heavy expenses caused by the action of the Exchange the close of its first season found the young Grain Growers' Grain Company paying its farmer shareholders a dividend of seven per cent. The profits were \$790. Some of the shareholders received Express Orders for seventy-five cents as their dividend; some of these have never been cashed, but are to be found framed and hanging on the walls of farm homes. For it was a proud day.

A Time of Struggle

Not that everything was easy from then on. Farmers who have been connected with this Company from the start know the years of bitter opposition which have had to be faced. They will



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recall that in 1909 the Winnipeg Grain Exchange did away with the "Commission Rule" for a period of one year—the rule which fixed the commission that grain dealers were to charge their patrons. One cent a bushel had been the established commission allowed on wheat; but on this "free for all" basis upon which the

grain business was to be conducted with the rule removed, dealers could pay owners of grain anything they liked without regard to market values. Half a cent per bushel or services free, it was all the same! While this avenue to reckless competition threatened all commission firms alike, the farmers believed that a special attempt was being made to put The Grain Growers' Grain Company out of business; for they were doing a commission business solely.

It was a situation to test the loyalty of the farmers to the limit, and it is forever to their credit that they rallied to the support of their own company by requesting that in spite of special competition the old rates be maintained; not two per cent. of them favored any reduction. On this basis the Company received sixteen million bushels of grain that year (1909), an increase of more than 114 per cent. over the preceding year and nearly a million and a half bushels more than the volume received in all previous years put together.

Loyal Support Brings Success

This unmistakable answer of the farmers marked a turn in the tide towards a lasting success for their company. Each year has seen The Grain Growers' Grain Company improving its financial position, increasing its reserves and membership, broadening its resources and enlarging its sphere of usefulness to the whole farming community. While at all times this farmers' business organization has been forced to meet the keenest of competition—some of it unfair—it has attained high status in the world of commerce on its merits as a sound business institution. It has established beyond all question that the farmer