

The Mail Bag

CO-OPERATION

Editor, Guide:—I would like to draw the attention of the Grain Growers and others of the three Western Provinces to a situation that exists, in so far as the different organizations that exist in the three provinces at the present time are concerned, in their relationship to one another, and how better results might be obtained for all concerned.

We have now in Western Canada three distinct farmers' co-operative companies, The Grain Growers' Grain Company, the Saskatchewan Co-operative Elevator Company, and the Alberta Farmers' Co-operative Elevator Company, each one of which is necessary to the proper handling of the farmers' business. That these three companies, however, should remain independent of each other, competing in the handling of grain and distribution of supplies, is not, in my opinion, the wishes of the people of any of the provinces. I believe their desire is to have a consolidated system all under the direct control of the organized farmers, with the principle of direct legislation in effect, so that if the management did not suit they could be removed and replaced with men according to the farmers' choice.

While travelling thru the West during the past two years, I have found a great number of people, particularly in Saskatchewan and Manitoba, inquiring as to the probable development of this phase of the farmers' movement, and the sentiments expressed have been altogether in favor of having one uniform system; and I have met quite a number from Alberta who are also desirous of such an arrangement. Such a system will be more able to withstand the efforts of the Interests in their desire to discredit the farmers' system with the farmers themselves.

I have met some men who had a fear that because of the different systems being tied up with the governments of the different provinces it might create a barrier. But I have replied that we can meet the objection by the following means: That the grain growers of the three provinces form a new storage company. The directors can be elected from the three provinces, if desired. They can then elect a superintendent for the system of each province, and can then elect a general superintendent over the three systems or three provinces, and each province, to the point desired, can be adjusted individually, keeping the business of each province separate on all grain handled in that province. There is no doubt, in my mind, the governments of each province will be glad to be relieved of their present position at any time, and no doubt it will not be long till the farmers will be able to relieve themselves of the present position when desired. This will give us one uniform system reaching from the Rockies to the Great Lakes. Then this great storage system can, and will, become the farmers' great gathering system for one great selling agency and one great forwarding agency to the foreign markets of the world, all under the direct control of the farmers themselves.

The importance of such a move from the standpoint of improving the marketing of our grain is hard to comprehend. We find by practical experience that the greater volume of grain under the direct control of the Farmers' Export Company, the greater the factor they become in making the price received close to what it should be, and it enables them to keep export values up close to what supply and demand would warrant. There is much more to be said in favor of such a common sense action, but I could not undertake to set forth in this letter the advantages to be secured from the joint action.

Then, again, there is the question of co-operation in the supplying of our people with the many commodities that can be handled to advantage in carload lots, making a large saving on such as the following: Lumber, coal, fence wire, flour, apples, twine and machinery of all kinds, wagons and buggies. On

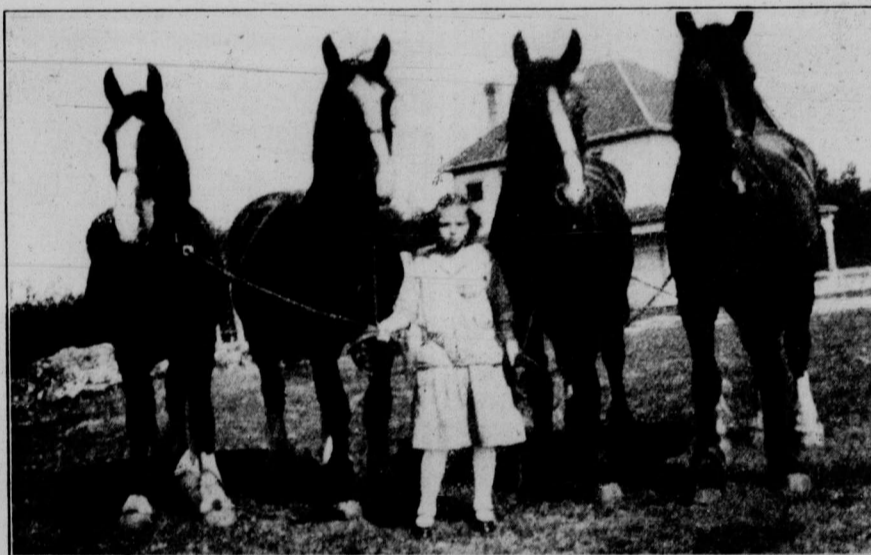
farm implements and vehicles this runs as high as thirty per cent. I am strongly of the opinion that we should draw the line somewhere close to what can be handled in carload lots, and not infringe to a greater extent than is absolutely necessary on the general local merchant. Of course the local implement man and some others will be affected, but if the local implement man is not hurt any worse than I have heard some of them say, they will not feel it very much, for some of them say they would be better off working a small piece of land. From information received it would appear thus (take a wagon, for instance, all other things being affected similarly), that the manufacturer gets from \$45 to \$55 for building a wagon; the middle man, that is, the man who stands between the manufacturer and the local agent, gets, if we are correctly informed, about \$40. If my information is not correct, I would like to be corrected; and then I understand the local agent gets the balance, I have been informed, about \$10.

Now, so far as co-operative buying is concerned, we find ourselves in a similar position to that of the elevator systems, and it appears naturally that the different bodies should come just in the way they did. First, we have The Grain Growers' Grain Company in an effort to reduce the cost of the commodities just referred to to all the people desiring to do business with the company. Then, later, we find coming from the

tions in the three provinces with between 40,000 and 50,000 members, they recognized that if they could secure a connection with so many representative farmers it would give them the most satisfactory kind of a market for their goods, and consequently they could afford to quote the lowest possible prices. They found this had a greater effect in getting reduced prices than even the fact that it was a cash business. The volume that was anticipated had a greater effect than the cash business had.

Now, I would suggest to the people of the three provinces that this very important matter be dealt with, and a full and free discussion should be allowed at their annual meetings taking place this coming winter, with a view to getting some definite action.

I would like to follow this up with a further thought by creating one centralized purchasing power we would be enabled at no late date to become the greatest purchasing power in Canada, and that would enable us to work in harmony with the local merchants and others in our Western Canada very much to their advantage, for the reason that we would then be able to supply our local merchants with goods at as low a price, or possibly a lesser price, than any other institution is able to buy them, and by this means we should be able to establish a cash basis and abolish the credit system. Then do you not see that when the farmer will pay



A Western Farmer's Daughter

government and the Grain Growers' Association of Saskatchewan a co-operative movement, confined to the province. The Co-operative Elevator Company of Alberta are handling their co-operative business in that province and working in conjunction with The Grain Growers' Grain Company in procuring their supplies.

Now, in my opinion, there is no person has any license or any right to complain as to why we should have the three different co-operative trading concerns, if the people in the three provinces believe that they can best be served in this manner. But I would like to say that from practical experience, I believe that one centralized purchasing power will undoubtedly buy goods at a much better advantage and at a lower cost and with less confusion than the three co-operative bodies can possibly do. If we continue as we are now we will be competing against each other, thereby enabling those who supply us with goods to take advantage of the situation, that if they could not get their price from one of the bodies they could possibly get it from the other. Also the larger the volume the one body is the purchaser of, the greater the lever they have for getting the reduced prices. When The Grain Growers' Grain Company were making arrangements for their machinery, wagons and buggies, they found this a very strong factor. When the manufacturers learned that there were 1,400 local associa-

the local merchant cash for what he buys, that the local merchant will then be able to get his goods at as low a price as any of his big competitors, and he will then be able to supply the farmers with goods at just as reasonable a cost as they can buy thru other means, for it must be fully recognized by all that the purchasing power of the local merchant is his greatest handicap, that many of them are giving credit to the farmers and are not able to buy for cash, and are, therefore, not able to buy goods at the right price; in many cases they buy at 15 to 20 and even 30 per cent. more than some of the large organized bodies are paying.

I am desirous that we make an effort to protect our local merchants and business men. The people want them in the country; we need their assistance in fighting the great corporations and capitalistic bodies that control legislative halls. We, in the West, should all help one another. We, the farmers and producers, should help the business man and the wage earner wherever we can possibly do so, and if we do, we can expect, with good reason, that the local business man and the local merchant thruout the West, and the wage earner will all help us, for the business man realizes now as never before that the farmers' success is the business men's success. The business man did not come here and the plow follow; no, the plow came and then the business man came. I am firmly convinced of this, and it

has grown more apparent every day, that there are many things that we should get into action together on, and help ourselves more than we have done in the past, and do not depend so much on legislation.

In union there is strength. Should we wake up some day and find the grain growers of the three provinces divided up in several groups our strength would be much reduced. The Interests will imagine that they see the handwriting on the wall, the farmers are becoming divided—the fall will come. I firmly believe we will be able to show all those Interests that it will take more than any power such Interests possess to cause any division in the ranks of the grain growers. We have at last arrived at a point where, with good judgment, we are able to take care of our own business and no longer leave that very important part of our business in the hands of others.

I trust that at least some of those much interested will take up the pen and give us their candid opinion on such an important matter. Do not forget that it is public opinion and public sentiment that has the ability to do things right in the best interests of all.

JOHN KENNEDY.

Winnipeg.

PROPOSED CO-OPERATIVE BANK

Editor, Guide:—I have just read with interest and sympathy the letter of "Advance" in your issue of Nov. 25.

As one who has studied the various farmers movements in Canada, I am well aware that all he says as to the struggles the agriculturists have experienced in trying to advance, most legitimately it must be said, their interests in the past is perfectly true, and I admire and applaud the unflinching perseverance that keeps him and others like him still with their faces to the foe.

But "Advance" and others of the Old Guard must know the difficulties that lie before any such scheme as a Grain Growers' Bank, and I beg him and the enthusiastic gentlemen who lately passed a resolution advocating the establishment of a Co-operative Bank, to pause a moment and reflect on the difficulties in the way.

First, may I ask, what is to be the exact form of this Grain Growers' Bank? If it is to follow the only available model it must be a chartered bank, which will involve the obtaining of a charter from the government, and the putting up of at least \$250,000 in cash before that is granted, if it should be granted, which is doubtful. As the shares in such a bank are fixed by the Bank Act at \$100 each, I presume "Advance" is ready to put up \$1,000.

Secondly, if the bank is to be "co-operative," as "Advance" says, are he and his friends ready to get the Dominion Parliament to put thru legislation covering such a scheme? My excellent friend, M. Alphonse Desjardins, has been toiling for the last eight years to get a far less ambitious scheme thru the Legislature, without any success. We were very hopeful that last summer Hon. Arthur Meighen would get it thru, but, alas, this war has driven all such schemes to the winds, and once more we must wait and hope for better days.

The sympathies of myself and many other patient observers of agricultural policy are wholeheartedly with the aspirations voiced by "Advance," but at the same time, we would beg him and his friends to be cautious, and remember the disasters that followed the Grange and other organizations in the

Continued on Page 27

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