

Rural Co-operation

What Organization is Doing in the West in the Way of Co-operative Buying and Selling and Co-operative Production

By J. W. MACMILLAN.

I have suggested in preceding articles, that the farmers' movement in the Prairie Provinces is one of great significance. It promises to become a force of the first magnitude in the life of the Canada of the near future. It has discovered leaders of acknowledged capacity. Its financial ventures have more than held their own in competition with rival interests. It is developing policies in regard to agriculture, education, politics and finance, and is likely to put behind its demands the assent and concurrence of the three prairie Provinces.

Other farmers' organizations have broken down from lack of cohesion in the ranks. The individualism of the solitary farmstead has prevailed over the class interests of the farmers. But western farmers are radically unlike eastern farmers, and so far no crack has appeared in the solid structure they are rearing.

In the East the City rules the Country. In the West, the Country rules the City.

The annual reports of the co-operative associations are now being published. This is the special department of the farmers' movement which has entered the field of the retail merchant and the local buyer. The aim is to reduce the costs of distribution both in buying and selling.

There are hundreds of these co-operative associations. I have been unable to learn just how many "hundreds" there are, but they are scattered over the three Provinces. They began as sporadic ventures of local groups of farmers, who united to purchase carlots of fencing, or binder twine, or apples, or other staples in common use. Each of the Provinces has provided legislation for the incorporation of these associations, which is now generally defining the form they take.

Associations Well Organized.

The financing is vastly different from the sort which promotions and prospectuses have made familiar. The sums invested seem ridiculously small, but the method is palpably direct and sincere. The object is service, not stock-juggling. The movement is healthy. It escapes the hydrocephalic perils of the average industrial promotion.

One thriving two-year old association has a capital of \$10,000, and of this less than \$700.00 is paid up. This is held by 150 shareholders. In their last year's business, they turned over \$20,000, at an estimated saving of \$2,000. They handled lumber, coal, apples, groceries, twine and fencing. They shipped a few cars of stock, saving \$150 per car. This association did three-quarters of its business from the cars on the railway switch. For the rest they leased a corner of a warehouse. Next year they will have a warehouse and coal-sheds of their own.

Another association did a business of \$20,000 turnover with \$100 capital, and paid a dividend of 8 per cent. They have since increased their capital to \$750.

So it runs, with slight variations: small capital, small expenses, eliminating the middleman. To get a just estimate of the profits one has to add the results from all the "hundreds" of similar associations.

Co-Operative Stores.

It is a common thing when the store or ware-

house is built, to set apart rest rooms for the farmers' wives. In these magazines are kept on the table, and even libraries have been started.

The reports commonly point out that these trading ventures bring down retail prices and buyers' commissions among their competitors. So all the farming community shares in the advantage.

Of course, this is hard on the retailer and buyer, and these classes have been defended by the manufacturers and wholesalers. The reports tell, however, of the gradual abatement of this opposition. At present it seems the associations have no difficulty in getting the heavier materials and supplies, but have not yet been able to purchase from the regular wholesale dealers in groceries, hardware and dry goods. Consequently, the farmers threaten to found wholesale depots of their own and even to proceed to manufacturing.

The Welfare of the Many.

In every social advance some one suffers. Every readjustment has its victims. Nevertheless, one must hold to the principle that the welfare of the many is more important than the welfare of the few. Besides, one may forecast the morrow, when the result of the readjustment shall mean more wealth for division among all. Both the present and the future are on the side of the co-operative association.

Since the "Rochdale Equitable Pioneers," composed of twenty-eight working weavers, who had saved up one pound each, opened a store in Toad Lane, Rochdale, in 1844, the history of co-operation in distribution has been on the whole, a record of successes. There is nothing in the conditions of life of western farmers to exclude them from similar successes.

The history of co-operation also vindicates the threat of the farmers to attack the wholesalers by establishing their own wholesale depots. This very thing has been done in England, and the Wholesale Co-operative Society of Manchester, holding the same relation to the co-operative societies as each of them does to its members, is one of the richest and strongest wholesale organizations in Britain. There seems no reason why this, too, should not be imitated in Western Canada.

But the history of co-operation in production is not so favorable. It has been distinctly less prosperous than co-operative distribution. It immediately provokes a new set of dangers, apt to be peculiarly fatal to co-operative enterprises. Perhaps, if the manufacturing went no farther than to supply the demands of the co-operative stores, many of these dangers might not emerge. But it introduces one to another realm of industry and investment, which deserves the most serious consideration before being entered upon.

It is impossible to divide the subject of human welfare into compartments. One of the first factors in the problems of health, intelligence and character is a man's income. Not only how he gets it and how he spends it, which are uniformly recognized as morally significant, but also how much he gets and can spend! If this movement is to spread, and will increase the annual income of the average western farmer by even fifty dollars a year, it will mean a general raising of the standards of comfort, intelligence and conduct throughout three Provinces.

a report estimating the value of forest products in 1914 at \$176,672,000, including lumber, laths and shingles valued at \$67,500,000, firewood at \$60,500,000, and pulpwood at \$15,500,000.

Foreign Trade.

The total exports of the produce of Canada for the fiscal year ending 31st March amounted to \$741,000,000, as compared with \$409,000,000 for the previous year, and \$431,588,000 for 1914. The extent to which the manufactures and the field products of Canada, as compared with the other sources of our wealth, have contributed to this result, is indicated in the enclosed diagram, from which it is quite evident that Canadian exports would have been very much in excess of the figures given above, had the necessary shipping been available.

Shipbuilding Industry.

The shortage of tonnage and the resulting high freights have caused much attention to be given to the subject of shipbuilding. The Government, with a view to granting aid to this industry, recently obtained offers for the building of different classes of ships, but they were unsatisfactory. A subsidy equivalent to the difference in cost of construction as between British and Canadian shipyards appears to have been under consideration. At present, however, prices are at such a high level as to make aid on that principle unsatisfactory. This is one of the difficulties at present under consideration by the Government, which promises to bring before Parliament a measure for the encouragement of shipbuilding, with a view to increasing that available tonnage. According to the Deputy Minister of Marine and Fisheries the average value of the vessels on the register of the Dominion at the end of 1914 was \$30 per ton, and on this basis the value of the net registered tonnage of Canada at that date would be \$27,972,660. The new tonnage constructed in 1914 was 43,346 tons valued at \$45 per ton, or \$1,950,570. At present Canadian shipyards in Quebec, Montreal, Collingwood and at other points are busy, but only at the latter point are commercial vessels being built.

Agriculture.

During April the weather was not favourable for seeding, in eastern and western provinces alike showers preventing normal operations on the land. In southern Manitoba and parts of Saskatchewan floods did much damage. By the close of the month, however, a very large amount of seeding had been done, but the delay will result in the acreage sown in wheat being somewhat less than anticipated, except in Alberta, where the acreage under grain will be about the same as in 1915. In the eastern provinces winter wheat is reported to be in a very promising condition. No adverse conditions are reported in fruit growing districts.

Live Stock.

All over Canada prices of live stock are high, and the quantity offered for sale is normal. In Toronto at the close of the month packers were paying \$11.90 to \$12 per 100 lbs. for hogs off the cars, an exceedingly high price. At this centre the number received since the commencement of the year is 171,519, as compared with 197,974 a year ago. For the latter part of April, however, receipts were fully up to those of the corresponding period a year ago. At Winnipeg hogs are bringing \$10.95 per 100 lbs., as compared with \$8.15 last year. With such prices prevailing, the returns of the year to farmers will be quite equal to, if not in excess of, those of normal years. The demand for breeding stock is very strong, indicating the tendency towards mixed farming.

The value of live stock in Canada as at the end of December was estimated by the Dominion Government authorities to be \$750,667,561. Of this sum Ontario accounts for 32.43 per cent., Saskatchewan 19.16 per cent., Quebec 16.56 per cent., Alberta 14.81 per cent., and Manitoba 8.82 per cent.

PERSONALS.

W. S. Robertson, General Manager of the Electric Power Company, which controlled the twenty-two companies taken over recently by the Ontario Government, has resigned, and will be succeeded by L. G. Ireland, General Manager of the Brantford Hydro-Electric Commission and Brantford Municipal Railways Commission. It is understood Mr. Ireland will be assistant engineer on the Hydro-Electric Commission, and part of his duties will be to handle the eastern Ontario end of the Hydro Commission's work, which includes the Seymour system lately taken over.

Canada's Commercial Position

Monthly Letter Issued by The Canadian Bank of Commerce

Since the commencement of the year the Imperial Munitions Board has placed in Canada orders for manufactured goods, other than ammunition, amounting to about \$6,000,000. The smaller manufacturing establishments are now sharing in these orders, but like the larger concerns they are finding it somewhat difficult to obtain competent labour or even labour of indifferent quality. Although this difficulty has now existed for some time the manufacturers appear to have been able to maintain their output. In so far as ammunition is concerned, the results are especially satisfactory and are exceeding the hopes of those responsible for early deliveries.

In the textile trade unusual activity continues and difficulties in obtaining certain raw materials are being gradually overcome by the development of substitutes. The same applies to our steel industries, which have arranged for their supplies of raw material for many months ahead.

Cheerful reports are being received from those districts in which lumbering industries are carried on, but there still remains the impossibility of obtaining tonnage for export purposes. Dealers in the prairie provinces complain of not being able to get shipments from the Western mills, and this is attributed to a shortage of cars.

During the month the Director of Forestry issued