

added that all consumers, farmers, mechanics, clerks, the general purchasing public, are subject to the same economic law. There is no discrimination against the farmers, nor in favor of any particular class. Nor is it possible to transmit general merchandise direct from the manufacturer to the consumer. Credits must be extended. Stocks must be collected, assorted and distributed. The only exception to this rule is in a few lines: binder twine, flour, and the like, and even these can only be handled on a cash basis. Modern business is a huge complicated machine, whose working is the result of the best experience of past ages.

FOURTH. What is meant by Farmers' Trading Associations? To what extent is it proposed that they shall be established? The article referred to is vague upon this point. At the present time, excepting a few stores established by the Saskatchewan Grain Growers' Association, there is no large organization of farmers' co-operative businesses in this country. There have been quite a number of local associations caused by local needs, which have been more or less successfully established, but so far no broad attempt has been made to introduce co-operative trading. If, however, it is assumed that such a proposition is in contemplation, then there are several considerations which should be carefully taken into account:

A. Such associations must of necessity carry sufficient general stocks to supply the community.

B. Such associations must therefore raise the necessary amount of capital wherewith to finance such business.

C. The success of such associations will depend upon their proper management. If they are local in their origin, each will stand on its own footing. If they are under one head, it will involve an organization more or less large, depending upon the scope of the enterprise. It is then pertinent to ask, how and by whom will they be managed? The farmers have their own business to look after. In establishing trading associations they must rely on outside help.

Such help, if competent, must be well paid. It is a grave question whether the benefits which will ensue to the farmers under such circumstances will compensate for the capital invested and the risks involved.

D. Such stores should be for the benefit of the entire community. They should sell to everyone. In this connection it may be noted that the Saskatchewan legislation with reference to co-operative associations discriminates against those who are non-members, which is a restrictive proposition and unfair in its application to the whole community.

E. Such stores should sell on credit to those who need and are worthy of it. It is interesting to observe that credit sales are prohibited by the Saskatchewan act referred to. To that extent they benefit only those farmers who are well-to-do. They will be of no assistance to others who are not in a position to pay cash. In other words, the tendency of such legislation and of such a course of dealing is to create a favored class among the farmers themselves.

F. At what points is it proposed to establish new farmers' co-operative associations? Will they be confined to places where proper service is not being given by local merchants, or will they enter into business in towns where those who are already established are doing their best to give the community the benefit of fair trade? In a word, will they be called into being simply as a money-making proposition, or will they be started only in localities where there is a present need of more or better stores?

FIFTH. It is asserted that there been a multiplicity of local stores, two or three times as many as the tributary country would carry. I challenge the accuracy of that assertion. In the three provinces, leaving out the principal business centres, Winnipeg, Calgary, Edmonton, Saskatoon, Moose Jaw, Regina and Brandon, there are 3,161 post-offices, with 3,640 general stores. Allowing for post-offices where there are no stores, these figures show that it is impossible that there should be twice, let alone three times, as many stores as there should be.