

# Co-operation For Western Canada

By J. A. STEVENSON

**NOTE:** In this article an account is given of the progress of Co-operation in Great Britain, with an outline of what may be accomplished by means of similar organizations in Canada. The Grain Growers' Associations of the Western Provinces have repeatedly asked for the passage of legislation by the Dominion government which will permit the organization of co-operative societies, but owing to the opposition of the Retail Merchants' Association and other capitalistic influences which apparently control both parties in Parliament, their request has not yet been granted.

Western Canada has now within its bounds a visitor, Mr. William Maxwell, of Rothsay, Scotland. William Maxwell is not known to fame in the ordinary vulgar sense, but his name is a household word in many a humble home in Britain and he is the friend of statesmen. His life work has been given to the co-operative movement and after acting for many years as president of the Scottish Wholesale Society, he is now president of the International Co-operative Alliance. Although retired from active business pursuits his heart and time are still given to the movement and he is devoting the years of his leisure to missionary work in many quarters. His visit to this continent has been one continuous round of lectures and consultations and he is never weary of forwarding the cause. Invitations have been showered upon him by men interested in the co-operative movement and his counsel has been widely sought. In his various addresses, Mr. Maxwell has sketched the history of the co-operative movement from its earliest infancy. Poverty was its driving force. In Scotland, a few half-starving weavers at the village of Fenwick in Ayrshire formed the first co-operative society with a capital of £20. In Glasgow the Co-operative Society began operations in 1800 and has since gone on from one success to another. In England, in 1794, Shute Barrington, Bishop of Durham, instituted a small co-operative society, but the real pioneers of the English movement were twenty-eight poor flannel weavers of Rochdale who in 1844 organized a co-operative store on the capital of \$140. At first only groceries were dealt with but in due course the movement had come to embrace, in its activities, the supply of every necessity of life. Manufactures have been undertaken and the ramifications of the societies are to be found in every quarter of the universe. Two wholesale societies, each with a capital of millions, are now in existence and affiliated to them are hundreds of retail stores. The English society has five large flour mills, three or four boot factories, soap works, cabinet works, jam factories, brush making works, tobacco factories, printing and lithographing establishments, woolen and cotton mills, tea blending and packing warehouses, as well as tea estates, orchards and gardens for growing fruit for jam purposes, grain elevators and a fleet of four steamers. The Scotch Society is somewhat smaller, but in proportion to its population does a larger business. In Edinburgh alone there are 41,000 members. In New York and Montreal, depots have been organized to handle the produce brought on this continent. Last year Mr. Fisher, the Scottish Co-operative Company's representative in Winnipeg, purchased wheat to the value of \$1,660,000. The two British wholesale societies which supply the retail stores are, in reality, Canada's best single customers and spend annually over \$5,000,000 in the Dominion. The heads of the co-operative movement believe that it is only in its infancy and that the time is not far distant when practically every member of the working classes will be enrolled.

## Wide Scope of Work

The primary object of the organization, Mr. Maxwell said, was to free the members from the evil results of the competitive system and the domination of the capitalists. At first the movement was confined to commercial undertakings, but in recent years co-operators had begun to administer to other needs of society. Libraries and reading rooms are opened in connection with several societies; lectures are given, musical societies are organized, women's Guilds formed and free convalescent homes established. In addition to this, co-operators have their own banks and assist their members in purchasing their own homes, the money being advanced from co-operative profits. Great as the economic benefits of co-operation have

been, its secondary and moral results are even greater. It has been a powerful factor in breeding honesty and honor between man and man, in promoting peace, in preventing the adulteration of food and other manufactured articles and in encouraging thrift and temperance. "Men have drunk themselves out of a home," says Mr. Maxwell, "but I know thousands who have eaten themselves into a home." In competition only the winners get profits; in co-operation everybody. The Scottish Society pays to its members annual dividends which often amount to 15 per cent. of the value of their purchases.

Mr. Maxwell has nominally been making a holiday tour of Canada, but in reality he has been ungrudgingly laboring in the co-operative interest. He has addressed meetings in the leading Eastern cities on Co-operation, and ventured to carry his gospel into the United States where the individualism fact is supposed to be insurmountable. He declares that he is surprised to find the progress that the co-operative movement has made on the American continent. In Ontario in many districts fruit growers and other agriculturists are organized for co-operation in marketing, and the civil servants at Ottawa

present all the elements for success, a symmetry of conditions, a feeling of indignation at the organized greed of capitalist combines and an eager desire to remedy economic, social and political wrongs. There seems to be no valid reason against the indefinite extension of the co-operative principle in the West except the short-sighted selfishness of the individual.

The Grain Growers' Grain Company has now been a successful pioneer in co-operative marketing of grain and the time may come when the whole grain trade of the West will be handled on the co-operative principle, the machinery of transportation and handling being transferred to government ownership. The process of marketing produce could speedily be extended to other lines. For instance, the producer of butter on a Manitoba farm receives little more than two-fifths of the price which the ultimate consumer pays in Winnipeg. It is contrary to the interests of both the consumer and producer that

can subscribe is limited by statute to \$1,000, but in practice the interest of the majority of members is comparatively small. If fifty members each subscribing \$25 could be obtained, a start could at once be made.

The first step would be to elect a manager and executive. In many cases it might be possible to imitate the policy of The Right Relationship League and secure the services of some local storekeeper who was being hard hit by the tyranny of the wholesale houses. Rules for the regulation of the society should be drawn up and every three months a meeting of all the members should be convened to discuss the policy of the society. Provision should also be made for a strict audit of the books every three months, for the success of the co-operative movement demands a high standard of honesty among its officials. As a precaution it might be advisable to bond the manager at the expense of the society.

The members of the society should, of course, be morally bound to purchase all their goods at the co-operative store and, to ensure its success, there would have to be a continual effort to recruit new members. Its success would eventually render this unnecessary. There would probably be opposition from the wholesale houses and manufacturing interests, but in other lands the victory, in the end, has never lain with these institutions. When three or four distributing societies had been formed, let them combine and buy their goods together and in time to form a purchasing centre in Winnipeg and other principal cities from which the retail stores can be supplied. As the movement developed, importing and purchasing agencies might have to be established at the eastern ports and Great Britain, and a close connection established with foreign producers who made goods not manufactured in Canada. To carry out such a scheme to a successful issue there must be energy and foresight and a certain amount of self-sacrifice. At present everyone is prepared to tolerate the vices and flaws of the present system of scramble and disorganization in the hopes that he may some day be able to snatch an easy fortune for himself. But the time is not far distant when the inhabitants of Western Canada must seriously realize that if they are bent on the creation of a happy and civilized community in the land which is their heritage, they must re-organize and ameliorate their whole national and political system. Mr. Maxwell and many others are confident in their belief that in such process of amelioration the adoption of a co-operative principle on a wide scale could play a most beneficial part. As a prelude to its success two steps are necessary: first, a lowering of the tariff, which would break the domination of the trusts and combines and, secondly, the passing of co-operative legislation which the intrigues of politicians and the opposition of the retail merchants has hitherto barred. The farming community has only itself to blame if it does not enforce the completion of these two preliminary steps in the immediate future.



THE CHRISTENING OF AN EARLY REE

At the baptism of Viscount Milton, son of the Earl and Countess Fitzwilliam, popular old English observances were revived. An ox was roasted whole. At tables spread for mighty feasts multitudes sat down; a fair was held under the trees; brass bands played, and mince and lemon stepped out to old Yorkshire dances in the open air. The long and crowded day closed with a display of fireworks. The above picture shows the ox on the spit after the roasting.

we have a co-operative association. He found, however, the movement in its most flourishing state at Glace Bay and Sydney, in Nova Scotia, places where the citizens, many of whom had previous experience of the benefits of co-operation, have organized a successful society. The movement has also found a foothold at New Westminster in British Columbia.

## Right Relationship League

In the United States Mr. Maxwell found that the movement had made considerable progress in Minnesota and Wisconsin, thanks to the exertions of a body known as The Right Relationship League. This body pursues a policy of inducing merchants who are on the point of retiring from business to allow their establishments to be transformed into co-operative institutions, in return for a reasonable price for the stock and good will. So successful has their policy been, that they have now over one hundred and thirty co-operative institutions to their credit in the Middle West. Mr. Maxwell at once recognized in the Grain Growers' Grain Company a kindred institution to those of his own creation, and saw in it the germ of infinitely greater developments. In his opinion there can exist, from many aspects, no better field for the extension of the co-operative movement than in Western Canada. There are

the middleman, by reason of his control of the machinery of handling, should be able to fetch so large a profit on a necessary commodity. The obvious remedy lies in co-operation. The farmers of Manitoba who are engaged in dairying, should combine to establish a co-operative collecting centre in the city of Winnipeg to which they could ship their goods and from which they could be distributed to the wholesale or retail dealer. If a majority of the producers combined in this manner they would soon obtain better prices for their products, and eggs and vegetables could be handled in the same way.

## For Western Canada

Mr. Maxwell was confidently of the opinion that the particular co-operative system which he has established in Scotland could be transplanted with success to Western Canada. The first step is the formation of the retail societies, and in one or two places steps are on foot to this end. In Mr. Maxwell's opinion the capital which each member should subscribe towards the formation of a distributive society should be \$25. In England the amount of capital which each member