A CENT A POUND OR ON THE GROUND:
OKANAGAN FRUIT GROWERS AND MARKETING,
1920-1935

by

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Between 1920 and 1935 the Okanagan fruit industry was in almost continual crisis because of the problems of selling an ever-expanding fruit crop on Canadian and especially Prairie markets which were no longer growing as fast as they had been when the orchards were planted.

Difficulties were increased because a minority of growers and shippers refused to cooperate in various schemes of market control devised to regulate supply to the market and thus to stabilize prices. Both a cooperative selling agency, Associated Growers, and several cartels including independent shippers failed in their objects because the portion of the crop outside their control prevented successful marketing strategies.

The provincial Produce Marketing Act of 1927, passed at the growers' request, provided some stability but was invalidated by the courts in 1931.

After the 1932 sales disaster, when most growers received less than cost of production, they took direct action. The Growers' Strike of 1933 used mass meetings, vigilante squads, and intimidation to force all growers and shippers in the Valley to cooperate in a stabilization scheme based on two novel principles: that growers should control distribution of their fruit until it was actually sold, and that it should not be sold unless a minimum price was achieved.
The growers' economic radicalism was not a deep-seated political conversion, but only their reaction to economic frustration. When the federal government, at the behest of their representative, in 1934 passed the Natural Products Marketing Act setting up a marketing control board, growers readily abandoned direct action and direct control.
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INTRODUCTORY QUOTATION

"But political freedom is largely nullified unless we have our economic freedom. . . . Free competition is all very well when the competitors have something like equal economic resources. Otherwise, the big interests have an overwhelming advantage and competition has in effect ceased to exist.

One British Columbia fruit grower summed up the situation when, discussing the Marketing Act under which he was forced to sell through one agency, he exclaimed, 'I am not worrying about the loss of my liberty. What I've been worrying about is the loss of my apples!'

That is the really effective answer to the scores of pages of Hansard and the lengthy speeches in which Mr. King dilates on the glories of Liberalism and warns us against the dangers of what he calls 'regimentation'."

--from a Radio Speech by J.S. Woodsworth, 1935 Election Campaign.
Chapter 1

INTRODUCTION

The historiography of Canadian agriculture, such as it is, has concentrated almost entirely on Prairie grain growing. Historians apparently assume either that farm methods, movements, and problems are the same in the rest of Canada, or that they do not merit consideration.

That agriculture in other crops and regions differed greatly from Prairie grain growing is easily established; one need only cite the fact that the Canadian Council of Agriculture was never able to draw the farmers' organizations of British Columbia into the fold because of the strong stand those farmers took against the free trade policy for which the wheat interests long campaigned. The significance of the diverse agricultural segments is harder to establish. Although the other sections never produced a massive export staple such as wheat, they were still an important part of the Canadian economy, and played a part in general political and economic policy. In some situations, a sector of agriculture, if organized and certain of what it wanted, could influence government policy to an extent far beyond its numerical strength.

As an example, developments within one agricultural industry can be shown to have influenced provincial and
federal policy. The competitive inferiority of the fruit producers of the Okanagan Valley meant the failure of their efforts to control to their own satisfaction the marketing of their fruit. This led to demands and pressure to achieve control by the intervention of government power, which many growers felt was the only way to overcome their competitive inferiority--by artificially removing it. Thus governmental agricultural policy may be seen developing from the point of view of the farmer rather than of the politician; that is, policy considered as a movement from the people to the politicians, rather than, as it is usually discussed, as a movement from government to the governed.

The only detailed historical study of Canadian agricultural policy was written by Vernon C. Fowke, who described federal agricultural policy prior to 1930 as part of a 'National Policy'. This policy greatly encouraged agricultural development and settlement, particularly on the Prairies where the federal government had the disposal of Crown land--but not so much for the inherent value of settlement itself as rather to provide effective occupation, profitable railway traffic, markets for protected manufactures, and fields for investment of development capital channelled through eastern Canada. "Government assistance has typically been extended to agriculture because of what agriculture was expected to do for other dominant economic interests in return for assistance, rather than for what such assistance might do for agriculture."^2

This thesis has been put, perhaps more succinctly
than Fowke ever stated it, by a recent writer:  

The existence of a national farm policy prior to 1930 was based on the importance of agricultural development to national economic priorities of trade, investment, and railway construction. It had nothing particularly to do with the welfare of farmers and their commodities.

Fowke pointed out that this phase of the 'National Policy' was nearing the end of its usefulness by 1920, with railways and settlement of the Prairies substantially complete, at a time when the attitudes and demands of the agricultural community were changing radically. Before the First World War the government was so confident of agrarian support for its development policies that it was willing enough to concede minor points and regularly appointed farmers to royal commissions investigating the grain trade. "The situation after 1920 was in sharp contrast. There was no longer any possibility of harmony between the views underlying agrarian protest and those of any substantial section of federal leadership."

The breach came as wheat growers became aware of what Fowke called their 'competitive inferiority' in the system of free enterprise, which he explained thus: in a competitive system the greatest profits go, paradoxically, to those monopolistic elements which are most able to escape competition. Competition is most easily lessened where there are few competing interests in a field, and, conversely, is most fierce where there are many. Farmers, because of the atomistic and individualistic nature of their industry, can never reduce competition sufficiently to deal on equal terms with the much smaller number of buyers for their
produce.\textsuperscript{5}

The inequality of the bargaining strength of agricultural producers as compared with that of the groups to whom the farmers sell and from whom they buy is the inevitable complement of freedom of enterprise which accords equal tolerance to freedom of combination and freedom of competition.  \textsuperscript{6}

The federal government refused to acknowledge the growing demands during the 1920s for action to offset this competitive inferiority.

The economic philosophy which underlay the national policy, at least until the end of the first major period of achievement in 1930, rationalized governmental enterprise and assistance of a developmental nature, government activity of a regulatory nature, and state-financed research in the field of production, but little more. Production and marketing, it was taken for granted, ought normally to be guided by the search for profit within the system of free enterprise.\textsuperscript{7}

The Depression, in agricultural policy as in so many other things, was a turbulent time. The year 1930 saw the formal acknowledgement of the end of the agricultural phase of the 'National Policy' with the conveyance of control of Crown lands in Manitoba, Saskatchewan, and Alberta from the federal government to the provinces. Such lands as still remained were no longer required for the national purpose, which had moved to other fields. The 1930s also saw the beginnings of agricultural stabilization and price support which Fowke at first saw as evidence of a changed federal attitude towards the disabilities of the agricultural producer.\textsuperscript{8} He later pessimistically concluded, however, that governmental interference with the competitive system has either been for purposes other than improving the condition of farmers (such as wartime Wheat Boards to
prevent shortages) or else has consisted of unplanned and temporary expedients in periods of crisis. These were acceptable because agriculture had lost its place in the 'National Policy' to other economic developments, and therefore could safely be governed by immediate rather than long-term considerations. Agricultural policy had become an unstable thing, lacking theoretical or conceptual content: "... the reasons [for actions] have been of such diversity and remoteness that consistency of policy has been impossible."9

Agricultural policies in British Columbia have been tied in to a program of development similar to, but separate from, the federal 'National Policy'. British Columbia, alone of the western territories and provinces, retained control of its Crown lands on entering Confederation, and consequently was not part of the federal scheme of development.10 Although the Dominion government, and its collaborator the Canadian Pacific Railway, issued enormous quantities of publicity and advertising seeking settlers for Western Canada, their 'Western Canada' stopped at the Rocky Mountains where their control of lands ended.

The Province of British Columbia was therefore left to encourage the agricultural development of its territory and to provide transportation facilities, particularly after the CPR provided a basic access to the Interior. But the province was restricted in promoting agricultural development by its continual fiscal deficit from 1872 until 1905, when for the first time it had a genuine surplus.11 Therefore
its policy was of necessity limited to offering land on easy
terms to genuine settlers (160 acre pre-emptions available
at one dollar per acre, payments deferrable\textsuperscript{12}) and liberal
bonuses of lands to railway promoters.\textsuperscript{13} Success of this
policy is shown in the 800% increase between 1881 and 1911 of
employment in agriculture, a rate much greater than in
mining or fishing and surpassed only by lumbering. Agri-
culture was in 1911 the largest employer among primary
industries, employing nearly ten thousand more people than
any other.\textsuperscript{14}

Only after 1904, with the coming of favourable world
economic conditions, could the provincial government of
Premier Richard McBride embark on an aggressive program of
development like that of the Dominion. Running short of good
Crown land for subsidies, the government switched to cash
grants and guarantees of bonds to subsidize a very ambitious
railway expansion. Three trunk lines and a host of feeders
received provincial support between 1903 and 1912; the federal
government took thirty-five years to promote its three
transcontinentals. British Columbia clamoured for settlers,
particularly from Britain; the government trumpeted afar the
praises of its remaining Crown lands and of the land schemes
of the various promoters and developers who controlled much
of the agricultural land in the province.

By 1913 the government had realized finally that
good farm land in British Columbia was not inexhaustible
\ldots Thus the problem confronting the government by
the end of 1913 was not the increased alienation of
agricultural land, but the development of the lands
already granted.
Yet the attractive policy of promoting settlement died hard. McBride's generous hand had burdened B.C. with the Pacific Great Eastern Railway which had to be taken over by the province, and the collapse of the Okanagan land boom compelled the government to give substantial loans and finally outright gifts to prevent the financial and functional collapse of the irrigation systems, which would have put out of business thousands of the farmers lured in by the expansive promises of the McBride era. But succeeding administrations, especially that of the farmer-premier John Oliver, still clung to the idea of land settlement as the basis of prosperity and as a solution for problems of unemployment. Oliver "loved to sponsor every project that would increase rural populations and production" and his career as Minister of Agriculture, and then Premier, saw the establishment of a Land Settlement Board, numerous Soldier Settlements, and projects for the drainage of Sumas Lake and the irrigation of the southern Okanagan Valley to provide more lands available for settlement. Few of these projects worked out as planned and all of them ended up costing more than was estimated. There could be little doubt left that land settlement schemes no longer worked, but politicians clung tenaciously to the outdated concept. As late as 1932 several farmers' and political organizations blasted Premier Tolmie's proposal to settle unemployed on the land, when even well-established farmers were in difficulty. 

The provincial government initially opposed interference in the competitive system just as did the federal
government. John Oliver expressed the policy clearly: "'It is not the business of the Government to maintain the people,' he told one delegation sharply. 'It is the business of the people to maintain the Government.'"

Voluntary cooperatives might be tolerated or even encouraged by the government, as part of the freedom to combine, but any coercive action to make 'cooperation' compulsory was unacceptable to the politicians. But by the latter half of the 1920s the obvious failure of land settlement as an agricultural policy, the weakness of the government, and pressing problems in some sectors of agriculture led the government to a willingness to placate agricultural interests. The Province observed in 1929 that

With doubts and misgivings, perhaps with a sort of despair, certainly with an almost pathetic readiness to give the farmers pretty nearly anything they could agree upon among themselves, the Legislature has swelled the statute book with enactments for the relief of the farmer.

The fruit growers of the Okanagan Valley have consistently been among the most vocal of agriculturists in British Columbia and the readiest to adopt radical and far-reaching new methods to get a fair return for their produce. Margaret Ormsby, the only historian who has dealt generally with agriculture in British Columbia, explains their willingness to experiment with cooperative marketing as a result of their having a greater surplus production of one commodity than other farmers, and therefore a greater sensitivity to market variations in the returns for their cash crop.
Other factors increased the demand of Okanagan fruit growers for changes in unsatisfactory conditions. Most growers had unusually heavy capital investments: fruit land in the Okanagan was very high priced because of the expensive irrigation systems needed to make it suitable for anything more than cattle grazing. In 1912 irrigated bench land at Kelowna had averaged $250 or more per acre, at a time when prime Saskatchewan wheat land was selling for $17.50 per acre, and there were still free homesteads available. The high expectations of the purchasers failed to materialize, partly because the promoters had been overly optimistic. Moreover, the depression of 1913 and the Great War, by drying up immigration to the Canadian Prairies, had stopped the rapid expansion of the Okanagan's chief market, but production from the new orchards slowly coming into bearing expanded, thus creating an ever-increasing surplus. Orchardists, caught in a difficult squeeze, were often willing to try almost any option to prevent the loss of their capital investment. Problems common to all agriculture also struck them with particular force. The agricultural difficulty described by J.K. Galbraith and J.D. Black, that of 'inelastic' supply in terms of price, where declining prices do not have the expected result of reduction of production because of the farmer's fixed assets, such as land, family-labour, and so on, which must be maintained, hit orchardists particularly hard; it is impossible to leave an orchard fallow in a bad year, for if the trees are not maintained the whole investment involved in bringing them
to fruiting age will be lost.

These various peculiarities of fruit growing meant that, together with the milk producers of the Fraser Valley who faced similar problems, orchardists in the Okanagan have ever been in the forefront of moves to revise marketing procedures. Whether the plan was called 'stabilization', 'orderly marketing', or 'market control', the growers wanted to eliminate their competitive inferiority and deal with purchasers on equal terms. Such economic 'radicalism' grew out of the orchardists' own indigenous problems; it was basically independent of the political and social movements of the time, both in inspiration and in application to the other facets of their lives.
Chapter 2

"THE UMBRELLA OF THE INDUSTRY":  
THE BACKGROUND AND FORMATION OF ASSOCIATED GROWERS

Commercial production of fruit in the Okanagan began in the 1890s, with growers selling fruit directly to local customers. The first cooperative organizations were formed not to compete with established shippers and dealers, but because of the lack of them. The Kelowna Shippers' Union, formed in 1893, cooperated in selling fruit and other farm produce to the new mining districts of the Kootenays.\(^1\) The British Columbia Fruit Exchange, intended to serve both Coast and Interior growers, was formed in late 1895, but failed after two years.\(^2\) As the quantity of fruit produced grew, however, commercial shippers came into the business, and small-scale direct sales dwindled away as shippers began to exploit distant markets, such as the Prairies, which were only economically feasible with bulk shipments at lower freight rates. The first full carload of fruit was shipped to the Prairies in 1901 by the private company of Stirling and Pitcairn, and in 1903 the same company sent a trial lot of two carloads to Britain.\(^3\) Gradually the marketing of Okanagan fruit became integrated into the complex North American system of produce distribution.

That system had the vertical appearance of a funnel
wide at top and bottom but narrow in the middle, typifying the difficulty of the large numbers of growers in dealing on equal terms with much smaller number of shippers, brokers, and jobbers who intervened between them and the ultimate consumers. In theory, the system as it operated on the Canadian Prairies, the chief and most profitable market for Okanagan fruit, worked thus: the fruit grower consigned, or less frequently sold, his fruit to the local shipper, who was also usually the packer. The shipper put this fruit into the hands of a broker, usually in the market area, who arranged to sell the fruit at the best possible price to the jobber or wholesaler, and then remitted the returns, less his costs and profit, to the shipper, who made a similar deduction and finally paid the grower. The jobber, meanwhile, sold the fruit to the retail outlets who supplied the eventual consumer.

The neatness of the scheme was disrupted in reality by factors such as the interpenetration of one level of distribution by another. Many of the shippers owned large orchards, and as grower-shippers resisted cooperative efforts. The major jobbers were connected with, were owned by, or owned, grocery chains. Most seriously, by 1922 the major brokers were owned by or were part of jobber combines, "an attempt to join in the one organization two opposing factors—the broker, whose interest should be solely that of the grower; and the jobber, whose interest is opposed to that of the grower." Furthermore, there was increasing monopoly of the distribution system on the Prairies at the jobber
level by two massive organizations, the ever-expanding American-owned Nash combine and an association of the remaining independent jobbers combined for self-protection.7

The idea of cooperation among the fruit growers had continued to simmer since the turn of the century. The Okanagan Fruit Union was formed in 1908 and survived for several years. It was forced into liquidation by the sales disaster of 1912, the first of the periodic gluts on the market, when large crops in British Columbia and in the western United States coincided, and shippers forced prices to disastrous lows in their competition to dispose of their supplies.8 The poor returns affected all growers and resulted in widespread support for the idea of a cooperative able to stabilize the market. The Okanagan United Growers, made up of nine local packing associations and a central sales office, was formed in May of 1913 with the blessing of the provincial government, which lent eighty percent of the required capital.9 In a campaign organized by a Vancouver broker, R.R. Robertson,10 about 1100 growers were signed up, and for several years the cooperative functioned successfully. A Traffic and Credit Association, consisting of the OUG and the other principal shippers, was developed to discuss and agree on prices and selling policy.11 The gradual expansion in Okanagan fruit production was taken up by an increasing penetration of the Prairie market, with British Columbia's share of the apple consumption there rising from 39% in 1915 to 82% in 1923.12 During this period the Okanagan growers remained placid, their demands on government limited to
reiteration of the traditional call for higher tariffs on imported fruit and for the restriction of Oriental ownership of land. The contemporary agitations by politically conscious Prairie farmers were politely listened to, and ignored.

This pleasant state of affairs ended in 1921, as the enormous number of apple trees planted in the 'boom' years of 1910 to 1913 came into full bearing, and the market proved unable to readily absorb the sudden jump in supply. The Okanagan apple crop of 1920 was 1,317,000 boxes; that of 1921 increased by over a million boxes to 2,769,000. Fortunately the United States crop of 1921 was very small, and so gave no competition on the Prairies. Even so the combination of reduced public buying power from the recession of 1921 and the large crop caused the breakdown of the Traffic and Credit Association as various shippers reneged on their agreements and flooded the market with fruit in their panic. Okanagan United Growers, holding about a third of the total crop, attempted to maintain the agreements and stabilize the market; as a result the cooperative was able to sell only 324 of its 1287 carloads of winter apples on the best-paying Prairie market, and had to send the rest to eastern Canada, the United States, and Great Britain for considerably lower returns.

In 1922 the saving grace of a small American crop was missing. Production there was almost half again more than that of the previous year, and left a large surplus to be disposed of by export. The Okanagan crop itself was
also somewhat increased. The result was a drastic overload of fruit.

With their experience of the previous season's marketing difficulties, the shippers refused to purchase fruit outright from the growers, and would only accept it on consignment. With no limiting agreements among themselves, and no financial stake of their own in the fruit, the chief consideration of the shippers was to dispose of stocks on hand. Prices plunged on Prairie markets as agents tried to match each other's offers; jobbers were reluctant to make firm purchases, for fear that prices would drop further and leave them unable to sell at a profit. Both independents and cooperative 'rolled' (that is, shipped without an order from a jobber) large quantities of apples to the Prairies, hoping to find a buyer once there, and this flood served only to further lower prices and demoralize the market.

This tended to make jobbers and even retailers on the Prairies afraid to buy and willing to accept shipments only for sale on consignment. In overloaded markets much of the fruit was finally disposed of only at very low prices or remained unsold and was lost. Aggregate returns were often insufficient to meet packing, transportation and agency costs.

One result of the crop of 1922 was an enduring bitterness towards the shippers by many growers who had received for their apples only 'red ink'--that is, bills from their shippers for losses on packing and transportation costs which returns from the fruit had not even covered. Another was a continuing fear among growers of shippers selling on consignment rather than by firm sale; for many years 'consignment' was a dirty word in the Okanagan.
The sales disaster was evident by November, and made it clear to most growers that a new marketing arrangement was needed. A 'Growers' Committee' had been formed in the spring of 1922 to consider marketing problems, and the impetus of financial loss accelerated the push for change. Growers' meetings during the winter of 1922-23 overwhelmingly decided that some powerful form of cooperation was needed to 'save the industry'. Outside experts were called in to address the growers on successful organization. These included Boyd Oliver and Dr. Theodore Macklin, professor of agricultural economics at the University of Wisconsin, but the most influential of them was the 'revivalist of co-operation', Aaron Sapiro, a San Francisco lawyer "known throughout North America as one of the most brilliant and successful organizers of co-operative marketing agencies for farm products."

Sapiro's visit to British Columbia was arranged by the Vancouver farm magazine Farm and Home. Sapiro spoke in the four major towns of the Okanagan, and aroused a wave of enthusiasm which led to the eventual organization being along the lines he proposed. The newspaper report of Sapiro's speech at Vernon on January 4, 1923, which was reprinted and circulated to growers, explained his program.

"We in California believe that co-operative marketing is the only hope of the man who tills the soil or cares for the orchard . . ." Co-operative marketing, he said, was now beyond the experimental stage; it was a proved success.

Using the example of California, he rebuked the Okanagan growers for the failure of their sales methods.
co-operative marketing means the substitution of merchandising for dumping. Here apple growers just dumped their apples on consignment. In 1922 for example they got scared because they had so many apples, rushed them to shippers, who in turn besieged jobbers with offers of Okanagan apples. . . . The Okanagan growers were themselves to blame for disastrous prices last season; they themselves broke the market.

Sapiro recommended several steps towards better merchandising: quality control and standardization, attractive and convenient packaging, extension of markets both in time and place and by increased use of the product, regulation of supplies on the market to prevent either gluts or shortages, and a final step following from this, of making the price dependent on the supply of the product at the point of consumption rather than at the point of production. Sapiro left the promise of a rosy future to his listeners. "Once the farmer learned to help himself no one could stop his progress in California, and if they learned it here no one could stop the prosperity of the Okanagan Valley either."

Sapiro's views and the advice of other experts resulted in the adoption of the 'California plan' of pooling, which was regarded at the time as "the embodiment of true co-operation", rather than proposals for a Board of Control along the lines of the wartime Wheat Board or a Central Selling Agency in which the shippers would stay as they were but all would sell through one office.

The proposed organization, to be known as 'The Co-operative Growers of British Columbia, Limited', was arranged in a federative form, with a single selling office, the 'Central', but with packing and shipping by separate
member cooperatives, or 'Locals', in each fruit growing area. Most private shippers were to be bought out and their facilities taken over by the Locals. Prominence was given to the rôle of a well coordinated Central in regulating quality and supply, to efficiency, and to the necessity for a large portion of the crop to be in the organization's hands.

If a co-operative selling concern is started with control over an insufficient proportion of the tonnage, the balance of the tonnage outside the Co-operative, and therefore in competition with it, may prove too great a handicap. The Co-operative Growers of British Columbia, Ltd., have decided that the control of 80 per cent of the fruit and vegetable tonnage of the territory to be covered by its activities is the minimum that must be secured.

To secure this control, a campaign, costing in total over $30,000, was mounted through January and February to persuade growers to sign up. The contract was a three party agreement, between grower, Local, and the Co-operative Growers, for the sale of fruit and vegetables exclusively through the Central for a period of five years. It was a conditional contract, to come into effect only if 80 percent of the fruit tonnage in the Okanagan, Kootenay, and Mainline districts was signed up by March 30, 1923. At the same time, Okanagan United Growers, the existing cooperative selling organization, agreed to go into liquidation if 80 percent was reached.

As it happened, the time required was considerably shorter than anticipated. By February 23 the membership campaign had the necessary quota, and eventually about 2700 growers, representing fully 85 percent of the potential crop of 1923, were signed up. The Co-operative Growers of
British Columbia was then legally incorporated on March 8, as well as a holding company, Co-operative Growers’ Packing Houses Limited, formed to purchase the independent packing houses and transfer them to the Locals.

The name of the organization was found to be unsuitable for technical reasons; the word ‘Co-operative’ could be used only by organizations and associations formed under the provisions of the Co-operatives Act, while the growers’ association was incorporated under the Companies Act. Therefore a special resolution was passed to change the name to Associated Growers of British Columbia, Limited, on May 10, and this change was legally registered on June 28.\(^36\)

The Associated, as it was generally known thereafter, was almost from its inception on the defensive. The high-powered membership and organization campaign had promised great results, and many growers signed up who were not ‘natural cooperators’, not men enlisted by the philosophical conviction that cooperation was the proper and inevitable form of organization—but were rather individualists who were interested only in the promised high returns. These men looked with a critical eye at the organization and were encouraged in this by the few remaining independent shippers and by all those who, for reasons of political or economic philosophy, opposed cooperation.

Therefore it was unfortunate for the Associated that the apple crop of 1923 was two hundred thousand boxes larger than that of 1922,\(^37\) and coincided with one of unprecedented size throughout North America. Associated Growers managed
to avoid the dreaded recourse to consignment, but was unable to control supply to the market because of the competition from the portion of the local crop outside its control and from supplies of other producing areas, and the eventual results were unsatisfactory.

Better results could have been obtained had the control of the crop been more complete. The percentage offered in competition was sufficiently large to threaten the stability of prices and at times made it most difficult to maintain our principle of f.o.b. sales. Price competition resulted in many reductions with consequent losses to the growers, and this should have been unnecessary.

It was cold comfort to the growers who had received less than their cost of production to be told that things would have been even worse without Associated Growers. 38

Some growers then decided against the cooperative experiment and left through loopholes in their contracts. In the next crop year, 1924, the tonnage handled declined from 85 percent to 75 percent. 40 Prices for the 1924 crop were better, and the decline in membership slowed, but was never totally arrested. Each year the portion of the crop controlled by Associated Growers was slightly smaller, slipping to 70 percent in 1928, and falling off more rapidly after the end of the five-year contract in that year and the commencement of single-year contracts. Only 65 percent of the 1929 crop was handled by Associated Growers, and by 1933 only 40 percent. 41

The 'escape' of tonnage from the cooperative was speeded by a decision of the Supreme Court of Canada in January of 1926 against Associated Growers. A Winfield
grower named Edmunds, to get out of his contract, transferred his property to a company of which he and his wife were the chief shareholders. Associated Growers took him to court, but both the original decision and two appeals went against the cooperative.\(^4\) This set a precedent for other growers who wished to avoid honouring their contracts.\(^5\) The \textit{O.K. Bulletin}, house organ of the cooperative, observed that

The temptation to break away is, of course, constantly before all growers, knowing well that--just as long as the great majority hold together and protect the market--just so long can some little extra profits be made by refusing to share in the costs of protection--but what if enough break away to make the load too heavy for those who remain, or if those who remain refuse to 'carry the umbrella' any longer?

This, in a nutshell, put the dilemma of the Associated Growers. Associated Growers, with the avowed aim of 'stabilizing' the market, found itself in a squeeze. By selling heavily on the less profitable export market, and by holding back from Prairie markets at the beginning of the selling season, it protected the market from being flooded and thus kept prices generally higher and more stable than if it had entered into competition on even terms with the independent shippers. This policy meant that the returns to all growers were higher than they otherwise would have been. It also meant, however, that Associated Growers itself got less than its proportionate share of the most lucrative Prairie markets, and more than its share of the export trade expenses and of the cost of storage of fruit for late season sales at lower prices. Therefore, while in absolute terms the whole industry benefitted, the growers selling through
the independent shippers often appeared to be getting better returns. They were sheltered under the 'Associated umbrella' but were not putting up any part of the costs. This comparative advantage led many growers to leave the cooperative, and each defection left it in a less advantageous position. These circumstances engendered a bitter feud between the supporters of cooperation and those of free enterprise, which disrupted attempts to improve arrangements and prevented general agreement among the growers on any subject.

The actual figures to compare returns for the independent shippers and for Associated Growers are not available, for while the Associated published its pool returns, few if any of the independents did. As the O.K. Bulletin never ceased to point out, the independent operators only publicized their figures for particular grades and varieties where their prices were highest, and didn't mention their failures. It may even have been a fair statement for Associated Growers to say that

if it were possible to get accurate figures showing proportions of each grade packed by each shipper, it would be found that the Associated averaged considerably more than the average independent shipper.

But, justly or not, the information seen by the growers was the highest returns of the best independents. So there was drifting away of growers, particularly those producing choice fruit and varieties most in demand, again leaving the less desirable product to the cooperative, which felt obliged to try to sell everything offered to it. This problem was noted by Dean F.M. Clement when he reported on
the condition of Associated Growers in 1933:\footnote{46}

The tonnage, while good mainly, is also in part the
dregs of a 'save the industry' campaign. It is not a
 tonnage selected to meet the demands of the market. It
is a tonnage the growers want sold.

Associated Growers realized that, with its declining
portion of the crop, it was impossible to stabilize and
control the market as envisioned when it was organized.
Orderly Marketing required concerted effort on the part of
all shippers, something which proved very difficult to
arrange. Attempts to get Associated Growers, Sales Service
Ltd. (sales agent for most of the larger independents), and
the other independent shippers together to set minimum prices
and apportion markets failed because of the impossibility of
punishing violations of any possible 'gentleman's agreement'.
Cooperation, because of its voluntary nature, had failed the
growers. Some outside force was needed to compel orderly
marketing.
Chapter 3

THE POLITICS OF 'STABILIZATION':
THE PRODUCE MARKETING ACT

By the end of 1926 the confidence of growers that the competitive marketing system would get them an acceptable return for their fruit had been greatly undermined. The idea of governmental control, as a method of avoiding cut-throat competition and resulting low prices, seemed the only solution to marketing problems. Country Life in British Columbia reported that such legislation had become a common subject of discussion in the Okanagan.\(^1\) That debate was quickened by the resolution of the Board of Directors of Associated Growers on November 2, 1926,

> that only through compulsory co-operation could satisfactory and equitable distribution of fruit products be effected and that every possible effort should be made towards obtaining the necessary legislation.

The debate had become sufficiently loud to be heard in Victoria, but Premier John Oliver avoided taking a stand by promising "that the whole situation would be thrashed out by the Agricultural Committee of the Legislature before any definite move was made to legislate."\(^3\)

By January 11, 1927, at the annual convention of the British Columbia Fruit Growers' Association, compulsory cooperation was "the chief topic of discussion throughout
the fruit growing districts. Most of the resolutions sent in by the various locals were on the marketing question. Under pressure from growers, officials from Associated Growers and the larger independent shippers had met and devised a resolution upon which both sides could agree. After a great deal of discussion, the convention finally passed it in the following form:

Whereas, we realize that unless some system of stabilization, which will ensure complete regulation of marketing is adopted for the fruit and vegetable industry of B.C., that many growers will be forced out of the industry,

And whereas, we believe that such stabilization, in the interest of all growers, can best be accomplished through a 'Committee of Direction' which will regulate the grading, packing, shipping, and marketing of the entire crop,

Therefore be it resolved:

That we, the members of the B.C.F.G.A. ask the Government, to introduce legislation at the present session of the Legislature to provide for the setting up of a Committee of Direction, which will be brought into being in time to have control of the movement of 100% of the 1927 tree fruit and vegetable crop.

Further:

That we ask the Government to make full enquiry into all the circumstances surrounding the marketing of B.C. fruits and vegetables with a view to recommending, at the end of the year, any method under which the suggested plan may be improved upon.

The resolution was qualified by twenty-two supplementary proposals detailing the plan. The more important articles included provisions that all shippers should be members of a British Columbia Growers' and Shippers' Association; that the Committee of Direction should consist of three members, one to represent the Associated Growers, one for the independent shippers, and the third to be appointed by the government; that the Committee should have jurisdiction over distribution of tree fruits and vegetables produced in
British Columbia east of the Fraser Valley; that the Committee should have powers to regulate f.o.b. prices and the proportions of production which shippers might place on various markets in specific time periods; and that the legislation should include stiff penalties for those shippers who infringed the Committee's rulings.

Even at the convention, opposition came from small grower-shippers who had no part in the formulation of the plan, and from growers who objected strenuously to anything which limited their freedom of action.

R.H. McDonald, vice-president of Associated Growers, later observed that

Looking back on what has taken place since the Kelowna convention it would appear that the silence of the opponents at that gathering was a very sinister and a very ominous peace. At the time of the Convention it appeared to some of us that the readiness with which the independents agreed with the main resolution without a dissentient voice, was really more than was to be expected.

Such misgivings were fully justified. The agreement between the various interest groups—B.C.F.G.A., Associated Growers, independent shippers, and grower-shippers—lasted long enough to present the convention resolution to the Agricultural Committee of the British Columbia Legislature on January 24, 1927, but within two days second thoughts had become evident, and some independents voiced objections to the makeup of the proposed board of control and to the degree of compulsion in the proposed legislation.

The issue was clouded by a resolution of the B.C. Dairymen's Association on January 21 calling for control
legislation for milk similar to that proposed for fruit. E.D. Barrow, the Minister of Agriculture, was a dairy farmer from Chilliwack who strongly supported this latter demand, and he proposed to the Agricultural Committee that the control bill should be expanded to allow the inclusion of all sorts of produce, including dairy products.

This expansion immediately caused public debate on the marketing bill, and the Vancouver city council vowed to fight by every means available any control of the milk supply. Mayor L.D. Taylor emotionally declared that

I consider it my bounden duty to protest . . . as vigorously as I can, against anything that even suggests the possibility of a combine that will raise the price of dairy products to the detriment of the babies and poor people of the city.

One business journal remarked with satisfaction: "It strikes us that the broadening of the scope of the proposed marketing control Bill is all that is necessary to prevent its enactment."

E.D. Barrow pushed his measure forward against the rising clamour, and the Agricultural Committee submitted a draft Produce Marketing Act which was introduced to the House on February by Dr. H.C. Wrinch, Liberal member for Skeena. Barrow wanted it to be a government measure, but because of opposition to the plan by Premier John Oliver, had to accept its presentation as a private member's bill.

'Honest John' Oliver was a Liberal of the nineteenth century laissez-faire school. "A strong individualist, he had fought his own way to the top in a world of competition, and he thought what he had done others could if they tried."
While he moderated from the extreme individualism of his earlier years, and had indeed helped to organize the Fraser Valley Milk Producers' Association cooperative,\(^{17}\) he saw this still in terms of self-help and competition, and steadily resisted the idea of government enforcing cooperation or subsidizing farmers. Oliver enunciated his stand in his reply to a Liberal farmer from Rosedale (near Agassiz in the Fraser Valley) who criticized the Premier's stand:\(^{18}\)

> Let me say to you in all earnestness and sincerity that the present Marketing Bill which is before the Legislature and which you favor, contains principles that are the very opposite of any principles of Liberalism with which I have ever become acquainted. First of all, there is coercion in the Bill; second, there is power without responsibility; third, there is power to inflict very large damage upon an element of the population without any provision being made for compensation therefor. If these things are in accord with Liberal principles, then I am no longer a Liberal.

Despite Oliver's efforts to disassociate his government from the Produce Marketing Bill by describing it as neither a government measure nor a private member's bill sponsored by Barrow, but rather the creation of the Agricultural Committee of the Legislature at the behest of the producers,\(^{19}\) the Department of Agriculture under the direction of its Minister, Barrow, had in fact been preparing draft plans for legislation for compulsory cooperation in 1926, well before either the B.C.F.G.A. convention or the Legislature met.\(^{20}\)

If Oliver had led a strong government, with a powerful majority, he could certainly have imposed his will on those of his cabinet and seated members who championed control. But, instead, he had been since the last election in a weak
and vulnerable position where the possibility of open
dissension or revolt within the cabinet and party must be
avoided at all costs.21

One thing was very clear after the near defeat of
the Oliver government in 1924, and this was that weakness
of an administration invites attack, not merely from the
immediate opposition, but a different form of attack--
that of demands for this concession and that favor.
Such requests would not be made of a strong government
because there wouldn't be much chance of success.

The supporters of the Produce Marketing Act backed
down from the controversial milk clause. This does not mean
that it was actually the weight of genuine public opinion
which dissuaded them; although a great deal of light was
emitted in the Vancouver press by editorial writers and by
the attacks of Mayor Taylor and the city council,23 no real
heat of public response was generated--Premier Oliver's file
of correspondence received against the bill contains only
five letters from consumers, but over a hundred from farmers
or shippers opposing its provisions. The Liberal Party,
however, was in a precarious political position in Vancouver,
which despite its several Liberal-held seats, had since 1922
lacked representation in the Cabinet.24 Mayor Taylor was a
Conservative whose political motives in the affair were under-
lined by the Labor Statesman.25 If milk prices did rise in
the monopoly situation, opposition politicians could make
political hay of the action, ignoring the 'private bill'
evasion. It would then be as difficult for the administration
and the Liberal Party to defend itself as if it had passed a
law against motherhood. To prevent this, the Liberal members
from Vancouver are said to have presented an ultimatum to
the Minister of Agriculture "that if he insisted upon the measure being introduced as a Government Bill, these Vancouver members would vote against the Bill and, if necessary, defeat the Government on the issue." Their continued opposition finally forced Barrow to drop his demand for the inclusion of milk in the Bill, although his intention to eventually bring about milk control remained.

The political dangers were not nearly so great in dealing with fruit. Almost two-thirds of the fruit crop was sold on the external market, either in other provinces or other countries, and the British Columbia producer was never in the same position of effective monopoly of the domestic market as the milk producers--indeed, the competition of Washington apples was one of the chronic complaints of the fruit growers. As for political considerations, most of the fruit districts were, as developments of the McBride era, solidly Conservative anyhow; if the Produce Marketing Act worked well, there might be some improvement for the Liberal cause--and there was nothing to lose.

That does not mean that the control of fruit marketing went unopposed. Vociferous opposition was heard from the small grower-shippers who had not been consulted, from larger independents who had at first agreed but later had second thoughts, and from growers constitutionally opposed to cooperation in any form. Much of the opposition was expressed in incoherent outbursts of outrage; H.H. Irvine of Oyama, for example, blathered about Bolshevik attacks on British liberties, backed himself up with a quote from Kipling, and
ended by calling on "the citizens of Vancouver and Victoria to stand back of the great body of fruit growers and resist this un-British principle that a certain element is trying to introduce in our province"; various individuals directed vitriolic attacks at Associated Growers, which they blamed for almost everything except the coddling moth; and a few more thoughtful growers tried to explain why they felt the bill would not succeed in its objects, or offered alternatives. Walter Marshall, who operated about fifty acres of orchard at Kelowna, felt that

The fruit growers of the Okanagan have the remedy in their own hands without all this government interference with their business, and that is by stopping the foolish business of consigning their fruit to the packers or the association and allowing them to throw the fruit on the market at any price they see fit as long as they get packing charges out of it. This is a practise that has been the cause of all the fruit grower's troubles and nothing will help him until he holds the packers to a minimum price f.o.b. point of production.

The primary, and the organized, opposition, however, came from the independent shippers and the grower-shippers. "The principal opposition to the bill is prompted entirely by the desire of the Independent Shippers to withdraw from the bargain they made." Their opposition was voiced on three main grounds: the coercive and compulsory features of the plan, the makeup of the board of control, and the question of whether the board of control or the Shippers' Federation should be supreme in matters of policy. They fought a further delaying action by calling for a plebiscite of growers before any Act should come into operation. The primary tactic of this opposition seems to have been confusion:
by continual insistence that the terms of the bill were radically different from those they had agreed to at the Kelowna convention, by nit-picking on minor details such as the makeup of the proposed board of control, by the natural disorientation created in legislators by the multiplicity of arguing organizations and names, by deliberate misrepresentations of fact, such as the instance of their solicitor writing a letter to the newspapers in which he purported to speak as an unbiased fruit grower, and by appeals to the prejudices of anti-Orientalism and the fear of bolshevism and Jews.

But this opposition was not sufficient to stop the Produce Marketing Bill, although it, along with the milk clause controversy, served to make the bill "the most contentious piece of legislation considered by the Provincial Legislature in recent years." The general feeling among the MLAs appears to have been that the fruit growers had asked for the bill, and should be allowed to see if the experiment would work—although some expressed doubt. Dugald McPherson, Liberal member for Grand Forks-Greenwood, said "that he thought to become effective, the proposed board of control would have to be composed of Mussolini, Jack Dempsey and Aimee Semple McPherson." The Conservative opposition, encouraged by J.W. Jones, member for South Okanagan, supported the bill; most Conservatives might not be enthusiastic about the concept of marketing control, but they were very happy to help the Liberal government tear itself apart.

In the debate on the second reading, February 24 and
25, and on final passage on March 3, the only votes cast against the bill were Premier Oliver and seven other members from the government side. They argued vigorously against the measure—Oliver gave a reasoned argument against both its constitutionality and its likely benefits, while Captain Ian Mackenzie, Liberal member for Vancouver, threw out a violent tirade in which, in defiance of conventional political categorization, he said both that it was "the most reactionary piece of legislation presented to the House in the seven years he had been a member" and also that "it was purely communistic, and meant that soviets would be set up in the Okanagan and Fraser Valley." But their efforts were fruitless--finally on March 3, "a tired and listless House agreed to the customary resolution to report the bill to the House, prior to ordinary routine of third reading and assent by the Lieutenant-Governor."
Chapter 4

THE DECLINE AND FALL OF STABILIZATION:
THE OPERATION OF THE COMMITTEE OF DIRECTION AND AFTER

The political struggle for controlled marketing was won with the passage of the Produce Marketing Act in 1927. It remained to be seen, however, if implementation would be successful in the face of opposition from independent shippers and that minority of growers who had fought the plan all along—particularly as the legislation did not take the ultimate step of giving the growers control of the agency, but left that power in the hands of the shippers.

The Act, as finally passed by the Legislature, was essentially the measure requested by the convention of the B.C. Fruit Growers' Association. It set up immediately an 'Interior Tree Fruit and Vegetable Committee of Direction', with exclusive power to control and regulate the marketing of all tree fruits and vegetables in an area basically comprising the Thompson, Okanagan, and Kootenay regions; other areas and categories of produce could be similarly established by a favourable vote by 75% of their producers. The Interior Committee of Direction consisted of three members, two of them appointed by the British Columbia Growers' and Shippers' Federation (one to represent Associated Growers and one the independent shippers), with the third, appointed by the
Government, as chairman of the Committee. The Committee had legal power to control marketing of Interior fruit within Canada (exports were not under its jurisdiction), and to fix quantities, prices, and times at which fruit might be marketed by the shippers. In practice, however, it was found that the Committee could not set prices or even control shipments, but only apportion orders to shippers on a pro rata basis. Even so, it stopped at least some of the cut-throat competition and thus steadied prices, which remained relatively stable during its period of operation.

The Chairman appointed by the Government was Francis Molison Black, a former member of the Manitoba legislature who had experience on both sides of the marketing fence, having worked as Treasurer both for P. Burns and Company in Calgary and for the United Grain Growers.

The Committee of Direction was to finance its operations by a nominal licensing fee, and by a levy, assessed on growers through their packing houses, of 1 3/4 cents a box on apples and pears, one cent a crate on other fruit, and fifty cents a ton on bulk fruit and vegetables. From the start the Committee met resistance, particularly from Doukhobors in the Kootenays and Chinese potato growers in the Mainline area, over licensing, deductions of levies, and the conditions and prices of sale set by the Committee. These difficulties were accentuated by the reluctance of the Provincial Attorney-General's Department to instruct the Provincial Police to enforce the Act.

However, the first season of operation, that of the
crop of 1927, was fairly favourable to the Committee of Direction. In this "year of experimentation under the new organization it might be said that not since 1920 was the feeling so optimistic and the outlook so bright for the orchardists of the Interior." The Committee was materially aided by the smaller crop of 1927, nearly a quarter less than in 1926, so that the average price of a box of apples, f.o.b. the packing house, rose thirty-two cents over the previous year's price, to $1.52. A major problem of the Committee was some shippers who tried to get a selling edge by rebates of brokerage to the jobbers, but abuses were limited because for the first time the coordinating agency had the legal power to punish offenders. Most shippers were willing, once the furor over the passage of the Act had passed, to give the system a trial, and the vast majority of growers were favourable.

The results of expanded plantings before and after the Great War were still putting new strains on the industry, however, and the crop of 1928 was the largest on record. Average returns on apples dropped by over twenty cents a box. The Committee had some effect on the market, but it certainly did not live up to the expectations of those who had agitated for it two years before; internal competition had not been eliminated and the Committee did not even try to apportion markets fairly among the shippers. As usual, Associated Growers found itself saddled with selling a disproportionate share of its crop on less profitable export markets to stabilize prices.
The 1929 convention of the B.C.F.G.A. showed that the honeymoon was over, with criticism of Committee operations and Committee members trying to exculpate themselves of blame. A resolution, eventually withdrawn, was put that a plebiscite of growers determine if they wanted the Committee of Direction to continue;\(^{14}\) another, on the opposite tack, suggested the Marketing Act should be 'crowned' by instituting Central Selling through one organization, thereby eliminating problems which had arisen in an only partially controlled selling system.\(^{15}\)

Growers also expressed dissatisfaction with being shut out of any direct voice in selecting members of the Committee of Direction. Under the Act, the Government appointed the chairman of the Committee, and the B.C. Growers' and Shippers' Federation appointed the other two members. But the Growers' and Shippers' Federation, despite its name, did not in any way represent the growers; indeed, under its bylaws only shippers could be members.\(^{16}\) Many growers felt that the interests of the shipper had been placed above those of the grower. The 1929 B.C.F.G.A. convention therefore passed a resolution proposing that the B.C.F.G.A. executive committee should have fifty percent of the vote in selecting members of the Committee of Direction.\(^{17}\) The Growers' and Shippers' Federation, however, rejected the proposal; they would only agree to two grower representatives, one fruit and one vegetable, acting, without voting powers, in an advisory capacity on the Board of the Federation. The B.C.F.G.A. executive felt that such limited powers were no better than
those of a "Ward of the Nation" and rejected the offer.\textsuperscript{18} The 1930 convention of the B.C.F.G.A. again called for grower representation but the Federation still resisted.\textsuperscript{19}

Returns from the 1929 crop were slightly better for apples and much better for other fruits than for 1928,\textsuperscript{20} but confidence in the Committee of Direction had been broken, and while growers generally did not wish to go back to the previous state of affairs, they were again fabricating and listening to new proposals for marketing systems. At the 1930 B.C.F.G.A. convention, Committee chairman F.M. Black himself spoke in favour of central selling, and suggested that a committee of the B.C.F.G.A. draw up a plan to present at the next convention. In the meantime he offered as an immediate improvement, a scheme of pooling returns proposed by the B.C. Growers' and Shippers' Federation, to equalize the costs of storing and marketing surpluses not saleable on the direct domestic market.\textsuperscript{21} Associated Growers and Sales Service Ltd., the organizations which carried most of the surplus, supported the resolution, while the other, smaller, independent shippers opposed it; the Convention passed the motion and requested that the Legislature make the necessary amendments to the Produce Marketing Act.\textsuperscript{22}

The small independent shippers continued to oppose these pooling amendments to the Produce Marketing Act, and even the larger independents who had helped sponsor the move through their selling agency, Sales Service Ltd., became less favourable as the time came for implementing the plan.\textsuperscript{23} But their real opposition was directed at a far greater threat to
their way of doing business, F.M. Black's plan for central selling. Presented in the fall of 1930, Black's plan generated controversy and high feelings equal to, if not in excess of, those aroused by the 1927 Produce Marketing Act. It was basically this: A central marketing board elected by the growers should have complete control of the crop, with power to set minimum prices and timing and destination of shipments. Associated Growers would be taken over to create the selling agency, and the private concerns would become packers only.24

The debate on this plan was much like that of 1927. Supporters claimed that the scheme would result in savings in overhead and selling costs, in readier financial support from the banks, in better control over grades and elimination of waste, and in a stabilized market by controlling the distribution of the surplus to new and distant markets.25

The opposition, as in 1927, came from private sellers of fruit and from those who rejected any restrictions on their freedom to dispose of their fruit. It included the usual personal attacks on Black and the officials of the B.C.F.G.A. and the cooperatives, written to the Premier in illiterate scrawls by people who on the same page said they had long been good Party men and asked for political patronage;26 elegant expositions of the philosophy of free enterprise; and testimony from prominent capitalists in other industries to the dangerous precedent involved in central selling.27

Since the executive of the B.C.F.G.A. supported the Black central selling plan, and provided a forum for its
promotion at meetings of the locals, the independent shippers resolved to promote their own growers' organization. This Independent Growers' Association was set up in December of 1930, but from the start its plausibility as a growers' organization was compromised by the number of shippers in organizational positions; newspapers and others outside the industry considered it a mouthpiece of the shippers. The Association was openly and "absolutely opposed to all forms of marketing by legislative enactment"; it not only stood against central selling but also against the Produce Marketing Act, proposing that the only governmental involvement should be a Bureau of Agricultural Information to circulate market reports.

The Independent Growers' Association claimed attendance of over 800 at its first convention at Kelowna on February 5, 1931, which elected General A.R. Harman, a Kelowna tulip bulb grower, as President, and passed resolutions condemning the central selling plan. But changed political conditions were making central selling a dead issue, and by the end of the year the organization withered away, its members either returning to the B.C.F.G.A., where central selling was no longer a matter a discussion, or lapsing into quiescence.

Meanwhile, Black's central selling plan had been presented to growers' meetings throughout the Valley, and at the B.C.F.G.A. convention on January 22, 1931, it was endorsed by an overwhelming majority of members. A draft legislative bill, known as the "Growers' Sales Act", was drawn up and introduced in the Provincial Legislature in March of 1931,
but it was killed on a technicality. T.G. Norris, solicitor for the B.C.F.G.A., angrily complained that

The bill was killed—not because the members voted against it, not for the reason that because of its nature it was not acceptable to the House, but because political considerations outweighed everything else and the desire of certain individuals to avoid a vote on the question had more influence with those in authority than a sense of public duty or any consideration as to the wishes or the welfare of the growers.

Central selling had in fact been made politically inexpedient for the government by two recent events: the report of a Royal Commission and the judgement in a Supreme Court case.

Although a request for a government enquiry into marketing had been part of the B.C.F.G.A. resolution which led to the Produce Marketing Act in 1927, no action was then taken by the government. At the convention of January 1929, the B.C.F.G.A., at that time divided over central selling, had called on the provincial government for a commission of enquiry, similar to one currently investigating the milk industry, "to examine into all phases of the Marketing problem of fruits and vegetables." But conditions had changed from those which spawned the Produce Marketing Act and the Milk Enquiry Commission. The feeble and disunited Liberals had lost the 1928 election to the Conservatives, led by the veterinarian Dr. Simon Fraser Tolmie. The new premier appointed as Minister of Agriculture William Atkinson, who had defeated Barrow in his home ground of Chilliwack.

'Billy' Atkinson, an auctioneer by trade, lacked Barrow's sympathy for cooperation, and was definitely not inclined to support the idea of compulsion. And his cabinet colleagues
were no likelier to be friendly--it was a 'millionaire'
cabinet "who ruled more or less by the divine right of
Capital". J.W. Jones, Conservative MLA for South Okanagan,
was still "very much interested in the Produce Marketing Act,
feeling that it was very necessary for us to have protection
of this kind in order to put the fruit districts upon a
stable basis" and he was "most anxious that every provision
of the Act should be carried out without the slightest delay"; but Jones had been left out of the Cabinet, despite his long
political career, and the attitude of those within it may
be deduced from Jones' pleadings with them to enforce the
Act. Premier Tolmie himself was a well-meaning and easy­
going man, but like Oliver lacked the personality to dominate
his Cabinet ministers. He vacillated on the marketing
question, attempting to avoid the issue:

This class of legislation was very strongly rooted
before we came into power and we have watched it very
carefully with the hope of finding something that
would be better than present conditions, but the results
have not been entirely satisfactory by any means.

Finally, after considerable delay, the Premier bowed
to the public demand and appointed a Royal Commission
charged with investigating, despite the objections of the
executive of the B.C.F.G.A., not only the marketing of
fruit, but also the financial problems of the irrigation
districts. A single Commissioner was charged with this
extensive task; the choice of man for the post was governed
by the philosophical stance of the government. Lewis Duncan,
the combines investigator, and Dean F.M. Clement of the
University of British Columbia were among the names suggested
as experienced in similar investigations; but as one party supporter commented, "I think Dean Clement is a very capable man, but the impression he gave me was that he rather inclined to compulsive measures, which is the one thing we wish to keep away from". Instead, Tolmie went out of the province with a political appointment and gave the plum to W. Sanford Evans, a Winnipeg investment dealer and Conservative member of the Manitoba Legislature, who had served on several enquiries and government boards, and with whom Tolmie was undoubtedly familiar from his years as Federal Minister of Agriculture. There was no doubt of Evans' principles: he was a staunch believer in free enterprise and in 'business principles'.

The fruit growers did not get what they had hoped for, a speedy study with results available to help formulate policy at the next B.C.F.G.A. convention in January 1930. Instead, Evans took until January 15, 1931, to finish his Report, although he did issue the section on the less contentious irrigation issue earlier. The biased attitude of the Commission while it operated may be seen in letters in which F.G. deWolf, the Administrative Officer of the Commission, and J.G. Thomson, its Secretary, attacked the Committee of Direction and the managers of Associated Growers as 'over-paid officials' interested only in protecting their positions, and threw in personal smears against F.M. Black for good measure.

Sanford Evans' Report was not what the bulk of growers expected. He raised some valid points, noting that the industry had not given proper attention to the export
trade which consumed over a quarter of the crop, that fruit production per acre was much lower than in comparable areas of Washington, that the options of selling agencies, cooperative or independent, were drastically reduced by the lack of cold-storage facilities to allow the crop to be sold over eight months rather than over three, and that growers' options were lessened because there were no shippers in the Valley who would buy fruit for cash, rather than accepting it on a consignment for sale basis. Considering the man chosen as Commissioner, it was a relatively neutral report; Evans did not attack the cooperatives, and indeed indicated that he considered them integral to a system of free competition. But what raised the uproar was his comments on the question of legislated control of marketing. Evans himself admitted that his conclusions were based on his general principles of economic organization and his political-economic convictions, rather than on any careful analysis of the actual performance of any of the collective schemes tried since 1922. He concluded that the system under the Produce Marketing Act, of partial control, neither fully centralized nor fully competitive, could not possibly work. "Control may or may not be a good thing, but partial control in matters that are so inter-related that they are but phases of one problem is perhaps the most doubtful form of control." The alternatives, as he saw them, were either establishment of compulsory central selling, where a centralized monopoly should in effect expropriate the produce of the orchards, sell it as it saw fit, and divide the returns among the
growers; or else reversion to free competition, uninhibited by legislative controls. The first alternative he saw as absolutely unacceptable both economically and for reasons of political-economic principle, since it would in effect be a form of socialism, quite in contradiction to the intent of the constitution of the country--it would grant a monopoly to one interest group which could not be justly denied to any other, whether clothing, coal, or eggs. Therefore the only acceptable alternative was a return to open competition. Evans suggested encouraging direct purchase of fruit by dealers, so as to increase the range of competitive choices open to the grower; and setting up a shippers' organization to exchange information on sales prices and terms, thus assisting shippers in making decisions. He also recommended that, if the Produce Marketing Act was to be retained, the Committee should be reduced to a single government appointee who would no longer take any active part in the management or sale of the crop, but only act as an arbitrator in disputes between shippers.53

The reaction to the Evans Report over-simplified and mis-interpreted his conclusions, concentrating on only a few pronouncements taken out of context,54 thereby destroying whatever neutrality and objectivity it had. The independents and other opponents of control legislation, many of whom used the Report as justification for attacks on any sort of cooperation, were jubilant.55 The convention of the Independent Growers' Association on February 5 passed a unanimous resolution thanking Evans, and stating that it
goes on record as endorsing his report and assuring him that while it may be considered a Counsel of Despair by those whose ideas of marketing are limited to one hundred per cent. control, in very truth it suggests a Council of Co-operation to maintain those principles which we as Canadian citizens intend to protect and preserve as the most sacred heritage of our race and constitution.

Growers who supported cooperation were stunned by Evans' attack on the marketing principles they supported, but they reacted emphatically. Evans, they said, despite the time and expense of his enquiry, failed to give any detailed analysis of the various options which had been tried or proposed.

No public hearing was held during all of this time at which growers and other interested could give evidence. Besides that offers from such authorities as the Associated and the Committee to supply the Commission with all the information in their possession were largely ignored.

Many specific statements and assumptions of Evans were refuted or challenged, particularly where he denigrated the efficiency of centralization and sang the praises of open competition.

Despite the wishful estimate by F.G. deWolf, Administrative Officer of the Commission, that "The north end [of the Valley] is fairly solid for Evans' report except for a few ultra British people--the south, Kaleden and Penticton, are strong for Black and Kelowna probably evenly split", the convention of the B.C.F.G.A. on January 22, after a stormy debate, voted by an overwhelming majority to reject the Evans Report.

Hard on the heels of the Sanford Evans Report came another blow to the prospects of organized marketing, the legal invalidation of the Produce Marketing Act, which Chief
Justice Lyman Duff of the Supreme Court of Canada on February 16, 1931 ruled to be *ultra vires* of the provincial legislature. Both the Report and the court decision were in part products of the time, a period when the deteriorating economic state fostered despairing individualism in efforts to save the self from the general ruin, and "increasingly competitive conditions made regulatory legislation intolerable to a growing number of people."  

The history of the litigation was as follows: several legal challenges had been made of the constitutional ability of the Provincial Legislature to pass such measures as the Produce Marketing Act. One case suggested it was invalid as an attempt to regulate trade and commerce, a federal prerogative, but the decision of the British Columbia Court of Appeal on January 8, 1929 held the Act to be valid because it concerned property and civil rights, a matter of provincial jurisdiction, and kept that character whether or not part of the produce was sold out of the province. The validity of the Act was again affirmed in 1930 in the case brought by A.C. Lawson, a shipper at Grand Forks. His challenge was that the levies imposed by the Interior Tree Fruit and Vegetable Committee were indirect taxes, which could only be imposed by the Dominion. But on March 11, 1930, Mr. Justice Denis Murphy upheld the Act, stating that the levies were not taxes for public or governmental purposes, but were to defray the cost of operation and to provide services.  

Lawson, however, appealed to the Supreme Court of Canada, adding to his case the earlier question about trade
and commerce. The Supreme Court reversed the lower court decisions on both points; the decision handed down by Duff said that the Act was ultra vires of the Provincial Legislature because its purpose,

in conferring powers upon the Committee to dictate routes of shipping, termini to which shipment may be made, quantities which may be shipped to each point, referring to shipments beyond the Province, is to assume control over trade and regulate the producers as traders and shippers.

The decision also said that as the levies imposed by the Committee increased the price of the product sold outside the province imposing them, the levies were indeed indirect taxes, beyond provincial power to enact.

Appeal to the British Privy Council was possible, but was not made because the Committee of Direction alone could not support the cost and the Provincial Government refused to support any appeal, even though it was provincial legislation. Indeed, the government by this point appears to have been actively hostile to any appeal. It apparently feared that if the case was lost the government might be liable to repay levies and pool equalization funds deducted by shippers while the case was being heard.64

The Committee of Direction, unsupported, could carry things no farther: it terminated its operations on March 6, 1931.65 Fruit marketing returned to its previous unorganized state, just at a time when the traditional prairie market was rapidly losing its ability to pay.

Marketing conditions were once again those which had prevailed before 1927—with the significant difference that
the independent shippers had meanwhile grown greatly in importance. Associated Growers now marketed only slightly over half of the crop, as compared with over seventy percent in 1927. Of the rest, Sales Service Ltd. had about twenty-five percent, B.C. Shippers, Occidental Fruit Company, and Kidstons Limited divided about twenty percent between themselves, and the remaining five percent was distributed among various small shippers.

All that could be organized for the crop of 1931 was a voluntary Shippers' Council, representing between eighty and ninety percent of the shipping tonnage, which collected information and made reports of sales, as well as agreeing on recommendations as to prices and the timing of shipments. From the start the market was demoralized by shipments from 'wild' shippers outside the Council, who threw their entire product directly onto the Prairies as soon as it was picked. In October Associated Growers took a significant step by withdrawing from the Shippers' Council "in order to be in a position to meet the competition of the outlaw and wild shippers on the prairie markets." This was the first step away from the Associated's former policy of supporting, even when not directly profitable, all efforts to stabilize the supply of fruit to the market. Even so, the old policy of holding back fruit to avoid overloading the market still meant that on November 15 Associated Growers had between 30 and 35 percent of its crop yet to sell, while the independents averaged only 20 to 25 percent.

The disorganization of the 1931 crop was apparent in
the returns: apples brought an average of twenty-five cents a box less than the year before—and this on a crop almost twenty percent lighter.\textsuperscript{72}

Associated Growers' new policy was fully enunciated in its resolution of 1932 to cooperate with other shippers only if a binding agreement was made under which sales and price were controlled through one office, and markets properly apportioned according to tonnage held; and "Failing any arrangement as above described to so operate that no independent shall obtain a marketing advantage that will enable him to pay higher returns than those paid by the Associated."\textsuperscript{73}

The cooperative's continuing loss of members had caused it to decide that "if the Associated is to survive, comparative prices have to be obtained at any cost to hold membership another year", but one director warned that it would be a costly operation and a Pyrrhic victory, only achievable by throwing Associated fruit into the early preferred markets in competition with the independents, and thus depressing prices for both.\textsuperscript{74} As Dean Clement later put it, "the stabilization umbrella folded up completely and the rain of dissatisfaction dripped down the necks of all the growers."\textsuperscript{75}

The threat of the crop of 1932, with a likely thousand carloads more of apples to sell than in 1931,\textsuperscript{76} resulted in the formation of a voluntary Apple Cartel, made up of shippers controlling about ninety percent of the crop. The Cartel agreement allowed members to sell forty percent of their apples on the immediate domestic market, and either to export the rest or hold them until the domestic market
had completely absorbed the first portion. The Cartel was also to recommend shipping dates and minimum prices. But once again the shippers outside the Cartel threw all their fruit on the market as soon as it was harvested; this, combined with the amount allowed for immediate release by the members, was too much for the market to absorb without demoralization. Moreover, in meeting the competition of the 'wild' shippers, those within the Cartel ignored its rulings. "The cartel, . . . as an informal organization, had no power to fix penalties for the violation of rules, and there was a complete disregard of shipping dates, places, and marketing regulations."  

The results were devastating. The average price per box of apples, f.o.b. Okanagan, dropped twenty cents from the year before, from $1.05 to $0.85. For some varieties and at some times, returns were considerably lower. At one point apples were sold in Vancouver at twenty-five cents a box. Many growers received only 'red ink', bills from shippers for losses on fruit sold at less than the approximately fifty cents a box sorting and packing costs; few received enough to pay their production expenses. Since the grower's cost of production varied between 33 and 70 cents a box, any f.o.b. price below an average of ninety-five cents meant a net loss to the grower. Yet the average price that year was, as already stated, eighty-five cents. Typical was the experience of W.E. Haskins of Penticton, who received from his shipper an average of only twenty cents a box, making a net loss of $2000 on his year's crop.
In this gloomy situation, the fruit growers faced the crop of 1933. The failure of all organizational efforts had been brought about by the stubborn minority who refused to cooperate. The *O.K. Bulletin* summed up the situation:

One thing is quite evident: that it is apparently impossible for 100 per cent to join in any proposition by voluntary effort and it is abundantly apparent that as long as there is a minority outside any arrangement, the efforts of the majority will to a great extent be nullified.

Conditions were ripe for more radical action—for the first time in many years, most fruit growers were actually out of pocket on the crop of 1932. As several analysts of agrarian protest have noted, the best times for such movements are when farmers, formerly prosperous, are faced with economic failure. "It's where the farmers had something a few years ago and have had it suddenly taken away, that the agitators find a responsive audience."
Chapter 5

"GROWER CONTROL--MINIMUM PRICE": THE GROWERS' STRIKE OF 1933

By the summer of 1933, with previous efforts to stabilize marketing either failed or stalemated, the growers, desperate for solutions to their problems, were willing to turn from established methods which seemed to have no more to offer and to listen to new plans which, radical as they might be, offered hope of breaking the tyranny of the minority.

Little action had been taken as the 1933 apple harvest approached. This was in part the result of the financial collapse of the British Columbia Fruit Growers' Association, the only organization which claimed to represent all growers. The provincial government, in its efforts to curtail expenses, had suspended its annual grant to the body, and the B.C.F.G.A., which had for many years depended on this grant, simply ran out of funds in March 1933. This came as a great shock to the growers, and the summer was spent in reorganizing the Association on a new foundation, under the leadership of D. Godfrey Isaacs of Vernon and W.E. Haskins, a Penticton lawyer and fruit grower, who became the new president. Although it was thus continued, the B.C.F.G.A. was in no condition to take any action more decisive than calling on the federal government to pass legislation similar
to the recent British Agricultural Marketing Act, which provided for state-run marketing boards for all agricultural produce.²

Even the minimal control the Cartel had provided seemed likely to be absent for the 1933 crop. As late as August 24, the shippers were unable to come to any agreement on a cartel proposal.³ But certain vague ideas were already in the air. The same newspaper article which reported the cartel failure also commented editorially that "A movement to leave the apples on the trees might make it interesting for shippers who have made firm sales on Old Country markets."⁴ Shortly after, W.J. Coe of Winfield wrote an open letter to Okanagan fruit growers calling on them to "Sink all differences, never mind whether you ship through the co-op, or the independents, get friendly with your neighbours, and so get together and fight this thing" according to his plan:⁵

What we want to do is to get together in some growers' organization, I don't care what they call it. Leave the selling end alone. Leave the freight rates, etc. alone, but say, we will not pick our produce unless we get the cost of production.

But action, rather than words, was initiated by F.R.E. DeHart of Kelowna. Prices for even the first apples being shipped were slipping dangerously. On about the first of September, DeHart was told of a telegram received in Kelowna which stated that five carloads of apples were sitting unsold at Calgary, unable to find a buyer even at 45 to 50 cents a box--less than the cost of packing and handling. On investigation this report was found to be a hoax, sent by some 'interested individual' in order to force the depressed prices
even lower. Disturbed and angry, DeHart arranged a meeting on September 4 of growers representing Kelowna and the surrounding central Okanagan fruit districts.

This meeting prepared a resolution for a general mass meeting of growers called for the next day, September 5, in the Empress Theatre:

The growers' present position is due to the consignment of fruit to the packing houses:
Therefore be it resolved: That the growers organize and refuse to deliver fruit to the packing houses unless the shippers guarantee not to pack or ship such fruit unless it brings a minimum of one cent a pound.

More succinct was the fighting slogan adopted, coined by J.H. Aberdeen of Winfield: "A Cent a Pound or On the Ground."

The Okanagan fruit growers' strike did not spring out of empty air, although at first glance it may appear to have done so. That air was charged with influences and previous events which precipitated at the beginning of September.

The growers all had heard the conflicting arguments about cooperation as against independent marketing. Ever since the establishment of Associated Growers in 1923, there had been constant reiteration of the need for all growers to unite in order to control the market and thus protect their returns. Furthermore, some fruit growers had formerly been grain growers on the Prairies, where the cooperative and wheat pool organizations had long been strong.

A more distant though more directly pertinent influence was the Farmers' Holiday Movement in the United States during 1932 and 1933, which was centred in the Middle Western states and which attempted, by withholding farm
products from the market, both to force up prices and to pressure government to support agriculture. The O.K. Bulletin of September 1932 drew attention to this new form of direct action as "A quite new development arising out of the failure of our present economic system to function" and commented editorially that "While it may be true that these farm strikes are in the main futile affairs not calculated to achieve much, they should at least arouse public opinion to the necessity of something being done in the direction of stabilizing the prices paid for farm commodities." Closer to home, unrest in the Fraser Valley dairy industry provided examples of the power of collective action. There, during May of 1933, groups of several hundred dairymen marched on the homes of three independent farmers, to intimidate them from undercutting milk prices set by the cooperative. Later a crowd of two to three hundred intercepted a truckload of milk being sent to an independent distributor, and forced it to go to an organized dairy. Frequent minor acts of intimidation, such as the emptying or destruction of independents' milk cans waiting to be collected, spread throughout the Fraser Valley.

These various influences meant that the idea of determined mass action was not foreign to the minds of Okanagan fruit growers in the autumn of 1933. All that was needed was for a leadership to indicate the course such acts should follow.

The mass meeting at Kelowna on September 5 was long and militant, lasting from 10 a.m. to 4:30 p.m. It was
opened by DeHart, who noted the presence as an observer of
the Hon. J.W. Jones, local MLA and provincial finance minister,
and proposed T.G. Norris, a prominent local lawyer, as
secretary. The meeting decided on a two part plan involving
a growers' strike for the cost of production and total part-
icipation of the shippers in a new cartel.

The first proposal was outlined by W.E. Haskins, who
emerged as leader of the campaign, more in his own person
than as president of the B.C.F.G.A. He called on the growers
not to deliver fruit to shippers who would not guarantee
forty cents net to the grower for each box they shipped. He
realized this might mean some fruit might not be sold, but
said that "If apples are to be dumped, . . . let's dump them
now before the shippers have any chance to add cost of packing
and shipping to be deducted from the returns of those apples
that are sold." 15

The second part of the plan, which helped the strike
become more than just a vent for indignation, was provided
by Robert Cheyne of Glenmore. He put amendments to the
original resolution, arguing that the growers must force all
the shippers into a cartel to control sales.

Without a controlled deal it is impossible to get
a cent a pound, said R. Cheyne. "How are you going to
control 2000 growers? If the shippers refuse to guar-
antee a price, the growers will weaken and take what
they are offered." 16

There was a great deal of discussion of the resolution,
and considerable opposition. Some opponents felt that time
was too short to organize for the 1933 crop, some that the
shippers would not agree, others opposed the proposal because
of their continued resistance to any plan of central selling. E.J. Chambers, president of Associated Growers, warned that it was easy to create enthusiasm, but that enthusiasm would not solve the growers' problems.\textsuperscript{17} As the discussion grew heated, W.J. Coe stood up and threw a wildly applauded threat at any orchardist who refused to join the growers' strike:\textsuperscript{18}

\begin{quote}
If they do not come into the agreement, \ldots we will see that they have no apples to ship. I myself will be willing to go and smash his trees. If they put me in jail they will at least keep me, and I am hardly able to do that under present conditions. \ldots We need strong-arm stuff now, and not any more kid gloves.
\end{quote}

Finally, however, the meeting passed by a large majority a considerably amended resolution:\textsuperscript{19}

\begin{quote}
Whereas there is a grave danger of disastrous disorganization in the marketing of the apple crop this year, let it be resolved that growers immediately organize and refuse to pick their fruit unless the shippers formulate a marketing plan which includes the principle of pooling all returns on an equitable basis by varieties, size and grades over one desk; and that growers refuse to deliver their fruit to shippers who do not agree to such a plan, and the shippers forming such a plan guarantee not to sell any fruit, unless assured that it will return a minimum of one cent per pound for apples and 1\textsuperscript{\frac{1}{4}} cents per pound to the grower for pears, and not to pack and store apples unless reasonably assured that they will return a minimum of one cent per pound for apples and 1\textsuperscript{\frac{1}{4}} cents per pound for pears to the grower.
\end{quote}

Haskins and DeHart were selected as leaders of the campaign, and committees were nominated for each rural area around Kelowna. A select committee made up of Haskins, A.K. Loyd of the Belgo, Cheyne, and DeHart, was to act as intermediary between growers and shippers. Haskins took on the further responsibility for organizing similar meetings at Vernon and Penticton to present the 'cent a pound' campaign.\textsuperscript{20}

After these growers' moves, the shippers met at
Kelowna on September 6 and the majority decided to join in a new organization, the Okanagan Stabilization Board. This Board was to be managed by Major M.V. McGuire, an independent fruit shipper who had also managed the previous year's Apple Cartel. Indeed the Board was in effect the old Cartel with the additional feature of the pooling system demanded by the growers' resolution.

"The success of the entire plan, however, rests with the growers," declares Major McGuire. "They must lend their fullest co-operation to the scheme, by assisting those shippers who have joined the pool, and by avoiding those firms which remain outside it."

While meetings were being scheduled for other points in the Okanagan and Mainline regions, the temperature of the movement at Kelowna rose. The organized growers, well aware of how many previous marketing schemes had failed because they were unable to control the entire crop, pressed forward with a campaign to sign up all growers in the district, and began efforts to stop the flow of fruit to shippers not in the Okanagan Stabilization Board. On September 11 the strike came out into the open with pickets placed on three bridges on the main roads leading into town from the orchard areas. They stopped all trucks carrying fruit and demanded to see a written statement from the shipper to whom the fruit was being taken that he accepted the cent a pound demand. Where this was not forthcoming, the trucks were turned back and unloaded. Efforts were also made to get the cooperation of organized labour, by calling on truckers to decline to haul unguaranteed apples as 'scab' fruit.

At the Penticton mass meeting on September 9 Haskins
suggested a further weapon of persuasion—a boycott by merchants and professional men of any selfish individuals who refused to join a movement which meant so much to the community. One particular instance of such organization occurred at Penticton, where all the lawyers pledged not to appear in any case against a fruit grower for actions taken to stabilize the market.

Meanwhile, in what proved the most important step of the campaign, an agreement was signed on September 11 between the Kelowna growers' committee and the Okanagan Stabilization Board. This agreement, contingent on one hundred percent stabilization, provided for a committee of six, three from the Stabilization Board and three from the growers, with Major McGuire as chairman, "for the purpose of settling prices and dealing with all other matters which may arise as a result of the valley-wide effort to stabilize prices on the 1933 apple deal." Prices were to be set to return a cent a pound minimum to the growers, the shippers were to make partial payments within a month after sale, and W.E. Haskins was to sit as growers' representative on the Stabilization Board committee. For its part, the growers' committee agreed to urge all growers to refuse to deliver fruit to any shipper not a member of the Stabilization Board. This was a significant development, for now the urgency shifted from enlisting growers to signing shippers up for the Stabilization Board. The refusal of a few growers to join, as at Rutland, did not matter, if their shippers were themselves in the agreement.

The greatest resistance was met at Kelowna, where
several shippers and grower-shippers refused to sign. But on September 12 Okanagan Fruit Shippers Ltd., the Occidental Fruit Company, and Rowcliffe Brothers were induced to sign, and the following day the last holdout, Joseph Casorso of the Belgo Co-operative Growers' Association, was also persuaded, by means of what was later termed illegal intimidation. Finally all fifty-two fruit shippers in the Valley were part of the Okanagan Stabilization Board. The joint shipper-grower price-fixing committee designated September 18 as the date on which all apple shipments came under its control.

The committee set regulations to be followed by the Okanagan Stabilization Board, covering minimum prices for various grades and varieties, pooling groups, and brokerage and wholesale arrangements. Two of the rulings were to cause trouble. The first was a levy on fruit shipped, for the equalization of pools, that was eventually the downfall of the Board. The other was a ban on shipments of orchard-run bulk (unsorted and loose packed) McIntosh to Prairie markets. Some shippers, particularly the smaller ones, were very much upset by this ruling, as it meant they would have to make much greater cash investments in sorting and packing.

The first challenge came almost immediately, on September 20, from Joe Casorso of the Belgo Co-operative. A 'flying squad' of two hundred growers, led by R.F. Borrett, descended on two packing houses and found boxcars being loaded with bulk McIntosh for him. They threatened to dump the carloads, but finally were satisfied with sealing them up and preventing their shipment. For the moment Casorso, who had
been 'out of town', toed the line. The next day the cars were unloaded and the apples graded and packed, but Casorso did not give in easily.

A week later, on September 28, he made his second challenge, together with the Rowcliffe brothers of Hollywood Orchards. They started loading two cars of bulk Macs, later increased to a total of seven. When news of this came to Haskins, he called a mass rally of local growers, at which he spoke of non-violence, but said that shipment of those cars must be prevented at any cost. "Gandhi-like passive resistance has been very successful in India, Mr. Haskins added, and urged all present to go down to the tracks." The belligerent crowd surrounded the packing houses, where loading was still going on, and despite the presence of five policemen, stopped the loading by stonethrowing and cut the power lines to the buildings. At about 11:30 p.m. the freight engine came from the yards to make up the train. The crowd of four hundred fruit growers and their wives and children stood between the boxcars and the locomotive. They defied the engineer to try to link up with those cars, shouting "Only over our dead and mutilated bodies will those cars move out on the tracks". The train crew, however, was quite willing to back down, and went away to deal with other undisputed freight.

The general attitude and the ingrained distrust of shippers was expressed that night to a reporter by one of the growers:

We must have success today or we are out for good.
. . . We have lost heavily in the past few years. We have loans from banks and from some of the shippers. We cannot repay these loans the way things have been going. Further losses this year will place us in bankruptcy. Wholesale foreclosures will be in order and we shall be out--out of house and home and orchard, and probably forced to get out of the Valley--and the packers and the banks will come into ownership of the ranches. Then you may expect to see those packers, being in charge of large orchard areas, raise the prices to the consumer, who will have to pay whatever price is demanded.

To see that the boxcars stayed put, the crowd stayed, grouped around bonfires and singing, until 2:30 in the next morning. News then came from Vernon that their legal representative, T.G. Norris, had obtained an injunction, addressed to the Rowcliffes and the Casorsos, restraining them and their agents from disposing of fruit except as the terms of the agreement required.38 Further injunctions addressed to the Canadian National and Canadian Pacific railway companies prohibited them moving the fruit in question, pending the hearing on the injunctions. After this news reached the growers' headquarters in Kelowna, "a motor car swept down the Kelowna streets, horn blaring, to proclaim the victory."39

The tenor of general feeling at this time, both among growers and the townspeople, may be seen in their boycott of Casorso Brothers Limited, a firm of butchershops in several Okanagan towns and at Kamloops. This occurred even though Joe and Felix Casorso had sold their interests in the company years before, and only the name had been retained.40

Before the hearing on the injunctions, scheduled for October 7 at Kamloops before Judge Swanson, the rebels backed down, and agreed to abide by the regulations of the Stabilization Board. The growers considered this a great victory,
but the Vernon News prophetically noted that it left unsettled
the question of the legality of those regulations.\textsuperscript{41}

The Casorso-Rowcliffe effort to break the deal
sparked renewed support for the stabilization campaign by the
growers, among whom interest had flagged when all seemed
secure. The organization was formalized into a Growers' Stabilization Committee, comprised of all the local campaign
chairmen, and Haskins was elected leader. The Committee
decided to pay Haskins a salary and to keep the temporary
office at Kelowna open indefinitely. These things were to be
paid for by a levy on the growers, which before the latest
incident had met with opposition from those who considered
salary and office as unnecessary expenses.\textsuperscript{42}

The difficult sales situation was reflected in the
decision on October 19 by the Okanagan Stabilization Board
and the Growers' Stabilization Committee to set up a central
selling agency, United Apple Sales. This agency was to sell
over one desk all the fruit of those shippers who agreed to
the method, thus controlling over three-quarters of the total
tonnage.\textsuperscript{43}

The major opponents of the stabilization campaign
had been dealt with, but constant vigilance was kept up. The
final open challenge came at Vernon on October 20. D.W. Henry,
a Coldstream grower who until then had sold his fruit through
a local shipper, decided to ship it himself. Not having
been a shipper when the Stabilization Board was formed, he
had not signed the contract. Through J.P. Delf of Calgary,
who had just set up a brokerage house in Vernon, Henry sold
several carloads of apples at prices well below the Stabilization Board minimum. Three cars had already left the Valley, and another three were being loaded, when a 'flying squad' of a hundred growers arrived. The grower was dissuaded from his course of action by pressure of 'moral obligation', but the vigilantes were incensed at the strike-breaking efforts of the broker. "We have offered to carry all their baggage to the station immediately. . . . We're not going to rest until we see the end of them", declared H.P. Coombes, leader of the Vernon vigilante committee. Three days later Delf returned to Calgary whence he had come, and peace again reigned in the Okanagan. A certain number of grower-shippers who, like Henry, had not signed the Stabilization Board contract continued to sell at prices below those set by the Board, but there appears to have been no public action against them.

The activities of W.E. Haskins and the Growers' Stabilization Committee continued, however, as they sought to maintain grower support for the campaign, to make plans for permanent grower control of marketing, and to extend the geographical sway of stabilization. Representations of the need for collaboration were made to fruit growers' associations across the country. Haskins toured the Kootenays in December calling on fruit growers there to join in organization, and then "Bearing the banner of the Big Red Apple, inscribed with the mystic words 'Grower Control--Minimum Price', with the war slogan, 'A Cent a Pound or on the Ground', lettered faintly in the background," he led a campaign through the Okanagan and Mainline areas in support of a
grower-controlled 'New Plan' of central selling.

'Enthusiasm' was the keynote of the Okanagan cent-a-pound movement, and all prophets of doom or appeals to calm reason were brushed aside. Indeed, the word 'enthusiastic' is one of those most commonly used to describe the meetings. This emotional rather than intellectual emphasis may be one of the reasons why this campaign managed to organize the growers when so many past appeals to reason had fallen apart through sectionalism, self-interest, and blind antipathies. The whole growers' campaign had much of the tone of a religious revival. Reeve W.R. Powell, chairing a meeting at Summerland on September 14, put it well when he "said he would like testimonies before putting the resolution to a vote, as the meeting was in the nature of an evangelical one." Even at the first mass meeting in Kelowna, the exhortations and replies seem reminiscent of a camp meeting. "Mr. Haskins asked every grower in the theatre who would pledge himself not to pick his fruit unless he got one cent a pound from the shippers to stand up, and the whole audience seemed to rise as one man." And the impression is furthered by the written pledge which growers were to 'sign on the dotted line' at the meetings to indicate their support.

The tendency towards faith and emotion, and the search for absolute answers to the problems of the time, are well illustrated by the enthusiastic response of the people of the Okanagan Valley to the Oxford Group movement. This Christian evangelical organization, new on the Canadian scene, exercised its thrust particularly toward "the upper-
middle class business elite who suffered considerable anxiety in the decade of economic depression. Based on the Four Absolutes: Absolute Love, Absolute Purity, Absolute Honesty, and Absolute Unselfishness, it divided all mankind between the 'unchanged' and the 'changed'; which latter group could listen personally to God and receive special Guidance from Him, on matters right down to minor daily decisions. A sweep through the Okanagan by Oxford Group members from Vancouver culminated in a 'House Party' at the Royal Anne Hotel in Kelowna on November 18 and 19, 1933, attended by hundreds from throughout the Valley. The Penticton Herald commented:

Indeterminable worries have entered into the lives of the Okanagan people for so long that they have begun to look on this as a natural state. The whole existence of the Okanagan people depends on the fruit deal from year to year, and every year they have a crop worry or a marketing worry, and now, many of them being almost on their last legs, they seem eager to reach out for something that will restore to them the ideals for which they have worked so long but which they seldom have been able to gain.

D. Godfrey-Isaacs found time, between meetings of the Growers' Stabilization Committee attempting to deal with the Crestland situation, to 'surrender' and make 'witness' at one of the meetings:

The more I think of the four absolutes the more I realize the futility of my petty philosophies. . . . I have devoted the last three years of my life to trying to do something for our industry, but I was looking for the credit. I want this movement to bring to our industry that vision that the chairman has spoken of and to have it united as Christ would have it—united without any more suspicious prejudices and without the desire for getting the better of one another. There is no need for all these committees—Guidance would do it all for us.
In such an atmosphere of fervour, W.E. Haskins was an eminently suitable leader. The Vernon News described him as "better known as a cheer leader and for his ability to sway people at meetings than as an administrator. He is a master politician and in his thinking is generally about three jumps ahead." One reporter said that

At first sight Mr. Haskins does not give the impression of strength. But if you stay with him, gradually you come to an appreciation of the tremendous staying power, tenacity and determination behind his quiet demeanor.

Perhaps equally importantly, Haskins, and the campaign he led, were not identified in the growers' minds with either camp in the cooperative-independent feud. Although he was president of the B.C.F.G.A., the cent a pound campaign arose entirely independently of that organization, and the Growers' Stabilization Committee voted against any takeover by the B.C.F.G.A. As a spontaneous growth out of indignation meetings, the campaign was the child of neither Associated Growers nor of the independent shippers, and indeed in its early stages was criticized by both the president and vice-president of Associated Growers, as well as by the various recalcitrant independents.

It seems strange at first consideration that no action was taken by the government authorities about what was clearly intimidation, violence, and threats of violence, illegal under section 98 of the Criminal Code. But political circumstances ensured that nothing was done. H.H. Stevens, the Minister of Trade and Commerce, deftly sidestepped on behalf of the federal government: "The question of preserving
order and administration of the law locally is entirely in the hands of the provincial authorities. The provincial government was in no shape to do anything, for the ruling Conservative Party was falling apart and an election had been called. No politician was willing to risk the displeasure of so large a portion of his electorate, particularly after a resolution such as that passed at Vernon

that every grower . . . does hereby pledge himself, to give no support whatever, to any candidate of any party, provincial or Federal, unless such candidate shall have definitely committed himself, to further to his utmost, our efforts to secure legislation, along the lines of the British marketing act.

Indeed, J.W. Jones, the Minister of Finance, actively assisted the growers' committee in the Casorso case, and George Heggie, MLA, presided at the Vernon district organizational meeting. Otherwise, most candidates avoided the subject of the strike but promised to press for marketing legislation if elected. Stephen Freeman, the CCF candidate in North Okanagan,

prophesied that compulsory legislation regulating co-operative marketing will be brought into being, "no matter what government gets in." The C.C.F., however, will see that middlemen's profits will be reduced or eliminated.

The CCF approved of growers taking action, but said the fruit growers' problems would not be solved until cooperation was extended to the entire economic fabric of the nation.

The Okanagan growers' movement, as well as having antecedents, also had offspring—that is, it inspired similar moves by other B.C. farmers. In the first of these, the Okanagan onion growers met at Kelowna on September 20 to
unanimously support a 'cent a pound' resolution that called for onions to sell for a minimum of twenty dollars a ton rather than the twelve dollar price then obtaining. "The meeting was attended by Orientals as well as white growers and for the Oriental section a boss man of each nationality, Japanese, Chinese and Hindu, signed up one hundred per cent." Further meetings were held at Vernon, and at Kamloops, where there was also a hundred percent response reported. The campaign must have had some effect on the onion market, for the price rose to sixteen dollars a ton within a week, but it failed because cooperation from the shippers was not forthcoming.

The Fraser Valley dairymens' proposed strike was of considerably greater impact. There the idea of a producers' union to force a cost of production price from distributors was proposed at the beginning of October, and the Fraser Valley Cooperative Association was formed to enlist a hundred percent of the milk producers behind the effort. This movement, too, had its slogan: "Fifty-five to Keep Us Alive", meaning fifty-five cents per pound of butterfat for fluid milk sold to dealers. The union movement grew rapidly and enthusiastically for several months, but faded away in January and February of 1934 when the Fraser Valley Milk Producers' Association, the largest cooperative in the area, declined to support the strike, and the recently-elected Premier T.D. Pattullo warned that a milk strike would not be tolerated by the government.

The Okanagan growers' campaign established complete
control of the apple supply in the Valley for the Okanagan Stabilization Board. All the Board had to do was to sell the crop, but the possibility quickly arose that it might not be able to do so without abandoning the price guarantee. Sales were sluggish from the start, and by October 14 only 42.7% of the McIntosh crop had been sold, compared with 62.5% on the same date the year before. 76

Sales slumped for three reasons. The first was the new price scale which, combined with the cessation of bulk shipments, had greatly increased consumer prices, as much as doubling those of the previous year in some cases. 77 This combined with increased freight rates to make an overall rise in the consumer price of McIntosh to Prairie residents of about fifty percent. 78 The impoverished people there did not look favourably upon such increases. W.A.C. Bennett, a Kelowna businessman, reported on his return from a trip to Alberta that

The Prairies are being led to believe that the growers in the Okanagan Valley, taking them by the throat, are endeavouring under cover of the very fine tariff protection given, to get prices wholly out of line with those which wheat growers and agricultural interests generally are receiving.

The second factor slowing sales was the jobbers on the Prairies. Most of them expressed sympathy for the cause, but a few were openly hostile 80 and attempted to break the Stabilization Board's stand by expedients such as the encouragement of rebel shippers and the strike-breaking jobber, and by various 'dirty tricks' such as falsely reporting ruinously low prices as prevalent and spreading rumours of large shipments arriving from Nova Scotia and Ontario, in the hope of
inducing the Board to lower its prices.\textsuperscript{81} Even sympathetic dealers hesitated to buy until it was clear whether stabilization was going to last. And, although some radicals refused to believe it and preferred to see conspiracies against the fruit growers,\textsuperscript{82} the jobber was a businessman. "He is interested only in obtaining supplies from day to day which will keep him competitive with his opposition, and in order to accomplish this, he has been doing his buying from other sources."\textsuperscript{83}

The other sources in question were the Kootenay, Creston, and Grand Forks fruit growers. They had not been brought into the whirlwind crusade for stabilization because of lack of time and the diversion of energy into battles with shippers; the Okanagan paid for the omission. As long as the Kootenay supplies held out they commanded three-quarters of the Prairie market, selling at about fifteen cents less per box than the price set by the Okanagan Stabilization Board. Not until mid-December, when the four hundred carloads of Kootenay apples had been sold,\textsuperscript{84} could the Okanagan fruit start moving freely. One result was a rather overly heavy export and low prices in England. But eventually all the apples were sold, with no dumping required, and "The net result of the growers' campaign has been to transfer a rout in prices to more or less stability."\textsuperscript{85} The overall average f.o.b. price for packed apples from the 1933 Okanagan crop was $1.00 per box,\textsuperscript{86} returning more than the called-for minimum of forty cents a box to the grower.

The downfall of the Okanagan Stabilization Board came
with the trial of the case of McGuire vs. Crestland Fruit Company, in which Major McGuire, as pool agent of the Stabilization Board, sued that company (which had been set up the previous year by a Prairie jobber to get an entry into the Okanagan) for $10,157 of equalization levies which it refused to pay. The crime seemed the more heinous in that Harvey Harrison, the manager of the Crestland Fruit Company, had participated in the formation of the Stabilization Board and had himself introduced the motion to impose the very levy he later refused to pay.

The suit was started in December 1933, but it was not heard until February 1934, in a seven-day trial before Mr. Justice Denis Murphy in the Supreme Court of British Columbia. In his decision on March 15, Murphy ruled against McGuire, saying that the agreements, made under intimidation and duress, were illegal and unenforceable as being in restraint of trade and contravening the Criminal Code. The Judge was sympathetic with the growers' motives, saying

> It is only fair to the growers' cent-a-pound organization to say that I am convinced they acted as they did in no spirit of wanton lawlessness. ... Their actions originated in their firm conviction that market control is in a financial sense a matter of life and death with them.

But he did not let his sympathy dull his legal sense:

> My conclusion on all this is that the actions of the pool members are so tainted with illegality that the Court must refuse to deal with that contract in any way at the suit of any party thereto.

Thus the cloud of illegality, which had hung over proceedings from the start of the campaign, finally burst.

Although Haskins and his Growers' Stabilization
Committee fought on, refusing to admit defeat, and put forward a new plan for total grower control of marketing through the 'United Fruit Producers' Association of B.C.', headed by Haskins, George Barrat of Kelowna, and O.W. Hembling of Oyama, most growers now looked for solutions to the marketing legislation promised by the federal government.

The Growers' Strike vividly demonstrated the despair of orchardists in 1933. They abandoned their previously predominant policies of cooperation and legislated control—and their traditional organization, the B.C.F.G.A.—in favour of an extreme plan of direct action.
Chapter 6

STABILIZATION AT LAST: THE NATURAL PRODUCTS MARKETING ACT AND FINAL CONCLUSIONS

The federal Natural Products Marketing Act of 1934 was the culmination and the answer to a decade of agitation in the Okanagan for a better system of marketing fruit. The Act is usually dismissed by historians and other analysts as being just one of the various pieces of R.B. Bennett's 'New Deal' package, a panic move by a government afraid of impending elections. As such it has received little attention, apart from that of agricultural economists more interested in the distributive machinery it set up than in the reasons why it was drafted and passed in the first place. Such neglect is unfortunate, for its genesis and impetus came from different sources than the Bennett New Deal, and preceded the inception of that program by many months.

The atmosphere in Canada had since 1929 become more favourable to government regulation of agricultural marketing, as even traditional opponents were unable in Depression conditions to operate profitably. Thus marketing legislation had as unlikely a supporter as J.S. Roger, president of the Canadian Fruit and Vegetable Jobbers Association, who called for legislation similar to the British Marketing Act (which allowed the government to set prices and production quotas
when a majority of both producers and processors agreed) when he spoke to the annual convention of the Canadian Chamber of Commerce in October of 1933.¹

The changed atmosphere was reflected in the changing pronouncements of politicians. At the National Agricultural Conference of August 29 to September 1, 1932, Robert Weir, the federal Minister of Agriculture, suggested that "we have given too much attention to some of the questions of production, and not enough to the question of marketing."² During the summer of 1933 meetings at Regina of agricultural leaders and politicians of the four western provinces, including Premier Tolmie, discussed proposals for Dominion marketing legislation.³ Prime Minister Bennett indicated his willingness to act, within the limits of federal powers, and promised to investigate those limits.⁴ One result of his investigation was the Natural Products Marketing Act.

Although, in its finished form, the Act allowed for provincial marketing boards of all farm products except grain, and for other natural products such as lumber and fish, its original intentions were humbler. It was at first intended to apply only to dairy products and fruit, but because of the difficulty of defining the exact range of products, the drafters avoided the problem by including everything in the bill and leaving the detailed definitions to the administrators of the schemes.⁵

The initiative for the Act came from the dairy and especially the fruit farmers of British Columbia. This pressure was expressed through the Hon. Grote Stirling, MP
for the constituency of Yale (which included the Okanagan), who was generally acknowledged as the father of the bill. He described his principle as "that the producer should have in his own hand the power of conducting the marketing of his produce in an orderly fashion and this cannot be done until there is a majority rule of the minority."  

Stirling was a veteran member of Parliament, having held his seat for the Conservative Party since 1924. He was personally respected by members of all parties as representing his constituents as much as his party, and as a member who spoke seldom but was listened to when he did. Later in 1934, he was called to the Cabinet to serve as Minister of National Defence. Bennett was therefore willing to make a concession to placate Stirling and his constituents on what appeared to him a matter of only local import.

The Natural Products Marketing Act had a slow passage through the Commons, strongly opposed by Liberals who claimed that it was not really a government bill at all, but an electioneering trick, a child "born of the farmers and producers, of western Canada particularly, and especially of the Pacific coast." The leader of the opposition, W.L. Mackenzie King, strongly denounced the principle "of creating monopolies of producers in particular occupations, special groups controlling production and sale of different classes of products and commodities." But the bill was finally passed into law on July 3, 1934; the British Columbia Legislature had already passed enabling legislation so that it could come immediately into operation. The urgency of the
Okanagan fruit growers may be seen in the fact that theirs was the first commodity scheme to be approved, coming into effect on August 28, 1934.

The Local Board is empowered to regulate the time and place at which the tree fruits grown in the Interior of the province may be marketed; to determine the quantity and quality of the fruit marketed; to assess and collect tolls to defray expenses; to pool the proceeds from the sales among the shippers.

The growers showed that their confidence in their leaders during the stabilization campaign still held, even though that campaign had failed in the courts, by electing for three years in succession a Local Fruit Board consisting of Haskins, Barrat, and Hembling, formerly the three executives of the United Fruit Producers' Association.

The federal Natural Products Marketing Act was disallowed by the courts in 1936, but the provincial legislature had already passed amendments to its own Act which permitted it to remain in operation for "regulation and control in any respect or in all respects of the marketing of natural products within the Province, including the prohibiting of such marketing in whole or in part." The Board, whose main power was in maintaining prices by regulating the rate of release of fruit by the shippers, continued in operation; but the growers still pushed for a return to centralized selling. An experiment with one-desk selling in the latter part of 1938 was successful enough that the B.C.F.G.A. convention of January 1939 voted for a scheme to cover all shipments in 1939. Under this plan, B.C. Tree Fruits Limited was established as the sole selling agency
for Interior fruit. The heritage of the growers' campaigns governed its form as a one-desk selling agency with pooled returns which was entirely controlled by the B.C.F.G.A.; the shippers, independent or cooperative, had no hand in its governance and became purely packing and handling concerns without any part in merchandising the fruit. Prices did not rise to the levels of the 1920s until the midyears of the Second World War, but they held steady and well above the rock-bottom of 1932. At last the marketing of fruit had been stabilized.

The Growers' Strike of 1933 was a pivotal point in the history of Okanagan fruit marketing. The slogan, 'Grower Control—Minimum Price', highlighted what might be termed radical about the growers' plan. Demands for one hundred percent stabilization among shippers were not new; neither were calls for legislation to create marketing boards. But for the first time producers demanded 'Grower Control'—a say in how their fruit was distributed, so long as they had an undischarged monetary interest in it. In past they had been willing to hand their fruit to a shipper and accept whatever it brought. The second phrase, too, was a departure—'Minimum Price'. Before, the shippers were begged to get the best price possible on the market. Now they were directed to get a minimum price, based on the cost of production... or not to sell at all. The growers thus rejected the entire pattern of distribution as it stood, with the individual producer, whatever the marketing system, taking all the risk of loss in distribution but receiving only what return remained after
all the other factors had taken their cut. Instead, an 'interest group' should control distribution of fruit up to the point where it was actually exchanged for cash, and ensure returns based on production value rather than on market prices. The 'competitive inferiority' of the producer would thus be eliminated.

But the growers' strike was not really radicalism; not really a movement convinced that the existing economic order was obsolete and must be replaced. Rather it was in fact no more than an expedient of people frightened by economic conditions which seemed to jeopardize their livelihood. The struggle might be one between free enterprise and monopoly or even socialist control, but it was a struggle wholly within the context of the marketing of fruit; so far as the growers were concerned it bore little or no relation to their attitudes towards the rest of the world. The lack of connection between the 'radicalism' of the strike and general political and economic principles is demonstrated by the lack of support for radical political movements in the Okanagan in the period, by the absence of political rhetoric from the growers' leaders, and by the readiness of the growers to revert to their traditional concerns when the government was persuaded to step in. The growers' strike took the methods and style of radical action without absorbing the political principles associated with it.  

A low degree of 'theory' was visible throughout the debates about marketing; few of the participants understood how the system worked, and arguments tended to be on emotional
rather than intellectual grounds. As W.E. Haskins is reported to have complained, when he spoke about marketing systems and economics no one paid much attention, but when he attacked the shippers with their big houses on Water Street the growers would stand up and cheer.¹⁹

This lack of understanding of how the distribution system functioned had definite results for growers' organization. The producers concentrated their attention on the shipper, the only link of the distributive chain with which they had contact. Growers attributed much greater powers to the shippers than they actually had, and believed that, if only all of the shippers and one hundred percent of their tonnage was controlled, every problem would be solved, as if there was no outside competition. The growers and their leaders were little concerned about the brokers and jobbers, even though two combines investigations showed that the concentration of ownership in a few conglomerates led to practices distinctly harmful to the interests of the producer. These companies were too far away from home—it was the shipper, the man who made the payments which determined the grower's wealth or poverty for the next year, who seemed to the grower most powerful.

The lack of understanding of economic and political theory was part of a definite anti-intellectual current among the growers. This was especially marked among independents, as is shown by the opposition of the Independent Growers' Association to university experts and by the large proportion of the letters to the Premier attacking central selling and
control plans as nothing more than schemes by 'experts' to draw fat salaries.

In part the lack of respect for government and university experts was likely due to the failure of those experts to come to grips with the problem of marketing. Then, as is still to a large degree true today, government agriculturists concerned themselves almost exclusively with matters of technical efficiency and the economics of production. The fruit growers' organizers and leaders, on the other hand, tended to resist consideration of the efficiency of production and handling as part of their problems, and instead relied almost entirely on manipulation of sales organization to find solutions. There was no common meeting ground.

Therefore discussions of marketing in the Okanagan tended to come down to a few drastically simplified arguments—basically an emotional and personal decision between the freedom of the individual to use and dispose of his property as he saw fit, and the right of the majority to prevent the minority from behaving in a fashion detrimental to majority interest. E.D. Barrow told the B.C.F.G.A. convention in 1928:

It sounds very fine for those who have the education and command of the King's English to write letters on abstract principles as they might apply to legislation, but that does not settle our difficulties that we are faced with in the carrying on of our own business. (Applause) We cannot afford to be controlled by abstract principles when we have to deal with concrete facts. . . . the interest of the State at large is of greater importance than that of the individual, and what we are trying to carry out in connection with the marketing of our food is a system that will be to the advantage of the people as a whole, and we deny the right of any one individual or any insignificant minority to conduct their affairs so that they will nullify the efforts that are being put forth by the majority for the benefit of the people as a whole.
The Okanagan fruit industry existed in an almost continual crisis of distribution, brought about by a continually expanding crop which required the selling of ever-larger quantities of fruit in a relatively static market. New expedients to deal successfully with one season's crop were invariably swamped by the following season's record-breaking production. In this situation, a faith grew, based on the realization that uncontrolled open competition was sure disaster, that the only possible answer was complete centralized control of the Okanagan crop--call it one hundred percent stabilization, compulsory cooperation, or central selling, or whatever you wish--to allow orderly marketing without price-cutting. It is not certain that this idea was entirely right; even had every apple produced in the province gone through the controlling agency, that agency could not have dominated the market, for much of the supply, especially to the Prairies, came from eastern Canada and the United States. As long as those regions were in competition, even one hundred percent control of the British Columbia crop could not guarantee stabilization.

The significant thing is that the vast majority of growers came to favour a system of 'collective bargaining' to overcome their 'competitive inferiority' in the distributive system, and that they were able, by the weight of their determination and mass opinion, to prod government into giving legislative authority to their efforts to force the minority to submit to the will of the majority, thus spurring the formation of our current State-sponsored marketing
monopolies for agricultural marketing.

The Growers' Strike of 1933 brought an end to one era in the history of the development of marketing organization in the Okanagan fruit industry. When finally the growers became desperate enough to take matters into their own hands, they sparked government action which took the matter once more out of their hands. Ever since then government has more or less accepted a responsibility for bringing into being and enforcing centralized marketing. And in recent years, particularly, there has even been a tacit government guarantee of a minimum price through such expedients as 'Agricultural Stabilization' and 'Farm Income Assurance'. Growers have often major or even controlling voices in the various marketing boards and agencies, but they have the comforting reassurance that, if difficulties arise, not only will they be able to call on government, but that some action will be forthcoming. Thus, although in fashion other than originally envisaged, the movement for 'Grower Control--Minimum Price' succeeded--but by government fiat rather than by the radicalism of the producers.
NOTES

Chapter 1


2 Fowke, Canadian Agricultural Policy, p. 272.


4 Fowke, National Policy and the Wheat Economy, p. 191.


6 Fowke, National Policy and the Wheat Economy, p. 290.

7 Ibid., p. 289.


9 Fowke, National Policy and the Wheat Economy, p. 296.


12 Cail, Land, Man, and the Law, p. 56.

13 By 1913 8,233,410 acres had been granted for provincially chartered railways, and 14,526,000 acres more conveyed to the Dominion for railway purposes. These grants totalled considerably more than half as much as the entire grants by


17 Folder No. 7-21, "Correspondence-Provincial-Lands-Land Settlements", Simon Fraser Tolmie Papers (in Special Collections, University of British Columbia) includes letters from the Langley Farmers' Institute, the Matsqui Agricultural and Horticultural Association and Farmers' Institute, the Maple Grove Conservative Association, and several school boards.


19 Premier McBride, for example, spoke in favour of cooperation, and his government lent money to cooperative organizations. *Twenty-Fifth Annual Report of the British Columbia Fruit-Growers' Association for the Year Ending December 31st, 1914* (Victoria: King's Printer, 1915), pp. 20, 44. N.b.: all further references to the annual reports of the British Columbia Fruit Growers' Association will be in the following form: *B.C.F.G.A. Annual Report 1914*. It should also be noted that the annual conventions whose proceedings are detailed in the reports, were generally held in the January of the year following the date of the report. Thus, the above reference is to speeches at the convention at Victoria, January 26 and 27, 1915.


22 "Roughly 60% of the production of agricultural commodities today [1939] in British Columbia is from mixed farms mainly in the Duncan and Courtenay districts of Vancouver Island and the Lower Fraser Valley, the Shuswap and Okanagan districts of the mainland. These farms produce live stock, hay, grain, fodder and vegetables. The men who own them find that their income is less affected by economic depressions and that even in 'bad' years, they have a cash balance. To them, the marketing problem is less serious than to the farmer who depends entirely on fruit or on vegetables or on dairying for his income. This group, then, is little interested in co-operative marketing arrangements. To the farmer who lives on part of the 15% of the land devoted to fruit-raising, and to the farmer who depends on part of the 15% of the land used
for dairying, it is a different question." Margaret A. Ormsby, "The History of Agriculture in British Columbia", Scientific Agriculture, XX:1 (Sept. 1939), p. 70.

23 Canada: An Illustrated Weekly Journal, June 8, 1912, p. 373.

24 The capital required to establish a man on a ten acre orchard was estimated in 1909 at a minimum of £500, with £1000 desirable. J.S. Redmayne, Fruit Farming on the "Dry Belt" of British Columbia: The Why and Wherefore (London: Times Book Club, [1909]), pp. 48-50, 80. In 1904 only $1000 (£250) was estimated as necessary to establish a settler on 160 acres on the Prairies and maintain him until the farm was producing. [Canadian Pacific Railway], Western Canada: Manitoba, Alberta, Assiniboia, Saskatchewan and New Ontario: How to Reach It, How to Obtain Lands, How to Make a Home ([CPR], 1904), pp. 87-88.


NOTES

Chapter 2

1 Dendy, "Development of the Orchard Industry", p. 70.


3 Dendy, "Development of the Orchard Industry", p. 70.


5 Ibid., p. 28.

6 Canada, Dept. of Labour, Combines Investigation Act, Investigation Into Alleged Combine in the Distribution of Fruit and Vegetables: Interim Report of the Commissioner, February 18, 1925 [Lewis Duncan, commissioner] (Ottawa: King's Printer, 1925), p. 120. Further references are as Duncan, Alleged Combine 1925.

7 Ibid., p. 13.

8 Dendy, "Development of the Orchard Industry", p. 72.


10 "British Columbia Fruit Growers' Association", p. 162.


12 Ormsby, "Fruit Marketing", p. 85.

In 1917 Roderick Mackenzie of the Canadian Council of Agriculture addressed the fruit growers' convention, calling on them to elect farmer-representatives to Parliament and to promote class legislation. "In the United States a nigger can never hold a public position; in Canada it is a farmer."

McGregor, Alleged Combine 1939, p. 6.

Evans, Report, p. 12.


Ormsby, "Fruit Marketing", p. 86.


Ibid., p. W8.

The mental and financial condition of the Okanagan fruit growers at this time is illustrated by an extract of a letter from B. McDonald of the British Columbia Growers Ltd. to a broker in Winnipeg, dated January 29, 1923: "Reorganization still goes on in the Valley. Growers by the dozen are camping on all the shippers' doorsteps looking for money. It has become so strenuous that our Credit Manager has been practically obliged to take a week's leave of absence in an endeavour to recuperate. Nearly every grower in the valley is broke, even appealing to the personnel of the company for small temporary loans of $5 and $10. This is certainly a nice state of affairs. You people on the outside may think from the tone of our letters that we are arbitrary and cantankerous, but we really believe we have reason to be; if you were here in the valley and had to deal with these matters for a couple of weeks, the novelty would soon wear off and it would become a genuine task." Duncan, Alleged Combine 1925, p. 8.


B.C.F.G.A. Annual Report 1922, p. 64.

Co-operation, p. 4.

Ibid., p. 5.  

Ibid., pp. 4-5.

Ibid., p. 5.
"Around 1920 there was a tremendous expansion of organized agricultural cooperation in the United States. . . . The American pool movement in its organizational stages preceded the Canadian movement by the very few years which were sufficient to impress Canadian farm leaders with the long-run possibilities of the pooling system, but not sufficient to demonstrate its more serious limitations. . . . The American associations were large-scale, centralized, and farmer-owned organizations, specializing in single commodities; they were organized on a non-stock, non-profit system of finance and ownership; they relied for patronage on rigid delivery contracts, voluntarily entered into by the grower but binding for a period of years, commonly five or seven; and . . . they marketed farm produce on a pooling basis with total payments made up of initial, interim, and final disbursements for the entire pool period." Fowke, *National Policy and Wheat Economy*, pp. 213-214.


36 Vernon News, Mar. 29, 1923, p. 1; and Associated Growers of British Columbia Limited, *Directors' report, balance sheet, revenue & expenditure account, auditors' report, for year ending March 31, 1924*.


38 Associated Growers, *Directors' report . . . for year ending March 31, 1924*.


41 Ibid.


43 Associated Growers, *Directors' report . . . for year ending March 31, 1926*. 
46 Clement, Enquiry, p. 11.
NOTES

Chapter 3

1 XIV:11 (Nov. 1926), p. 4.


6 Ibid., pp. 43-44.

7 Province, Feb. 23, 1927, p. 4.


10 Ibid., Jan. 22, 1927, p. 16.


13 Ibid., Feb. 8, 1927, pp. 1, 3.


16 Morton, Honest John Oliver, p. 238.


18 Letter from John Oliver to A.H. Mercer, Mar. 1, 1927, Premier's Correspondence Inward 1927 (in Provincial Archives of British Columbia), Box 270, File 'Legislation II-2; Produce Marketing Bill; correspondence in favor'.

19 Letter from Oliver to Joseph Casorso, Feb. 9, 1927, Premier's Correspondence Inward 1927, Box 270, file 'Legislation II-1; Produce Marketing Bill; Correspondence Against'.

92
"Western Canada Fruit and Produce Exchange--Memo-
randum re Legislation", Premier's Correspondence Inward 1927,
Box 270, File 'Legislation Section II-1; Produce Marketing
Bill; Correspondence Against'; and Canadian Annual Review,
1926-27, p. 487. Barrow was by 1927 convinced that "Voluntary
cooperação would never be a permanent success either in the
Okanagan or Fraser Valley, so some measure of control was
absolutely necessary." Province, Jan. 22, 1927, p. 16. See
Barrow's biography in Maclachlan, "Fraser Valley Milk Producers'

The standings after the 1924 election were, in a
House of 48: Liberals, 24 counting speaker; Conservatives, 17;
Provincial Party, 3; Labour, 3. Martin Robin, The Rush for
Spoils: The Company Province, 1871-1933 (Toronto: McClelland
and Stewart, 1972), p. 209. In fact, as the Nelson Daily
News complained, the government even used the private member's
bill as a convenient out, refusing any responsibility for
bills of far-reaching significance as ascribable only to the
private members who sponsored them. Province, Jan. 26, 1927,
p. 6.

Walker, Politicians of a Pioneering Province, p. 164.

Some of whom, at least, were interested parties.
Alderman H.E. Almond was the owner of an independent, City
Dairy. Maclachlan, "Fraser Valley Milk Producers' Association",
p. 72.

Robin, Company Province, p. 226.

Feb. 18, 1927, p. 4.

S.F. Tolmie Papers, Box 20, file 26 "Agriculture
Speech Material", item "Memorandum re 'Dairy Products Sales
Adjustment act'" (stamped received Premier's Office, Nov. 17,
1932).


62% of the B.C. apple crop of 1926 was exported from
the province. Calculated from figures in: B.C. Dept. of
Agriculture, Statistics Branch, Agricultural Statistics 1927
(Bulletin no. 104) (Victoria: King's Printer, 1928), pp. 10, 38.

In 1927, only .05% of the fresh milk supply of B.C.
was imported from outside the province. Calculated from
figures in Ibid., pp. 10, 33.

Imports made up only 3% of the total B.C. consumption
of apples in 1926 (calculated from figures in: Ibid., pp. 10,
33, 38), but they were more highly visible than the percentage
would indicate, since they were generally concentrated on the
Vancouver market.
Martin Robin has noted the tendency of Interior districts to continue support of the party which had been in power during the period of their development. See Company Province, p. 230.


Letter to editor of Walter Marshall, dated Feb. 11, Ibid.

Letter to editor of C.E. Edgett (a director of Associated Growers), Ibid.


The newspapers, and quite likely the legislators, constantly got the names of the organizations crossed up. For example, in what was obviously a reference to the Shippers' Federation it was called the Federation of B.C. Fruit Growers, and mangled references were made to the Associated Fruit Growers (Associated Growers) and the Sales Surplus Ltd. (Sales Service Ltd.). Province, Feb. 16, 1927, p. 21; and Jan. 26, 1927, p. 4.

Letter to editor of C.E. Edgett, Province, Feb. 15, 1927, pp. 7, 10. "A lot of influence was brought to bear in Victoria by means of letters and telegrams signed by people posing as growers, that had considerable influence on members of the House. These members representing the urban constituencies could not classify the senders of these wires or the letters, and it took considerable discussion to try to convince these men that those objectors were passing, so to speak, under false colours. In a good many instances, these individuals were possibly five percent growers and ninety-five percent interested in the handling of the growers' product. Their communications were written with a view to not coming under this system of control." E.D. Barrow, "Marketing Legislation", B.C.F.G.A. Annual Report 1927, p. 36.

The widespread anti-Oriental feeling, still strong in British Columbia in the 1920s, was used by both sides in trying to forward their causes. The rationale used by MLAs Fred Lister and C.F. Davie to oppose a proposed amendment excluding the Ashcroft and Lytton districts from the bill was that "it would result beneficially to the Oriental farmers of those districts"—an outcome they felt was to be opposed at any cost. Province, Mar. 4, 1927, p. 1. On the other hand, some anonymous supporter of the marketing bill used this prejudice in a 'dirty tricks' letter. C.F. Davie, the Conservative MLA for Cowichan-Newcastle (who introduced an Oriental exclusion bill in the 1927 session of the Legislature: Ibid., Mar. 3, 1927, p. 7), received the following telegram, in suitably broken English, from Nishamura Togo in Kelowna:
M.P.P. Davie, Parliamentary Diet, Victoria: Honorable sir, I am told you are kindly help Japanese in our great country, B.C. Please help poor Japanese in trying to stop Honorable Barrow's bad market chapter 43. Honorable sir, this chapter going to stop all Japanese sell fruit more cheaper than honorable Englishman. Please kill Honorable Barrow's chapter." Davie, the staunch anti-Orientalist, said "I need no further reason for my decision to support this bill." Ibid., Feb. 26, 1927, p. 20. Unfortunately the telegram was a fake, as various people hastened to point out. There was no such person as Nishamura Togo--the name was two typical Japanese surnames put together, which had been used as the pseudonym of an American writer named Irwin for a short story called 'Letters of a Japanese School Boy'. According to those opposed to the bill, "This shows methods being adopted by those trying to force legislation through contrary to wishes of majority of growers without a vote being taken", while K. Iwashita indignantly protested that "Local Japanese are strong cooperators and solidly behind the bill and therefore resent such underhand action obviously aiming to make capital out of anti-oriental attitude of certain members of the house ... No racial question should enter into the deliberation of the bill which is economics question pure and simple." Telegrams to John Oliver from, respectively, F.R.E. DeHart, Kelowna, and K. Iwashita, Kelowna, both dated Feb. 28, 1927, in Premier's Correspondence Inward 1927, Box 270, File "Legislation Section II-1; Produce Marketing Bill; Correspondence Against".

Both John Oliver and the Hon. R. Bruce, Lieutenant Governor of British Columbia, received copies of a telegram signed 'Fruit Raisers' sent from Kelowna March 1: "It is apparent in many minds that the McNeery Haughen Farm Bill which appeared before Congress simultaneously with the two marketing bills before your House now were all hatched in New York City by the wealthy Jews in their plans to control the products of North America or the whole Earth. The countries were cautioned some time ago to watch this movement. You are being trusted to kill those bills as did President Coolidge in his great foresight wisdom." Oliver commented with the understatement "that this probably from some person slightly deranged." Premier's Correspondence Inward 1927, Box 270, File "Legislation Section II-1; Produce Marketing Bill; Correspondence Against". But such sentiments arose from others than the obviously deranged--a successful independent shipper from Kelowna wrote to Oliver suggesting that the Convention resolution was part of a plot by jobbers to get total control of fruit. "It may be fresh in your mind what Henry Ford related not very long ago, and that was, that in his opinion the Jews were trying to get control of the Products of the Earth, and in our opinion in following up this matter we conclude that there is enough in it to make it well worth watching." Letter from George Rowcliffe, Kelowna, Jan. 19, 1927, to John Oliver, in Ibid. This belief was based on articles in Henry Ford's Dearborn Independent in 1924, in which the assertion was made, based largely on the bogus
'Protocols of Zion', that Aaron Sapiro was the principal in a Jewish plot to control agriculture. Sapiro sued for a million dollars damages, and in July 1927 Ford backed down, settling out of court and making a public apology. Willis Thornton, Fable, Fact and History (New York: Greenberg Publishers, 1957), pp. 43-44.


41 Province, Jan. 25, 1927, p. 16.

42 Ibid., Feb. 26, 1927, p. 20; see also Premier's Correspondence Inward 1927, Box 272, File "general memoranda--miscellaneous", where is a memorandum on a point of order Oliver raised asserting that the bill was ultra vires of the Provincial Legislature.

43 Province, Feb. 25, 1927, p. 3.

NOTES

Chapter 4


3 MacPhee, Report, p. 32.

4 McGregor, Alleged Combine 1939, p. 9.

5 Donald M. Black, "F.M. Black and the Committee of Direction", Thirty-first Annual Report of the Okanagan Historical Society 1967, p. 103. F.M. Black (1870-1941) was a United Farmers of Manitoba member of the Manitoba legislature from 1922 to 1926, Provincial Treasurer from 1922 to 1924. He also served on the War Time Food Control Committee in Ottawa. Considering his later attitudes, it is interesting that he had had some connection with the ideas of 'group interests' of the Alberta farmers' movement, since in 1916 he served with H.W. Wood of the United Farmers of Alberta on a mediation committee between the farmers and the C.P.R. William Kirby Rolph, Henry Wise Wood of Alberta (Toronto: University of Toronto Press, 1950), p. 16.


7 See, for example, a memorandum of Sept. 29, 1928, from O.C. Bass, Departmental Solicitor, to the Attorney-General, and other copies of correspondence in S.F. Tolmie Papers, Box 11, File 58, "Correspondence-General-Legislature-Produce Marketing Act".

8 Richards, "Interior Committee of Direction", p. 2.


12 Richards, "Interior Committee of Direction", p. 2; and McGregor, Alleged Combine 1939, p. 9.


Ibid., pp. 68-69.  

Ibid., p. 65.

Ibid., p. 62; see also letter of J.W. Jones, MLA, to Premier Tolmie, July 3, 1929, in which he says that "In many quarters I am finding hostility to the Board of Control which the growers claim has become the agent for the Shippers . . ." S.F. Tolmie Papers, Box 3, File 23, "South Okanagan" Correspondence.


Ibid., pp. 73-74. The continued resentment against the Federation is shown by resolutions passed by the Creston Farmers' Institute and the Boswell Fruit Growers' Association which called on the government to replace the B.C. Growers' and Shippers' Federation with a growers' federation of which all farmers whose produce was controlled by the Produce Marketing Act should be members. The covering letter put this statement in quite radical form: "We agree that the Produce Marketing Act, as a measure of socialized control, can be of great benefit to the industry, and that this legislation could progress to a point at which all our problems would be adequately dealt with; but we do not consider our interests will be properly taken care of until the Farmers have control of the distribution and all that is involved therein." Resolutions of the Boswell Fruit Growers, Mar. 12, 1930, and of the Creston Farmers' Institute, Jan. 22, 1930, in S.F. Tolmie Papers, Box 11, File 18, "Correspondence-General-Legislation-Produce Marketing Act". (Boswell is near Nelson)

McGregor, Alleged Combine 1939, p. 9.


Richards, "Interior Committee of Direction", p. 4.

A fine example being a letter of Feb. 16, 1931 from J.F. Stevenson of Creston, which commenced (please take sic for granted) "Honorable Dr Tolmie" and says "all Mr Black does is to pull the leg of the growers and get the big money have known Mr Black for over 40 years and easy pickings is his game, and always plays on the Government to accomplish
his ends . . . CoOperation cant be done satisfacterly and is a fake and we will rebel if you allow such onwanted legislation to pass . . ." and finishes with the note "PS now I have served the Conservative party faithfully for 49 years and am unable to get a bit of work through this man Davies to help pull through and if we cant get rid of this booze artist we will kick Colonel L out so it is one or the other and the sooner the better." Premier's Correspondence 1930-1933 (in Provincial Archives of British Columbia), Box 294, file A-5a-D. Other similar specimens are readily available in Premier Tolmie's files.

27 Premier Tolmie received letters against the new marketing bill from, among others, Pat Burns of Calgary, and J. J. Warren, the president of the Consolidated Mining and Smelting Co. of Canada. Premier's Correspondence 1930-1933, Box 294, file A-5-D.

28 Letter from H. M. Walker to Tolmie, Feb. 6, 1931, S. F. Tolmie Papers, Box 2, File 39, "North Okanagan" Correspondence.

29 L. W. Makovski of the Western Canada Fruit & Produce Exchange wrote on the letterhead of the Independent Growers' Association to Premier Tolmie, S. F. Tolmie Papers, Box 6, File 5, "Correspondence-Provincial-Agriculture-Fruit Industry Inquiry"; A. T. Howe, a Vernon independent shipper, was on its Provisional Board, and all of its proposals were made in conjunction with the Independent Shippers' Association.

30 See complaints on this treatment in letters from F. E. R. Wollaston of the Coldstream Ranch, Jan. 28, 1931, and from L. W. Makovski, Feb. 1, 1931. S. F. Tolmie Papers, Box 6, File 6, "Correspondence-Provincial-Agriculture-Fruit Industry Inquiry"; and Box 6, File 5, "Correspondence-Provincial-Agriculture-Fruit Industry Inquiry".

31 "Outline of the Independent Growers' Marketing Plan . . ." and the 'Private and Confidential' comments with it by L. W. Makovski, S. F. Tolmie Papers, Box 6, File 5, "Correspondence-Provincial-Agriculture-Fruit Industry Inquiry". The anti-intellectual bent of the organization may be seen in the demand "That the appointee [i.e. to head the Bureau of Agricultural Information] shall not be a university professor of horticulture, agriculture or economics . . . ."


33 On the Convention: Richards, "Interior Committee


*35* *B.C.F.G.A. Annual Report 1928*, p. 79.

*36* He failed to gain the respect of either shippers or growers, and at one Shippers' Council meeting it was suggested that he should "be kept on leash". Letter from George Heggie, MLA for North Okanagan, to Premier Tolmie, Oct. 9, 1931, S.F. Tolmie Papers, Box 2, File 39, "North Okanagan" Correspondence.


*38* Letter from J.W. Jones to R.H. Pooley, Attorney-General, dated Kelowna, Aug. 25, 1928, Attorney-General's Department Correspondence (Letters Inward, 1918-1937) (Provincial Archives of British Columbia microfilm roll 278), file no. P-302-1 (1928), Produce Marketing Act cases.


*40* Letter from Tolmie to Mat Hassen (a Conservative party worker) of Armstrong, Dec. 30, 1930, S.F. Tolmie Papers, Box 2, File 39, "North Okanagan" Correspondence.

*41* J.W. Jones reported in July that "I have been going to and fro over my Riding since returning from the Coast and find on every hand a desire to have a thorough look in on the whole industry." Letter from Jones to Tolmie, July 3, 1929, S.F. Tolmie Papers, Box 3, File 23, "South Okanagan" Correspondence.

*42* *B.C.F.G.A. Annual Report 1929*, p. 10.

*43* Letter from W.M. Dryden (secretary of the Summerland Co-operative Fruit Assn) to J.W. Jones, June 25, 1929, enclosed with letter from Jones to Tolmie, July 3, 1929, S.F. Tolmie Papers, Box 3, File 23, "South Okanagan" Correspondence.

*44* During W.W. I, Evans had served as Chairman of the 1916 Pacific Coast Fishery Commission, and later as Secretary of the Millers' Committee of the Food Board. "From the millers' point of view, they appreciated his services as they retained him in an advisory capacity for some years after the war."


47 Evans, Royal Commission 1931, p. W12.

48 Ibid., p. W13. The average yield of apples in B.C. was estimated at between 240 and 250 boxes per acre, while that of the Wenatchee-Okanogan district in Washington was over 400 boxes per acre.

49 Ibid., pp. W14-W15. By comparison, as early as 1922 the Wenatchee district in Washington had cold-storage facilities to hold half its crop.


52 Ibid., p. W21. 53 Ibid., passim.

54 As, for example, a broadsheet entitled "Sanford Evans Speaking!", evidently issued by the Independent Growers' Association, in Premier's Correspondence 1930-1933, Box 294, file A-5a-D.

55 Joseph Casorso wrote on the letterhead of his tame Belgo Co-operative Growers' Association to congratulate Evans and Thomson. "You can rest assured that 99% of the people in the Okanagan that we call practical farmers feel satisfied that you & Mr Evans has been a great Messiah to the beautiful Okanagan. . . . You can rest assured that it is a great relief to feel that we can carry on business again on ordinary business lines which will immediately restore credit amongst practical farmers." Casorso to J.G. Thomson, Jan. 26, 1931, Premier's Correspondence 1930-1933, Box 294, file A-5-D.

56 Copy of letter from F.R.E. DeHart (Secretary of Independent Growers' Association) to Stanford Evans, Feb. 8, 1931, S.F. Tolmie Papers, Box 6, File 6, "Correspondence-Provincial-Agriculture-Fruit Industry Inquiry"; and broadsheet headed "Compulsory Pools Are Illegal!" which includes text of resolution, Premier's Correspondence 1930-1933, Box 294, file A-5-D.


59 "British Columbia Fruit Growers' Association", p. 170; and Richards, "Interior Committee of Direction", p. 3.

60 Maclachlan, "Fraser Valley Milk Producers' Association", p. 91.

61 "Ibid.", pp. 79-80. 62 "Ibid.", p. 84.


64 Memorandum from J.G. Thomson, entitled "The Produce Marketing Act: (ultra vires of the Provincial Legislature) and the possible results of the Government becoming involved in an appeal to the Privy Council" (stamped 'received-Premier's Office-Feb. 27, 1931'), in S.F. Tolmie Papers, file 11-18 "Correspondence-General-Legislation-Produce Marketing Act". See Appendix for further details.

65 Black, "F.M. Black and the Committee of Direction", p. 105.

66 Clement, Enquiry, p. 2.


68 Ormsby, "Fruit Marketing", p. 91.


72 McGregor, Alleged Combine 1939, pp. 6, 9.


75 Clement, Enquiry, p. 3.

76 Associated Growers, Directors' report . . . for year ending March 31, 1932.

77 J. Coke, "The 1932 Apple Cartel in British Columbia",
The Economic Annalist, III:6 (June 1933), p. 64.

78 MacPhee, Report, p. 33.

79 McGregor, Alleged Combine 1939, p.9.

80 MacPhee, Report, p. 33.

81 Province, Sept. 11, 1933, p. 1.

82 McGregor, Alleged Combine 1939, p. 9.

83 Province, Sept. 11, 1933, p. 3.


"British Columbia Fruit Growers' Association", pp. 174-175. Haskins was a long-time resident of the Valley. He attended Summerland College before going to the Coast to study law. After being admitted to the bar he opened a practice at Penticton in 1916. In 1920 he bought a forty acre orchard at Penticton, but in 1922 he left this in the care of a foreman and went to take up a legal practice in Vancouver. He returned to active orcharding at Penticton in 1930. Country Life in British Columbia, XVII:6 (July 1933), p. 5.

See "Minutes of Executive Meetings of the B.C.F.G.A.", especially Nov. 6, 1933 and Dec. 6, 1933 (filed in B.C.F.G.A. head office, Kelowna, B.C.).

Vernon News, Aug. 24, 1933, p. 1. The Crown Fruit Company of Kelowna, for example, was willing to participate in a one-desk deal of all shippers, but not in a cartel like that of 1932 because "there was not enough tonnage favourable to the pool to have the desired stabilizing influence". "Minutes of a Meeting of Directors of the Crown Fruit Co. Ltd.", Aug. 30, 1933.


Ibid., Aug. 31, 1933, p. 2.

Province, Sept. 23, 1933, Sunday magazine, p. 1.


Ibid., Sept. 14, 1933, p. 2.

As early as 1902, the Society of Equity, an offshoot in Alberta of an American organization, called for farmers to control their market by refusing to sell below an agreed 'fair' price. A farmers' non-delivery strike to protest federal customs duties on farm machinery was proposed at the 1919 convention of the United Farmers of Alberta, but the first actual strike on the Prairies did not occur until the winter of 1933-34. Norman F. Priestley and Edward E. Swinglehurst, Furrows, Faith and Fellowship (Edmonton: Alberta Agricultural Centennial Committee, 1967), pp. 17, 21, 62, and 158.

See Shover, Cornbelt Rebellion, and Theodore Saloutos and John D. Hicks, Agricultural Discontent in the Middle West, 1900-1939 (Madison: University of Wisconsin Press, 1951).


13 Province, Sept. 6, 1933, p. 1.


15 Province, Sept. 6, 1933, p. 14.


17 Ibid. 18 Province, Sept. 5, 1933, p. 1.

19 Ibid., Sept. 6, 1933, p. 14.


23 Province, Sept. 12, 1933, p. 3.

24 Ibid., Sept. 11, 1933, p. 1.


26 Ibid., Sept. 21, 1933, p. 11.

27 Ibid., Sept. 14, 1933, p. 1. A copy of the agreement is bound with the Circulars of the Okanagan Stabilization Board, 1933 Crop Year (in possession of Okanagan Federated Shippers Ltd., Kelowna).

28 Vernon News, Sept. 21, 1933, p. 5.


31 Ormsby, "Fruit Marketing", p. 92.

32 Vernon News, Sept. 21, 1933, pp. 1, 11.
35 Province, Sept. 29, 1933, p. 1.
36 Ibid. 37 Ibid., pp. 1-2.
39 Ibid. 40 Ibid., p. 6.
41 Ibid., Oct. 12, 1933, pp. 1, 6.
42 Ibid., Oct. 5, 1933, p. 9.
45 Province, Oct. 21, 1933, p. 18.
46 Ibid., Oct. 24, 1933, p. 4.
47 Okanagan Stabilization Board, "Interim Report of the Pool Sub-Committee ... to December 31st, 1933" (bound with Okanagan Stabilization Board Circulars).
49 The Commonwealth, Jan. 3, 1934, p. 3.
51 Vernon News, Sept. 21, 1933, p. 3.
52 Province, Sept. 6, 1933, p. 14.
53 Ibid., Sept. 23, 1933, Sunday magazine, p. 6.
57 Ibid., p. 9.
The B.C.F.G.A., while willing to amalgamate, lacked the ability to press for such action. Indeed, while it expressed its readiness to cooperate with the Stabilization Committee, it also revealed its impotence when it asked that organization for a loan to tide over until year-end. "Minutes of Executive Meetings of B.C.F.G.A.", Oct. 5, 1933; Dec. 6, 1933; and April 4, 1934.

Premier Tolmie, campaigning on with his new 'Unionist' party after his desertion by his Conservative colleagues, promised to press for federal legislation similar to the British Marketing Act. "Unionist Party of British Columbia Speakers' Handbook, Provincial Election 1933" in J.W. Jones Papers, Vol. 4, folder 8, p. 107. Jones, running as an independent, promised "an entirely new system of marketing agricultural products on an orderly basis, so that a majority of producers in any industry, such as fruit or milk production, may not have their efforts nullified and their markets disrupted by a selfish minority." Ibid., Vol. 6, folder 1, p. 138.
Okanagan Stabilization Board Circular No. 22/33 (Oct. 16, 1933). The Board Circulars for the 1933 Crop Year give weekly reports of sales.


Vernon News, Sept. 28, 1933, p. 5.

Ibid., Oct. 12, 1933, p. 1. 80 Ibid.

Province, Sept. 23, 1933, Sunday magazine, p. 1; and The Commonwealth, Jan. 3, 1934, p. 3.


British Columbia Department of Agriculture, Twenty-eighth Annual Report, 1933 (Victoria: King's Printer, 1934), pp. 18-19.

McGregor, Alleged Combine 1939, p. 9.

Country Life in British Columbia, XVIII:1 (Mar. 1934), p. 7. "The co-operative movement and the prevailing grower opposition to direct jobber representation in the Valley had discouraged the purchasing of fruit for cash directly from the producer, and after 1923 there was little cash buying. Consolidated Fruit Company Limited sent a cash buyer to the Valley to purchase on its behalf in the 1932-33 season, but growers generally felt so strongly about the venture that the buyer was compelled to leave the Okanagan. At the same time Consolidated Fruit had financed the establishment of a shipping house in Vernon, Crestland Fruit Company, Limited, and was supervising it through a former Consolidated Fruit employee, Harvey Harrison." McGregor, Alleged Combine 1939, p. 44. Crestland had been engaged in other forms of sniping at stabilization before the levy question came up. See, for example, Vernon News, Oct. 19, 1933, p. 9, for an account of Harrison's undercutting by dealing in Kootenay fruit at lower than Stabilization Board prices.


Ibid., p. 1.

The preamble to the "Outline of Objects and Policy of the United Fruit Producers of B.C." clearly states its intention to rearrange the selling system: "This Association . . . recognizes the grower as the principal in all transactions taking place between the delivery of fruits to the packing house and the return of the proceeds to the grower. All other factors in these transactions are considered as being agents who should be under the control of the principal. It being impossible for the individual grower to exercise effective control over shipping organizations handling the crops of many producers, the grower here joins with his fellow growers in an Association, through which benefits to the whole body will be obtained." (bound with Okanagan Stabilization Board Circulars)
NOTES

Chapter 6

1 Alvin Finkel, Business and Social Reform in the Thirties (Toronto: James Lorimer, 1979), p. 46.


3 Paul W. Clement, "The Operation of the Natural Products Marketing Act in the Okanagan Valley" (unpublished BSA [Horticulture] graduating essay, University of British Columbia, 1936), p. 11; and "Unionist Party of British Columbia Speakers' Handbook", p. 107. See also letter from Tolmie to R.H. McDonald (president of the B.C.F.G.A.), Aug. 7, 1933, in which the Premier promises "to render every possible assistance in bringing about Federal legislation which will adequately cover our requirements and prevent disaster to this important industry." S.F. Tolmie Papers, Box 20, file 26, "Speech Material-Agriculture".


9 Neatby, Mackenzie King, p. 58.


11 Quoted in Finkel, Business and Social Reform in the Thirties, pp. 51-52. It is interesting that King later changed his attitude and hoped that the legal validity of the Act. 110
would be upheld by the courts. Ibid., p. 56.

12 Ormsby, "Fruit Marketing", pp. 95-96.


15 Quoted in Ibid., p. 342.


17 MacPhee, Report, p. 104.

18 S.M. Lipset wrote in relation to the CCF agricultural policy in Saskatchewan: "Most CCF leaders assume that if farmers are given economic security and increased social services they will continue to support the movement in its efforts to socialize the rest of the economy. ... In fact, the contrary seems to be true--farmers tend to become conservative when they achieve their economic goals. The farmer is radical vis-à-vis the larger society when his economic security and land tenure are threatened. ... However, once the farmer achieves these immediate goals and becomes a member of the secure property holders of society, he resents government controls and labor or tax legislation that interfere with the expansion of his business." Agrarian Socialism, p. 276.


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III. ORAL SOURCES


APPENDIX

The Government and Produce Marketing Act Appeals

Originally the Tolmie government, while not enthusiastic, had been in a vacillating way willing to support the constitutionality of the Produce Marketing Act, but as more cases arose the Attorney-General's Department developed a case of cold feet for fear of the costs, and by July of 1929 the Deputy Attorney-General, O.C. Bass, was taking the stand that the Committee of Direction should bear all costs in cases relating to the Act. He asserted that the Act was unconstitutional and repudiated any responsibility or connection of the Department with counsel in an appeal then being heard, even though the lawyer had been engaged by R.H. Pooley, the Attorney-General. ¹ Thus the matter stood even while Premier Tolmie publically stated that "The Produce Marketing Act is the law of the land and we are determined that everyone must obey the law" and that "the Government is solidly behind the Committee of Direction".²

Before the year was out the volte face was complete. The Attorney-General's Department publically announced "that the onus of further litigation must fall entirely on the Interior Committee of Direction".³ and refused to be even nominally connected with any defence of the Act. The justi...
ication was the old claim that "the Act was especially drawn at the instigation of, and by Counsel for, the persons who were materially affected" and that therefore the responsibility for enforcing it lay with the representative of those people, the Committee of Direction; once again refusing to acknowledge that the measure had been produced by the Agricultural Committee of the House at the primary impetus of the Minister of Agriculture of the time. 4

1 Copy of letter from T.G. Norris to H.B. Robertson, July 9, 1929, in S.F. Tolmie Papers, file 11-18 "Correspondence-General-Legislation-Produce Marketing Act".

2 Vancouver Province, Oct. 24, 1929.

3 Ibid., Nov. 27, 1929.

4 Copy of letter from R.H. Pooley, Attorney-General of British Columbia, to T.G. Norris, Jan. 16, 1930, in S.F. Tolmie Papers, file 11-18 "Correspondence-General-Legislation-Produce Marketing Act". This file contains correspondence showing the government's reversal of its stand between 1928 and 1930, copies of which T.G. Norris sent to the Premier.