

OUTLOOK FOR FARMER CO-OPS BRIGHT, IS REPORT

CHICAGO, Ill., Jan. 10.—Farmer co-operatives played a vital role during 1945 in achieving an unprecedented record of production, John H. Davis, executive secretary of the National Council of Farmer Co-operatives, told delegates at their annual meeting today, in his report given at the Edgewater Beach Hotel, Chicago.

Davis reviewed the activities of the National Council of Farmer Co-operatives on the legislative front pointing out that 1945 was one of the council's most active years in legislation. He also pointed out that the organization had taken an active part in supporting legislation making the United States a member of the food and agriculture organization. Among other measures which the National Council of Farmer Co-operatives supported, said Davis, were United Nations Organization, FAO, reorganization of farm credit facilities, incentive payments for legume seeds, an adequate school lunch program, the food stamp plan, an expanded vocational educational program and legislation to retain farm manpower under the Tydings amendment.

Refusal of the OPA "to recognize the right of co-operatives to pay patronage refunds" has been a source of constant difficulty during the last year, reported Davis. "On the whole, reasonably satisfactory arrangements were worked out sooner or later—but too often later and sometimes so late that irreparable damage was done to producers." Nevertheless, the council has consistently supported the price stabilization program.

Turning to the attack on co-operatives, "the real fight is still ahead," Davis indicated. "Those who initiated the attack on co-operatives were not motivated by a desire for tax equality. Their real motive was and is to cripple co-operatives as pace-setters."

Davis was careful to distinguish between the vast majority of businessmen, large and small, who are willing to meet co-operatives competition on "even terms" and the small group of "selfish businessmen who, knowing the truth, deliberately promote part-truths and untruths in order to cripple co-operatives as competitors."

Recent government reports by the joint tax committee on internal revenue have strengthened the position of farmer co-operatives, Davis said. "These facts prove that farmer co-operatives are operating on sound co-operative principles and in the interest of their patron-owners."

Great opportunities lie ahead for farmer co-operatives, Davis predicted, and the future depends on the ability to adopt a general program for agriculture which will maintain a free market structure in which farmer co-operatives are an integral part.

Does Montana—

(Continued from Page One)

In this case to a process, still going on quite visibly, of adaptation of people to resources in Montana. A balance of land and people in this state must yet be found.

But the problem is really concerned with the type of balance which Montanans desire. People can almost literally have the kind of balance of numbers and resources which they want. Balance is subject to the kind of economic culture which a people desire. A declining population is the only prospect which the present colonial, dependent economy of Montana can make possible. A balanced economy—diversified, with multiple economic interests, with no dependence on a single economic activity or corporation, free—can give Montanans a balanced ratio of people and resources, a ratio which will permit a sound population growth.

Today a balanced economy must be planned through co-ordinated resource development. Resource development through the planning action of business and government, community and state, state and region, region and nation will bring—and only this can bring—the rising equilibrium of numbers and economy which a young people have a right to expect of so young and so rich a state as Montana.

Labor Actively—

(Continued from Page One)

IBEW; and Lewis G. Hines, national legislative representative of the AFL. Wetzig again testified before the irrigation committee.

The CIO and AFL representatives put on the record all the basic reasons for labor support of MVA despite heckling by Senator Overton, chairman of both subcommittees and foremost senate MVA foe.

Overton's efforts to discredit Davis as unqualified to testify on river problems were upset when the CIO spokesman stated, "I worked for the army engineers when they threw the dikes up on the Missouri river. I was born and raised within three-quarters of a mile of the Missouri river. I have seen, in the last four years, land worth \$200 an acre covered over with willows and sand because of certain dikes in there, when the floods came. No one up there had any way of knowing which way they were going to channel the river. My experience has been very practical, something I could see. I have seen the place I was raised on covered with about a foot of sand that probably came from Montana."

JOIN THE MARCH OF DIMES
JANUARY 14-31
The National Foundation for Infantile Paralysis

INVESTIGATION OF OPPONENTS TO MVA URGED

KANSAS CITY, Mo.—Investigation of the membership and backing of the various major organizations on either side of the MVA controversy was urged by the executive committee of the regional committee for MVA at a meeting here December 21.

The request was directed to Sen. Elmer Thomas of Oklahoma, chairman of the senate agriculture committee, which is expected to hold hearings on the Murray MVA bill in February.

The MVA executive committee said it believed such an investigation would disclose that the principal opposition to MVA was coming from power utilities and other interests opposed to the people's welfare.

Among organizations opposing MVA that the committee wants investigated are the National Reclamation association, Mississippi Valley association and Missouri Valley Development association.

The committee elected A. J. Porth, business manager of Carpenters Local 291, Wichita, Kan., to the position of Kansas representative on the regional executive committee, confirming Porth's nomination by the Kansas committee for MVA.

George J. Docking, president of the First National Bank of Lawrence, Kan., was elected a member-at-large of the executive committee.

The committee expressed confidence that field hearings on the Murray bill, which it has been repeatedly urging, will demonstrate that people of the basin favor MVA. Sen. James E. Murray of Montana, sponsor of the bill, has requested that such hearings be held by the agriculture committee at Jefferson City, Mo., Omaha, Nebr., and Bismarck, N. D.

CO-OPS AND THE INCOME TAX IN 1946

Probable 1946 developments in the co-op tax fight must be judged primarily on the basis of both favorable and unfavorable trends during the year just ended.

By far the most favorable omen was the last, the statement by Chairman Robert L. Doughton of the powerful house ways and means committee that "Just now we have no information which would appear to warrant a change in the present law."

The Doughton declaration climaxed a series of helpful events which included:

1. The legal opinion of Randolph Paul, nationally known tax attorney and former advisor to the treasury.

2. The vigorous defense of co-operatives by the disinterested and leading industrialist Victor Emanuel.

3. The general discrediting of the National Tax Equality association (NTEA) as to credibility, or as spokesman for business generally, culminating in failure of NTEA's effort to dictate policy on co-op taxation to the United States chamber of commerce.

4. Publication in the magazine "Fortune" of the unsolicited feature story on co-operatives followed by the editor's own endorsement of basic co-op claims.

5. Increased and more sympathetic handling of co-op stories and news by daily and weekly papers and the press services, coupled with developing of co-op ads through CCA and FUGTA.

6. Failure of old-line competitors to make a convincing anti-co-op presentation before the house small business committee.

7. Issuance of the report of the Canadian Royal commission recognizing the justice of deducting co-op patronage refunds from gross income in fixing income tax liability, and favoring total exemption in their formative years, and

8. Publication of statistics from Form 990 and of their analysis by staff experts of congress and the treasury.

Neither the figures nor the analysis substantiated opponents' predictions that these would disclose billions of co-op income now escaping taxation. Both did sustain the claims of the co-ops.

SOUTH'S FIRST NEED, A 65¢ MINIMUM WAGE

The substandard wages paid to the great majority of Southern workers are the root of the South's economic evils, declares the current "Freedom From Want" issue of the SOUTHERN PATRIOT, which urges Southern support for a 65¢ minimum wage, as provided by Senator Claude Pepper's bill, S-1349, now before congress.

The 65¢ minimum wage holds out benefits to every group in the South, says the PATRIOT. To the businessman, large and small, it means purchasing power and opportunity for new industry; to the farmer, it means a bigger market for his products; and to the community as a whole, it means more money available for education, hospitals, and community services.

Warning that Southern congressional opponents of Senator Pepper's bill "speak for the interests that profit from the South's misfortune," the PATRIOT calls upon the Southern people to counteract propaganda and pressure which threatens to defeat the bill.

Can Industry Pay?

The PATRIOT marshals facts and figures to support its claim that Southern industries can well afford to pay the wage increase without price increases:

—In the Southern textile industry, the cost of paying the 65¢ minimum would amount to 33 million dollars; this industry's profits before taxes in 1944 were \$71 million.

—In the Southern timber industry, the cost to industry would be 18 million; profits here were 156 million.

—In the Southern tobacco industry the cost would be seven million against 154 million in profits.

The protests of employer spokesmen today are as hollow as those of the 30s, when Southern business solemnly declared that wage-hour legislation would end Southern industry and free enterprise, says the PATRIOT.

Far from hurting business, the 65¢ minimum would increase efficiency and protect honest employers from the unfair competition of sweatshops, according to testimony before the senate hearings, quoted in the PATRIOT.

Low wages, on the other hand, depress Southern business by restricting the purchasing power which is its life blood; they distort the South's economy by discouraging the production of finished goods in our midst; they keep the Southern farmer poor by undermining the market for his product; they keep a large proportion of our population poorly fed, poorly clothed and poorly housed; and they mean a general low level of income and property values, resulting in shrunken tax revenues, which keep our education, health and social security standards shamefully behind the rest of the nation.

Such low wages—less than 65¢ an hour—are being received today by 47 per cent of all Southern textile workers, 47 per cent of all Southern lumber workers, 58 per cent of all Southern tobacco workers, or 784,000 workers in these three industries alone, the PATRIOT points out. Wartime developments have increased rather than lessened the gulf between wages paid in the South, and in the rest of the nation for similar work, while cost of living has increased proportionately more in the South. The PATRIOT calls for the end of this Southern wage differential.

Since the passage of the original wage-hour bill, providing a 40¢ minimum, many changes have occurred in the nation's economy. The cost of living has risen so sharply that the 40¢ goal has not actually been achieved; the productivity per man hour has almost doubled; the national income has more than doubled. If a nation with a national income of 69 billion dollars can set a 40¢ minimum wage, a nation with a 160 billion national income can set a 65¢ minimum, concludes the PATRIOT.

Readers of The People's Voice can secure a free copy of the "Freedom From Want" issue of the Patriot by writing to 507 Presbyterian Building, Nashville 3, Tenn.

DEMAND THE UNION LABEL!

BUREAU OF RECLAMATION POWER RATES TO R. E. A. CO-OPS IN MISSOURI BASIN

From a study of the power situation in the Missouri basin, prepared by Roscoe Flemming for the Regional Committee for an MVA, 257 Aquila Court Building, Omaha, Nebraska. Mr. Fleming says:

There are nine Rural Electrification Administration co-operatives for which data are available for 1944, and which were served from Bureau of Reclamation plants in the Missouri basin. These are:

	KWH Bought	Price	Actual rate per KWH	TVA Rate	Annual overcharge over TVA rate
Morgan County REA, Colo. ...	\$10,582,184	\$ 76,136	.72	.55	\$17,934
Poudre Valley REA, Ft. Collins ...	2,836,296	25,615	.94	.55	10,018
Roosevelt RPP Dist. No. 1 Nebraska ...	1,372,224	16,853	1.23	.55	9,306
Chimney Rock RPP Dist. Nebr. ...	3,337,800	13,540	1.25	.55	7,704
Riverton Valley Electric Ass'n. Inc. Wyo. ...	947,906	9,177	1.07	.55	3,960
Wyrolec Co. Wyoming ...	1,559,775	20,791	1.35	.55	12,212
Garland L&P Co., Wyo. ...	244,461	2,390	1.52	.55	1,045
Rural Electric Co., Wyo. ...	2,487,600	30,142	.92	.55	16,460
Carbo P&L Co., Wyo. ...	864,456	13,207	1.03	.55	8,453
Totals ..	\$24,232,702	\$207,851			\$87,092

In view of this showing, what belief can be placed in the assertions of the Bureau of Reclamation that it is the farmer's friend so far as low-cost electric service is concerned, and that if he will just permit the bureau to sell the public power to be developed in the Missouri Valley, farmers will get low-cost power on a par with TVA rates.

Editor's Note: Mr. Fleming has compared Bureau of Reclamation and TVA power rates. Rates quoted by BPA on Columbia River, for same service are 35¢ (35 mills).

I'LL BE THERE, SAM!

Here is a part of a letter sent by one Co-op to each member:

"You are a member of a \$185,000 Co-op. There are 469 other members. Now, this is a lot of members, and we all have some ideas on running our organization. So we are getting together in our third annual meeting to exchange these ideas and shape our plans for the coming year. Your ideas are important. May we have the benefit of them at the meeting?"

It is not surprising that most of the members came to this meeting and freely discussed the affairs of their organization.

You, too, will soon have the opportunity to attend your annual meeting and discuss the affairs of your Co-op. Why not take advantage of your rights in a democratic organization. Here are some questions you might like to ask:

- Is your Co-op progressing to your satisfaction?
- Does it have sufficient volume of business?
- Is the financial condition sound?
- Are the members kept adequately informed?
- Should it be giving its members other services?

The best place to get the answers to these and other questions is at your annual meeting.

Co-op members have the capacity to run their own affairs.

WHY NOT DEMONSTRATE IT?

This space provided by the following Co-operatives:

THE FARMERS CO-OP OIL & SUPPLY CO.
of Conrad, Montana

FARMERS UNION OIL COMPANY
of Geyser, Montana

FARMERS UNION SUPER SERVICE
of Chinook, Montana

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POWER FARMERS ELEVATOR COMPANY
of Power, Montana

FARMERS UNION GRAIN COMPANY
of Poplar, Montana

FARMERS UNION CO-OP CREAMERY
Chinook, Montana

FARMERS UNION OIL COMPANY
Roy, Montana

WINIFRED FARMERS OIL COMPANY
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of Glasgow, Montana

FARMERS UNION OIL COMPANY
of Williston, North Dakota

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Union Stock Yards

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Chas. D. Egle, Manager

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FARMERS UNION ELEVATOR COMPANY
of Belt, Montana

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of Dodson, Montana

FARMERS UNION ELEVATOR COMPANY
of Valier, Montana

FARMERS UNION ELEVATOR COMPANY
of Chinook, Montana

FARMERS UNION GRAIN COMPANY
of Peerless, Montana

FARMERS UNION OIL COMPANY
of Wolf Point, Montana

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of Rudyard, Montana

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and shippers to all other Farmers Union agencies in the Mississippi Valley are all working together for their mutual benefit.

IN CO-OPERATION THERE IS STRENGTH