

BRITISH COLUMBIA HISTORICAL NEWS

Journal of the British Columbia Historical Federation

Volume 36, No. 2
Spring 2003
\$5.00
ISSN 1195-8294



Courtesy Eileen Sutherland

Above: Port Essington on the Skeena. Page 6.

Murdered by a scab

The British land claim at Nootka

Worries about BC's archives

Summers on the Skeena

BC Tree Fruits challenged

A significant inspector of fisheries

The Orpheum celebrates 75 years

ENCLOSED: subscription forms for (1) the Prince George conference, (2) free workshops prior to the conference, and (3) a free day tour to Fort St. James following the conference.

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"Any country worthy of a future should be interested in its past."
W. Kaye Lamb, 1937

WANTED

The British Columbia Historical Federation is looking for a volunteer to take over as editor of *BC Historical News* starting in September.

Previous editing experience could help but more essential are interest in local history, sustained dedication, and a lot of energy and enthusiasm.

It's the editor who creates the journal, sets its standards, and decides its contents. The editor needs imagination, judgement, vision, and the courage to make decisions.

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We know that there will be a successor. We only don't know yet who it will be. I am confident that a new editor will be selected long before the fall, but I invite you, our readers, to help finding more candidates.

If you think that someone would be interested or could be the one to do the job, please let me know. Don't be bashful submitting your own name.

Suggestions, enquiries, and applications will be kept confidential.

the editor

We Can't Dispose of Our Own Crop

Challenges to BC Tree Fruits and the Single-Desk Marketing System

by Christopher Garrish

To read the records of the Royal Commission on the British Columbia Tree-Fruit Industry one must wade through twenty-two boxes and literally hundreds of files at the British Columbia Archives in Victoria. The subject matter ranges from the mundane to the very useful, yet, it is the files that deal specifically with the upstart Canadian Fruit Growers' Association (CFGGA), and its un-elected leader, Alfred Beich, that are the most interesting. It is here that one is presented with some very candid views from a significant cross-section of growers in which personalities come to play as great a role as competing philosophies concerning co-operative marketing. It is the transcripts of these meetings, at one time confidential, that form the basis of this article and shed light on a period of great soul searching within the Okanagan fruit industry.

For Okanagan fruit growers, the first three decades of the twentieth century had been characterized by economic turmoil, crises of production, and the paramountcy of the individual over the collective health of the industry. The dynamics of this situation inevitably proved to be both socially and financially harmful, as well as unsustainable over the long run. With the waning effectiveness of yet another marketing agency—Associated Growers¹—in 1925–1926, growers found themselves forced to seek market stability in the form of provincial legislation. It was believed that only legislation could ensure fairer treatment as a “single desk” and “orderly marketing” would check unnecessary and cutthroat competition amongst local growers, while directing the flow of produce to markets in quantities that would avoid unnecessary gluts.² Only in 1939, after a decade of court challenges, was BC Tree Fruits (BCTF) designated as the sole selling agent for the Okanagan fruit industry. Although BC Tree Fruits' authority was derived from the Tree Fruit Marketing Scheme, an agreement negotiated under the Natural Products Marketing Act, the reality was that BC Tree Fruits was administered as a branch of the British Columbia Fruit Growers' Asso-

ciation (BCFGA). It was, after all, BCFGGA members who determined the policy of and elected the executive for the BCTF at their annual convention.³

It must be kept in mind, however, that the single desk was never an attempt to abolish the law of supply and demand, to institute a monopoly, or to establish artificial price levels. At all times in their history the growers had to contend with supplies from other producing regions on the continent, and to do so with only a minimum of tariff protection. Compounding matters was the flawed settlement philosophy of the Valley, wherein many growers had been left on land of only marginal capacity. The single desk offered the possibility to growers of uniting their economic power within institutional and corporate structures that would provide stability for the orchard unit, and give them, as a whole, most of the benefits of the modern agricultural corporation.⁴

By the early 1950s, the fruit industry had again found itself operating within very turbulent conditions; wartime price restrictions had been removed in 1949, exposing growers to intense competition, while freezes in 1949–1950 and 1955 had caused significant damage to the trees, lowering grower returns by as much as fifty percent in some cases. The economic uncertainty engendered by these events lead to the emergence of two distinct counter-movements within the industry; a reformist “Ginger Group” centered within the BCFGGA's Penticton local, and the rebel Canadian Fruit Growers Association (CFGGA), a loose coalescence of dissidents generally operating along the geographic margins of the industry. Ironically, it would be the efforts of the Ginger Group to unseat the incumbent BCFGGA leadership, by calling for an industry-wide investigation that would present dissidents with their greatest opportunity to free themselves of compulsory single desk selling. The eventual appointment of Earle Douglas MacPhee, Dean of the Faculty of Commerce at UBC, to head a provincial Royal Commission in December of 1956 gave dissidents a legiti-

Christopher Garrish recently completed his MA in history at the University of Saskatchewan. His thesis explored the impact of changing land use patterns upon the co-operative marketing structures of the Okanagan fruit industry.

¹ Associated Growers was founded out of Vernon in 1923 following the visit of Aaron Sapiro, a Californian and the great evangelist of co-operation, to the Okanagan on a tour designed to bring a broader awareness to growers on their ability to influence their terms of trade through co-operative organization.

² A single desk-marketing system is one in which producers are compelled, generally through legislation, to sell their product through a single agency (in this case BC Tree Fruits). The agency acts as sole selling representative for these producers when negotiating the delivery of the product to the market. The purpose of a single desk is to increase returns to farmers by removing middlemen, and eliminating destructive local competition. Orderly marketing represents the regulated movement of a commodity to market in a way that will avoid gluts or scarcities. This is especially important for a crop as highly perishable

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Right: Executive of the BCFGA and other delegates at the 1953 convention in Vernon.

as fruit, as growers demonstrated on a number of occasions between 1908 and 1939 the consequences of rushing a crop to market; prices crashed, and overall returns were diminished.

³ Profound changes reshaped the face of the Okanagan fruit industry in the early 1970s when the provincial government removed the compulsory aspect of the single desk. Since 1974, the BC Fruit Marketing Board, which used to routinely designate BC Tree Fruits as the sole selling agent, has become dormant, while ownership of BC Tree Fruits has been assumed by the four large co-operative packing houses that now dominate the industry. The BCFGA has been reduced to the role of an advocacy group.

⁴ Ian MacPherson, "Creating Stability Amid Degrees of Marginality: Divisions in the Struggle for Orderly Marketing in British Columbia 1900-1940", *Canadian Papers in Rural History*, Volume (VII), Gananoque, Langdale Press, 1990.

⁵ Arthur Garrish to E.D. MacPhee, *Proceedings of the Royal Commission Investigating the Tree-Fruit Industry of British Columbia*, 13 March 1958, Box 5, File #15. British Columbia Archives.

⁶ *Oliver Chronicle* 27 February 1958.

⁷ Joan Lang, "A History of the Fruit Growing Industry in the West Kootenay District of British Columbia 1905-1950," Unpublished M.A. Thesis, University of Victoria, 1996.



Courtesy Christopher Garrish

mate venue in which to pursue their agenda before other growers.

Shortly after the 1958 BCFGA Convention, the Oliver local met to present its report of the proceedings to the membership—a meeting that was subsequently related to the Royal Commission in a private hearing. A relatively routine gathering, it was to be punctuated by what the local's President called a rather "amusing incident."⁵ A letter, written by Alfred Beich, a local grower with a long history of agitation and involvement in the Oliver area, was read aloud wherein he indicated that he was resigning from the local and that the BCFGA would no longer be representing him. This was, of course, essentially impossible under the structure of the industry and the nature of the three-party contract, but Beich was making a principled stand. The response, according to Gordie Wight, an Oliver grower in attendance that night, was a loud cheer from the crowd upon word of the resignation. Beich's maverick status within the BCFGA and involvement with the Farmers Union, a radical farm group that had tried to organize growers in the Valley on the basis of language following a large influx of German immigrants after 1945, had not won him many followers amongst those who supported the current marketing system.

Recent events within the industry, however, had been bolstering the resolve of dissidents like

Beich, who were determined to test the strength of the BCFGA. A delay in the proceedings of the Royal Commission the previous year had been interpreted by the dissidents as a sign that there was truly something amiss with the marketing system, and that an opportunity to have the shackles of compulsory co-operation removed had arrived. These dissidents began a preliminary campaign of spreading falsehoods and rumours to aggravate discontent amongst growers. It was related to the Royal Commission during the course of another private hearing that the appointment of the Commissioner's assistant to the post of Provincial Horticulturalist, the appointment of the Manager of BC Tree Fruits to a separate Royal Commission on Education, combined with the resignation of an Executive in the BCFGA, had all been interpreted as signs of a sinking ship. All of which was pure conjecture on the dissidents' part, as they conducted a sort of phony war against the BCFGA, relying on circumstance and grower discontent to mobilize support for their position.

The first direct challenge to the BCFGA came with word that the previously unheard of Canadian Fruit Growers Association had formed a local in Salmon Arm. The fact that the CFGA first emerged in the north was not surprising. That end of the Valley had been hit hard by the 1955 freeze, and, as Gordon DesBrisay, a Gov-

ernor on the Fruit Board, testified in a private hearing, the Salmon Arm local had no tonnage, their packing costs were as high as \$1.95 when a box of apples was selling for around \$2.00 and, simply put, their position was impossible and they were lashing out. News of this first CFGA local received only sporadic coverage throughout the Valley. The *Oliver Chronicle*, whose readers were the most familiar with Beich, ran an article that week critiquing the motivations for the creation of the Association.⁶ The reception that the CFGA received to the east in the Kootenays was altogether different. Growers in the Creston area had endured a particularly rough period since the single desk had been introduced in 1939. Okanagan growers dominated the marketing system, and the pooling returns were based on their lower costs of production—Kootenay growers simply could not economically exist under this regime.⁷ By 1958 these growers had become a fertile group for dissent and outright rebellion on the single desk. The vast majority of members that Beich would claim to have would be found around the Creston area, as growers' failure to attain a division of marketing upon geographic lines was leading them to embrace the CFGA, even if this move entailed a policy split with Okanagan growers.⁸

In dealing with the Salmon Arm local the industry leadership in Kelowna called in the three to four members that comprised the group to discuss their position. In relating this meeting to MacPhee, BCFGA President Arthur Garrish—my grandfather—conceded that he could sympathize with Salmon Arm's position. Many had bought their orchards "after the War when things were rosy," but following the fall-out from the 1949-1950 freeze they found it heavy going and this was an inevitable reaction.⁹ Despite the deceptively reformist approach of Beich's platform with the CFGA—control from the grassroots, elections on a regional basis by mail ballot, and open accounts of tree fruit industry officials—it was made clear to the rogue local that central selling could not operate in the way being proposed. In short order, the Salmon Arm group announced that they had not realized what they were getting themselves into with the CFGA, and opted to fold after only two weeks in existence. Beich, in typical fashion, responded through the media that BC Tree Fruits had worked out some secret deal

with the group, nevertheless his CFGA appeared to be on the verge of collapse. The only person that still seemed to be taking note was MacPhee who felt duty bound to meet with the CFGA in light of its claims to represent three hundred growers.

Of great concern to MacPhee was the possibility that his investigation might lend undue credibility to the CFGA. He was unsure whether they were "a little dissident group who are always going to arise in any situation and to whom one does not give an opportunity for public appearance."¹⁰ If indeed they were a group representing a significant percentage of the grower population they were entitled to a public hearing. In attempting to resolve this, MacPhee met privately with the Executive of the BCFGA and leaders of the Ginger Group. Both the President of the BCFGA, Arthur Garrish, and the President of BC Tree Fruits, Gordie Wight, were Oliver growers who had a long history of confrontation with Beich at the local level. And both men were completely dismissive of Beich and his abilities to organize a credible challenge to the BCFGA. When asked if he thought any responsible growers were joining the CFGA, Wight responded: "I think most of them rather laugh about it when you ask them what they are going to do.... Of course in our area—most people know Beich so that to some extent eliminates his factor."¹¹

Both men maintained the opinion that with the collapse of the Salmon Arm local the CFGA had been effectively broken. Wight further questioned Beich's claims to have the support of 75

⁸ *Oliver Chronicle*, 27 February 1958. Editorial Wally Smith. Arthur Garrish was my grandfather.

⁹ Garrish to MacPhee, 13 March 1958.

¹⁰ E.D. MacPhee to Gordon DesBrisay, *Proceedings of the Royal Commission Investigating the Tree-Fruit Industry of British Columbia*, 13 March 1958, Box 5, File #17. British Columbia Archives.

¹¹ Gordie Wight to E.D. MacPhee, *Proceedings of the Royal Commission Investigating the Tree-Fruit Industry of British Columbia*, 13 March 1958. Box 5, File #16. British Columbia Archives.

Below: *The reformist "Ginger Group" centered within the BCFGA's Penticton Local. Photograph from an undated (1959?) cutting from the Penticton Herald.*



Courtesy Christopher Garrish

growers in the Oliver–Osoyoos area, believing the number to be closer to two. To the question of whether the Royal Commission should worry about making the CFGA a more credible organization through a public hearing than it might otherwise be, Garrish responded by relating Beich's current agitation with the CFGA to his activity in the Farmers Union. "I said to them then that Beich could kill the Farmers Union far more effectively than I ever could, and I proposed to leave it to him to do it. As far as I'm concerned, he's the kiss of death for any organization."¹²

Gordon DesBrisay was from the Penticton area and admitted that he was not as familiar with Beich as Garrish and Wight, but knew of him through reports to the Board that he had been bootlegging fruit to the Coast. Although DesBrisay admitted that he didn't "understand the man's type of mentality,"¹³ he disagreed with both Wight's and Garrish's assessment of the CFGA. While he did not feel a public hearing was warranted, he did recommend to MacPhee that Beich be questioned in a private meeting as to exactly what it was he was doing. DesBrisay further added that Beich was "...a man who wants to be elected to office and he can't make his neighbours elect him so he is seeking another method of trying to get a position of power within the industry."¹⁴

DesBrisay was of the opinion that if Beich felt that the Commission was listening to his views, it was possible that a lot of wind would be taken out of the CFGA's sails.

The Penticton Ginger Group were the only ones who felt that the CFGA constituted a real threat to the industry—which was due in large part to the overlapping constituencies that both groups appealed to. Herb Corbishley, the de facto leader of the Penticton group, was especially concerned over Beich's manipulation of the language division amongst growers. He felt that the CFGA was attempting to pick up where the Farmers Union had left off by claiming there was a clique of growers organizing and in office, while the "foreign element" was being marginalized.¹⁵ It had of course been the Ginger Group's main argument that the Executive had become complacent and was not doing enough for growers. Corbishley testified:

This may not be in line with a lot of growers' thinkings, but there are a lot that have lost confidence in Mr. Garrish, mainly because of

his overbearing attitude and open opposition to the growers' requests.... He's a very capable Chairman, but where we differ is that he's not down to the farmer's level. He used to be but now he's above it. He's getting arrogant.¹⁶

He also pointed out that it might be internal industry problems that were allowing the CFGA to potentially appeal to so many growers. The United Co-op packing house in Penticton had misread their crop and paid out too much to their growers. In separate meetings with the Commissioner, both Corbishley and Garrish agreed that United's troubles stemmed from managerial problems. To compensate, United announced that it was going to be a poor crop year in the hopes of getting their growers conditioned to either no returns, or even potential red ink. Since this forecast had come out so early in the season, it became the yardstick against which all other growers in the Valley began to determine what their returns for the year might be. The discontent this spawned was precisely what the Ginger Group feared Beich and his followers might tap into.

Based on this advice MacPhee ultimately decided to hold a private meeting with the CFGA in June to find out what they were advocating and telling growers. When he finally met with the dissidents it would prove to be the only meeting between the two sides. Under questioning it was revealed that not only was the CFGA an unincorporated association, whose very name was in doubt, but it was revealed that they were operating without a constitution or by-laws. The CFGA was turning out to be nothing more than a shell that Beich and other dissidents were using to push their own political agenda. In all likelihood, had these individuals achieved their objectives it was quite possible that the CFGA would cease to exist even in name! MacPhee, therefore, attempted to establish where exactly the CFGA stood. Beich's response was that he envisioned it operating as an alternative to the BCFGF within existing industry structures. To the dissidents it was no different than a two-party political system whereby the two associations would compete for control of the Fruit Board and BC Tree Fruits.

The merits of this proposal where at best dubious, as single desk selling could never survive the different policy objectives of two separate and opposing associations. Once orderly marketing was dismantled to accommodate the

¹² Garrish to MacPhee, March 13, 1958.

¹³ DesBrisay to MacPhee, March 13, 1958.

¹⁴ Ibid.

¹⁵ Herb Corbishley to E.D. MacPhee. *Proceedings of the Royal Commission Investigating the Tree-Fruit Industry of British Columbia*, 27 February 1958. Box 5, File #13. British Columbia Archives.

¹⁶ Ibid.

¹⁷ Canadian Fruit Growers' Association to E.D. MacPhee, *Proceedings of the Royal Commission Investigating the Tree-Fruit Industry of British Columbia*, June, 1958. Box #6, File #6. British Columbia Archives.

¹⁸ British Columbia. Department of Agriculture. *Report of the Royal Commission on the Tree-Fruit Industry of British Columbia*. E.D. MacPhee (Commissioner). Victoria: Queen's Printer, 1958.

¹⁹ Ibid.

²⁰ Ibid.

²¹ Ibid.

CFGA's desire to "sell to anyone that would buy,"¹⁷ it could not be easily re-instituted again. There would be no turning back if the CFGA ever achieved any form of power within the industry, so MacPhee tried to determine where the CFGA stood on the issue of central selling. Only one of the half dozen growers representing the CFGA that day, claimed outright not to support the concept, as even Beich claimed that he supported it in theory. In light of this seeming contradiction, MacPhee asked if any of them had ever done any marketing of their own. Apart from admissions of illegal bootlegging to the Coast, not a single person testified that they had ever done any commercial marketing, and not one of them had been growing in the Valley before 1940. This was the new vanguard of growers opposed to central selling seated before the Commission that day; they were, as a group, unaware of the industry's history and guided by individual opportunism. They did not realize or accept that the prices they received from bootlegging bore a direct correlation with the presence of the orderly marketing system, a system they did not understand. If the BCFGA had not been actively regulating the flow of produce to markets on the Coast it is unlikely that bootlegging would have been as profitable as it was.

The remainder of the hearing consisted of MacPhee querying the dissidents on how they proposed to dispose of the six million boxes of apples the Okanagan produced annually. To each question he posed the dissidents allowed themselves to be caught in an inconsistency with their platform. Their inability to comprehend the costs and challenges of erecting a marketing structure coloured the rest of the hearing. From offering discounts to wholesale purchasers, to constructing branch warehouses, MacPhee challenged all of the dissidents' assumptions. By the end, MacPhee made it clear to those assembled before him that he expected them to make it abundantly clear to growers exactly what it was they were proposing and the exact costs involved.

When the final report was presented to the provincial government that November, MacPhee had come down strongly in favour of the industry leadership—the Canadian Fruit Growers' Association was finished. The head of the Royal Commission commented that what he saw in the fruit industry were aggressive and progressive organizations, with no evidence of



Courtesy Christopher Garrish

Above: E. D. MacPhee and Arthur Garrish at the 1985 BC Federation of Agriculture convention in Victoria.

wasting or extravagance.¹⁸ The BCFGA, which MacPhee believed had borne the brunt of the growers' criticisms during the investigation, was not the undemocratic beast it had been portrayed as and had done much to aid the work of the Commission.¹⁹ If there was a centralization of power occurring under Garrish it was not something that could be rectified through legislation, and there still remained the fact that growers had just re-elected him for the eighth time as president that January.²⁰ If there were any major imbalances that had to be corrected with the utmost haste it was the reluctance of the industry leadership to better publicize its actions on the behalf of growers. The only references MacPhee made to the actions of dissidents were indirect. He identified the Creston area as a "special problem," but suggested that if those growers were to withdraw from BC Tree Fruits, as Beich would have it, they would be committing economic suicide.²¹ He also encouraged the Executive to deal with rumours as soon as they started, be it at the local level, in the press, or at the packing house.

In the end, the Canadian Fruit Growers' Association would appear to be nothing more than a footnote within the broader history of the Okanagan fruit industry; an organization hardly worthy of mention, other than as a minor irritant during a period of economic volatility in the lives of many growers. In light of later events, however, the CFGA's importance can be found in its role of a cautionary tale for the Okanagan fruit industry. As the BCFGA entered a new decade that would bring new challenges from urbanization, the fruit industry would endure a repetition of the events that defined the grower unrest of the 1950s. Unfortunately, where the Canadian Fruit Growers Association had failed, dissidents would achieve success in the early 1970s as the provincial government abandoned its responsibilities to the fruit industry in enforcing the principles of the system of single desk selling. What the CFGA did was demonstrate how a small minority of growers could wield influence far in excess of their numbers, and ultimately change the course of the industry. ~