

# Principle FIVE

# P5

Yorkshire Co-operative Resource Centre

May 2019

The Co-operative Resource Centre began six years ago with the realisation of the immense value of back editions of The Co-operative News. It has kept co-operators well informed since its first edition in 1871. The year after next the 'News' will be celebrating 150 years of continuous service to the Movement.

We have at the Centre every edition since 2004 and an incomplete set from 1997. You can find the editions which we have available on the Principle 5 catalogue on the 'Reference Shelves' spreadsheet:

<https://www.principle5.coop/archives>

From being a weekly newspaper, the Co-operative News became fortnightly and now a monthly magazine. Everything of interest is reported. For a co-operative researcher, there is no single source of more value. That is why the Principle 5 Board have decided to index our collection of Co-operative News. This will be a major task, but we think that it will be well worth it.

Co-operative Press is the co-operative which publishes Co-operative News and Principle 5 is a member. [www.thenews.coop](http://www.thenews.coop)

Every edition of Co-operative News from its first edition in 1871 to the current edition can be read at the National Co-operative Archive in Holyoake House, Manchester: <https://www.archive.coop/>

There are also 14 collections of other co-operative journals in the National Co-operative Archive.

Front pages of past editions of the Co-operative News show how it has changed over the years, but what remains is the high regard in which it has always been held by co-operators.

# THE Co-operative News:

*A Record of Industrial, Political, Humanitarian, and Educational Progress.*

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## WHAT IS CO-OPERATION?

THE question which heads this article is to appearance so simple that many persons will be almost inclined to call it foolish, and yet a very little thought will show that it is much more easy to put the question than to find a proper reply to it.

Thousands of men who are members of Friendly Societies or of Trades Unions, and who are used to march in procession to the annual dinner under the silken banner inscribed in golden letters "Each for all, and all for each," and to listen to the after dinner eloquence which sets forth the amount of good which their particular society is accomplishing; and how much more could be done if all the workers at the trade would join the union and co-operate for its ends; or if all men were prudent enough to be members of Friendly Benefit Societies will think that they need no instruction on this subject, for that they are already practical Co-operators.

And certainly the tens of thousands of men whose purchases constitute the millions sterling which pass through the various retail stores every year, and who, when listening at the annual tea parties, know practically the truth of the advocacy which shows that men have, by joining Co-operative Stores, learned prudent habits, have secured to themselves profits which formerly they gave to the grocer, the draper, and the huckster; have thereby learned to save, and have become, or are in a fair way to become, their own landlords, will think that they, at any rate, can answer the question, What is Co-operation? And yet let us ask what is the practical difference between any one of these members of a Store and the steady-going working-man who goes on his own account with cash in hand and buys from the wholesale dealer a month's supply of provisions for his family, and who invests his savings in a Building Society, and becomes his own landlord, without consulting any of his neighbours or shopmates? And yet such a man is not called a Co-operator!

And probably the man who has invested a portion of his savings as a shareholder in a weaving shed or a spinning mill, along with a hundred others, who now gets dividends on his capital in addition to his weekly wages, will feel that whilst effectually serving himself by adding to his own wealth he is, in some mysterious way, serving society also by his devotion to the cause of Co-operation. But if we ask in what sense does such a man differ from the working member of a private partnership who has invested his savings with the firm in which he is now a junior partner, and who, in addition to his regular salary for work also receives a definite share in the profits of the concern, the reply must show that the practical difference is very little, if any. All these persons are, in a certain sense, Co-operators, for they are all workers together for a common object, that object being to increase the production or to economise the cost of the distribution of wealth to a greater extent than could be done by separate individual effort.

And, in the same sense, the individual capitalist who prepares a large building and fills it with first-class machinery, and finds raw material for manipulation, and wages to pay a thousand workmen, is also co-operating to increase the production of wealth to a greater extent than could be done without the combination of his capital and his superintending and organising care, together with the labour of the workmen.

And all these appliances for increased production lead naturally to increased facilities for distribution also, and thus tend directly to cheapen commodities for the common benefit of all consumers.

Then, is there no difference in principle between competition and Co-operation, and is there no

merit in all the efforts now being made by working men throughout the country beyond the mere money profit realised by the men.

Verily, there is much difference in principle, but the reply to the second part of this question depends very much upon the ultimate object at which men aim in their efforts at Co-operation.

We can easily conceive the existence of society in any one of three conditions, viz.,—Competition, Communism, and Co-operation.

The first or competitive state now exists, and except as controlled by municipal law, may be aptly described as, "Every one for himself, and the devil take the hindmost!" And, really, the devil's share is very large in society, as is proved by our prisons and workhouses, and by the hosts of casuals who throng our streets by day, and fester in our attics and cellars at night in every direction. One of our sweetest poets says,

"Man's real wants are few.  
Health and a quiet mind include them all."

but how difficult it is for a considerable proportion of our fellows to secure these simple elements. A quiet mind without health is next to impossible; and health without a sufficiency of food, clothing, and shelter, is also impossible; and yet the arrangements to secure these bare necessities of life, are of the clumsiest possible character. Primarily we all depend upon the land for our food and our clothing, and the land of this country is owned by a very small proportion of the people, and is left waste or is cultivated just at the will and pleasure of the owners; so that legally it would be possible for the few owners of land to keep the masses without food, except for the fact that their own interest lies in general cultivation, and that the poor-law makes them liable to their last shilling for the support of the destitute. The value of land in any given neighbourhood depends very much upon the density of population, so that if any circumstance leads to the concentration of people on any spot, the value of land immediately rises, it may be, from £50 to £1000 an acre. And all this increase of value, which means simply a fine upon the increase of population (since it makes living more difficult), goes to the landowners, who literally do nothing for the increase of value which they entirely monopolise.

Thus land for purposes of pasturage in the vicinity of a large town is worth 30s. or 40s. an acre per annum; by and bye population increases, and the land becomes market gardens at £6 an acre; population still increases and the land is needed for building, and the landowner demands from £25 to £100 per acre per annum. Thus men all live and work directly or indirectly for the benefit of the landlords. Again, in order to provide for the many wants which accompany civilisation, the combination of intricate machinery with human labour is necessary, but the bulk of the buildings and machinery belong to a small portion of the people, by whose leave and on whose terms it must be worked, if worked at all. Truly, here again it is to the interest of the owners that their machinery should be worked; true, also, that they would be liable for the maintenance of the destitute if work was not found for them. Truly, also, whilst the land is everlasting, buildings and machinery wear out and rust out, and the owners are therefore in a much worse position than the landowners; nevertheless the fact remains that men work for the owners of buildings and machinery, and that the more men there are looking for work, the more they will work for the owners of buildings and machinery, because wages will be less by reason of their competition with each other.

In another respect, also, the owners of buildings and machinery differ essentially from landowners. Of raw material we can hardly have too much, and

a good harvest is generally good for all; but when material comes to be worked up, then labour invested in buildings, machinery, and wages are all more or less on speculation; the employer invests in the hope and belief that he will secure a profit; but his capital may never come back again; he may lose all which he has invested, and the workpeople whom he has employed may have to grope for other employers just as employers grope about for markets for their goods. This speculation for, and blindness with regard to, the future, is the peculiar characteristic of competitive society. It develops immense powers of production, produces intense excitement, makes brilliant successes and disastrous failures. It gives us motive power equal to the strength of a hundred millions of men, and leaves us with a million of paupers amongst twenty-one millions of population. It produces clothing for the world, whilst our streets are thronged with beggars in rags. Under it we see common workmen become merchant princes, and men who have been lapped in luxury become slouching beggars. It is a lottery with a few splendid prizes, a large number of which barely pay for the tickets, and a considerable proportion of blanks.

The second condition of society to which we have referred is Communism. Under this system land, buildings, machinery, implements and stock would all be the property of the nation, the wants of the community would be gauged and known beforehand, and would be provided for by requiring everyone to work according to his capacity, whilst his wants would be supplied according to his necessities.

Education, work, marriage, distribution of commodities, would all be according to rule, in no case neglected and in none overdone; no riches, no poverty, no overwork, and no idleness. This state has been aimed at in ancient and in modern times, but so far as we are aware has never been accomplished, except under religious enthusiasm, and religious enthusiasm is seldom perpetuated, even in a family, and it is much less likely to endure in a community. That communism is the perfect state of society there is no doubt; and when the moral sentiment of the nation has reached such a state as to fit it for the long-expected millennium, that delightful state of existence will find its realisation in communism. But in the meanwhile the grossly selfish, the inherently idle and luxurious, and the whole host of aspirants for power, in addition to the enormous inertia of existing institutions, all render its accomplishment impossible.

Between these two extremes of society, retaining the individualism and the vital force of the first, whilst rendering possible some of the advantages of the second, stands the new phase introduced by Co-operation. At present, it simply enables working men to save money, by economising the distribution of wealth, and dispensing with many of the middlemen, who have been used to live by taking articles from the producer, or wholesale dealer, and handing them at an advanced price to the consumer.

The economy produced by Co-operative stores (say 5 per cent on capital and 7½ per cent on purchases) has enabled the Co-ops, if not thousands, of working men to dispense with the landlord as well as with the grocer and draper; so that the man who has been used to pay 4s. per week for rent, and who spends 20s. per week at a store, finds his position improved by the saving of rent £10, 8s., and the dividends on purchases £8, 18s., together, £14, 6s. per annum as the result of a simple change of shop. Many store members have preferred to leave their dividends to accumulate, instead of investing in cottages, or otherwise, and the consequence is that many stores are overgorged with capital, which they find it difficult to invest advantageously.

# CO-OPERATIVE NEWS

## CONGRESS EDITION

SPECIAL ORGAN OF THE CO-OPERATIVE MOVEMENT  
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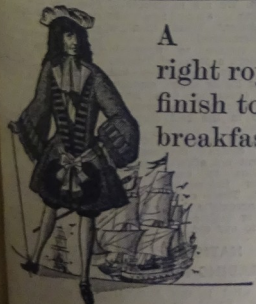


### News' Commercial Motor Survey

Co-operative members are beginning to expect a new co-op to provide motor services. The survey on the motor trade is just one of the articles in the Commercial Motor Survey which appears in this week's issue.

## ONE AMALGAMATION IS APPROVED—ANOTHER IS IN PROSPECT

AS Congress debated the highly important subject of amalgamation at Douglas, news came this week of a successful merger between Godalming and Royal Arsenal Societies.



### A right royal finish to breakfast!

Made from sun-drenched Seville oranges, C.W.S. William of Orange is a new coarse-cut Marmalade with a deliciously sharp, bitter-sweet flavour that will brighten the connoisseur and make this distinguished marmalade a right royal finish to your breakfast.

**William of Orange**  
the Marmalade for the connoisseur



FROM CO-OPERATIVE STORES

# VEG

BY accepting the interim report of a special committee which has been considering the integration of the movement's national federations — Wholesales, Union and C.P.F.—delegates to the 94th annual Co-operative Congress held in Douglas, this week, gave practical expression to the appeals for unity which have been the dominant theme of Congress.

By 13,052 votes to 355 the report of the National Federation Negotiating Committee was approved on Wednesday afternoon after a debate which had produced little opposition to the proposals for a new national organisation with retail society control through a national elected body which will appoint an executive board.

Delegates leave a Douglas horse-tram outside Congress hall.

The Negotiating Committee will now go forward with Congress backing to work out more detailed proposals for submission to the Scarborough Congress next year.

A strong lead on the necessity for unity was given by Mr. Leonard Cooke, Congress President, in his presidential address when he emphasised that the process of amalgamating retail societies was much too slow.

And the same plea was endorsed by many speakers during discussion of the various sections of the Central Executive's report. An unexpected set-back was sustained by the platform when Congress carried, after a lively debate, a resolution which will give Sectional Boards the right to be represented at meetings of the Standing Joint Committee of the Union and C.W.S. when questions of mergers in their areas are being considered.

### RESCINDED

Delegates accepted a Central Executive proposal to rescind the decision of a year ago that only single checks of £1 or over should be recorded for national membership purchases. This means that, in future, all national membership purchases, irrespective of amounts, will be regarded as qualifying for dividend.

Congress carried a South Suburban resolution expressing concern at the inadequacy of national research into the problems of town centre development.

### Fifth attempt

More amalgamation news was received from the two Workington Societies. After four attempts at amalgamation in the past ten years have been unsuccessful, the societies, the Beehive and the Industrial, are again considering the matter.

It is understood that this is as a result of the threat of Workington's redevelopment plans.

The two management committees are expected to approve the amalgamation in principle but will probably take further advice before bringing the matter before the members for a vote.

Representatives of the committees met recently to discuss the question, and although no statement was issued, it is understood that both sides agreed in principle to the amalgamation.

At the moment, the Beehive Society is paying 14d. dividend, while the Industrial Society dividend is one shilling. Part of the Industrial Society's premises are involved in the new town development plan.

## To plan for new National Federation



Mr. L. Cooke, Congress president, and Mrs. Cooke, take a look out to sea.

## Co-op trade lags behind competitors in April

WHILE Congress was debating on Wednesday a plan for greater unity which it was claimed could result in the creation of "the greatest wholesaling and retailing organisation in the world," the latest Board of Trade figures for April showed that the movement is still lagging behind its competitors.

In every group of trade, apart from chemists and photographic goods dealers, co-operative trading returns were behind those of multiples and independents.

Estimates for the month indicate that the value of retail sales continued at about the same underlying level as at the end of last year.

The seasonally-adjusted index of the value of sales was a point lower than in March and the same as in January and February.

### Weather effects

However, points out the Board of Trade, because of irregular fluctuations in the month to month figures, the added uncertainties in allowing for seasonal factors, of the effects of the weather on trade, little significance should be attached to the slight fall in April.

The fall in the index in April was entirely accounted for by the fairly sharp drop in sales by clothing and footwear shops. Other broad kind of business showed little change.

In food shops, the seasonally adjusted index of the value of sales in April at 107 was the same as in March and a point lower than in January and February. The volume of sales was a little higher in April and was 102 against 101 in March.

After rising three points in January and February, trade fell sharply in April by two points—from 104 to 99.

## S.C.W.S. TO INSTAL NEW SOAP PLANT

CONTRACTS have been placed by the S.C.W.S. for the installation of a complete soapmaking unit of the latest design, comprising high pressure fat splitting, fatty acid distillation, and continuous saponification units at the Grangemouth soap factory.

This plant will provide the hot soap which will be further processed in the continuous finishing plant installed a few years ago.

The whole plant when complete will provide an extremely up-to-date integrated system capable of producing bar soap, toilet and flake soap base and soap for incorporation into powders, liquid soap etc.

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## COMPLIMENT FROM THE CONSTABULARY



THE C.W.S. cycle works in Birmingham have been paid a decisive compliment by Edinburgh's police force. The works has completed an order for forty-three bicycles specially commissioned by the Edinburgh constabulary.

The cycles are standard Federal machines with some slight modifications. These include a double top tube frame, large saddle, strengthened front fork and double roller lever brakes.

Included in the equipment is a dynamo hub lighting set. The cycles are all smartly finished in black enamel with gold lines.

## TRIBUTES

AT a meeting of the Co-operative Fuel Trade Association executive, in London last week, Mr. H. Leonard, chairman, announced that Mr. W. E. Minty, of Birmingham, was attending for the last time as he is to retire in July.

Mr. Minty would be missed very much as he had been a tower of strength for many years. Mr. Leonard made a token presentation on behalf of the members.

He also paid tribute to two other members—Mrs. L. M. Delaney, south-west, and Mr. A. T. Liddell, S.C.W.S., both of whom are retiring from the committee.

## Amalgamation experiences need collating

EDUCATION committees, district councils, and other co-operative organisations are to be invited to hold conferences to discuss a document "The Co-operative Movement and the Revolution in Distribution" which has been issued on behalf of a number of retail societies who have established a working party.

This decision was reached by members of the working party at a recent meeting in London when it was reported that copies of the document had been forwarded to all societies in membership of the Co-operative Union.

It was also agreed that steps should be taken to set up regional organisations throughout the country to popularise the case argued in the document.

In a discussion on amalgamation, disappointment was voiced at the absence of real progress, and the suggestion was made that the amalgamation survey should be followed up with a more authoritative survey undertaken by full-time field workers as had been done in Sweden.

It was also agreed that there was need for the working party to collate experiences on to a document re-stating the principles laid down by the Independent Commission and the difficulties now being encountered.

Representatives of twelve societies were present at the meeting.

A meeting of interested societies has been called for the White Sunday morning in the Villa Marina Hotel at 11 a.m. There will be a discussion on the document issued to societies.

## SALES OF RECRUITMENT PAMPHLET DISAPPOINTING

WHEN the Co-operative Union Education Executive met in London on Saturday, with Mr. Fred Abbotts in the chair, it was reported that sales of the recently issued pamphlet on "Recruitment, Sectional and Training for Management" had been disappointing.

This was so despite the fact that the pamphlet had received excellent previews in the Press and order forms had been sent to all societies. The Executive decided that further efforts must be made to promote the sale of this important pamphlet.

Mr. R. L. Marshall, chief education officer, reported on discussions with the Department of Technical Co-operation, concerning the possibilities of aid for developing the course on Co-operative Overseas at the Co-operative College.

These arose from the fact that the Co-operative College makes available each year about 30 places for overseas students who are mainly Government Officers from Co-operative Departments in the Colonies.

Discussions are still taking

place as to the exact form of the assistance to be provided.

### Enrolments

It was reported that enrolments for correspondence courses for the summer session to May 11 numbered 648, by comparison with 561 at the same period last year. The Executive welcomed this increase in enrolments, particularly in view of the fact that the increased fees are now operating.

Revision of the education prospectus for next session was considered and it was agreed to withdraw a number of courses for which there is little demand.

The Executive considered the report of the Women's Guild Modernisation Commission, to which they gave evidence, together with a report on the annual Guild Congress.

It was pointed out that while Congress had approved an increase in Guild membership fees, the increase might not be of sufficient size to meet all the recommendations made in the Commission's Report.

Nevertheless, the increase in membership fees was a step forward on a year ago, when it was rejected.

### Experimental work

A report on experimental work in Oxford by the Officer for the Auxiliaries, was discussed. The Officer stayed in Oxford for three weeks in order to conduct a programme of experiment and development with the auxiliaries in the area.

The aim was to raise the standards of the auxiliaries in all aspects of their work, and to involve them more closely with the work of the society.

Plans for adult summer courses were reviewed and it was reported that bookings were good, with the exception of the social studies school at Dalston Hall. Efforts are being made to organise increased support for the latter.

Arising from the report of the Co-operative Youth Movement annual conference and rally at Colwyn Bay, it was noted that one of the resolutions asked for a C.Y.M. contest to be held.

There was need for a catchy song which could be sung at all C.Y.M. meetings and rallies. The Executive agreed to offer a prize for a suitable song.

The Executive agreed to offer a prize for a suitable song.

## GOVERNOR GENERAL OPENS CONGRESS EXHIBITION

A WARM tribute to the pioneers of the co-operative movement in the Isle of Man was paid by the Governor General of the Isle, Sir Ronald Herbert Garvey, when he opened the Congress "Family Fare" exhibition in Douglas on Wednesday.

The history of the Isle of Man, he said, showed that the idea of the Friendly Society developed and flourished there many years ago.

"The fact that we have such a vigorous co-operative society on the island indicates that we recognise the strong and important place that the co-operative movement enjoys in the British way of life," said Sir Ronald.

"You will find inextricably linked with the story of the development of the Manx Co-operative Society the names

of many selfless public spirited men who were wholeheartedly devoted to the organisation of their fellow workers and the improvement of their living conditions.

"Some of these pioneers served with distinction in the Island Legislature and two of them, Mr. A. J. Teare and Mr. J. R. Corrin, after long and distinguished service in Tynwald, happily remain among us."

"I am sure they will take great pride in this exhibition and will be able to rejoice that the fruits of their early labours are so abundantly visible today."

Sir Ronald said it was difficult to envisage the strength and influence that Britain's retail societies had in the life of the country to-day. The membership of thirteen million was astronomical.

He added that there ran through the two nations the salutary principle of democratic control on which the whole

movement was founded and the effect of that principle as practised by co-operative societies on British commerce was incalculable.

### No gamble

Mr. Herbert Kemp, C.W.S. director, who presided over the opening ceremony, humbly referred to the setting of the exhibition in the Isle of Man as added that there was nothing in the way of a gamble about the co-operative movement.

The movement itself, he said, was created by men of limited resources but with unlimited ingenuity to work. When Congress opened on Monday, it would be singing the hymn "These Things Shall Be" which typified the will of the voluntary movement and explained its success.

Mr. Kemp mentioned that although this was the fifth Co-operative Congress it was the first time it had been held in the Isle of Man.

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# Co-operative News

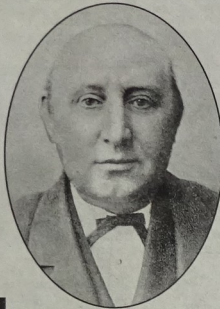
New Series 4052

Tuesday, March 18, 1997

Price 35p

AS speculation grows over plans by 31-year-old entrepreneur Andrew Regan to buy the non-food businesses of CWS and CRS through his companies, Lanica Trust and Galileo, *Co-operative News* challenges him to answer a series of questions, in particular . . .

## HAVE YOU GOT £8bn MR. REGAN?



● The predator and the creator: Andrew Regan (above) the man who wants to buy CWS and J. T. W. Mitchell (above left) the legendary chairman who turned the society into an international trading phenomenon

**T**HE carpetbaggers are moving in on the Co-op Movement, in the wake of reports that Andrew Regan could be preparing a "hostile bid" for parts of CWS and CRS.

Both societies rebuffed his original plan to buy their non-food businesses for £500 million — so Mr. Regan is letting it be known that, in a deal reminiscent of those seen recently in the building societies' sector, he is prepared to bribe the 500,000 individual members of CWS with a bonus of £1,000 each to vote for his offer.

It is a plan that could not work. But the carpetbagger investors, fresh from their "killings" in the building society field, believe they can now clean up at the Co-op.

**They have been seriously misled.** Their lack of knowledge about the workings of Co-op democracy and structures deceived many last week into rushing for Co-op membership in the belief that, in return for a £1 membership fee, they would soon stand to collect a £1,000 windfall.

CWS reported "a run on membership inquiries", while CRS said that its head office in Rochdale received hundreds of calls. One inquirer even asked for the names of every society in the country so that he could take out membership of them all.

CRS stores were also bombarded with membership inquiries and the society

estimated that, in just one day, around 1,000 new members were signed up.

CRS corporate affairs manager Frank Dent said: "The whole situation is ludicrous. Mr. Regan has stirred up some instincts that cannot be fulfilled — he has totally misunderstood the Co-operative Movement's structure and politics."

CRS, which is the largest corporate shareholder in CWS, gave its full backing to the CWS board and management in blocking Mr. Regan's bid.

A spokesman said: "Mr. Regan seems to be becoming increasingly desperate in his attempts to acquire parts of the Co-operative Movement. He originally expressed an interest in also talking to CRS and we have kept our options of talks open as a matter of course."

"In the interests of our staff and members, we'd now like to make it clear that we are not prepared to talk to Mr. Regan or his associates. We are not in the business of selling our assets and have long-term plans to build our business in the true interests of our members."

CRS chairman Peter Rowbotham commented: "Mr. Regan's tactics have shown a lack of understanding of the Co-opera-

## 'Don't call us', Melmoth

IN an exchange of letters with CWS chief executive Graham Melmoth last week, Andrew Regan was refused a meeting to discuss his offer for Co-op non-food businesses and told bluntly that correspondence on the matter was at an end.

In his letter to Mr. Melmoth, dated 10th March on notepaper headed "Galileo", Mr. Regan pointed out that the proceeds from the sale of the non-food businesses could be re-invested in core activities "and/or enable payments to be made to your shareholders".

The letter went on: "I am not sure

whether your members have been made aware that they could potentially benefit from a transaction and would be grateful if you could clarify this."

"We would like to discuss with you the possibility of a transfer of engagements of certain businesses into a new company incorporated under the Companies Act ("Newco"). Your members could then be given some or all of the shares in Newco which we would then offer to acquire."

"I would strongly urge you to carefully consider our approach and to agree to an early meeting to discuss our

proposals."

Mr. Melmoth, in his reply dated 13th March, said: "I was surprised to receive your letter of 10th March. The CWS board of directors' news release, published by the Regulatory News Service on 5th March, made clear that the board has no intention of entering into discussions with you concerning CWS business interests. Your unsolicited offer of advice and request for a meeting are unwelcome and are both rejected."

"I regard our correspondence as now ended."

the excitement which followed reports of the £1,000 "follow me" bonus offer from Mr. Regan bypassed some societies, particularly in Scotland, where both Scotland and Scottish Co-op reported no abnormal rise in membership inquiries. In England, one of the most prosperous independent societies, Lincoln, said it detected no reaction.

Mr. Regan — who is said to want to buy society businesses including funerals, opticians, department stores and garages, even the Co-op Bank and CIS — aims to "plant" a resolution on the agenda of the CWS annual meeting on 17th May, calling for the sale of the businesses to one of his companies.

Yet the get-rich-quick investors who are keen to cash in on the Co-op carve-up,

have not been told about a number of important considerations that affect the situation.

● Individual members of CWS have no vote at annual meetings, where decisions are governed by the voting strength of the 300-odd corporate (society) members.

● The likelihood of Mr. Regan being able to engineer a resolution on to the CWS meeting agenda is so remote as to be discountable.

● Decisions about disposals (as in the case of the food factory sale in 1994) are, in any case, in the province of the board of CWS and would be taken at that level, not at members' meetings.

The only guaranteed path for Mr. Regan to drive through his plans would be to gain control of the corporate membership and, thereby, the CWS board.

To do this, he would have to control each of the societies which make up the CWS — in effect, to buy out the Co-op Movement itself. The colossal undertaking could take years and — in theory — require Mr. Regan to extend his £1,000 bonus offer to the Movement's eight

Turn to page 12

Inside this week: Bonanza for Co-op gift vouchers 3, Spud alert 4, Pioneer stores' double delight 9

INSIDE



CONGRESS  
2000  
REPORTS

— Pages 2, 3 & 6



Time to  
face euro  
challenge

— Page 4



It's two  
cheers for  
democracy

— Page 7

## NO TO CO-OP UK!

### Commission must not go for easy option, warns new President

**CONGRESS** President Pat Wheatley has warned the Co-operative Commission to avoid recommending the "easy option" of a single national society when it makes its report into the Movement's future.

The Commission's deliberations will continue for most of this year and its conclusions will be debated at next year's Congress in Birmingham.

But in a hard-hitting Presidential Address, the United Norwest Society Vice-President broadly welcomed the setting up of the Commission and expressed the hope that all her fears would be proved groundless once the inquiry looks at all the evidence.

#### Reality

She told Congress: "It would be far too easy to conclude that what the Movement needs is Co-op Great Britain — one national society covering the whole country; centrally run, centrally organised and centrally controlled."

"Whilst this might be the easy solution, it would, in my view, also be the wrong solution. It would also fly in the face of all

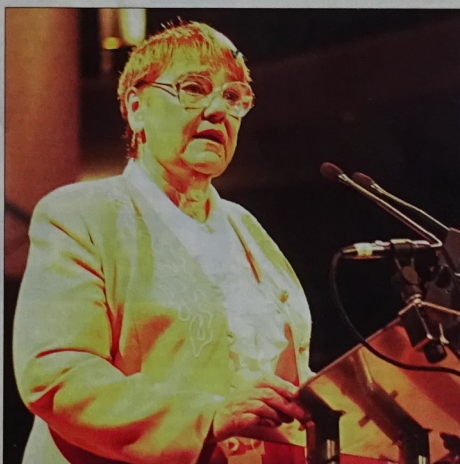
the evidence which clearly shows that the best arrangement for the Movement — certainly for the foreseeable future — is the prospect, which must become a reality, of a revitalised and restructured CWS reaping the benefits of the merger with CRS, working in tandem with strong regional societies with clear trading strategies.

"I hope the Commission will see the benefits of a Movement which embraces both a strong national society and strong independent regional societies. Indeed, it would be perverse if the Commission came to any other conclusion."

The 2000 President expressed her satisfaction that the Commission has extended its remit to include all forms of co-ops, not just consumer co-ops, and said the inquiry offered an "excellent opportunity" to take a good, long look at the values and structures that make co-ops different from a plc.

But Mrs. Wheatley said she would have been even more enthusiastic about the Commission if it had been established by the Co-operative Union.

"For it is still the Union which is the umbrella organisation for the largest single part of the British Co-operative Movement," explained Mrs. Wheatley. "The



**PAT'S THE WAY . . .** Congress 2000 President Pat Wheatley delivers her Presidential Address at Manchester's Bridgewater Hall.

Union represents the interests of all societies — and not just those of the largest — and it is the Union which will have a crucial role to play in ensuring that the Commission's findings and recommendations find favour with all sections of the Movement."

The President said it was critical that the Commission takes full account of the impact of the recent CWS/CRS merger and suggested that the inquiry could perform an important task for the Movement by considering how the CWS's role can best be redefined to take account of the soci-

ety's "changing position and its continuing custodianship of the Movement's assets such as the Co-operative Bank and CIS."

She warned: "These are key issues which must be addressed, not ignored."

Mrs. Wheatley said the Commission should look at the need to modernise society law and press the case for new legislation to remove the threat posed to all mutuals by carpetbaggers and set a sound legal framework for the co-op sector to develop over the next few decades.

● See also page 6.

### Lord Fyfe quits two top Co-op positions

CO-OP stalwart Lord Fyfe of Fairfield has resigned as CWS chairman and Chief Executive of Midlands Society to concentrate on his new role as a working peer.

Lord Fyfe, who will also step down as a CWS director after 19 years, told the society's annual meeting: "The Movement's been good to me and I hope I've been good for the Movement."

"However I am resigning as chairman and as a member of the board as I cannot combine these onerous duties with the other responsibilities I've recently assumed."

A member of the new Co-operative Commission and a key player in the recent CWS/CRS merger negotiations, Lord Fyfe said that Midlands Society General Manager Willie Tucker had been appointed to succeed him as the society's Chief Executive.

Lord Fyfe, chairman of CWS since 1989, said the role was no sinecure, but he had enjoyed his time in the post.

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# co-operative News

the voice of the co-op and mutual sectors

JULY 3-17 2012

**Surprising savings  
on your insurance**

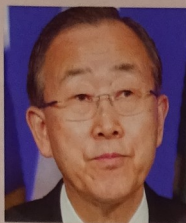
[co-operativeinsurance.co.uk](http://co-operativeinsurance.co.uk)

The co-operative insurance  
good with money

The Co-operative Insurance is a brand name used by CQS General Insurance Limited which is authorised and regulated by the Financial Services Authority.

**Crucial  
backing at  
Rio Earth  
Summit**

— page 4



**Double  
success  
for Co-op  
Energy**

— page 8



**Lakeland  
society  
looks to  
the future**

— pages 16 & 17



## CO-OPS OUTGROW THE UK ECONOMY

**Bright future  
for Movement,  
says Ed Mayo**

BRITISH co-operatives have outperformed the UK economy for the fourth consecutive year.

Annual figures released by Co-operatives UK show the British Movement grew 1.5% in 2011, which was twice the rate of 0.7% in the UK economy.

The sector has coped well with the financial crisis and, while of GDP in the UK increased by 1.7% last year, the turnover of the co-operative sector has grown by 19.5% over the same period.

Ed Mayo, Secretary General of Co-operatives UK, said: "This is good news for business and for our new emerging economy. At a time where our economic system is undergoing fundamental change and critical analysis as to its suitability for the future, this is evidence that broadening ownership and control, and prioritising social and environmental impact alongside profit, is a resilient alternative to austerity.

"Co-operative businesses are more resilient – 98% are still in operation after three years compared to 65% of all businesses, over half of them (56%) are in disadvantaged areas in the UK and 88% seek to minimize their environmental impact when 44% of businesses say they have taken no action whatsoever."

The Movement's annual report, which covers 5,933 co-operatives, indicates that the co-operative model is a successful one. The Co-operative Group, John Lewis

Partnership, Midlands Co-operative Society and United Merchants are among the largest co-operatives from the 2011 financial year.

Co-ops have been key to development in areas such as renewable energy. Co-ops in this sector saw the largest growth.

The 242 co-operative schools across the country, which are new additions to the economy report, also enjoyed significant growth.

In 2011, memberships grew by 5.5% to 13.5 million people, from 12.8m in 2010. Between 2008 and 2011, the number of memberships grew by 19.7% from 11.3m. Last year the number of co-operatives grew by 8.9% to 5,933. Between 2008 and 2011 the numbers grew by 23% from 4,820.

### Diversity

The UK is facing a growth crisis and co-ops could be the key to economic growth, argues Mr Mayo.

He said: "Co-operatives are part of a solution. They provide alternatives to austerity by offering a model of business in which ownership and control is shared. The growth of the co-operative sector helps introduce more diversity and wider ownership into the economy.

"Co-operatives are businesses which combine commercial performance with social and environmental values. You can see these across the world – the ongoing community share schemes for renewable energy up and down the UK, or the innovative way in



ED MAYO



which large co-operatives like the Indian farmers fertiliser co-operative in India practice sustainability.

"And it is not just businesses – co-operation and sharing is the key to more sustainability."

As to whether co-ops can again outperform the market next year, Mr Mayo warned: "Over 70% of the co-operative economy is in retail and there is no question that times are tough on the high street. Co-operative retailers have a great track record, but there is no escaping the fundamentals of a tough economic outlook."

**For the latest news, visit the Global News Hub: [www.thenews.coop](http://www.thenews.coop)**

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JUNE 2018

## SUSTAINABILITY

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working towards  
the Sustainable  
Development Goals

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Turnbull ... and looking  
ahead to Congress and  
Co-operatives Fortnight

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## Climate Change: The Undeclared War by Ken Curran Snr.

This thoughtful piece is a salient reminder of the emergency which has failed to be addressed. Emergency powers were rightly enacted during the second world war when the threat of Nazi invasion was being faced. But with the extinction of life on Earth already under way – no response.

<https://www.principle5.coop/wp-content/uploads/2019/04/The-Undeclared-war.-Ken-Curran.pdf>

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Principle 5 members are encouraged to contribute items for the newsletter.

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Principle 5 is your co-operative. Help it to continue to provide a service to the co-operative movement and to co-operators everywhere. Our only income is through membership subscriptions. We need to become more financially secure. Please download the information leaflet and membership form & encourage others to join:

<https://www.principle5.coop/wp-content/uploads/2019/04/information-leaflet-April-2019.pdf>

<https://www.principle5.coop/wp-content/uploads/2019/04/P5-membership-form.pdf>

If you are already a member and can help by increasing your membership subscription, this would be very much appreciated and could make all the difference to the success of Principle 5

Standing Order amendment form

<https://www.principle5.coop/wp-content/uploads/2018/11/standing-order-change-of-subscription-rate.pdf>

Coming events.

May Day Celebration. Crookes Social Club,  
Mulehouse Road, Sheffield, S10 1TD

Sunday 5<sup>th</sup> May  
2:00pm – 6:00pm

<https://www.principle5.coop/wp-content/uploads/2019/05/May-Day-.pdf>

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### **Festival of Debate**

**the Millennium Gallery on the 1st June 2019**

**2:15-3PM | COOPERATION AND COLLECTIVE DECISION MAKING**

**<https://www.festivalofdebate.com/all/2019/6/8/living-together-hub-day>**

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Peace in the Park at the Ponderosa:  
Sat 8th June 2019

**12noon – 8pm**

**<http://www.peaceinthepark.org.uk/>**

\*

**“CO-OPERATIVE EDUCATION PAST AND FUTURE”**

**Monday 1 July 2019 at 10 am.**

**Leicester South Salvation Army, Ladysmith Road, off Saffron Road, South  
Wigston, Leicester LE18 4UZ (0116 277 4114)**

Co-operatives Fortnight takes place between 24 June and 7 July and this event is a celebration of what co-operative education has achieved. The Co-operative College began in 1919 and is celebrating its centenary this year. It has supported members, employees of co-operatives to develop their knowledge and skills and also has worked to be inclusive in providing education to adult learners from diverse backgrounds. This event will explore how we move forward and progress this unique way of learning. Each speaker will have 15 minutes to talk and then conclude with an open forum for general discussion.

We will also be launching our “Co-operative Poem” following on from the campaign to write a collective poem for Co-operatives Fortnight.

### Programme

10.00 am Coffee and Registration

10.30 am Welcome by Jane Powell, Chair of Co-operatives East Midlands

Speakers:

10.35am Co-operative College – Simon Parkinson, CEO

10.50 am Vaughan College – Malcolm Noble, Tutor

11.05 am Deborah Bacon BA, MSc, Chief Operations Officer, Central Co-operative Learning Trust

11.20 am WEA – Nusrat Hathiari, Area Education Manager – Leicester, Leicestershire & Rutland

11.35 am Central England Co-operative Society – Tanya Noon

11.50 am Open Forum & Discussion: Prospects & Challenges

12.45 pm Networking Lunch & Close 1.30 pm

To book your place (numbers are limited) please email as detail below:

Name:

Organisation & Contact Email & Telephone plus any dietary or mobility requirements:

To: Jenny, CEM Secretary at [jdevilliers@btinternet.com](mailto:jdevilliers@btinternet.com)

07773705552

[www.cooperatives-em.coop](http://www.cooperatives-em.coop)

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