

# “EAT THE OKANAGAN INTO PROSPERITY”:<sup>1</sup>

## *The Interactions of the Okanagan and the Coast, 1858–1941*

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PATRICIA E. ROY\*

They [Vancouver] do us good. We know our [Okanagan] valley will do them good.<sup>2</sup>

LIKE CANADA AS A WHOLE, historically British Columbia has a metropolis/hinterland duality.<sup>3</sup> Its regions are separated by geography and linked by economics. Although themselves tributary to Montreal and Toronto, where the head offices of most chartered banks, the major railways, and of many national firms were located, Victoria and Vancouver were, consecutively, regional metropolises for hinterlands, in this case, the Okanagan Valley.<sup>4</sup>

As N.S.B. Gras pointed out a century ago in his sweeping study of economic history, a city aspiring to be a metropolis must have “commercial dominance over a wide area” and “possess a *hinterland*, a tributary adjacent territory, rich in natural resources, occupied by a productive population and accessible by means of transportation.”<sup>5</sup> Despite some problems, his basic concept is still a useful analytical tool. In a diagram, he showed Vancouver as a “metropolis of promise.”<sup>6</sup>

J.M.S. Careless, the historian most associated with metropolitanism in Canada, agrees with Donald F. Davis that there is no single metropolitan

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<sup>1</sup> *Vancouver Sun* (hereafter *Sun*), 21 January 1939.

<sup>2</sup> Editorial, *Penticton Herald* (hereafter *Herald*), 11 June 1936.

<sup>3</sup> L.D. McCann, “Heartland and Hinterland: A Framework for Regional Analysis,” in *A Geography of Canada: Heartland and Hinterland*, ed. L.D. McCann, 3–35 (Scarborough, ON: Prentice-Hall, 1982), 3–4; John Bradbury, “British Columbia: Metropolis and Hinterland in Microcosm,” in McCann, *Geography of Canada*, 339–71.

<sup>4</sup> McCann, *Geography of Canada*, 4.

<sup>5</sup> N.S.B. Gras, *An Introduction to Economic History* (New York: Harper, 1922), 184–85 (italics in original).

<sup>6</sup> Gras, *An Introduction to Economic History*, 283.

“thesis.”<sup>7</sup> Careless, who calls it “merely an approach” to looking at “phenomena that built up cities and regions,”<sup>8</sup> rightly notes that Gras’s chronology of the evolution of metropolitan activities – retailing, wholesaling, industry, transportation, and finance – does not work for Canada.<sup>9</sup> It applies even less well in British Columbia where, because of its relatively short history, such functions often emerged in a different order or almost simultaneously. Without the railway, for example, Vancouver would not have become a city in 1886. As the railway arrived, so too did retailers, wholesalers, branches of the chartered banks, and local financial dealers such as real estate and insurance agencies.

Davis contends that by stressing nature and the power of elites, Careless produced “a relatively sterile hybrid.”<sup>10</sup> Accepting as a given that nature gave Vancouver, unlike Victoria, both a fine deep sea port and a continental location, and the Okanagan a climate and soil that, when irrigated,<sup>11</sup> lent itself to fruit growing, Careless’s “hybrid” approach which gives credit both to nature and human agency is a useful way of looking at relationships between the coast and the Okanagan.

The historical geographer L.D. McCann has argued that, in Canada, the “simple dichotomy of metropolis and hinterland” has not been “valid” since the Second World War.<sup>12</sup> Shortly before publishing *Heartland and Hinterland*, a geography text with the theme of its title, however, McCann wrote an essay on Vancouver as a regional metropolis – a term that describes it well – before 1914. It was published in a collection of essays titled *Vancouver: Western Metropolis*. There, he suggests: “the emergence of an urban system in a frontier region is related directly to the expansion of a staple economy.”<sup>13</sup> His article is the only one in the book to deal with a historical period and it thinly paints the hinterland

<sup>7</sup> Donald F. Davis, “The ‘Metropolitan Thesis’ and the Writing of Canadian Urban History,” *Urban History Review* 14, no. 2 (1985): 96.

<sup>8</sup> J.M.S. Careless, “Metropolitan Reflections on ‘Great Britain’s Woodyard,’” *Acadiensis* 3 (Autumn 1973): 109.

<sup>9</sup> J.M.S. Careless, *Frontier and Metropolis: Region, Cities, and Identities in Canada before 1914* (Toronto: University of Toronto, 1989), 59–60.

<sup>10</sup> Davis, “Metropolitan Thesis,” 102.

<sup>11</sup> In British Columbia, Indigenous people were not permitted to record the water rights required for irrigation. See Cole Harris, *Making Native Space: Colonialism, Resistance, and Reserves in British Columbia* (Vancouver: UBC Press, 2002), 140. For a detailed study of the issue, see Kenuchi Matsui, *Native Peoples and Water Rights: Irrigation, Dams, and the Law in Western Canada* (Montreal and Kingston: McGill-Queen’s University Press, 2009).

<sup>12</sup> L.D. McCann, “The Myth of the Metropolis: The Role of the City in Canadian Regionalism,” *Urban History Review* 9, no. 3 (1981): 57.

<sup>13</sup> L.D. McCann, “Urban Growth in a Staple Economy: The Emergence of Vancouver as a Regional Metropolis, 1886–1914,” in *Vancouver: Western Metropolis*, ed. L.J. Evenden (Victoria: University of Victoria Geography Department, 1978), 18.

with a broad brush.<sup>14</sup> By looking at the Okanagan, where fruit was the staple, this article puts some detail in the picture.

This article also responds to Davis's observation that cities do not "exercise economic control; entrepreneurs and business corporations do."<sup>15</sup> Board of Trade reports and the advertisements, news columns, and editorials in both the coastal daily newspapers and the Okanagan weeklies reveal much of what businessmen and civic political leaders were thinking and doing.<sup>16</sup>

Informed by concepts from the work of Gras and McCann, and especially by Careless's argument that the core of metropolitanism is "the *interaction* between metropolis and hinterland,"<sup>17</sup> this article explores how fruit growing and business organizations, composed almost exclusively of white men, sought to improve the economies of both regions for their mutual benefit. The story is of a sometimes symbiotic, sometimes troubled, relationship between the coast and the Okanagan centres of Vernon, Kelowna, and Penticton. After reviewing the early years of contact, it sketches the relationship through the dealings of retailers, wholesalers, and providers of services, including finance and communications. The heart of the article is a detailed examination of the interaction between the Vancouver Board of Trade and Okanagan businessmen, particularly fruit growers, and how they promoted the sales of each other's products.

#### EARLY TRADING RELATIONS

The written record of trade between the Okanagan and the coast begins in 1826 when the Hudson's Bay Company (HBC) began using a long-established Syilx trail through the Okanagan as part of a route from Fort St. James and other interior trading posts to the mouth of the Columbia River at Astoria.<sup>18</sup> The total population of the Okanagan then

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<sup>14</sup> L.J. Evenden, "Introduction," *Vancouver: Western Metropolis*, 4–5. William Cronon's monumental study of Chicago and the American West shows the value of studying both the "city" and its "country." See William Cronon, *Nature's Metropolis: Chicago and the Great West* (New York: W.W. Norton, 1992).

<sup>15</sup> Davis, "Metropolitan Thesis," 108.

<sup>16</sup> Newspapers of the time often published detailed accounts of meetings, including almost verbatim accounts of speeches, and advertisements tended to be heavy on text.

<sup>17</sup> Careless, "Metropolitan Reflections," 108 (italics in original).

<sup>18</sup> Margaret A. Ormsby, "The Significance of the Hudson's Bay Brigade Trail," *Thirteenth Annual Report of the Okanagan Historical and Natural History Society* (hereafter *OHSAR*) 13 (1949), 29–37; Ken Mather, *Trail North: The Okanagan Trail of 1858–68 and Its Origins in British Columbia and Washington* (Victoria: Heritage House, 2018), 40–41.

was probably a little over one thousand.<sup>19</sup> When the Oregon Treaty of 1846 drew the international boundary at the 49th parallel, the HBC no longer took furs to Astoria and so abandoned the Okanagan route to the coast. The Syilx remained along with a few settlers and Roman Catholic missionaries.<sup>20</sup> The 1891 census enumerated a total of 1,798 people between the American border and a point north of Vernon.<sup>21</sup> Growing grain and raising cattle that were driven to coastal markets were major occupations of both the Syilx and the newcomers.

Anticipating the Oregon Treaty, the HBC had established Fort Victoria in 1843 as its Pacific coast headquarters and began what Cole Harris calls the “resettlement” of British Columbia.<sup>22</sup> Gold rushes on the Fraser River and its tributaries beginning in 1858 quickly changed Victoria from a trading post to a busy commercial centre. The gold rushes faded but, with investment from the United Kingdom and California, Victoria had an economy based on salmon canning, lumbering, coal exports, shipping, and some manufacturing for the local market.<sup>23</sup> As the capital of the colony of Vancouver Island and of the colony and later province of British Columbia from 1868, Victoria drew politicians such as the rancher Forbes G. Vernon, after whom the Okanagan city is named.<sup>24</sup>

Victoria’s Board of Trade regarded the entire province as its hinterland: it was *the* British Columbia Board of Trade. In the 1870s, recognizing the disadvantage of an island location once trade with Canada developed, city residents agitated, unsuccessfully, to have the railway terminate at nearby Esquimalt. Even while the Canadian Pacific Railway (CPR) was building

<sup>19</sup> Duncan Duane Thomson, “A History of the Okanagan: Indians and Whites in the Settlement Era, 1860–1920” (PhD diss., University of British Columbia, 1985), 21.

<sup>20</sup> F.M. Buckland, “The Hudson’s Bay Brigade Trail,” *OHSAR I* (1926), 12–13; Duane Thomson, “The Response of Okanagan Indians to European Settlement,” *BC Studies* 101 (Spring 1994): 96–117.

<sup>21</sup> Canada, *Census*, 189, vol. 1, 10. Three hundred and forty-eight were at Okanagan Mission, 711 at Osoyoos, and 740 at Priest’s Valley (Vernon).

<sup>22</sup> Cole Harris, *The Resettlement of British Columbia: Essays on Colonialism and Geographical Change* (Vancouver: UBC Press, 1997); Rolf Knight, *Indians at Work: An Informal History of Native Indian Labour in British Columbia, 1858–1930* (Vancouver: New Star Books, 1978 [1996]); John Lutz, “After the Fur Trade: The Aboriginal Labouring Class of British Columbia, 1849–1890,” *Journal of the Canadian Historical Association* (hereafter *JCHA*) 3, no. 1 (1992): 69–93; see also John Sutton Lutz, *Makúk: A New History of Aboriginal–White Relations* (Vancouver: UBC Press, 2008).

<sup>23</sup> John Lutz, “Losing Steam: The Boiler and Engine Industry as an Index of British Columbia’s Deindustrialization, 1880–1915,” *Historical Papers* 23, no. 1 (1988): 168–208.

<sup>24</sup> This paragraph draws largely on Robert A.J. McDonald, “Victoria, Vancouver, and the Evolution of British Columbia’s Economic System, 1886–1914,” in *Town and City: Aspects of Western Canadian Urban Development*, ed. Alan F.J. Artibise (Regina: Canadian Plains Research Centre, 1981), 36.

towards Burrard Inlet, the Board of Trade lobbied for the construction of a wagon road to the Kootenay mines and, incidentally, the Okanagan. The completion of the CPR made the wagon road unnecessary. Likely inspired by two members – Moses Lumby of Spallumcheen, a promoter of the Shuswap and Okanagan Railway (S&O), and R.P. Rithet of Victoria, who controlled the Columbia Flouring Mill at Enderby – the Board sought a government subsidy for the S&O to link the Okanagan with the CPR main line.<sup>25</sup> Without access to markets, this “most productive country” had limited appeal for settlers.<sup>26</sup> After the S&O opened in 1892, the Board’s annual reports referred to wheat growing, but after 1901 they rarely mentioned the Okanagan.<sup>27</sup> By then, the province had about a dozen boards of trade. In 1902, the Board became the Victoria Board of Trade, recognizing that Victoria no longer spoke for the whole province in economic matters.<sup>28</sup> Victoria remained the capital, retained some industries and commerce, and attracted tourists but was no longer the province’s leading city, and some of its entrepreneurs had already moved to Vancouver.

Burrard Inlet, with its fine harbour, was the home of the Squamish, Musqueam, and Tsleil-Waututh Peoples. Settlers began arriving in the early 1860s, established logging camps and sawmills, and exported lumber to San Francisco and other Pacific Rim ports.<sup>29</sup> By 1881, Burrard Inlet had 451 residents, of whom 20 percent were Indigenous, spread over three settlements.<sup>30</sup> In the Terms of Union by which British Columbia entered Confederation, Canada promised to build a railway across the country to the Pacific seaboard. In anticipation of the railway, the City of Vancouver was incorporated in 1886. The CPR linked Vancouver with parts of the interior and opened the Prairies to settlers who bought BC lumber, vegetables, and fruit, much of the latter from the Okanagan.<sup>31</sup>

<sup>25</sup> British Columbia Board of Trade, *Annual Report* (hereafter *BCBTAR*), 1882–83, 35; Robert Cowan, “R.P. Rithet and the Closure of the Columbia Flouring Mill,” *OHSAR* 60 (1996): 32. The Shuswap and Okanagan Railway passed under the control of the CPR.

<sup>26</sup> *BCBTAR*, 1887–88, 14, and 1888–89, 14. G.H. Rashdale of Spallumcheen, a member in 1887–88, was a founder of the flour mill.

<sup>27</sup> In 1910, Premier Richard McBride, a Victoria MLA and investor in an Okanagan orchard, expected irrigation to increase the Okanagan’s agricultural output (Victoria Board of Trade, *Annual Report*, 1910, 35). In 1912, the *Victoria Daily Colonist* published two articles on the Okanagan, mainly on the Vernon area (9 and 16 June 1912). A brief but well-informed history of Victoria’s economy is Peter A. Baskerville, *Beyond the Island: An Illustrated History of Victoria* (Burlington, ON: Windsor, 1986).

<sup>28</sup> Victoria Board of Trade, *Annual Report*, 1902.

<sup>29</sup> Harris, *The Resettlement of British Columbia*, 96–97; Robert A.J. McDonald, *Making Vancouver, 1863–1913* (Vancouver: UBC Press, 1996), chap. 1.

<sup>30</sup> McDonald, *Making Vancouver*, 19.

<sup>31</sup> Bradbury, “British Columbia,” 339.

The CPR's trans-Pacific steamships supplemented the freighters that took away the staples of lumber, minerals, and fish that supported provincial growth but came from regions other than the Okanagan.

Some Victoria merchants, of whom wholesale grocer David Oppenheimer and his brothers were a leading example, recognized that Vancouver would eclipse Victoria.<sup>32</sup> In 1887, the Oppenheims moved their firm's headquarters to Vancouver where they had already invested in land.<sup>33</sup> By 1891, with a total of 13,709 residents, Vancouver had twice the population of New Westminster, a river port, hitherto the Mainland's main centre. Because of silting, the Fraser River could not accommodate large deep sea ships, but New Westminster investors had some influence in the Okanagan.<sup>34</sup> With the fillip of the Klondike gold rush, by 1901 Vancouver was the province's largest city and its economic centre. Rapid growth continued. By 1911, half of the province's population lived in Vancouver or nearby municipalities.<sup>35</sup> The city's economy became more diverse. Lumbering was still "king,"<sup>36</sup> but commerce – retailing, wholesaling, and services – was important.

Like its Victoria counterpart, Vancouver's Board of Trade saw the Okanagan's potential. In 1889, it helped to form the British Columbia Fruit Growers Association (BCFGA), which claimed to be "exceedingly representative of all parts of the Province."<sup>37</sup> At the time, several Vancouver businessmen, including the Oppenheimer brothers, were buying large blocks of land around Vernon for speculative purposes.<sup>38</sup> In 1890–91, the Board surveyed Okanagan farmers who advised that all varieties of fruits and vegetables grew well in their "garden." Before endorsing the construction of the S&O, the Board ascertained that Okanagan wheat was suitable for flour. In 1899, it noted the growing of tobacco and manufacture of cigars at Kelowna,<sup>39</sup> good prices for

<sup>32</sup> On the rise of Vancouver and the decline of Victoria, see McDonald, "Victoria, Vancouver, and the Evolution of British Columbia's Economic System," 31–55.

<sup>33</sup> Peter Liddell and Patricia E. Roy, "David Oppenheimer," *Dictionary of Canadian Biography*, vol. 12 (Toronto: University of Toronto Press, 1990), 803–6.

<sup>34</sup> Jacqueline Gresko and Richard Howard, eds., *Fraser Port: Freightway to the Pacific* (Victoria: Sono Nis, 1986), especially chap. 3.

<sup>35</sup> The population of 120,847 included the city proper and the municipalities of Point Grey and South Vancouver, which were incorporated into the city in 1929. The population of "Greater Vancouver" was 142,215. See Canada, *Census*, 1921.

<sup>36</sup> Robert A.J. McDonald, "Business Leaders in Early Vancouver, 1886–1914" (PhD diss., University of British Columbia, 1977), 175.

<sup>37</sup> Vancouver Board of Trade, *Annual Report* (hereafter *VBTAR*), 1889, 14.

<sup>38</sup> Gregory Edward Gwynne Thomas, "The British Columbia Ranching Frontier, 1858–1896" (MA thesis, University of British Columbia, 1976), 153.

<sup>39</sup> The history of the rise and fall of the tobacco industry is traced in Helen Payne, "The Tobacco Industry in Kelowna, 1894–1942," *OHSAR* 46 (1982), 29–37.

Okanagan hops in London, and a doubling of wheat production in the past five years.<sup>40</sup> The S&O and steamers on Okanagan Lake enabled long-distance transport of fruit and vegetables but brought in cheaper Prairie grain and livestock. In 1909, Armstrong's Okanagan Flour and Feed Company milled flour from "high grade Alberta wheat."<sup>41</sup> By 1912, fruit and vegetable growers had largely replaced the "Cattle Kings."<sup>42</sup>

White ranchers and wheat growers, many of whom had pre-empted land before Indian reserves were set aside, could sell their property to developers of orchards. The nature of the reserve system meant that Syilx farmers could not. A few tried to switch to fruit farming but lacked the capital necessary for irrigation or to support themselves while waiting for trees to bear fruit.<sup>43</sup> Moreover, the few Syilx who had been growing fruit were "pessimistic" after the glut of 1912 meant little demand for fruit and low prices.<sup>44</sup>

Efficient transportation was one factor shifting the Okanagan's economic base, so too was British Columbia's sharing in an outpouring of British capital, especially between 1906 and 1913.<sup>45</sup> Before a depression and the First World War halted that infusion, British promoters bought Okanagan acreage, subdivided it into plots averaging about ten acres (four hectares) each, provided or promised irrigation, and promoted fruit growing as a "beautiful art."<sup>46</sup> The Vancouver Board's annual reports, echoing propaganda from Britain and the Okanagan itself, served as prospectuses for potential investors. The 1907 edition suggested that the province was about to become the "orchard of the [British] Empire" and described the Kelowna region, "the largest area of fruit lands of any one place in the province," as a shipper of peaches that, with

<sup>40</sup> *VBSTAR*, 1898–99, 63, 65. Lieutenant-Governor Sir Henri-Gustave Joly de Lotbinière said that Kelowna tobacco was of excellent quality and should be a "great source of revenue" (*BCBTAR*, 1900, 37).

<sup>41</sup> *Kelowna Courier* (hereafter *Courier*), 7 October 1909 and other dates.

<sup>42</sup> *Vernon News* (hereafter *News*), 2 May 1912; David Dendy, "The Development of the Orchard Industry in the Okanagan Valley, 1890–1914," *OHSAR* 38 (1974), 68–73. The fourth chapter of Thomas, "British Columbia Ranching Frontier," analyzes several factors, including the railway and Alberta competition, to explain why ranching declined in the Okanagan.

<sup>43</sup> Peter Carstens, *The Queen's People: A Study of Hegemony, Coercion, and Accommodation among the Okanagan of Canada* (Toronto: University of Toronto Press, 1991), 109. On problems setting out the Okanagan reserves, see Harris, *Making Native Space*, 124–31.

<sup>44</sup> J. Robert Brown, Indian Agent, Okanagan Agency, to Frank Redley, Deputy Superintendent of Indian Affairs, 11 April 1913, in Department of Indian Affairs, *Annual Report*, 1913 (Canada, *Sessional Papers*, 1914, vol. 23, 253). The agent reported a total population of 442 "Indians" between the head of Okanagan Lake near Vernon to the American border.

<sup>45</sup> Donald G. Paterson, *British Direct Investment in Canada, 1890–1914* (Toronto: University of Toronto Press, 1976), 64–68.

<sup>46</sup> Jason Patrick Bennett, "Apple of the Empire: Landscape and Imperial Identity in Turn-of-the-Century British Columbia," *JCHA* 9, no. 1 (1998): 69–72.

irrigation, could grow all northern fruit as well as root vegetables, hops, and tobacco.<sup>47</sup> Particularly during the speculative boom of 1910–1912, Vancouver realtors advertised Okanagan land.<sup>48</sup> In the Okanagan, “real estate brokering became the popular pursuit of many men who ... were unqualified to handle matters of the kind.”<sup>49</sup> The Kelowna and Vernon boards of trade advertised local opportunities in Vancouver publications.<sup>50</sup> The total population of the Okanagan tripled from 7,704 in 1901 to approximately 21,240 in 1911 and doubled to 40,687 in 1941.<sup>51</sup>

#### RETAILING, WHOLESALING, AND SERVICES

Providing retail, wholesale, and other services for a hinterland are marks of a metropolis and produced many opportunities for interaction. The Okanagan became an important market for Vancouver firms. In the late 1890s, wholesale grocers, notably Kelly, Douglas and W.H. Malkin & Co., took advantage of Vancouver’s access to sea and rail to import tea, coffee, spices, and other products, process and package them, and distribute them under the brands “Nabob” and “Malkin’s Best,” respectively. Despite freight rates that discriminated in favour of eastern Canada, Vancouver products appeared on Okanagan grocery shelves.<sup>52</sup>

As a salesman, Robert Kelly covered the Okanagan by horse stage.<sup>53</sup> As the market grew, wholesalers established a physical presence in the Okanagan. Kelly, Douglas based a commercial traveller in Vernon in 1914. Malkin’s followed. In 1934, Kelly, Douglas bought out Craig’s wholesale grocery in Penticton and, in 1935, opened a warehouse in Vernon. The F.R. Stewart Company, once scorned as part of the Water Street “combine,” the Vancouver wholesale fruit and vegetable dealers, established a Penticton branch to deal with imported bananas and citrus fruits, some vegetables, butter, and cheese. Mackenzie, White, Dunsmuir, a wholesaler of automobile parts, opened branches in Vernon and Penticton. Vancouver distributors supplied trucks and

<sup>47</sup> President R.P. McLennan in *VBTAR*, 1906–07, 13, 85, 89, and 91.

<sup>48</sup> McDonald, “Business Leaders,” 363n83. The Saturday editions of the Vancouver newspapers had many ads promoting sales all over British Columbia, including the Okanagan.

<sup>49</sup> *Kelowna Record*, 22 March 1917.

<sup>50</sup> *Saturday Sunset*, 13 June 1908 and 10 December 1910; *Vancouver Daily Province* (hereafter *Province*), 15 September and 14 November 1910; *Courier*, 18 June 1908; *News*, 14 November 1912.

<sup>51</sup> Brett McGillivray, *Geography of British Columbia: People and Landscape in Transition* (Vancouver: UBC Press, 2011), 10.

<sup>52</sup> For example, *Courier*, 9 October 1919, 6 August 1925, and 5 February 1931; *News*, 24 September 1925, 3 and 10 March 1927, and 21 October 1937.

<sup>53</sup> *Province*, 31 May 1919.



automobiles.<sup>54</sup> Some retailers opened Okanagan outlets. By 1924, Overwaitea, which began as a single grocery store in New Westminster, had a Vancouver warehouse serving outlets in Vernon, Kelowna, and Penticton. McLennan, McFeely & Prior, a retail and wholesale hardware firm, with Victoria origins but operating from Vancouver, bought Kelowna Hardware Ltd. in 1941, changed its name, but kept the staff.<sup>55</sup> Kesahiro Iwashita, whose Kelowna store sold Japanese imports, complained of "unscrupulous" Japanese merchants in Vancouver sending salesmen to the Okanagan and taking business from him.<sup>56</sup>

Vancouver architects and engineers often designed or oversaw major Okanagan construction projects and its dealers provided equipment. A Vancouver architect prepared plans for the HBC's new Vernon department store in 1912; Vernon hired a Vancouver engineer to advise on electric power rates. A Kelowna contractor built a new cold storage plant for Okanagan Packers; electrical equipment, hardware, and roofing came from Vancouver. A Vancouver firm won the contract for Kelowna's new post office; local outfits got subcontracts. Dominion Construction of Vancouver was general contractor for Kelowna's new hospital in 1940; Vancouver Iron Works built the boilers.<sup>57</sup>

Some Okanagan fruit and vegetable canneries appear to have been financed locally,<sup>58</sup> but outsiders were also involved, as was Dominion Canners of Vancouver, itself a subsidiary of a Hamilton, Ontario, firm. In 1919, Dominion Canners took over Kelowna Packers and Dominion Canners of Vernon. The Vancouver manager, whose plant made some Okanagan fruit into jam, oversaw canneries in Kelowna, Penticton, and Keremeos.<sup>59</sup> Its tomato canneries at Kelowna and Keremeos, however, had to compete with their parent's Hamilton cannery.<sup>60</sup> Lower wages and cheap shipping via the Panama Canal let it enter the coastal BC market.

<sup>54</sup> *Wrigley's British Columbia Directory*, 1930; *Penticton Herald* (hereafter *Herald*), 10 July 1921, 28 April 1934, 15 May 1935, and 27 February 1936; Bill Davies, *From Sourdough to Superstore: The Kelly, Douglas Story* (Vancouver: Kelly, Douglas and Company, 1990), 131; *News*, 21 January 1937; *Vancouver World* (hereafter *World*), 6 April 1912 and 15 May 1919; *Courier*, 26 June 1919.

<sup>55</sup> *Courier*, 24 February 1924, 6 August 1940, and 8 May 1941; *Herald*, 29 February 1940.

<sup>56</sup> Kesahiro Iwashita to the Custodian of Alien Enemy Property, 19 October 1947, [loi.uvic.ca/archive/C-9304\\_139\\_xi.html](http://loi.uvic.ca/archive/C-9304_139_xi.html).

<sup>57</sup> *News*, 11 April 1912 and 30 September 1937; *Courier*, 17 December 1936, 4 and 11 March and 8 April 1937, and 23 May 1940.

<sup>58</sup> For example, *Kelowna Record*, 19 August 1915 and 17 July 1919; *Courier*, 9 July 1925 and 17 September 1936.

<sup>59</sup> *Courier*, 17 April and 18 December 1919; *Kelowna Record*, 17 April 1919.

<sup>60</sup> *Courier*, 24 August 1922.

The company sometimes upset Okanagan growers by threatening to close the local canneries unless they accepted the prices it offered.<sup>61</sup>

In Vancouver, the American Can Company made cans from tinplate imported from Wales and the United States. In 1922, a shortage of cans temporarily halted tomato canning.<sup>62</sup> In 1941, a strike at American Can threatened the layoff of fifteen hundred workers; the loss of much of the peach, pear, and tomato crops; and half a million dollars in revenue. Okanagan boards of trade, growers, and canners asked Ottawa and Victoria to intervene. Neither capital seemed to comprehend the “repercussions” of the strike on “the hinterland.” Fortunately, the strike was soon settled.<sup>63</sup>

#### FINANCIAL SERVICES

Vancouver itself was a financial hinterland of Montreal and Toronto, headquarters of the main chartered banks and the large investment houses. In the heady decade before the First World War, local entrepreneurs sought to challenge this dominance by establishing: the Dominion Trust Company and the Bank of Vancouver. Both interacted with the Okanagan but neither survived the collapse of the real estate boom. Moreover, although Vancouver investment dealers established Okanagan branches, they faced competition from locally based Okanagan firms. Only through investments in public utilities did the coast cities exercise any financial control over the Okanagan.

The Dominion Trust loaned funds to the Central Okanagan Lands Company. Two Kelowna residents, Dr. William Gaddes and James W. Jones, a recent arrival from Saskatchewan, had formed the Lands Company in 1907. They raised capital in eastern Canada, purchased 7,665 acres (3,102 hectares) around Kelowna, formed an irrigation company, and planned to subdivide the land and sell it in eastern Canada. To finance the irrigation system, they borrowed \$700,000 from the Dominion Trust but only received \$410,000 in cash. When Dominion Trust went under, it took with it \$100,000 in the Land Company’s sinking fund. The Land Company, already in financial difficulty, failed despite having approximately five thousand acres (2,023 hectares), an

<sup>61</sup> *Courier*, 27 March 1924.

<sup>62</sup> *Courier*, 12 October and 2 November 1922.

<sup>63</sup> *Courier*, 4 September 1941.

improved farm, and three hundred acres (121 hectares) of producing orchards.<sup>64</sup>

The vice-president and briefly general manager of the ill-fated Bank of Vancouver was L.W. Shatford, MLA (Conservative, Similkameen). Using money raised in eastern Canada and probably profits of general stores in three southern Okanagan mining towns and in Vernon, Shatford and his brother formed the Southern Okanagan Land Company in 1905. It purchased and subdivided the Ellis estate at Penticton into plots suitable for orchards. In 1908, Shatford joined several Vancouver-based investors, including wholesalers W.H. Malkin and R.P. McLennan, to form the Bank of Vancouver. By early 1914, the Bank of Vancouver was considering voluntary liquidation. When Dominion Trust collapsed, depositors panicked and it, too, failed.<sup>65</sup> The experience of Dominion Trust and the Bank demonstrated that Vancouver was not a financial metropolis, and, as the Shatford's financing of the purchase of the Ellis estate suggests, Okanagan residents looked locally and east for capital.

Vancouver investment dealers had limited success in providing retail financial services to the Okanagan despite regularly advertising there.<sup>66</sup> Anecdotal evidence suggests that ranchers and some speculators made good profits from land sales and some British arrivals had considerable wealth. The Okanagan had its own investment dealers. Kelowna's Okanagan Loan and Investment, established in 1909, promised access to "Old Country capital" and worked with A.E. Ames, a major Toronto brokerage.<sup>67</sup> Hankey and Company began in Vernon in 1893 as a real estate agency. In the mid-1920s, it hoped to become "a real financial organization" but was only dealing in stocks at the decade's end.<sup>68</sup> One Vancouver investment firm, Pemberton and Son, itself an offshoot of a Victoria enterprise,<sup>69</sup> had a real estate and insurance office in Kelowna

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<sup>64</sup> Stuart Mould, "The Greening of Dry Valley: The History of the Glenmore Irrigation District," *OHSAR* 77 (2013), 100–4; *Province*, 11 March and 15 May 1919.

<sup>65</sup> For a short account of these institutions, see Patricia E. Roy, *Boundless Optimism: Richard McBride's British Columbia* (Vancouver: UBC Press, 2012), 266–69; *Sun*, 3 December 1920. Shatford, who had moved to Vancouver, lost much. When he died suddenly in 1920, his net estate was only \$44,274. In comparison, Richard Marpole, the CPR's general executive assistant in British Columbia, also died in 1920 and left an estate of \$588,545.

<sup>66</sup> *News*, 5 January 1925 and 7 June 1928.

<sup>67</sup> *Courier*, 14 October 1909 and 20 November 1930; *Financial Post*, 23 March 1935. The company was sold in the 1960s to Odium, Brown, a Vancouver firm.

<sup>68</sup> In 1926, Hankey and Co. was selling shares to increase its capitalization to \$250,000 and a name change to "British Columbia Investments Ltd." (*News*, 5 January and 2 February 1926).

<sup>69</sup> Find out more about Pemberton and Son at [Pemberton.com/about/history/](http://Pemberton.com/about/history/).

Phone 40	P. O. Box 613
<b>PEMBERTON &amp; SON</b>	
<b>BROKERS</b>	
Call and See Our List.	
FARMS, FRUIT RANCHES CITY PROPERTY	Also at VICTORIA VANCOUVER
We have buyers 5 to '20 acres improved ranches. Listings Solicited.	CLOVERDALE CHILLIWACK MISSION
Near C. P. R. Wharf.	
A. B. BARRAT Bernard Avenue	Kelowna, B. C.

Figure 1. The history of Pemberton's illustrates how a Victoria firm, established itself in Vancouver and opened an Okanagan branch.  
Source: *Kelowna Courier*, 22 April 1920.

in 1920<sup>70</sup> and in Penticton in 1921. It took up some Penticton debentures but warned the municipality not to increase its indebtedness.<sup>71</sup>

Later, through a holding company, Pemberton and Son exercised a metropolitan influence by acquiring Okanagan telephone and electric companies.<sup>72</sup> In 1910–1911, New Westminster investors bought out several small telephone exchanges to form the Okanagan Telephone Company. When in 1920 the Company needed funds for expansion, it advised local residents that a small block of its stock paying 6 to 8 percent in dividends would yield enough to pay the phone bill.<sup>73</sup> Despite rebuilding and adding lines, its service was wanting.<sup>74</sup> A Kelowna businessman complained of being able to phone to Vancouver “but not to hear.”<sup>75</sup> By 1927, Okanagan Telephone had five thousand customers, a staff of seventy-five, a payroll of \$53,000, and service to the coast and Alberta via the Vancouver-based BC Telephone Company. It also had financial problems.<sup>76</sup>

<sup>70</sup> *Courier*, 22 April 1920.

<sup>71</sup> *Herald*, 18 November 1921.

<sup>72</sup> For example, *News*, 10 and 24 May and 12 July 1928; *Courier*, 10 April 1930. In 1945, the provincial government formed the British Columbia Power Commission to improve rural electrical service and bought out West Canadian.

<sup>73</sup> *Kelowna Record*, 30 September 1920.

<sup>74</sup> While New Westminster men were investing in Okanagan Telephone, G.A. Hankey was acquiring the Russell Hotel and other property in New Westminster and Vancouver.

<sup>75</sup> *Courier*, 17 February 1921.

<sup>76</sup> *Courier*, 28 February 1918, 30 September 1920, 25 May 1922, 10 February, 21 July, and 29 December 1927, and 10 April 1930; *News*, 7 and 14 July 1927 and 23 February, and 15 November 1928. When business declined, BC Telephone closed its Okanagan offices (*Herald*, 14 December 1933). It bought Okanagan Telephone in 1966.

**A BRITISH COLUMBIA  
INVESTMENT OPPORTUNITY**

We offer Canadian American Public Service Corporation, a dependable income-earning stock with possibilities of considerable capital appreciation. The Canadian portion of the Corporation's holdings is the Okanagan and Revelstoke telephone systems, which have a long and profitable record of earning.

Participating Class "A" Stock of the Corporation now offered at \$25.00 per share and accrued dividends to yield 10% stock or 7% cash.

**KELOWNA BRANCH**

**R. P. CLARK & CO. [Vancouver] LTD.**

INVESTMENT BANKERS  
Phone 604 - A. H. POVAH, Manager

Figure 2. Optimism still prevailed despite the "Great Crash" of October 1929 with this invitation to Okanagan residents to invest in local utilities. Source: *Kelowna Courier*, 28 November 1929.

In 1929, an American holding company, the Canadian American Public Service Corporation, bought it.<sup>77</sup> Through R.P. Clark, a Vancouver financial house with a Kelowna branch, it sold stock. Both the American firm and R.P. Clark soon failed, likely victims of the Great Depression. Pemberton's acquired 97.5 percent of the stock of Okanagan Telephone and the Summerland and Revelstoke telephone companies. In May 1931, it formed Canadian Western Telephone Company, a wholly owned subsidiary of its holding company, the Canadian Public Service Corporation (CPSC).<sup>78</sup>

A year earlier, the CPSC acquired a "substantial interest" in West Canadian Hydro Electric.<sup>79</sup> Financed by Portland, Oregon, investors, it bought the electrical systems of Vernon and several other north Okanagan communities in 1928. Controlling interest soon passed to another American firm, which completed construction of a hydroelectric dam at Shuswap Falls and in June 1929 began delivering power to Vernon and nearby municipalities.<sup>80</sup> About nine months later, the CPSC acquired West Canadian Hydro; Pemberton's began selling its

<sup>77</sup> Michael Gourlie, "The Independent Telephone Industry in the Okanagan Valley, 1890-1966," *OHSAR* 59 (1995), 14-24.

<sup>78</sup> *Province*, 21 May 1931.

<sup>79</sup> *Courier*, 14 August 1930 and 28 May and 19 November 1931; *Sun*, 21 May 1931.

<sup>80</sup> *Province*, 19 March 1929; *Sun*, 26 February and 17 June 1929.

shares. In reporting West Canadian's first dividend, the *Sun* remarked that the shares were "fairly widely held" in the coast cities and in the Okanagan.<sup>81</sup> Pemberton's later wound up the CPSC and made Okanagan Telephone a subsidiary of West Canadian Hydro. Pemberton's managing director was vice-president of the reorganized company thus retaining the coastal influence.<sup>82</sup>

#### COMMUNICATIONS BETWEEN THE COAST AND THE OKANAGAN

Until the reopening of the Fraser Canyon toll road in 1927, people and goods travelled between the Okanagan and the coast by rail or by motor vehicle through the United States. The narrow and twisty Fraser Canyon road posed problems for large trucks and buses. Neither coastal nor Okanagan residents had much control over railways, which were operated by national corporations and governed by federal regulations. Except in national parks, highways were a provincial responsibility. Before 1941, there was much talk of improving road connections between the coast and the interior, especially by building a highway between Hope and Princeton, but little action.

Before radio was common, ideas and information circulated mainly through newspapers. The main Okanagan weeklies, although of high quality and frequent winners of national prizes, usually focused on valley news. The editor of the *Vernon News* admitted depending on Vancouver newspapers "for the news of the day and for leadership in thought."<sup>83</sup> The Vancouver daily papers occasionally advertised in the Okanagan and sometimes shared subscription deals with Okanagan papers.<sup>84</sup>

While the Okanagan may have been well informed about Vancouver, the reverse was not always true. During a ceremonial visit in 1921 Lieutenant-Governor W.C. Nichol, the owner of the *Province*, admitted that it was his first visit and expressed amazement at the Okanagan's difficulty in selling fruit and vegetables on the coast. The *Courier* noted "constant surprise" at "the insularity" of coastal residents. The *Province* referred to the long-awaited Canadian National Railway branch as the

<sup>81</sup> *Sun*, 31 March 1930 and 19 January 1931. For a time, the Public Service Corporation portfolio included a Vernon cold storage plant.

<sup>82</sup> *Province*, 5 July and 11 October 1938, 9 March 1940, and 18 September 1941. Penticton bought power in bulk from West Kootenay Power and Light and distributed it through a municipally owned system.

<sup>83</sup> *News*, 11 February 1926.

<sup>84</sup> *News*, 22 March 1928; *Kelowna Record*, 17 April 1919; *Courier*, 14 July 1921 and 16 March 1922.

Kamloops-Vernon line, ignoring that the new line ran from Vernon to Kelowna. A Vancouver cartographer made two gaffes. In 1937, the *Penticton Herald* commissioned a map of the proposed Hope-Princeton Highway and the Okanagan. His first effort omitted the Okanagan Lake; a "corrected" version had the lake, but the highway was on the wrong side.<sup>85</sup>

Despite such misinformation, the Vancouver dailies did not ignore the Okanagan. They had occasional features, such as a series of articles in the *Vancouver Sun* in 1912 that inspired better relations between Okanagan growers and Vancouver fruit dealers. From time to time, *Sun* and *Province* reporters toured the Valley and described its economy and tourist opportunities, and stringers contributed Okanagan news. The market pages reported on the state of crops and, seasonally, almost daily on the arrival of fruit and vegetables.<sup>86</sup> In the late 1930s, the *Province's* home economist held multi-day cooking schools in cooperation with Okanagan appliance dealers.<sup>87</sup>

The social columns of both coast and Okanagan papers had news of Okanagan residents holidaying on the coast and vice versa. Vancouver restaurants and hotels occasionally advertised in the Okanagan. Especially in the 1920s, first-class Okanagan hotels such as the Incola in Penticton and the Eldorado Arms at Okanagan Mission advertised in Vancouver.<sup>88</sup> The latter attracted many Vancouver guests.

Beginning in the 1920s, the Vancouver Rowing Club competed at the Kelowna Regatta; a decade later, the Vancouver Amateur Swimming Club entered swimming and diving events. Reflecting Okanagan hospitality, the athletes were billeted in private homes. In 1931, its silver jubilee year, the Regatta committee was disappointed when only a few members of the Vancouver Board of Trade accepted its invitation to attend.<sup>89</sup> Frequent Vancouver attendees included Colonel Victor Spencer of the department store family and a keen sportsman, F.W. Peters of the CPR, other Vancouver-based CPR and CNR executives, and Ralph Ismon, manager of American Can, for whom the Okanagan was important for business.<sup>90</sup> Other Vancouverites came to cheer their athletes and enjoy the ancillary concerts and dances. Vancouver reporters recorded regatta

<sup>85</sup> *Courier*, 4 August 1921, 21 May, 19 June, and 19 October 1919, and 28 October 1937.

<sup>86</sup> *Courier*, 22 April 1920, 21 July 1921, 16 March 1922, and 10 February 1927.

<sup>87</sup> *Courier*, 10 June 1937, 9 May 1940, and 17 April 1941; *Herald*, 4 June 1936 and 18 April and 2 May 1940; *News*, 18 April 1940.

<sup>88</sup> *Courier*, 14 July 1921. In its first few years, the Eldorado Arms had regular display advertisements in the *Sun* but later, seasonally, inconsistently, and only in classified ads.

<sup>89</sup> *Sun*, 23 July and 13 August 1931.

<sup>90</sup> *Province*, 9 January 1941.

results and wrote general articles about the Okanagan.<sup>91</sup> In sum, in commercial dealings and personal relations the business communities of Vancouver and the Okanagan had many interactions, of which those between the Vancouver boards of trade and their Okanagan counterparts and fruit growers are a detailed example.

#### THE VANCOUVER BOARD OF TRADE AND THE OKANAGAN

Knowing that a successful metropolis relied on the prosperity and goodwill of its hinterlands, the Vancouver Board of Trade had a keen, sometimes paternal, concern for the Okanagan. Board members toured the Valley, promoted apple sales through Apple Weeks, linked the regions through “Buy BC Products” campaigns; and, when an Okanagan fruit-marketing organization started to fall apart, helped to reconstruct it.<sup>92</sup> Despite efforts in Vancouver to promote the sale of Okanagan fruit through a successful National Apple Show in 1910 and adding “Okanagan” to grocers’ advertisements of fruits and vegetables,<sup>93</sup> Okanagan growers described Vancouver’s fruit and vegetable wholesalers, based mainly on Water Street, as “organized thieves who should be put in the penitentiary” for skinning the producer, squeezing consumers, and buying fewer Okanagan apples than Australia.<sup>94</sup>

In 1912, benevolent weather generated a bumper crop, especially of peaches and apples.<sup>95</sup> In a glutted market, prices were low. Ironically, there were too few peaches to meet the demand for what a Vancouver grocer advertised as “beautiful and luscious” Okanagan peaches. A shortage of pickers, overtaxed canneries, a lack of rail cars, and the dumping of American fruit had peaches rotting on the ground. President E.W. Mutch of the Penticton Board of Trade blamed the “disastrous” situation on the lack of a good marketing organization.<sup>96</sup>

Apples, “the king of fruits in the Okanagan,” had similar problems. The 1912 crop was the best ever in quality and quantity. While touring

<sup>91</sup> Bob Elson, *Province*, 2 August 1933; Torchy Anderson, *Province*, 3 and 4 August 1939; Hal Straight, *Sun*, 7 August 1941.

<sup>92</sup> See Margaret A. Ormsby, “Fruit Marketing in the Okanagan Valley of British Columbia,” *Agricultural History* 9, no. 2 (1935): 80–97; and David Dendy, “A Cent a Pound or on the Ground: Okanagan Fruit Growers and Marketing, 1920–1935” (MA thesis, University of British Columbia, 1981).

<sup>93</sup> Some examples are *World*, 11 January and 22 October 1909 and 28 and 29 September and 1 October 1910; *Province*, 18 and 23 September and 5 and 22 October 1910.

<sup>94</sup> *Saturday Sunset*, 22 and 29 October 1910.

<sup>95</sup> *World*, 29 June 1912; *Sun*, 7 and 18 May, and 6 July 1912; *Province*, 18 May, 24 July, and 3 September 1912.

<sup>96</sup> *Sun*, 13, 16, and 24 August 1912; *Province*, 9 and 28 August 1912; *Herald*, 20 December 1913.



the Okanagan, J.P. McConnell of the *Vancouver Sun* heard "not a good word" for Vancouver "middlemen" who favoured cheaper American imports. Vancouver wholesalers claimed to prefer local fruit but said some growers demanded such high prices that, despite tariff protection, they could not compete. Moreover, not all growers sorted, graded, packed, or labelled fruit properly, and some shipped small lots by costly express freight. Provincial Department of Agriculture officials noted what became a recurring theme – the absence of a central selling agency and price wars among growers.<sup>97</sup>

From its start in 1912, the *Sun* promoted ideas to expand Vancouver's economy and provincial development. It urged Vancouver merchants to "take steps to make [the Okanagan] tributary to Vancouver." The Progress Club, a booster organization that believed the city depended on "the country behind it" for "its prosperity and material gain," was already doing this. E.S. Rowe of the Progress Club found in the interior "a well defined feeling ... that on the Coast they were so prosperous ... they did not give any consideration to the interests of interior points."<sup>98</sup> With the Board of Trade, Rowe organized an expedition that set a pattern for later tours and promoted interaction. Twenty-seven Board members from Vancouver and New Westminster, including W.H. Malkin and F.R. Stewart, a fruit wholesaler, arrived in Vernon in October 1912. They travelled by private rail car to Vernon, went by car to Kelowna, and by steamer or road to Penticton. The rail car, their hotel, was barged down the lake. At each centre, local boards greeted them, showed them the countryside and packing and canning plants, outlined successes and problems, and noted the need for cooperation with the coast.

The visitors attended the opening of the Okanagan Apple Show; discussed publicity and a provincial board of trade with delegates from Kamloops, Revelstoke, Penticton, and Vernon; and considered fruit marketing. Admitting the need for centralized selling, growers asserted that "the country is clogged with fruit." Thomas Bulman, head of a Kelowna packing house, complained of dealers buying fruit outright when prices were rising but only on consignment when they were falling. Stewart replied that wholesalers preferred Okanagan fruit, but consumers wanted it earlier in the season and bought cheap fruit dumped on the market by Washington orchardists. Stewart recommended planting fewer peaches

<sup>97</sup> *Province*, 21 September and 8 October 1912; *Sun*, 24 and 26 September and 1, 2, 7, 8, and 11 October 1912; *Courier*, 24 October 1912; Stuart Wade, "The Markets for Our Fruit," *British Columbia Magazine*, April 1913, 221; *Saturday Sunset*, 5 October 1912.

<sup>98</sup> *Sun*, 30 September 1912; *News*, 8 August 1912; *Vancouver Daily News-Advertiser*, 2 October 1912.

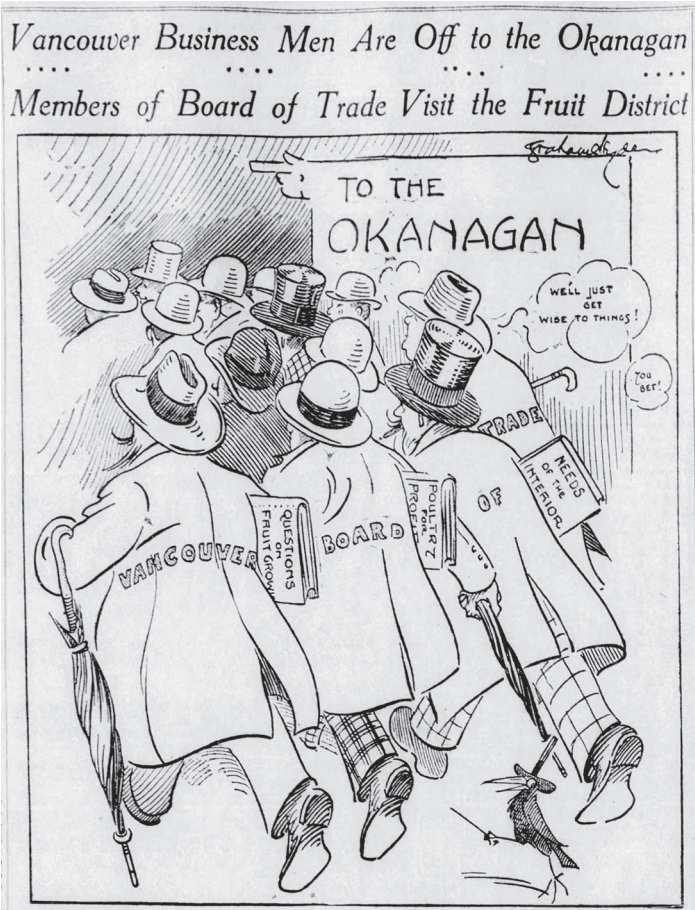


Figure 3. The recently established *Vancouver Sun* keenly supported the Vancouver Board of Trade and its efforts to promote trade with the Okanagan. Source: *Vancouver Sun*, 23 October 1912.

and more good-keeping apples. No matter what, he admonished, fruit must be carefully graded and packed. W.C. Ricardo of the Aberdeen Ranch agreed that growers must organize to sell their crops but that wholesalers must be fair. In Penticton, where peaches were important, the Vancouverites heard of the need for canneries and a marketing organization.<sup>99</sup>

<sup>99</sup> *Province*, 23, 24, and 25 October 1912; *Courier*, 31 October 1912; *News*, 24 and 31 October 1912.

The *Kelowna Courier* called the visit "a decided success"; the *Vernon News* thought it a move "in the right direction." While being "nearly killed ... with kindness," the Vancouverites learned of the Okanagan's "wonderful possibilities" and the likelihood of an "amicable settlement" of the "trouble" between growers and dealers. They saw a fundamental problem: "Every grower pays extreme attention to production, but fewer watch the market end of it."<sup>100</sup>

Nothing seems to have come from a Vancouver board's idea of establishing a shipping and selling organization. With the moral and financial assistance of the provincial government, some growers organized the Okanagan United Growers (OUG), a cooperative, as a central fruit- and vegetable-selling agency. For over a decade, it had good years when crops were average and prices good, but grower participation gradually faded. The provincial Department of Agriculture encouraged the industry to pay attention to packing and grading. Not all growers did, and some, hoping for a higher price, held fruit back until it became unsaleable.<sup>101</sup>

Depression, the First World War, and perhaps a belief that all was well in the Okanagan because a "superior class of settlers" had learned cooperation in packing, transportation, and marketing, delayed the Vancouver Board's return until October 1919.<sup>102</sup> In Vernon, Dr. K.C. Macdonald, MLA, called for forgetting past prejudices. He explained, "You provide a market for our produce and we will buy your manufactured goods." Chris Spencer, of Spencer's Department Stores and president of the Vancouver Board, assured his hosts of "heartly co-operation" now that they understood their needs and suggested the public should be informed of when to expect different apple varieties. A.S. Brenchley, a fruit wholesaler, promised to help to build up the market. Mayor D.W. Sutherland of Kelowna echoed the *Courier's* remark that the visitors were "the men from whom we buy our commodities and they are the men to whom we want to sell our produce."<sup>103</sup> From Penticton, the party went to Oliver and Osoyoos where the provincial government was

<sup>100</sup> *Courier*, 31 October 1912; *News*, 31 October 1912; *Province*, 26 October 1912; *World*, 26 October 1912; *VBTAR*, 1912-13, 41-42.

<sup>101</sup> *Herald*, 16 May 1914; "History of Associated Growers of British Columbia," Greater Vernon Museum and Archives, Finding Aid, memorybc/ca/associated-growers-of-b-c-fonds; *World*, 3 October 1919; *Province*, 22 January, 24 July, and 13, 20, and 25 August 1919; *News*, 23 October 1919.

<sup>102</sup> The *News* reprinted this "pleasing reading" (23 January 1919); *Province*, 20 January 1919. On the nature of pre-1914 British settlement, see, for example, Jean Barman, *Growing Up British in British Columbia: Boys in Private School* (Vancouver: UBC Press, 1984), 19-20.

<sup>103</sup> *Courier*, 2 and 9 October 1919; *World*, 9 October 1919; *Province*, 8 and 9 October 1919.

installing irrigation to prepare for a Soldiers' Settlement.<sup>104</sup> President H.B. Morley of the Penticton Board warned that the new settlers would trade with nearby Oroville, Washington, unless Vancouver merchants made Penticton a distribution centre.<sup>105</sup> Penticton had a direct rail link to Vancouver via the CPR's Kettle Valley line.

Expedition members called the trip "a grand success." They noted the Okanagan's need for irrigation and a road to the coast, but there is no evidence of their doing anything in response. The Board, however, did organize a provincial conference of boards of trade and chambers of commerce. There, Mayor R.H. Gale's admission that Vancouver could "only grow with the co-operation and assistance of the different parts" drew cheers.<sup>106</sup> Similarly, attendees applauded the call of F.B. Cossitt, a Vernon fruit grower, for Vancouver people to support home industries and products when possible.<sup>107</sup> Nevertheless, some Okanagan residents resented the "pompous excursions" of coast businessmen "patronizingly 'discover[ing]' the great interior."<sup>108</sup>

The Vancouver Board did not fully understand the Okanagan's needs. Early in 1922, it agitated for an end to anti-dumping duties. Okanagan boards sent a "missionary band" to Vancouver to explain how the duties saved "disaster" by giving some protection from American competition. The missionaries "bluntly" told the Vancouver Board that it had "evidently overlooked the fact . . . that Vancouver was but a small portion of the whole province." The Vancouver Board responded with support to protect the industry from "unfair competition," without specifically naming dumping duties. It instructed its president, then in Ottawa lobbying for its end, to inform the minister of customs of its sympathy for the Okanagan.<sup>109</sup> Through Senator Hewitt Bostock, a fruit grower at Monte Creek near Kamloops, an Okanagan delegation saw several cabinet ministers in Ottawa and asked them to undo "the work which had been done." The federal budget, however, dropped the duties. After a protest, the federal government applied them to onions and peaches. The Ottawa trip was not a complete loss. The growers secured a change in apple grades from Number 1, Number 2, and Number 3 to Extra Fancy,

<sup>104</sup> See James Murton, *Creating a Modern Countryside: Liberalism and Land Resettlement in British Columbia* (Vancouver: UBC Press, 2007), 145–64.

<sup>105</sup> *World*, 11 October 1919; *Province*, 9 and 11 October 1919.

<sup>106</sup> *Province*, 9 and 13 October 1919 and 4 February 1920; *Sun*, 14, 15, and 17 October 1919.

<sup>107</sup> *Province*, 4 and 5 February 1920; *Sun*, 5 and 7 February 1920; *World*, 5 and 6 February 1920.

<sup>108</sup> *Courier*, 6 May 1920.

<sup>109</sup> *Courier*, 23 February and 2 March 1922; *News*, 2, 9, and 23 February 1922.

Fancy, and Choice, the American terminology, to compete better with American fruit.<sup>110</sup>

#### PROMOTING SALES AT THE COAST

In 1922, the Okanagan experienced "the largest ever" crop, especially of apples and peaches. It was not a blessing. In 1921, growers received an average of \$1.26 a box for apples; in 1922, eighty-eight cents. The provincial government's district horticulturalist blamed "chaotic" market conditions, particularly on the Prairies, where shippers and growers sent fruit on consignment.<sup>111</sup> Worried about the surplus and buoyed by cooperation on the anti-dumping duty, the Okanagan boards of trade asked the Vancouver Board to help sell their fruit. The response was an invitation to a dinner meeting of the BC Products Bureau. There, Thomas Bulman contended that "Vancouver, population considered, was the Okanagan's worst customer," while the Okanagan, which bought lumber for fruit boxes and other purposes, was "a very good customer to Vancouver."<sup>112</sup> Okanagan representatives asked wholesalers to prefer BC apples when available. The wholesalers present conceded that most problems with Okanagan producers had been resolved, but other wholesalers had links with Washington State. The Okanagan delegates, however, found "a much more friendly feeling" with the coast, especially since the wholesalers joined the Products Bureau in organizing a "BC McIntosh Red Apple Week."<sup>113</sup>

Apples began "rolling in." Organizers set the prices for growers, jobbers, retailers, and consumers. Streamers decorated streets, street cars, and drays; stores showcased McIntosh apples; and apples appeared at service club lunches. In telling a New Westminster audience of its "duty" to buy Okanagan fruit," J.E. Reekie of East Kelowna cited the Okanagan's annual purchase of about 25 million feet of box lumber

<sup>110</sup> *Courier*, 23 March and 21 September 1922; *News*, 2 March, 1 and 8 June, 6 July, and 14 September 1922.

<sup>111</sup> British Columbia, Department of Agriculture, *Annual Report, 1922* (Victoria: King's Printer, 1923), W7-8, W19, and W33.

<sup>112</sup> *Courier*, 5 October 1922. When Okanagan growers imported three carloads of American box shoo (the pre-cut lumber from which fruit boxes were assembled.), the Products Bureau warned it would harm the sale of their fruit. It was mollified by learning that the boxes, a tiny part of the million required annually, were ordered through a BC firm (*Courier*, 2 June 1921). In 1923, the Penticton Co-operative Growers ordered box shoo from Calgary when the local mill had no orders. Even if the Calgary price was lower, the *Herald* said growers should have bought at home (2 May 1923). The Okanagan had its own lumber industry and produced much of the wood required for fruit boxes and railway ties.

<sup>113</sup> *Herald*, 30 September 1922; *Courier*, 28 September and 19 October 1922; *News*, 5 October 1922.

**Best for Dessert**

**I**F O.K. apples were used for nothing else than table decoration they'd be worth the money. But you get heaps of health and enjoyment, too. It pays to be particular and say "O.K." brand to your grocer—then you're safe. Phone an order to him today.

*At all good grocers—  
the economical way is  
to buy by the box.*

Associated Growers  
of British Columbia,  
Limited

*There's a variety for every need*

Figure 4. As a central selling agency, Associate Growers could afford attractive advertising. *Source: Vancouver Sun*, 4 November 1924.

from the coast and its likely buying of about forty-five carloads of goods from New Westminster's new paper mill. Yet only about a quarter of an expected fifteen thousand boxes were sold. Some growers had flooded the market with poor quality but cheap apples. Organizers were consoled by the sale of more apples than usual, the introduction of Okanagan apples to new consumers, and better relations with Water Street.<sup>114</sup>

<sup>114</sup> *Courier*, 5 and 12 October and 2 November 1922; *Herald*, 4 October 1922; *Sun*, 18 October 1922; *News*, 26 October 1922 and 8 March 1923.

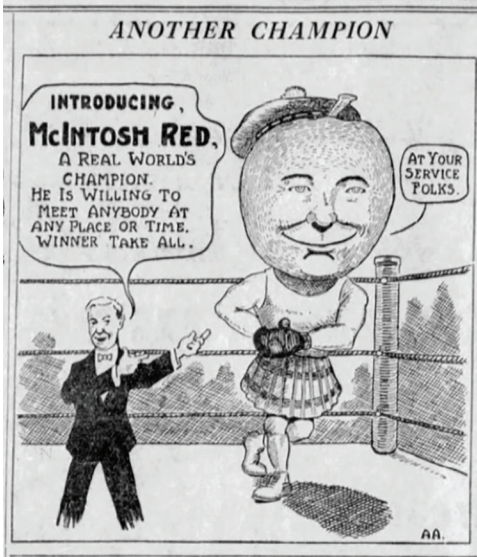


Figure 5. The McIntosh Red was a very popular variety. Source: *Vancouver Daily Province*, 27 September 1926.

The 1922 Apple Week was intended as a one-time event, but, in 1925, the Products Bureau assisted with an annual National Apple Week initiated by the federal Department of Agriculture and the Canadian Horticultural Council.<sup>115</sup> In early October 1926, the Associated Growers sponsored a well-publicized week featuring the McIntosh Red. An independent shipper undercut prices by sending “off grade” apples, but wholesalers reported high demand; an early estimate suggested about thirty-two thousand boxes were sold.<sup>116</sup> At the end of October, Vancouver participated in National Apple Week with promotions that included restaurants featuring apples. Products Bureau representatives spoke to service clubs, schools, and on the radio.

The high demand for apples soon fell off but promotions continued. An Okanagan grower had convinced Mayor L.D. Taylor of Vancouver to have a reprise of the successful 1910 Apple Show as part of the Vancouver Exhibition Association’s Winter Fair. Unfortunately, it drew few visitors. Even growers who won cash prizes were out of pocket.<sup>117</sup> Apple Weeks became too much of a good thing. The Products Bureau participated in National Apple Week in 1927, but, as interest waned, National Apple Week was discontinued.<sup>118</sup>

<sup>115</sup> *Province*, 27 October 1925; *Sun*, 23 October 1925; *Courier*, 10 September 1925.

<sup>116</sup> *Courier*, 7 October 1926; *Province*, 2 October 1926.

<sup>117</sup> *Courier*, 30 September, 7 October, and 4 November 1926; *News*, 16 and 23 December 1926; *Province*, 29 October 1926; *Sun*, 2 November 1926.

<sup>118</sup> *Province*, 4, 12, 20, and 25 October 1927; *Sun*, 5 October and 18 November 1927.



Figure 6. Vancouver newspapers supported apple sales by such means as front page cartoons. *Source: Vancouver Daily Province*, 4 November 1930.

## COOPERATIVE MARKETING

Earlier, in seeking a solution to marketing problems, *Farm and Home*, a weekly newspaper published in Vancouver, invited Aaron Sapiro, a California promoter of agricultural cooperatives, to British Columbia. Representatives of the Products Bureau and wholesalers attended his public meeting in Vancouver. There, and at packed meetings in Penticton, Kelowna, and Vernon, Sapiro promised that cooperative marketing could make BC farmers as prosperous as California raisin producers. At the conclusion of the Kelowna meeting, Board president W.E. Adams read a telegram from the Vancouver Board offering full support "for any movement" following Sapiro's visit and inviting a "strong committee" of Okanagan businessmen to discuss ways "of increasing co-operation between the Coast and the Valley." The Vancouver Board believed a marketing organization could solve this "vexing" marketing problem. It offered no details save that "influential" commercial and financial men could give "expert advice" on the OUG's financial problems.<sup>119</sup>

Instead, growers, who were planning a new organization invited a Vancouver delegation to the Okanagan. Among the delegates was G.F.

<sup>119</sup> *Sun*, 4, 11, and 14 January 1923; *Courier*, 11 January 1923; *Province*, 5 January 1923.



Gyles, a chartered accountant, who advised how a holding company could take over existing marketing associations and finance them through debentures to be paid off by a five-cents-a-box assessment. He stressed that 85 percent of the growers must subscribe and sign a five-year contract to give security to investors. E.R. Wollaston, chair of the OUG, thanked the visitors for assisting with "the biggest step in co-operation between the country and the city in the history of the province."<sup>120</sup>

The Vancouver committee named A. Melville Dollar, manager of the Vancouver office of his family's ocean shipping firm, to represent it. Over four days in Vancouver, representatives of the Board and of Okanagan growers and shippers discussed financial arrangements. Malkin's wholesale house and Woodward's Department Store, which had a huge grocery department, advertised the formation of the new central selling agency, which became the Associated Growers of British Columbia (AGBC) with its head office in Vernon. Plans were made to absorb the OUG. Reports of the percentages in number and tonnage of the growers who joined varied.<sup>121</sup>

Meanwhile, the Products Bureau encouraged the Okanagan to buy BC products. During BC Products Week, retailers, wholesalers, and manufacturers promoted local products to develop local industry.<sup>122</sup> The first such week occurred in Vancouver in June 1922 and was followed immediately by a campaign in the Okanagan, where B.A. McKelvie, that year's campaign manager, made a "flying tour" and spoke to the Women's Institute convention in Kelowna.<sup>123</sup> While passing through Penticton, he told the *Penticton Herald* that, as the principal purchasers of foodstuffs, "women of the cities ... largely control the success of agriculture."<sup>124</sup> The next year, the campaign in the Okanagan was expanded. The *Herald* published an article on "Buy BC Products" by Colonel W.B. Foster, then manager of the campaign. Mrs. W.D. Todd, a member of the executive of the Vancouver Island Women's Institutes, told Institutes at Penticton and Kelowna how women could develop provincial industry. She claimed that Vancouver and Victoria women had pledged to buy only Okanagan fruit and berries.<sup>125</sup>

<sup>120</sup> *Province*, 20 and 23 January 1923; *Herald*, 24 January 1923.

<sup>121</sup> *Sun*, 24 January and 2 February 1923; *Province*, 9 and 16 February 1923; *Herald*, 2 April and 23 May 1923; *Courier*, 22 and 29 March, 5 and 12 April, and 17 May 1923. They organized as the Co-operative Growers, but a similar name was already registered, so the Registrar of Companies required a change (*Courier*, 29 March 1923).

<sup>122</sup> *World*, 9 June 1922.

<sup>123</sup> *Sun*, 12 June 1922; *News*, 29 June 1922.

<sup>124</sup> *Herald*, 21 June 1922.

<sup>125</sup> *Herald*, 6 June 1923; *Courier*, 31 May 1923. Foster wrote her speech.

Any goodwill engendered by BC Products Week was soon in peril. In July 1923, the *Province* reported that Water Street merchants were advising housewives to buy apricots for canning now as prices would soon rise. Okanagan growers were upset: their apricots had not yet come to market. "A storm of protest" reflected an impression in the Okanagan that "Buy BC Products" meant "Buy Vancouver Products." In defence, the Products Bureau said that it could not control the press but had circulated leaflets indicating when BC fruit should be available, advertised BC fruit, and distributed five thousand copies of a BC fruit cookbook. The Bureau asked growers to "provide their best, keep the market supplied and present it in a uniform and attractive manner." The *Province* agreed not to publish similar articles, to "go the limit" to sell Okanagan fruit, and to urge people to wait for BC fruit, if they knew when to expect it.<sup>126</sup>

Wholesalers said they could sell all the apricots Okanagan growers offered if quality and price were right. Alas, the first carload came several days late. The quality was good but dealers, who had stopped ordering American apricots, could not get information about future shipments. Then, the AGBC advised that the price was \$1.25 a crate for No. 1 grade and 90 cents for No. 2, plus freight. California apricots were being dumped in Vancouver at one dollar a crate. The Prairies offered better prices, so Okanagan growers stopped shipping to Vancouver.<sup>127</sup>

In Vernon, Dollar found much "bitterness." After he explained the dealers' position, the AGBC admitted it was partly at fault. By then, the apricot issue was moot as nearly the whole crop had been sold. There was, however, controversy over the number of boxcars of peaches ordered and those actually shipped. The AGBC's sales manager admitted that the Okanagan grew too few apricots and peaches to supply the Vancouver market; he would focus on the Prairies.<sup>128</sup>

While restoring "peace," Dollar had an AGBC representative discuss marketing fruit, especially apples, with the Water Street dealers, the Board of Trade, and the Products Bureau, who again stressed the need to ship only good-quality, properly graded fruit of the better-keeping varieties, and to deliver when promised. The AGBC agreed to publish estimated delivery dates. Both parties recognized the need to advertise

<sup>126</sup> *Province*, 19 July 1923; *World*, 19 July 1923; *Herald*, 21 and 25 July 1923; *Courier*, 26 July and 9 August 1923; *News*, 9 August 1923.

<sup>127</sup> *World*, 24 and 28 July and 2 and 8 August 1923; *Province*, 25, 26, 27, and 31 July and 1 August 1923.

<sup>128</sup> *Sun*, 12 August 1923; *Herald*, 17 November 1923; *Province*, 18 August 1923 and 12 January 1924. The *Herald* feared that, if abandoned, it might be difficult to recover the coastal market after the Oliver and Osyoos orchards came into full production (21 November 1923).

and urged businesses to stamp the slogan "Buy More BC Fruit" and the image of a red apple on envelopes and letterheads.<sup>129</sup>

While conceding misunderstandings, Dollar stressed that the AGBC must decide if it wanted the coast market. The AGBC's position was not "enviable": it operated on borrowed money and needed funds to advertise and to develop the British market. Nevertheless, it donated to the Products Bureau as thanks for its work. Yet, while appreciating Dollar's "valuable aid," the *Vernon News* complained that many coast residents thought that Vancouver was the Okanagan's major market whereas it usually took less than 10 percent of the apple crop.<sup>130</sup> The effective opening of the Panama Canal after the war made it possible to ship Okanagan apples to the United Kingdom via Vancouver, although most shippers preferred the faster rail route to an Atlantic port and then across the ocean, which, given anomalies in freight rates, could be cheaper.<sup>131</sup>

With the "largest and finest yet" apple crop in 1923, the AGBC, believing it had signed up 85 percent of the tonnage, was optimistic. The jobbers agreed to deal exclusively with it, if its prices were competitive. When independents shipped apples at a lower price, Dollar and the AGBC intervened. The dealers agreed not to accept fruit on consignment and only to import varieties of fruit that were not grown in the Okanagan or that were seasonally unavailable. The AGBC held the McInstoshes back until the less popular Wealthies were mostly sold, and it sold some Jonathans at cost price to make space for later varieties.<sup>132</sup>

Low prices on the Prairies because of a heavy American crop added to the AGBC's woes. The average net return of about fifty cents a box was higher than in 1922 but still below production costs. Members disliked its slow payments and high overhead and suspected that some independents got higher prices. Moreover, orchards that changed hands were released from their five-year contracts. Some new owners and some

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<sup>129</sup> *Province*, 9 August 1923; *News*, 9 August 1923; *Herald*, 15 and 29 August and 19 September 1923; *Sun*, 12 and 23 August 1923.

<sup>130</sup> *Herald*, 17 November 1923; *Province*, 16 November 1923; *Sun*, 16 November 1923; *News*, 29 November 1923.

<sup>131</sup> In 1931, 353,782 boxes of apples were shipped to the United Kingdom via Atlantic ports and only 152,348 via Vancouver. In 1934, 500,000 boxes of Okanagan apples were shipped from New Westminster and 171,000 from Vancouver, mostly to the United Kingdom (*News*, 11 August 1932; *Sun*, 27 April 1935). In 1933, the Vancouver Harbour Commissioners called for tenders for a cold storage plant capable of holding fifty thousand boxes of apples. The plant was not built, likely the result of the Depression. (*Courier*, 15 June 1933; *Province*, 10 June 1933).

<sup>132</sup> British Columbia, Department of Agriculture, *Annual Report*, 1923, 124 and 156; *Herald*, 10 and 17 November and 8 December 1923; *Province*, 16 November 1923; *Sun*, 16 November 1923.

“disloyal” AGBC members became independents.<sup>133</sup> That weakened efforts to stabilize the market.

To prepare for the next season, the AGBC appealed to Vancouver for help. Warning of a “real danger” of dissolution, Dollar had a Vancouver team, including E. Fraser and A. Brenchley, fruit wholesalers, speak to growers to encourage at least 80 percent of them to sign contracts. Seven hundred attended in Penticton, four hundred in Kelowna. Meetings were also held in Summerland, Vernon, and Salmon Arm. The messages were similar. President A.T. Howe of the AGBC thanked the Vancouverites for past help, admitted learning from mistakes, and attacked non-members as “competitors” who demoralized the market by bringing Macs to market before the Wealthies were sold. Dollar advised that the banks would advance funds for earlier payments to growers but probably not to finance marketing costs or individual growers. Brenchley said the wholesalers preferred to buy from the AGBC, but independents often offered lower prices. He repeated admonitions about too many varieties.<sup>134</sup>

The campaign succeeded. Growers responsible for 83 percent of the tonnage signed on.<sup>135</sup> Yet they still thought the coast was biased against their fruit; coast consumers complained of wanting Okanagan fruit but not being able to get it. “Probably both are partly right and both partly wrong,” concluded the *Vernon News*, as it urged growers to advertise when fruit was available. In September, the AGBC advertised “OK Apples,” its brand, in the *Sun* and the *Province*. One ad described varieties of apples, their seasons and uses, and had recipes from the Hotel Vancouver’s chef.<sup>136</sup> With money from the bank, the AGBC paid soft fruit producers soon after the season closed. The 1924 apple crop was smaller than in 1923 but prices were better. As well, the AGBC secured provincial legislation that validated the five-year contracts. Growers did not get rich but made a profit. About this time, Dollar retired as liaison.<sup>137</sup>

The marketing problem had not been solved. In 1926, some independent growers flooded the Prairie market with apples sold at “ridiculously low prices.”<sup>138</sup> Poor weather that delayed the Prairie harvest

<sup>133</sup> *Sun*, 25 March 1924; *Province*, 25 January and 26 and 27 March 1924. One estimate was about forty cents for a box that cost eighty cents to produce.

<sup>134</sup> *Courier*, 3 and 10 April 1924; *Province*, 9 March and 1, 4, 8, 9, and 10 April 1924.

<sup>135</sup> *Province*, 14 May 1924.

<sup>136</sup> B.W. Dafeo, “Notes from the Okanagan,” *Province*, 3 July 1924; *News*, 24 July 1924; *Sun* and *Province*, 11 September 1924.

<sup>137</sup> *Province*, 23 September, 16 and 23 October, and 4 December 1924 and 3 and 22 January 1925; *Sun*, 17 November 1923; *News*, 27 November 1924.

<sup>138</sup> *Courier*, 4 November 1926.

discouraged sales and exacerbated the problem. After much discussion over the advisability of compulsion, the 1927 BCFGAs provincial convention called on the provincial government to set up a "Committee of Direction" to control "100 per cent" of the shipping of the 1927 tree fruit and vegetable crop.<sup>139</sup> Despite the opposition of most of the cabinet, save Agriculture Minister E.D. Barrow, and warnings that such a law would be ultra vires, the legislature passed the *Natural Products Marketing Act*. Not only did the new law fail to solve the problem, but in 1931 it was declared beyond the government's legal authority (ultra vires).<sup>140</sup>

The Vancouver Board had not forgotten the value of interacting with the Okanagan business community. In August 1926, about forty excursionists enjoyed generous hospitality and stressed their "brotherly interest" in the Okanagan. W.H. Malkin urged thinking of British Columbia "as a whole" and not confining "energies to parochial efforts." Mayor L.L. Stewart of Vernon called his city a "Garden of Eden"; other Vernon citizens urged Vancouver to buy more BC fruit. In Kelowna, the speeches were a love feast. President W.R. Trench of the Kelowna Board expressed pride in Vancouver's emergence as one of Canada's "most important ports" and noted the "mutual benefit" of its manufactures and Okanagan products. Vancouver mayor L.D. Taylor underscored the visit's educational value when he admitted that it was his first time in the Okanagan.<sup>141</sup> The *Province's* Kelowna correspondent claimed "assurances of big brotherliness" and gave "a sense of satisfaction to those struggling with local difficulties." In Penticton, the guests promised to assist "in every effort you are making to distribute your products" and left enthusiastically "boosting Okanagan fruit." President F.E. Burke of the Vancouver Board believed they were now "fully cognizant" of the Okanagan's problems and importance to the province and had demonstrated that Vancouver was not "out 'to hog it all.'"<sup>142</sup>

<sup>139</sup> *Courier*, 13 January 1927.

<sup>140</sup> Mark Cox, "Innovation on Trial: British Columbia Fruit Growers and the Rise and Retreat of Regulation, 1923–1931," in *Canadian Papers in Business History*, ed. Peter A. Baskerville (Victoria: University of Victoria Public History Group, 1993), 123–46.

<sup>141</sup> *News*, 19 and 26 August 1926; *Province*, 20 and 23 August 1926; *Courier*, 26 August 1926.

<sup>142</sup> *Province*, 26 August and 5 September 1926; *Herald*, 26 August and 2 September 1926.

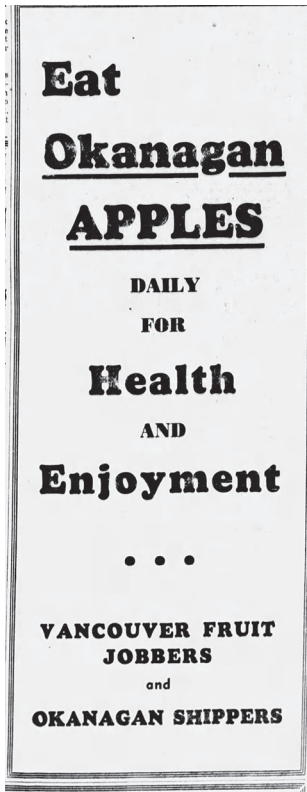


Figure 7. Promoters of apple sales took advantage of the common belief that apples were good for health. *Source: Province, 22 January 1938.*

#### PROMOTING TRADE IN THE DEPRESSION

The 1930s were difficult. The Great Depression severely curtailed Prairie markets and constitutional questions complicated marketing legislation.<sup>143</sup> Apple growers protested marketing problems and low prices with the slogan, “A cent a pound, or on the ground.”<sup>144</sup> With the coast also suffering, promoting BC products became more important. The Products Bureau sponsored BC Products Weeks in the Okanagan and elsewhere. Merchants displayed BC products in their stores and advertisements. Okanagan newspapers, encouraged by display advertisements for coastal products as varied as roofing and mattresses, promoted the BC Product Weeks editorially by suggesting that supporting them would reciprocate for Vancouver’s support of Apple Weeks. Bureau representatives, aware of anti-Vancouver sentiment, stressed that

<sup>143</sup> See Ormsby, “Fruit Marketing in the Okanagan Valley,” 80–97; and Ormsby, “Agricultural Development in British Columbia,” *Agricultural History* 19, no. 1 (1945): 17–18.

<sup>144</sup> Margaret A. Ormsby, *Coldstream Nulli Secundus: A History of the District of Coldstream* (Vernon: District of Coldstream, 1990), 69–72.

they did not promote only Vancouver products. If suitable BC products were not available, consumers should choose products from elsewhere in Canada or, failing that, the British Empire.<sup>145</sup>

When A.C. Foreman of the Products Bureau was in the Okanagan in November 1937 to promote BC Products Week, he "got an earful" of complaints "about Vancouver's non-support of the Okanagan Valley."<sup>146</sup> Plans for an Apple Week in association with Vancouver's 1937 Winter Fair had not come to fruition. The BCFGF and the BC Tree Fruits Board, an agency recently created under provincial marketing legislation, however, cooperated with Vancouver's Local Council of Women to have Alice Stevens, a Vernon home economist, speak in Vancouver on cooking with apples. The Board sent three hundred boxes of apples to the Fair and worked with Vancouver brokers to establish a "one desk" brokerage office to avoid duplicating efforts.<sup>147</sup>

In cooperation with the Tree Fruits Board and the Products Bureau, Foreman quickly organized an Apple Week for January 1938. Mayor George Miller of Vancouver declared that Vancouver citizens always desired to assist "their friends in the Okanagan in any way possible." The Vancouver Board advised retailers that "Okanagan growers purchase practically all their requirements" from coastal manufacturers and wholesalers. Advertisements from suppliers of boxes, labels, fertilizer, and other products used by the fruit industry accompanied a *Province* article on Okanagan purchases. Suppliers on the coast and in the Okanagan sponsored a full-page ad in Vancouver daily newspapers with recipes using apples and an article, based on information gathered by BC Tree Fruits' accountant, showing that "85 cents of every dollar" in the Okanagan found its way to Vancouver. The *Kelowna Courier* expected the Week to show Vancouver "that the Okanagan is a necessary adjunct to the coast metropolis" and to be a "great impetus" to sales. Apple Week almost tripled sales and good sales continued. In reporting on poor nation-wide sales because of an influx of citrus fruit during the duty-free winter months, the *Courier* saw Vancouver as the "only bright spot in the picture." Apple Week was repeated in 1939 with the slogan, "Eat the Okanagan into prosperity."<sup>148</sup>

<sup>145</sup> For example, *Courier*, 30 April 1931, 16 and 23 November 1933, 19 November 1936, 11 and 18 November 1937, 10 November 1938, 4 April 1940, and 22 April and 1 May 1941; *News*, 12 November 1936, 11 and 18 November 1937, and 7 March 1940; *Herald*, 10 November 1932, 9 November 1933, and 4 April 1940.

<sup>146</sup> *Courier*, 23 December 1937.

<sup>147</sup> *Courier*, 2 and 23 December 1937; *News*, 2 and 23 December 1937.

<sup>148</sup> *Courier*, 13, 20, and 27 January and 10 February 1938; *Province*, 18, 22, and 31 January and 15 February 1938; *Sun*, 22 January 1938 and 21 and 28 January 1939.

Apple Week was especially important in 1940 and 1941 because the European war sharply reduced the British market.<sup>149</sup> In opening the 1941 Week, Vancouver mayor J.W. Cornett, after asserting that the Okanagan bought 90 percent of its supplies from the coast, declared, “the more apples we eat, the more we help ourselves.” The campaign was extended to New Westminster and Powell River and, to a lesser extent, Victoria and Nanaimo.<sup>150</sup> The thirty-three thousand boxes sold in 1940 were a tiny portion of the stock on hand, but Okanagan newspapers praised the friendly reciprocal relationship, a point reinforced when Vancouver retailers promoted the sale of other fruit, especially peaches. Sales were only slightly over those of the previous year, but the Products Bureau was pleased to see apples replacing imported citrus fruit.<sup>151</sup>

#### VANCOUVER BOARD OF TRADE EXCURSIONS

After their 1926 excursion, the Vancouver Board did not visit the Okanagan for another decade as its annual tours went to other provincial hinterlands. Labour unrest in Vancouver and a pending federal election cancelled a planned 1935 trip.<sup>152</sup> Many of the fifty excursionists in 1936 were first-time visitors. President Richard Peters of Vernon’s Board described local products and told how the Okanagan contributed to the provincial economy by buying supplies, shipping freight, and employing labour. He drew laughter with a comment about “a hell of a lot of resistance to trade with Vancouver.” President J.W. McCarter of the Vancouver Board admitted, “we in Vancouver must help Vernon and the Okanagan and the entire interior in order to help ourselves.” Similar ideas appeared in Kelowna, where Mayor O.L. Jones asked the visitors to buy Okanagan tomato juice, whose market was constrained by eastern competitors. In Penticton, which was anxious for the Hope-Princeton Highway, Reeve Morley welcomed “close business relations with Vancouver.” Overall, the *Herald* concluded, Vancouver’s viewpoint

<sup>149</sup> In 1940, each apple-producing province received a quota for shipments to Britain. When Nova Scotia had a poor crop, the Okanagan got a share of its quota (*Herald*, 15, 22, and 29 February and 21 March 1940).

<sup>150</sup> *Nanaimo Free Press*, 30 January 1941.

<sup>151</sup> *Province*, 2 and 19 January and 6 February 1940 and 30 January and 3 March 1941; *Sun*, 3 and 20 January and 9 February 1940 and 5 February 1941; *Herald*, 11 and 25 January 1940; *News*, 22 and 29 February and 7 March 1940; *Courier*, 29 February and 26 September 1940.

<sup>152</sup> *Province*, 5 June and 13 July 1935; *News-Herald*, 24 July 1935; *Sun*, 16 August 1935.



was "widening beyond the narrow geographical limits of their city ... They do us good. We know our valley will do them good."<sup>153</sup>

Similar themes emerged in 1937 when Vancouver's Junior Board of Trade included the Okanagan in its "See BC First Tour."<sup>154</sup> In Vernon, Vancouver alderman Halford Wilson proclaimed that "Vancouver payrolls in many industries are directly dependent on the Interior" and hoped that the Okanagan would ship exports through Vancouver. A framed picture of Vancouver's harbour, the Board's gift to its hosts, underscored the point. In Kelowna, the hosts showed their concern for roads by giving the visitors picks and shovels to work on the road that they were voluntarily building on the east side of the lake to Naramata. In Penticton, the need for the Hope-Princeton Highway to provide a link to Vancouver was again an overriding theme. The tour by automobile demonstrated how roads discouraged "all but the seasoned traveller."<sup>155</sup>

In his welcoming speech, W.A.C. Bennett, president of the Kelowna Board, declared: "Vancouver is the industrial capital and Victoria is the political capital of British Columbia." To illustrate the interior's value to the coast, Mayor Jones cited a Kelowna cannery that annually bought \$65,000 worth of supplies in Vancouver but only sold \$5,000 to \$10,000 of its output there. Grote Stirling, member of Parliament for Yale, agreed that "the interior needs Vancouver and Vancouver needs the interior." The Vancouver visitors enjoyed a visit to the Calona Winery where Cap Capozzi, who hoped to expand his market on the coast, was a generous host.<sup>156</sup> Yet Vancouver reporters found there was "an underlying suspicion of Vancouver as a commercial headquarters" that was "ignorant, indifferent, and pretty small potatoes." One discovered a feeling: "the less important Vancouver is to us, the better we like her."<sup>157</sup>

In June 1940, the Vancouver Board came again. In wartime, business was more prominent than diversions. Otherwise, its familiar pattern included expressions of gratitude for the Products Bureau's work in creating a market for Okanagan fruit. Goodwill was fragile. On the day that W.E. Haskins of Penticton urged coast people to boycott imported fruit to conserve Canadian dollars, the *Sun* promoted pineapples and California peaches and plums. Okanagan cherries were available and

<sup>153</sup> *News*, 4 and 11 June 1936; *Sun*, 5 and 6 June 1936; *Province*, 5 June 1936; *Courier*, 4 and 11 June 1936; *Herald*, 11 June 1936; *Sun*, 8 June 1936.

<sup>154</sup> Members were business and professional men under the age of forty.

<sup>155</sup> *News*, 17 June 1937; *Courier*, 24 June 1937; *Sun*, 16 and 17 June 1937; *Province*, 17 and 21 June 1937; *Herald*, 17 June 1937; Don Finlayson in *Forward* (the Junior Board's magazine) quoted in *Courier*, 28 October 1937.

<sup>156</sup> *News*, 17 June 1937; *Courier*, 17 and 24 June 1937.

<sup>157</sup> *Sun*, 23 June 1937; *Province*, 21 June 1937.

peaches and apricots were expected soon. The Kelowna Board and the BCFGAs protested. When department stores and many Chinese green-grocers featured Okanagan fruit, the *Courier* saw this as proof of the coast's appreciating its dependence "to a considerable extent on interior business, just as the interior is dependent on the coast."<sup>158</sup>

## CONCLUSION

Both Vancouver and the Okanagan could have developed independently of each other: Vancouver had other hinterlands and Okanagan fruit growers had major markets on the Canadian Prairies (and, for apples, the United Kingdom), but Vancouver was their nearest large market. The efforts of Vancouver businesses to promote trade with the Okanagan demonstrates their recognition that, because Okanagan residents could also obtain goods and services from Calgary, Winnipeg, and further east, securing their trade was not automatic.

Vancouver, with a varied economy, excellent transportation facilities by sea and land, and energetic businessmen had quickly overtaken Victoria and New Westminster to become the dominant city of the province, or a metropolis, but only regionally. Transportation and finances were largely controlled by national enterprises. The railways, the key to serving the Okanagan, were owned by corporations with headquarters in Montreal, and the federal Board of Railway Commissioners controlled rates, which, as much as trackage, could determine patterns of trade. Second, despite ambitious financiers, Vancouver failed to become a major financial centre. Vancouver investment firms established Okanagan branches to deal with retail customers but had to compete with Okanagan-based firms. Gras's 1922 diagram showing Vancouver as a metropolis of promise would still stand in 1941.<sup>159</sup>

The interaction of Vancouver's businessmen with the Okanagan was not always smooth, but banquet speeches featured brotherly relations. The Okanagan did not depend on Vancouver, but Vancouver's Board of Trade was a big brother in helping the Okanagan negotiate better relations with fruit wholesalers, promote sales, and temporarily rescue a struggling marketing organization. The Vancouver Board's concern was not altruistic. Okanagan fruit and vegetables provided merchandise (and some headaches) for its fruit and vegetable wholesalers and retailers, cargo for railways and the port, and quality fresh and canned food

<sup>158</sup> *Province*, 8 and 12 June 1940; *News*, 13 June 1940; *Courier*, 20 June and 26 September 1940.

<sup>159</sup> Gras, *Introduction to Economic History*, 283.

for consumers. Despite complaining that "Buy BC Products" meant "Buy Vancouver Products," Okanagan residents purchased goods and services from Vancouver firms, sometimes through branches opened by Vancouver enterprises.

Okanagan newspaper editors appreciated this interdependence. In reporting prosperity in Vancouver in 1923, the *Penticton Herald* observed that "the bigger Vancouver becomes the more sale there is for Okanagan fruit" and a better source of tourists. In short, "anything that benefits the coast cities of this province must help the upper country." Similarly, the *Vernon News* expressed gratification at Vancouver's growth and predicted that it would become "one of our best home markets," whose trade should be carefully guarded and made "our own."<sup>160</sup>

On the coast, too, there was appreciation of the Okanagan's business. In the summer of 1941, in an editorial referring to the interior generally, the *Sun* remarked, "British Columbia will grow only as the interdependence of the coast and the interior is realized by all, is implemented in public policy and constantly remembered." When reprinting it, the *Kelowna Courier* happily reported, "Vancouver businessmen are beginning to appreciate that ... it is the Interior people who make Vancouver the busy city it is."<sup>161</sup> Vancouver alone could not "eat the Okanagan into prosperity," but the regional metropolis and the hinterland interacted in a form of reciprocity that businessmen and civic leaders recognized to be of their mutual benefit.

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<sup>160</sup> *Herald*, 30 June and 13 October 1923; *News*, 9 October 1924.

<sup>161</sup> *Sun*, 19 July 1941; *Courier*, 24 July 1941.