

TRANSPORT  
CO-OPERATIVE SOCIETIES  
AND  
TRANSPORT AUXILIARY  
CO-OPERATIVES

*in*

FRANCE

ISRAEL

ITALY

WESTERN GERMANY

INTERNATIONAL CO-OPERATIVE ALLIANCE

*Auxiliary Committee*

*of*

*Workers' Co-operative Productive  
and Artisanal Societies*

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## F R A N C E

In the previous monographs devoted to the international study of the Co-operatives of the Printing Trades and Building Co-operatives, the French Organisation reported very widespread activities which gave Co-operation an important rôle in both of these branches of industry.

The Transport Co-operatives and Auxiliaries have not, unfortunately, achieved a comparable development.

### 1. RIVER TRANSPORT.

There is a very large Artisans' Co-operative for river transport in France, formed in 1937, which comprises several hundreds of small owners of river lighters and motor-driven barges.

The Co-operative helps its members to find the financial means for buying their boats. It owns a very important repair and maintenance yard on the Seine, at a junction of canals and rivers. It has a freight centralisation and distribution service. It ensures standard prices, and protects the workers against excessively low tariffs in periods of depression, and the consumers against unfair prices when business is flourishing.

The Artisans' Co-operative for river transport plays an important rôle in the economic and social development of French lighterage. Its annual turnover exceeds 2,000 million francs (£2 million sterling.)

At Toulouse, there is a Lighterage Co-operative in the form of a Workers' Productive Society, which specialises in navigation on the Garonne and the Canal of the Midi, for the transport of heavy goods, particularly building materials. It functions in the normal way, but has not expanded very much. Its annual turnover is in the region of 50 million francs (£50,000 sterling).

### II. ROAD AND URBAN TRANSPORT.

Paris Taxis: Before 1914, the introduction of motor vehicles as a means of public transport gave rise to rivalry, at times violent, between the old-established profession of horse-cab and hackney-carriage drivers and the new profession of taxi-cab drivers. Far-seeing trade-unionists sought a means of ending this conflict, and partly found it in the constitution, at Paris in 1912, of the Co-operative of Cab-drivers which aimed at incorporating both types of workers in the same Society, in order to facilitate the re-instatement of the cabmen and to ensure the indispensable technical transition without division of the working class.

This Co-operative grew rapidly and in 1919 occupied a predominant position on the Paris taxi market, but, unfortunately, trade-unionist and political dissensions which split the French working classes, after that date, brought discord into the co-operative, which declined rapidly and had to cease its activity.

The need for a co-operative organisation for Paris taxis continued to be felt, however, for the profession was divided between unorganised workers and some large companies with monopolistic tendencies, which together prevented any social progress.

This gave birth, in 1935, to the co-operative "L'Union", which from the outset had the whole-hearted support of many militant workers in their profession.

The Second World War stopped the development of the Co-operative which had all its vehicles requisitioned and practically ceased its activity.

It has revived since 1946 and today runs more than 100 vehicles. All the drivers are members of the Society. The Co-operative ensures the upkeep, repair and garaging of all its vehicles in workshop garages belonging to it, the workers in which are also members of the Society. Thus the co-operative assures the fusion of interests of both the mechanics and those "at the wheel" which might, under other systems, conflict.

Well organised and well managed, the co-operative "L'Union" has an annual turnover exceeding 350 millions. The limitations to its development are chiefly of a financial nature. Rolling-stock is expensive and must depreciate rapidly. But despite this obstacle, the "L'Union" is a flourishing Co-operative, in full development. Its social rôle in the life of the profession is much greater than its share in the number of taxis circulating in Paris.

Les Professionels Réunis, removals: This is the oldest of the Workers' Transport Co-operatives. It was founded in 1903, following a long period of strikes, by a number of trade-union workers black-listed by their employers. The problem then, when furniture removers were odd-job men without any professional status, was to obtain for them conditions of work comparable with those of workers in other professions.

The early years of the Co-operative were marked by fierce struggles against the competitors who tried every means from dumping to defamation, to dissuade customers from turning to the services of the co-operative.

The courageous efforts of the co-operators were, however, crowned with success, and, from 1925 onwards, "Les Professionels Réunis" was a powerful enterprise with modern equipment and already owning an important furniture-warehouse in Paris.



Since that time, the Society has progressed steadily. It undertakes very important private and official removals, not only in the Paris region, but for the whole of France and abroad. It has built two vast furniture-warehouses at Tours and Lyons, which enable it to compete with the largest concerns in these regions.

Like many workers' enterprises, "Les Professionnels Réunis" has not been content to assure the well being of the hundred or so worker-members whom it employs. It has, in addition, brought about a complete revolution in the situation of furniture-removers and in the practices of the profession.

The turnover exceeds 300 millions per year. The Society has its own Pension Fund, which supplements the National Insurance benefits, also numerous social institutions.

Les Transporteurs Lyonnais: This Co-operative was formed in 1936 by workers in the Lyons region who specialised in the transport of building materials by lorry, following disputes with the employers.

After operating for 22 years, thanks to the support of the powerful Building Co-operatives of the region, it has become a valuable auxiliary for all the building enterprises in that region.

It has an important parking-place for lorries, specially arranged for the delivery of building materials at the yards. Its turnover is growing steadily and exceeds 250 million francs a year. It employs 50 or so worker-members, and created a Pension Fund and other social institutions.

Coopérative des Motocyclistes de Presse: This is a recent creation and specifically Parisian. All who know Paris know the speed with which the daily delivery of successive editions of evening papers to thousands of sellers in Paris and the Paris region is carried out. To be so quick, transport must be assured by two-wheeled vehicles, which are not liable to be held up by the congestion of traffic at the peak hours. This is sufficient to show the important rôle of the press motor-cyclists, the skill needed and the real risks incurred.

The Society, founded in 1949, has grown rapidly. It employs the great majority of the workers of its profession, that is 180 motor-cyclists and employees of whom 120 are members.

It guarantees the maintenance and garaging of the rolling-stock. It concludes agreements with the press delivery offices. It possesses social institutions which supplement the Social Security. Its turnover exceeded 220 million francs in 1956.

### III. TRANSPORT AUXILIARIES.

There are two categories of these among our Co-operatives: the dockers and the rail and air transport auxiliaries.

#### a. The Dockers.

"La Fraternelle", St.Nazaire, was founded in 1928, by militant trade-unionists. It is a sturdy and well administered Co-operative, with an excellent professional reputation. Unfortunately, its activities, which were stopped completely in 1945, have not been able to regain their pre-war rhythm, as the change in the trading routes has redirected towards Le Havre and Dunkirk the majority of the freight which formerly passed through St.Nazaire.

This explains why the Co-operative, with its large membership, including, as it does, almost all the dockers of the port, only achieved the small turnover of 50 million francs in 1956.

"Société Coopérative de Manutention", Marseilles. This co-operative was founded in 1951 at Marseilles, to counteract the monopolistic tendencies of lighterage concerns, for the loading and unloading of ships. Animated by clear-thinking managers and at the price of difficult struggles, it has rapidly gained an important place in the first port of France, specialising particularly in the handling of sea traffic on behalf of the National Societies and the Public Administrations.

The 1956 turnover exceeded 250 millions, and the recent signing of important contracts with the Shipping Companies under State control should redouble its activity in the next two years.

Supported by the General Confederation of Workers' Productive Societies, the Society is equipping itself with ultra-modern materials, which, together with its methods of organisation, should enable it to outstrip by far the productivity level of competing enterprises.

In the social field, the efforts of the Co-operative have concentrated naturally upon wages, but they have also been concerned with stable employment for the dockers. The Society has just created its Pension Fund.

Under the auspices of the General Confederation of Workers' Productive Societies, it is contemplating an agreement with "La Fraternelle" of St.Nazaire, for a new dockers' co-operative at Dunkirk, a port with a great future.

b. Rail and Air Transport Auxiliaries.

Before 1930, the transport of luggage for travellers at the Paris stations was assured by unorganised workers who had no special status and gave no guarantee to travellers.

By the efforts of militant trade-unionists, Workers' Co-operatives were created at the Paris stations, which changed both the living conditions of the workers and the conditions prevailing in the profession.

Today, three Workers' Productive Societies share between them the portorage of luggage in the principal Paris stations. They are "La Collaboratrice", "Les Porteurs de Gare", and "L'Auxiliaire des Transports Ferroviaires", which assure the services of St.Lazare, Lyon, Montparnasse and Austerlitz.

These three Co-operatives employ more than 500 workers, of whom 280 are Society members. Their total turnover exceeds 500 million francs per year, and they have created a number of social institutions.

One of them, the "Porteurs de la Gare" co-operative, has recently been entrusted with the direction of the Paris air-port, the portorage of luggage at Le Bourget. It is not impossible that, in the near future, another co-operative will have charge of the portorage of luggage at the air-port of Orly. In this way, the handling of luggage for travellers touching down in Paris or leaving by air would be completely in the hands of the Co-operatives.

CONCLUSION

As can be seen, the activities of the Transport Co-operatives and Transport Auxiliaries in France are by no means negligible, since the total of the activities mentioned above reaches 4,000 million, of which almost 2,000 million are for the Workers' Productive Society alone.

But they have by no means achieved the desired development. We must examine the reasons for this.

As regards urban transport, and taxis in particular, we have already mentioned the financial problem: the acquisition of vehicles and the building of garages and repair shops is a heavy burden.

The Artisanal Co-operative could, however, usefully complement the work of the Workers' Productive Society in this field, since the majority of the taxis belong to small owners. Yet despite all the endeavours of a number of far-seeing militants, the Artisanal Co-operative has not taken a very big place in the taxi profession, with the exception, however, of the important Artisanal Co-operative at Marseilles, T.U.P.P. (Taxis-Union des petits propriétaires). Elsewhere, co-operative action comes up against the excessive individualism of the small owners in the profession.

In the field of road transport, much more important results could have been achieved since 1945. But the attempts of co-operators have come up against an insurmountable administrative situation: in France, railway transport is in the hands of a national company, the Société Nationale des Chemins de Fer Français (S.N.C.F.) Road transport, on the other hand, is private. To avoid fruitless disputes and the waste of time and effort, the French Government has been obliged to take a number of legislative measures, called the "co-ordination of rail and road". The combined result of these measures was practically to prevent new road transport companies being formed since 1945. This explains the almost complete absence of Workers' and Artisanal Co-operation in a sphere where it would have been able to take a leading place. There is no prospect of the regulations being changed, at least in the near future.

On the other hand, in the field of transport auxiliaries, and particularly in the loading and unloading of ships, Workers' Co-operative Production must make an effort to acquire strong positions and can cherish serious hopes. In fact:

- i. It is a question of activities for which, at least at first, large capital is not necessary.
- ii. If the wages of dock workers in France are very high today, their conditions of employment, and particularly the irregularity of their work, are open to much criticism. The intervention in the principal ports of well managed co-operatives could give steady employment, which today is almost unknown in the profession, to a great number of dockers.
- iii. In the majority of French ports, private enterprises for lighterage, loading and unloading of ships, have direct or indirect links with the French or foreign private shipping companies. This is creating a state of monopoly, detrimental to the national economy, and especially to the nationalised shipping companies and the great nationalised import and export enterprises, such as l'Office National des Céréales, the S.N.C.F., Charbonnages de France, Gaz de France or l'Electricité de France. There is, therefore, on both the social and the economic plane, a powerful interest in developing Dockers' Co-operatives in the French ports.

Systematic action by the Co-operative Organisations could assure great progress, if it had the support of the Public Authorities.



## I S R A E L

After the termination of World War I there was no civilian motor transport whatsoever in our country. A beginning was made in 1919 when isolated citizens started buying second-hand cars from surplus stocks of the British Army then stationed in Palestine, in order to use them for commercial transportation. The population, especially the Jewish sector, was still small in number, and there was only a trickle of Jewish immigration. The roads were few and bad, economic life was not yet developed, and in any case there was no room for a developed system of transportation. Thus only a few small and dilapidated cars were acquired, and even among the few owners of these vehicles competition was keen: for there were not enough passengers.

However, conditions were changing. In the early twenties, with the establishment of the Jewish National Home in Palestine, Jewish mass immigration set in, capital began to flow into the country - both private and national - agricultural colonisation was started in different areas in Palestine, the towns grew and expanded, while industry and the crafts developed in them. Roads, mainly good ones, were paved. Gradually the import of good and new cars began, and the demand for regular and properly organised transportation was felt. Since neither government institutions nor municipalities showed any interest, the initiative had to come from below, from existing and prospective drivers. But they did not possess capital and lacked any organisation that might have secured the necessary credit. Thus they resorted to the co-operative system. Two can do better than one, three are stronger than two, and ten can do more than three. At first small partnerships were organised, which in the course of time were enlarged and ultimately turned into co-operatives - at the beginning they were only named co-operatives, and subsequently they became registered co-operatives, in accordance with the law.

The fact that the transport workers who were organised in co-operatives became members of the Histadrut - the Israel Federation of Labour - was of decisive importance. This organisation provided them with substantial backing, and offered them financial assistance on an increasingly large scale - assistance which, coupled with the activities and the initiative of the workers themselves, accounts for the present unique state of co-operative transport in the country. At first the Histadrut dealt with the transport companies through the medium of its trade unions, but when central co-operative institutions within the Histadrut were organised, these were entrusted with the care of the transport co-operatives too. July 1927 was a turning point, since in that month as a result of a resolution adopted at the National Conference of the Histadrut, the local co-operative committees were merged into the Central Union for trades, industry and public services. This Co-operative Central Union is the institution which to this day centralises among others also all matters of public transport. Thereafter I shall simply refer to the Central Union.

The partnerships began to take shape in 1922/23; more consolidated partnerships with pooled funds - appeared in 1924/25, during which period co-operatives were first organised. The Central Union - from its inception - began to register the co-operatives in accordance with the law.

Co-operative organisation of transport began in Tel-Aviv, and from there spread to all other towns in the country, to villages and communal settlements. Every new wave of immigration added impetus to the movement. The very living example of existing and developing co-operatives served as a stimulus to many people in various places, to follow that example. Meanwhile many agencies of North America, English, French, German, Swedish and other automobile factories were opened in the country. Soon afterwards agencies were opened of factories producing tyres, spare parts and other accessories.

World fuel and oil companies opened branches in the country and all this created the background and necessary conditions and prospects for the splendid co-operative system of transport existing in Israel today.

At first there was a good deal of overlapping. There was a large number of co-operatives running into dozens, and this affected transport negatively. Owing to their smallness the co-operatives were not in a position to obtain the capital required for the provision of the most elementary needs of transportation, and they became involved in investments with which they could not cope. They had to take high interest loans, to keep the salaries of their members on the lowest possible level, to use cars far longer than they normally should, and so on. The large companies and their agents knew well how to exploit the fact that there were so many small co-operatives by imposing unfair prices and conditions of payment. The Central Union laid down as its policy to combat this state of affairs, among other measures using that of blocking the way to the setting up of new small co-operatives. Mainly, however, they arranged mergers of small co-operatives which, in their turn, were amalgamated into still bigger co-operatives. This unification of forces served its purpose. Larger co-operatives were more successful in the arrangement of credits and investments and also in withstanding the attempts of exploitation by the large companies supplying the cars, the spare parts, the fuel, oil, etc.

But these mergers did not solve all the problems, the chief one of which was competition. The roads were open to everyone; whoever wished could purchase one or more cars, and initiate a transport service. The competition became increasingly fierce and threatened the very existence of the transport system. The British Mandatory Government did not care or pay much attention to the balance sheets of the co-operatives, or of the firms or private owners, and distributed licences freely. Then in 1931, a strike broke out. There was a general strike of both Arabs and Jews, their declared goal being the restriction of the number of licences granted. The demands were: the restriction of the number of licences for new route; the restriction of the number of licences for buses on each route; and in addition the lowering of the customs dues on fuel, which then constituted a heavy burden on the transport system. At first, the Government refused, but finally gave in and acceded to the demands. The Central Union led the strike and its success greatly strengthened its prestige and its influence on the co-operatives. But its main achievement consisted in the strengthening, and the consolidation of the co-operatives themselves. As a result of their successful struggle with a foreign, conservative and hostile government, the co-operatives gathered strength instinctively feeling that in their unity lay great potential

power. One of the first steps after the termination of the strike was the setting up of a central transport body within the Central Union. Soon after consolidation of the small co-operatives started, which were transformed into large territorial blocs. A decisive step in this direction was taken at the end of 1932 with the establishment of the largest Co-operative in the Country, EGGED, a transport service covering the whole country. It was founded as the result of the merger between four competing companies and later gradually absorbed most of the transport services operating on its lines and competing with it. Immediately after the setting up of Egged a serious and bold attempt was made by a private company to assume control over the Egged lines by unrestricted competition, but the Central Union succeeded in frustrating this attempt and removing the competitors from the scene. No similar attempt has since been made.

In the course of time public transportation developed in all directions. While at first there were vehicles for four passengers, buses now have 57 seats or 110 places, standing and sitting; and the horse-power of the engines has increased from 45 to 175 h.p. Tickets which were only sold by the driver, are now sold by a conductor, and casual journeys starting only when the bus filled up have been replaced by journeys according to time-tables which are periodically adjusted and published, with changes based on the season and on other factors.

It should be remembered that co-operative transport in Israel functions in an unusually dynamic atmosphere. The transport system is the first aspect of their welcome for hundreds of thousands of new immigrants, and it is in the buses that the new citizens are first received. This element, until its integration in this country of hustle and bustle, is nervous, speaks over 70 different tongues, and comes from all corners of the earth. It is, therefore, the job of the transport system to adapt itself to the special character of the many passengers and on the other hand to help them acclimatise in the country. Still another most important task of the transport system is to reach out to the outlying areas of agricultural settlements often situated in barren, hilly or low-lying areas, inaccessible except by some narrow earth track. Every new settlement, be it a collective settlement or a co-operative village starts on a small scale, the number of passengers to and from it is limited, and the maintenance of communications leads to considerable deficits. It is worth noting that, for example, in the period of Israel's statehood, more than 400 new settlements have been established. The transport system, therefore, fulfils a colonising task of primary importance. There is another general function of great value which the transport system has to discharge, viz. security. In the specific conditions of Israel, of almost perpetual unrest, security considerations obviously are of prime importance. In this sphere, too, the public co-operative transport system is a positive factor, strong, speedy, and disciplined.

As mentioned before, there were dozens of transport co-operatives, but as a result of the uninterrupted process of merges their number steadily decreased. In 1948 the year when the State of Israel was established - there was a total of only 5 co-operatives. 1. Egged - covering the whole country; 2. Drom Yehuda - serving the south; 3. Dan - operating within Tel Aviv and vicinity; 4. Shahar - functioning in Haifa and vicinity; 5. Hamekasher - in Jerusalem and vicinity. The first Minister

of Transport of the State of Israel, who incidentally had been Secretary General of the Israel Federation of Labour - the Histadrut - demanded the immediate merger of all five co-operatives into a national transport service. His main arguments were:

a. A merger of this kind would put a speedy end to all strife and differences of opinion among the co-operatives concerning the areas assigned to each. These differences had for many years embittered the lives of co-operatives, of the Central Union, institutions of the Israel Federation of Labour, of public institutions, as well as of the public itself. b. A merger would enable the full exploitation of manpower, vehicles, and all parts of the economy. c. This would be made possible only if there were to be one central management to control this complete transport system.

This demand, which was strongly supported by the Central Union, gave rise to many stormy discussions within the co-operatives which, owing to a conservative dislike of changes as well as of a weighing up of their own interests, opposed any such unification. After prolonged negotiations a partial merger was effected: Egged, Drom Yehuda and Shahar amalgamated. At present there are, therefore, three transport co-operatives operating in Israel - 1. Egged - the name of the united co-operatives; 2. Dan; 3. Hamekasher. These three companies run the whole public transport system of Israel. In this respect Israel is doubtless unique in the whole world.\*

The number of members in the three co-operatives is 3244. The remainder are hired workers and apprentices; 38.4% of the workers are drivers; 19.8% are skilled workers in garages; 6.1% are apprentices; 18.7% transport workers and workers employed in the various services; 7% administration. Of all workers, except apprentices, 59% are members of the co-operatives.

The average monthly salary of the member (composed of the regular salary, overtime pay, holiday pay, working clothes, leave, newspapers, expenses en route) is I£540, while the average salary of hired employees amounts to I£300.

The members of co-operatives work seven hours per day up to the age of 50, and from then on six hours daily only. Every co-operative has its pension fund - in case of death, old age, invalidity, and so on. The co-operative arranges for suitable work for a member whose physical ability has been affected. The members are under obligation to take a vacation every year and to spend part of it in a recreation home, the expense of which is partially defrayed by the co-operative. Every co-operative maintains a kind of loan fund for its members, where credit is available on the most convenient terms, when needed for housing, rehabilitation or similar essential purposes.

The price of a share in a transport co-operative amounts to I£9,000, giving the member the right to a full equal share in the total assets of the co-operative, and full right to work, elections and so on. All members of co-operatives receive the same salary - be it the general manager, the driver, book-keeper, etc.

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\* See Table on page 11 "Some Figures on Public Transport".

The co-operative system adds various advantages to public transport: full working effort with resulting high productivity, a responsible attitude on the part of the workers both to the economy and to the work; the avoidance of waste; large-scale savings on administrative expenses; constant readiness to fulfil all requirements of the work by day and night, weekdays and holidays, in peace-time and in war, etc. Ownership of the enterprise, a sense of independence at work without a feeling of being exploited by anyone, decent conditions of work and pay, no fear of unemployment, the right to elect and to be elected to all bodies of the association, the right to criticise, to suggest and to execute constructive ideas, a social co-operative consciousness, membership in the big camp of the Israel Federation of Labour, Histadrut, all these raise the status of the member in his own eyes and in the eyes of others, increase his sense of responsibility, and make him a more useful and efficient member of society. Here are some interesting details: 1. Thanks to responsible handling there are vehicles in the co-operatives which last as long as 20 years; 2. the percentage of traffic accidents caused by members of co-operatives is the very lowest.

On the second hand one must see the other side of the coin. There are a number of shortcomings in this co-operative form of public transport. There is a high percentage of hired labour; small monetary savings, even when this is required for essential investments; frequent changes in the structure of the management and other bodies of the associations, which cause frequent disturbances, economic, managerial and social; the tendency to look upon the concession for public transport as an irrevocable right, refusing to accept public opinion as a determining factor in the carrying out of this public service; equality of pay, which on the one hand instils the spirit of democracy, removes obstacles and prevents the formation of "classes", out on the other hand robs the worker of the impetus and the creative ambition which is implied in graded pay.

One of the greatest and most serious problems of public transport is that of fares. In Israel fares are among the lowest in the whole world. This is made possible by the advantages offered by the co-operative system and by the savings and economies it involves, on the one hand, while it is effected on the other by the crowding of a large number of standing passengers into the buses, especially in urban transport. This overcrowding generally leads to losses, since such a journey is unpleasant both for those who stand and those who sit, and accounts occasionally for a tension among the passengers themselves, as well as between passengers and drivers. Pension in public services is definitely inadmissible. The whole problem of overcrowding became acute during the period of World War II and the subsequent years when it was impossible to acquire new vehicles. But since then overcrowding has remained as one of the so-called "solutions" of the problem of fares. It goes without saying that the co-operatives are striving to eliminate overcrowding and its accompanying evils.

But with the advantages of co-operatives and the "profits" of overcrowding, the transport companies do not succeed in balancing their accounts and struggle against deficits. Even after many drastic measures of ruthless restrictions and economies and after attempts to tighten the belt, the deficits have still not decreased. The solution is a rise in fares on the strength of detailed calculation and in proportion with

the general rise in the cost of living and in wages. By the way, the wages of transport co-operatives members are not fixed arbitrarily by the co-operatives themselves, but by the Histadrut - the Israel Federation of Labour - in agreement with the Ministry of Transport and on the basis of rentability fixed by the Audit Union of the Producers' and Services' Co-operatives.

The wages of members are based on the principles of the trade union, with due regard to the special rights of members of co-operatives as owners of shares in an independent enterprise. Actually this does not substantially raise the wages and the question is, therefore, not so complicated. However, the government which is obliged to see to it that the cost of living does not jump, and which must forestall any danger of inflation, does not readily accede to the demands of the co-operatives to raise their fares, and this in turn leads to constant unrest in the co-operatives. The Government has twice appointed a public committee under the chairmanship of a judge, to examine the whole complex of the public transport economy and its administration, in order to propose a clear framework in which fares should be calculated. The conclusions of the committees satisfied neither the co-operatives nor the Government, and the question itself is still undecided to the detriment of the whole transport system. In 1956 after prolonged and wearisome negotiations with the Government where the co-operatives were supported by all Histadrut bodies, despite strict veto by the Government and the Histadrut, the co-operatives declared a strike which lasted 10 days. Thanks to the energetic intervention of the Central Union, the strike was stopped and a compromise was reached with the Ministry of Transport. However, this compromise did not prevent the repetition of prolonged and wearisome negotiations in 1957.

The only co-operative taxi service, Neshar in Jerusalem, also belongs to the co-operative public transport system. It has 26 workers of whom 21 are members. It is, in fact, a co-operative office, for the vehicles belong to the members each driving his own car. At one time this was a full co-operative with pooled funds, etc., but its specific development led to the above new arrangement.

Owing to similar developments ten co-operatives for taxi service were liquidated in the course of years. It appears as if this branch does not lend itself to the co-operative form.

#### Haulage Transport.

A great deal of what has been said so far of passenger transport is equally applicable to co-operative freight transport - there are many similar difficulties, achievements, and problems - though not all.

Even before World War I small co-operative groups of carters existed - conveyors of goods by cart, drawn by horses, mules or donkeys, and even on the humps of camels. During World War I these groups were liquidated. After the termination of hostilities a reorganisation in this branch of transport took place, beginning in the port of Jaffa. It was not easy to introduce such a co-operative group into this working place, which was then completely unorganised, dominated by exploitation and serfdom, with vested interests that considered co-operatives a source of various dangers to themselves. The struggle against the co-operative was fierce, the unorganised workers



were incited against it, and everything possible was attempted to oust the co-operative from the Jaffa harbour. However, all plots failed, the co-operative fought boldly and obstinately for its existence, and even succeeded in consolidating its position and enlarging its scope; it absorbed new members, made contracts with merchants and factory-owners, and stabilised its own position. Other groups followed the example of the first co-operative and were organised in other places in the country, all of them affiliated to the Central Union of Producers' and Services' Co-operatives. Meanwhile mechanisation became increasingly accepted in the economy of the country, and animal-drawn vehicles were gradually replaced by motor-vehicles. Today almost the whole haulage branch is mechanised.

However, contrary to passenger transport, there were many cases of disintegration and liquidation of co-operatives in the haulage branch. Various reasons account for this: lack of capital for the purchase of motor vehicles or for the building of garages or both; competition; crises; inner strife; decrease in the number of members below the required minimum (7), and so on. But parallel with the development which took place in the organisation of passenger transport, a similar process of mergers may also be traced regarding freight transport. At present there are 19 freight transport co-operatives organised within the Central Union and among them there are such as have been founded as the result of a merger between several small companies.

One of the aspects which distinguishes this branch of co-operation is that there are 11 among the 19 companies whose members consist of communal settlements - kibbutzim. Communal settlements are as a rule organised within the Agricultural Centre, but their transport services which are also registered as co-operative societies, are affiliated to the Central Union. These services provide freight transport from and to the communal settlements and also undertake the transport of goods on the general market.

The number of vehicles operated by the 19 co-operatives was 910 at the end of 1956 (in 1948 - 503), with a capacity of up to 30 tons each truck; among the vehicles there are 40 kerosene tankers; the number of workers - 1,173 (731); the annual kilometrage 27,124,261 (16,584,045), the tonnage 3,027,342 (2,071,025); founding capital I£1,693,696 (I£493,711); annual income I£10,390,114 (I£1,559,839); annual wages - I£3,929,122 (I£620,522). There is a special department within the Histadrut Executive which deals with the problems of owners of private freight transport vehicles who are members of the Histadrut. Their number is approximately 1,000. The department maintains transport stations at different places in the country and also different services for the provision of members' needs.

This department complements the activities of the freight transport department in the Central Union, and both together constitute an important factor in the haulage branch of the country.

The single naval co-operative "Ophir" is also reckoned among the freight transport co-operatives. This co-operative, of the kind of which there are very few all over the world, was established in 1949 by graduates of the mariners' course of the Navy. The founders were members of the workers' movement, and the co-operative form

suited their ideology. With their own limited resources and the assistance of the Central Union they purchased a ship, but already towards the end of their first voyage, on their way to their home port, their vessel "Massada" was damaged in Italian waters and sank. Shortly afterwards the group acquired a second ship (Hashloshá - the Three - in memory of three of their comrades who were drowned when the "Massada" sank), and at the end of 1955 another vessel was purchased "Askelon". The co-operative chiefly operates along the coasts of the Mediterranean. The number of members of the co-operative is 30; its founding capital I£ 14,000; its annual income in 1956 was I£ 78,800; the annual wages were I£ 51,420.

At present a large and bold project is being considered which provides for several new naval transport co-operatives. The principal problem at this moment is that of capital.

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Of the great problems of the co-operative transport system - in all its facets - that of modernisation must be stressed. This depends on long term loans, on agreements with the Government regarding foreign currency grants, on the adaptation of the different types of cars to the specific conditions of the country - with the aim of standardisation, in the building of new properly equipped garages. It is here that the fact should be mentioned that Israel is at present studying various programmes - some of which are most realistic - of the establishment of automobile factories - and among them a special factory for producing Diesel motors.

With the growth of the population and the steady development of the transport system, an elaborate plan for improving and enlarging the network of roads and among them autostrada, is being considered for implementation.

One of the specific questions in Israel is that of the railway. The country is small, and the existence of a railway within it is connected with many and varied difficulties, which rob it to a large extent of its rentability, but from many aspects the existence of a railway in Israel is imperative, especially in the remote south, down to Eilat. In any case, motor transport again and again encounters the sharp competition of the railway, though it cannot overcome this competition.

#### Auxiliary Industries.

Noah - a company for the supply of transport articles. This limited company was founded in 1934, and its members are passenger and freight transport co-operatives, as well as the Histadrut, or, more correctly, its Holding Company, that includes and represents the economic sector of the Histadrut. The Holding Company of the Histadrut holds more than 50% of all shares of the "Noah" company. This company holds the chief agencies of companies for the production of cars, tyres, spare parts, etc. The company not only saves the co-operatives large sums of money, confining itself to minimal profits, stipulated by the co-operatives themselves (even this profit is fixed in accordance with the total purchases to the credit of the co-operatives), but it constitutes a stabilising and moderating factor on the general market for every commodity

required for transport purposes, by its very existence and owing to the fact that it fixes prices as low as possible.

At the end of 1956 the capital of the company amounted to I£ 1,118,000; its annual turnover - from the sale of tyres and spare parts alone - I£ 1,955,000.

Alliance - tyre-producing company - Tyre and Rubber Co., Ltd. This is one of two tyre producing factories in Israel. The chief initiative and impetus for the foundation of this industry came from the Central Union of Producers' and Services' Co-operatives, which awoke to the need especially as a result of the fact that the transport system would again and again be faced with the danger of complete paralysis as a result of inadequate import of tyres. The proposal of the Central Union to the producers of tyres and investors from the United States: 50% of the company to be established in Israel would belong to them, and the other half to the institutions of Histadrut (Noah Company and the Contracting and Industrial Company Solel Boneh). The negotiations were at first conducted with another company, which agreed to the above-mentioned condition, but withdrew its consent before the signing of the contract. Subsequently the Central Union opened negotiations with the Alliance Company and reached complete agreement with it and with private investors. After the ratification of the contract the company formerly contacted got in touch with private capitalists in Israel, and as a result of this two factories manufacturing tyres were founded simultaneously in Israel. The Noah Company holds 25% of the capital of the company, and also acts as the direct agency for the marketing of its production on the Israel market. The chairman of the Noah Company acts as deputy chairman of the Alliance Company. The founding capital of Alliance is I£ 6 m. while its production in Israel amounted to I£ 8,600,000.

Delek is a national company for the marketing of fuel in Israel, the turnover of which was I£ 43 m. in 1956. This company was also set up to a large extent on the initiative of the Central Union and its activities towards the organisation of the company and setting it in motion. The Noah Company participated in the capital of this company with 9%, though it carries a voting strength of 17.5%.

The chairman of the Noah Company acts as deputy chairman of the management of "Delek". The other partners of the company are "Hamashbir Hamerkazi", the national shipping company Zim, the Bank Leumi, the Workers' Bank, etc.

Lubricating Oil. Thanks to the initiative of the Central Union, a plan for establishing a factory for lubricating oil is nearing realisation. A share-holders' company is to be established, whose partners will be the "Noah" Company, "Solel Boneh" and "Hamashbir Hamerkazi". Approximately I£ 10 m. will be invested in this company.

Haargaz - is a co-operative for the production of bodies for cars. This plant, half of whose capital belongs to the co-operative, and the other half to the Co-operative Fund, Ltd. (the financing institute of the Producers' and Services' Co-operatives), was established in 1932 by 4 members. Today it has 520 workers; its annual turnover is I£ 5,800,000; wages - I£ 1,100,000.

At present the suggestion of Haargaz to the passenger and freight transport companies is under consideration for a 50% partnership - 50% in the existing plant for the production of chasses.

Through the medium of the Central Union, the transport co-operatives have trade contacts with various producers' and service co-operatives (clothing, footwear, metal printing, convalescent homes, etc. etc.)

All organisation activities, guidance, auditing, inspection, contacts with Government institutions and the public, and general representation are in the hands of the Transport and Freight Section of the Central Union of Producers' and Services Co-operative Societies in Israel. This Central Union is one of the central institutions of the Histadrut and its Holding Company.

SOME FIGURES ON PUBLIC TRANSPORT

<u>Serial Number</u>	<u>Year</u>	<u>Workers</u>	<u>Vehicles</u>	<u>Lines</u>	<u>Stops</u>	<u>Garages</u>	<u>Kilometrage</u>	<u>Number of Passengers</u>	<u>Own Capital</u>	<u>Annual Income</u>	<u>Wages</u>
									I£	I£	I£
<u>"Dan"</u>											
			59 buses								
1	1928 x	104	11 taxis	9	173	1	1,373,500	8,072,550	39,751	76,095	33,780
2	1948 xx	787	285	36	920	3	10,373,330	72,234,270	807,252	1,465,309	927,311
3	1956	1,902	447	68	2,050	3	23,333,019	169,787,000	4,591,031	13,914,904	8,186,301
<u>"Hamekasher"</u>											
1	1932 x	105	42	6	126	1	771,210	605,280	6,765	15,132	6,288
2	1948 xx	220	88	11	264	1	984,680	6,058,500	99,991	242,340	132,600
3	1956	370	147	18	442	1	5,423,000	36,250,000	380,050	2,840,932	1,499,084
<u>"Egged"</u>											
1	1933 x	208	88	37	176	3	3,277,772	652,940	14,697	104,669	29,761
2	1948 xx	570	295	147	590	7	8,444,737	4,263,992	372,732	1,807,148	688,186
3	1956	3,599	1,171	575	2,710	19	62,086,916	191,633,310	14,625,381	32,014,559	13,729,819

x The Year in which the Co-operative was registered according to the law.

xx The Year when the State of Israel was founded.

## I T A L Y

### CONFEDERAZIONE COOPERATIVA ITALIANA

#### 1. TRANSPORT.

We all know that co-operation is a daughter of necessity. This is also the case in the sector of transport and transport auxiliaries, where co-operation was born out of necessity and the need to solve situations which could not otherwise have been solved. One only needs to think of the transport position after the war, to realise the conditions in which some Co-operatives were created; but originally their constitution was the desire to accumulate sufficient strength to fight capitalistic oppression, or to satisfy certain needs while at the same time reducing the price of their services.

The Transport Co-operatives, in effect, sometimes play the rôle of the consumer, as regards the services they render, when the members of the Co-operative itself need to move from one place to another or to transport their goods; while at other times they are genuine Workers' Labour Co-operatives, created and directed by the workers who find in the Association the means of carrying on their trade. Sometimes, too, they present characteristics of both types in varying degree. Co-operatives of the first type usually supply the local and individual needs which the members could not otherwise satisfy; those of the second type are, on the other hand, proper industrial concerns which may attain considerable importance and are engaged in transport for third parties.

The Transport Co-operatives, which are part of the Italian Co-operative Confederation, develop their activity in different sectors as follows:

Land transport - Sea transport - River transport.

As regards their distribution throughout the country, there are Co-operatives in 21 provinces of the following regions: Sicily, Apulia, Venetia, Lombardy, Sardinia, Tuscany, Liguria, Emilia, Calabria and Latium.

##### a. Land Transport.

In the land transport industry, there are many forms of Co-operation. In the central part of Southern Italy, for instance, there are typical Carters' Co-operatives, each member of which owns his vehicle and his horse. This form of animal-drawn transport for goods has developed particularly since the war; it is an activity equally excellent from the social and mutualist point of view. The Carters' Co-operatives in the province of Bari are the best organised.

But the most remarkable achievements in motor transport are in North Italy. The "Cooperativa Autotrasporti - S.A.C.A." of Pistoia deserves to be mentioned first because of its own importance and that of its material. Constituted in



January 1945, it now has 440 members; it guarantees regular public motor services for passengers and baggage; by a regular concession from the Ministry of Transport, it operates 80 urban and intercommunal routes which serve the whole of Tuscany and particularly the provinces of Pistoia, Florence, Lucca and Massa. It is one of the greatest Italian enterprises in the industrial field. Its capital, subscribed and fully paid-up, is 67,202,000 Lire; the value of its industrial installations is about 800,000,000 Lire; its reserves exceed 15,000,000 Lire. The Co-operative owns its headquarters at Pistoia, three branches, 21 agencies in different localities, 30 "correspondants", three garages for vehicles and repair factories in Lucca, Carrara, Florence and Pistoia, 130 large motor coaches and 12 heavy trailer lorries. The most important installations are at Pistoia where 80 members are employed as mechanics, panel-beaters and chassis painters. The services run by this Co-operative radiate throughout almost the whole of Northern Italy.

The "Cooperativa Autotrasporti Pratese" at Prato, in the province of Florence, is also important. It was formed in March 1945 to ensure motor transport on urban and intercommunal routes. It assures employment for its members and higher pay than that given by industrial enterprises of the same type. It has 128 members, of whom 52 are drivers, 48 conductors, 15 workshop mechanics and 13 technical and administrative employees. Its equipment consists of a garage-workshop and 46 buses or coaches. Subscribed and paid-up capital is 32,000,000 Lire. The value of its industrial installations is about 328,000,000 Lire, and reserves exceed 25,000,000 Lire.

We have mentioned two of the most important Motor Transport Co-operatives in the Italian Co-operative Confederation, but there are several others, which, although less important, have achieved appreciable results within a short period of time. For example, the Co-operative "Core", constituted by ex-service men from Verolanuova in the province of Brescia, which transports goods for third parties; the "Pierino Benasso" Co-operative of Genoa, which holds a concession from the State Railways and the National Transport Institute, for dispatch, home deliveries and the warehousing of goods, in connection with the stations of Genoa, and has agencies in the goods-stations, also equipment comprising seven waggons and eight motor vans; the "Cooperativa Autotrasporti Pesanti" (heavy goods) of Catania, of Casalbuttane, and Sorbolo in the province of Parma.

The "Cooperativa Trasporti Merce Frutta e Verdura di Milano" is another co-operative achievement. It was created in 1930 to group the transport workers of the fruit and vegetable market, to co-ordinate and control the transport services of the market and to replace members who, through illness or other causes, are unable to assure services. This Co-operative now has 110 members. It represents them collectively before the management of the market, which apparently prefers to deal with a single organisation than with the transport workers individually. Each member pays a monthly subscription to cover administrative charges.

The co-operative form is also very well developed among taxi-drivers and co-operatives of this type exist in most of the principal towns. We would mention the "Cooperativa Conducenti Autopubbliche Africa" in Rome, formed in July 1948 by taxi-drivers who had lived in the former Italian colonies. This Co-operative, which

gives remarkable assistance to its members, has as its aims: the exploitation of communal concessions for the transport of passengers in Rome, by means of public vehicles with taximeters, these concessions being distributed to its members; the joint exploitation of garages for vehicles and of repair workshops, as well as the wholesale purchase and retail sale to members, of fuels, lubricants, pneumatic tyres, and other articles necessary to the running of the vehicles. This Co-operative has 67 members.

Among other activities in the field of transport, we should mention Co-operatives for the transport of butchers' meat and those which specialise in funeral services.

Others, for example the "Velocior" of Rome, or the "Autotrasporti Operaia Vaianesi" of Vaiano, in the province of Cremona, belong to the first type mentioned at the beginning of this exposé. The members of "Velocior" are traders, having shops or stalls, who formed this Co-operative in May 1950 in order to carry their goods by their own vehicles, thus reducing transport costs.

"Autotrasporti Operaia Vaianesi" Co-operative was created because of the need for rapid means of communication between the commune of Vaiano and the town of Milan, to take large numbers of workers from the commune to their work regularly and in reasonable comfort, and to challenge the existing monopoly of transport enterprises which ignored the needs of these workers, particularly as regards the cost of transport.

These circumstances gave birth to the idea of starting a Vaiano-Milan coach service for the workers of the small Lombard commune. Once the Co-operative had obtained a concession from the Government, it began operations with a few old vehicles, distinctive in appearance, but pitifully old and worn by excessive use. That was the heroic period. Today the Co-operative possesses five new modern coaches, besides two trailers, and carries 450 workers daily .

#### b. River Transport.

The River Transport Co-operatives are few in number, but of considerable importance.

They include one of the oldest Transport Co-operatives in Italy, the "Cooperativa Mantovana dei Barcari" formed in 1906, whose headquarters at Mantua are an ancient and artistic palace. On the eve of the last war this Co-operative had a flotilla of 102 units, with a total tonnage capacity of 10,000 tons, also 6 tug-boats of 1,100 h.p. It is one of the largest river transport enterprises in Italy and rendered great services to the country during the first and second world wars, in 1918, when the "Barcari" (bargemen) of the "Mantovana" were conscripted, and in 1942, when the State Railways entrusted the river transport enterprises with the operation of all transport services within their own provinces.

After the war great efforts were made to rebuild the flotilla and to retrieve the boats from where the fury of destruction had left them half-submerged, dismantled and unusable.

The Co-operative is still one of the principal river transport enterprises. It has 40 units, with a capacity of 7,500 tons, 12 of which are fitted with engines, each with a gauge of 200 tons. These are specially constructed barges which can navigate even in shallow waterways. It also has three tug-boats, but as they run at a loss, it is proposed to motorise all the units.

The activities of the "Cooperativa Mantovana dei Barcari" cover the River Min-cio, the Po, the inland canals, as well as the Venetian Lagoon and that of Mirano.

### c. Sea Transport.

In connection with sea transport, everyone knows the name of the "Garibaldi" Co-operative of Genoa, created 13th September, 1918, with a view to joining the ranks of ship-owners. The development of this Co-operative, which has become a great Shipping Society, is well known.

Among other Co-operatives for sea transport is the "Carolina" of Carloforte, in the province of Cagliari, created by shipowners on 13th April, 1946, to effect sea transport, either by means of jointly owned units, or units belonging to members. At first, its activities were limited to carrying ore from Sardinia to Carloforte, in units belonging to members. Subsequently, it built steel units of 500 tons with engines. Today the value of its equipment exceeds 200 million Lire.

The Shipping Co-operative "La Freccia Marina" of La Maddalena in the province of Sassari, was constituted in April 1953 for the transport of passengers and goods in the estuary of the Maddalena. Actually, sea transport between La Maddalena and Palau is assured by the "Tirrenia" Society, but only three times a day. At other times throughout the day, the service is operated by the Co-operative, by means of three motor boats and three ferry boats with engines with a minimum of 8 return trips for passengers and goods, besides the ferrying of vehicles and the postal service.

Sea Transport Co-operatives also include those which operate inside the ports, and the Ferry Co-operatives.

This is a brief glimpse into the activities of the Co-operatives in the transport industry and in the Co-operative Confederation, their origins, and, as far as possible, their development. The problems of these Societies are only partly problems of co-operative organisation, their chief problems are those of the industry. On the other hand, the basic problem of the transport auxiliaries is precisely that of organisation.

As regards the prospects of development of this form of Co-operative the position of the transport industry in Italy today is most favourable to the creation of new Co-operatives, for the following reasons:

i. Industry, or at any rate those who need motor transport, often prefer not to operate these services, and, in order that their employees may readily benefit from them, they are in favour of the formation of new co-operatives of this type.

ii. Transport is one aspect of industry where the creation of Co-operatives can be of real service to the workers, either through the joint purchase of goods, or to combat price competition, or to reduce management expenses.

It is clear that co-operative transport should be encouraged, on condition that standards are set for making the co-operative form easier, particularly in the purchase of materials, vehicles and fuel. As a general rule, the Co-operatives do not seek special privileges, but if some facilities could be granted, it would be of considerable importance to the development of co-operation in the field of transport. At any rate, the question only arises if the general interest demands a study of the problem, the solution of which would make these non-speculative forms of democratic economy more efficient.

## 2. THE TRANSPORT AUXILIARY CO-OPERATIVES.

The Transport Auxiliary Co-operatives are those whose members' activities border upon the transport industry. Many of this type belong to the Italian Co-operative Confederation. Their activities extend to 27 provinces, also the regions of Sicily, Marche, Piedmont, Apulia, Lombardy, Sardinia, Calabria, Abruzzi, Liguria, Campania, Venetia, Tuscany, Latium and Lucania.

Their activities include the porters, station portering, free portering, handling of goods at public granaries, with all the operations of handling, loading and unloading corn at the silos; portering at markets, loading and unloading at goods-stations and ports, cleaning of railway waggons at the depôts, cleaning of the quays at the ports, keeping clean the port waters, refrigeration services at the wharf, etc.

Activities concerning railway stations are considered as concessions of public services, subject to special standards to assure respect of the public interest.

The number of these Co-operatives is continually increasing, especially as the Railway Administration gives preference to workers in Co-operatives. Also, the Co-operative can share out work without causing disputes and affords steady employment for unskilled workers.

Some of the most characteristic activities of these Co-operatives may be mentioned.

Porters' Co-operatives exist in practically all Italian stations. Though formed at different times, they all fulfil more or less the same functions. The "Cooperativa Portabagagli e Manovalanza" at Catania, for example, founded July, 1950, undertakes loading and unloading of goods, handling on the quays, transport and carriage of goods and luggage. For its 39 members it has developed a remarkable scheme of mutual assistance in cases of illness or industrial accidents. Naturally, its equipment is modest, but proportionate to the working requirements, 10 luggage-trolleys, two trolleys with a hoisting device, a "Leoncino O.M." van and a pulley-block.

The Porterage Co-operative "SO.CO.FA." of Vercelli was formed in August 1949 to invite tenders for portorage work on behalf of public and private organisations. In 1955 its turnover reached 65 million Lire and, besides its 29 members, it has employed 127 auxiliary workers. While its activities were chiefly on behalf of important factories in the province, the Co-operative entered the field of transport by motor lorries, which required a repair shop, and this initiated building activities. This was justified by the fact that as portorage work is generally seasonal the Co-operative must find means of employing its members during the slack periods.

The "Patria e Lavoro" Co-operative of Licata, in the province of Agrigento, is concerned solely with the unloading and stocking of sulphur. The "La Spiga" Co-operative at Naples handles grain in the silos at the port. This Co-operative, which has 29 members, has remarkable assistance schemes and gives its members a higher remuneration than they could expect from individual work.

The "Unione Caricatori e Scaricatori" of Marghera (Venice), however, undertakes all the work of loading and unloading at the dockside and on the railway platforms of the municipality of Venice. It discharges these operations to its own account and pays the wages of its members. In 1956, its work exceeded 100 million Lire. It has 59 members and about 70 auxiliaries. At the present time the Co-operative undertakes the loading, unloading and handling of salt, seedcorn, coal, fruit and fertilisers.

The "Lavoratori Ortofrutticoli" Co-operative of Padua loads and unloads goods on behalf of wholesale fruit and vegetable merchants and undertakes the grading of the produce. It has 64 members (13 men and 51 women) and the last financial year had a turnover of 50 million Lire. Its equipment includes special tri-cars.

The "Nuova Speranza" Co-operative directs its activity to the work of sweeping, cleaning, disinfecting and washing down the quays and platforms of the Port of Naples and other less important ports in the province. Its equipment is very modern: small trolleys, cylindrical bins of galvanised iron mounted on wheels, etc. A similar Society, "Avvenire" Co-operative, also of Naples, keeps the water of the port clean.

Another typical form is that of the "Lavoratori Frigoriferi del Porto" Co-operative, which undertakes the loading and unloading of goods arriving in cold storage at the Port of Naples. In this Society sick or injured workers receive their full share of piece-work pay.

It is evident from the foregoing that the transport auxiliaries are in fact skilled workers grouped together in the form of Co-operatives which are of indisputable value to the efficient execution of this kind of work. There is reason to believe that this type of Co-operative may develop considerably, notably because of their fundamentally social structure.

## I T A L Y

### LEGA NAZIONALE DELLE COOPERATIVE

#### Transport.

Transport co-operation has developed in many forms in Italy; its origin goes back to the first ten years of the present century to the Consortium of Workers' Co-operatives at Reggio, and, due to its initiative, the construction of the Reggio-Ciano railway line which, for the brilliance of the work and the audacity of the experiment, created an international stir and was visited by representatives of the Co-operative Movements of the most varied countries, who, having attended the 7th Congress of the International Co-operative Alliance at Cremona in 1907, made their way to Reggio to see this remarkable achievement.

As is well known, the Reggio-Ciano railway line is about 30 kilometres long and has the character of a touristic line, by reason of the beauty and historical importance of the country through which it passes.

In 1905, the provincial Administration of Reggio obtained from the State a concession to construct and operate the railway, the construction of which was estimated would cost 3,948,000 lire plus an annual subsidy of 5,000 lire per kilometre for a period of 70 years. As a result of the intervention and action of Antonio Vergnani, the construction was put in the hands of a consortium composed solely of Co-operatives formed expressly for the purpose, which undertook to build the line for 3,600,000 lire and to operate it for 70 years, in addition to receiving a total remuneration of 250,000 lire. For security loans and the inevitable initial outlay, the consortium was helped by the Credit Institute for Co-operatives of Milan and the local Co-operative Bank.

The line was completed in 1910 and has since operated regular services with satisfactory results, as far as the transport of both passengers and goods is concerned. In addition, the co-operative railway has proved a factor in the progress of that part of the country through which it runs.

Thus, for more than 40 years, an initiative has been carried on which is still unique, and which thought at first to be a daring adventure has proved one of the most splendid achievements of the Co-operative Movement.

At present the Co-operative Consortium for the railways of Reggio operates the following lines:

Reggio Line Emilia-Boretto; 27 kilometres;  
Sassuolo-Guastalla Line with the Bagnolo-Capri branch-line; 70 kilometres;  
Reggio Line Emilia-Ciano-Denza, with the Barco-Montecchio branch-line; 30 kilometres. Total: 127 kilometres.

In addition, to complete the railway services, the Consortium operates a widespread network of routes served by motor vehicles for which it has a concession.



The Transport Co-operatives which are part of the National League of Co-operative and Mutual Aid Societies number 205 with 10,276 members; they operate in 38 provinces.

Land Transport. The Co-operatives of this type, which have varying activities, range from ordinary carters' co-operatives (whose members each have their own horse and cart) to large co-operatives which have numerous means of motor transport and render public services.

Among the most important are: The Communal Transport Co-operative of Bologna, "C.A.P.R.I." of Imola, "Carrozzi Autodromo" of Modena, Transport Co-operative of Riolo-Bagni, "Minerva" Co-operative of Carrara, "A.R.A." Co-operative of Milan. These Societies possess 150 motor Pullmans, 170 lorries with trailers, 13 garages and 7 workshops.

Of special importance is the Co-operative Organisation of taxi-drivers of which there are several dozen in large towns, such as Rome, Milan, Turin, Florence, Bologna.

Auxiliary Transport Co-operatives. These were created almost immediately after the war, and they supply the services allied to the transport industry.

Their various activities are chiefly: portage at railway stations (services of luggage porters, cleaning of the compartments, loading and unloading at goods-stations); free portage at ports (the various services of loading and unloading, cleaning of the quays and stretches of water, services in the refrigeration depôts on the quayside); transport to the public granaries (comprising all the operations of handling, loading and unloading of grain in the silos). The number of co-operatives in this field is continually increasing since they do not need much capital for their working and labour is their most important element.

Among the most notable Co-operatives in the League, we mention:

The "Mino Repetto" Co-operative of Genoa, founded in 1948 by 65 members, carries out the work of unloading and loading at the goods-stations of Genoa-Sampierdarena. The "Lat" and "Amorep" Co-operatives of Florence, with 385 members founded in 1950, which work at the station of Florence and at various goods-stations in Tuscany. The Luggage Porters' Co-operatives of Rome, Bologna, Villa S. Giovanni, which have 420 members. The Street-porters' Co-operative of "Porta a Prato", Florence, and "La Manovalanza" Co-operative of Bologna, charged with the loading and unloading of goods, which have 390 members.

Mutual assistance, which the members enjoy when suffering from illness or industrial injury, is well organised in all the Co-operatives. One cannot fail to appreciate that by their usefulness and the standard of their work, the members who labour through their Organisation substitute themselves for private contractors, who, in this particular field, are merely useless intermediaries; their function being purely parasitic since they do not incur any risk and only come between the prospects of work and the labour market.

## WESTERN GERMANY

The position of industrial transport within the economy of the Federal Republic of Germany cannot be assessed without an evaluation of the achievements of transport co-operatives. As far as road haulage and inland water transport are concerned, the necessary services are provided by thousands of medium-sized firms. About 60,000 transport operators for road haulage and about 6,000 for inland water transport are daily engaged in placing their facilities at the service of those who are concerned with the despatching of consignments and at the service of the consumer. The desire to preserve the existence of individual transport enterprises and the recognition of the economic importance of collaboration caused transport operators to organise themselves co-operatively, in both inland water transport and road haulage. The following remarks give a brief description of the development of these co-operatives, all of which are affiliated to the Auditing Union of German Transport Co-operatives (Prüfungsverband der deutschen Verkehrsgenossenschaften e.V.), Hamburg.

As far back as 50 years ago co-operative organisations for inland water transport were to be found in East Prussia, Schleswig, Pomerania, along the Elbe, the Rhine, the Ruhr, the Main and other German waterways. In ports such as Hamburg, Bremen, Stettin, Emden and so on inshore sailors had also organised themselves co-operatively. In addition to these co-operatives, all of which were directly engaged in water transport, there were others for the provision of credit and for underwriting shipping insurance, as well as burial clubs and benevolent funds. The reason for the establishment of these self-help institutions is not far to seek. The coming of the steam engine and later on of the petrol engine compelled individual operators, if they were to survive in the struggle for existence, to counter the large scale capitalistically operated transport undertakings with the united strength of individual operators co-operatively organised.

The owners of small tugs and motor boats joined together to procure for their members the necessary forward and return consignments and to ensure the most orderly transport arrangements in the interests of the consigning agencies and the recipients. In general, transport arrangements for bulk articles are arranged but smaller loads are also despatched express by motor boat. Moreover the warehousing business also holds an important place, whilst the carefully organised inter-zonal traffic between the East Zone of Germany and Berlin is quite considerable.

Owners of small tug boats have joined tug boat co-operatives designed to arrange tug contracts for their members. Furthermore, particularly on the Rhine, there are ferry co-operatives which handle tourist traffic as well as the ferries. Co-operative organisations have been established also amongst coastal shippers, whilst in Bremen and Bremerhaven there are storage co-operatives.

The various types of co-operatives mentioned above in the first place negotiate transport orders for their members as well as looking after the general interests of the ship owners - a matter of vital importance in the pursuance of a shipping career.

The co-operatives have to finance transportation and to assist owners in getting equipment and fuel, as well as to watch over their business interests; they have also made themselves responsible for shipping repairs and protecting ship owners' interests with the shore authorities. The co-operatives are, so to speak, the "economic home" of the owners who must be able to bring to them all their economic problems and financial worries. Through a wide network of business and working places along the waterways they foster their general interests and make themselves responsible for their employment.

#### Granaries Built.

Former sea captains who are no longer employed have formed co-operatives to arrange for the guarding of foreign vessels whilst being unloaded in port. Some co-operatives have gone so far in protecting shipping interests that they have erected loading appliances, transshipment facilities, granaries and warehouses. Assistance to ship owners in the building and the purchase of ships or even for their renovation is today only possible through a co-operative organisation.

In the Federal Republic of Germany, including West Berlin, there are at the moment about 30 inland waterway co-operatives which cover all the West German waterways and offer to several thousand ship owners the economic security which would not otherwise be possible. The total volume of turnover of the Inland Waterway Co-operatives in 1955 was approximately DM. 92 million.

#### Road Haulage.

In the last 20 years co-operative development has also reached considerable proportions in the field of road haulage and public transport.

The function of co-operatives in short distance haulage is mainly to apportion bulk commissions amongst members, to settle accounts with the consignors and to arrange for advance payments to the road transport contractors for work done. Small contracts are not handled by these co-operatives to any great extent. The work of these short distance road transport co-operatives is of particular significance in arranging for the removal of rubble and in the rebuilding of Germany's damaged cities. They play an outstanding rôle too in the school meal services, in the transportation of milk and in particular tasks associated with winter conditions. The co-operatives not only finance the transportation but provide an excellent insurance system and help their members with repairs and buying of fuel, obtaining spare parts and other requirements.

Co-operatives are responsible for arranging the financial details of long distance goods haulage according to the Federal Motor Vehicles Tariff, for retaining the transportation tax and forwarding it to the financial authorities, and for ensuring that the loads are fully insured. For the purpose of obtaining loads, and particularly return loads, for the members, load distribution points have been set up to which consignors can notify their requirements.

For some time an agreement has been in force within the sphere of long distance haulage regarding payment for carrying freight and, where necessary, for a delay in payment to suit the convenience of the consignor. This agreement provides for the immediate payment to the transport operator after he has successfully completed his job. It also permits the consignor of the goods to delay making his payment for a period without the transport operator having to wait for his money. The co-operatives and the consignors have drawn up this agreement with a group of banks and the agreement not only benefits the transport operators but also helps the consignors. This agreement ensures a speeding up in the circulation of money, and guarantees freights for the transport organisers.

### Road Transport Services.

To ensure an even better and safer transport service it was necessary for the long distance haulage contractors to have lorry yards. These yards serve to guard vehicles, to assemble and store goods, to give accommodation to drivers and to maintain and repair vehicles. At the moment such lorry yards exist in Hamburg, Bremen, Hanover, Essen, Düsseldorf, Cologne, Gelsenkirchen, Frankfurt-on-Main, Munich, Mannheim, Nuremberg, Stuttgart, Hagen, Bielefeld and other large traffic centres. Fourteen of these have been erected by co-operatives. In addition to the lorry yards there are about 80 load distribution offices sponsored by co-operatives.

The large road transport co-operatives are affiliated to a Federal Central Road Transport Co-operative with its headquarters in Frankfurt-on-Main. A network of business and supervisory offices in all big centres ensures the closest relations between the consignors and co-operative members.

Road transport co-operatives also help their members to procure spare parts and other requirements as well as to get credits, carry out repairs and make replacements of vehicles. At the present moment in Western Germany there are about 60 road transport co-operatives functioning which, in close collaboration with professional representatives of the transport industry, effectively carry out the economic tasks of this profession. In the case of road transport there is a particularly close collaboration between the professional representatives and the co-operatives which brings unmistakable benefits to the transport industry.

### Public Transport.

The consignors too, particularly those who make use of road transport, have joined in co-operatives for the specific purpose of making their loading problems simpler. Recently co-operative organisation has also got a footing in the tanker transport field.

In the public transport sector omnibus co-operatives are active and they operate fixed route traffic as well as providing for tourist traffic and holiday transport with inclusive charges for hotels, meals, etc. More recently the transport requirements of workers in industrial areas are being provided through co-operatives. In the taxi and car hire business we find co-operatives which provide commissions for their members through taxi ranks. They also help their members by making joint purchases on their behalf.

A very interesting institution founded six years ago is the Insurance Union for German Automobiles (Kravag) with offices in Hamburg. It is now a well-known institution and has already had much success.

At the present time there are about 18,000 individual operators who are members of road transport co-operatives. Their overall turnover for the year 1955 was DM. 1 milliard.