

WORKING-CLASS CAPITALISTS.

*The development and financing of worker-owned companies, in
the Irwell Valley, 1849-1875.*

By

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**A thesis submitted in partial fulfilment for the requirements for the degree
of PhD at the University of Central Lancashire.**

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Abstract

The mid-nineteenth century was an age of reform, which affected the whole of British society. Working people in southeast Lancashire were far from passive at this time, and the co-operative experiment in Rochdale was an inspiration. Many had pinned their hopes on the Chartist Land Plan, but when this failed they seized an unintended opportunity offered by changes in company law. The result was that over fifty industrial worker-owned and controlled companies were created in the period from 1850 to the onset of the Cotton Famine in 1861, with shares sold to other local people through pubs and shops. A database of these shares forms the basis of this thesis and their analysis provides much of the raw material.

Following the Cotton Famine, a commercial revolution in the Irwell Valley and adjoining districts resulted and by the 1870s brought about a virtual stock market, where companies of all kinds were floated, including traditional family businesses. Many such businesses became worker-owned and added to the prosperity of the Irwell Valley. This valley had a quite unique geography and culture, which bred men and women willing to turn their hands to a variety of tasks. The worker-owned companies were intended to provide profit, but independence, pride and self-help were also important factors. The concept spread, and contributed to the formation of the better-known 'Oldham Limiteds'.

Despite many attempts, the source of industrial finance in the late Victorian period remains an unanswered question. This thesis demonstrates that for some industries, in this area, the finance came from the working classes, including women, a possibility not previously taken seriously. They funded a diversity of industries throughout the second half of the nineteenth century, providing millions of pounds of capital. The thesis also breaks new ground in being able to identify a significant percentage of investors as individuals whose activities can be reconstructed, sometimes in detail.

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Chapter 1. Introduction

They tell us through the press and from the platform that we are too ignorant to manage our own affairs; but when the wealthy manufacturers begin to surpass the productions of this mill, they may boast of their own abilities over those of the working class.¹

The developments in company law in the mid-nineteenth-century allowed the formation of worker owned and controlled manufacturing businesses. This occurrence has been largely forgotten and yet its astonishing success was a key part of rapid industrialisation in this county in the latter part of the nineteenth century. The term 'worker-owned' is used to indicate companies whose shares were predominantly held by working-class people. Many of them also had a board of directors mainly composed of working-class people and were thus 'worker-controlled'. Investigating the extent and significance of this concept of worker-owned businesses, and particularly seeking a deeper and more personal understanding of their share distribution, is one of the main objectives of this thesis.

This subject emerged from the author's B.A. dissertation, which explored the share distribution of just one of the companies that is now included in the sample, namely the East Lancashire Paper Mill Co. Ltd., which was founded in 1860 in Bury. The rather unexpected result of the analysis of shareholders was that more than 50% were found to be textile operatives and other manual workers, contrary to the findings of other historians of Victorian businesses.

It is clear that this is a subject, which, apart from one or two studies of Oldham, has been ignored, at least partly because these companies did not appear in any of the normal archives that historians rely upon. In general almost all study of industrial finance in the nineteenth century focuses on companies quoted on the

¹ *The Co-operator*, July 1860, p. 53 – following the announcement that the New Bacup and Wardle Commercial Company Ltd was paying dividends of 50%.

stock market, just as most studies of the working classes in this period focuses on the hardships of their lives. Because of this, the juxtaposition of working people and industrial finance appears bizarre; the idea that the working classes could be a source of finance seems to be very improbable. However, in Lancashire wages were high by contemporary standards. There were severe trade depressions, when living standards were seriously eroded, but they were not the norm, and should not be allowed to dominate this type of analysis. Moreover power-loom weaving, which was a major part of the industry of this area, was a piece-rate occupation so women were paid the same rate per piece as men and most weavers were women.²

The intention is to analyse how, and to whom, shares were sold as well as examining the long-term viability of businesses set up in this way. Essentially there was a virtual share market, with dealings done informally. The really significant factor is that family cotton manufacturing businesses started to utilise the facility of having the opportunity to float the family firms, and working people bought many of these shares. All of this led to increased prosperity and also encouraged the emergence of new professions in the area, such as share brokers and accountants, leading to a new share exchange club being created locally. This commercial activity resulted in the extraordinary situation where companies from far afield were publishing prospectuses in local newspapers and were selling shares to working men and women and children, in pubs, shops and street corners, on 'easy terms'. Significantly they were almost always, eventually, fully paid up, which anticipated the general change to the nature of shares that would take place later in the century. Working people thus played a more important part in the industrialisation of the valley than might be expected.

It will be argued that in the 1850s, and for many years after, working people provided much of the long-term finance for a number of local manufacturing

² P. L. Cottrell, *Industrial Finance*, (Methuen, 1980), p. 264-265.

Carol E Morgan 'Work and Consciousness in the Mid-Nineteenth-Century English Cotton Industry', *Social History*, Vol. 17, No. 1 (Jan., 1992). p. 31.

companies, which could never have expected, or afforded, to be quoted on the major stock exchanges. The companies in the database are listed in Table 1. It will also show that these companies were substantial, long-running businesses that either built their own mills, or bought existing family businesses. As such they had major capitalisation that amounted to millions of pounds, at that time and thus very much more in today's terms.³ When this is considered as a whole and related to similar developments in other industries, such as, for example, local paper manufacturing companies, breweries and others, it exposes a major source of industrial finance, which has never been fully investigated.

It was necessary to explore the origin of these companies to understand their significance properly. They could never have been formed but for the fact that company law had developed rapidly in the nineteenth century. However, that is only a part of the reason, the other key factor was the development of working-class politics. The relaxation of the Combination Laws in 1824 allowed working men to become openly involved politically and various activities culminated in the Chartist movement. Although this failed in 1848, it had been a life-changing experience for many working men and some of them were unwilling to simply resume a supine existence and in looking for ways forward they drew on the business ideas and organisational forms the Chartists had developed.⁴ The Chartist Land Plan was particularly important in creating awareness of new possibilities. The result was that from the actions by one group of ex-Chartists in the small village of Bacup, there flowered literally dozens of enterprises, mostly in the Irwell Valley, where this study is focused, but also in neighbouring districts and in industries other than just textiles.

These developments took place in an area that occupied less than 100 square miles, and one of the contentions of the thesis is that local geography and the traditional culture which it shaped played a key role in explaining them. A

³ D. A. Farnie, *The English Cotton Industry, 1850-1896*, unpublished M.A. dissertation, Manchester 1953, pp. 231-232.

⁴ Keith Flett, *Chartism after 1848*, (Merlin Press, 2006), pp. 1-10..

separate chapter on the culture and geography of the area and its effects upon the shareholders is therefore an essential preliminary to the historical analysis.

The main section of the thesis revolves around the database of shareholders, created from the share lists submitted to the Registrar of Companies. This database is essentially a sample of the people who held shares in this part of Lancashire at that time. It consists of 8,445 records from 23 companies, selected at random, but located in and around the Irwell Valley. Analysis of this database provides much of the material for the conclusions reached by the thesis, since it was possible to isolate the different occupations and make subsets of them for further analysis. It was also possible to separate different towns and villages along the length of the upper Irwell and thus see how the situation changed with locality.

The thesis also sheds new light on the lives and finances of the working classes. The lists reveal that workers of the Irwell Valley owned almost 90% of the shares of the companies in the sample. They also reveal that women were significant shareholders and that married women, and their husbands, ignored the laws on coverture. This finding creates a need to examine women shareholders in more detail. Finally there is ample evidence that many shares were bought in children's names. Some of these working men and women accumulated quite impressive portfolios, which allowed them, or their children, to move up the social scale. Thus social mobility was also an outcome resulting from the commercial development.

Obviously, this concept started quite slowly, the first company was formed in 1850 and by 1856 there were only a handful of other similar companies. To give an idea of scale, in Bacup in the 1850s there were approximately thirty to forty cotton mills.⁵ Initially there were only two or three worker-owned mills, but by

⁵ Reproduced at, http://www.rossendale.gov.uk/consultations/Bacup_Town_Centre_Conservation_Area_-_Invitation_for_comments/Bacup_-_prelim_notes.pdf, accessed 10/1/15.

the 1880s many of the traditional family owned mills had been sold out and the shares were often bought by working people and thus became worker owned. This will be discussed in the relevant chapter, but it was likely that by the 1880s that worker-owned mills were a very significant proportion, if not actually in the majority.

The companies contained in the sample were originally identified from lists available from Parliamentary reports of joint-stock companies established prior to 1862, and more than 50 such companies were selected for examination.⁶ The preliminary intention to consider all the companies in southeast Lancashire proved too ambitious and the scope was reduced to focus on the Irwell Valley. Some exceptions were made for several companies registered before the 1856 Limited Liability Act, however, as it was felt that these were a special case and were linked to the original Bacup company, both in their origins and through the geography. A full breakdown of each company in the database, as far as can be ascertained, is given in Appendix A, which gives as much information as is available concerning the formation of the companies and the allocation of the initial share offering.

The research aimed at identifying the shareholders of the various companies and classifying them primarily by occupation. The raw material to do this was the annual return, which had to be submitted to the Registrar of Joint Stock Companies. Originally these records were kept at Companies House, but once a company has been dissolved the records are transferred to the National Archives. There the volume is now so great that they have been rationalised and generally only the first and last year of reporting are kept plus copies at approximately ten-year intervals. However the rationalisation was not done with a great deal of accuracy and some records have been almost completely destroyed. For the main part of this thesis the initial submission of the

⁶ Reproduced at; http://gateway.proquest.com/openurl?url_ver=Z39.88-2004, accessed 20/5/13.

shareholders, when the company was first registered, were the ones used. Generally these have all been preserved.

Shareholder records consist of hand-written lists, compiled by the company secretary on a standard form, which is described as the “Register of Shareholders, Annual List and Summary”. The first page requires a summary of the shares to be expressed and in addition to the name of the company and the date of submission requires the nominal capital, how it is divided into shares and their value. The number of shares taken up, how much has been called on each share, the total amount of calls received and the amount of calls unpaid. This summary page therefore encapsulates the situation of the company, regarding its shares, at one moment in time.

Pages headed “List of Persons Holding Shares” provide names, addresses and occupations, all of which are utilised in the analysis. The “Account of Shares” shows whether shareholders have bought or sold shares since the previous return, but as there is no indication of who might have bought the shares listed as sold and this could lead to duplication most of this information had to be ignored, except for the numbers of shares actually held by each individual. Thus, a list of who held shares, how many shares they held, where they lived and their occupation at the specific date of the submission could be constructed and analysed by means of a spread-sheet, which was then imported into a ‘File Maker Pro’ database. The advantage of using a database is that it has far more tools for separating and analysing data. This analysis is one of the main features of this thesis and forms a major part of it.

Because the records are handwritten, there were transcription problems at times. Also, some addresses, which would have been understandable at the time, cannot now be traced. Moreover many, including mill workers, clearly gave their works address, probably because they might have little privacy where they lived. However there was sufficient information to identify many and this material

made it possible to 'humanise' the study by creating brief biographies of some key personalities by linking it to census data and local newspapers.

In addition, a sample of the more long-lived companies was created to examine how they had developed, especially those that survived into the twentieth century. Records were sampled in order to achieve suitable intervals to show the development of the companies over time. Where possible samples of share registers were taken at periodic intervals and, to simplify the sampling, the first five pages of the shareholder lists were examined and tabulated, using the same criteria in terms of occupations and addresses.⁷ The intention was to establish if the shares were still held by working people and just how local the shareholding had remained.

In order to classify various occupations, it was necessary to apply codes against each major group of occupations and these are shown in Table 1. This, of course, allows sorting and categorising through the database. The occupations were taken from the share lists and were allocated according to the information there. In many cases it was possible to cross check this with the census, and this occasionally led to a re-allocation. Only one code number was used for most types of manual labour employment, as any attempt to widen this category would have produced an unmanageable number of sub-categories. However, skilled craftsmen were differentiated.

In some of the later analysis the 'working group', i.e. codes 5, 6, 8, 9 and 10 have been grouped together. Because the end result was not known, when the table was devised, it was only possible to make broad groupings, and, for example, the code for 'children' was added only when it became apparent that there were significant numbers of them.

⁷ See appendix B.

Table 1. Occupational codes

Code	Type	Includes
1	Independent means	Esquires, Gentlemen, M.P.s, etc.
2	Professional	Solicitors, Clergymen, architects, accountants, land agents, surveyors, dentists, doctors, schoolmasters.
3	Commercial	Merchants, agents, minor manufacturers, colliery owners, auctioneers. Also small employers
4	Retail	Shopkeepers, Drapers, Grocers etc. Also Innkeepers, Beer-sellers
5	Skilled tradesmen	Trades likely to have served an apprenticeship, e.g. Joiners, plumbers, engineers etc. Also those who are 'master' craftsmen.
6	Employees	All wage earners apart from groups 5 & 8
7	Farmers	As described
8	Women	This includes all females who held shares, except minors
9	All unspecified	No occupation given and not found in census.
10	Children	Under 14 years old

The thesis is divided into chapters, the earlier ones set out the background against which these developments took place. The later chapters examine the data, which results from the analysis of the database.

Chapter 1 is the introduction and contains the description of the major sources and the methods involved.

Chapter 2 is the literature review and examines and discusses historiography that is relevant to the various chapters.

Chapter 3 examines the cultural and geographic background of the Irwell Valley and especially Bacup, considering how its remoteness and traditional independence created the spark, which led to the formation of the first Bacup Joint Stock Company.

Chapter 4 is concerned with development of company law in this critical period and looks at how it developed, tracing the changes from the 1720 'Bubble Act' through to the 1844 Joint Stock Companies Act and the 1856 Limited Liability Act. The chapter goes on to examine political developments of the working classes in this period and leads naturally to Chartism and the Chartist land plan.

Chapter 5 is devoted to the way that companies developed. Because the Cotton Famine was such a major event in Lancashire in the early 1860s this is also considered here, as is its impact on worker-owned companies, especially those in the sample. The chapter then considers those companies, which survived into the twentieth century. The intention of this section is to show that most of these companies were valid, long-term organisations and not just transient occurrences.

Chapter 6 begins the analytical process and focuses on the establishment of the companies, especially for those formed before the Limited Liability Act in 1856. Some basic evaluation of the database as a whole is done at this point, but the main analysis is in the following chapters.

Chapter 7 starts more detailed analysis of shareholders and their occupations and for ease of handling, as well as for comparison purposes, the data are broken down into four sections by geographical region. In this chapter the first two sections, the Pennine villages and the middle part of the Irwell Valley, are dealt with.

Chapter 8 continues the analysis and covers Bury and all other shareholders.

Chapter 9. This chapter is specifically about women, who account for 14% of all shareholders, in the sample, and about children, who also held shares. To investigate if share holding was part of a wider financial activity by local women, there is discussion on women's friendly societies and women savers at the local Bury Savings Bank.

Chapter 10 examines the virtual share market that was created by the sale of shares in the worker-owned companies, looking into the various ways that shares were sold. It also considers the development of the virtual share market, which identifies that this was a source for industrial finance. The chapter also examines the question of whether these mills were indeed co-operatives, as they are almost always referred to by this name in the literature of the times.

Finally the Conclusion draws the various arguments together and presents the major findings of the thesis, showing that working men and women of this period were fully capable of taking a successful part in a variety of commercial activities. It also demonstrates that there was indeed a hitherto unexplored source of industrial finance, especially for the small to medium manufacturing industries of at least Southeast Lancashire.

Chapter 2 - Literature review

This thesis, in terms of historical scholarship, is a contradiction. It links the development of company law and the working classes together and thus needs to examine two separate and different areas of literature. Most Marxist oriented historians would find it very strange that factory workers would want to build their own factories.¹ Equally most business historians have never really considered that changes in company law impinged upon the workers as investors, as will be demonstrated in this review. This dichotomy of concepts is one reason why this review has to cover a wide cross section of material, since workers and business have not been seen historically as part of a complex whole, but have been rigidly separated.

The evolution of company law provided the impetus for change, and these developments have attracted a lot of coverage. Jefferys produced one of the earliest, and most comprehensive in his 1938 PhD thesis.² This was a massive work, covering business development from 1856 to 1914, and it is still considered relevant today. Shannon was another historian from the 1930s who examined the way that the legislation developed and spelled out the steps by which the law gradually evolved, culminating in the Limited Liability Act.³ Hunt, also from the same period, gave a very detailed account of how the law changed and traced all the twists and turns that took place in its evolution.⁴

Amongst the new publications documenting the evolution of company law, one of the most detailed is that by Harris, who has produced a quite definitive work on its evolution from 1720 until 1844 under the title, *Industrializing English Law*.⁵ He considers all aspects of business organisation from the sole proprietorship, through family firms, styles of partnership and various types of joint-stock

¹ E. J. Hobsbawm, *Labouring Men*, (Weidenfeld & Nicholson, 1986), pp. 105-119

² J. B. Jefferys, *Trends in business organization in Great Britain since 1856*, unpublished PhD thesis, (London 1938)

³ H. A. Shannon, 'The coming of general limited liability', in E. M. Carus-Wilson, ed., *Essays on Economic History*, Vol. 1, Edward Arnold, 1954, 5th imp. 1963), pp. 358-380.

⁴ Bishop Carleton Hunt, *The Development of the Business Corporation in England, 1800-1867*, (Harvard University Press, 1936).

⁵ Ron Harris, *Industrializing English Law*, (Cambridge, 2000).

companies and corporations, dealing with each in turn in specific time segments. Thus the first section considers the British economic world prior to 1720. In part two he looks at the period from 1721-1810, dealing with most of the different economic arrangements mentioned above, but also considering the effects of trusts and including a chapter on the progress of the joint-stock organisation in various industries. His part three looks at the period 1800-1844, and this, of course, was when most of the legislation was enacted, which he examines in detail. Unfortunately he does not go on to discuss limited liability, but it is a most comprehensive review of the period before the 1844 Act.

McQueen has taken a rather different approach to the evolution of company law with his work, *A Social History of Company Law*.⁶ This book covers the period from 1854-1920. The work is as much concerned with the people involved in the evolution of the law as it is with the technical aspects. He examines the role of the Christian Socialists in the debate on limited liability and discusses the fact that whilst some people, such as J. S. Mill were in favour of the working classes having an opportunity to be involved in business, others, including some Chartists, such as Ernest Jones, were very much against it.⁷

McQueen, as with most historians tracing the progress of company law, deals with the fact that limited liability was a very controversial concept and faced major opposition.⁸ In the chapter on this subject he sets out the arguments that took place, both for and against it,

There was a firm and widespread conviction that unlimited liability was not only a safeguard against speculation, but also that general limitation...would produce a sudden convulsion, a rush into all sorts of schemes.⁹

⁶ Rob McQueen, *A Social History of Company Law*, (Ashgate, 2009).

⁷ Ibid, p. 65

⁸ Ibid, pp.78-82.

⁹ Hunt, (1936), p. 126.

Once it was enacted McQueen goes on to show that limited liability was actually of most benefit to the middle classes.¹⁰

Shannon wrote several papers, which examined the consequences of the Limited Liability Act, the most famous of which is *'The First Five Thousand Limited Companies and their Duration'*.¹¹ This article and a later one, essentially charted the rate of failure of the early limited companies.¹² Such articles are important in assessing just how successful were the working class companies, since they provide a standard by which to measure them.

Taylor has been a prolific modern commentator on the way that business evolved in the nineteenth century. He has written two books, the first on the evolution of capitalism in the nineteenth century and the second on some of the frauds that were carried out. He has also participated in a third book on shareholders' rights.¹³ These are well-researched works and his book on fraud has many references to court cases – which built up precedents, and to debates in Parliament. Taylor's work on the evolution of the joint-stock company also charts the way that the law evolved. He includes a good many contemporary cartoons, which provide a useful period view of what was changing and the reaction to it. He goes beyond the Limited Liability Act and discusses the effect that the crash of 1866 had on this Act. This resulted in a Government Committee, who recommended companies to reduce their share denominations, which is exactly what the worker-owned companies had always done.¹⁴

Limited liability was important for the evolution of worker-owned companies and most of the studies mentioned above deal with it. However, there are several articles that treat this Act as a single issue and examine it in depth. Articles such as

¹⁰ McQueen, (2009), p. 103.

¹¹ H. A. Shannon, 'The First Five Thousand Limited Companies and their Duration', *Economic History*, Vol. 3/2, No. 3 (1932).

¹² H. A. Shannon, 'The Limited Companies of 1866-1883', *The Economic History Review*, Vol. 4, No. 3 (Oct. 1933).

¹³ James Taylor, *Creating Capitalism, Joint-Stock Enterprise in British Politics and Culture, 1800-1870*, (Royal Historical Society, 2006).

James Taylor, *Boardroom Scandal: The Criminalisation of Company Fraud in Nineteenth-Century Britain*, (Oxford, 2013).

Mark Freeman, Robin Pearson & James Taylor, *Shareholder Democracies? Corporate Governance in Britain and Ireland before 1850*, (University of Chicago, 2012).

¹⁴ Taylor, (2006), pp. 188-193.

that by Djelic examine all aspects of the debate.¹⁵ Other informed articles are those by Saville and Loftus, with Loftus especially looking at the possible effects on the working class.¹⁶

Shares are central to this thesis and Jefferys produced the most definitive article on *The Denomination and Character of Shares*, which stood unchallenged for many years.¹⁷ It is such a basic understanding of how shares developed that Acheson, Turner and Ye, have recently reworked it in more detail, thanks to modern methods, and found little to seriously criticise. They have only argued that share denominations started to be lower earlier than Jeffreys had stated, but uncalled capital did exist even up to the 1930s, which was longer than Jeffreys had considered.¹⁸

All of the above accounts have tended to focus on the evolution of the joint-stock company because this is the most common form of business arrangement today. However, in commenting upon nineteenth-century business models it would be wrong to lose sight of the predominant business model of that time i.e. partnership. Rosine Hart's thesis on this subject gives an excellent view of how finance was obtained in the early stages of the industrial revolution, mainly by partnerships¹⁹ Such arrangements could be extremely complicated and the law concerning them was also complicated as Bellendon Kerr's report to Parliament indicated.²⁰ Saville spells out some of the problems of partnership law and makes the comparison to limited liability.²¹

¹⁵ Marie-Laure Djelic, 'When Limited Liability was (still) an issue – conflicting mobilizations in nineteenth-century England', reproduced at, http://www.egosnet.org/jart/prj3/egos/resources/dbcon_def/uploads/summer_workshop_papers/W-006.pdf, accessed 23/3/13

¹⁶ John Saville, 'Sleeping Partnership and Limited Liability, 1850-1856', *Economic History Review*, New Series, Vol. 8, No. 3(1956), pp. 418-433.

Donna Loftus, 'Capital and Community: Limited Liability and Attempts to Democratize the Market in Mid-Nineteenth-Century England', *Victorian Studies*, Vol. 45, No. 1(2002), pp. 93-120.

¹⁷ J. B. Jefferys, 'The Denomination and Character of Shares, 1855-1885', *Economic History Review*, Vol. 16, No. 1 (1946).

¹⁸ Graeme D. Acheson, John D. Turner and Quing Ye, 'The Character and Denomination of shares in the Victorian equity market', *The Economic History Review*, 65, 3 (2012).

¹⁹ Rosine Hart, *Financing Lancashire's Industrial Development*, unpublished PhD thesis, (UCLAN, 2006).

²⁰ Bellenden Ker, *Report on the Law of Partnership*, Reproduced at; [tp://gateway.proquest.com/openurl?url_ver=Z39.88-2004&res_dat=xri:hc&res_id=xri:hc:rec:1837-017122](http://gateway.proquest.com/openurl?url_ver=Z39.88-2004&res_dat=xri:hc&res_id=xri:hc:rec:1837-017122), accessed 29/12/2013.

²¹ Saville, (1956).

One of the perceived problems with partnerships, and the apparent lack of limitation of liability was the idea that if the partnership failed, partners could have to sacrifice every penny they possessed. In fact this is a misconception as regards major partnerships and there have been a number of papers that have challenged this concept. By the middle of the nineteenth century the law had evolved so that by the use of trusts and other devices, partners had achieved a form of limitation of liability, as the papers quoted below explain.²² This was one reason why many partnerships did not want the Limited Liability Act passed and why there were such mixed feelings about the Act before it actually went through Parliament.

Finally on this subject the question of ‘incorporation’ needs to be examined. It was one of the major reasons for the various private Acts of Parliament sought by canal and railway companies and a simplified method of incorporation by registration was one of the main features of the 1844 Act. The main value of incorporation was that it conferred a legal identity on the company and thus made them immune to the death of shareholders, or transfer of ownership.²³ It also allowed the company to sue and be sued – essential for pursuing debt. Ireland gives a very comprehensive explanation, as well as citing various court cases.²⁴ Hannah has covered the question of incorporation in detail and his most recent paper shows how corporate form was achieved in various countries, thus putting the British example into context.²⁵

None of the accounts of nineteenth-century business history address the question of finance for small-scale industrial manufacturing. Cottrell’s *Industrial Finance 1830-1914* really does not address this directly, even in the two chapters on *Financing the industrial revolution*. As he says, “expansion appears to have been

²² Henry Hansmann, Reiner Kraakman and Richard Squire, ‘Law and the Rise of the Firm’, *Harvard Law Review*, Vol. 119, no. 5, (Mar. 2006), pp.1335-1387.

Joshua Getzler and Mike Macnair, ‘The Firm as an Entity before the Companies Acts’, reproduced at <http://papers.ssrn.com/Abstract=941231>. Accessed 15th Feb. 2011.

²³ ²³ Leslie Hannah, ‘The Corporate Economies of America and Europe 1790-1860’, CIRJE Discussion Paper, (February, 2013), p. 16. Reproduced at; <http://www.cirje.e.u-tokyo.ac.jp/research/03research02dp.html>, accessed 1/3/2010.

²⁴ Paddy Ireland, ‘Capitalism without the Capitalist: The Joint Stock Company Share and the Emergence of the Modern Doctrine of Separate Corporate Personality’, *Journal of Legal History*, Vol. 17, No. 1 (1996)

²⁵ Hannah, (2013).

largely financed through the ploughing back of profits”.²⁶ In a later chapter he discusses the fact that banks were not too much involved in financing industry and suggests that other sources such as trade credit, mortgages or new partners have “little evidence...at present available”.²⁷ Collins generally suggests that banks were not the main source of finance.²⁸ In a joint work with Capie, the title sums up the situation, *Have the Banks Failed British Industry?* In fact in the conclusion they suggest that long term the banks helped industry – but only by learning from financial crises in the nineteenth century and thus giving better economic stability.²⁹ However that does imply that banks were not a reliable source of finance in the nineteenth century.

Modern writing on business history has almost nothing to say about small-scale industrial companies that sold shares without the benefit of a recognised stock exchange. Taylor has written extensively around the subject of early capitalism and he mentions the work of Donna Loftus, who argued that limited liability was intended to be of benefit to the working classes.³⁰ However, he then contends that this was not the case and says, “The extent to which legislation would encourage the formation of working-class enterprises was at best debateable”.³¹ That would appear to be all that he has to say about companies of this type.

Hannah mentions one reason why such companies did not appear on stock exchanges, “Many of the companies which might have wished to seek capital on the provincial or metropolitan stock markets were too small to raise the money themselves”.³² This effectively means that these companies had to seek local finance and the records that they left were minimal and certainly not available by examining stock exchange archives. Most business historians focus on the sort of records that stock exchanges leave.

²⁶ Cottrell, (1980), p. 31.

²⁷ Ibid, p. 248

²⁸ Michael Collins, *Banks and industrial finance in Britain, 1800-1939*, (Cambridge, 1991).

²⁹ Forest Capie/Michael Collins, *Have the Banks Failed British Industry?*, (Institute of Economic Affairs, 1992), p.77.

³⁰ Loftus, (2002), pp. 93-120.

³¹ Taylor, (2006), pp. 154-155.

³² Hannah, (1983), p. 20.

It might be thought that there were close comparisons between the cotton industry of Lancashire to the woollen industry of Yorkshire and the way that the businesses were financed. However, it must be remembered that Lancashire's growth not only started much later than that of Yorkshire, but also accelerated far more rapidly. Pat Hudson has done a detailed study of the West Riding wool textile industry and there does not appear to be any similarity to the worker owned cotton mills – though Farnie says that some of these were built in the West Riding.³³ The woollen industry was not only much older, it was also more complex and Hudson shows that essentially finance depended upon the “complex network of families, religious, personal and business affiliations (which) formed the markets within which manufacturers sought to raise finance”.³⁴ The main examples of joint-stock mills in Yorkshire were the mills created by various partnerships in order to better utilise machinery, mostly for scribbling and fulling. Hudson gives a comprehensive survey of these, which were usually formed by groups of clothiers.³⁵ Caunce also confirms this view, stressing that networks were the key factor in finance in this industry.³⁶

Widening this review of business studies to include some recent work, which focuses on the more social aspects of finance in this period, one group of historians stand out. This is especially the case concerning studies of how women related to financial affairs at this time. The group in question, who have produced several individual and joint papers, are David R. Green, Alastair Owens, Josephine Maltby and Janette Rutterford. In addition, they have recently edited, *Men, Women, and Money*, which has a chapter on democratisation of share ownership and it does touch on the question of working-class share ownership.³⁷ It discusses the 1850 Select Committee on Investments for the Savings of the Middle and Working Classes. However the authors say that: “the committee was looking for ways to

³³Farnie, (1953), p. 231

³⁴Pat Hudson, *The Genesis of Industrial Capital. A study of the West Riding wool textile industry c. 1750-1850*, (Cambridge, 1986), p.269.

³⁵Hudson, (1986), pp.76-81.

³⁶Steve Caunce, 'Banks, communities and manufacturing in West Yorkshire textiles, c. 1800-1830', in Eds. John F. Wilson and Andrew Popp, *Industrial Clusters and Regional Business Networks in England, 1750-1970*, (Ashgate Publishing, 2003), p. 128.

³⁷ David R. Green, Alastair Owens, Josephine Maltby and Janette Rutterford eds. *Men, Women and Money*, (Oxford, 2011).

promote the establishment of small businesses but not to stimulate investment by workers in the large ones that employed them". They say, concerning the working classes: "The argument was that it was beyond their skill and judgement to play a role in corporate finance".³⁸ They then go on to discuss 'cooperative ownership' and consider the 'Oldham Limiteds', claiming that there was "substantial employee share ownership".³⁹ This dismissal of the working class, in matters relating to finance and company development, is quite typical, showing lack of information and cultural stereotyping.

The same book also has a chapter, by Mitchie, specifically about investors in the period 1850-1930. There is considerable in depth analysis of types of investors, but absolutely no suggestion that there might be investment from the working classes. In fact there is the categorical statement, "One of the reasons why investors generated so little sympathy...they remained a privileged and wealthy minority".⁴⁰ The same group of historians have produced several related papers looking at similar subjects and more of their work is considered concerning women, which appears later in this review.⁴¹

Almost every study of finance, share-ownership and business in general either ignores the working class or touches it briefly and then moves on. The assumption has to be that it was considered that the working classes had nothing to invest. Most accounts of the working classes in the period stress the hardships, very few suggest that in fact some parts of the working classes had surplus cash and this will be argued in the thesis. Benson has produced a book entitled simply *The Working Class in Britain 1850-1939*, in which he has a full chapter on wages and the cost of living and he does generally paint a gloomy picture, stressing that poverty was never very far away – he certainly does not mention the words 'investment' or

³⁸ Josephine Maltby, Janette Rutterford, David R. Green, Steven Ainscough and Carien van Mourik, 'The Evidence for 'Democratization' of Share Ownership in Great Britain in the Early Twentieth Century', in Eds. David R. Green, Alastair Owen, Josephine Maltby and Jeanette Rutterford, *Men, Women, and Money*, (Oxford, 2011), pp. 189-190.

³⁹ Ibid, p. 190.

⁴⁰ Ranald C. Mitchie, 'Gamblers, Fools, Victims, or Wizards? The British Investor in the Public Mind, 1850-1930', in Green et al (2011), p. 178.

⁴¹ David R. Green, Alastair Owens, Josephine Maltby and Janette Rutterford, 'Lives in the balance? Gender, age and assets in late-nineteenth-century England and Wales', *Continuity and Change*, Vol. 24, No. 2, (August 2009), pp. 307-335.

'saving'.⁴² Hobsbawm is even more aggressive in his contention that the standard of living had declined from 1787-1837.⁴³ In fact there are several historians who disagree with Hobsbawm and argue that the standard of living had dramatically improved over this period. Brown makes it clear that in Lancashire by 1850 real earnings had increased by 40 per cent.⁴⁴ Another who has this view is Hartwell, as does Taylor, whose wide-ranging article covers many aspects of the standard of living debate.⁴⁵ However Taylor concludes "optimists and pessimists now agree in seeing the years...from the early 1840s as periods of advance".⁴⁶ Lancashire textile workers were considerably better paid than those in other occupations as Benson's table shows; their wages were more than double those in agriculture.⁴⁷

Generally speaking, in spite of the fact that historians have argued that Lancashire workers had a better standard of living in the 1850s, even social historians have never suggested that they might be a source of capital, therefore it is not surprising that business historians, viewing the development of company law and corporate life in Britain, have ignored the working classes.

Thus it seems clear that very little has been written specifically about share ownership amongst the working classes by business historians. This is not really surprising as, in comparison to share owning in the middle and upper classes, it is a very small sector. One of the few works on a related subject is by Newton, whose unpublished PhD studies industrial companies and their financing in Sheffield, but these are not worker-owned.⁴⁸

⁴² John Benson, *The Working Class in Britain, 1850-1939*, (Longman, 1989), pp. 39-72.

⁴³ Hobsbawm, *Labouring Men*, p.88.

⁴⁴ John C. Brown, 'The Condition of England and the Standard of Living: Cotton Textiles in the Northwest, 1806-1950', *Journal of Economic History*, Vol. 50, No. 3 (Sep. 1990), p. 608.

⁴⁵ R. M. Hartwell, 'The Rising Standard of Living in England, 1800-1850', *The Economic History Review, New Series*, Vol. 13, No. 3 (1961), pp. 397-416

⁴⁶ A. J. P. Taylor, 'Progress and Poverty in Britain, 1780-1850', in E. M. Carus-Wilson, ed. *Essays in Economic History*, Vol. III, (Edward Arnold, 1962). P.392.

⁴⁷ Benson, (1989), p. 41

⁴⁸ Lucy Newton, *The Finance of Manufacturing Industry in the Sheffield Area c. 1850-1885*, unpublished PhD thesis, (Leicester, 1993).

The question of the Oldham Limiteds deserves attention regarding its relationship to the earlier developments in Rossendale, given that there is a small amount of academic literature on them. Farnie, Roland Smith, W. A. Thomas, Steve Toms, Cottrell, Shin'ichi Yonekawa and others have all written about the situation in Oldham. Looking at these studies, it becomes clear that most of this work was done before the advent of computers and computer databases or spreadsheets. As a result the estimates of worker involvement are essentially very subjective, vary enormously and raise doubts as to the depth of any investigation. Both Farnie and Thomas suggest that workers held up to 75% of the shares and Yonekawa indicates that the workers were the main shareholders.⁴⁹ On the other hand Smith, who did examine the share records of at least five companies, says that, "references to shareholding by cotton workers were exceptional".⁵⁰ Toms clearly states that textile workers in 1874-76 held approximately 22% of the shares and this figure fell in later years.⁵¹ Finally a contemporary newspaper article made the point, "in the mills of Oldham and Rochdale the estimated number of workers who are shareholders is never alleged to be higher than 20 per cent., and it is probably far less".⁵²

Cottrell's work was directly concerned with industrial finance and he reveals that he was aware of such local cotton manufacturing companies, even to the extent of including five of them in the sample of 1860s companies he examined.⁵³ He also has a separate chapter on *'Cotton and Iron: the provinces and the metropolis 1855-85'*, and in this chapter he examines the growth of joint-stock cotton companies and makes the comment "a substantial number were 'worker' concerns".⁵⁴ Even

⁴⁹Farnie, (1979), p. 252.

W. A. Thomas, *The Provincial Stock Exchanges*, Frank Cass, 1973, p. 147.

Shin'ichi Yonekawa, 'Floatation Booms in the Cotton Spinning Industry, 1870-1890: A Comparative Study', *Business History Review*, Vol. 61, No. 4 (Winter, 1987), p. 554.

⁵⁰Roland Smith, 'An Oldham Limited Liability Company 1875-1896', *Business History*, qVol. 4 (2), (1961), pp. 40 & 42.

⁵¹Steve Toms, 'Oldham Capitalisation and the Rise of the Lancashire Textile Industry, reproduced at <https://www.york.ac.uk/media/toms/documents/research/workingpaper/working%20paper%2030.pdf>, p.11, accessed 21/10/14.

⁵²*The Standard*, 26/1/1876

⁵³Cottrell, (1980), pp. 97-98

⁵⁴Ibid, p.108.

though he was obviously aware of other companies, he also focuses mainly on the Oldham companies.

The 'Oldham Limiteds' therefore might be considered to have clouded the issue of workers owning shares. From the differing accounts above it is clear that there is some confusion about just how widespread was share ownership amongst working people in Oldham, but that it appears to have been grossly exaggerated. What most do agree upon is that most of the Oldham Limiteds made wide use of the power to borrow money and that much of their capital was 'loan stock', most of which did come from the working classes. Thus loans were really the main investment of the working classes in the Oldham Limiteds' and therefore not directly comparable with the worker-owned shares of the Rossendale Valley.

Finally in looking at historiography on this subject it is worth making the point that it has not been possible to find any exhaustive analysis of a specific group of shareholder records similar to what has been undertaken in this thesis. The group mentioned above, Rutterford et al, have developed a sampling system for analysing large batches of shares and they do list other examples of shareholder analysis, but they tend to be based on stock exchange companies.⁵⁵ The same group in their paper on analysing gender and investment has used this technique and they give a simplified breakdown of the method.⁵⁶ This is a useful technique as it allows the examination of large volumes of shares with a reasonable confidence level.

...

A factor, which has a crucial role to play in this thesis, is the question of working-class politics. It can be argued that the working classes got involved in political issues towards the end of the eighteenth century. However, the French Revolution and the various Combination Acts meant that working men could only really start to have meetings and voice demands for political changes once these Acts had been

⁵⁵ Janette Rutterford, Josephine Maltby, David R. Green and Alastair Owens, 'Researching shareholding and investment in England and Wales: Approaches, sources and methods', *Accounting History*, Vol. 14, No. 3 (2009), pp. 269-292.

⁵⁶ Janette Rutterford, Josephine Maltby, David R. Green and Alastair Owens, 'Who comprised the nation of shareholders? Gender and investment in Great Britain, c. 1870-1935', *Economic History Review*, Vol. 64, No. 1, (2011), p.165.

repealed. Probably the first organised working-class campaign was the 'Ten-hour Movement' and the life of Richard Oastler gives an excellent account, principally of the ten-hour movement, but also of working-class politics generally in the 1830s, prior to the Chartists.⁵⁷

It was also the legislation of this period that fuelled the working-class desire to get a better deal. The 1832 Reform Act, followed by the 1834 Poor Law Amendment Act roused working people into action. Thompson sees the 1832 Act as a dividing line between the working classes and others, "The line drawn for the exercise of the franchise was precisely made to include all members of the middle and upper classes and to exclude all wage-labourers".⁵⁸ Whether this was so clearly understood on the ground, as Thompson suggests, might be debateable. Others have seen the 1834 Poor Law Amendment as more significant. Walton says that in Lancashire there was a "passive resistance...they resented dictation from central government".⁵⁹ Rose gives a detailed account of how the law worked and especially how it was applied in the Northern counties.⁶⁰

Those actively involved in political struggle at this time, such as Oastler, saw this as a very serious threat. Indeed in the 1830s, it was the ten-hour movement combined with resistance to the New Poor Law that primarily occupied those of the working classes who were politically active. When the Chartists appeared, in the late 1830s, they tended to bring these differing groups together. Moir says, "Chartism...absorbed it into a wider movement of protest".⁶¹ Another biography of a Victorian social reformer is the story of W. P. Roberts, a Victorian lawyer who took on many of the Chartists court cases and thus presents a different viewpoint.⁶²

This thesis asserts that the original Bacup Joint-Stock Company arose because of the failure of Chartism and especially the breakdown of the Chartist Land Plan. It is not the intention to examine the Chartist movement as a whole; the significant

⁵⁷ Cecil Driver, *Tory Radical, The Life of Richard Oastler*, (Oxford University Press, 1946).

⁵⁸ Dorothy Thompson, *The Chartists*, (Wildwood House, 1986), p. 5.

⁵⁹ Walton, (1987), p.160.

⁶⁰ Michael E Rose, *The Relief of Poverty 1834-1914*, (MacMillan, 1986), pp. 9-14.

⁶¹ Esther Moir, *The Justice of the Peace*, (Penguin, 1969), p. 134

⁶² Raymond Challinor, *A Radical Lawyer in Victorian England*, (Taurus & Co, 1990).

factor is the Chartist Land Plan. The Chartist leadership struggled to get the Land Plan legally recognised and it was their attempts to register it as a joint-stock company that spread the knowledge about what was needed to set up such a company. Probably the best account of this is that by Yeo, who gives an excellent description of the efforts of the Chartists to register the Land Plan, both as a friendly society and then as a joint stock company.⁶³

Malcolm Chase's *Chartism a New History* touches on the Land Plan at various points in this period of Chartist history, starting with O'Conner's initial pamphlet in 1841 and the first debate on the subject at the 1843 convention, when there were few delegates.⁶⁴ Crucially Chase makes the point that key local activists in various locations, including North Lancashire, were the driving force. Bronstein confirms this, "The land scheme was so well received in Lancashire that it generated an energetic local leadership and helped to maintain the continuity of Chartism".⁶⁵ Bronstein is a noteworthy commentator, she is an American historian interested in land reform rather than British politics and therefore has a dispassionate view, and her accounts of how the land plan was publicised in Lancashire are of particular interest. Bronstein also discusses the various alternate land schemes that were proposed at that time, such as the one promoted by Richard Cobden, as well as rival emigration societies, such as Potters' Joint-Stock Emigration Society.⁶⁶ Thompson, who said that many political groups had some sort of land plan, confirmed this.⁶⁷

The thesis is concerned with the failure of the land plan and suggests that what happened in Bacup was one strand of how ex-Chartists reacted after 1848. Flett's *Chartism after 1848* deals with certain aspect of this situation. He makes the point that essentially Chartism fractured into various groups, he says, "While all kinds of alternative ideas and strategies began to develop after 1848, there was no group

⁶³ Eileen Yeo, 'Some Practices and Problems of Chartist Democracy', in James Epstein & Dorothy Thompson, eds., *The Chartist Experience; Studies in Working-Class Radicalism and Culture, 1830-1860*, (McMillan, 1982), pp.345-381.

⁶⁴ Malcolm Chase, *Chartism a New History*, (Manchester University Press, 2007), pp. 247-249.

⁶⁵ Jamie L. Bronstein, *Land Reform and Working-Class Experience in Britain and the United States, 1800-1862*, (Stanford University, 1999), p. 161

⁶⁶ Ibid, p. 202-203.

⁶⁷ Thompson, (1986), p. 302.

which was able to exercise the kind of authority that the Chartists had maintained”.⁶⁸ Taylor confirms this in that he says that when Chartism came into being it was a “repository for all kinds of disparate campaigns and movements”.⁶⁹ He goes on to say that after Chartism these groups returned to their roots and says, “These various examples suggest that for many individuals Chartism was something of a dramatic interlude within a longer career of activity in local politics”.⁷⁰ However, both Taylor and Flett are looking at a broader picture after 1848. Flett’s work essentially focuses on education whilst Taylor is pursuing various aspects of radical reform and the broader political spectrum. Finn’s *After Chartism* would seem to be a potential source of material, but though it is a very detailed account of various political developments after Chartism, it too is looking at the broader political spectrum.⁷¹

...

One aspect of the research has been that, in the sample, there were a considerable number of women, and also children, listed as shareholders. Whilst there is plenty of literature on middle-class women as shareholders, such as that published by Green and Owens as well as work by Rutherford and Maltby, there is little on working-class women as shareholders.⁷² There is also no trace of any publication that covers the possibility that minors might own property. It was necessary to consult a publication which was written to make the law understandable to the public, in order to be able to assess the rights, or otherwise of minors, at that time.⁷³

⁶⁸ Flett, *Chartism after 1848*, p. 93.

⁶⁹ Miles Taylor, *The Decline of British Radicalism*, ((Oxford, 1995), p. 101.

⁷⁰ Ibid, pp. 103-104.

⁷¹ Margot Finn, *After Chartism*, (Cambridge, 1993).

⁷² David Green and Alastair Owens, ‘Gentlewomanly capitalism? Spinsters, widows and wealth holding in England and Wales c. 1800-1860.’ *Economic History Review*, LVI, 3, (2003).

Janette Rutherford and Josephine Maltby, ‘The Widow, The Clergyman and the Reckless Women Investors in England 1830-1914, *Feminist Economics*, vol. 12, nos. 1 & 2 (2006).

Janette Rutherford, et al, ‘Gender and investment, pp. 157-187.

Green et al, ‘Lives in the Balance”, (2009).

Alastair Owens, ‘A hidden investment? Women and business in England, c. 1750-1900’, reproduced at, <http://www.geog.qmul.ac.uk/docs/staff/4389.pdf>, 2008, accessed 10/1/15.

⁷³ *Beeton’s Law Book*, (Ward, Lock and Co., Ninth Ed. 1891), pp.257-262.

One work which considers working-class women is Maltby's "*The Wife's Administration of the Earnings?*" *Working Class Women and Savings in the Mid-Nineteenth Century*.⁷⁴ In this paper Maltby examines working-class women's deposits in savings banks. One of the problems she identifies is that there were many married women savers, which raises the question of coverture.

Lancashire women textile workers were considered quite radical.. Thompson makes the point that because they were earning; "The spinster or the widow was freed from dependence on relatives or upon parish relief".⁷⁵ Women were, in fact, often at the forefront of protests and had been since the turn of the century. Cole recounts a march in Rochdale in 1817. He says, "The march was headed by at least 5,000 female reformers".⁷⁶ He later makes the point that in the Chartist Movement, "women often acted as 'shock troops' in the campaign of civil disobedience".⁷⁷ Dorothy Thompson devotes a whole chapter to detailing the involvement of nineteenth-century women in radical politics.⁷⁸ The role of housewife versus female married worker is explored in Bourke's study of 'Housewifery in Working-Class England 1860-1914' and arguments for both sides are presented.⁷⁹

Of interest for this thesis is the question of 'coverture', because in the sample there are a number of married women included. At this period married women had no property rights because of the system of coverture, which gave the husband full right to virtually all of his wife's possessions. There is a lot of writing on this subject. Shanley, who, under the sub-heading *Law and the married woman*, takes the reader through the various legal reforms, which finally gave women equal rights to men. She presents a succinct interpretation. Surprisingly it was not the Married Women's Property Acts of 1870 and 1882 which gave women full autonomy but The Law Reform (Married Women & Tortfeasors) Act, 1935, which

⁷⁴ Josephine Maltby, "*The Wife's Administration of the Earnings?*" *Working Class Women and Savings in the Mid-Nineteenth Century*. *Continuity and Change* 26 (2), 2011.

⁷⁵ E. P. Thompson, *The Making of the English Working Class*, (Penguin, 1970), p. 452.

⁷⁶ John Cole, *Conflict and Co-operation, Rochdale and the Pioneering Spirit, 1790-1844*, (Kelsall, Littleborough, 1994), p.14.

⁷⁷ *Ibid*, p.30.

⁷⁸ Dorothy Thompson, 'Women and Nineteenth-Century Radical Politics', in Juliet Mitchell and Ann Oakley, eds., "*The Rights and Wrongs of Women*", (Penguin, 1986, 3rd. ed.), pp. 59-112.

⁷⁹ Joanna Bourke, *Housewifery in Working-Class England, 1860-1914*, *Past and Present*, Vol. 143, no. 1 (1994).

finally allowed married women to assume full personal liability for their contracts.⁸⁰

Another look at married women's rights is explored in Combs' article. This goes into considerable depth, exploring the effects of the 1870 Act and the results on women in various walks of life.⁸¹ Erikson looks at the coverture situation in England especially in the light of the way that the law could be used to at least mitigate the effects by means of marriage settlements, trust funds and similar arrangements. She contends that this situation resulted in the average English person becoming much more familiar with the law. She makes the point that "individual arrangements were virtually essential for anyone who could afford them".⁸² Sheryllene Haggerty covers another aspect in her article on the trading community of Liverpool, where she says that some married women merchants traded on their own account. She says that this was partly due to men folk being away at sea.⁸³

...

Having discussed the literature that covers the 'broader picture', it is also necessary to examine what has been written about the geography and culture of the upper Irwell Valley, which was the focal point of the development. Walton's history of Lancashire provides a good starting point. He describes Tudor Lancashire as a backwater, without guilds or corporations.⁸⁴ However this lack of the restrictions imposed by guilds meant that when industry started to develop it was free to innovate. Defoe, in his tour through England makes comment about the development of the textile trade in the county, which at this time was mostly wool, though there is mention of cotton.⁸⁵ Caunce has carried out a comprehensive

⁸⁰ Mary Lyndon Shanley, ' Suffrage, Protective Labor Legislation, and Married Women's Property Laws in England', *Signs*, Vol. 12, No. 1(Autumn, 1986), p. 74.

⁸¹ Mary Beth Combs, 'Cui Bono? The 1870 British Married Women's Property Act, Bargaining Power, and the Distribution of Resources within Marriage', *Feminist Economics*, Vol. 12, Nos. 1-2 (Jan./Apr., 2006).

⁸² Amy Louise Erikson, 'Coverture and Capitalism', *History Workshop Journal*, Vol. 59 (Spring, 2005), pp. 5-6.

⁸³ Sheryllene Haggerty, 'The Structure of the Trading Community in Liverpool, 1760-1810', *Transactions of the Historic Society of Lancashire and Cheshire*, Vol. 151 (2002), p. 103.

⁸⁴ John K. Walton, *Lancashire; A social history, 1558-1939*, (Manchester University Press, 1987). p.7.

⁸⁵ Daniel Defoe, *A Tour Through England and Wales*, (Everyman's Library, 1959) Vol.2. pp. 189, 265

interpretation on how Defoe viewed the Lancashire – Yorkshire industrial developments and how the people were so active in their work.⁸⁶ Hudson gives a good background to the development of both the woollen and cotton industry.⁸⁷

If Walton's comments applied to Lancashire in general it was even more obscure and remote in Rossendale. Two key books on the development of this area are Newbiggins' *A History of the Forest of Rossendale*, and Tupling's *The Economic History of Rossendale*.⁸⁸ Both of these books suggest that Rossendale was a difficult place to make a living. Tupling makes it clear that inhabitants had to combine small-scale farming with textile work.⁸⁹ Newbiggin's book goes much further back into the history of the valley, whilst Tupling's is more concerned with Rossendale once it started to develop. Both Newbiggin and Tupling chart the changing industrial mix as cotton and machinery gradually became more important than wool, but it did not eliminate the woollen trade.

A more general work is *The Dark River* by Cyril Bracegirdle, which gives an account of the whole length of the River Irwell. The book is more focused on an earlier period than this thesis covers, but he does have an interesting chapter on the cotton famine. He quotes extensively from visits by the writer Edwin Waugh, who wrote for the *Manchester Examiner and Times*, and there are records of his interviews.⁹⁰ There are two unpublished M.A. dissertations by A. G. Guymer and Stephanie Hamilton, which help to explain the geography of the Rossendale Valley and why it had such an important part to play.⁹¹ They both make the point that geography, geology, climate and especially the high rainfall, all made farming a very marginal occupation.

⁸⁶Stephen Caunce, 'Revealing a New Northern England, Crossing the Rubicon with Daniel Defoe' *Prose Studies*, Vol. 29, No. 1 (April, 2007), p. 139.

⁸⁷ Pat Hudson, 'The limits of Wool and the Potential of Cotton in the eighteenth and ~Nineteenth Centuries', reproduced at; <http://www.lse.ac.uk/economichistory/research/gehn/helsinkihudson.pdf>, accessed 11/10/13.

⁸⁸ Thomas Newbigging, *History of the Forest of Rossendale*, (Rossendale Free Press, 1893).

G. H. Tupling, *The Economic History of Rossendale*, (Chetham Society, 1927).

⁸⁹ Tupling, (1927), pp. 177-178.

⁹⁰ Cyril Bracegirdle, *The Dark River*, (John Sherratt & Son, 1973), pp. 109-117.

⁹¹ A. G. Guymer, *The Agricultural Geography of Rossendale*, Unpublished M.A. Thesis, (Manchester, 1965)

Stephanie Hamilton, *The Historical Geography of South Rossendale, 1780-1900*, Unpublished M.A. Thesis, (Manchester, 1974)

There are other publications, which help to appreciate the culture of the area, in order to understand just why such companies might have sprung up in Rossendale rather than anywhere else. For example Chris Aspin, a well-known local historian with an exhaustive knowledge of the area, has written a number of books about Rossendale and the surrounding areas the best known of which is *Lancashire the First Industrial Society*.⁹² One very interesting feature of this book are the numerous illustrations reproducing posters, notices, cartoons and engravings of the time, these do help to show the local conditions. Aspin has a very good grasp of the motivations of the people and quotes many examples, which help to understand how the character of the inhabitants of the Rossendale Valley was formed.⁹³

An eye-witness account of parts of the Lancashire textile district, though unfortunately not Rossendale, was given by Angus Bethune Reach, who was a journalist who visited Lancashire on behalf of the *Morning Chronicle*. His reports have been reproduced in book form, edited by Aspin, and give good background to the conditions in Lancashire in 1849.⁹⁴ Another local author is Taylor, who has produced two volumes entitled *Bacupian Mills*. He has collected newspaper articles, company reports and any other data he can find and has produced a history of most of the mills in Bacup.⁹⁵

There are two local recollections that have survived and been published. The autobiography of David Whitehead is about one of the few men who actually rose from a very poor background to becoming a mill owner.⁹⁶ The book stresses that he got his education via the Sunday schools and the effect that Methodism had upon his life. The other is about Moses Heap, a textile operative, who lived from 1824-1913.⁹⁷ He has written a series of reminiscences and his main interest, outside of earning a living, was church music. He did buy shares in one of the

⁹² Chris Aspin, *Lancashire the First Industrial Society*, (Helmshore Historical Society, 1969)

⁹³ Ibid, p. 115.

⁹⁴ Angus Bethune Reach, ed. Chris Aspin, *A Cotton-Fibre Halo*, (Royd Press, 2007).

⁹⁵ W. G. Taylor, *Bacupian Mills*, (self published, 1991).

⁹⁶ Stanley Chapman, ed., *The Autobiography of David Whitehead of Rawtenstall (1790-1865) Cotton Spinner and Merchant*, (Helmshore local history society, 2001)

⁹⁷ Moses Heap, *My Life and Times*, (Rossendale Public Library, 1961).

companies and commented on the trend to buy such shares. Again he stresses the effect of Sunday schools and the benefits of Methodism.

...

Of course one important aspect of a literature review is to check whether there has been anything of significance already written. In examining early writings on this subject there is an immediate problem due to the fact that worker-owned joint-stock companies were misunderstood by some and were seen as an extension of the Co-operative movement. Thus most writers in the Victorian period, and some later writers also, often referred to joint-stock mills as 'co-operative mills'. An excellent account of the way that the term 'co-operation' was misused has been discussed by Gurney. He argues that "the keyword 'co-operation' was a site of intense conflict", his comments on this aspect illustrate how widely, and loosely, the term was used and why there is the misunderstanding of just what was a co-operative venture.⁹⁸

However, though there was a distinct difference between joint-stock companies and the Co-operative movement, there were also links and, given the fact that Victorian writers especially associated them together it is as well to discuss both in this section.

The developments in the Irwell Valley were reasonably well known to some Victorian writers. Probably the most significant was Beatrice Potter, especially as she had relatives in Bacup and visited the town several times.⁹⁹ Her comments are worth looking at in some detail.¹⁰⁰ Her work on the co-operative movement was thorough and unbiased. She devotes a chapter to '*The Association of Producers*', which does include cotton mills and joint-stock mills. This is a typical example of how the two subjects are frequently handled together in this period.

⁹⁸ Peter Gurney, 'The Middle-Class Embrace: Language, Representation, and the Contest over Co-operative Forms in Britain, c. 1860-1914', *Victorian Studies*, Vol. 37, No. 2, (Winter 1994), p. 255.

⁹⁹ Stuart Walsh, *Beatrice Webb and Bacup*, reproduced at, http://www.hssr.mmu.ac.uk/mcrh/files/2013/01/mrhr_03ii_walsh.pdf, accessed 20/3/14.

¹⁰⁰ Beatrice Potter, *The Co-operative Movement in Great Britain*, (Geo. Allen & Unwin, 1893, republished by Bibliolife, 2010).

The other main work from this period is from Benjamin Jones, who was an ardent co-operator. His book '*Co-operative Production*' ran to over 800 pages and detailed all types of co-operative production.¹⁰¹ As such he was less objective than Potter and seemingly determined to prove that 'co-operative production' did work. In this respect he and Potter have very different views on this aspect of co-operation.

Potter discusses how the Christian Socialists, a London based group dedicated to aiding the working classes, concerned themselves with the co-operative efforts in Lancashire. They encouraged co-operative ventures such as Mitchel Hey, Pendleton and Padiham to run as true co-operatives, i.e. to employ as many shareholders as possible and share out the profits amongst workers and shareholders. Potter comments that "Commercial success, however, proved more disastrous...than commercial failure: the body remained vigorous, but the soul departed". In other words, the spirit of co-operation did not succeed when faced with the necessity to either accept proper management or distribution of profits.

Jones gives a great deal of detail but he was at pains to focus on the co-operative aspects, he also gives a lot of attention to the company at Whit Lane, Pendleton and to the Padiham Commercial Company – both of which failed due to problems with discipline. It is significant that both Potter and Jones mention these particular companies, as they were two of the only true attempts at co-operative production. In fairness to Jones, in his chapter on cotton factories he does give space to the 'Bacup and Wardle Commercial Company', admitting that it was the oldest of its kind.¹⁰²

Although Potter also mixes up the terminology, she does refer separately to what she calls "Working-Class Limiteds", saying that they were the most successful applications, led by 'the Bacup and Wardle mill'.¹⁰³ In spite of her early reference to the New Bacup and Wardle Commercial Company, she does go on to say, "The Working-Class Limiteds...which centre in Oldham".¹⁰⁴ In other words, even though

¹⁰¹ Benjamin Jones, *Co-operative Production* Vol. 1, (Clarendon Press, 1894, republished Nabu Publications, 2010).

¹⁰² Jones, (2010), p. 252-253.

¹⁰³ Potter, (2010), p. 126.

¹⁰⁴ Ibid, p. 131.

she was aware of the early companies in the Rossendale Valley, at the time she was writing in 1893, Oldham was perceived as the centre of such companies.

When Potter demolishes the concept of co-operative production, she pointedly excludes the joint-stock companies from her list saying, "Joint-stock association – its compass and its limits - is not my theme", showing quite clearly that she understood the difference.¹⁰⁵ Thus, whilst she mentions these companies and clearly denotes the difference between them and co-operative ventures, she has relatively little to say about them.

Looking more closely at the actual Co-operative Movement, there are many writings on the subject. Potter's book of course discusses the whole movement, not just 'co-operative production'. Holyoake produced a contemporary history as a series of articles for the *Daily News*, starting in 1857, at which time the co-operative concept was still developing and this was later published as a book.¹⁰⁶ The Co-op itself produced an excellent history of the movement to celebrate its one hundred and fiftieth anniversary, which contains a good deal of detail.¹⁰⁷ Possibly one of the best accounts of co-operative history is that by Professor G. D. H. Cole, which was written to mark the co-operative centenary.¹⁰⁸ Cole gives a lot of statistics as well as some detailed history, which is not always present in the more populist style of account. He also gives an account of the way that true 'co-operative production' failed and was not successful compared to the joint-stock operations of other worker-owned mills.¹⁰⁹

In the twentieth century, the first writer to discuss the Rossendale companies dealt with in this thesis was Farnie. His unpublished M.A. thesis devoted a chapter to what he described as '*Co-operative Production*'.¹¹⁰ He stated "The first effective association of working men was the New Bacup and Wardle Commercial Company which probably came into being in November 1850".¹¹¹ In this thesis he devoted

¹⁰⁵ Ibid, p. 131.

¹⁰⁶ George Jacob Holyoake, *The History of the Rochdale Pioneers*, (Re-printed by Dodo Press, 2010).

¹⁰⁷ Johnson Birchall, *Co-op, the people's business*, (Manchester University Press, 1994)

¹⁰⁸ G. D. H. Cole, *A Century of Co-operation*, (Co-operative Union, Manchester, 1945).

¹⁰⁹ Ibid, pp. 90-91.

¹¹⁰ Farnie, (1953, pp. 231-251.

¹¹¹ Ibid, p. 225

some twenty pages to describing the companies involved and stressed that the Rossendale Valley was the most prolific.¹¹² In his later work on the development of the cotton industry he again touched upon the subject, under the heading “*The Spread of the Joint-Stock Company in Lancashire*”, but this time with far less detail, focusing instead upon the spread of this movement and its rapid growth.¹¹³

This Literature Review has spanned a wide range of topics; this was necessary in order to cover all of the factors that led to the development of the first worker-owned joint-stock company. If it had not been for the developments in company law, which inadvertently ‘opened the door’ for the working-class entrepreneurs and the activities surrounding the Chartist Land Plan, which taught the workers how to use the law, then this might never have happened. These conditions might have led to the same results in another location, but the literature shows that the upper parts of the Irwell Valley were a potent breeding ground for such a development and share ownership was prized by both working men and women. Other aspects considered in this review make it clear that the share-owning culture of the Rossendale valley in the mid-nineteenth century has had very little attention.

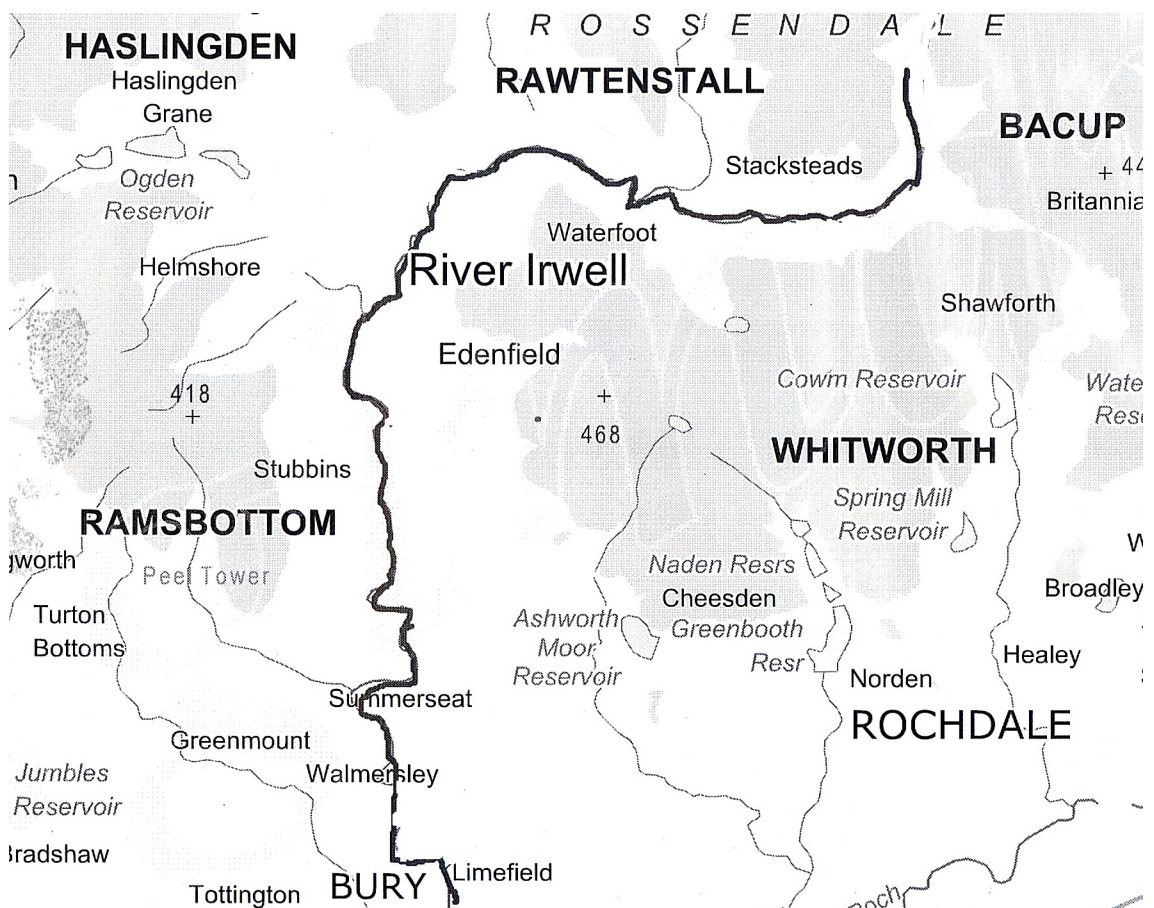
¹¹²Ibid, p.231.

¹¹³ Farnie, (1979), pp.211-243.

Chapter 3. The Irwell Valley, culture and geography.

The establishment of the Bacup Commercial Company in 1850 was the first example of working men using the 1844 Joint-Stock Companies Act. This chapter tries to assess just what were the conditions, of geography, climate and culture that prompted such an occurrence to happen and how it was a natural, if exceptional, result of the developments detailed in the preceding chapter. It led to other Pennine villages following the Bacup Commercial Company and after the 1856 Limited Liability Act other groups in the Irwell Valley, as well as in neighbouring areas, adopted it.

Figure 1. The Irwell Valley



Source: Edina Maps.

Jones commences his chapter on the Cotton Industry by stating that this was the oldest such association.¹ Thus it is not just the Irwell Valley where it began, but

¹ Jones, *Production*, p. 252.

specifically the upper valley – essentially that part known as the Rossendale Valley, which is the section from Rawtenstall to Bacup. Whilst Bacup was the birthplace, it was other companies also in small Pennine villages, which quickly followed suit. It is necessary to try to understand just why this bleak, unprepossessing area should have spawned such a development.

Lancashire had always been classed as a very poor county since medieval times. Walton opens his book on Lancashire with the description of the county as,

Mid-Tudor Lancashire was an obscure, remote, insular backward corner of England. The population density was low. Towns were small and under-developed, long distance trade was very limited in its scope and range, and wide areas of the county were given over to moss and moorland.²

He describes the landscape of Lancashire, explaining how the low lying areas of south west Lancashire, especially the area that we know today as the Fylde and along the Ribble Valley were suitable for arable farming, whilst the foothills of the Pennines could only support pastoral styles of agriculture. Apart from agricultural problems, he also makes the point that Lancashire was one of the poorest counties, being last out of thirty-eight English counties in tax assessments in 1515.³

This poverty, combined with a lack of gentry meant that there were few officials with only twenty-four Justices of the Peace for the whole county in 1564.⁴ This situation also meant that there was never a peasant economy; instead there were a myriad of small farmers. Walton sums up the situation by saying; “Lancashire was a poor county, but its resources were spread fairly evenly through a wide middling spectrum of lesser gentry, yeomanry and small farmers.”⁵ In general these remarks refer to the county as a whole, the Pennine valleys were much more difficult and Newbiggin gives a very clear description of the problems with climate and landscape, pointing out that rainfall was 33% higher than the average in the rest of England.⁶ He goes on to say that the soil was poor and of “an uncongenial

² Walton, *Lancashire*, p. 7.

³ Ibid, p. 8.

⁴ Ibid, p. 14.

⁵ Ibid, p. 16.

⁶ Newbiggin, *Rossendale*, pp.232-235.

clayey character – damp and cold – it possesses few of those features of beneficent vegetation” and that its agricultural possibilities did not attract the farmer”.⁷ What he does make clear is that;

“The inhabitants of the Forest of Rossendale are proverbial for their shrewd, enterprising character. Possessing largely the faculty of acquiring and accumulating money, they combine therewith the gift of a wise economy in spending it.”⁸

This thesis will demonstrate that there was a strong element of truth in these words.

These basic geographical and climatic conditions did not change; Guymer goes into this area in great detail, describing the upper Irwell valley. She defines the area as being very distinctive “with steep escarpments backed by flat, or gently sloping areas, broken by the main river valley, some of which are narrow and steep sided”.⁹ There was a strong similarity to the situation just over the border in Yorkshire, as discussed by Counce.¹⁰

Tupling, using data from a poll tax in 1606, shows a dramatic example of how poor these agricultural holdings were. This tax was levied on the value of land holdings and the data is from the area of the Forest of Rossendale, Haslingden, Accrington, Huncoat and Oswaldtwistle, which amounts to just under 100 square miles. In this area there appeared to be 654 households. This is a huge area for such a scant population. Tax was levied in bands from a top rate of estates valued at £20, then £10 and finally £5. Of the 654 households 406 came below the £5 bottom level. As he says, “nearly two thirds were ...very small or of very inferior fertility”.¹¹ Whilst he does not specify where the worst locations were, local knowledge, coupled with Guymer’s analysis would suggest that it was in the area of the Irwell valley that the poorest farms were found. This was partly due to the fact that a feature of landholdings in Rossendale is that the holdings were quite small and had often

⁷ Newbiggin, *Rossendale*, p. 233.

⁸ Ibid, pp. 225/226

⁹ Guymer, (1965), p. 32.

¹⁰ Counce, 2007, p. 7.

¹¹ Tupling, *Rossendale*, p.163.

been subdivided, resulting in ever smaller farmsteads.¹² Even at the beginning of this period Tupling estimates that two thirds of properties were less than thirty acres and many were less than fifteen acres.¹³ There was also a steady influx of people from other areas into the valley due to the fact that it was relatively easy to enclose a small plot of wasteland, even though such action might eventually result in being brought before the lord's steward¹⁴ Eventually there were many 'immigrants' and Tupling says that whilst the main flow was from Ireland, especially in the nineteenth century, others came from Yorkshire and Scotland. In addition there was the system, later outlawed, of bringing in batches of workhouse children from, in Rossendale's case, Hertfordshire.¹⁵

Figure 2. Contours of the upper Rossendale Valley

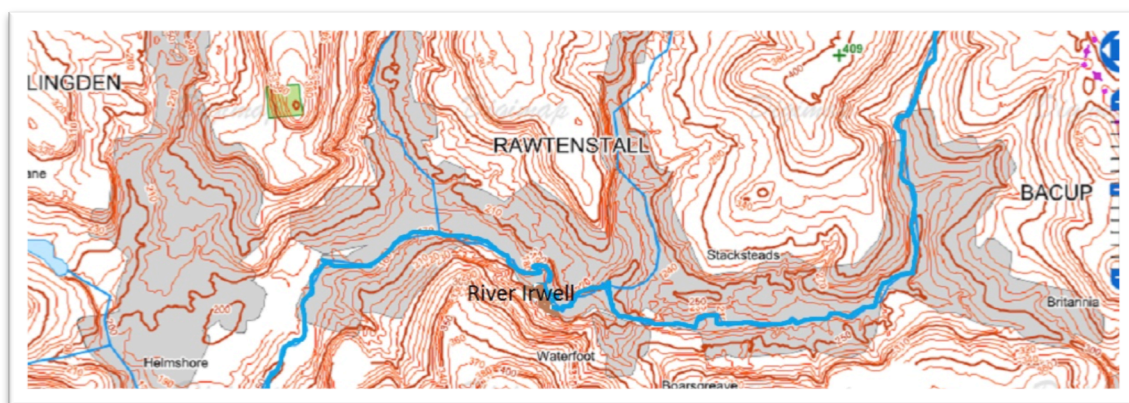


Figure 2 above show the narrowness and steepness of the valley, whilst Figure 3 gives a close up of Bacup's situation, illustrating how Bacup was further isolated. The only way out is the path the river takes and the point marked by the yellow line is known locally as 'the thrutch', indicating a narrow gorge that is barely wide enough for the river and a road. When the railway was built they had to tunnel through rocks on the south side – there was simply not enough room otherwise. Also note that the Irwell was notorious for flooding and at such times the 'thrutch' would be impassable, leaving Bacup isolated. "In winter floods are frequent on the rivers (*the Irwell and tributaries*) sometimes there are three or four in a week."¹⁶

¹² Hamilton. *South Rossendale*, p. 2.

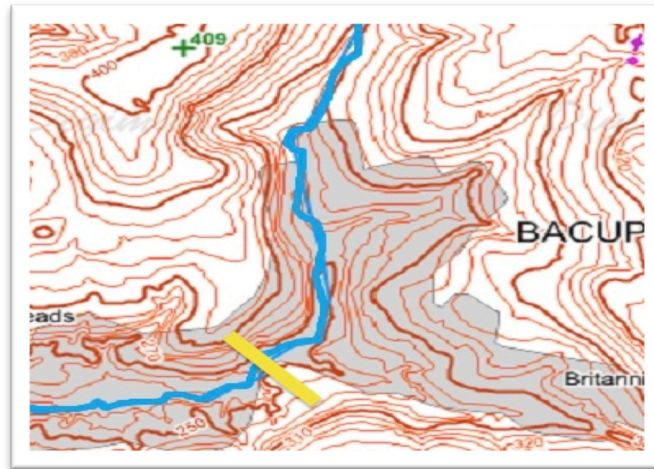
¹³ Tupling, (1927), pp. 162-163.

¹⁴ Ibid, p. 167.

¹⁵ Ibid, pp. 216-217.

¹⁶ Bracegirdle, (1973), pp.31-43 (my italics).

Figure 3. The location of Bacup, illustrating its isolation



Source for fig. 2 & 3, Edina maps.

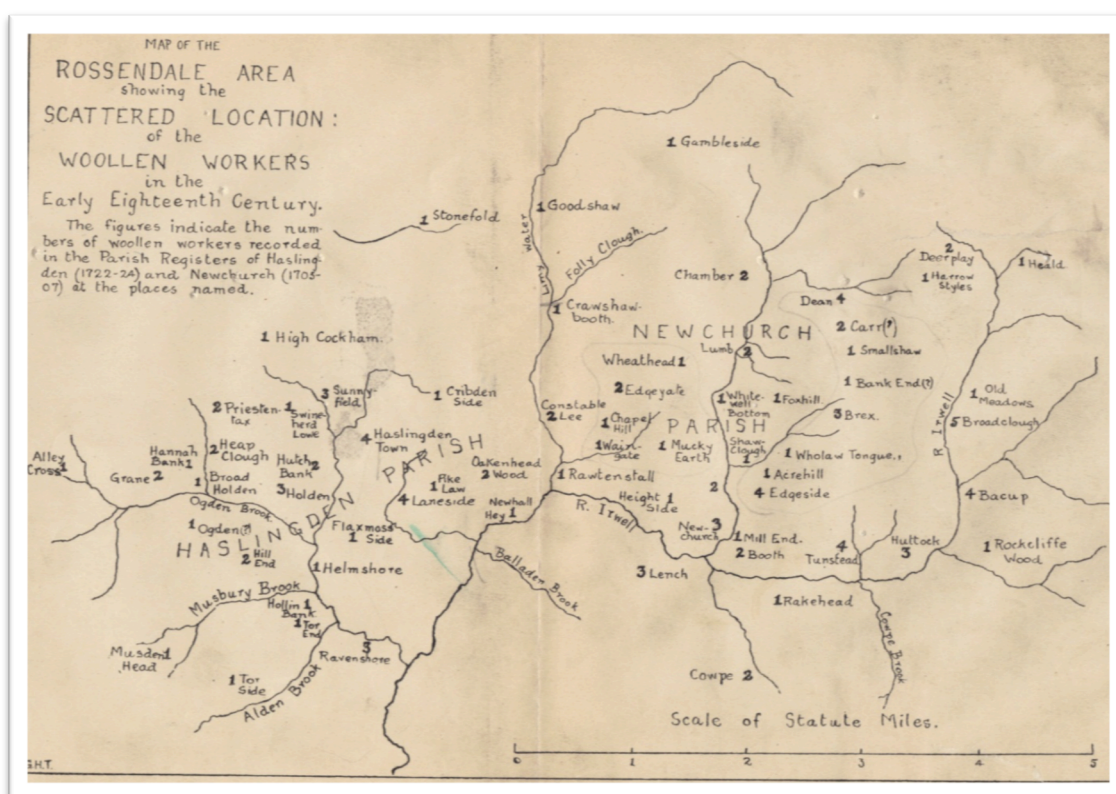
The above descriptions make it clear that this was no Eden, so why would people want to move in? Tupling suggests that it was the woollen industry that attracted people. As stated above, it was possible to reclaim waste ground, which would provide a newcomer with a simple base and then as Tupling suggests they came because they had probably the skills of cloth making learned elsewhere – where land could not be simply appropriated.¹⁷ So, in the eighteenth century the woollen industry of the Rossendale valley grew.

The isolation from the lower valley, especially prior to the railway, and the packhorse routes over the tops, also strengthens the connection with Rochdale and the areas around it. Even after most of Lancashire had become converted from other textiles to manufacturing cotton, the eastern edge of the county, including Bury, Rochdale, Rossendale and Colne was still devoted to wool. This involvement with wool was due to the proximity of Yorkshire and its dominant industry and in Rossendale's case it was because it was heavily dependent upon Rochdale, which was an important centre for wool. Rochdale took the basic cloth and finished it, as facilities such as a fulling mill, did not exist in Rossendale, until the eighteenth century, although waterpower was increasingly being used for carding in Bacup and other sites in the valley.¹⁸

¹⁷ Tupling, (1927), p. 167

¹⁸ Newbigging, *Rossendale*, p. 209

Figure 4. Map of woollen working sites - early 18C



Source; Tupling, opp. P. 179.

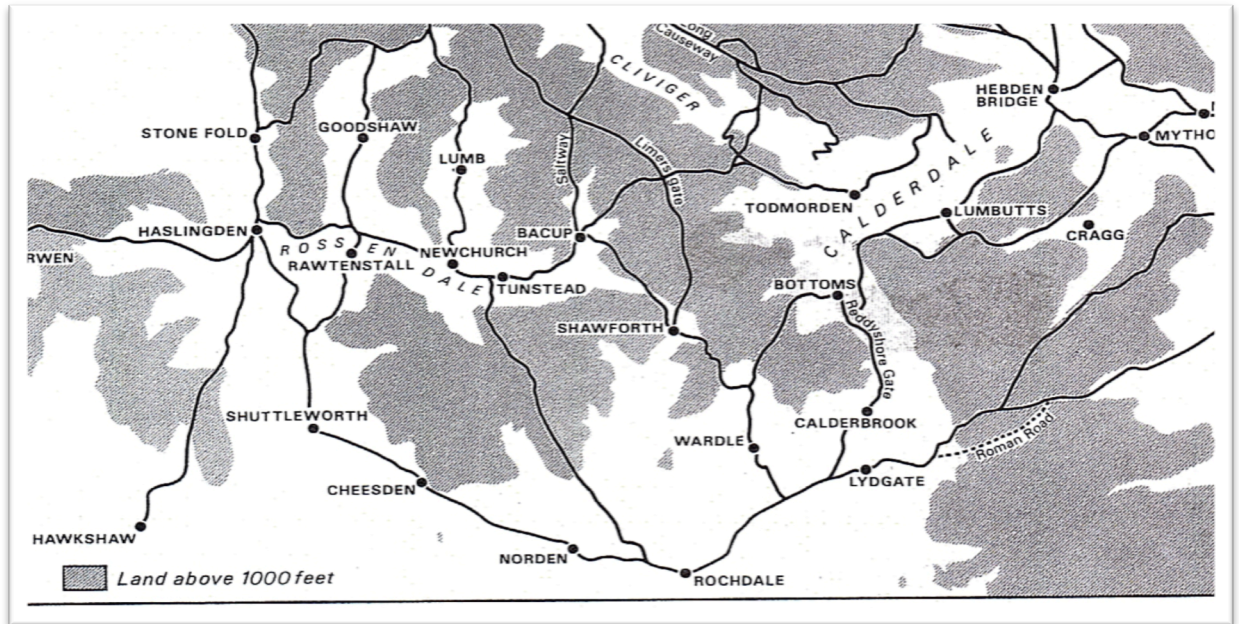
The map above is taken from Tupling and shows the scattered nature of the woollen industry in the early eighteenth century, it also shows the many tributaries of the Irwell most of which could, and did, drive waterwheels.¹⁹

Connections with Rochdale were good; a map of packhorse trails (Fig. 5) shows three distinct routes. One led out of Rawtenstall, one went from the middle of the valley around Tunstead and finally one from Bacup, all of which led over the tops to Rochdale.²⁰

¹⁹ Tupling, (1927).

²⁰ Brian Paul Hindle, *Roads, Tracks and their Interpretation*, (Batsford, 1993), p.88

Figure 5. Map of packhorse routes.



Source, Hindle, p.88

Even into the eighteenth century there was still a dependency upon Rochdale.²¹ Transport links gradually developed, with the first turnpike established between Rochdale, Bacup and Burnley in 1754. However it was not until 1789 that a turnpike up the valley was built, linking Todmorden, Bacup through to Haslingden. This tends to emphasise the dependence upon Rochdale and a turnpike linking Rawtenstall to Rochdale was built in 1794, with a later connection to Bury.²² It was the advent of the railways that more clearly defined what we consider today to be the Rossendale Valley. The first line from Manchester to Bury and Rawtenstall opened in 1846, with extensions to Newchurch and Bacup in 1848 and 1852.²³ With this important link in place, transport in Rossendale had much improved from the situation in 1820 when a travelling entertainer claimed that he had waded through mud getting to Haslingden from Manchester.²⁴

In the story of Rossendale what becomes clear is this was an area where the people had to be willing to multi-task. They were small-scale farmers, mainly pastoral,

²¹ Tupling, (1927), pp.170 & 177.

²² Ibid, pp. 222-224

²³ Ibid, p. 225.

²⁴ Ibid, p. 223.

running some cattle, but increasingly more sheep. They might have had enough space to grow a few crops to feed their family, but they had to supplement their income by involvement in manufacturing woollen cloth, for which they were dependant on their connection with Rochdale, rather than the lower part of the Rossendale Valley. It might be said that they had to be enterprising and willing to tackle whatever offered them an opportunity.

The original factories built in the eastern edge of Lancashire were for the production of wool, primarily for carding, fulling and dyeing. By 1825 there were thirty-four carding mills in the Rossendale valley, along with eighteen fulling mills and nine dye works.²⁵ Dependence upon smallholdings was also still evident as late as 1850.²⁶ Even though, as discussed below, cotton became the major textile manufactured in the Rossendale, Bury and Rochdale area it is important to realise that this area of Lancashire still had a significant sector, which was based on woollen manufacture. Newbiggin gives data from 1893, well after the period under discussion, which show that even then there were nearly two thousand employed in various aspects of the woollen industry in the Rossendale valley. He also makes the point that there was a locally developed industry, making slippers, employing one thousand three hundred people.²⁷ There was thus still a culture of multi-tasking and innovation. They were also a stubborn and tenacious group as their fight with the Crown over copyholder rights in the seventeenth century confirmed. Tupling claims that these court disputes were the basis for future law, which helped to stabilise English property rights.²⁸

Cotton finally moved into the Rossendale valley late in the eighteenth century. By the end of the century there were seven or eight spinning factories using water power, after that there was a steady growth with some thirty to forty by the 1830s.²⁹ It is important to note that whilst the spinning was done by machine, weaving was still largely by hand, but power looms were creeping in and these caused problems. David Whitehead, one of the very few manufacturers to have his

²⁵ Tupling, (1927), p. 197

²⁶ Ibid, p. 228-229

²⁷ Newbiggin, (1893), p. 291 – 293.

²⁸ Tupling, (1927), p. 160.

²⁹ Ibid, pp.204-205.

life documented, recalls the power loom riots of 1826. Whitehead, a self-made man, had just opened a new mill, complete with power looms and these were smashed in the riots.³⁰

So far, in trying to assess the local conditions, which bred local culture; geography, agriculture and industry, both woollen and cotton have been examined. One other aspect, which had a very big effect, was religion. Methodism, in various forms, as well as other non-conformist religions, had a big impact on the population of the Rossendale valley. The first Methodist preaching was in 1744 at Heap Barn, near Sharneyford.³¹

John Wesley preached in the area several times, the final one being in April 1779, when he recorded preaching to a crowded audience in Bacup along with other meetings in Padiham, Colne and Todmorden.³²

Aspin gives some detailed figures, which emphasise how important religious life became to this area. He quotes from statistics compiled in 1843 by Edmund Baines Jr. published as *The Social, Educational and Religious State of the Manufacturing Districts*. Baines found that in Lancashire there was church and chapel space for 42.75% of the population compared to 30% in London. The population of the county had increased by 148% since 1801, but church and chapel room had increased by 241.75%.³³ The Religious Census of 1851 shows that in the manufacturing districts non-conformism dominated and the survey also showed that attendance at non-conformist services was marginally higher than at the Church of England.³⁴ This figure was for the whole county; presumably in the area under discussion it would have been far higher.

³⁰ Chapman, (2001) pp. 78-83.

³¹ Newbiggin, p. 215

³² *The journal of the Rev. John Wesley*, p. 140, reproduced at, <https://archive.org/stream/journalofrevjohn04wesl#page/140/mode/1up>, accessed 28/11/14

³³ Aspin, *Lancashire*, pp. 108, 109.

³⁴ Geoffrey Best, *Mid-Victorian Britain 1851-75*, (Fontana, 1990), p.199.

Newbiggin claims that there were over seventy places of worship in Rossendale, at the time that his book was published in 1893, and all of them, except Quakers, had at least one Sunday school and many had day schools.³⁵

It is perhaps difficult to realise just how important these Sunday schools were. As well as religious instruction they taught many to read and write and do basic arithmetic and these, of course, were key requirements of any potential entrepreneur.³⁶ Aspin in fact makes much of the self-education of many Lancashire cotton workers. He cites John Butterworth of Haggate near Oldham, who was a weaver for most of his life but “as a geometrician...was said to be scarcely excelled by any other man in the kingdom.” Another example is a meeting of several hundred botanists, all workingmen, which was reported in the *Preston Chronicle* 16th July 1825, who gathered at Newchurch-in-Rossendale. To attend such a meeting many would have walked great distances.³⁷ The local mechanics’ institutes also played an important role in spreading education.³⁸

The focus of much of the above has been on the upper Irwell Valley, i.e. Rossendale. It would seem that, because the conditions in the valley were the most extreme that there was in effect a distillation of what was essentially a Lancashire wide culture. As mentioned above, Lancashire had been a poor place, but the development of cotton, aided by the inventions of Lancashire born men, had brought both hardship and some prosperity to the region. Lancastrians took to the non-conformists faiths very strongly and welcomed the educational possibilities opened to them by the Sunday schools and the mechanics’ institutes. In some instances this allowed men like David Whitehead to progress from rags to riches, but he was an exception. However, the drive for education, coupled with the adaptability developed from the hardships of the Irwell valley did give rise to men who were willing to open their minds to attempt something to improve their prospects. It is not such a coincidence that some of the very earliest attempts to have worker owned cotton mills began life at the head of the Irwell valley in Bacup

³⁵ Newbiggin, (1893), p. 221.

³⁶ Aspin, (1969), p. 109.

³⁷ Ibid, pp. 118-120.

³⁸ Thomas Kelly, *A History of Adult Education in Great Britain*, (Liverpool University Press, 1992), pp.127-129.

and that the dates coincided with the other working class development, just over the hill with the Rochdale Pioneers.

Chapter 4 The Law and Politics

The mid-nineteenth century was the turning point for many aspects of life, moving from the *laissez-faire* of the earlier period and heralding the start of central government intervention in many aspects of life. Some of the key changes were the introduction of effective legislation in the commercial sphere, which was actually the start of what we know today as company law. Also in this period were the growing demands and strengths of the working-class political movements. The first real, national, working-class political action was that of the Chartists, which tended to absorb all the more local agitations.¹ The changes in the commercial field occurred just as Chartism had taught many working people that they had a voice and that they were capable of helping themselves. This combination led to positive changes in East Lancashire.

The development of company law, as decided by Parliament, in the nineteenth century totally changed the way that commerce was carried out. In particular the Joint Stock Companies Act of 1844 and the 1855/56 Limited Liabilities Acts were the springboard for change. These acts were necessary if Britain was to continue her expansion of trade. Prior to this there had been a hodgepodge of laws, some left over from medieval times, which had made trade and industry difficult to develop and certainly less able to compete with other countries which had modernised their legal systems.²

The first step in modernising the law was the repeal of the Bubble Act in 1825. The Bubble Act had made joint stock companies very difficult to create. It was followed by the acts of 1834 and 1837, which were half-hearted attempts to liberalise the law. The act, which really was the first stage in modern company law, was the 1844 Joint Stock Companies Act. This allowed incorporation by simple registration, thus sweeping away the whole medieval aspects of incorporation and, whilst it had flaws and was repealed by the later Limited Liability Acts, it was a very important development.

The steps to changing the law sound quite simple, as set out above, but as Taylor says, “Suspicion of, and hostility to, joint-stock enterprise and speculation could be detected at many levels of society in nineteenth-century Britain”.³ This was because joint-stock

¹ Yeo, *Chartist Democracy*, pp. 349-350.

² Harris, (2000), p. 2

³ Taylor, (2006), p. 93

companies were still suffering from the bad reputation gained during the South-Sea Bubble crisis, even decades later. Harris discusses the hostility that many had towards the concept of shares in the nineteenth century and says that it was the shares in canals and railways that gradually saw them gain acceptability.

The hostility to speculation in shares was defeated primarily from below. A relatively small group of middle-class entrepreneurs promoted new projects...they were able to present an alternative to government stock, which was better yielding and not too risky.⁴

In particular it was the railways that legitimised shares and share dealing. Harris makes the point that; “the railway age turned the London Stock Exchange from...government stock...to one more oriented toward company securities”.⁵

The 1844 Act was necessary to deal with the ever-increasing demands on Parliament. Taylor shows that in the period immediately before the Act, from 1840-1844, there were 527 private bills brought before Parliament, all wanting some or all of the privileges of incorporation. At the same time there was a committee set up by Gladstone, who was president of the Board of Trade, for the prevention of fraud. One conclusion of the committee was that fraud was made easier because many companies were unincorporated, and thus had no official status, no register of shareholders and no accountability.⁶ Obviously some sort of registration system would be a positive step, and the 1844 Act provided this. The Act had restrictions, amongst which was a two stage registration process and lists of shareholders had to be submitted to the Joint-Stock Companies Registrar. Providing all the conditions were met, then the company was effectively incorporated. Under the Act, “a joint-stock company was defined as a commercial partnership with more than twenty-five members or with a capital divided into freely transferable shares”.⁷

Prior to the 1844 Joint Stock Companies Act all business organisations, other than those, which had achieved incorporation by act of parliament, came under the Law of

⁴ Harris, (2000), p. 228.

⁵ Ibid, p. 228.

⁶ Taylor, (2006), pp. 137-138.

⁷ Shannon, (1954), p. 369.

Partnership, even if they did not consider themselves to be partnerships.⁸ This was a complicated business; perhaps the best way to demonstrate the problems with this type of commercial arrangement is to quote the opening paragraph of the 1837 parliamentary report on the Law of Partnership submitted by Bellenden Ker M.P.

*The law of partnership appears to have been derived from various sources, and consists partly of what is termed the common law, is partly borrowed from the civil, and is partly grounded on what has been considered the custom of merchants. It is without a system, and is only to be collected from the decisions in particular cases. From these decisions it is difficult, in many instances, to extract the rules of the law, and in many cases the rules established are not adapted to the circumstances of the present time, more especially as regards large partnerships or joint stock companies; and hence the evils and inconveniences which are experienced in this branch of our law.*⁹

Ker identifies three main areas of concern, and Saville sums these up as;

1. The difficulties of suing and being sued
2. The settlement of disputes between partners
3. The fact that anyone who takes an interest in the profits is automatically, as far as the law is concerned, classed as a partner.¹⁰

Partnerships did evolve and developed certain ways to minimise these problems and to get around the common perception that each partner was responsible ‘to the last guinea and the last acre’.¹¹ There have been several studies done, and a typical one is that by Getzler and Macnair, who argue that the law courts “were able to construct a veil between investors and traders affording much of the benefit of the limited liability policy of later law.”¹²

⁸ Harris, (2000), p.139.

⁹ Bellenden Ker, *Report on the Law of Partnership*, Parliamentary Papers on line, (1837, XLIV)

¹⁰ John Saville, ‘Sleeping Partnerships and Limited Liability’, *The Economic History Review*, New Series, Vol. 8, No. 3, p. 418.

¹¹ Peter Mathias, *The First Industrial Nation*, (Routledge, 1989). p. 145

¹² Joshua Getzler and Mike Macnair, ‘The Firm as an Entity Before the Companies Act’, (No. 2006), reproduced at: <http://www.ssrn.com/Abstract=941231>, p. 2, accessed 20/10/2010.

One of these methods was a device known as ‘the jingle rule’, and this dated from the end of the seventeenth century.¹³ Researchers have clearly stated that it was used in the case of *Craven v Knight* in 1683.¹⁴ In effect creditors who contracted with the partnership must firstly resort to the jointly held partnership property, private creditors must claim against the individual, neither type of creditor may pursue a claim against the assets of the other category until all first claimants on the particular estate have been paid in full. Apparently the effect in practice was “to segregate partnership capital from the personal fortunes of partners, whether active or passive, not entirely as with full limited liability, but to a marked degree”.¹⁵

The other protection that partnerships could employ was to use a trust.¹⁶ This was a device where trustees chosen by the partners held the assets of a partnership in trust. Thus partners might come and go, in a multi partner environment, but the trust was constant.¹⁷ Harris states that with this concept “it was possible to provide both for the company to sue and be sued and also for the transferability of shares. It was possible even to provide for a form of limited liability, at least as between the partners.”¹⁸ The legal aspects of trusts developed and were further enhanced by legally binding fixed term partnerships. This meant that a partner could not dissolve the partnership and leave just as he wished; instead he was bound by the terms of the agreement. In effect this meant that partners could make internal agreements amongst themselves for the duration of the agreement.¹⁹ These various legal devices became stronger in law as time went on, especially as English law is based on precedents, and thus partnerships eventually could have quite a good deal of legal protection and this “partly explains why the partnership form was able to give the joint stock company such a long run for its money, remaining the dominant form of jointly owned enterprise until the twentieth century”.²⁰

¹³ Getzler & Macnair, (2006), p.10.

¹⁴ Henry Hansmann, Reiner Kraakman and Richard Squire, ‘Law and the Rise of the Firm’, *Harvard Law Review*, Vol. 119, No.5, (Mar., 2006), p.1381.

¹⁵ Getzler & Macnair, (2006), pp.11-12.

¹⁶ Mark Freeman, Robin Pearson & James Taylor, *Shareholder Democracies?, Corporate Governance in Britain and Ireland before 1850*, (University of Chicago, 2012), pp.56,57.

¹⁷ Hansmann et al. (2006), pp. 1383-4.

¹⁸ Harris, (2000), p. 147

¹⁹ Hansmann et al. (2006), pp. 1382-3.

²⁰ Ibid, p. 1383.

The other style of business was the family firm, which, of course, might also be a partnership, either formally or informally. The industrial revolution had not needed massive injections of capital, and so many business units were solely owned by the founder or his family or by a partnership, and these would typically be local companies.²¹ Many of the northern mills would remain as family concerns for several generations, though there is also evidence that some were sold off to newly formed limited liability companies.

For the working classes all of the above was largely irrelevant. If they wished to come together in some sort of association all that they had to operate under were the Friendly Societies Acts, which were very restrictive. Most activities had to operate under something known as the 'Frugal Investment Clause', an abridged version of which, from the 1846 Friendly Societies Act, is shown below.

For the frugal investment of the savings of the members, for better enabling them to purchase food, firing, clothes or other necessities, or the tools or implements of their trade or callings, or to provide for the education of their children...providing always that the shares in any such investment society shall not be transferable...(shall) be employed for the sole benefit of the member investing...and that no part shall be appropriated to the relief, maintenance or endowment of any other member...and that the full amount of the balance due...shall be paid to him or her on withdrawing from the society.²²

It can be seen that this was not an easy rule to operate under. It only allows for interaction between members and forbids the transfer of shares.

The 1852 Industrial and Provident Partnerships Act was supposed to make things easier for the working classes. It did allow for them to form industrial units. However, it specifically banned transferable shares and made it clear that such operations as were set up did not possess any of the rights and powers associated with the 1844 Joint Stock

²¹ Jeffreys, (1938), p. 6.

Cull, Davies and Lamoreaux, 'Historical Financing of Small- and Medium Size Enterprises', reproduced at siteresources.worldbank.org/.../Historical_financing_of_SMEs.pdf – accessed 17/10/10

²² W. Tidd Pratt, *The Law Relating to Friendly Societies*, (Longman, Brown, Green and Longman, London, 1854), p. 49, reproduced at <http://www.jstor.org/stable/60101373>, accessed 27/3/13

Companies Act.²³ It did allow them to settle disputes amongst themselves, without recourse to the courts.²⁴

The next step was the question of limited liability, which had been debated for decades, the general opinion was that it was too dangerous to be freely available, thus the majority of influential people were against the idea, it was seen as ‘natural justice’ that one was responsible for one’s debts.²⁵ It might be imagined that most industrial and commercial enterprises would have been very much in favour of limited liability, the fact that they were not tends to support the point made above, that by this time the law had evolved so that there was a significant degree of protection for partnerships. The chambers of commerce in both Liverpool and Manchester, and other chambers of commerce are said to have had long discussions on the subject, and rejected the idea.²⁶ Edmund Potter, a Manchester industrialist was so much against it he produced a booklet on the subject.²⁷ In fact, most of the discussion in the run up to the passing of the 1855 Act was much more focussed on the idea of adopting some sort of version of the French partnership concept, known as ‘Partnership en Commandite’. The Economist was in favour of this model, which was essentially an extension of limited liability to partnerships; its issue of 18th May 1850 gave a very detailed account of how such a system worked.²⁸

As Jeffreys says, the issue divided those who had been united on earlier issues of matters such as free trade. Even Palmerston expressed surprise at the diversity of views.²⁹ In fact Jeffreys gives a very clear opinion of the differences between what he classes as the ‘investors’ and the ‘capitalists’. In his view this difference sums up why there were such divergent opinions. The investors needed an outlet for their money, they had been used to getting good returns from railways but the great boom of the railways had tended to die down.³⁰ On the other hand the capitalists who actually ran businesses felt that they had enough capital, and would not have a problem to raise

²³ Reproduced at, http://gateway.proquest.com/openurl?url_ver=Z39.88-/, paper no 368, 2004&res_dat=xri:hcyp&rft_dat=xri:hcyp:fulltext:1852-028077, Accessed 8/11/2013

²⁴ Taylor, (2006), p148.

²⁵ Loftus, (2002), p. 96.

²⁶ Jefferys, (1938), p. 41.

²⁷ Edmund Potter, *Practical Opinions against Limited Liability*, (Chapman, London, 1856), p. 3

²⁸ *The Economist*, 18th May 1850, p.5

²⁹ Jefferys, (1938), p.21.

³⁰ McCord, (1991), p. 219

more if needed.³¹ The capitalists also did not want the competition that might result from new entrants into the market. Jeffreys makes the point that the House of Commons had far more people who were of the investor status rather than capitalist. A report from the commission set up to examine mercantile law was presented to the House of Commons by E. W. Richards M.P. and he made it clear that the Commission was concerned that money would flow into overseas investments if there were not opportunities at home.³² Other countries had already adopted laws, which conferred some degree of protection and this was attractive to some firms trading overseas. Hannah shows in his table the comparisons between Prussia, France, USA and UK, illustrating that other companies were all developing their company law.³³

The initial bill was passed in 1855, but in 1856 Robert Lowe, who was a strong advocate of complete economic freedom, replaced Bouverie at the Board of Trade. On the first of February 1856 he made a long and impassioned speech, basically condemning the restrictions, which had been built into the 1844, and the 1855 legislation, quoting many examples of problems caused by such restrictions. As he said, “it appears that those provisions which, it was believed, would have worked a certain cure have been the very means by which fraud has been perpetrated.” He had strong arguments, claiming that such restrictions acted against working men, by making it more difficult for them. In fact he told the House of Commons “I have in my possession letters from persons of that class who are desirous to establish, for example, a cotton-mill by means of a company with £1 shares.” In the end he succeeded in getting a new Joint Stock Companies Act, which cancelled out the restrictions of the 1844 act and the 1855 act.³⁴ The net result was that now only seven people needed to come together to form a company and the two-stage registration process of the 1844 act was abandoned. Under the new regulations the seven principals had to sign a memorandum of association, and this, with details of the shareholders had to be submitted to the registrar, and then incorporation and limited liability were automatically granted. As Cottrell says with this act “English company law became the

³¹ Jeffreys, (1938), pp. 48-52

³² *Report of the Commissioners on Mercantile Laws*, parliamentary papers on line, 1854, XXVII.445, Appendix, pp230-231

³³ Hannah, (2013), p. 18.

³⁴ Debate in Parliament 2nd Feb. 1856, reproduced at;
http://hansard.millbanksystems.com/commons/1856/feb/01/law-of-partnership-and-joint-stock#S3V0140P0_18560201_HOC_34, accessed 8/10/10

most permissive in Europe”.³⁵ Obviously company law continued to develop, and in 1862 various acts that had been passed in the 1850s were consolidated and brought together under the Companies Act 1862. This was a very comprehensive overhaul of the various regulations and the true forefather of the modern companies acts.³⁶ However, it was the earlier acts, which provided the opportunity for workingmen.

Working-Class Political Development.

Changes in the law provided the means for the advancement of workingmen, but it is doubtful if this would have happened if the working people themselves had not changed. The question of education will be considered later, what is of interest at this point is how the working classes had developed politically.

The 1840s were a time of upheaval and difficulty for the working classes, thanks to a variety of difficult economic conditions.³⁷ This period came after a decade of protest by the working classes. There had been hope that the Reform Act of 1832 would extend the franchise further down the social scale, giving the vote to at least some proportion of the working classes, but it did not do this. Effectively it enfranchised the middle classes, leaving the working classes cut off from influencing Parliament, except by mass action. This mass action had already started to happen with the ten-hour movement, a demand that children’s working times should be limited to ten hours. This movement started in Yorkshire in 1830 and the driving force behind it was Richard Oastler. He wrote to the Leeds Mercury in September 1830, heading his letter ‘Yorkshire Slavery’, comparing the life of factory children to that of slaves.³⁸ The letter provoked a storm and led to a mass movement demanding legislation to regulate how children were employed in factories. The 1832 Reform Act, followed by the 1834 Poor Law Amendment Act added fuel to an already simmering fire.

In 1848 Thomas Carlyle coined the phrase ‘the condition-of-England question’ to express the strains created by the emergence of a substantial and increasingly self-conscious working class by the middle of the nineteenth-century.³⁹ Carlyle’s writing simply summed up the pressure that was being felt by the working classes, thanks to the

³⁵ Cottrell, (1980), p. 52.

³⁶ Anthony Pulbrook, *The Companies Act, 1862*, (Effingham Wilson, London, 1865)

³⁷ McCord, (1991), pp. 224-225.

³⁸ Driver, *Tory Radical*, pp.42-44.

³⁹ Thomas Carlyle, *Chartism*, (James Fraser, London, 1840), p. 1

changes detailed above. All of these separate concerns fed into Chartism, the first mass working-class political movement, which effectively flourished from 1838-1848 and utilised some of the concepts, such as mass open-air rallies, that had been pioneered by the ten-hour movement.⁴⁰ The new poor law was also the first time that central government had tried to impose on the way that individual regions ran themselves. Richard Oastler, already a champion of worker's rights, made the comment; "Before this revolution England was an infinity of self-governing Republics under one, controlling, limited, constitutional monarchy".⁴¹ Moir, whilst not entirely agreeing with Oastler and others of the time, does make it clear that this legislation coalesced into one those fighting for shorter working hours and the resistance to the poor law. She also makes the point that; "Only the beginnings of Chartism distracted attention from the immediate opposition and absorbed it into a wider movement of protest".⁴²

Chartism was a turning point in the history of the working classes. It is true that many historians consider that not only did it fail in its objectives, but also it detracted from other, possibly more beneficial systems. Hunt, for example, says; "had there been no militant Chartism the gains that accrued from the Chartist temperance movement, co-operative stores and other moderate Chartist activities...would probably have occurred anyway and in far greater measure".⁴³ He also says that; "Chartism was consciously and overwhelmingly a working-class campaign".⁴⁴ Gregg comments that it did indeed fail; "But that it was a necessary step in working-class development".⁴⁵ Whilst the Chartists did not achieve their demands, one thing that resulted from it was to bring the idea of political activism, and the possibility of change, to a very large number of working people, along with the idea that life could be made better with the right organisation.

The political development of the workers had progressed over the decade from 1830-1840, they had demonstrated for shorter working hours via the Ten Hour Movement. Then the actions of Parliament in enacting bills on Parliamentary Reform and the New Poor Law had mobilised them even more. These various action groups fused under the

⁴⁰ Driver, *Tory Radical*, pp.239 & 390.

⁴¹ Ibid, p.282

⁴² Esther Moir, *The Justice of the Peace*, (Penguin Books, 1969), pp.133-134

⁴³ E. H. Hunt, *British Labour History, 1815-1914*, (Weidenfeld and Nicolson, 1981), p. 233.

⁴⁴ Hunt, (1981), p. 220.

⁴⁵ Pauline Gregg, *A Social and Economic History of Britain, 1760-1972*, (Harrap, 7th ed. 1973), p. 225.

concept of the Charter and this was the first time that the working classes had taken a national political stance. The Charter, of course, was the demand for the franchise to be extended to the working classes, along with other changes that would make it possible for a working man to stand for Parliament. The popularity of the movement varied over the decade that it spanned and it was the Chartist land plan that helped to hold the movement together.

The land plan was an important element of the Chartist movement, and was similar to other land reform schemes that were popular at that time.⁴⁶ Officially it was called the Chartist Co-operative Land Company, but is usually referred to as the 'land plan'. The idea proved to be crucial and kept the Chartist concept alive during the mid-1840s, when political support dwindled. Chase makes the point that "Chartism was not converted into the land plan; but the latter filled the vacuum left by the decline of so much normal Chartist activity after 1842".⁴⁷ Thompson agrees saying, "it was almost certainly the existence of the Land Company that kept the movement together".⁴⁸

The land plan was very well received in Lancashire and Bronstein singles out Bacup as a place where the land plan had re-ignited the enthusiasm for Chartism.⁴⁹ She also says, "The relationship between the land company and the 1848 revival of Chartism seems particularly clear in Bacup, where William Tagg took the chair at both land-company and more threatening meetings".⁵⁰

It was the efforts of the Chartists to register the land plan as a joint-stock company that taught the rank and file Chartists the methodology of how to set up such a company. It was spread by the fact that the 1844 Joint-Stock Companies Act needed the signatures of one quarter of the shareholders on the deed. In fact over 70,000 members subscribed to the scheme.⁵¹ Yeo says that, "Chinery (the Chartist solicitor) had spent six or seven weeks travelling around England and then several weeks in Manchester and London between September 1847 and February 1848...to get a fraction of the signatures".⁵²

⁴⁶ Gregg, (1973), p. 225.

⁴⁷ Chase, (2007), p. 256

⁴⁸ Thompson, (1986), p. 306.

⁴⁹ Bronstein, (1999), p. 194

⁵⁰ Ibid, pp. 194-195.

⁵¹ W. H. G Armytage, 'The Chartist Land Colonies 1846-1848', (*Agricultural History Society*), Vol.32, No. 2 (Apr., 1958), p. 96.

⁵² Yeo, (1982), p. 371, – my comments in brackets.

Bronstein follows the land plan through to its finish, which she says started in Manchester in October 1847.⁵³ Yeo charts the final throes of the concept, when they failed to get the plan accepted as a joint-stock company and reverted to attempting to register it as a Friendly Society. The House of Commons finally blocked any further developments and effectively it was ended by August 1848.⁵⁴

Challinor makes a very interesting point about the aftermath of Chartism. He maintains that Chartist activities had taught many working people skills that they had not previously possessed. He mentions writing reports and letters and suggests, “the organisation of meetings and selling of pamphlets gave people experience that could subsequently be applied in business”.⁵⁵ Slossom echoes this and says,

But the further struggle of the British poor...was largely transferred from the political to the economic field. This new phase...was greatly aided and strengthened by the training in independent action...learned in the Chartist agitation.⁵⁶

The above comments tie in with the developments in Bacup, since it is one of the assumptions of this thesis that Chartism provided the skills and knowledge that allowed working men to set up a joint-stock company.

Barker, commenting upon the results of major upheavals in society, makes the point that when one system breaks up it can give rise to other opportunities, he says;

New hopes emerge...Normal everyday social relations are transformed... Old divisions ... are shattered and reshaped by the development of new solidarities. Ordinary people find themselves performing tasks and assuming responsibilities from which society previously excluded them. New kinds of competence appear. New divisions of labour, new powers.⁵⁷

This would seem to be a good description of what happened with the working classes in the North of England after 1848. Maybe Chartism was not a success, but there could

⁵³ Bronstein, (1999), p. 214.

⁵⁴ Yoe, (1982), p. 372.

⁵⁵ Challinor, (1990), p.199

⁵⁶ P. W. Slossom, *The Decline of the Chartist Movement*, (Columbia University, 1916), p. 188.

⁵⁷ Colin Barker, 'Revolutionary Rehearsals', (Bookmarks, 1987), p. 225.

be other ways. Chartism was essentially about the franchise, but it had within it the seeds of other movements. When it collapsed in 1848 it left splinter groups behind and ex-chartists continued to apply the political awareness and organisational skills that they had acquired to other spheres, for example the Halifax Chartists moved into politics, supporting Ernest Jones.⁵⁸ Others set about improving education for the working classes.⁵⁹ Some became increasingly involved in trade unionism.⁶⁰ In Bacup William Tagg, an ex-printer, had led the movement and had become a prominent speaker at Chartist mass rallies. He was reported as the chairman for a 6,000 strong rally at Blackstone Edge in 1848.⁶¹ At one Blackstone Edge rally the Bacup contingent arrived in “three large wagons and other conveyances, and a splendid band of music”.⁶² It can be seen therefore that Bacup had embraced Chartism and, as indicated below, especially the land plan.

The lists of subscribers to the Chartist Co-operative Land Company still exist, and occupy three very large volumes at the National Archives. Bacup was little more than an overgrown village, yet it was heavily represented given its size. This may have been due to the tradition of people in the upper part of the Irwell Valley holding small parcels of land.⁶³ Whatever the reason, the percentage of the Bacup population subscribing to the land plan was far above the average, as is shown below, (Table 2). Bacup people had invested their hopes and dreams in the Chartists land plan and, maybe, when that failed they looked for other opportunities.

Table 2. Populations and subscriptions to the land plan

Town	Population	Subscriptions	% Of population
Bacup	12,000	500	4.17%
Bury	25,000	639	2.56%
Rochdale	54,000	285	0.52%
Bolton	39,000	781	2.00%

Source; Subscription numbers from, <http://www.chartists.net/Chartist-Land-Plan-1845-50.htm>, accessed 24/4/12. Population figures from Slater's 1855 Directory of Lancashire.

⁵⁸ Kate Tiller, 'Late Chartism: Halifax 1847-58, in Epstein & Thompson, Eds. *The Chartist Experience*, (McMillan, 1982), pp. 311-344.

⁵⁹ Flett, *Chartism after 1848*, pp. 124-144.

⁶⁰ John Belchem, 'Chartism and the Trades, 1848-1850', *English Historical Review*, Vol. 98, No. 388 (Jul. 1983), pp. 558-587.

⁶¹ *Dundee, Perth and Cupar Advertiser*, 16/6/1848.

⁶² *Northern Star*, 17/7/1847

⁶³ Tupling, (1927), p. 227

This chapter has attempted to set out the legal and political background of the mid-nineteenth century, showing how the development of company law and the politicisation of the working classes came together. In setting up the 1844 Act there were no restrictions built into it, as there were in the later 1852 Industrial and Provident Act. Seemingly the ‘establishment’ did not believe that working people would have the ability to tackle the complexities of the 1844 Act and brought out the 1852 Act as a diluted version, suitable for the working classes. Very probably, without the organising ability developed by some of the Chartist activists, working men would not have broached the possibility. The chapter has then sought to relate these factors to Bacup and demonstrate that this village was a hotbed of Chartism and contained men who were not afraid to attempt to set up a joint-stock company.

Chapter 5. The origins of the companies and general analysis.

The overall background against which these developments took place has now been discussed and this chapter examines some of the possible reasons why these companies sprang up when and where they did, looking especially at the locations in remote Pennine villages. An important element was the fact that, irrespective of the law, workers were going ahead with a variety of operations. It considers the links to Chartism and to the Co-operative movement. It goes on to examine the companies in the database and carry out analysis of the whole sample.

The Co-operative Movement had provided an excellent example of how working men could improve their situation, but this movement was about enabling the working classes to buy better quality goods and the possibility to get away from the abuses of the Truck Act. It did nothing to address the question of improving life in general for the workers. The Chartist land plan had appeared to offer an opportunity for at least the lucky few to seek a better life, and when it failed it must have been a huge disappointment to Bacup subscribers to the plan. It had offered the opportunity of an escape from the aggravation of factory work, with its problems of frequent strikes and the hardships these caused. The land plan also offered a chance to be self-employed and not to be just a 'hand' in a mill.

Rossendale had a history of independence as the copyholder disputes had shown, but there was also the independence of the small operatives in the period of handloom weaving of cotton, which was in the earlier part of the nineteenth century. There were many examples of men who were not content to just be an weaver, working hand to mouth, but who set up 'loom-shops', where they could employ several weavers, even if the loom-shop was no more than a room in their house.¹ It is not surprising if factory employment was something to be resisted. Indeed the *Bury Times* carried an essay about the 'Industrial Revolution in Rossendale', which made the point that factory work was so disliked by locals that the early factories had to be staffed by people drawn from other districts.²

¹ Tupling, (1927), pp. 206-208.

² *Bury Times*, 25/8/1909

Such was the desire for independence that there were already illegal operations working in the area, as described by Lloyd Jones to the 1850 Select Committee on Investments for the Savings of the Middle and Working Classes.³ Jones was a journalist and co-operator, called before the Committee because of his knowledge of existing operations by working men. He told the Committee that there were a number of operations, mainly in East Lancashire, some of which disregarded the law. He was quite clear on this point, saying that he had a letter from an organisation in Salford which said, "We take no notice whatever of the law". This was not necessarily true of all the operations. There is some confusion on this point in the evidence, presumably because this was verbatim reporting of the questions and answers – there are no conclusions drawn. At the top of page 92, article 973 implies that such companies would fall under the common law of partnership, presumably if they did not comply with the Frugal Investment Clause. Further down the page, article 979, is the suggestion that some were trying to operate under the Friendly Societies Acts.⁴ In fact this would be impossible if they were producing goods for sale.

Jones mentioned Bacup, Padiham, Milnrow, Smallbridge, Whitworth and Salford. He gave into evidence a list of thirteen operations that he knew were working, one of which was the Rochdale Pioneers, which did operate under the Frugal Investment Clause. On being questioned further about the other organisations he said that many wanted changes in the law. They complained that Tidd Pratt, the registrar of Friendly Societies, refused to register some of these organisations as Friendly Societies, which is probably because some were manufacturing operations. He mentions Bacup and Padiham in this context. Thus it seems possible that the Bacup Joint Stock Company might have been the legalisation of an existing illegal operation. Lloyd Jones' evidence made it clear that in this part of Lancashire working people were not willing to wait for the law to catch up with their needs and desires. As he says, "My understanding of the matter is this, that they, under the supposition that the law would interfere with their proceedings,

³ Reproduced at, http://gateway.proquest.com/openurl?url_ver=Z39.88-2004&res_dat=xri:hcpp&rft_dat=xri:hcpp:fulltext:1850-026614:101, pp. 91-93, accessed 12/1/2015

⁴ 1850 Committee, p. 92

have started their proceedings entirely independently of the law, and without at all considering it".⁵ This remark refers to the operation in Salford, but could equally refer to any of the others in the area. What these actions do demonstrate again is the reluctance to become a simple factory hand and the dissatisfaction with the current status quo.

Given the isolation of these communities plus the fact that there were already illegal manufacturing plants the only really surprising thing is that one group decided to make their activities legal. This was a bold action and they must have sent in part one of the registration wondering how it would be received. In fact it was accepted as was the following part two. There might well have been other, local, reasons for the actions, such as the strike that paralysed Bacup in 1848.⁶ This and other reasons must have exerted a lot of pressure for working-class men to take such a leap into the void. Although they became a joint-stock company, they did not have limited liability and would fall under the laws of partnership. This and the other 'early companies' were not set up in commercial centres, such as Bury, Bolton or Manchester, instead they were created in what were then rather remote villages in the Lancashire Pennines.

Bacup Commercial Company, initially registered in 1849 as the Bacup Joint Stock Company, led this handful of early companies, established before the Limited Liability Act. It also included the Rossendale Industrial Association; registered in 1853, this was also in Bacup. A few miles away there was the Todmorden and Cornholme Spinning and Manufacturing Company, registered in 1854 and in the other direction was the Haslingden Commercial Company, also registered in 1854. In Padiham, near Burnley, there were two companies firstly the Padiham Commercial Company, registered in 1852 and the Padiham Cotton League, registered in 1855.

In fact not all of these companies were in the Irwell Valley. Obviously the two Bacup companies were and Haslingden was on Swinnel Brook, a small tributary of the Irwell. Todmorden was part of Lancashire at the time and only four miles from

⁵ 1850 *Committee*, p. 92, article 973.

⁶ *Blackburn Standard*, 7/6/1848

Bacup, on the headwater of the River Calder. Padiham was on the headwaters of the Lancashire River Calder.

In the 1850s these villages were isolated, with poor communications with their neighbours. The railway reached Bacup in 1852, but before that its main connection was with Rochdale, via pack-horse routes. Haslingden, though much older and classed as a market town, was also poorly connected. An article dated 1891, when Haslingden was finally granted a Charter of Incorporation, makes the point that, in spite of being established at least six hundred years ago, it was, even in 1891, 'off the beaten track'.⁷ Todmorden was a similarly old established township; surprisingly it got the railway as early as 1841.⁸ In most other respects it suffered from being partly in one jurisdiction and partly in another as it was split between Lancashire and Yorkshire, with the county boundary bisecting the town. The final upland village was Padiham, which was probably not as remote as the others, though it did not get a railway until 1875. Essentially these were villages that had poor connections with the outside world and were forced to rely on their own resources. They must all have been aware of the success of the Rochdale Pioneers and, indeed, often the first step was to establish a co-operative shop, with the mill following, though not normally directly connected. This group of companies all approached the concept of worker-owned mills with that knowledge in mind, as well as the success of the Bacup Commercial Company.

As has been discussed the non-conformist religions had a huge effect on the working classes in this area, bringing them together to build their own chapels.⁹ The resulting Sunday schools together with mechanics institutes and other types of learning helped to create a largely literate and well-organised society.¹⁰ This can be seen in the numerous self-help groups, friendly societies and attempted co-operatives that flourished in the 1840s. It was almost inevitable that sooner or later one or more of these ideas would really take off. As it happened there were two major developments, separated by five years and nine miles that came to

⁷ *Manchester Times*, 2/10/1891, reproduced at; <http://www.Britishnewspaperarchive.co.uk>, Accessed 7/3/2012.

⁸ Reproduced at; http://www.enotes.com/topic/Todmorden_railway_station, Accessed 11/3/2012

⁹ Farnie, (1953), pp.224-225.

¹⁰ Aspin, (1969), pp. 117-120.

fruition. In 1844 the Rochdale Pioneers finally came up with a formula for a co-operative system that worked and in 1849 the Bacup Joint Stock Company was formed by a group of ex-chartist working men. Its name changed quite quickly to become Bacup Commercial Company and soon afterwards the first, successful, worker-owned cotton mill became a reality.

The company undoubtedly owed some of its inspiration to the co-operative concept and also grew out of frustration with the failure of Chartism and the independent nature of the local people, but it was still a radically new idea. Bacup had been a hotbed of Chartism and of the original seven subscribers to the company, i.e. those who signed the registration document, five had also signed up for the land plan. In addition 34, from the original share list of 69, had also signed up for the land plan. It is not unreasonable to suppose that there were some who were Chartists but did not subscribe to the land plan. It is clear that there was a strong Chartist element in the founding of Bacup Joint Stock Company.

It was also an idea that once having taken root soon spread dramatically. Just as potential co-operative groups followed the Rochdale Pioneers once they were seen to be successful, so did potential company organisers follow the Bacup Commercial Company.

Because the Bacup Commercial Company, later the New Bacup and Wardle Commercial Company was the first of these companies, it will be examined in some detail. However, it is worth mentioning that although the Irwell Valley was the most prolific in worker companies, there were other areas, which also produced companies organised by workers in the economic boom of 1860-61. At this time Farnie says that Rossendale was the strongest with 23 companies, Bury had 10, Rochdale 10, Bolton 8 and Blackburn 10. There were also 23 companies in Yorkshire in the West Riding.¹¹ However, only a few companies anticipated the 1856 Limited Liability Act and most of those were in Rossendale. For this reason they will be treated separately from the other, later companies.

¹¹ Farnie, (1953), p. 231.

Table 3. List of companies in the database. Dates as shown.

Company	Capital	Share price	Total shares	Date registered	Dissolution
Bacup Commercial Company	£3,000	£12.50	69	19/1/1850	1854
Padiham Commercial Company	£7,700	£100.00	77	16/2/1852	1858
Rossendale Industrial Company	£200,000	£10.00	20,000	1/1/1853	1911
Todmorden Com Spng & mnfg Company	£10,000	£25.00	400	28/4/1854	1867
Haslingden Commercial Company	£5,000	£10.00	500	16/8/1854	1968
New Bacup & Wardle Commercial Company	£60,000	£12.50	4,800	16/6/1854	1929
Padiham Cotton League	£10,000	£5.00	1,557	18/5/1855	1858
Newchurch Building Company	£3,000	£10.00	300	3/11/1856	1897
Bury & Heap Commercial Company	£20,000	£10.00	2,000	11/7/1859	1933
Lancashire Waggon Company	£60,000	£10.00	6,000	18/8/1859	1903
East Lancashire Paper Mill Company	£50,000	£10.00	5,000	28/3/1860	1996
Bury Coop Manufacturing Company	£40,000	£5.00	8,000	19/4/1860	1930
Lancashire & Yorkshire manufacturing Company	£100,000	£10.00	10,000	28/4/1860	1873
Todmorden & Cornholme Bobbin Manufacturing Company	£60,000	£10.00	6,000	12/11/1860	1894
Rawtenstall Cotton manufacturing Company	£50,000	£5.00	10,000	31/12/1860	1920
Laneside Industrial Cotton Mill Company	£30,000	£10.00	3,000	31/1/ 1861	1897
Bacup Brewery Company	£10,000	£10.00	1,000	1/5/1861	1875
Bury & Elton Commercial Company	£40,000	£10.00	4,000	21/5/1861	1895
Ramsbottom Spng & Mnfrg Company	£60,000	£5.00	12,000	16/11/1861	1905
Bury Cotton Spinning & Mnfring Company	£60,000	£50.00	1,200	30/1/1862	1939
Rossendale Ptg & Dyeing & mnfrg Company	£50,000	£5.00	10,000	31/1/1862	1866
Hargreaves St Manufacturing Company	£10,000	£10.00	1,000	22/02/1862	1935
Bury Brewery Company	£12,500	£10.00	1,250	23/1/1863	Taken over
Bury Cooperative Brewery Company	£20,000	£5.00	4,000	23/1/1863	Taken over

The database is the core of this thesis and there are 8,480 shareholder entries and twenty-three companies. Table 3 gives the basic data on these companies. It shows their initial share price and approximate date of establishment. These dates are when the company was first registered. Note that Bacup Commercial and New Bacup and Wardle Commercial Company Ltd are the same company as it was reformed and renamed in 1854. It is the 1854 figures that are used in the database. Both names are given because of the importance of this company in this thesis.

In the chapters, which give a detailed analysis of the shareholders, the analysis has been broken down into geographical areas. However, some factors are better analysed against the whole database, such as an overview, as shown below and the age profile, which follows.

Table 4 shows the breakdown by occupational codes of the whole of the database, as defined by Table 1. It also shows the number of shareholders under each code and the average shareholdings of each class of shareholder. It is clear that the codes 1-4 and 7, which are those codes representing shareholders who are not working class, had fewer shareholders and such shareholders tended to buy more per individual. This is a perfectly rational outcome, since they would tend to have more disposable income. What is surprising is that average shareholding of codes 5, 6 and 8 are far from being single shares per person and even the group of children average 2.5 shares each. There were quite a lot of people who only held single shares, but the table shows that this was not general.

Table 4. Shareholders and Av. shareholding per occupational code. (Median date 1860)¹²

Code	Occupation	No.	Shares	Av. shares
1	Independent	50	1038	20.8
2	Professional	83	892	10.7
3	Commercial	236	3517	14.9
4	Retail	545	5234	9.6
5	Skilled	625	2846	4.6
6	Employees	5154	19471	3.8
7	Farmers	176	1282	7.3
8	Women	1113	3599	3.2
9	Unspecified	291	1431	4.9
10	Children	168	423	2.5
Total		8441	39733	4.7

¹² Generic occupations given in this table for reference.

Figure 6. Percentages of the total shares held by each occupational group (Median date 1860)

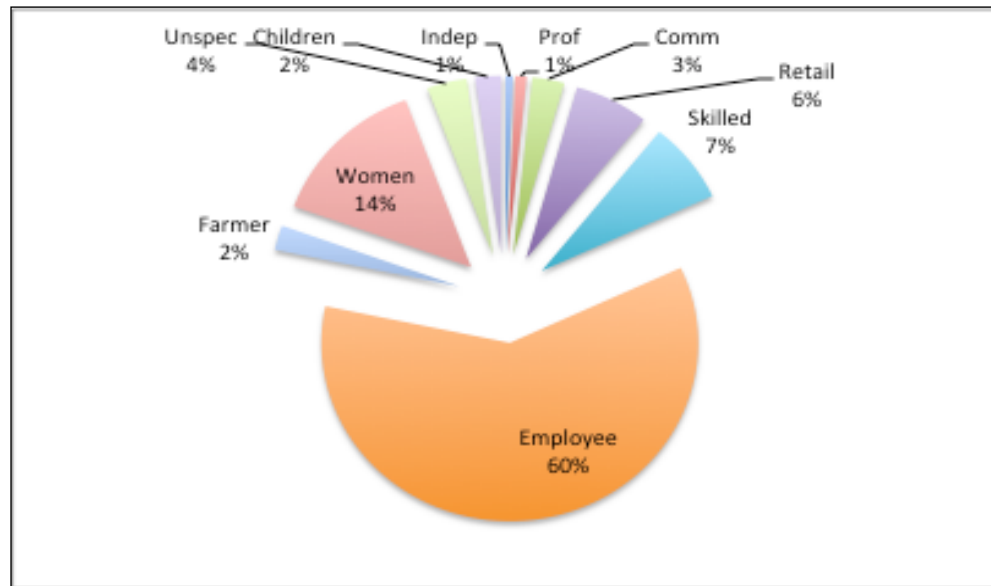


Figure 6 above, presents the same data, but it is expressed in percentage terms. Whilst it can be seen that ‘employees’ hold 61% of all shares, evidence will be presented later to show that to this must be added those held by women, skilled workers and children.

Figure 7. Age profile of shareholders. (Median date 1860)

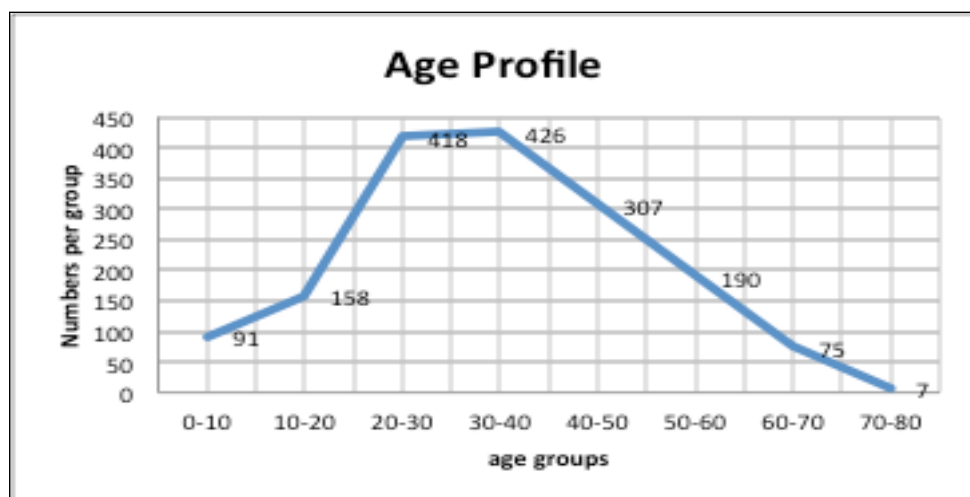


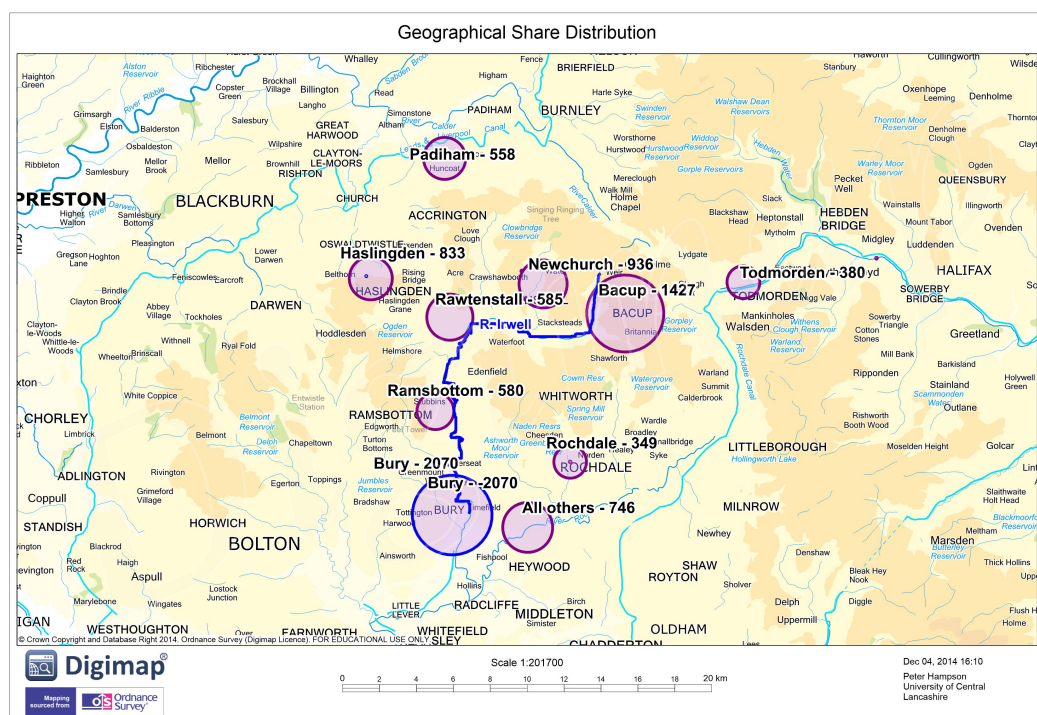
Figure 7 shows the profile of the ages of shareholders. The X axis of the chart gives the age groups and the Y axis gives the numbers of shareholders. The numbers adjacent to the data line give the actual number of shareholders in that group. The youngest shareholders were just two years old and there were twelve of that age,

whilst the oldest was one person aged eighty years. It can be clearly seen that the principal age group for shareholders was between twenty years and forty years. The highest actual age group was sixty shareholders aged thirty. It was only possible to check the ages of those who bought shares when they could be found in the census. Thus some 1,672 were found and average age of this sample was 35 years old.

The sample obtained amounts to approximately 20% of the total and this is more than enough to give a statistically accurate estimate of the whole of the data with a confidence level of 95%, with a margin of error of 3%.¹³

The majority of the shareholders were located in the Irwell Valley, as the map (Fig. 8) and the chart, (Fig. 9) demonstrate.

Figure 8. Geographical share distribution

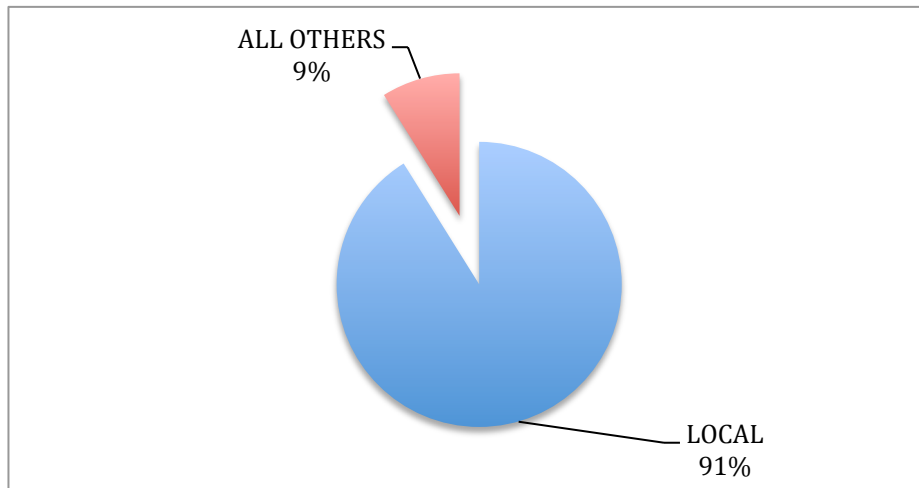


Source. Edina maps

¹³ Calculated using data at; <http://www.nss.gov.au/nss/home.nsf/pages/Sample+size+calculator>, accessed 17/3/13
<http://www.isixsigma.com/tools-templates/sampling-data/margin-error-and-confidence-levels-made-simple/>, accessed 7/10/14

The biggest group of shareholders were found in Bury, but after that it was the higher Irwell Valley where the main shareholders were located. The major groups of shareholders will be analysed separately and the breakdown will correspond approximately to the head of the valley, i.e. Bacup and the Pennine villages, the middle, Rawtenstall and Haslingden, the bottom, Bury and all others.

Figure 9. Local v. non local shareholders



It might have been better to show a map divided by townships or parish, but Bacup, the key location for this thesis, was neither a township nor a parish it was divided between Newchurch and Spotland. William Lee in his report concerning the Public Health Act in 1849 makes the point;

It is neither a parish, nor a market town. It does not possess any local government whatever...It is situated partly in the township of Newchurch, in the parish of Whalley, and partly in the township of Spotland, in the parish of Rochdale, and in fact, is scarcely more than an immensely overgrown village.¹⁴

Indeed, the lack of some sort of local controlling council is possibly one of the reasons why the local people were so much more able to make their own decisions and is one of the possible reasons why Bacup produced the first working-owned company.

These early companies set the precedent. They did not all succeed, but once the Limited Liability Acts were passed they were an inducement to other local groups

¹⁴ William Lee, *Report to the General Board of Health*, (HMSO, 1849), p.2

of workers to attempt the same idea. The Chartist element can only be traced with any degree of certainty in the composition of the early Bacup Joint Stock Company, but Chartism and co-operation together with the independence of mind that was natural to this area, were the fuel that powered the development of the other companies in the valley.

Chapter 6. The development of the companies.

This chapter is essentially about the survival of worker-owned cotton companies. One of the main reasons for examining the survival rates of these companies were the doubts expressed by the 'establishment' concerning the ability of the working classes to manage their own affairs. The intention behind the drawing up of the 1852 Industrial and Provident Act had been to allow working people more scope in their industrial endeavours. But there was a ban on transferable shares because it was believed that they would quickly lose control of the business if such shares were allowed.¹ In particular the Christian Socialists, several of whom gave evidence to the 1850 Select Committee on Investments for the Savings of the Middle and Working classes, which led to the 1852 Act, were very much against the concept of transferable shares. In his evidence Thomas Hughes, a leading Christian Socialist, said "the interests of the associates should not be transferable, to prevent the business being bought up by anybody".² The concept that working men would lose control was the main fear; the Christian Socialists believed that whilst working men needed help, they were not capable of fully running their own affairs.

Mill, in his monumental work *The Principles of Political Economy*, makes the point that there was a notion that, "the rich should be in *loco parentis* to the poor, guiding and restraining them like children".³ However, he saw this as the past and said that this should no longer be the case, making the point that once the working people were able to read and write, as well as listening to preachers and holding political opinions, then the era of paternal government was over.⁴ Mill was also a witness at the 1850 Committee and argued that workers should be allowed the opportunity to run their own affairs, though he was obviously not successful.⁵

¹ Reproduced at http://gateway.proquest.com/openurl?url_ver=Z39.88-2004&res_dat=xri:hc&res_rft_dat=xri:hc&res_fulltext=1850-026614:53, p.45, accessed 12/6/2013

² Reproduced at http://gateway.proquest.com/openurl?url_ver=Z39.88-2004&res_dat=xri:hc&res_rft_dat=xri:hc&res_fulltext=1850-026614:51, p. 43, accessed 12/6/2013.

³ John Stuart Mill, *The Principles of Political Economy*, Ed. William J. Ashley, (Fist pub. Longman's Green & Co., 1848), Book IV, Chapter VII, article, IV. 7.4

⁴ Ibid, IV. 7.7

⁵ Reproduced at, http://gateway.proquest.com/openurl?url_ver=Z39.88-2004&res_dat=xri:hc&res_rft_dat=xri:hc&res_fulltext=1850-026614:88, pp. 77-90, accessed 13/1/2015

This was a significant difference of opinion and had the possibility to be a turning point in the way that the working-classes were viewed. On the one side were the Christian Socialists and others, who wanted to help the workers, but in a paternal way. On the other were people such as Mill, who was much more clear-sighted and realised that with education came the desire for workers to manage their own affairs. Thus the second part of this chapter examines whether they did succeed in this. However, before this can be considered, there was one event that threatened to destroy the whole concept, even before it was truly started, and that was the Cotton Famine.

The Cotton Famine is generally considered to be due to the American Civil War, but commentators on this period point out that some sort of depression in the industry was inevitable, due to unsustainable growth in the years preceding it.⁶ What is of interest here is the effect upon working people, who were shareholders and the viability of the joint-stock cotton mills.

The Cotton Famine meant that operatives with any sort of capital were usually discriminated against. Watts quotes from a report presented to the Relief Committee, which says,

... a man must be compelled to sacrifice the accumulations of a long life of industry, it is difficult to suggest any alternative. The greatest caution must be exercised in dispensing, to those who have any resource to fall back upon, the relief intended for the preservation of life.⁷

This was a harsh ruling and some shareholders who tried to claim relief were found out and ended up in jail. One such was Charles Scott, who had two shares, with £6 paid up, in the Rossendale Printing and Dying Company. He was jailed for seven days.⁸ It is very probable that many, rather than give up their shares, can be assumed to have moved out of Lancashire. The Burnley Gazette reported in 1844, "There has however been many removals from the district, and it is computed that in the Bacup and Rawtenstall police division, the population is 5,000 less than at

⁶ Farnie, (1979), pp. 138-139.

⁷ John Watts, *The Facts of the Cotton Famine*, (Simpkin Marshall & Co., 1866), p. 84.

⁸ *Rochdale Observer*, 22/2/1862.

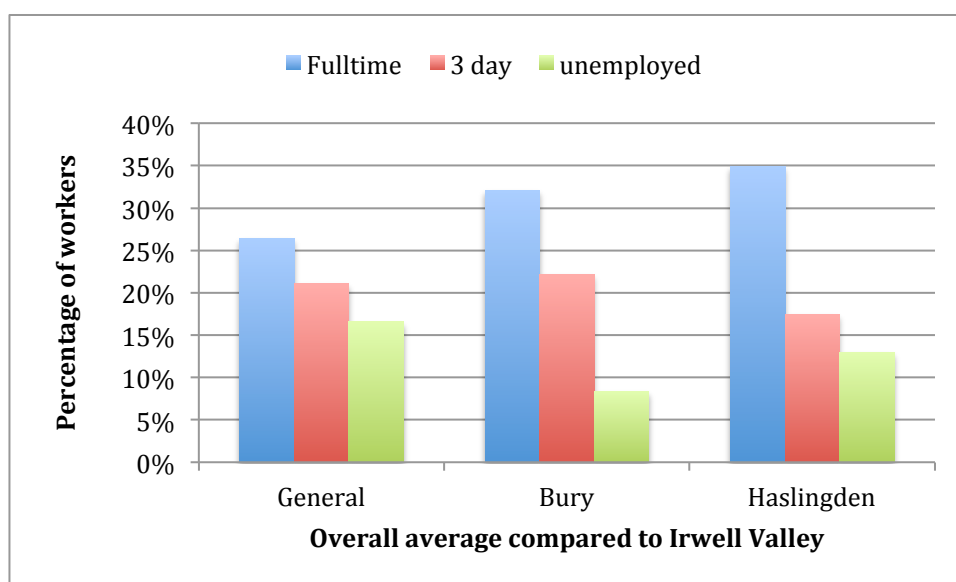
the start of the cotton panic”.⁹ This area would, presumably, correspond to the area of the upper valley, i.e. Rossendale.

The Irwell Valley was not as badly affected as some parts of Lancashire. As already discussed the woollen industry was still strong in the valley and towns such as Bury had a much more varied industrial base. An article in the Bury Times gave data for the overall situation compared to Bury and district and Haslingden and district with respect of May 1862. The data for Haslingden and district covered most of the upper valley, excluding Bacup.

Table 5. Employment. General v. Irwell Valley, (date May 1862)

Employment	General Summary		Bury & district		Haslingden & district	
Fulltime	92,355	26.44%	9,147	32.05%	5,910	34.89%
Working 3 days	73,611	21.07%	6,326	22.17%	2,960	17.47%
Unemployed	57,861	16.56%	2,398	8.40%	2,193	12.95%
All operatives	349,316		28,537		16,940	

Figure 10. Employment. General v. Irwell Valley (date May 1862)



Source. Bury Times 3/5/1862

The table above, (Table 5) which is an abridged version of the data, illustrates the situation. The percentages shown are of the total operatives in the respective areas. Both Bury and Haslingden districts had more people in full time

⁹ Burnley Gazette, 16/7/1844

employment than the overall average and lower levels of unemployment. Even so there were still almost 5,000 hands unemployed in the valley.

This may well have been close to the peak for these districts. In February 1863 the *Bury Times* reported, "There is a gradual decrease in the numbers receiving parochial relief in the Bury Union".¹⁰ This was also reflected in the general situation, Arnold stated "With the dawn of the new year (1863), there became visible a decided improvement in the state of employment throughout the cotton districts".¹¹

The effect upon other individuals is discussed in the chapters, which analyse the particular areas. As to the mills themselves, the many managed to come through it. The main problem was that the boom in joint-stock mills came in 1859-61. Due to this a good number of mills were built by 1861, ready to commence operation. Some were fortunate enough, or wise enough, to delay the installation of machinery. Out of the sample, for example, Bury Co-operative Manufacturing Company Ltd. and Bury Cotton Spinning and Manufacturing Company Ltd. had mills complete at the start of the Cotton Famine, but did not start them until 1865. On the other hand it is clear that some of them did start manufacture. The Rawtenstall Cotton Manufacturing Company Ltd. was registered in December 1860, which suggests that it might have started sometime in 1861. It was running in 1862 as it held a half-yearly meeting in August of that year, announcing a small profit of £5-15-7d, so it presumably ran through the period of the Cotton Famine.¹² Many of the mills in the sample also appear to have been built just before the cotton Famine, but ran through it. There were some failures and, of course, these do not appear in the sample. Moses Heap recalls that he bought four £5 shares in the Britannia Mill Company Ltd in August 1862. He then records that the mill never started and was sold off at a loss. The mill had cost £18,000 to build and was sold for £8,500.¹³

¹⁰ *Bury Times*, 7/2/1863

¹¹ R. Arthur Arnold, *The History of the Cotton Famine, from the fall of Sumter to the passing of the Public Works Act*, (Saunders, Otley & Co., 1865), p. 221.(my brackets)

¹² *Burnley Advertiser*, 2/8/1862

¹³ Moses Heap, p. 43.

Watts gives some details of joint-stock mills and how they survived. He quotes a number of examples, giving the share price in May 1861 and then the share price in June 1864. Of the companies in the sample, three are quoted in Table 6.

Table 6. Share prices 1861 & 1864

Company	Share	Price
	May 1861	June 1864
Bury & Heap	£13-0-0	£8-7-0
Rossendale Industrial	£14-0-0	£9-12-6
Bacup & Wardle	£26-0-0	£14-0-0

Source; Watts, (1866), p.343

The first two had £10 shares and thus lost some value. The third example had £12-10-0d shares and so was still trading above par. This would seem to show considerable resilience and that they had survived the Cotton Famine successfully. Watts also quotes the auditor to many of these mills in Rossendale, who was almost certainly Mr Frank Hunter. He is quoted as saying that many worker-owned mills had managed to survive, but those that were about to start found the most difficulty and some of these had failed.¹⁴

There is a later report that some of the mills, which had large volumes of loan stock, failed due to the loan-holders calling in their money. The report goes on “the mills when sold in those days of depreciation frequently produced so little that nothing was left for the shareholders.” These were mills that offered 5% on loans, which was not uncommon. Indeed the report goes on to say that Oldham Cotton Mills, which were notorious for using loan stock in the 1870s, were having a similar problem during a downturn of trade.¹⁵

Having survived the Cotton Famine, what follows next is the examination of how well worker-owned companies were able to manage themselves, and thus provides a response to the belief that this would not be possible. There are nine businesses examined in this section, with a tenth that merits inclusion, Haslingden

¹⁴ Watts, (1866), p. 344

¹⁵ *The Standard*, 26/1/1876

Commercial Co. Ltd., but it cannot be discussed because the records have been destroyed. However, this indicates that ten out of the sample of twenty-three survived into the twentieth century, which is 43%. The major work on this subject is by Shannon, where he examined the survival rate of limited liability companies.¹⁶ He excluded voluntary liquidations, and some other aspects, concentrating only on insolvencies and found that from 1856-1883 more than 30% of such companies were declared insolvent. Shannon's key date is 1883 and if this is checked against Table 2, then another seven companies survived longer than this. Thus, in total, some 74% of the sample survived beyond 1883, a failure rate of just 26% and therefore better than Shannon's average.

For the purposes of this examination some of the more long-lived companies have been chosen and they are shown in Table 7.

Table 7. Sample of long-lived companies, (dates as indicated)

Company	Start date	Dissolution
New Bacup & Wardle Commercial Co. Ltd.	1850	1929
Rossendale Industrial Manufacturing Co. Ltd.	1853	1911
Haslingden Commercial Co. Ltd.	1854	1968
Bury & Heap Commercial Co. Ltd.,	1859	1933
East Lancashire Paper Mill Co. Ltd.,	1860	2012
Hargreaves Street Manufacturing Co Ltd.,	1860	1932
Rawtenstall Cotton Manufacturing Co. Ltd	1860	1920
Bury Co-operative Manufacturing Co. Ltd.,	1860	1930
Ramsbottom Spinning & Manufacturing Co. Ltd.,	1861	1905
Bury Cotton Spinning & Manufacturing Co. Ltd.,	1862	1939

These companies were considered to be a good cross-section of the companies in the database, as there are samples from all the main areas considered, as well as the fact that they survived into the twentieth century. Unfortunately, Haslingden Commercial Co. Ltd., which was the longest surviving textile company of the sample, has had its records destroyed after 1916. Enquiries both at the National Archives and Companies House have found nothing. For the other companies, samples of the share lists have been examined at intervals as well as the lists of directors, where available and the conclusions are detailed below. It needs to be

¹⁶ Shannon, *Limited companies 1866-1883*, Carus Ed. Vol II, p. 387.

pointed out that the records at the National Archives are not complete and many years of records are not present, either because they have been 'culled', to save space, or simply that they have been wrongly filed. For that reason the results shown below are not as symmetrical as could be desired.

The methodology adopted has been to select (where they are available) sample years spaced approximately a decade apart, in the later part of the companies existence. From this the first five pages and the cover page of each year selected were copied and analysed in order to provide a sample, which is by no means as definitive as the main database. The 1900 Companies Act required companies to list their directors on the return to the registrar.¹⁷ Also, at this time, a compulsory audit was required and due to this an abbreviated balance sheet was often attached to the return, so, where possible, information on both of these aspects has been considered.¹⁸ The tables created by this analysis take up a great deal of space. For this reason one case study is given below and the rest can be found in Appendix B. The tables show: the number of names per page; how many were 'local'; how many had working-class occupations; thus how many were non-working-class; the number of women shareholders; the average number of shares per page; the total number of shares per page; the largest shareholding and the location of the shareholder furthest away from the company. Graphs for each company in the sample are derived from these data.

New Bacup and Wardle Commercial Company Ltd.

This company, in its earlier incarnation as the Bacup Commercial Company, was the first such company to be formed and it is good that it survived long enough to be studied in this way. What must be borne in mind is that, as with many other companies in this database, in the period around the First World War many companies re-issued or changed their share values. In this case the original £12-

¹⁷ Reproduced at; <http://www.london-gazette.co.uk/issues/27347/pages/5514/page.pdf>, accessed 19/2/2014.

¹⁸ Reproduced at; <http://www.accountingin.com/accounting-historians-journal/volume-10-number-1/company-legislation-and-changing-patterns-of-disclosure-in-british-company-accounts-1900-1940/>, accessed 9/2/2014

10s-0d shares were reduced to shares at a value of £1-5s-0d. Unfortunately the date of this change is not known, but the 1906 figures were at the old value.

Table 8, which is included to illustrate the method, shows samples taken for New Bacup and Wardle Commercial Co. Ltd. in 1906. In 1906 the register of directors for that year indicated that the board consisted of seven members, whose occupations were; mechanic, grocer, loom overlooker, mechanic, carpenter, ring overlooker, cloth-looker.

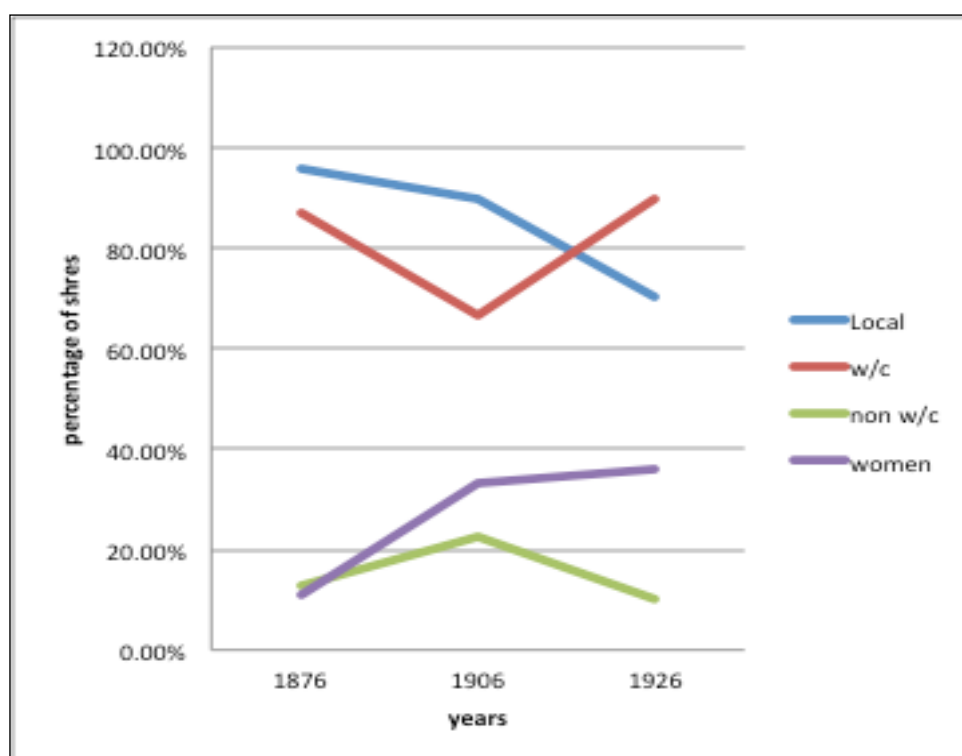
Table 8. Sample data for New Bacup & Wardle Commercial Company Ltd., 1906

B & W 1906						
Page	1	2	3	4	5	Total
Names/page	24	24	24	24	24	120
Local	22	22	23	20	24	108
W/class	11	13	17	20	19	80
Non w/class	4	9	7	4	3	27
Women	9	4	10	10	7	40
Av. Shares	4.5	6.79	6.58	10.5	5.12	6.70
Total shares	107	163	158	252	122	802
Biggest	20	40	34	30	23	
Furthest	N'tham	Ket'ring	Man	B'pool	Bury	
Non-local = outside S.E. Lancs.						

The chart below (Fig. 12) shows the development in the pattern of shareholding quite clearly, the number of local shareholders decreased, but the working class shareholders increased. It is clear that whilst the reputation of the company might have spread, its appeal was still to the working classes. The chart also shows that women gradually became more numerous as shareholders.

The 1916 results show that the company made a profit of £3,770, the dividend is not shown, but by this time, although the shares were still £12-10s, the loan capital was much reduced. The share capital was £52,575 and the loans were only £2,544. At this time there were seven directors, all local men. They were, a spinning master, two loom tacklers, a mechanic in a woollen mill, a jobbing gardener and an innkeeper, the final director could not be traced, but it was essentially a working-class board.

Figure 11. New Bacup & Wardle, trends in shareholding



By 1926, just two years before the company was sold, the board had only five members, three of whom were retired. Albert Penny, one of the directors classed as 'retired', shows on the 1901 census as a mechanic in a woollen mill.¹⁹ As has been seen in other records there are several directors who are retired mill workers, so it can be assumed that the other two are also as they cannot be found in the census. The final two directors were a cotton spinning master and a quarry manager.

In the 1926 results the auditors declared a loss of £1034-5s-11d and paid a dividend of only 3d per share.²⁰ The shareholders voted in 1928 to wind up the company. The vote was carried by 10,157 to 1,904. The mill received an offer to buy the company as it stood and the price of 12s-9d per share was offered and accepted in June 1928. It was said that the new owner would continue with the mill, but later in the year the new owners auctioned off all the machinery, though the final price is not known. It appears that it did not continue in its accustomed role as the building was sold again in 1931 to a company called the Valley Supply

¹⁹ Census, 1901, Ref. RG 13/3851

²⁰ National Archives, BT 31/31753/11618

Company.²¹ For some reason the company was not officially dissolved and was finally struck off the register in 1939.

Rossendale Industrial Company Ltd.

This was one of the early companies, being initially formed under the 1852 Industrial and Provident Societies Act and originally called the Rossendale Industrial Association. It took up limited liability in 1860, the original management, at that time, were a cotton-mill manager, a mule-spinning foreman, a brick and tile maker and a weaving foreman. The company was set up in a very ambitious way, with a nominal capitalisation of £200,000 divided into 20,000 £10 shares. On registration 4,367 shares had been sold and there were over 1,100 shareholders, with all shares fully paid up. On floatation they bought Irwell Mills from the Munn Brothers, on a mortgage for £5,000, in order to expand their business.²²

As with most of these companies the share capital was re-organised. There had been a special resolution passed in 1888 to change the share structure from 20,000 £10 shares to 18,000 £10 shares and then to change these to 36,000 £5 shares. In addition 2,000 new £5 shares were issued as preference shares.

In 1904 there were five directors, four of whom were working men, the fifth, Alfred Samuel Aitcheson, gave an address in John Dalton St., Manchester, which suggests that he was some sort of professional man. This is the only director's list that survives.

The company was forced into liquidation by an action brought by Amy Elizabeth Rymer, who gave her address as Calder Abbey, Cumberland and the action was to do with preference shares issued by the company in 1888 details of the action are not known, but as a result of this action a receiver was appointed.

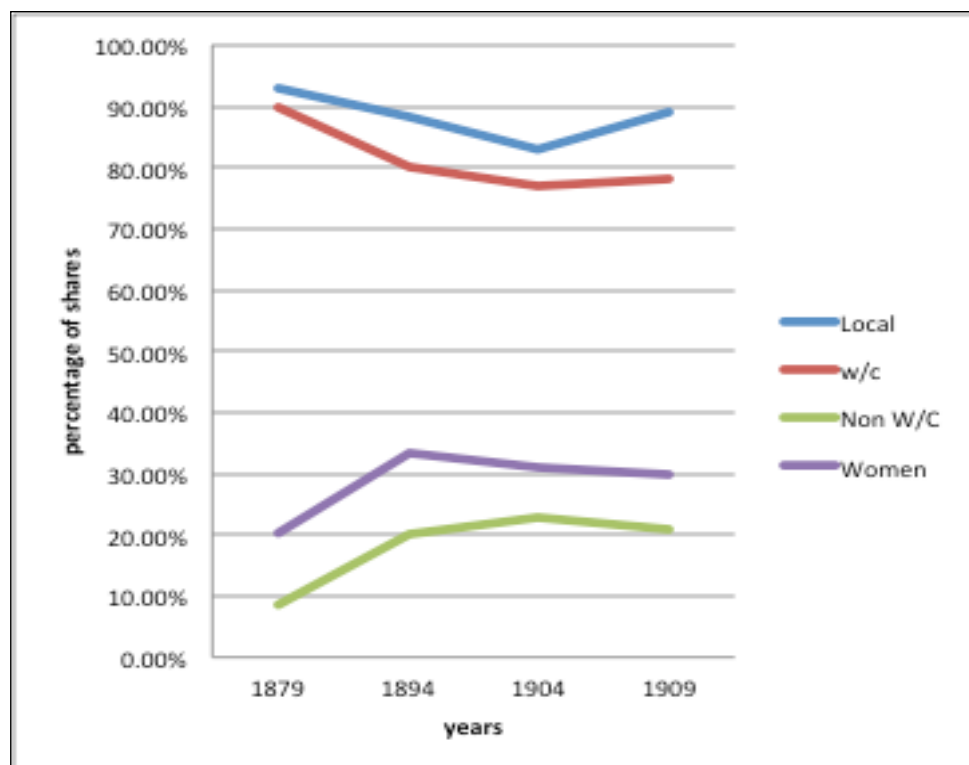
²¹ W. G. Taylor, *Bacupian Mills*, Vol 2, (self published 1991), Bacup Library.

²² Taylor, *Bacupian Mills*, Vol 2, p. 291

The chart (Fig. 13), shows that it remained primarily local and also mainly working class. This is one of the few charts that show a decline in women shareholders, which may be due the fact that it was not as good a performer as its local rival, New Bacup and Wardle Commercial Company Ltd.

The mill never seems to have been as successful as the New Bacup and Wardle Commercial Company, for example, as shown in Table 6, p. 72, the share price did not hold up as well as its rival during the Cotton Famine. In a speech to the operatives at a New Year's treat for the work people the Chairman stressed that times were hard and that economies had to be made and claimed that the mill had been a pioneer testing out new ways.²³ The business was eventually wound up in 1911, whilst Bacup and Wardle continued up to 1930.²⁴

Figure 12. Rossendale Industrial Company, trends in shareholding



²³ *Bacup Times*, Feb. 16th, 1867.

²⁴ *The London Gazette*, 25th Nov. 1938.

Bury and Heap Commercial Company Ltd.

This was the first textile mill to be founded after the 1856 Limited Liability Act. As is related in Appendix A, it was founded by a group of working men who met regularly in a local pub. By 1901 the board had seven members, all of whom could be classed as middle-class. The chairman was Joseph Ashworth, a hat manufacturer and he was a large shareholder, with over 200 shares. The other six directors were a farmer, a cotton manufacturer three woollen merchants and a tailor. The 1914 director's list did not give occupations. By 1918 there were five board members. Joseph Ashworth was still there; the others were all directors of other local companies, so there were no working-class directors.

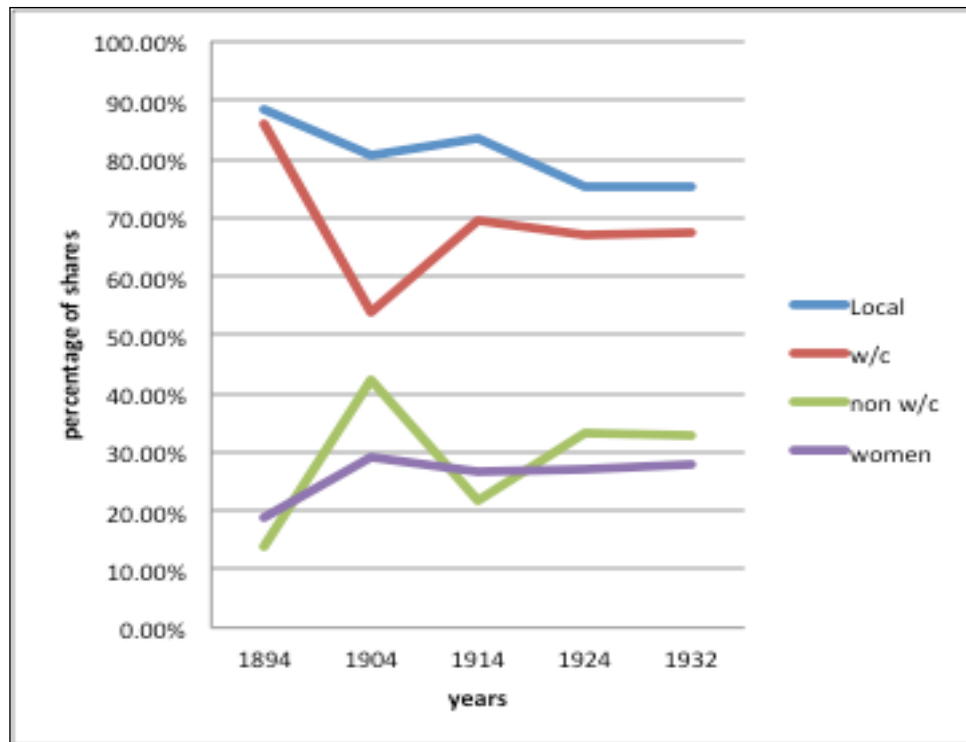
By 1932 there were only four directors, two of whom appeared to be related, Thomas Holt and William Holt – both were cotton manufacturers, the other two were a master painter and the company's general manager. By this time the shares were shown as either £10 or £5, so presumably there had been some extra attempt to raise capital by an issue of £5 shares, or, as happened with other companies in this period, they had completely overhauled their share system. What is clear is that it cannot be directly compared to the earlier shares.

The company was wound up in 1932/33 and it would appear to have been a deliberate decision, maybe because of the major recession of that period. The final balance sheet has a note that the holders of £10 fully paid up shares received back £7-4s-0d per share by 29/1/1934, whilst the owners of £10 shares with only £5 paid up received £2-4-0d by the same date.

Figure 14 shows that this was a company that was slowly becoming more middle class. The local content and the working class content were steadily reducing, whilst the non-working-class content was increasing. There were many retirees, who were probably originally from the locality, many of whom lived in locations such as Southport. These were almost certainly middle class and if they had been able to be investigated fully would probably have resulted in the working-class

content reducing even more. The numbers of retirees moving to pleasanter areas near the coast could, perhaps, be seen as examples of share-ownership giving increased prosperity.

Figure 13. Bury & Heap, trends in shareholding

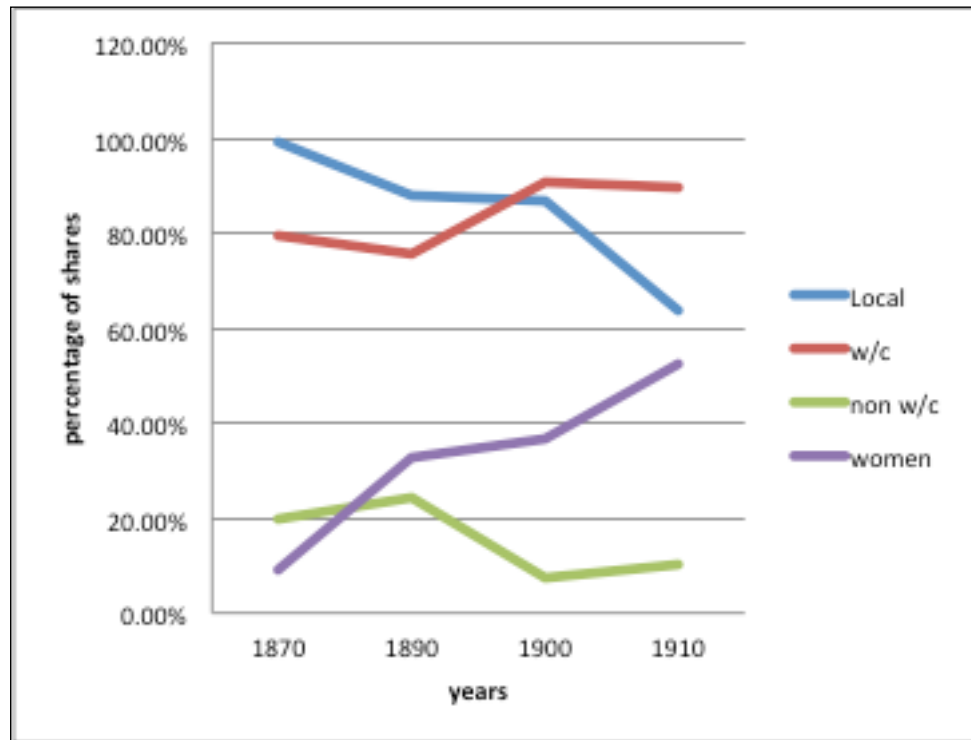


East Lancashire Paper Mill Co. Ltd.

This company was the subject of the author's B.A. dissertation and therefore more is known about it, plus the fact that the author worked at this company in the 1960s and therefore has first hand knowledge. In the B. A. dissertation, the share distribution was examined in some detail up until 1890. The reason why the analysis was not taken further was that the company underwent a huge reorganisation at the end of the nineteenth-century. However, to match the other analysis the chart, (Fig 15.), shows what happened prior to the reorganisation. The company stayed predominantly local and with a strong working class element, though it must be said that after 1900 the column for 'occupation' was not completed, as regularly as before, so the figures relating to working-class shareholders after this date cannot be confirmed. Very noticeably women

shareholders became very prominent, achieving more than 50% shareholding by 1910, probably because the company had always paid good dividends.²⁵

Figure 14. East Lancashire Paper Mill trends in shareholding



When the company was reorganised around 1900, there was first of all a complete reorganisation of the product range, with a change from manufacturing brown wrappings to fine paper and the installation of up to date machinery. Then, in 1914 all shares were recalled and the whole share structure was replaced with a new one.²⁶ All of this was as a result of bringing in new blood in the form of one Charles Robert Seddon, who not only transformed the fortunes of the company but also managed, eventually, to personally take it over.

This restructuring was so successful that in 1908 one of the trade magazines ran a special edition about the mill. This confirmed that Charles Robert Seddon was engaged in 1897 and at the date of the issue was managing director and his son

²⁵ P. W. Hampson, 'The East Lancashire Paper Mill Co. Ltd., - part 3', (*The Quarterly, Journal of the British Association of Paper Historians*), No 74, April 2010, p.21.

²⁶ *Directors' Minute book*, 1913-1916, Box R Bury Archives

John, though only 24, was works manager.²⁷ By 1914, if not before, John Seddon was also a director²⁸

A copy of a share list from 1952 shows that the Seddon family were the major shareholders and a comparison with the directors from 1932 and 1948 shows the same names and families reoccurring.

Table 9. East Lancashire Paper Mill Major shareholders 1952

Seddon Family		Others	
C.G. Seddon & M. Seddon	632	M & T Collinge	1,051
William Seddon	230	Dorothy Hudson	1,474
Charles G. Seddon	2,798	G. Porritt & T & G Woodcock & N. Tutin	2,000
Mabel Seddon	357	Radcliffe Paper Mill	1,000
Mary Seddon	418	Ethel Thorpe	1,290
John Seddon	29	Robert Thorpe	1,591
Peter Seddon	25	William Taylor	1,251
Anthony Seddon	29	Eunice Wild	1,023
	4,518	Kenneth Wilby	1,536
			12,216

Source; Companies House archives, Ref. company number 1815

A list of directors from 1932 shows the board composed of Thomas Scott Collinge, who was also a director of Bury Guardian Co. Ltd, William Taylor, a director of Bury Brewery, Harvey Thomas Thorpe, listed as an engineer, Charles Robert Seddon, Director of East Lancashire Paper Mill Co. Ltd and John Seddon, Paper Mill Manager. A director's list from 1948 gives Harvey Thomas Thorpe, director of T. Thorpe & Co and Victoria Smallware Co. Ltd., Herbert Taylor, director Bury Brewery Ltd and Mathew Pomfret Ltd., Kenneth George Wilby, Director Radcliffe Paper Mill plus six other directorships and Charles Geoffrey Seddon (born 1913), director Radcliffe Paper Mill Ltd, Straw Pulp Manufacturing Ltd and Newton Mill Ltd and managing director of the East Lancashire Paper Mill Co. Ltd

The names of Collinge, Thorpe, Taylor and Wilby are obviously related to certain directors. Other big shareholders are Dorothy Hudson – she may well have been

²⁷ *The Paper-Maker and British Paper Trade Journal*, (special edition 1908), Bury Archives, BEL Box 0.

²⁸ *Director's minute book, 1913-1916.*

related to any of them via a maiden name, Geoffrey Porritt was part of the firm of Porritts and Spencer, the major supplier of papermaking felts to the industry and the Woodcocks were the leading solicitors in the town and Eunice Wild is probably related to the other big local paper mill, John Wild & Sons Ltd. Kenneth Wilby was managing director of Radcliffe Paper Mill Co, Ltd. and as the two mills did not compete they obviously shared directorships.

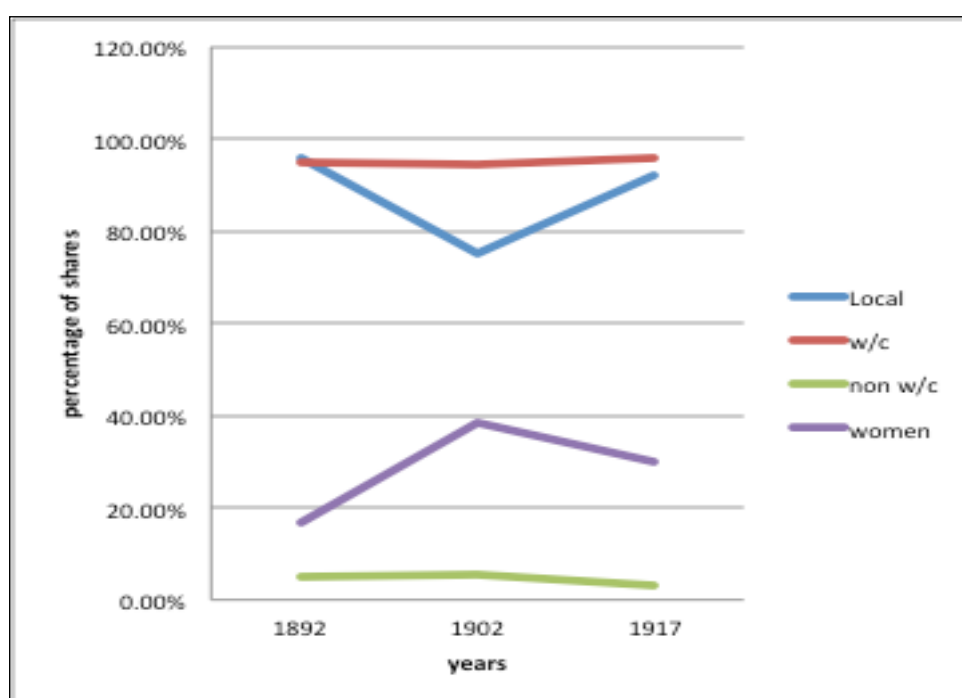
Personal observation by the author can confirm that in the 1960s the company was run as a 'family firm'. Charles Seddon was in charge and his son John was in effect the Mill Manager. The company continued to be successful for another 15-20 years, but then found that it could not compete with big Scandinavian mills, as was the case through almost the whole British paper industry. The mill made various attempts to alter the product range, but eventually ceased to operate in 1996, though the 'shell' was kept going until 2012.

Essentially the Seddon family completely changed the character of the share distribution over a few decades. The chart shows in figure 15 that the working classes still predominantly owned the shares in the early part of the twentieth century, but by the 1950s, or earlier, the firm was in essence a family firm, with big blocks of shares held by the family or associates.

Rawtenstall Cotton Manufacturing Co. Ltd.

This company came into being in December 1860, it was formed by a group of five initial subscribers who were; a tackler, a carder, who was illiterate, a joiner, the employer of seven men, a contractor and a wool-sorter. It had initially 1201 shareholders, 1050 of whom were working-class, either employees, skilled or women. It was thus very much a working-class company. In 1906 the board consisted of seven men, three of whom were retired, one a grocer and one a butcher. The others were a cotton mill tackler, a cotton mill joiner and a person from the slipper industry and a tea dealer, all local people. The changes in shareholding are shown in Figure 16, this is one company where women shareholders reduced.

Figure 15. Rawtenstall Cotton manufacturing, trends in shareholding.



In 1904 there was a special resolution to reduce the share price from £5 to £2-10s-0d and to reduce the nominal capital from £50,000 to £25,000.²⁹ By 1916 the board had eight members who were a butcher, share broker, cotton mill joiner, hotelkeeper, retired tradesman, retired tackler, manager of a co-operative store and a retired farmer, so there was still an element of working-class representation. By 1920 the share value had been further reduced to £1 and the nominal capital was £30,000. At this point the company appears to have received an offer to buy it out. There is a record of a meeting to vote on an offer from one Henry Taylor, which would pay £4-10s-0d for each £1 share. It is not known what price the shares were trading at. Not surprisingly the offer was accepted and the company was dissolved in March. There was a form of consent for the new company to be called 'Rawtenstall Cotton Mills Ltd'. At the time of the takeover the board consisted of a stockbroker, who was the chairman, an agent, two retired tradesmen a draughtsman and a cabinetmaker, plus the company secretary.³⁰

The new company was registered on the 31st March 1920 and the directors were all listed as cotton manufacturers, mostly from the local area plus a cloth merchant

²⁹ *National Archives*, ref. BT 31/14310/1750

³⁰ *Ibid.*

from Manchester. The nominal capital of the new company was £250,000 with 250,000 shares of £1 and each director held 2,500 shares; Henry Taylor appears to have been the chairman. The new company appears to have existed until 1948 ³¹

Bury Co-operative Spinning & Manufacturing Co. Ltd.,

As its name implies, this was very much a company originated by the working classes. Whilst the Co-operative Society was not directly involved, there was close cooperation between them and money was lent to the mill at various times.³² This was a case where the mill was completed before the start of the Cotton Famine and this was confirmed in the Bury Times.³³ Commencement of manufacture was delayed until 1865. Sir James Kay-Shuttleworth spoke at the inauguration and made the point strongly that this was not a co-operative, but a joint stock company. At the start there were 800 shareholders and the shares were valued at £5 each. ³⁴

In 1903 there were seven directors consisting of; four 'gentlemen', though examination of the 1901 census shows three of these gentlemen were in fact retired workmen. William Booth was a retired cotton worker, John Turner a retired cotton mill mechanic and John Brooks a retired grocer, the final one cannot be found.³⁵ The others consisted of a joiner, mechanic and rate collector. It can be seen therefore that the board was firmly working class. In 1916 the company appears to have made a profit of £783 and there were five directors, all from a working class background. By 1920 the company was issuing new shares to try to increase the capitalisation. This was presumably successful as they paid off a mortgage from the Lancashire and Yorkshire Bank in 1922. However, this seems to have been short lived, by 1926 there was a new mortgage with the bank and in 1927 the bank appointed a receiver. The mill was finally wound up on the 23/9/1930.

³¹ *National Archives*, ref. BT 31/32404/165520

³² Reproduced at; http://gerald-massey.org.uk/Lancashire%20Miscellany/c_Bury_Co-op_1.htm, accessed 7/2/2014.

³³ *Bury Times*, 1/2/1862

³⁴ *Ibid*, 7/1/1865.

³⁵ Census, 1901, Ref. RG 13/3637 & RG 13/3632 & RG 13/3639

Figure 16. Bury Co-op Manufacturing, trends in shareholding.

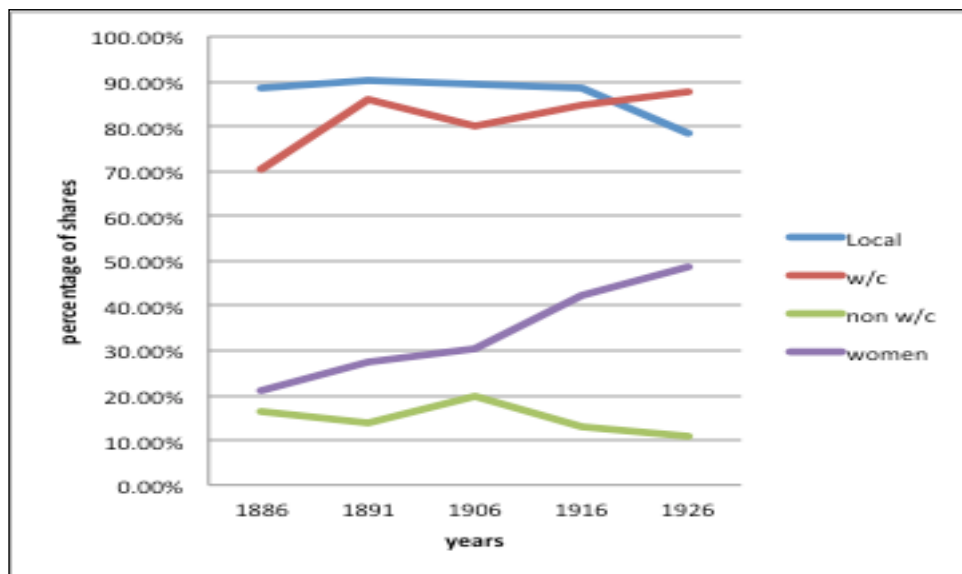


Figure 17 shows that the company actually continued to attract working-class shareholders and these tended to be local people. The trend away from this in the last few years can probably be attributed to people moving away as they retired. Women took an increasingly large percentage of shares, finishing up holding almost 50%, whilst the non-working-class shareholders tended to decline, again this might be that in all of these companies there are an increasing number of shareholders who retired to places such as Blackpool or Southport. These are almost certainly the slightly better off and distort the trends slightly.

Hargreaves Street Manufacturing Company Ltd..

This was very much a working-class company set up in Haslingden in 1860 and apparently failing by 1935.³⁶ In 1891, when many other companies were reporting losses, they had a profit and paid a dividend of 2.5%.³⁷ In 1902 they paid 10%, as did Haslingden Commercial Company.³⁸

³⁶ *London Gazette*, 2/7/1935

³⁷ *Manchester Courier*, 3/7/1891

³⁸ *Manchester Evening News*, 13/1/1902

Figure 17. Hargreaves St. Manufacturing, trends in shareholding.

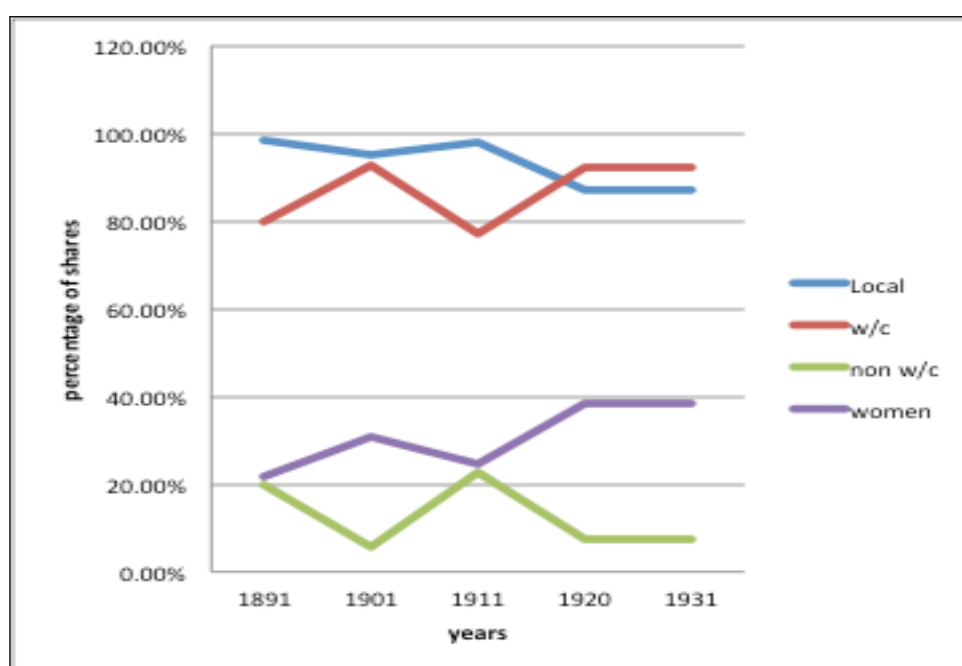


Figure 18, shows that there were variations in the makeup of the shareholders. There appears to have been an influx of shareholders from other than the working classes in 1911. This might have been because they were paying a dividend of 5 shillings per share as opposed to Haslingden Commercial Company who paid only 1s – 3d.³⁹ However, overall, the shareholders were consistently local and predominantly working class. Women shareholders consistently increased their shares.

In 1911 there were nine Directors listed; five gentlemen, one moulder, one chemist and two managers. However the term ‘gentleman’ in this locality needs examination. There was a tendency that when any sort of tradesman retired and was supporting himself by some sort of pension then he tended to class himself as a ‘gentleman’. This has been seen in one of the shareholders in the Hargreaves Street Company. Mr George Ratcliffe classed himself as a ‘pawnbroker’, but a year later buying shares in Laneside Industrial Company he had retired and listed himself as ‘gentleman’. Thus of the five ‘gentlemen’ on the board of Hargreaves Street Manufacturing two have been identified. John Wolstenholme was a retired blacksmith, with family employed in the cotton mills. Mark Berry was a retired

³⁹ *Manchester Courier and Lancashire General Advertiser*, 6/1/1910

spinner, as was his wife and his son was an apprentice cabinetmaker. It is not unreasonable to suggest therefore that the other 'gentlemen', who cannot be identified on the census, were also retired working classes.

Ramsbottom Spinning & Manufacturing Co. Ltd.

This mill was set up in 1861, the shareholders having quarried the stone and built the mill themselves. It had £5 shares called up 5s at a time. There is little information, other than can be gleaned from the analysis of the share lists. In the only list of directors available, dated February 9th 1903 the senior director is William Booth, who was also a director of the Bury Co-operative Manufacturing Company. All the directors were local and presumably workingmen. The winding up balance sheet, dated June 1908, shows a very large stock of cloth, so maybe the reason for failure was an inability to sell the product.

.Figure 18. Ramsbottom Spinning & Manufacturing, shareholder trends.

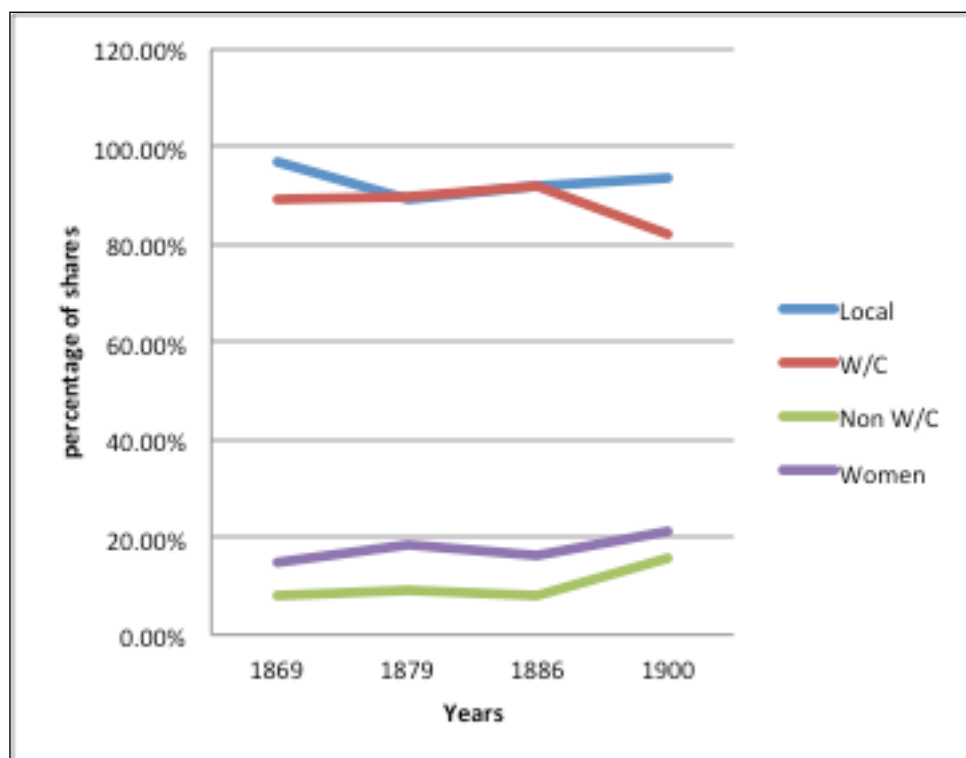


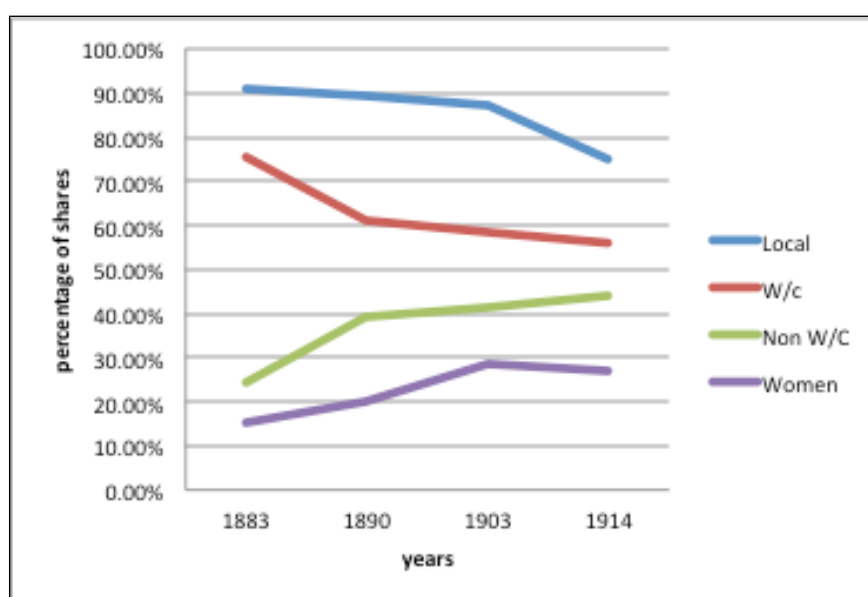
Figure 19 shows that shares were consistently held locally and were essentially working-class. Women did increase their holdings, but not as dramatically as in some other companies. The company attempted to increase its capitalisation by

issuing extra £5 preference shares in 1893, which obviously did not succeed in keeping the company viable.

Bury Cotton Spinning and Manufacturing Company Ltd.

This company was never really aimed at the working classes as it was set up with £50 shares; even so, there were a surprising number of working class shareholders. The list of directors dated February 1913, gives five directors, all local men, two of who were definitely in the cotton trade. By 1924 the company had been taken over by the Holland family from Preston, whose main business appears to have been in owning and running a brass foundry. In the return of shareholders of this date William Lewis Holland held 4,501 out of the 5,125 shares issued and other members of his family owned the rest. The company continued to submit returns and in 1934 they still seemed to be trading, but there is a letter from the registrar, dated July 1939, in the file asking for information, which was answered by Lewis Holland (Sole Director), who stated “the company has not carried on business for many years and will not do so in the future”.⁴⁰ It was officially dissolved in 1940. There is no way to know just when it ceased manufacture, seemingly the ‘shell’ was kept going for some years.

Figure 19. Bury Cotton Spinning & Manufacturing, trends in shareholding.



⁴⁰ National Archives ref. BT31/31741/2117

Figure 20 shows that there were a considerable number of working-class shareholders in 1883, when the shares were still £50. Then, even though the share price was steadily reduced, their numbers fell. The shares were £10 by 1890 and by 1903 they were £5 shares and stayed at this price until the end. The local shareholders also fell and whilst women increased, they did not become major shareholders as they did in some other Bury companies.

Most of these companies as originally formed were initiated and subscribed to by the working classes. Given the data presented above and in appendix B it is possible to assume that those, which failed by the turn of the century, had not altered too much and the ones that failed did so for commercial reasons. Farnie makes it clear that between the 1880s and 1901 Lancashire suffered serious losses of key markets and thus the less efficient companies failed.⁴¹ Shannon makes the case quite clearly in his two articles on the subject of early limited liability companies, that a very large number of such companies failed in the period 1856-1883. Against this background it can be seen that many of the companies formed by working men were quite successful. Some of the companies failed very early, especially those planned to come on stream just as the Cotton Famine struck, but even then, some of these companies had the stamina to hold onto an empty factory until they could start once the end of the famine was in sight. The belief of the Christian Socialists, and other parts of the establishment, that working men would not be able to manage and succeed in a company with transferable shares is clearly proved to be incorrect. Indeed some of these companies produced results far above the average.

The analysis in this section has focused on examples of firms that survived into the 20th century, a factor which tends to refute the expectations of the Christian Socialists, i.e. working men would not be able to cope with companies with transferable shares.. Whilst it is by no means conclusive it would seem that the pattern is that the further the companies were up the valley, the truer they remained to their roots, still being predominantly working class both in board make-up and shareholders. Further down the valley, in Bury, some companies

⁴¹ Farnie, (1979), pp.326-327.

stayed essentially working class and most still had a majority of working-class shareholders, but middle class entrepreneurs had taken over some of the companies at board level.

Chapter 7. Detailed analysis of shareholders in the Irwell Valley.

The intention of this chapter, and the one that follows is to separate the differing categories of shareholders, establishing how many of each grouping held shares and also the numbers of shares in each grouping. Obviously the purpose is to test the concept that these were companies that were mainly owned by workers and to establish to what degree this was the case. Even from a cursory inspection it is clear that there are some differences between the upper parts of the Irwell valley and the lower parts. The upper parts tend to have higher numbers of working-class shareholders, whilst lower down the valley there are more retailers and commercial shareholders. To help in the analysis this section has been split between the upper, Pendle villages, with an emphasis on Bacup as the originating village and the middle part of the valley. The area around Bury and outside investors is dealt with in the following chapter.

Given the significance of Bacup, this has been examined first and found to have had over 1,400 shareholders, owning over 5,000 shares, in the period before the Cotton Famine, with by far the greatest number owned by either workingmen, skilled workers or women. It was considered that in 1850 Bacup had a population of approximately 8,000, but Slater's Directory for 1851 suggests that there is a population of around 12-13,000, so some of the outlying districts are included. In the analysis Stacksteads and Spotland are included as separate districts that are essentially part of Bacup.¹

The share lists themselves tend to include all surrounding districts and villages and simply state 'Bacup', if, that is, if they bother to list the town at all. If the town was not listed then it has been allocated in the database as Bacup, where it is now considered that that particular address is part of modern day Bacup. This being the case the figure of 13,000 is probably the most accurate for this purpose. It would seem that share buying and holding became very common in Bacup. Aspin quotes the Rochdale Observer of 1860; "Bacup is one of the richest and ablest places in Great Britain; nor is its wealth confined to only a few, but is generally spread

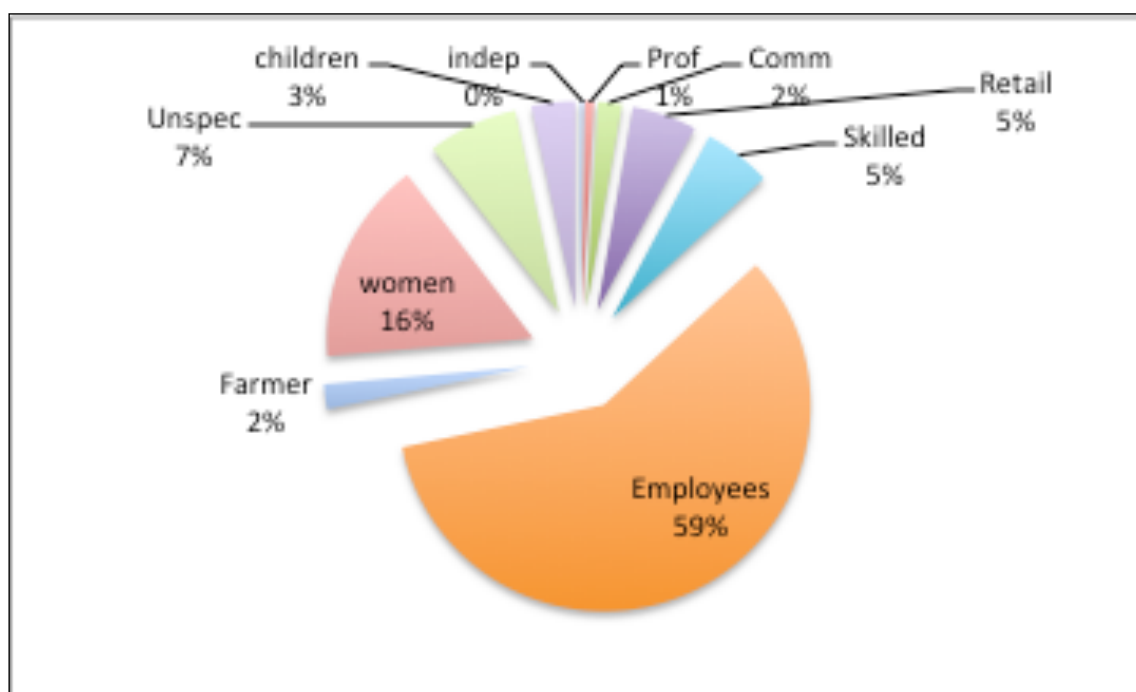
¹ Edwin Butterworth, *A Statistical Sketch of the county Palatine of Lancaster*, (Longman & Co., 1841), p. 6.

amongst the whole inhabitants.”² As Table 10 shows, Bacup shareholders were over 10% of the population.

Table 10. Shareholders in Bacup, Stacksteads & Spotland. (Median date 1860)

Code	Occupation	Shareholders	No of shares	Ave. shareholding
1	Independent	0	0	0
2	Professional	11	82	7.5
3	Commercial	25	227	9.1
4	Retail	70	492	7
5	Skilled	73	342	4.7
6	Employees	864	3028	3.5
7	Farmers	28	93	3.3
8	Women	229	811	3.5
9	Unspecified	81	258	3.2
10	Children	45	103	2.3
	Total	1426	5436	3.8
	Population	13,000		

Figure 20. Bacup, Stacksteads and Spotland, occupational groups by percentage



² Aspin, Mr. Pilling, p. 6.

Table 11. Bacup textile operatives who held shares.

Weaver	389	Carder	24
Overlooker	43	Labourer	26
Spinner	27	Printer	30
Tackler	32	Roller coverer	14
Warper	33	Warehouseman	22
Beamer	23	Misc.	81
		Total	744

It is not straightforward to judge just how many of these share holders were employed in the textile trade. Table 11, above, gives the breakdown of the more obvious textile employees, but there were others, with minor roles to play such as sizers, rovers, dyers etc., not to mention picker-makers, reed-makers and other allied trades, all of whom relied on the textile industry for a living. In addition most of the skilled tradesmen, such as joiners and masons, were actually employed by the mills, as were many others such as bookkeepers, who are difficult to place precisely. Only 134 shareholders had a code, which indicated that they were most probably self-employed, thus approximately 1,290 shareholders were working-class and probably most of these were involved in textiles in some way.

The *Bacup Times* published some articles on 'Old Bacup' and these reminiscences, which can be checked against shareholder lists and census returns, have provided a little extra information about some of the shareholders.

One of the most significant was William Tagg junior, his father, William Tagg senior, came originally from Scotland and was a block printer. Tagg junior was apprenticed to this trade originally. Machines superseded block printers and in 1851 the census shows him at 27 years old as a weaver.³ His father was an ardent Chartist and led a large Bacup contingent on various Chartist rallies, so young William Tagg was brought up to take a strong interest in local affairs.⁴ He was also a devout Baptist, but could be described as a 'muscular Christian'. Over a dispute concerning the 'new' minister, Rev. E. F. Quant, he broke down the doors of the

³ Census 1851, Ref. H.O. 107 - 2247

⁴ Reproduced at, *Dundee, Perth and Cupar Advertiser*, 16/6/1848,

Irwell Terrace Baptist Chapel.⁵ He was also active in establishing the Bacup Mechanics Institute and served on the Burial Board.

Tagg was not successful as a weaver as he, seemingly, did not have the dexterity to manage three looms, so he became a travelling 'fent dealer', with a stall on Halifax market two days per week. He also, at some stage, acquired a shop, which was managed by his wife⁶ In a Bacup Times article published in 1903, twenty-five years after his death, the commentator says that Tagg "was little concerned... in (co-operative) production".⁷ In fact the author's memory had seemingly failed. Tagg was one of the original shareholders of Bacup Commercial Company and he was the first promoter of the Lancashire and Yorkshire Cotton Manufacturing and Mining Co. Ltd., which was set up in Bacup, but with the factory in Yorkshire. His name, together with Duckworth Duckworth's, one of the Chartists who set up the original Bacup Commercial Company, were the first two names on the proposal, listing Tagg with five shares and Duckworth with four. Tagg's occupation was given as 'Draper' and shares were sold from his shop. In the extract from the New Bacup and Wardle Commercial Co.'s share register, shown below, (Fig. 22), his occupation is given as 'Calico Printer'

Figure 21. Extract from B & W share register (1854), showing Tagg's entry.

PROVISIONAL REGISTRATION. } 7.—The Names, &c. of the Subscribers to the			New Bacup and Wardle Commercial Company. (Continuation of Sheet E)		
Serial Number	Name	Occupation, Rank, or usual Title	Place of Business (if any)	Place of Residence (As the Street, Square, or Place, and No. of the House)	Reference to all changes by D Markings, &
	Tagg Thomas	Corder	Lundhill New Mill St. Bacup	Lundhill New Bacup	
	Tagg James	Wheeler	Clough House Mill	Wap. Buildings, Wardle St. Rochdale	
	Sattwell James	Warehouse Man	Clough House Mill	Wap. Buildings, Wardle St. Rochdale	
	Tagg William	Calico Printer	Bacup	Marsh Wood Bacup	
	Robbier Joseph	Iron Keeper	Armen Corner Rochdale	Armen Corner Rochdale	

Source, National Archives, ref. BT31/494/1953

William Tagg was very much from the working class, but by hard work had created a small business, even if it did mean travelling to Halifax twice per week, often on foot and presumably carrying his goods for the market.⁸ Tagg is a very significant

⁵ *Bacup Times*, 12/7/1879, 'Death of M. William Tagg.'

⁶ *Ibid*, 26/3 & 11/4/1903, *Rossendale Celebrities Past and Present*

⁷ *Ibid*, 26/3 & 11/4/1903.

⁸ *Ibid*, 12/7/1879.

example and fortunately we know quite a lot about him. A comprehensive obituary was published on his death in 1879 and he featured in a later article on local celebrities.⁹ Even though he was from a very poor working-class background, he commanded respect amongst the people of Bacup. On one occasion Thomas Newbiggin, the author of *A History of the Forest of Rossendale*, and also a shareholder, took Tagg and two other Bacup men who were visiting London, into the Fleet Street Forum - held at the Coggers Hall, which was a well-known debating society. Tagg was encouraged to join in and speak on the history of Co-operation, which he did for almost fifty minutes.¹⁰

James Rothwell is another significant example of a shareholder. He was born in Bacup in 1829 and was first found in the census of 1851 when he was a lodger, a single man with the occupation of warehouseman. Sometime between 1851 and 1861 he not only married Elizabeth and had three children, but also bought a share in the Rossendale Industrial Company Ltd and managed to open a greengrocers shop on Yorkshire St in Bacup. An advertisement in the Bury Times seems to indicate that he rented the shop, as it was offered for sale with him as a sitting tenant.¹¹ Another shareholder, James Ashworth, who is discussed below, was in the shop next door.

By 1871 Rothwell had moved to Leeds and as his wife was from the Isle of Man, and he had no apparent connection with Leeds, it was almost certainly to avoid the effects of the Cotton Famine.¹² A newspaper report suggested that by 1864 over 5,000 people had moved out of the area and Rothwell was one of them.¹³ In Leeds he was now classed as a 'General Dealer' and by this time he had seven children. In 1881 he was still in Leeds, though he now listed his occupation as a 'Dealer in Paper hangings', with a shop in Temple St. He had had one more child. In 1891 he had moved to York St, which was classed as 'central Leeds' and by 1901 was still at the same address and still a dealer in paper hangings, but he was now classed as an employer. Most significantly the 1901 census, for the first time, had a column for

⁹ *Bacup Times*, 26/3 & 11/4/1903, Rossendale Celebrities Past and Present.

¹⁰ *Ibid*, 26/3 & 11/4/1903.

¹¹ *Bury Times*, 1/5/1858.

¹² Census 1871, Ref. R.G.10/4552.

¹³ *Burnley Advertiser*, 16/7/1864

disabilities and there is an entry after his name saying that he had been lame since 11 years old. This is a very significant example of someone who, hampered by being lame, rose from a simple warehouseman to set up a greengrocers shop and then, when the Cotton Famine threatened his business, took the major decision to move to Leeds and establish another business, which was successful in the long term. Buying shares in this case was simply one step along the way to improving his prospects and there is no way to know if this continued.

His next-door neighbour was an older man, James Ashworth, sometimes known as "Jimmy Din", born in 1782. He was very much another self-made man, having started as a hawker, with a handcart selling cockles and mussels.¹⁴ He progressed to using a horse and cart and then went on to have a grocer's shop, which was next door to James Rothwell's greengrocers. Both of these shopkeepers had one share apiece in the Rossendale Industrial Company, so maybe one influenced the other. Ashworth was 79 years old at the time of the 1861 census and still working; he had a son, John, who was his assistant. In the 1851 census he also had a daughter living with him, Susannah, aged 36, who was a bonnet maker.

The examples quoted above were of men who were small businessmen and thus sought to improve themselves by their own work ethic. By contrast John Greenoff improved his fortunes by saving. He spent his whole life as a labourer at the Bacup Gas Works. He was born in 1822 and married Mary Sutcliffe in 1844; they had four children, James born 1849, Sutcliffe born 1851, Joseph in 1855 and Heber born 1861. Sutcliffe died at ten years old in 1861. The 1871 census indicates that John Greenoff and his son James were both 'Gas Meter Inspectors' and this title was used again in the 1881 census, though when his son Joseph married Mary Ann Cullen in 1877, his occupation was given as 'labourer'. He died in 1883, aged 62 years.

John Greenoff was an early investor in New Bacup and Wardle Commercial Company, when the company was formed from the original Bacup Commercial Company in 1854. Out of eighty-eight shareholders registered he was number sixteen on the register. On this list the total of shares held are not given, but on the

¹⁴ <http://www.bacuptimes.co.uk/peopleandcharacters.htm>

1856 list, when the company was registered according to the new regulations of the Limited Liability Act, though limited liability was not claimed, he was shown as holding six shares at £12 10s 0d, an investment of £75, which was a considerable sum for a labourer in 1856. On all of the share records his occupation was given as 'labourer'.

He continued to not only hold onto the shares, but in 1866 he had eleven and in 1876 he had increased his holding to thirteen. By this time the shares had a value of around £25 i.e. his investment was worth about £325 pounds, which in today's world would amount to almost £15,000.¹⁵ In addition he had had considerable dividends back as New Bacup and Wardle Commercial Co. regularly paid dividends of over 40%.¹⁶

A complete contrast was the Rev. E. F. Quant, who was a Baptist minister at the Irwell Terrace Baptist Chapel. He was born around 1812, the son of a shoemaker, in Bury St. Edmunds, where he was ordained. He married Sophia, a bricklayer's daughter, so he and his family had a very definite working-class background.¹⁷ He chose to become a Baptist missionary in the West Indies for seven years and also spent three years in New Orleans.¹⁸ Quant was in Bacup from 1852 until 1860, as a minister at the Irwell Terrace Baptist Chapel, and he was well regarded. As detailed above he was well acquainted with William Tagg. He also taught at the lower school in Rockcliffe, as well as preaching on Sundays and spending his evenings involved in the moral and social work of Bacup. The Bacup Temperance Society and the Band of Reformed Drunkards held him in great respect.¹⁹ This level of involvement, as well as failing health due to illness contracted when he was a missionary, was maybe why he accepted the post as Secretary to the British Temperance League, based in Bolton and stayed there until he died in 1870.²⁰

In the whole database there are only three ministers. It is almost certain that it was his exposure to the local trend for share investment that persuaded him to make

¹⁵ <http://www.nationalarchives.gov.uk/currency/results.asp#mid>, accessed 4/10/13

¹⁶ My thanks to Mrs Doreen Hughes, who has traced many of her children's Greenoff ancestors.

¹⁷ *Bury and Norwich Post*, 20/3/1833. Bury St. Edmunds record office.

¹⁸ *Wesleyan Missionary Herald*, (Yates & Alexander, London, Dec.1837), pp. 93-93.

¹⁹ *Bacup Times*, 26/3 & 11/4/1903.

²⁰ *The British Temperance Advocate*, 1/8/1870

such an investment; he bought three shares in Rossendale Industrial Company Ltd., his eldest son, known as H. E. Quant, also bought two shares.

The above examples of Bacup shareholders, with the possible exception of the Rev. Quant, all show men of a working class background who had tried to improve themselves. By dint of hard work and taking what opportunities were offered to them they enhanced their position.

Bacup was the first town to utilise the 1844 Act and the results of the New Bacup and Wardle Commercial Company were so good, that there were some extraordinary holdings of shares, which tend to confound the conventional view of just how much disposable income that workingmen and women had. In Bacup before the Cotton Famine, there were 115 people who owned ten shares or more, given that these were usually £10 shares that meant that they had investments of at least £100. In total these 115 held 1,651 shares.

Table 12. Major shareholders in Bacup

Group	No. of Shareholders	Shares	Av. No. of shares
Professional	2	60	30
Commercial	7	169	24
Retail	18	300	17
Skilled	9	153	17
Employees	56	732	13
Farmers	2	20	10
Women	14	132	9
Others	7	85	12
Total	115	1651	14

It can be seen that there were some serious investors amongst the employees, with 56 people having an average shareholding of 13 shares. The biggest shareholder was a man called William Stuart. He simply gave his address as Bacup and his occupation as M.D., he does not appear on any census and he had fifty shares in the Lancashire and Yorkshire Company. These shareholders came from a variety of backgrounds. One of them, James Hamer, an overlooker, held two blocks of shares, comprising 18 shares in New Bacup and Wardle and 15 in Rossendale Industrial, an investment of £375 that would probably have been worth double if he kept

them. Another, John Harris, a supervisor, had 31 shares in Rossendale Industrial and Henry Pilling a bread-maker, had 26 shares in New Bacup and Wardle. These were large investments for men who were only employees. There were other significant examples such as George and Eliza Bannister, who ran a grocer's shop in Bridge St, and had 13 shares each in the Rossendale Industrial Company. Another married couple also involved in retail were John Smith and his wife Peggy, originally from Preston. John is described as a 'hawker' in the 1861 census, but by 1871 he was running a beer-house. They both had shares in the Lancashire and Yorkshire Cotton Manufacturing Co. Ltd. John had two blocks of 20, i.e. 40 and Peggy had 15 so being a hawker must have been profitable. It is also noteworthy that with both of these married couples the wives had shares in their own name.

It is interesting that many of these people with a significant shareholding appear in the 1861 census, but have vanished by 1871. One possible conclusion has to be that during the Cotton Famine people with shares were discriminated against and, rather than be forced to sell what they had, they moved or emigrated.

For example James Hamer did not appear in later census records and the same was true of other serious shareholders, who will be discussed in turn. It is also well known that America had earlier been a refuge for Chartists, so it would not be surprising if contacts were maintained, unfortunately it has not proved to be possible to trace any of these people.²¹

There is a clear example quoted above, that of James Rothwell, who 'emigrated' to Leeds and it is almost certain that others, with reasonable shareholdings also left Lancashire. There were, however, people who saw Bacup as a boomtown and became 'immigrants'. One such was William Whitehead, who was born to a lead mining family in Greenhow Hill, Yorkshire. Lead mining was an arduous occupation and he obviously decided against following the family pattern. Instead he crossed to Lancashire and in the 1861 census he had a grocers shop in Bridge St.²² It was not only William who escaped the mines, his sister, Eliza and his younger brother, Thomas also joined him. He must have done well as he owned 20

²¹ Chartists in America, reproduced at; <http://www.chartists.net/Chartists-in-America.htm>, accessed 13/2/13

²² Census 1861, Ref. R.G. 9/ 3052.

shares in the Rossendale Industrial Co. and 20 in Lancashire and Yorkshire Cotton Manufacturing Co. He did not leave; presumably Bacup was a better situation than Greenhow Hill. The Smith family, mentioned above, were also 'immigrants' from Preston

What happened in Bacup in the 1850s was of great significance and proved to be a template for others to follow. Once the 1856 Act was passed there was far less risk in buying shares and worker-owned companies boomed, both in the Irwell Valley and in neighbouring Rochdale. The influence of Bacup was felt also much further afield. In at least three towns, completely detached from Lancashire and the cotton trade, the example of the New Bacup and Wardle Company was quoted and was the incentive for organising joint-stock companies with similar worker participation.

In the town of Kidderminster at a public meeting on 5th November 1860 a proposal was made to start a joint stock company to spin cotton and the examples quoted to the townspeople were the New Bacup and Wardle Commercial Company, which had just paid a half year dividend of 49%, on a capital of £30,000 and the Todmorden Commercial Spinning and Manufacturing Company, which had a half year dividend of 54%, though only with a capital of £5,773.²³ As a result of this meeting the Kidderminster Cotton Spinning Company Ltd. was formed, with a capital of £50,000 with £10 shares. The prospectus was published in January 1861 and the company formed shortly afterwards.²⁴ The company was wound up in October 1869.²⁵ This story was repeated in Nuneaton with the Nuneaton Cotton Spinning and Weaving Company Ltd. In their prospectus they also quote both the dividends for New Bacup and Wardle and Todmorden Commercial Spinning.²⁶ The company was formed with a capital of £100,000 and £10 shares. It was registered October 1860 and ironically it was taken over in 1877 by the Trent Cotton Spinning and Manufacturing Company Ltd, whose directors were all from

²³ *Worcestershire Chronicle*, 7/11/1860.

²⁴ *Ibid*, 16/1/1861.

National Archives, ref. BT 31/524/2101.

²⁵ *Worcestershire Chronicle*, 20/10/1869.

²⁶ *Coventry Herald*, 5/10/1860

Lancashire, including Bury.²⁷ Another example is the Coventry Cotton Spinning and Weaving Company, also started with a capital of £100,000 and £10 shares and this company existed until 1897.²⁸ Very significantly these companies all used the same auditor that most of the working-class joint-stock companies of the Rossendale Valley used.²⁹ This was Mr Frank Hunter of Bacup, who was the auditor to most of the 'co-operative' companies.³⁰

An idea of just how influential the start of the Bacup Commercial Company was can be seen in an article published in the Blackburn Standard, which extracted information about all Joint Stock Companies connected to the cotton trade, from the Parliamentary return of companies registered between August 1st 1849 and December 30th 1861. This list amounted to 122 companies with a nominal capital of £4,633,050.³¹ Most of these were in Lancashire, but as has been shown above, locations much further afield were also following suit. Of course, more companies would also be registered later than this.

The companies formed in the Pennine villages of Todmorden, Haslingden and Padiham, were formed prior to the 1856 Act, so they will be considered together. The composition of the shareholders is given with a comparison against Bacup. The table gives the actual numbers, whilst the chart shows percentages and it can be seen that there is no clear overall pattern, other than the fact that the majority of the shareholders are working people.

Table 13 shows how 'employees', in all four cases dominated the shareholdings and this was strongest in Todmorden. However, Todmorden had no women and only three child shareholders, which emphasises the number of 'employees'. In the other areas skilled, women and children can be included in the 'employee' category, which boosts the worker-shareholders and makes it clear that other shareholders were less than 10%.

²⁷ Reproduced at <http://www.thefreelibrary.com/NUNEATON+MEMORIES%3B+Spinning+a+yarn+of+old.-a060460976>, accessed 4/10/13.

²⁸ *Liverpool Daily Post*, 1/9/1860

London Gazette, 13/4/1897

²⁹ *Leamington Spa Courier*, 26/1/1867

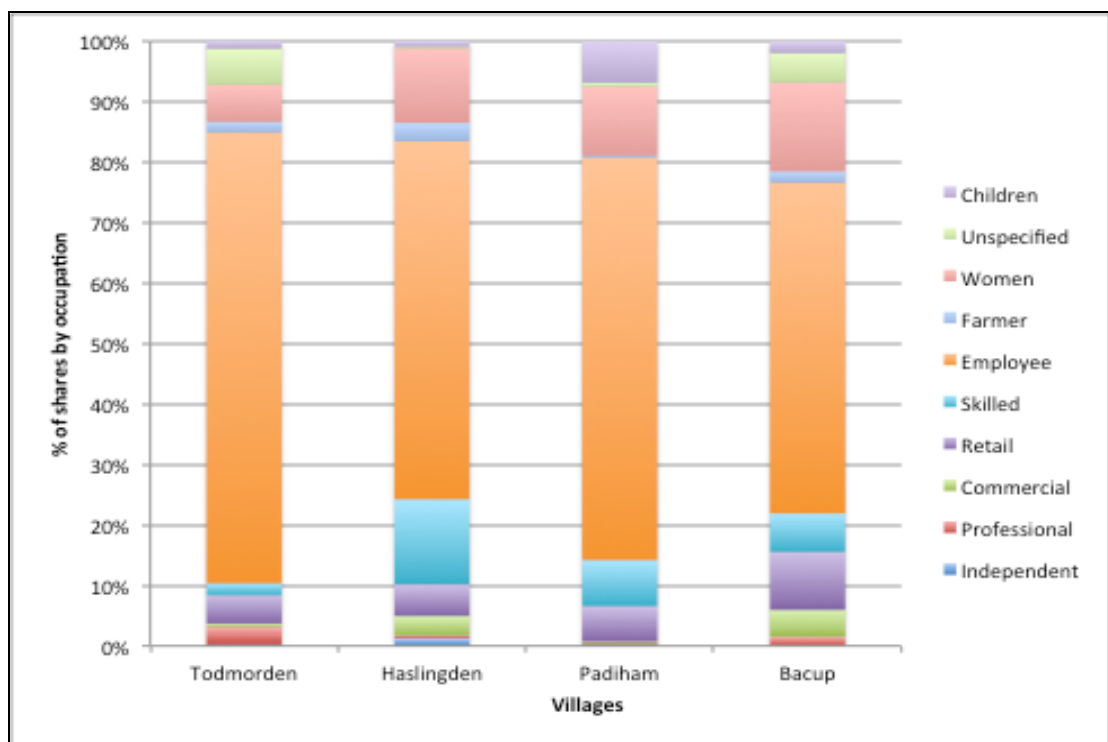
³⁰ *Rochdale Observer*, 13/9/1862

³¹ *Blackburn Standard*, 23/4/1862.

Table 13. Pennine villages' numbers of shareholders by occupational code. Compared with Bacup. (Median date 1860)

Occupation	Todmorden	Haslingden	Padiham	Bacup
Independent	1	2	1	0
Professional	3	1	2	11
Commercial	3	16	1	25
Retail	15	25	21	70
Skilled	11	91	33	73
Employee	303	534	338	864
Farmer	7	19	2	28
Women	0	127	67	229
Unspecified	14	2	0	81
Children	3	16	39	45
Total	360	833	504	1,426
Population	7,699	12,796	4,000	13,000
Percentage	4.7%	6.5%	12.6%	11.0%

Figure 22. Pennine villages and Bacup - share distribution by occupation expressed as percentages



In the three villages of Padiham, Haslingden and Todmorden there were also those who collected a portfolio of shares. In all there were seventy-nine people with more than ten shares. In Haslingden there were twenty-four people who came into this category. The biggest shareholder was James Buckley, who gave his

occupation as a manager. He had 40 shares in the Ramsbottom Spinning Company. He does not appear in the 1861 census. The next major shareholder is George Ratcliffe, who is listed in the 1861 census as a retired pawnbroker. He held eighteen shares in Laneside Industrial Manufacturing Company and twenty in Hargreaves Street Manufacturing Company – both local Haslingden companies. Significantly he gives his occupation as ‘Pawnbroker’ in the Hargreaves Street register and ‘Gentleman’ in the Laneside. The Hargreaves Street Company was started in February 1860 and the Laneside Company in January 1861. Presumably he retired sometime in 1860 and then adopted the role of gentleman. His daughter, Betsy Pilkington, living at the same address, also held twenty shares in the Hargreaves Street Company, so this family was, in fact, the biggest shareholder in Haslingden. Betsy Pilkington’s husband had taken over the pawnbroker business.³² Amongst other shareholders with more than ten shares, seven were skilled workers and eight were mill workers.

In Padiham there were forty-eight shareholders with ten or more shares. This was a slightly different situation as they were all from the Padiham Cotton league, which had £5 shares. There were only four people with fifteen shares, all of them textile operatives. In this mill there were many child shareholders and some of them had multiple holdings. Thomas Dean, who gave his occupation as a labourer had fifteen shares and had also, bought ten for his infant son.³³ Similarly John Denbigh had also bought fifteen shares for himself and ten for his son Howel. There were two female minors with ten shares each, these were Hannah Hudson and Jane Wilkinson and two women, Elizabeth Westall and Beth Parkinson.³⁴

Todmorden had fewer shareholders with more than ten shares, only six people owning more than ten, but significantly few were with the local companies. The one woman was May Dewhurst, an innkeeper, who had ten shares in the Bacup Brewery. The biggest shareholder was Joseph Ratcliffe, whose occupation was given as a weaver. The only connection with the census is for a Joseph Ratcliffe a carpet weaver from Ovenden, he held seventeen shares in the Rossendale

³² 1861 Census, Ref. R.G. 9/3060

³³ 1851 Census, Ref. H. O. 107/2253

³⁴ *National Archives*, Ref. BT 41/533/2921.

Industrial Company.³⁵ Two other shareholders with large holdings in this company were William Sunderland, a schoolmaster and Joseph Brodin, occupation not known. None of these people show up in the census.

The middle section of the Irwell Valley, includes the towns and villages between Bacup and Bury. As such it includes those shareholders whose address in the 'town' field of the database is Rawtenstall, Newchurch, Lumb, Crawshawbooth, Edenfield, Shuttleworth, Tottington and Ramsbottom. This area was never as isolated as the upper valley and had enjoyed access to transport links for far longer than Bacup.

This sample consists of 2,085 shareholder records. Population figures for this section of the study are difficult to pin down. Historically the parish of Newchurch encompassed everything in this area from what is now Rawtenstall (though then usually referred to as 'Lower Booths') up to and including part of Bacup. Slater's Directory of 1855 says that the population of Newchurch was 16,918 in 1851, but goes on to say that this includes 'Bacup, Deadwin Clough, Tunstead and Wolfenden'. It then discusses Rawtenstall and says, "The population, which is very considerable, is returned with Newchurch and Lower Booth".³⁶ A Lancashire Government survey on Rawtenstall states;

The growth in population in the nineteenth century can be measured from the figures given in the census returns, from 1801 to 1901, for the township of Lower Booths. This township covered the areas of Rawtenstall, Constable Lee, New Hall Hey and Oaken-head Wood prior to the incorporation of the borough in 1891. In 1801 Lower Booths had a population of 934. By 1821 the population had almost doubled to 1,513 and by 1861 it had reached 4,655. In Rawtenstall itself, the greatest increase (45%) was in 1841-51, which followed the great increase in the use of power machinery in the late 1830s. By 1901 the figure for Lower Booths had risen to 7,859. By comparison the municipal borough of Rawtenstall, which included parts of the historic

³⁵ 1871 census, Ref. R.G. 10/4419

³⁶ *Slater's 1855 Directory of Lancashire*, p. 369

townships of Newchurch and Haslingden, had a population of 31,053 at the time of its incorporation in 1894.³⁷

It can be seen that any population figures are simply an estimate based upon the figures quoted above. In the same way figures for Edenfield with Shuttleworth and Ramsbottom are also mixed together along with other small hamlets. Again, referring to Slater, Ramsbottom was said to be “upwards of 3,000... Shuttleworth...the population of which in 1851 was 2,959”. For Edenfield Slater simply describes it as a “populous district on the road to Burnley”, but it would probably be similar to Shuttleworth.³⁸ Higher Tottington, which is quoted as part of Ramsbottom in Slater, had a population of 2,959.

Thus, for the reasons given above, the combined population of Lumb, Crawshawbooth and Rawtenstall will be considered together, as will Ramsbottom, Edenfield, Tottington and Shuttleworth. Newchurch, which covers a huge area, is treated separately.

Table 9. Numbers of shareholders, Newchurch, Rawtenstall & Ramsbottom by occupation.(Median date 1860)

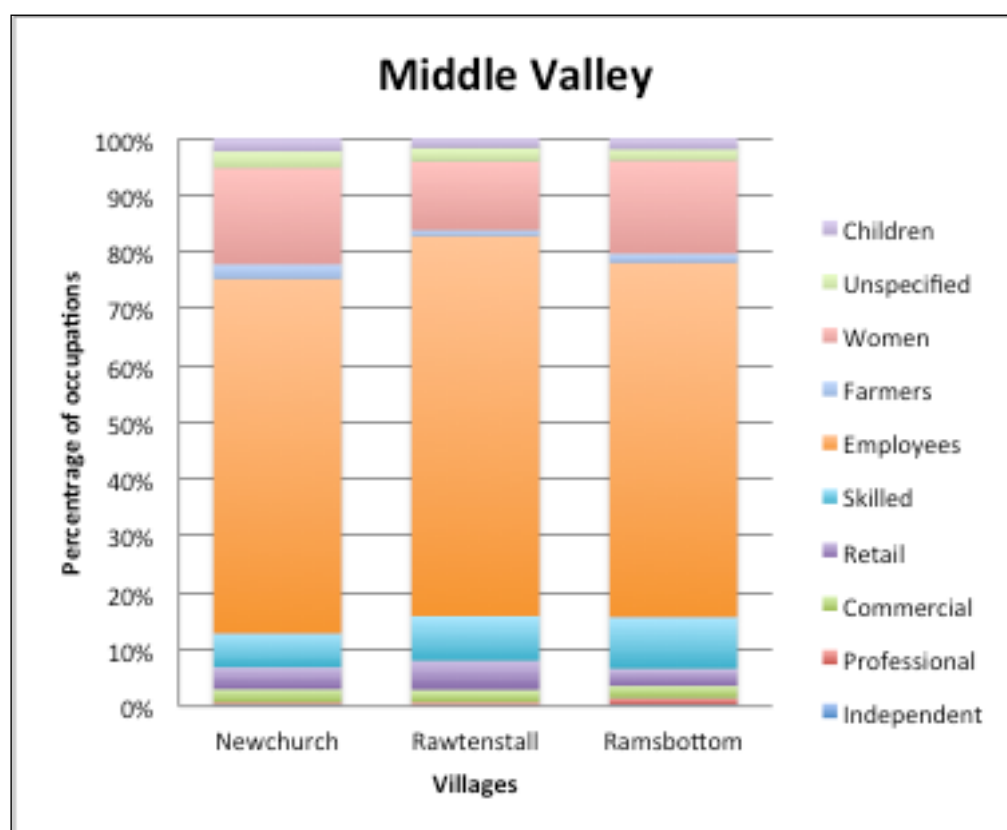
Occupation	Newchurch	Rawtenstall	Ramsbottom
Independent	2	0	2
Professional	4	4	6
Commercial	22	13	12
Retail	36	30	17
Skilled	56	46	51
Employees	585	393	350
Farmers	24	6	9
Women	159	71	92
Unspecified	27	14	11
Children	22	10	11
Total	937	587	561
Population	16,900	4655	11,418
% Owning shares	5.54%	12.61%	4.91%

³⁷ Quoted in,
http://www.lancashire.gov.uk/environment/documents/historictowns/RawtenstallComplete_Low_Res.pdf, accessed 6/9/13, p. 2

³⁸ Slater, Lancashire, 1855, pp. 439-440.

Table 9 above gives the breakdown in a similar manner to the other areas and the chart (Fig. 24) shows the distribution as a percentage. The patterns are very similar to the patterns higher up the valley in that employees are by far the biggest section of shareholders.

Figure 23. Share distribution by occupational code, expressed as a percentage



In the Newchurch/Rawtenstall area there are quite a number of large shareholders 118 of whom had more than ten shares and ten have more than 40, with three of those holding 100 shares or more. The single biggest shareholder in this sample, and also the joint biggest shareholder in the whole database, is John Wimpenny of Newchurch. He held 200 shares in Rawtenstall Cotton Manufacturing Company Ltd and gave his occupation as 'manufacturer'. Initially he proved very difficult to trace, but fortunately the name 'Wimpenny' has been the subject of a 'one name' study. From this it has been found that he was the youngest son, of a family of twelve children, born to Joshua Wimpenny and Maria Moorehouse. The family was based in Kirkburton, Yorkshire, but Maria Moorehouse originally came from Rawtenstall – hence the Lancashire connection. John Eli Wimpenny was born in 1834 and in 1861 he was working in Newchurch as the Manager of a Cotton Mill,

so he was not a manufacturer in his own right as the share list implies. His father, Joshua Wimpenny was a farmer and may have been also a woollen manufacturer as the Baines Directory for 1822 lists a Joshua Wimpenny, but this cannot be certain, as there were several branches of the family. However, Joshua died in 1843 and his wife in 1853, so it is likely that money for the shares came from some sort of inheritance.³⁹

His elder brother was Jonas Wimpenny, a surgeon, based in Rawtenstall, with 26 shares. He was born in Holmfirth, Yorkshire in 1816 and retired there, where he died in 1886 leaving £4,711, which would be worth over £250,000 in today's world and seems more than a local doctor in a small village could accumulate without some sort of inheritance. In 1851 he resided in Rawtenstall with his mother, Maria, wife Ann and sisters Elizabeth and Hannah. The 1861 census shows him still in Rawtenstall, but with his wife, grandmother and a new daughter.⁴⁰ The other two sisters, Elizabeth and Hannah with one share each, were living in Bolton, having independent means. By the 1871 census Hannah had disappeared, presumably married or deceased and Ann Jane was living with Elizabeth.

The next largest shareholder, with 100 shares in Rawtenstall Cotton Manufacturing, is a James Moorhouse of Whitewell Bottoms. He classed himself as a manufacturer and the 1861 census shows that he was also a farmer of 16 acres, employing one man and that his son, Isaiah, aged 33, managed the cotton factory.⁴¹ James Moorhouse was married to Mary and they had four children, he was 67 years old. The 1871 census shows that he still classed himself as a cotton manufacturer and farmer but it also reveals that he employed 107 men.⁴² Isaiah was still the manager. By the 1881 census he was presumably dead, his son Isaiah has totally vanished and the eldest daughter Elizabeth was working as a housekeeper in Rawtenstall.

Of the rest of the major shareholders, many were retailers such as Collinge Hayle, who was a 44-year-old innkeeper with 80 shares in the Rawtenstall Cotton

³⁹ <http://www.one-name.org/profiles/wimpenny.html>, accessed 19/10/13.

⁴⁰ Census 1861, Ref. R.G. 9/3058.

⁴¹ Census 1861, Ref. R. G. 9 /3056

⁴² Census 1871, Ref. R. G. 10/4135

Manufacturing Company.⁴³ He is another example of a man with a distinctive name who vanished from the census after 1861. There was also Lawrence Hargreaves, proprietor of the White House Inn, Rawtenstall, aged 37, and married to Mary, with three children.⁴⁴ He had 60 shares in the Rawtenstall Cotton Manufacturing Company. He did stay in Rawtenstall and was doing the same occupation in 1871.⁴⁵ The employee with the most shares was John Nape, a coachbuilder who was born in Wisbech, Cambridgeshire. He was 33 years old and had 40 shares in the Rawtenstall Cotton Manufacturing Company. By 1871 he had set up in business in Burnley and was employing twelve men.⁴⁶ In total there were 53 employees who held more than ten shares.

There were also nine women in this group, at least three of whom were married, such as Alice Baxter with 20 shares. She was 27 years old, her husband Frederick was classed as a 'machinery broker'. He also had 20 shares and the son, Frederick junior, had ten.⁴⁷

In the lower section of this area, i.e. centred on Ramsbottom, there were 64 people who owned more than ten shares. The largest shareholder was James Mills with 40 shares in the Ramsbottom Spinning Company. His occupation on the share list was 'Millwright', but on the census he was listed as a 'beer seller'.⁴⁸ He was 34 years old, married with two young children. This appears to be another case where a major shareholder left during the cotton famine, as there is no trace of either him or any of his family in the later census.

The second largest shareholder was George Schofield with 36 shares in the East Lancashire Paper Mill Ltd. His occupation was an engraver of lithograph printing plates. He was 26 years old and living with his parents, his father was a calico printer. Yet again this person cannot be found in the 1871 census, or later ones.

⁴³ Census 1861, Ref. R. G. 9/3055

⁴⁴ Census 1861, Ref. R. G. 9/3058

⁴⁵ Census 1871, Ref. R. G. 10/4137

⁴⁶ Census 1871 Ref. R.G. 10/4147

⁴⁷ Census 1861, Ref. R. G. 9/3055

⁴⁸ Census 1861, Ref. R. G. 9/2837

The woman with the most shares was Susannah Sagar, a spinster aged 44, living with relatives and working for them as a housekeeper.⁴⁹ She had 20 shares in Ramsbottom Spinning Company. In 1881 she was still at the same address doing the same job.

Trying to compare the Pennine villages and middle sections of the Irwell Valley is not so simple. Table 14 below compares average shareholding between the two areas. Some of the companies were started at different dates, meaning that levels of confidence at start up were quite different. The figures for the 'working group' have been shown separately and Bacup has higher average holdings, again showing more confidence.

Table 14. Comparison of average shareholding, Pennine villages and Middle valley

	Bacup	T'mden	Has'den	Padiham	Raw+ NC	Ram +E+S	Av.
Independent	0	2	12.5	5	15.0	12	7.8
Professional	8.6	7.3	10.0	0.5	8.4	3.5	6.4
Commercial	9.7	1.3	4.0	5.0	18.3	9.7	8.0
Retail	7.2	2.3	4.2	4.2	7.3	9.4	5.8
Skilled	4.7	1.4	3.1	3.5	4.0	3.7	3.4
Employee	3.5	1.8	2.2	3.0	3.4	3.8	3.0
Farmer	3.3	1.9	3.2	2.5	8.8	6.7	4.4
Women	3.6	0.0	1.9	2.6	2.7	2.9	2.3
Unspecified	3.0	3.2	2.5	0.0	4.1	3.8	2.8
Children	2.4	3.0	1.1	2.6	1.9	1.3	2.1
Total	3.8	2.1	2.4	3.0	4.0	4.0	3.2
Working Group							
Skilled	4.7	1.4	3.1	3.5	4.0	3.7	3.4
Employee	3.5	1.8	2.2	3.0	3.4	3.8	3.0
Women	3.6	0.0	1.9	2.6	2.7	2.9	2.3
Children	2.4	3.0	1.1	2.6	1.9	1.3	2.1

Looking at it this way, the figures are surprisingly consistent, especially amongst what might be termed 'the working group', i.e. skilled workers employees and women, with the small differences seemingly in proportion with earning power. The section that might be classed as 'non-working group' i.e. independent,

⁴⁹ Census 1861, Ref. R. G. 9/2837

professional, commercial and retail all had higher averages, but they were in the minority as shareholders.

Chapter 8. Analysis of shareholders in Bury and other outside locations.

Bury was the main commercial centre for the Irwell Valley in the mid-nineteenth century, Slater's Directory of 1855 states that Bury was a Parliamentary Borough and that it had two rail stations with connections to the East Lancashire and Lancashire and Yorkshire Railways. It also goes on to say that the prolific supplies of water available, together with the Manchester, Bury and Bolton Canal as well as the rail connections "combine to render Bury that which it is - a flourishing seat of manufactures".¹ It was also at the junction where the River Roch flowed into the River Irwell and thus the gateway to the Irwell Valley and the Roch Valley, whose principal town was Rochdale. Some of the industries established in Bury were wool, cotton, hats, iron and brass foundries, engineering, bleach works, printing works and papermaking. Clearly it had all the advantages to allow it to develop as a commercial centre. In terms of population the directory suggests that the parish of Bury had a population of approximately 70,000 in 1851. However Bury Parish stretched up the Irwell Valley as far as Rawtenstall, the township figure, was 25,484 in 1851.² The number of shareholders in this section number 2,070.

There were several companies in the database that were Bury based, some, such as Bury and Elton Commercial Company, Bury and Heap Commercial Company and Bury Co-operative Manufacturing Company were founded by working-class men. For others the indications are that the middle classes had obviously taken the idea and applied it themselves. Companies such as Lancashire Wagon Company, East Lancashire Paper Mill Ltd., Bury Cotton Spinning and Manufacturing Co. Ltd. and Bury Brewery were definitely initiated by people with either a retail or commercial background, but even so, they had many working-class shareholders. East Lancashire Paper Mill Ltd. for example, which was initiated by two hotelkeepers, had more than 45% employees, 5% skilled tradesmen and 2% women in its first share list.³ Despite that the analysis of shareholders in Bury does show quite clearly that there were far more from the non-working-class group. Table 15 also

¹ Slater, *Lancashire* 1855, p.72

² Ibid, p. 72

³ P. W Hampson, 'East Lancashire Paper Mill Co. Ltd., *The Quartlerly, The Journal of the British Association of Paper Historians*, , *The Quarterly*, (No.73, Jan 2010), p.3

shows that in spite of the seemingly greater interest in commercial matters, the percentage of people owning shares was only on a par with higher up the valley. It is impossible to be more specific about this as the population estimates are so varied, but it seems clear that around 8-10% of the population of the whole Irwell valley were involved in share transactions.

Table 15. Bury - numbers of shareholders by occupation

Occupation	Shareholders	No of shares	Av shareholding
Independent	34	681	20.0
Professional	34	348	10.2
Commercial	105	1736	16.5
Retail	261	3229	12.4
Skilled	195	1108	5.7
Employees	1144	6105	5.3
Farmers	49	558	11.4
Women	195	886	4.5
Unspecified	37	272	7.4
Children	16	56	3.5
Total	2070	14979	7.2
Population	25,484		
% Owning shares	8.1%		

Figure 24. Bury shareholders by occupation expressed as a percentage. (Median date 1860)

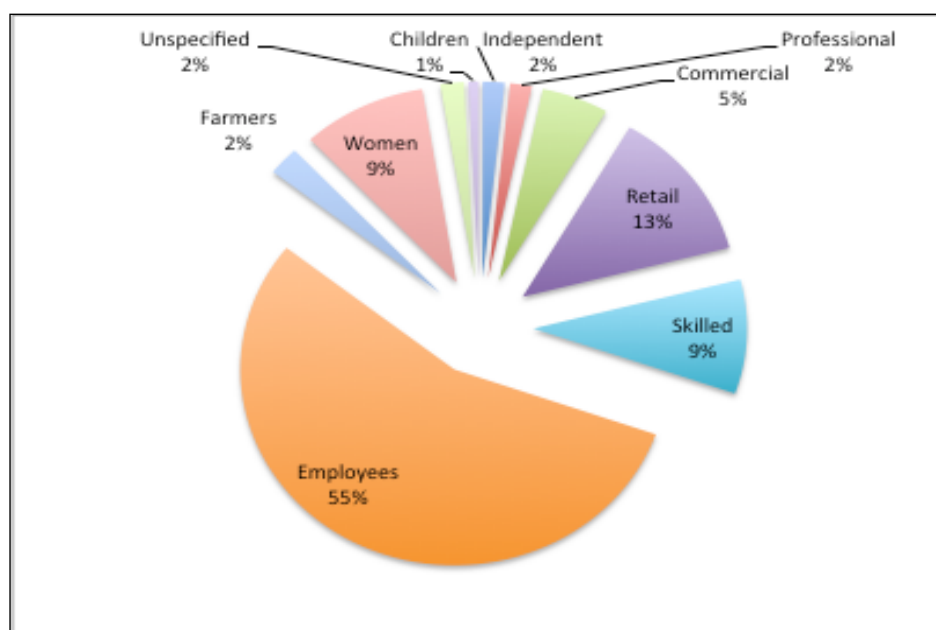


Fig. 25, shows quite clearly that whilst the independent, professional, commercial and retail groups increased dramatically, 55% of shares were held by employees, 9% by skilled and 9% by women meaning over 70% of the shares were held by people from working-class backgrounds who wanted to invest in shares. It also shows that commercial and retail people were becoming aware of these possibilities.

Table 16. Major shareholders in Bury

Group	No of Shareholders	Shares	Average shareholding
Independent	29	655	23
Professional	15	270	18
Commercial	61	1551	25
Retail	155	2767	18
Skilled	41	572	14
Employee	190	2807	15
Farmer	29	479	17
Women	32	392	12
Otrher	12	173	14
	564	9666	17

In Bury there were 564 people who held more than ten shares the biggest group were employees with 190 owning more than ten shares in one company. The next largest were retailers who numbered 155, all other groups were much less. The individual shareholder with the largest holding was Edward Barlow, the proprietor of the Queens Hotel in Bury. This man was the prime mover behind the formation of the East Lancashire Paper Mill Ltd and also Bury Brewery. He held 149 shares in Bury Brewery and 30 shares in the Paper Mill. He was born in Bolton in 1818, married to Mary Ann and had one child, also Mary Ann.⁴ In the 1871 census he is shown as a widower, living still at the Queens Head and he was later reported to have died in November 1875, possibly intestate, as there was a court case over his estate.⁵

The second largest shareholder is one Robert Edmondson, who was a painter, employing twelve men, who had 120 shares in Bury Co-operative Brewery. He was

⁴ Census, 1861, Ref. R. G. 9/2844

⁵ *Bury Times*, 12/2/1876.

39 years old, born in Yorkshire, and had a wife, Lucy, and six children.⁶ He died in 1872 leaving an estate of £3,000. Edmondson and Barlow were in partnership for a time as dealers in ale and porter; the partnership was dissolved in January 1863.⁷

Another large shareholder was Thomas Caruthers, who was a draper, born in Scotland. He had quite a portfolio of shares with 100 in East Lancashire Paper, 20 in Bury and Elton Commercial and 40 in Bury Co-operative Brewery. By 1881 he had retired to Southport, living at the house of his daughter and son-in-law, who was an architect.⁸ He died in 1890, but there is no record of a will.

There were working men who had large share holdings, for example Edward Bridge, a blacksmith of Heap Bridge had 40 shares in Bury & Heap Commercial, 15 in East Lancashire Paper and 11 in Bury & Elton Commercial, 66 shares in total with a nominal value of £660. Also there was Richard McClelland, an iron moulder, with 30 shares in East Lancashire Paper and 10 each in Bury & Elton and Bury Co-operative Manufacturing, a total of 50 shares. Finally John Greenhalgh, an overlooker, had 50 shares in Bury & Heap Commercial and 20 in Lancashire Wagon. The Roberts family of iron moulders had 139 shares and they will be discussed later.⁹ These are the most significant; there were other investors with shares in more than one company.

There were 213 women shareholders in Bury and the four with the highest number of shares were all married women. Chapter 9 addresses the part women played as shareholders, but there are still some comments that are pertinent here. The biggest individual holding was that of Maria Hazeldine, who owned 27 shares in Bury Co-operative Manufacturing. Her husband, James, was a Fustian Shearer Foreman, but held no shares. In the Shaw family of Summerseat, the mother, Mary, aged 57 and her daughters Betsey (26), Sarah (24), Isabella (22), Mary Anne (20) and Jane (17) all owned two shares each in Bury Co-operative Brewery they were mostly employed as weavers. The father was Thomas, a farmer; he had seven

⁶ Census, 1861, Ref. R. G. 9/2845

⁷ *Bury Times*, 17/1/1863.

⁸ Census, 1881, Ref. R. G. 11/3752

⁹ See p. 126.

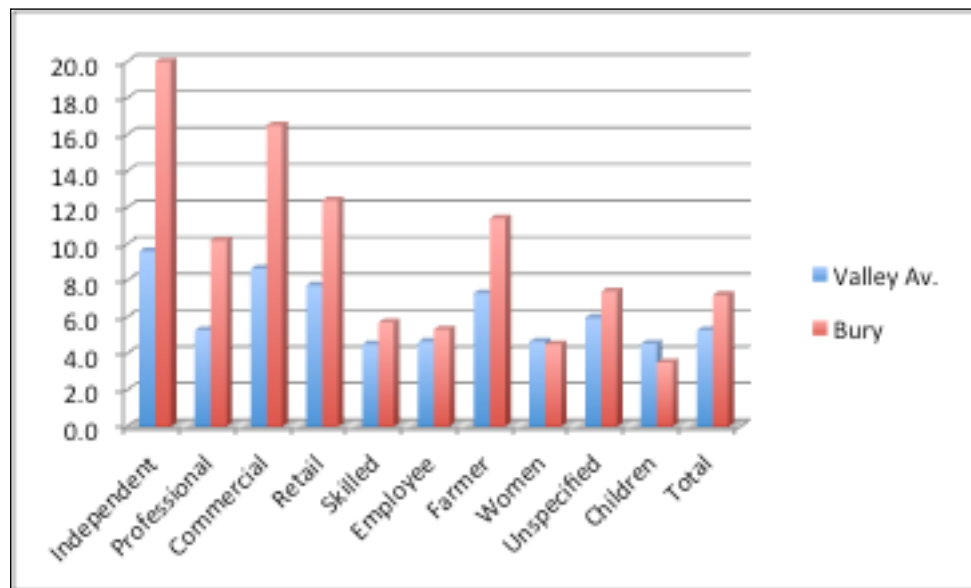
shares in the same company. There were 16 children who held shares in Bury, who held 62 shares between them.

It was expected that Bury, which was more of a commercial hub, as discussed above, would have more involvement from the middle classes. This shows quite clearly in the numbers of shares held by different groups. Table 17 and Fig. 26, below, show that the average shareholding was higher in Bury than in the upper part of the valley in most groups. This is especially noticeable in the top four groups of independent, professional, commercial and retail. The minor variations amongst skilled, employees and women are probably not statistically significant, though Bury is higher in each category.

Table 17. Comparison; Bury v. Irwell Valley, average shareholdings by occupation. (Median date 1860)

Occupation	Valley Av.	Bury
Independent	13.7	20
Professional	7.1	10.2
Commercial	13.1	16.5
Retail	8.7	12.4
Skilled	4.2	5.7
Employee	3.9	5.3
Farmer	7.8	11.4
Women	3.1	4.5
Unspecified	4.5	7.4
Children	2.2	3.5
Total	4.6	7.2

Figure 25. Shareholding by occupational codes - Bury compared to the valley. (Median date 1860)



There is one quite major difference between companies in the Irwell Valley and Bury and that is in the people who were the initial subscribers of the company, i.e. those who initiated the company. These people were the ones who got together and decided to set up a company. There is, in the Appendix A, a description of how the initial subscribers of the Bury & Heap Commercial Company Ltd. used to meet as what was described as a 'village parliament' in the pub called 'The Seven Stars'.¹⁰ During their discussions they saw what had been done higher up the valley and especially how the local Lancashire Wagon Company was progressing and they decided to set up a cotton mill, which resulted in Bury and Heap Commercial and later Bury and Elton Commercial. It can be assumed that most of the companies started from similar beginnings, even if the settings were different, i.e. a small group determines to set up a company and they then become, usually, the subscribers and often the initial directors.

In the companies set up in the valley these groups were always workingmen. In Appendix A, this information is listed for several of them. It is clear that in Bury the middle classes had realised the potential and companies such as Lancashire Wagon, East Lancashire Paper, Bury Cotton Spinning and Bury Brewery had middle class subscribers, often alongside workers.

¹⁰ John Lord, *Bygone Bury*, James Clegg, Aldine Press (1903), p. 26

The first company to be formed was Lancashire Wagon Company Ltd. and when the company was first formed in 1857 there were twelve subscribers, which included two gentlemen, an engineer, a wagon builder, a wool trader, a druggist, a publican and a manager – the other occupations are illegible. These twelve took up the whole share issue of 173 shares. The company was reformed in 1859 with 62 shareholders when 30 of the shareholders were from the working groups

The East Lancashire Paper Mill was the idea of two publicans, Edward Barlow of the Queen's Hotel, Bury and John Ashworth of the Wilton Arms, Radcliffe. The initial directors were elected at a meeting on 20th March 1860 and were Edward Barlow, Chairman, John Downham, company secretary (he was also an agent for insurance companies), alongside other directors John Ashworth and Joseph Chatwood, who was the architect who built the mill. Other directors were William Spencer Kay, a manufacturer who had 50 shares, Edmund Holt, also a manufacturer with 50 shares, Joseph Wood, Manager, James W. Kenyon, draper and Thomas Coulthard, gentleman.¹¹ It can be seen that the board was distinctly middle class.

Bury Brewery was also founded by Edward Barlow in 1862, this time in conjunction with his partner, Robert Edmondson. Out of the 75 shareholders 30 were innkeepers and only 20 other shareholders could be defined as working class.

Bury Cotton Spinning and Manufacturing Company was perhaps the most obvious in its appeal to the middle classes. It was a straightforward textile operation, such as was springing up in various locations in the district, but usually formed by workingmen. By issuing shares of £50 the directors immediately indicated that they were looking for wealthier shareholders. Perhaps surprisingly there were 73, out of the total of 113 shareholders, from the working-class groups who bought shares and often more than one.

¹¹ *Minute Book*, 1860-1868, shareholders meeting, 20/3/1860, 2940, Bury Library Archives

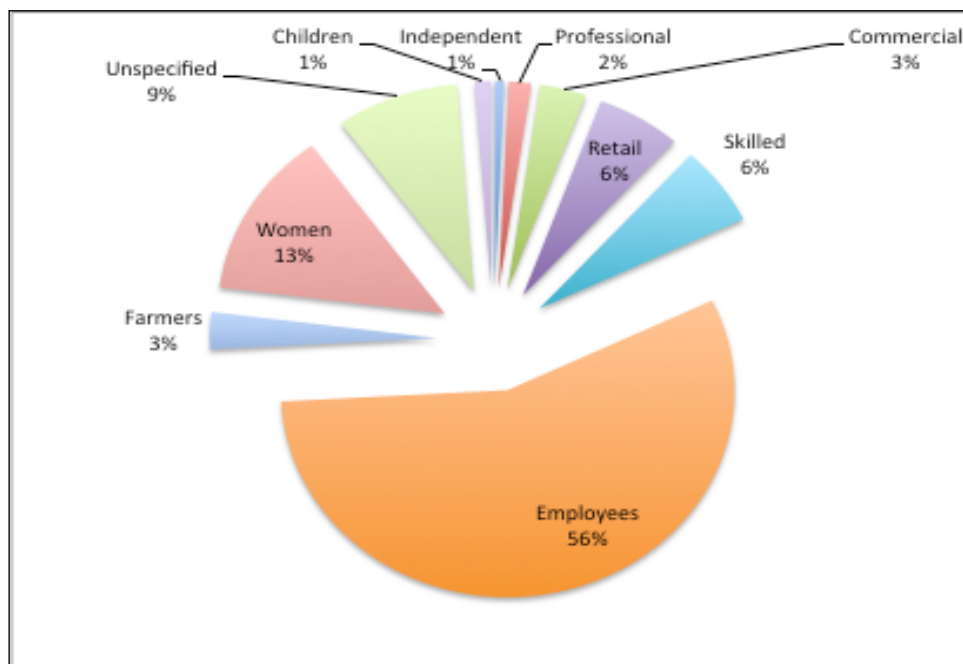
From the above examples it is clear that what had started out as a purely working-class movement had now taken wings and was increasingly being used by the middle classes.

Whilst the bulk of the shareholders were from the Irwell Valley there were some that either came from outside of the valley, but within a few miles radius and some who came from further afield. This section deals with this group, which totals 1,104 shareholders in number. There are 38 of these shareholders where there is no entry in the 'town' field. Sometimes this is because it was illegible, but often the district was given and obviously well known to the compiler of the share list, but is no longer able to be determined. Almost certainly these shareholders are from the valley, but it is not possible to attach them accurately to a particular location. All locations with greater than 20 shareholders are shown below in Table 18 as can be seen, most of these were from neighbouring areas, with the area covered by Rochdale, Littleborough and Whitworth as the most significant. This is not surprising, both from the point of view that Bacup had strong connections to Rochdale and that the Roch Valley had followed on from the example set in the Irwell Valley and had started up its own joint-stock companies, though not as prolifically as on the Irwell side.

Table 18. All other shareholders. (Median date 1860)

Occupation	Shareholders	No. of shares	av. Shares
Independent	8	271	33.9
Professional	19	341	17.9
Commercial	39	725	18.6
Retail	71	648	9.1
Skilled	73	398	5.5
Employees	661	2969	4.5
Farmers	34	242	7.1
Women	153	555	3.6
Unspecified	103	629	6.1
Children	14	60	4.3
Total	1175	6838	5.8

Figure 26. 'All other shareholders' percentages of shares expressed by occupation. (Median date 1860)



Some of the other nearby towns also had significant shareholders and these are shown below (Table 19.). In all 66% of shareholders from outside the valley were essentially 'local'. It might be argued that Rochdale, Whitworth and Littleborough were big enough to form a distinct group of their own, but as the issue would be complicated by the fact that each of these locations had several of their own joint stock companies, they have been included as shown. These figures, as with all the figures in the thesis, unless otherwise stated, are from the initial share registration of each company.

Table 19. Shareholders in local towns. (Median date 1860)

Town	No. of shareholders
Accrington	48
Bolton	71
Burnley	52
Halifax	36
Hebden Bridge	21
Littleborough	43
Manchester	61
Rochdale	349
Whitworth	48
Total	729

Of the remaining 375 shareholders, many were still from neighbouring villages or towns, but not in sufficient numbers to include above, for example, two from Middleton, fourteen from Blackburn and six from Clitheroe. Looking at those from a greater distance, there are seven from the London area, one from the Isle of Skye and one from Norfolk. However, in many cases a connection to the Irwell Valley can be found. For example, of the seven share holders from London two can definitely be traced as being born in Rossendale, whilst two others, James and Hannah Ashworth, have local names, as does James Hinchcliffe and might be presumed to have relatives in the Rossendale districts. One of the biggest shareholders was Joseph Hamilton Beattie. He had 100 shares in Lancashire Wagon Company and his occupation was 'locomotive engineer', but in fact he was an important figure in locomotive design and he obviously thought that the Lancashire Wagon Company was a good investment.¹² Someone impossible to trace was the one who gave Isle of Skye as an address. This was one John Brindle, with eight shares in Rawtenstall Cotton Manufacturing Company. His occupation was a mason, so it is assumed that he moved around doing work. The 1861 census for Scotland shows only one entry for that name, which was for a coachman in Coupar Angus. Brindle is very much a local name, so it can be assumed that he either lived, or had relatives, near Rawtenstall. In fact there was also a George Brindle in Newchurch, who also had shares in the same company.

In this group there were several major shareholders, indeed one of the two biggest shareholders in the whole database was John Petrie from Rochdale, who gave his occupation as 'ironmonger'. This was not exactly correct he and his father, also John Petrie, had built a very substantial business that, amongst other items, built steam engines, many of which powered local mills. John Petrie junior was eventually the chairman of East Lancashire Paper Mill. His 200 shares were in this company. He died in 1899 and a full obituary was published, including a lot of information on work done on behalf of the Methodist Church.¹³

Other major shareholders were Thomas Hamer of Oldham, who gave his occupation as 'gentleman', and had 150 shares in the Lancashire Wagon Company,

¹² Reproduced at; http://www.gracesguide.co.uk/Joseph_Hamilton_Beattie, accessed 4/12/13

¹³ *Rochdale Times*, 14/6/1899

Benjamin Fothergill of Manchester, a consulting engineer, also with 100 shares in the Lancashire Wagon Company. There was also John Hobson of Manchester, who classed himself as a shoe dealer on the share register but showed up as a Wholesale and Retail Boot and Shoe Manufacturer, with premises at 95 Oldham St., Manchester.¹⁴

There were several John Hobsons in the shoe trade in Manchester and they all seemed to come from a shoe making community located in Stone, Staffordshire. The 1841 census shows this community, including a family of Hobsons, but not conclusively this one.¹⁵ This John Hobson lived in Chorlton on Medlock and as well as 100 shares in the East Lancashire Paper Mill he also had 50 in Bury and Elton Commercial and 10 in Bury and Heap Commercial.¹⁶ He was married with four children. Samuel Sason of Rochdale, a brush-maker, who also had 100 shares in the East Lancashire Paper Mill, has proved to be impossible to find in the census, but he shows up in the trade directory as a brush maker at 10, Drake St Rochdale.¹⁷ Finally many business people tended to use their business addresses, so can be difficult to trace.

It is not so surprising that the first three groups, i.e. independent, professional and commercial, were quite prominent as they would be more likely to move around and hear of such opportunities and, given the incidence of several very large shareholders, they also had a large number of shares. The other unsurprising result is that as the distance from the location where the shares were sold increased, the information on occupations decreased, thus there were more 'unspecified' in this group. Even given these facts, the employees, skilled and women still held the majority of the shares.

This thesis is concerned with working-class people as shareholders. Various breakdowns have been given in each section, but in order to see the whole picture, Tables 20 and 21 give a summarised picture of the shareholding throughout the Irwell Valley, by numbers of shareholders. This illustrates that these were

¹⁴ *Slater's 1855 Directory of Manchester*, p.240

¹⁵ Census, 1841, Ref HO 107/995/14

¹⁶ Census, 1861, Ref. RG 9/2884

¹⁷ *Slater's Lancashire 1855*, p.449

working-class dominated companies. For the whole of the divisions shown above, the data have been aggregated and then grouped into working-class shareholders and those of the other groups. To simplify it for analytical results they are described as 'employees' and 'non-employees'. In the non-employees are independent, professional, commercial retail and farmers. In the employees group are skilled, employees, women and children. A case could be made that many retailers were from working-class backgrounds, but they are effectively self-employed and thus not employees in the narrower sense.

Table 20. Aggregated numbers of shareholders (non-employees) in the Irwell valley.(Median date 1860)

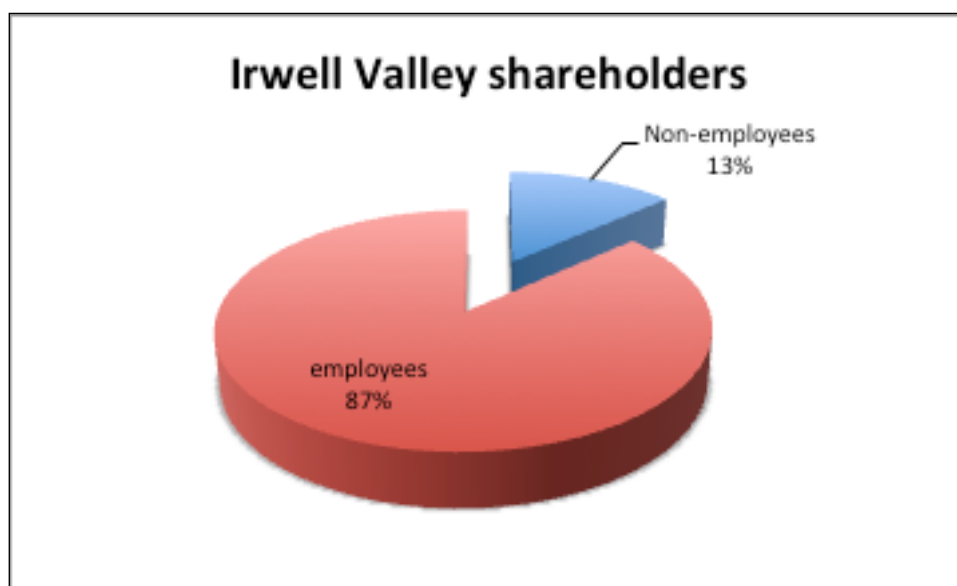
	Bacup	Todmorden	Haslingden	Padiham	Raw+NC	Ram +E+S	Bury	The rest	Grand Total
Independent	0	1	2	1	2	2	34	8	
Professional	11	3	1	2	8	6	34	19	
Commercial	25	3	16	1	35	12	105	39	
Retail	70	14	25	21	66	17	261	71	
Farmer	28	7	19	2	30	7	49	34	
Total	134	28	63	27	141	44	483	171	1091

Table 21. Aggregated numbers of shareholders (employees) in the Irwell valley.(Median date 1860)

	Bacup	Todmorden	Haslingden	Padiham	Raw+NC	Ram +E+S	Bury	All other shareholders	Grand Total
Skilled	73	11	91	33	102	48	195	73	
Employee	864	303	534	338	974	339	1144	661	
Women	229	20	127	67	231	91	195	153	
Children	45	3	16	39	32	11	16	14	
Total	1211	337	768	477	1339	489	1550	901	7072

Taking only the grand totals of each group gives a chart (Fig. 27) showing conclusively that even including the more urban areas covered by Bury and all other shareholders, working-class shareholders were the dominant force in these companies, with non working-class shareholders only amounting to thirteen per cent of the total shareholders.

Figure 27. Shares held by employees v Non-employees



The same format has been used for the numbers of shares held and not surprisingly the higher income groups have larger holdings (see Tables 22 & 23 below).

Table 22. Aggregated number of shares held (non-employees) in the Irwell Valley. (Median date 1860)

Non-employees	Bacup	Todmorden	Haslingden	Padiham	Raw+NC	Ram +E+S	Bury	The rest	Grand Total
Independent	0	2	25	5	30	24	681	271	
Professional	82	22	10	1	67	21	348	341	
Commercial	227	4	64	5	640	116	1736	725	
Retail	492	35	104	88	479	159	3229	648	
Farmer	93	13	60	5	264	47	558	242	
Total	894	76	263	104	1480	367	6552	2227	11,963

Table 23. Aggregated number of shares held (employees) in the Irwell valley. Median date 1860).

	Bacup	Todmorden	Haslingden	Padiham	Raw+NC	Ram +E+S	Bury	The rest	Grand Total
Skilled	342	15	281	115	409	179	1108	398	
Employee	3028	560	1180	1000	3312	1303	6105	2969	
Women	811	46	246	171	624	267	886	555	
Children	103	9	18	103	62	14	56	60	
Total	4284	630	1725	1389	4407	1763	8155	3982	26,335

Figure 28. Distribution of shares by percentage, employees v non-employees in the Irwell valley. (Median date 1860)

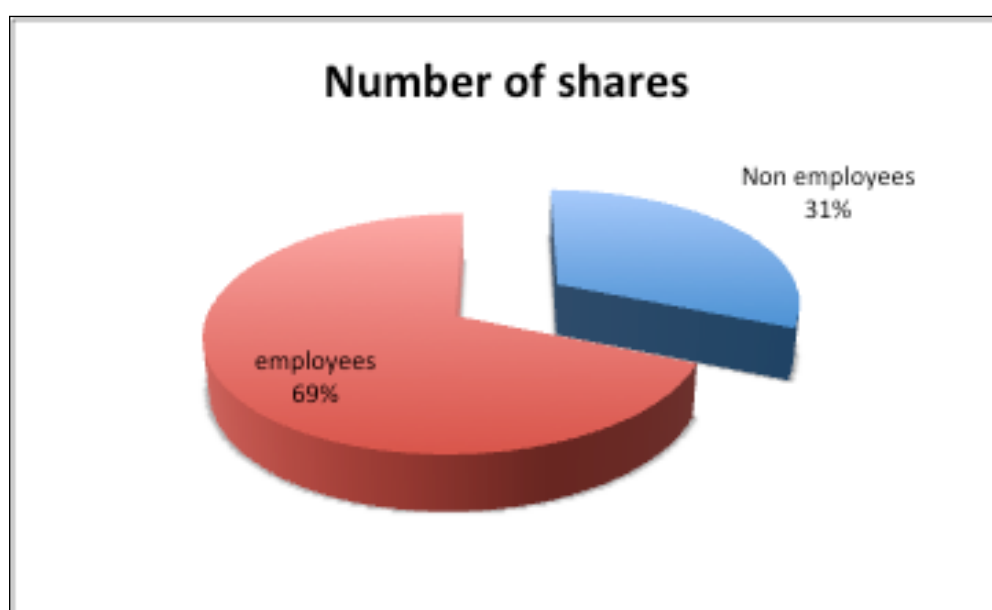


Figure 28 shows quite clearly that whilst the non-employee group had more shares per person there was still a substantial majority of shares held by the working-class group and the table shows the breakdown.

The tables above show that there are more than 8,000 shareholders in this database and these twenty-three companies were selected as a representative sample. In all Farnie says that there were 108 joint stock cotton companies formed by 1861 and that number went up to 162 by 1867. The largest location was the

Irwell Valley, with more than 30, in the early phase.¹⁸ But the database also includes three breweries, a building company, a paper mill, a bobbin manufacturer and a printing company. It would seem likely therefore that if all the worker-owned companies of this area were considered they might amount to between four and five times the number of shareholders shown in the sample. Given this fact it is impossible to find just how many people had their lives changed by the worker-owned companies, but some examples are given below.

Probably one of the most successful people was James Kenyon. He was the son-in-law of Mary Pilling, who is discussed in chapter 9. He was obviously a man of ambition, he appeared in the Bury census stating that he was born in London in 1819, but he has proved impossible to find there. In 1861 he was a draper and he held 55 shares in the East Lancashire Paper Mill, of which he was a director and ten shares in Bury Co-operative Brewery. He also bought shares for his daughters, Mary Alice, 16 years old and Emma 14 years old. By 1871 he was also offering his services as an undertaker as well as a draper. It is known that his wife inherited his mother-in-law's share portfolio, worth around £3,000, and after Mrs Pilling died they soon appeared in his name and he retired comfortably in 1901.¹⁹ He died in 1910, living in the most expensive location in Bury, which was appropriate as he left £45,000, which is the equivalent of £2.5 million today.²⁰ He had four daughters, none of whom appeared to work and two were still living at home, unmarried, in the 1901 census.²¹

One truly self-made man was Hiram Kay, who was born in Barnoldswick in 1829. His father was a shopkeeper and he apprenticed his son to a joiner, Thomas Marsden. Hiram married Elizabeth, his employer's daughter in 1849. In 1851 the newly married couple were living at 61 Hornby St in Bury, with his occupation given as carpenter. When the Bury Cotton Spinning and Manufacturing Company was formed in 1861, Hiram Kay was the second in the list of subscribers and had six £50 shares. It is not known if he and his wife inherited money from her father. By 1862 he was advertising himself as a share-broker, working from home and for

¹⁸ Farnie, (1953), p. 231

¹⁹ Lancashire Record Office, Ref. DDWO Box 177 – Mary Pilling

²⁰ <http://www.nationalarchives.gov.uk/currency/results.asp#mid>, accessed 15/10/13

²¹ Census, 1901, Ref. RG 13/3646

some reason calling himself 'William Kay'.²² By 1863 he was operating under his own name, also from home.²³ Soon after this he obtained premises in Broad Street, Bury and set up as a full time share-broker, which is how he described himself in the 1871 census. By late 1863 he was also advertising himself as an 'estate agent'.²⁴ He was responsible for publishing the 'Bury Share List' on a regular basis, as described in the chapter on selling shares. He died 22nd of May 1872 and left £12,000, the equivalent of £548,000 today.²⁵ For such a short business life this was very impressive. When he died he had three children, of whom only the eldest, Sarah, was of an age to work, but no occupation is shown.

Amongst the working-class shareholders there were also some people who had impressive portfolios. The largest were the Roberts family of Eden Street, Bury. Both father and son were called Thomas and both were iron moulders, a skilled job but still manual work.²⁶ Between them they owned 139 shares. 119 were £10 shares in companies such as Bury Co-operative Manufacturing, Bury and Heap Commercial and Bury Brewery. This also included 73 shares in East Lancashire Paper Mill and 20 £50 shares in Bury Cotton Spinning. In total these were worth £2,190 at nominal share value, quite an investment for a working family. They obviously continued to invest as when Thomas Sr. died in 1873 he left £9,000 – equivalent to over £400,000 in today's money.²⁷ Thomas Jr. was listed as 'retired iron moulder' from the age of 43 and none of his children worked in the mills. His daughters were dressmakers and teachers and the son had a clerical job.²⁸ He died in 1904, leaving £2,684, equivalent to £150,000.²⁹

One man who did extraordinarily well from the setting up of what are usually described as 'the co-operative companies' was Frank Hunter, who was an

²² *Bury Times*, 22/2/1862

²³ *Ibid*, 18/7/1863

²⁴ *Ibid*, 5/12/1863

²⁵ *Bury Guardian*, 25/5/1872.

<http://www.nationalarchives.gov.uk/currency/results.asp#mid>

²⁶ Census, 1861, Ref. R. G. 9/2848

²⁷ Reproduced at, *Ancestry.com. England & Wales, National Probate Calendar (Index of Wills and Administrations), 1858-1966 [database on-line]. Provo, UT, USA: Ancestry.com Operations Inc, 2010.* Accessed 21/11/2013

²⁸ Census 1881, Ref. RG 11/3865.

²⁹ Reproduced at *Ancestry.com. England & Wales, National Probate Calendar (Index of Wills and Administrations), 1858-1966 [database on-line]. Provo, UT, USA: Ancestry.com Operations Inc, 2010.* Accessed 21/11/2013

accountant and auditor, who acted for most of these companies. He was born in Ireland, because his father was there in the British Army. He first appeared in Bacup aged 28, living with his wife, Rachel and working as a clerk in a corn mill.³⁰ By 1861 he had lost his wife and his mother was living with him and his two sons, his occupation was 'public accountant'.³¹ In this capacity he acted for most of the local worker-owned companies. In a meeting in 1862 aimed to alleviate 'suffering shareholders' due to the Cotton Famine, he was present as 'the accountant and auditor of the various companies'.³² His obituary in 1874 shows that in addition to these duties, with offices in several local towns, he acted as manager of the Manchester and County Bank both in Bacup and Rawtenstall and was also a Methodist lay preacher.³³ He was also involved in the transfer of the concept of worker-owned companies to several Midland operations, who set up cotton mills in the style of those in Rossendale. These were Nuneaton Cotton Spinning and Weaving Company, Coventry Cotton Spinning and Weaving Company and Kidderminster Cotton Spinning Company.³⁴ He acted as secretary to these companies. He was also responsible for auditing the accounts of the Rochdale Pioneers.³⁵ He died in 1874, leaving £18,000 – the equivalent of almost £800,000 today.³⁶ The company he founded was still performing audits in the 1920s.

In addition there were also men who combined a commercial life with their other activities; for example in the case of *Dodgson v. Stansfield*, the plaintiff was described as a 'share-broker and waste dealer' The case was heard in Bacup in 1867.³⁷ Another example would be the case of *John Mawdsley v. John Kenyon*, who was described as "a shoemaker who has latterly commenced business as a share-broker".³⁸

³⁰ Census 1851, Ref. H.O. 107/2248

³¹ Census 1861, Ref. R.G. 9/3050

³² *Rochdale Observer*, 13/9/1862

³³ *Bacup Times*, 4/7/1874

³⁴ *Coventry Times*, 4/2/1863

Coventry Herald, 8/2/1862

Birmingham Daily Post, 3/2/1864

³⁵ Holyoake, (2010,), p.190

³⁶ Reproduced at, *Ancestry.com. England & Wales, National Probate Calendar (Index of Wills and Administrations), 1858-1966 [database on-line]. Provo, UT, USA: Ancestry.com Operations Inc, 2010.* Accessed 21/11/2013.

³⁷ *Bury Times*, 9/3/1867.

³⁸ *Ibid*, 1/7/1865

The above examples are a cross-section of people who benefited from their involvement in the working class limiteds.

It might be assumed that the companies discussed in this study were all small businesses and by today's standards they probably were, but, as Timmins shows, the average number of employees per mill in the cotton industry in the 1850s was only around 100, rising to around 150-170 by 1890.³⁹ Thus, these worker-controlled companies were very much on a par with most of the family owned firms. Their capitalisation was impressive the companies established in the Irwell Valley had nominal capitalisations of millions of pounds and in addition to this, the trend spread to Rochdale and then Oldham, as well as other industries, such as limited liability paper mills, of which some thirty-one were established in Lancashire in the period 1860-1876.⁴⁰ The Oldham limited companies have been extensively reported elsewhere and Farnie has a table showing that total capital employed there went from £4,120,000 in 1877 to £8,908,000 in 1890.⁴¹ These, along with the figures for the rest of South East Lancashire, are impressive numbers.

Table 24. Variations in evaluating the current value of £1 million in 1850

£1 million 1850	Equivalent value year 2000
Retail Price Index	£63, 500,000
GDP Deflator	£915,000,000
Average earnings	£487,000,000
Per Capita GDP	£798,000,000
Share of GDP	£1,710,000,000

Source, <http://www.measuringworth.com/growth/>, accessed 12/3/2014

Calculating their worth today is complex, there are many different ways. The website 'Measuring Worth' makes several calculations, as shown in Table 24 above. It can be seen that whatever index is used the amounts are very significant and must have been a major contribution to the financing of local industries in the second-half of the nineteenth century.

³⁹ Geoffrey Timmins, *Four Centuries of Lancashire Cotton*, (Lancashire County Books, 1996), p.50.

⁴⁰ Mike Malley, 'The Illusive Silver Lining: The Rise and Fall of the Lancashire Limited Paper Company between 1860 and 1880, part one', *The Quarterly, Journal of the British Association of Paper Historians*, (Jan. 2002), p.11.

⁴¹ Farnie, (1979), pp.249 & 260.

Even using the middle number of average earnings, then £1 million in 1850 is close to half a billion today and when the many other companies are taken into account then the sources of finance are the equivalent of billions in today's terms.

This chapter, and the previous one have attempted to analyse the pattern of share distribution in the Irwell Valley and have made it clear that the working classes predominantly owned the companies concerned. In addition it has been possible to highlight some of the major shareholders, showing that whilst the middle-class took a part in this process, working-class shareholders could also amass a share portfolio that would help to improve their lives. Finally this section has made the point that the level of finance generated was exceptional and would amount to several billion pounds in today's world.

Chapter 9. Women and children shareholders

Working-class women of this period are not usually associated with savings or investments. This chapter will demonstrate that this assumption is not correct and that many women were eager to invest in the shares of the newly formed companies. In support of this, there is evidence presented for women savers in a local savings bank as well as information on women's friendly societies, where women managed their own affairs. In the first of these companies, the Bacup Commercial Company, there was only one woman investor when it started. As Table 8 in Chapter 6 shows, by 1906 women made up one third of all investors in this company.

The lists of share buyers submitted to the registrar contained many women's names. This was not a total surprise since earlier work had revealed that women of the period did participate in buying shares.¹ It was a surprise that so many were essentially 'mill girls', i.e. textile operatives who mostly gave their occupation as 'power loom weavers'. When discussing the working classes the focus is still mostly on men and usually men as a group, such as Chartists, Trade Unionists and similar movements and we seldom get down to the individual level in discussing the working class and it is even less often that working class women are considered in this manner. As Hudson says, "One of the greatest problems facing the historian of women's work is the absence of reliable information".² This is not surprising as men usually leave more records, of any description. Some of this is undoubtedly due to the fact that men were more likely to be literate than women, though this gradually changed. A telling but very simple example of this is that in Lancashire as a whole, in the period 1839 – 1854, 67% of textile workers sons, but only 27% of their daughters, had signed the marriage registers.³

There is another example within the records of this database. The Padiham Cotton League required every shareholder to sign a deed of settlement and have the signature witnessed and many simply made their mark. Of the four hundred and

¹ Hampson, *The Quartlerly*, No. 74 (Apr., 2010), pp.18-23.

² Pat Hudson, *Women's Work*, reproduced at; http://www.bbc.co.uk/history/british/victorians/womens_work_01.shtml, accessed 20/9/11.

³ Benenson, 'Patriarchal constraints' pp. 618-619

seventy five shareholders some eighty-nine were women – 18.74%, which is above the average of the whole sample. Out of these eighty-nine, twenty-six of the women were literate enough to sign, which is 29%. There were three hundred and eighty six men and three hundred and five signed their name, which is nearly 80%. These figures are slightly higher than the reference quoted above, but are close enough to confirm the validity.

Davis comments that existing methods of education “sustained the dominant idea of helpless femininity and therefore hampered and restricted the personal development of women as individuals.”⁴ Gomersall confirms that it was seen as more important that women were educated in domestic skills than academic ones.⁵ Whilst this concept is true to a degree, it is far from being completely accurate and is open to some discussion.

In reality women were getting educated. The 1851 census has an extensive breakdown of educational establishments, which in some cases records the difference between male and female scholars.⁶ Some of the statistics make significant reading when considering the education of women in this period. For example it is usually assumed that far more males than females received education, but the difference was not as great as imagined. Of males eligible by age for education 13.4% were in school whilst of females 11.1% were being educated.⁷ Sunday Schools were often the main source of education for working class people and the report shows that there were 23,137 Sunday schools and 44,836 day schools, either private or public.⁸ The day schools had 2,108,592 scholars whilst the Sunday schools had 2,369,639 scholars, so the Sunday schools, which were half the numbers of the day schools, educated more pupils. Unfortunately there is no

⁴Stephen Davies, *Libertarian Feminism in Britain, 1860-1910*, reproduced at <http://pdfcast.org/download/libertarian-feminism-in-britain-1860-1910.pdf>, accessed 12/10/11, p. 3

⁵ Meg Gomersall, ‘Women’s work and education in Lancashire, 1800-1870: a response to Keith Flett’, *History of Education*, Vol. 18, No. 2 (1989), p. 161.

⁶ Horace Mann, *Census of Great Britain 1851; Education in Great Britain*, (George Routledge, London, 1854). Reproduced at; http://books.google.co.uk/books?id=xTclAAAAQAAJ&printsec=frontcover&source=gbs_ge_summa ry_r&cad=0#v=onepage&q=44%2C836&f=false, accessed 14/10/2013

⁷ Mann, *Education*, p.33

⁸ Ibid, p. 67

breakdown by gender.⁹ Angus Bethune Reach, who was a well-known journalist, did a series of reports for the *Morning Chronicle* in 1849 on his visits to the textile areas of Manchester and Lancashire. In his essay on Sunday Schools, he lists both boys and girls receiving education, though admittedly there were more boys than girls listed.¹⁰

The other significant fact to come to light is the little known information on adult evening schools. Mann's report of 1851 lists 1,545 such schools and there were 314 in Lancashire.¹¹ In these schools the subjects taught were mostly the basic ones of reading, writing and arithmetic, but other subjects included music, languages (ancient and modern) geography and various other topics. In Lancashire there were 6,243 male students and 3,444 female students being educated in such establishments. These students had to pay for their instruction and costs varied from 1d per week to over 3d per week. In Lancashire the biggest student group by occupation were 'artisans' at 3,440 followed by factory hands at 2,705, plus 70 weavers.¹² There were 2,473 with no stated occupation. In the list of women's occupations there were only 242 domestic servants recorded, which would suggest that, a large proportion of the factory hands and weavers were female. There were other significant changes taking place not only were women starting to receive more education, but were allowed to join classes in Mechanic's Institutes, as reported in the *Leeds Mercury*.¹³ An indication of how women's education brought about changes in the ideas of working class girls is found in Timney's work on the poetry written by Victorian factory girls, again this is something of a revelation.¹⁴

Such historiography that mentions working class women in mid-Victorian Britain is not often very positive. It is usually assumed that women were kept very much

⁹ Mann, *Education*, pp. 27 & 90.

¹⁰ Reach, *Manchester and the Textile Districts in 1849*, p.93.

¹¹ Mann, *Education*, p. 144

¹² Ibid, pp. 144-150

¹³ *Daily News*, April 15th 1857, 19th century British Library Newspapers
Leeds Mercury, December 21st 1850, 19th century British Library Newspapers.

¹⁴ Meagan B. Timney, 'Of Factory Girls and Serving Maids: The Literary Labours of Working-Class Women in Victorian Britain', unpublished PhD thesis, (Dalhousie University, 2009), reproduced at; http://dalspace.library.dal.ca/bitstream/handle/10222/12353/Timney_PhDThesis_pdfA1b.pdf?sequence=1, accessed 9/2/2012.

under the male thumb and Benenson's article on patriarchal constraints sets the scene very well.¹⁵ He shows that Lancashire women steadily pushed against such limitations.¹⁶ Whilst it is true that social norms made the rules that kept women from achieving parity with men, in the Lancashire textile industry there was change happening at a grass-roots level. In various small ways women were taking control of their own lives and, seemingly, with the encouragement, or at least without any hindrance from their men folk.

Women still worked in cotton mills, many employed as power loom weavers and they still worked long hours, though the Ten Hours Act of 1847 had shortened these.¹⁷ Women were getting independent in other ways, even though they might earn less than men. Thompson makes the point that because they were earning; "The spinster or the widow was freed from dependence on relatives or upon parish relief".¹⁸ Thompson also records the fact that Lancashire towns gave rise to various Female Reform Societies, such as the one recorded in Ashton-under-Lyne, which published an address to 'the Women of Great Britain' in 1839.¹⁹

Although it is not normally realised, women were involved in the Chartist movement and could be as active as the men. The Hyde Chartist Society claimed that it had three hundred male members and two hundred female members and that "the women were the better men".²⁰ They also took part in union activities; in the Preston strike of 1853, 65% of the strikers were women.²¹ Dorothy Thompson devotes a whole chapter to detailing the involvement of nineteenth-century women in radical politics.²² It should also be remembered that women actually made up more of the workforce in textiles than did men. Berg shows that in 1833 women were slightly more than 50% in total cotton operatives and Morgan, who

¹⁵ Benenson, (1993), p. 614.

¹⁶ Ibid, p. 618.

¹⁷ Gregg, (1973), pp.133-134.

¹⁸ E. P. Thompson, *The Making of the English Working Class*, (Penguin, 1970), p. 452.

¹⁹ Thompson, (1970), p. 454.

The Northern Star, February 2nd 1839.

²⁰ Ibid, April 27th 1839.

²¹ Benenson, (1993), p. 616

²² Dorothy Thompson, 'Women and Nineteenth-Century Radical Politics', in Juliet Mitchell and Ann Oakley, eds., "The Rights and Wrongs of Women", (Penguin, 1986, 3rd. ed.), pp. 59-112.

says that women made up 58% of the weaving workforce, confirms this.²³ Morgan's comments regarding women power loom weavers in the period, is important, as she says most of the working women in the sample were employed in this sector;

Since weaving was not a sex-segregated occupation, and the operatives were paid by the piece, women weavers earned the same piece-rates as men, although the latter often earned higher weekly wages by operating more looms.²⁴

In fact similar wages for piecework were not uncommon and Burnette argues that looking at women's earnings, rather than wages, gives a distorted view since women often had to spend less time at paid occupations due to other pressures.²⁵ Single mill girls had few such pressures and could well have been good earners.

Lancashire working class women were not therefore the mild, subdued women assumed by those historians who like to generalise and record only the activities of the men of the period; in fact Lancashire mill girls had something of a reputation for what Gomersall calls "jaunty independence".²⁶ Both Walton and Reach played down their reputation for promiscuity.²⁷

An indication of the thought processes at this period in history is illustrated by the fact that a Cheshire Rector, the Rev. G. Salt, intent on starting a Penny Bank used a music hall as the venue for a 'sit down tea' and invited males of almost every religion to it. Significantly, whilst he, and the Lord Bishop, the Rev. Canon Bloomfield and the local M. P. Mr Salisbury were happy to have such a diverse group, it was not thought necessary to invite women.²⁸ In this it is clear that the Rector had not done his homework, as women often outnumbered men in actual

²³ Maxine Berg, *The Age of Manufacturers, 1700-1820*, (Routledge, 1994), p. 141.

Carol E. Morgan, 'Work and Consciousness in the Mid-Nineteenth-Century English Cotton Industry', *Social History*, Vol. 17, No. 1 (Jan., 1992), p.30.

²⁴ Morgan, 'Work and Consciousness', p. 31.

²⁵ Joyce Burnette, 'An Investigation of the Female-Male Wage Gap during the Industrial Revolution in Britain', *The Economic History Review*, Vol. 50, No.2 (May, 1997), p.262.

²⁶ Gomersall, (1989), p. 160.

²⁷ Walton, *Lancashire*, p. 180

Reach, *Manchester*, pp. 19-20.

²⁸ *Cheshire Observer and General Advertiser*, Feb, 5th 1859

numbers of savers, if not in the value of savings. This chapter intends to demonstrate that women were financially active in a number of spheres.

Savings were mentioned above and records indicate that many working class women were keen savers. Savings banks had become very popular by the middle of the nineteenth century and it was generally safe to invest in them. The parliamentary Select Committee report on Savings Banks of 1858 noted that out of five hundred and twenty two savings banks established in Great Britain only six had failed. However, by far the biggest failure was that of the Rochdale Savings Bank, which failed owing £41,433 – 2s – 6d.²⁹ A report in a local newspaper gave more details saying that there were 2,965 depositors of which 1,014 were women, 539 labouring men, 1184 young people and children, 37 trust accounts and 191 sick clubs.³⁰ It can be seen that women far outstripped men in savings.

Table 25. Bury Savings Bank. New accounts, 1st quarter 1858

New Accounts 1st Quarter 1858			
Female savers		Male savers	
Married	10	Middle class	5
Minors	17	Minors	14
Servants	17	Skilled	4
Textile workers	7	Textile workers	34
Widows	5	Others	5
Others	8		
TOTAL WOMEN	64	TOTAL MEN	62

Source; Bury Library Archives, Ref. BSB/A/12/15

A sample has been taken from the records of the Bury Savings Bank for the first quarter of 1858 (Table 25). It is perhaps also worth noting that this was not a good period economically and that local people were made aware of this by the local press. An article in the *Bury Guardian*, dated January 9th 1858, gave a review of the past year. The newspaper reported that the rate of discount rose from 6% in the second week of October to 10% by the 9th November and that this was followed “by what was virtually a suspension of the Bank Charter Act”. This

²⁹ *Report from the Select Committee on Savings Banks, Appendix No. 12.*, p. 412, reproduced at House of Commons Parliamentary Papers online, accessed 13/10/11.

³⁰ *The Blackburn Standard*, May 27th 1851, Blackburn reference library.

apparently eased matters, saying, "Relief was felt in the commercial world".³¹ In theory suspending the Act meant that the Bank of England could print money not backed by gold, which would be the equivalent of what we would now call 'quantitative easing'. In fact there was virtually no money printed, but then, as now, financial emergencies were more about confidence than actual facts.³²

In spite of the gloomy conditions, the Bury Savings Bank opened one hundred and twenty six new accounts in the first quarter of 1858. It should be remembered that the Savings Bank concept was aimed at the lower classes and was, as it said, a savings bank. There were two other commercial banks in the town at this period, the Bury Banking Company and a branch of the Manchester and Liverpool District Banking Company. These banks were the ones used by business.

As the table above shows, the situation in Bury was a little different from that in Rochdale a few years earlier. In this instance women were only slightly in the majority.³³ What is striking is the number of accounts created for minors. Unfortunately more detailed analysis, trying to match names to census records is not easy as no addresses were given. In some cases the parents appeared to also open an account, but not always. Of the men, textile workers were the biggest group, whilst the biggest group of women were domestic servants.

The number of married women should be noted and there will be discussion on that point later, but in most cases the ledger entry read, e.g. "Ann Lord, wife of John", so there was no attempt to hide the status.³⁴ The object of this analysis of local saving is to make it clear that working class women were individuals in their own right; they felt free to open bank accounts in their own name and as we shall see they were active in other spheres.

Maltby has also studied this subject and has found broadly similar results, that women, including married women, had savings in their own names. She quotes

³¹ *The Bury Guardian*, January 9th 1858, Bury reference library.

³² *The Bank Charter Act of 1844* reproduced at; <http://chestofbooks.com/finance/banking/Currency-And-Banking/Section-II-The-Bank-Charter-Act-of-1844-Part-3.html>, accessed 20/9/11

³³ Bury Library Archives, ref BSB/A/12/15

³⁴ See pp. 124-132

other writers on the subject, but her main concern is with the 'Sheffield and Hallamshire Savings Bank' in the period 1857-1863. Basically she found similar results to those detailed above both men and women had accounts in their own names in more or less equal proportions and there were quite a large number of married women.³⁵

Another example of how women managed their own finances can be seen in women's friendly societies. These societies were wholly managed by women for women. As such they demonstrated that working-class women were capable of handling their own financial affairs and were also capable of acting without the supervision of men. This confirms that such women had sufficient independence of mind to make their own decisions on handling financial matters, and thus it should be no surprise that they were capable of buying shares, either with or without the involvement of their menfolk.

Friendly societies were formed as a protection against illness and to pay for a 'respectable' burial; in some instances they might also be a building society. The objectives of such societies might vary, but the most common was usually described as a 'sick and burial club'. Men most often ran such clubs or societies and they might be for men only or they might also allow women members, but there were also women only societies.. One of the problems in seeking information on friendly societies is that they had many different incarnations. The 1874 Royal Commission on friendly societies identified many different types of such organisations and whilst they all came within the legal definition of 'friendly and benefit societies' they did vary in their internal organisation. The Royal Commission listed eleven major classes and class eleven was for 'Societies of Females'. The report criticised women's societies for excessive drinking and said that many had given up the sick benefits and were only burial clubs³⁶ Gosden gives a list of these categories in his history of friendly societies, which is simpler

³⁵ Maltby, 'The wife's administration', p. 208.

³⁶House of Commons Parliamentary Papers Online, 1874, *Fourth Report of the commissioners appointed to enquire into friendly and benefit building societies*, p. cxlii

to understand as the report of the Royal Commission defining such categories occupies over fifty pages.³⁷

Criticism of women's societies was not just confined to the Royal Commission; earlier comments included those by the man in charge of friendly societies. In his annual report John Tidd Pratt, the Registrar of Friendly Societies in England, as reported in the *Daily News* of October 6th 1859, commented that many of the friendly societies based on public houses were in effect drinking clubs.³⁸ Another report of an annual meeting suggested that at the York Phoenix Female Burial Club a ball, which went on from 9 p.m. until the early hours of the morning, followed the feast.³⁹

In spite of various negative remarks from male commentators, the women of Lancashire, as stated above, were prominent in being involved in friendly societies and there are several societies that have left traces in the Irwell Valley. In Todmorden there was the 'Female Friendly Society held at Mrs Mary Horsfall's New Inn'.⁴⁰ Further down the Irwell Valley was the 'Newchurch Female Benevolent Society', which in 1832 met in a pub owned by 'Mr George Ormerod, at Newchurch'.⁴¹ Later, by 1860, it was meeting at 'The Black Dog Inn', Newchurch'.⁴² Moving down the Valley to Ramsbottom the evidence is strong but less detailed, consisting simply of a date-stone inscribed, 'Female Union Society, Holcombe Brook, 1824'.⁴³ Finally in Bury is a copy of the rules of 'The Women's Sick-List, held at the Brunswick School, Bury'.⁴⁴ These rulebooks and the Newchurch accounts give a rare glimpse into the lives of women in this period and it is worth doing a little analysis of what they contain. In addition to the above there are documents in the Lancashire Record Office that hint at other such clubs. Thus there was a Todmorden Women's Friendly Society, A Bacup Female Friendly Society and a Rossendale Booth Fold Female Friendly Society; unfortunately these records

³⁷ P. H. J. H. Gosden, *The Friendly Societies of England*, (Manchester University Press, 1961), pp. 14-15.

³⁸ *The Daily News*, Oct. 6th 1859.

³⁹ *The York Herald and General Advertiser*, May 10th 1851.

⁴⁰ Rawtenstall Library, ref. R.C. 367 TOD

⁴¹ Ibid, ref.R.C.P. 367 NEW

⁴² Ibid, ref. R.C.N. 368 NEW

⁴³ Ramsbottom Library, *Ramsbottom Heritage Society news magazine*, No. 3 (undated), p.13

⁴⁴ Bury reference library, ref. A26R(P)WOM.

simply mention the name of the club as the record itself is concerned with some other matter.⁴⁵

The Newchurch Female Benevolent Society has the most significant information, as there is a copy of the rulebook, dated 1833 and one page of the society's accounts, dated February 6th 1860, which has survived. There are also rulebooks from the Todmorden Society and the Bury Sick-List. To deal with the rule books first of all. They are all done in accordance with the 'Act to consolidate and amend the laws relating to Friendly Societies'. This was the Act of 1829, known legally as 10 Geo. 4. C. 56 earlier Acts regarding Friendly Societies had legislation dating back to 1793.⁴⁶ The Newchurch rules have a note, inside the front cover, that they were submitted and checked by John Tidd Pratt, the Registrar of Friendly Societies and Savings Banks. This seems to be the only one to make a point of proclaiming this; nevertheless it is clear that most of the rules follow the same pattern. The three female societies all have women officers, there are no men involved at all, except, as above, if they need a reference to an official outside their own society. The objectives of the societies were also quite clear. They had two main purposes the first to provide sick pay for members who fell ill and were unable to work and second to aid in funeral costs. The rules were quite strict; they all limited the ages at which members may join, usually limiting this to between 16 and 36.

The payments and benefits of the various societies all followed a similar pattern and can be summed up as follows. Subscribers paid in approximately eight pence per month and thus two shillings per quarter. For this they could claim sick pay, after an initial qualifying period, of approximately four to six shillings per week, usually dropping to half of this after three months. They could also receive five pounds towards their own funeral and three pounds towards the funeral of their first husband. The payments varied slightly, but they all conformed generally to this pattern. All of the societies were extremely strict in not only enforcing regular payment, but also imposing fines for those unwilling to do their share of official duties and who also missed meetings. They were also strict in ensuring that illness

⁴⁵ Lancashire Record Office, refs. DDX 21/7/5, QPS/2721/79, QDS/1/2/3

⁴⁶ McCord, *British History*, p. 110.

was genuine and the rules included visiting the sick and taking a medical person to check.⁴⁷

Not all the money was spent on sick pay or burials most of the societies had an 'annual day' and it was these 'feast days' that could get out of hand, causing the negative comments discussed above. It would seem that at the Newchurch society the costs of the annual day were paid for out of the funds of the society, (Fig. 30). In the abbreviated accounts list, under expenditure, liquor was - £13 - 9s - 2d and there were 471 dinners at 1s - 2d each, totalling £27 - 9s - 6d. In addition to this there was an item of £2 for music and £1 for Minister and Singers. It would also appear that on the quarterly meetings in February, May and November there was also liquor laid on, which varied in amount from £4 - 17 - 6d to £5 - 15 - 10d and this was in addition to the shilling per person, for dinner and ale, levied at the time. Quite obviously there was no attempt at temperance. It would also seem that the 'feast day' might be a family event as there were 471 dinners provided, but there are only 125 society members listed.

Figure 29. Extract from list of members.

STATEMENT OF THE ACCOUNTS											
Of the Female Benevolent Society, held at the Black Dog Inn, Newchurch, Rossendale,											
From February 6th, 1860, to February 5th, 1861.											
£ s d				£ s d				£ s d			
Mary Pickup, Newchurch	1	15	0	Brought forward	71	8	0	Brought forward	145	0	0
Sarah Warburton, Newchurch ..	3	18	0	Margaret Rostron, Hargreaves-fo	8	4	0	Hannah Lord, Tunstead-bottoms	2	9	0
Ann Ashworth, do	3	18	0	Sarah Law, Bridge-clough	0	8	0	Ann Whitaker, Lord-barn	0	5	0
Susan Ashworth, Waterside	0	19	0	Mary Woodhead, Edgeside	0	15	0	Ann Crowther, Bacup	1	10	0
Alice Spencer, Cloughfold	1	0	0	Susan Taylor, Roebuck	2	15	0	Betty Law, Bacup	0	11	0
Alice Heys, Millerbarn	2	0	0	Mary Sellers, Water	1	0	0	Mary Ashworth, Tunstead-botto..	0	15	0
Ann Rothwell, Newchurch	4	9	0	Betty Lister, Pinchelough	0	10	0	Jane Crankshaw, Heyhead	1	0	0
Prudence Mitchell, do	3	18	0	Ann Edmondson, Edgeside	0	5	0	Alice Heap, Bacup	0	5	0
Hannah Barlow, Walesbank	0	5	0	Susan Nuttall, Isle of Man	2	19	0	Edna Holt, Waterbarn	0	10	0
Ann Pilling, Millend	0	11	0	Betty Haworth, Edgeside	1	15	0	Nancy Hindle, Stacksteads	0	15	0
Hannah Taylor, Millerbarn	1	0	0	Ann Barcroft, Whitwell-bottom..	0	15	0	Alice Thorp, Tunstead	0	10	0
Mary Ormerod, Cloughfold	0	5	0	Mary Sagar, Piper	1	0	0	Mary Ann Lord, Waterbarn	0	5	0
Alice Tattersall, Manchester	4	13	6	Alice Trickett, Edgeside	0	10	0	Jane Dearden, Stacksteads	0	10	0
Elizabeth Mitchell, Newchurch...	0	5	0	Ann Ashworth, Roebuck	1	15	0				

The list of members for Newchurch is available for the 1860 - 1861 period and part of this is reproduced above, (Fig. 29). Mostly these ladies were from the general area of the upper Irwell Valley, but neither full address details nor occupations are given. There were a small number from outside the region, e.g. Susan Nuttall from the Isle of Man, Lucy Ashworth from Stockport and Alice

⁴⁷ Rule no. 10, *Rules of the Newchurch Female Friendly and Benevolent Society*, Rawtenstall Library, ref. 367/NEW, p. 6.

well established that the wife did not need to work, but they were all, judging from their husbands' occupations, from the working class.

Table 26. Women in Newchurch Friendly Society - identified by census.

Name	Age	Occupation.	Spouse occupation
Sarah Walmsley	64	Grocer	Husband dead
Betty Lister	45	Housewife	Ag. Labourer
Jane Crankshaw	37	Housewife	Slater
Alice Thorp	49	Housewife	Woollen printer
Margaret	45	Housewife	Labourer
Prudence	68	Housekeeper	Unmarried
Jane Ann Riley	32	Housewife	Carter
Mary Woodhead	52	Housewife	Weaver
Sarah Aspden	46	Weaver	Unmarried

Many of the women had 'Irwell Valley surnames', e.g. Ashworth, Pickup, Howarth etc. and these are so common that without an occupation and a positive address it is impossible to be sure that the correct one has been found.

It is possible that the Newchurch Female Benevolent Society was one of the more successful organisations, though there is nothing to suggest that other female clubs in the Irwell Valley were less successful. Their accounts reveal that they had a very healthy surplus and that they managed affairs so that they could also have a very enjoyable annual feast day, though it would seem that they might be in danger of becoming one of the societies, which would have a bad name from the effects of drink.

The above discussions have been intended to show that working class women in the period in question had money to spare and the ability and freedom to decide how to utilise it. They also had the organisational skills to manage their affairs.

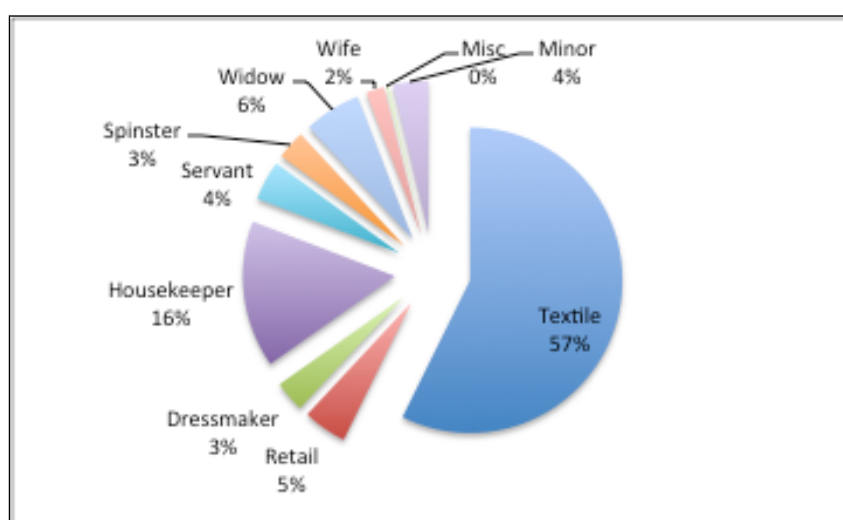
In the database of shareholder from the selected sample of companies from the Irwell Valley, there were a total of 1197 women, which is just over 14%. These women were almost all from the working class or lower middle class, as was confirmed either by their occupations on the share registers or from the census. All of these women were sought for on the census and 681 were found. The major reason for seeking out women shareholders on the census was to establish if they were married or not.

The problems with locating anyone on the census from the shareholder records have been discussed earlier and the same comments apply to women shareholders. The occupations shown below (Table 27) are taken either from the census or the shareholder records.

Table 27. Women shareholder's occupations. (Median date 1860)

Women's occupations			
Textile	505	Spinster	27
Retail	41	Widow	53
Dressmaker	29	Wife	17
Housekeeper	137	Misc.	2
Servant	37	Minor	33
		Total	749

Figure 31. Women shareholders occupations by percentage. (Median date 1860)



One point should be made immediately. In comparing the numbers of married women, unmarried women and women shareholders in general, there are some minor anomalies in the numbers. There are over 90 occupations listed for women shareholders and these have had to be compressed to manageable numbers. This has resulted in some small discrepancies.

Fig. 31 makes clear that the textile operatives were the dominant sector and the majority of these listed their occupation as 'power loom weaver'. The second biggest sector was for housekeepers and many of these were the wives of male

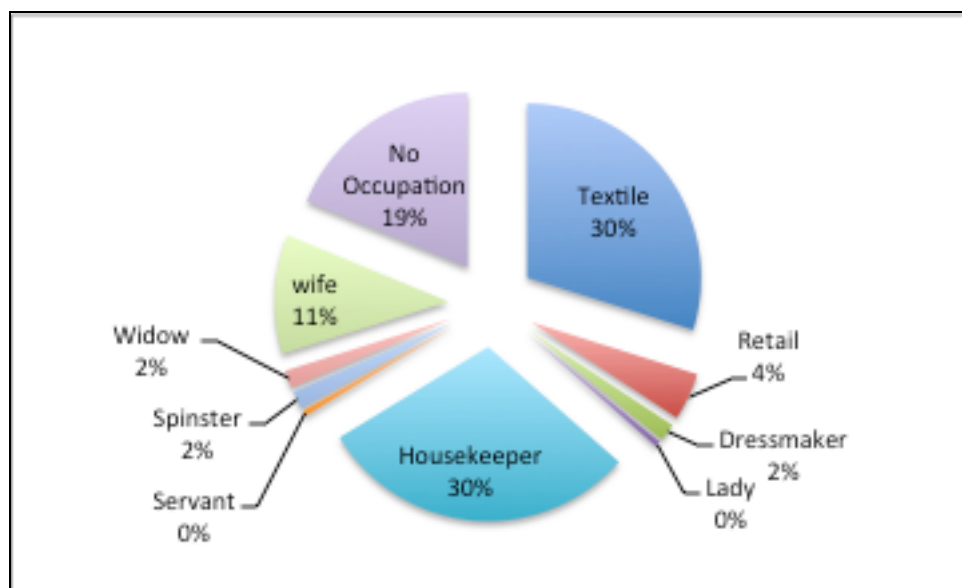
textile operatives. The retail sector comprised of quite a mixture and included 'bakers', 'beer sellers', 'grocers' and 'shop keepers'. Under 'dressmakers' were included a few classed as 'milliners'. The other categories were as described in the title.

In the sample of women extracted from the database, 181 have definitely been established as married, either by the entry on the register or by cross checking with the census, i.e. 26.5% from the sample of 681 identified by the census. In proportion therefore, 26.5% of 1,197 means that as many as 317 in the whole sample might well be married women. The occupations of those identified is shown below, (Table 28 and Fig. 32). There are some significant anomalies amongst these listings there were three who listed their occupation as 'widow' and one as 'spinster'. These were probably lies as the cross check with the census clearly revealed them to be married, as was the one who listed herself as a 'servant'. These were thus probably given to disguise the fact that they were married women, as were the numerous 'housekeepers', half of who were married. Quite noticeably is the fact that twenty had no qualms about putting down their occupations as 'wife'.

Table 28. Married women shareholders' occupations. (Median date 1860)

Married women's occupations			
Textile	54	Servant	1
Retail	8	Spinster	3
Dressmaker	3	Widow	3
Lady	1	wife	20
Housekeeper	54	No Occupation	34
		Total	181

Figure 32. Married women shareholders' occupations by percentage. (Median date 1860)



The first question is whether their husbands were aware of this share buying activity and on this scale it would be difficult to hide, though undoubtedly some women did hide it. However there were many instances of husbands and wives buying shares together and even whole families. Some examples are James Hall and Betty Hall, who lived in Heap Bridge, Bury - both had shares in the Bury Cooperative Manufacturing Co. Ltd.⁵⁰ Betty had eight and James six. Also Elizabeth and James Hargreaves of Hargreaves St., Haslingden, both had shares in the Hargreaves Street Manufacturing Co. Ltd. Elizabeth had one share and James had four.⁵¹ Alice Taylor and Thomas Taylor of 25, Bell Lane, Bury also had shares in the Bury Cooperative Manufacturing Co. Ltd. Alice had one share and Thomas had two.⁵²

From the above examples it can be said with some degree of certainty that in most instances the husbands were well aware of the wives activities in buying shares and either acquiesced, or quite possibly actively encouraged this activity, especially when it was a joint venture. This then raises the question of coverture and whether working class husbands and wives were aware of this aspect of the law.

⁵⁰ National Archives, BT31/14315/1838, registered, 19/4/1860

⁵¹ National Archives, BT 31/31741/2090, registered, 24/12/1860

⁵² BT31/14315/1838

In the period under discussion the law of coverture theoretically applied to all married women. Some aspects of coverture are well known, but it can be quite complicated and its origin can be traced back to the customs of medieval Normandy.⁵³ Erikson says,

The English husband 'covered' his wife's legal identity completely and therefore took ownership of all but her freehold property, which in most cases was all her property...nineteenth century campaigners for legal reform referred to coverture as 'civil death'.⁵⁴

As Bailey says "a wife could not technically enter into economic contracts in her own right and in order to make basic purchases on credit had to do so in her husband's name."⁵⁵

This is not the place for a full discussion on coverture; there have been many writers on this subject such as Basch, Erikson, Haggerty and others. In the context of this thesis, married women could not legally buy shares in their own name, as Bailey makes clear above. An example directly related to this is of significance. An unusual example involving women share holders was *The English Women's Journal*, which was edited by women for women and was quite radical, exploring such ideas as the reform of laws relating to sexual inequality.⁵⁶ It was set up as a limited liability company in 1858 as 'The English Woman's Journal Company Ltd'. The major shareholder was Barbara Leigh Smith Bodichon, but as she was married she had to register the shares to her sister Anne. This makes it quite clear that at this point in time, 1858, that married women were not supposed to own shares in their own name. These women were essentially feminists, but they took care to stay within the law.

When considering working-class people and coverture there is very little direct evidence that can be used, but one useful pointer is gained from the way that the

⁵³ Norma Basch, 'Invisible Women: The Legal Fiction of Marital Unity in Nineteenth-Century America', *Feminist Studies*, vol.5, no. 2 (Summer, 1979), p. 347.

⁵⁴ Erikson, 'Coverture and Capitalism', p.4.

⁵⁵ Joanne Bailey, 'Favoured or oppressed? Married women, property and 'coverture' in England, 1660-1800', *Continuity and Change*, (2002, vol. 17), p. 352.

⁵⁶ *British women's emancipation since the Renaissance*, reproduced at <http://historyofwomen.org/publications.html>, accessed 1/11/11.

Co-operatives treated women. In this period they were one of the few working class organisations to leave such records. In the Rochdale Society pamphlet, published in 1844, on 'Laws and Objects' there are two key pointers. The first is rule thirteen which says that "Any person desirous of becoming a member of this society... on being admitted to membership, shares may be paid for by instalments of three pence per week on each share." Rule twenty-five defines the meanings of various words used in the rules and says specifically, "the word person to include females as well as males." Thus it is clear that males and females were treated as equals and as members both males and females had the same rights.⁵⁷

A second example is found in Holyoake's *History of the Rochdale Pioneers*. Holyoake was a prolific writer and his works have been reprinted in various formats and his *History of the Pioneers* was originally serialised as separate chapters in the *Daily News* commencing in 1857, so that it can be difficult to be sure of a date. However, Holyoake's book is quoted in the footnotes of John Stuart Mill's *Principles of Political Economy* and this book was published in 1865, so the quotation probably dates from around 1860. Holyoake says;

"The Rochdale Society has given an example of reason and justice...realising the civil independence of women. Women may be members of this store, and vote in its proceedings. Single and married women join, many married women become members because their husbands will not take the trouble, and others join it in self-defence to prevent the husband from spending their money in drink. The husband cannot withdraw the savings at the store standing in the wife's name unless she signs the order."⁵⁸

This comment was reinforced when John Ormerod, who was the president of the Equitable Pioneer Co-operative Society in Rochdale, was called to give evidence before the Select Committee of the Parliamentary enquiry in 1867-68 regarding the Married Women's Property Bill. He confirmed that this was essentially a society of working class people with over 7,000 members and that many of them

⁵⁷ Rochdale Society of Equitable Pioneers, *Laws and Objects of the Rochdale Society of Equitable Pioneers: Enrolled According to the Acts, 10th George IV, and 4th and 5th William IV*, (Jesse Hall, 1844)

⁵⁸ Holyoake, *Rochdale Pioneers*, p. 58.

Mill, *The Principles of Political Economy* CHAPTER VII: p. 613. Reproduced at, <https://archive.org/stream/principlesofpoli30107gut/30107-pdf#page/n13/mode/2up>, accessed 26/1/2015

were women. He confirmed that many women were shareholders and that they mostly continued to hold the shares after they were married. Essentially he confirmed that the Society would not allow husbands to access the wives' savings without the wife's permission, though many did try to do so. This indicates rather clearly that workingmen felt that they had a right to their wives savings and thus were aware of the concept of coverture. It also indicates even more clearly that working class opinion, in the form of the rules of the Co-operative Societies, was clearly on the side of the women. Asked if there are several examples of husbands behaving like this Ormerod replied that there were many, but the Society did not allow such men access.⁵⁹ He also confirmed that there were many savers who had invested the maximum amount, which was £100 and some who had £100 with both husband and wife and even opening accounts in children's names to invest more.⁶⁰

A court case in Blackburn in August 1860 clearly illustrates that working class men and women understood coverture. Betty Snape was being called upon to pay a debt of £1 -12s - 6d, but she said that she was married and pleaded coverture. Her husband, John Snape, then appeared in court and agreed that the money was owed and that he would have to pay. When asked how much he could pay he replied not so much as "he liked a drop of good beer" and offered 6 pence per month, but the plaintiff demanded 4 shillings.⁶¹ In the 1861 census for Blackburn there is only one couple under the names of John and Betty Snape and the occupation is given as 'labourer'.⁶² Given the small sums involved and the amount to be repaid this would seem to suggest that this was the couple.

It does seem quite clear that, in most cases, the lower classes seemed to regard coverture as not relevant to them and certainly in earlier times this would have been correct simply because few of them had enough money or possessions to make it worth trying to implement the law. However, things had changed by the time share buying started. Holyoake makes the point that when the Rochdale

⁵⁹ House of Commons Parliamentary Papers Online, *Special report of the select committee on Married Women's Property Bill*, (1867-1868), p. 83.

⁶⁰ House of Commons Parliamentary Papers Online, *Special report of the select committee on Married Women's Property Bill*, (1867-1868), p. 82.

⁶¹ *Blackburn Standard*, August 29th 1860, 19th century British Library Newspapers.

⁶² Census, 1861, Ref. R.G. 9/3090

Pioneers started up in 1844, one of their problems was that most of their intended customer base was in debt to other shopkeepers and thus unable to easily switch, even if they wanted to do so.⁶³ The results above for the Bury Savings Bank, as well as the evidence from the Co-operative sources, clearly demonstrated that married women were managing their own finances.

Married women who bought shares in some cases tried to disguise that they were married. Mostly this just amounted to putting their occupation down as 'housekeeper' rather than 'housewife'. This again shows that they were aware of coverture, even if they had few qualms about breaching this law. Another point to note is that it is clear from the addresses given that shares were sold locally, so there is little doubt that those who sold shares would very often be aware of their marital status, but obviously did not let it worry them. A case in point is well demonstrated in the share records of the Lancashire Wagon Co. Ltd., established August 1857.⁶⁴ The share list shows an entry for a widow called Hannah Randle, but then it is crossed out and there is a correction in the margin, which says, "Married (see H. Chadwick)". The entry for Hannah Chadwick also has a note, which says "late H. Randle".⁶⁵ This makes it abundantly clear that those who recorded this information, and it was usually the company secretary, were not concerned that a legitimate shareholder, i.e. a widow, was now a married woman and thus contravening the law. It would seem in this case that Mrs Chadwick was not attempting any subterfuge, but there were some women who went to some trouble to disguise their status.

One Betty Maden of Rochdale, who bought shares in New Bacup and Wardle Commercial Co. Ltd. in 1856 listed herself as a widow.⁶⁶ Because 1856 is midway between the 1851 census and the 1861 census many were checked in both and research showed that whilst she was a widow by 1861, her husband, William who

⁶³ Holyoake, *Rochdale Pioneers*, p. 17.

⁶⁴ National Archives, BT 31/285/975, registered 25/8/1857.

⁶⁵ 1851, Census, 1861, Ref. R. G. 9/3090

⁶⁶ National Archives, BT 31/31753/11618, This Company was first formed in 1850. In 1856 it submitted a list of shareholders, but did not apply for limited liability until 1877. However the records are under this number for 1856.

was a mechanic, died in 1857, so she was anticipating matters.⁶⁷ Elizabeth Tomlinson of Haslingden bought shares in Laneside Industrial Cotton Mill Co. Ltd in early 1861; she listed her occupation as 'servant' however in the census of the same year she is listed simply as 'wife'.⁶⁸ Betty Hamer, who had ten shares in Bury Brewery, put herself down as a 'spinster', when in reality her married name was Clough. She lived with her unmarried sister, Mary Hamer and they both appear to have worked as barmaids in their stepfather's public house.⁶⁹ Another, who claimed to be a widow was Ann Orrell of Bury, who had shares in Bury Cotton Spinning and Manufacturing Co. Ltd., she was married to Isaac, who was a grocer.⁷⁰ There were others who put down their husband's occupation in order to disguise that they were married, such as Ann Egan of Bury, who claimed to be a shopkeeper, but that was really her husband's job.⁷¹

The most active woman in creating alternatives to her wedded status was Mary Pilling, wife of John Pilling, who was a grocer and tea dealer in Bury. Mary had been fortunate enough to have been left a trust by her mother on condition that the trust was then passed on to Mary's eldest daughter; Sarah Ann.⁷² John and Mary had three children, Sarah Ann, Mathias and Sarah. Sarah Ann married James Kenyon, who was a draper in Bury and they had four children, Mary Alice, Emma, Sarah Ann and Eliza D.

The original trust consisted mostly of property, but Mary, who appears to have been a strong character, gradually changed most of this to shares, some of which were for local utility companies. There does not seem to have been any actions by her trustees, one of which was her husband. She first came to the author's attention in an analysis of the shares of The East Lancashire Paper Mill Co. Ltd., which was founded by some entrepreneurs from Bury, headed up by two publicans.⁷³ One of the directors of this company was James Kenyon, Mary's son-

⁶⁷ Census, 1861, Ref. H. O. 107/2245. Census, 1861, Ref. R. G. (/3056. BMD, 1857, Haslingden, Vol. 8e, p. 94

⁶⁸ National Archives, BT 31/468/1813, registered 28/3/1860.

⁶⁹ Companies House, Company number 2119, registered 23/1/1861.

⁷⁰ National Archives, BT 31/31741/2117, registered 21/1/1861.

⁷¹ Census, 1861, Ref. R.G. 9/2844

⁷² Lancashire Records Office, DDWO box 177.

⁷³ Hampson, *The Quarterly*, No. 72, (Oct., 2009), p.38

in-law. Mary was on the first share register in 1860 and bought twenty £10 shares. She listed no occupation in this list and there were many other blanks in this first list.⁷⁴ However by the second list, one year later, the company secretary had obviously made an effort and most occupations were filled in. Mary declared herself to be a spinster. Given that her son-in-law was a director of the company it would seem that he must have known. However, he was also married to Mary's eldest daughter, Sarah Ann, who would inherit her mother's trust fund.

Mary had earlier bought shares in the Lancashire Wagon Company in August 1857 and not only declared herself a widow, but gave her address as Olivant St., Bury.⁷⁵ In 1862 she again used the Olivant St address and again claimed to be a widow when she bought shares in Bury Cotton Spinning Co. Ltd.⁷⁶ Finally in January 1863 she bought shares in Bury Brewery Co. Ltd., at her home address, but claimed to be a grocer – her husband's occupation.⁷⁷ He died in the middle of 1863.

What really reveals this to be a deliberate attempt to mislead is the 1861 census and an extract is shown below, (Table 29). The 1861 Census was taken on the 7th and 8th April, so it seems that Mary Pilling was at one address one day and the other address the second day. She should have revealed this, but instead put herself down as the 'head' at Olivant St and classed herself a widow. Why she should change her age is not known.

Of course there might have been two Mary Pillings in Bury, but there is only one death recorded under that name. However the real proof that this is one and the same person is the fact that at her Olivant St address, in 1861, she had two of her grandchildren with her and that the other two daughters of Sarah Ann and James Kenyon were with their parents at their home, as is shown below. A check with the 1871 census, when the Kenyon family were still at the same address, reveals that the ages of the Kenyon daughters, who had been with their grandmother in 1861, were what they should be to correspond with the earlier census.⁷⁸ Her will shows

⁷⁴ Companies House, company number 1815, registered 29/3/1860

⁷⁵ BT 31/285/975.

⁷⁶ BT 31/31741/2117.

⁷⁷ Companies House, Company number 2119

⁷⁸ Census, 1871, Ref. R. G. 10/3953

that she died in the Olivant St address in 1871 and that she left shares to the value of £2,580 along with some properties which brought the total estate to over £3,000 – a considerable sum for the time and equivalent to £130,000 in today's money.⁷⁹

Table 29. Extract from 1861 census concerning Mary Pilling and family

1861 Census				
Address	Name	Position	Age	Occupation
49, Pitt, o'th'moor	John Pilling	Head	64	Grocer and Tea Dealer
	Mary Pilling	wife	63	wife
	Mathias Pilling	son	33	Iron Turner (widower)
	Mary Pilling	G'daughter	3	
4, Olivant St	Mary Pilling	Head	64	Widow
	Sarah A Kenyon	G'daughter	12	
	Eliza D. Kenyon	G'daughter	4	
	Margaret Smith	Servant	21	
13, Market St	James W. Kenyon	Head	42	Draper
	Sarah A Kenyon	wife	41	
	Mary A. Kenyon	Daughter	16	
	Emma Kenyon	Daughter	14	
	Hannah Sutton	Servant	24	

Source; 1861 census records – Ref. RG 9/2850, RG9/2846, RG 9/2844

It is a matter of record that Mary Pilling was very much involved with the Bethel Sunday School, Bury, having been one of its first scholars and later becoming for many years a Sunday School teacher. This is recorded in the obituary of her son Mathias.⁸⁰ The deceptions listed above probably come as a result of having a trust fund and being aware of what was involved and may have had something to do with feeling a need to protect her daughter's inheritance she, unlike many of the women in the sample, obviously felt a need to ensure that the law did not make her hand over her shares to her husband.

Maltby's article on women savers has been mentioned earlier and she also has experienced the problem of working class women who seem to defy the convention of coverture, she concludes by saying that further research is needed

⁷⁹ Lancashire record office, ref. DDWO, Box 177.

Reproduced at, <http://www.nationalarchives.gov.uk/currency/results.asp#mid>, accessed 10/2/2015.

⁸⁰ *Bury Times*, 25/6/1913

but does say that “working class wives were economic agents who could save, literally, on their own account.”⁸¹ It is also worth quoting Finn who makes the point that working class wives were expected to manage the family budget and thus were obliged to enter into financial transactions, in spite of the laws on coverture.⁸² Earlier, data was presented on married women savers in the Bury Savings Bank, which also shows a disregard of coverture.

Out of the sample discussed above, there are a handful of women who were obviously well aware of coverture and actively tried to take measures, usually by lying about their status, to avoid it. However, the majority, seemingly encouraged by their husbands and local officials, simply ignored it. If the husband was compliant in this respect, it is difficult to see just what anyone else could do. This law was there to confirm the husband’s authority over his wife and really, as stated above, was a relic from Norman times, when property rights and dowries were an essential part of any marriage settlement. Such a concept was not a factor between a working-class man and his wife, maybe the last remnants of this concept persisted in the idea that the woman, prior to marriage, would try to prepare by having a ‘bottom drawer’ where she collected items of household goods, usually textiles in preparation for marriage.⁸³ If a husband chose not to enforce the concept of coverture, then it would only come before the courts in the sort of circumstances described earlier, i.e. where a woman had pledged a husband’s credit and then pleaded coverture. Other than that it could remain a private affair between man and wife and the extent of married women’s shareholdings seems to confirm that this was the case.

The issue of coverture tends to attract the attention, but it must be remembered that out of the 1,197 women who bought shares the majority were not married and were predominantly textile operatives and mostly power loom weavers. It must be made clear here that attempting to draw a firm line between those women who can definitely be identified as married and those who were not is very difficult. Earlier, based on the fact that 181 women were identified as married, because they

⁸¹ Maltby, ‘Wife’s Administration of Earnings’, p.212.

⁸² Margot Finn, ‘Working-Class Women and the Contest for Consumer Control in Victorian County Courts’, *Past & Present*, No. 161 (Nov., 1998), pp. 129-130

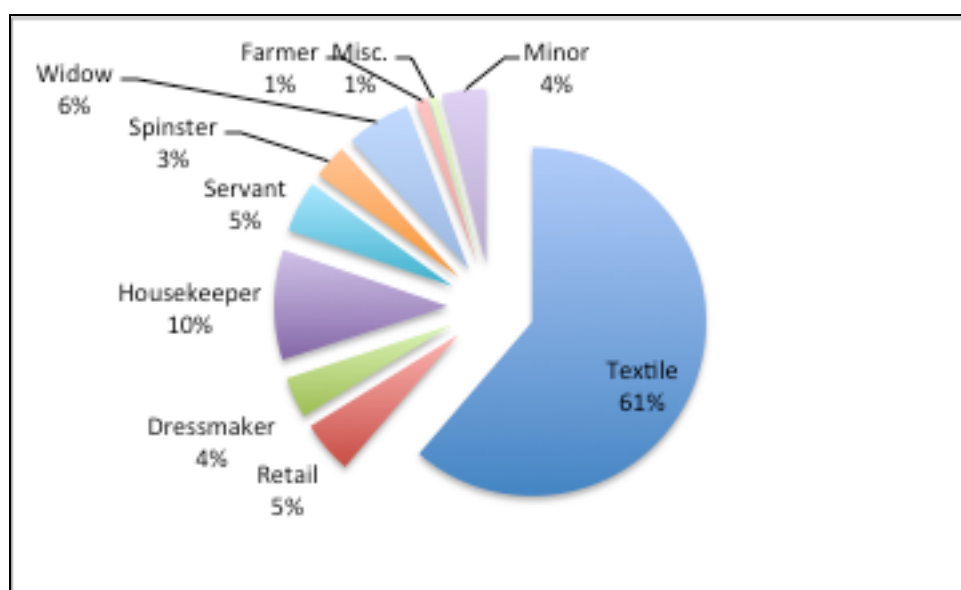
⁸³ Reproduced at, <http://www.phrases.org.uk/meanings/bottom-drawer.html>, accessed 4/2/2012

had been found on the census, the assumption was made that, in proportion, there might be as many as 317 who were married. That is a reasonable assumption, but some of those 210 women assumed to be married are present in the sample of unmarried women and this needs to be borne in mind.

Table 30. Occupations of unmarried women shareholders. (Median date 1860)

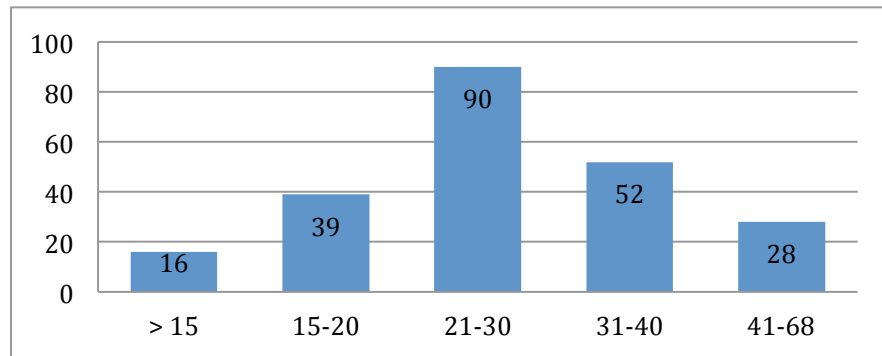
Unmarried Women's occupation			
Textile	499	Spinster	26
Retail	40	Widow	49
Dressmaker	31	Farmer	9
Housekeeper	83	Misc.	5
Servant	39	Minor	33
		Total	814

Figure 33. Occupations of unmarried women shareholders by percentage. (Median date 1860)



Out of the women in the unmarried sample, over 800 gave their occupations, or were found in the census, these have been analysed as shown above, (Table 30 and Fig. 33). What stands out is that women who were power loom weavers are 61% of the total. These operatives were predominantly weavers due to the fact that power loom weaving was a piece rate occupation and that women were paid the same per piece as men for power loom weaving and was therefore a well-paid occupation for women.

Figure 34. Ages of unmarried women shareholders. (Median date 1860)



It was not possible to get the ages of all the unmarried women, but data was obtained from the census for 225 out of the sample of weavers. The age profile is shown above, (Fig. 34). The youngest was eleven years old and the oldest was sixty-eight. Obviously the largest group was in the twenty to thirty range and this reminds us that in this period women tended to outnumber men, so many women never got married, indeed, if she were capable a woman might have to work until she died, hence the lady at sixty-eight. It can be seen that fifty-five were below the age of twenty-one and therefore technically minors. It is appropriate at this stage to also consider shareholders who were children.

The introduction commented on the fact that there were children who held shares. The age of majority was quite clearly twenty-one and below this age minors were treated in many respects in the same manner as married women as regards property and contracts.⁸⁴ However, Beeton makes the point that;

Theoretically a minor cannot trade, buy or sell or conduct any manufacture or handicraft on his own account. In practice he can do all these things, and many minors avail themselves of the liberty, subject to immunities that sometimes give them great advantages.

What this means is what comes a little later in the discourse on minors; “Contracts, - if he enters into any contracts, except apprenticeship, the other party (if not a minor) is bound but the minor is not”.⁸⁵ So in the matter of buying shares in a

⁸⁴ Beeton, (1891), pp. 257- 259.

⁸⁵ Ibid, p.259.

minor's name, if there was a 'call' on the shares, i.e. a need to pay further money, then the minor could not be forced to pay.

Beeton categorises minors into three groups, below seven years is classed as the *age of nurture*, seven to fourteen the *age of guardianship* and fourteen to twenty-one the *age of discretion*.⁸⁶ Given that most of the children in this study would be working by the time they were fourteen, it has been decided to categorise children, in this study, as below fourteen. According to this measure there were 169 minor shareholders in the companies listed. One hundred were male and sixty-nine female, their ages ranged from one up to fourteen. In some instances it was clear that the parents were buying the share in the child's name in other examples it would appear that the buyer did not want it to be apparent and put down his or her occupation as if it were the child's. It is very likely that the number of children found is not the full total due to being unable to find many on the census.

Figure 35. Extract from the Padiham Cotton League Deed of Settlement.

Signature	Seal	Number of Shares	Description
his mark Edward X Hitchen and seal	(11)	Ten	Weaver
his mark James X Pollard and seal	(1)	One	Cotton
per me Emanuel Pollard his infant son his mark James X Pollard and seal	(1)	One	
John Raughter			

Name of Resident	Place of Residence (if any)	Date of Signature	Witness
near Padiham	do	6 th August 1855	Josh Greenwood
near Padiham	Padiham	6 th August 1855	Josh Greenwood
near Padiham		6 th August 1855	Josh Greenwood

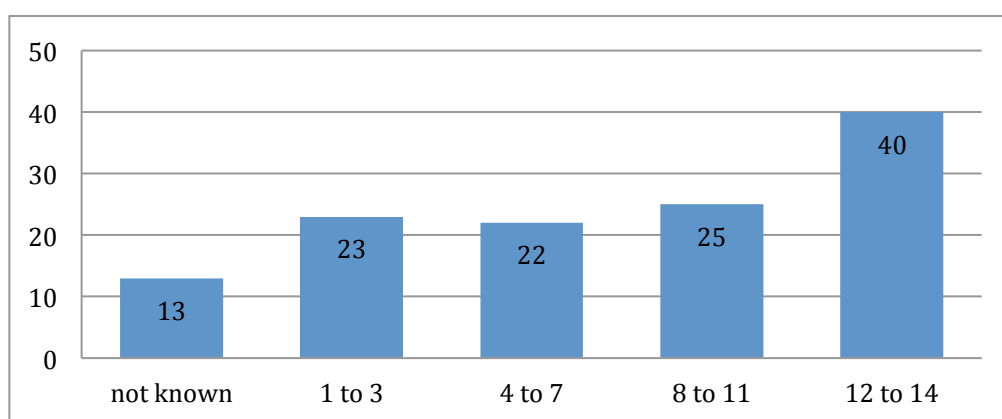
Source National Archives, Ref. BT41/533/2921.

One of the companies included in this sample is the Padiham Cotton League. This is the only one, which produced a 'Deed of Settlement' that was individually signed, with each signature witnessed by a solicitor. The Deed of Settlement was signed by each shareholder, or by making his or her mark. Those shares bought for children had to be identified and we see in the margin notes such as 'for an infant daughter'

⁸⁶ Beeton, (1891), p. 257.

or other such similar comments. Thus, more than any other list of shareholders, it is possible to see just how many people bought shares for their children. There were four hundred and seventy six shareholders and amongst them, clearly identified, were forty-three children, five of whom were over the age of fourteen thus thirty-eight were children by the definition above. This means that nearly 8% of the shares were held by children, which is a much higher average than has been found in the whole sample. The question is whether this is a local variation or might there be many more children in the sample? In the example above,(Fig. 35), from the Padiham Cotton League Deed of Settlement, the third entry down reads 'James Pollard' and above, 'per pro Emanuel Pollard his Infant Son'.

Figure 36. Ages of child shareholders. (Median date 1860)



The evidence would seem to indicate that the habit of buying shares for children was greater in the rural districts, higher up the valley. It is intended to divide the sample into regions for a later analysis and this can be examined at that point. Even before that there is one obvious answer and that is that Bury had a Savings Bank and we know that many accounts were opened for minors, so there was less need to buy shares for children as a way to invest in their future. It is almost certain that there are more children in the sample than have been identified, because of the problems of the census, which has already been discussed.

Figure 36 shows the ages of child shareholders. The greater number of children in the twelve to fourteen groups could well indicate that they might be involved in buying them themselves, since they were almost all employed in the textile industry. Given the fact that it is clear that many parents must have been buying

some of these shares as investments for their children, it is not too much of a supposition to suggest that once in work some of them might have been encouraged to start saving. Just for the record, there were forty-five shareholders between fifteen and twenty-one. Out of the 123 shareholders below the age of fifteen, fifty-seven were female and sixty-six male.

At this point it is worth returning to the data from the Bury Savings Bank on the child savers detailed above, (Fig 25), out of the total of one hundred and twenty six savers who opened new accounts in the first quarter of 1858, there were thirty one minors, seventeen of which were female and fourteen were male. In this case it is most likely that the bank was considering anyone under twenty-one as a minor.

The information presented in this chapter raises several issues. One is the very fact that working class women were willing and able to invest money, in their own name, in shares in a limited liability company. There is no doubt that this is correct, and is not just confined to one location. The database consists of twenty-three companies, spread over a significant geographical area, which covers both the semi-rural upper part of the Irwell Valley as well as the towns lower down, especially Bury. Bury, as has been discussed, was, by the standards of the time, quite cosmopolitan with rail, road and canal links to various locations, plus it had a wide mix of industries. What is surprising is that so many working class 'mill girls', who had probably started work at ten or twelve, should have had the incentive to start saving at a relatively young age. In the graph of the age profile of unmarried women the peak is women aged 20-30 and it can be inferred that these were women who found the chances of getting married to be remote and thus had a motive to save, but there were also almost 20% of younger women who also bought shares. It would be very significant to try to link such women with the data on education, but, whilst this is not possible, the very fact that it happened indicates that such women had moved beyond the 'hand to mouth' existence of earlier generations and possibly, though unproven, had a glimmer of education.

The second conclusion is those working-class women and their husbands paid little attention to the law of coverture. In a few cases women tried to disguise their marital status, but there is no indication that coverture was ever a serious

problem, except for the few instances where the couple had separated and the wife then tried to pledge her estranged husband's credit. On the question of both share buying and saving, married women were active. What is also significant is that men, either their husbands, or officials who sold them the shares, or entered their names in savings ledgers, were colluding with them. Ormerod's testimony to the Parliamentary committee could hardly be more explicit. The men were therefore generally consensual in their wives' activity and this ties in with the attitude of the Co-operative Society.

The above two conclusions, along with other evidence discussed, such as the tendency to join Reform Societies, Friendly Societies, join in strikes and to pay for self-education in evening classes, all suggest that these women sought to improve themselves. The Reform Societies and strikes were active, but their activities in educating themselves, buying shares, opening accounts in savings banks and ignoring coverture can be inferred as a form of civil disobedience – it was not the way that women were supposed to behave. There are better known women in the period, such as those mentioned earlier i.e. Caroline Norton and Barbara Leigh Smith Bodichon, who have been seen by history as active forerunners in the feminist movement, but who were obliged to conform.⁸⁷ Whilst the Lancashire working-class women were not so prominent, nevertheless they were, in however a small way, setting out an agenda for change and if they were not yet the grass roots of a feminist movement then they were planting the seeds.

Claims have been made that Victorian parents, especially from the working classes, sought only to profit from their children. The Children's Employment Commission of 1866 came to the conclusion that "against no persons do the children of both sexes require so much protection as against their parents".⁸⁸ No doubt children had to work far more than we would think normal today, but the evidence is that some parents at least were trying to make provision for their children's future,

⁸⁷ Barbara Leigh-Smith Bodichon published a pamphlet regarding the oppression of women entitled, 'A Brief Summary in Plain Language of the Most Important Laws Concerning Women, Together with a Few Observations Thereon'. This was reprinted in Susan Groag Bell and Karen M Offen, eds., *Women, the Family and Freedom: The Debate in Documents, Vol. , 1750-1880*, (Stanford University Press, 1983), pp. 300-305.

⁸⁸ Reproduced at; http://gateway.proquest.com/openurl?url_ver=z39.88, p. 25, 162, accessed 14/12/2013

either by investing in shares or in savings banks. Just how widespread this practice was is not confirmed by this thesis, but the evidence from the Padiham Cotton League ledger suggests that it might well be even more widespread than is suggested here.

Chapter 10. The Irwell Valley virtual Share Market and the question of 'Co-operative Companies'.

All are agreed that the formal market in London contributed very little to industrial capital formation in Britain...It is possible that in this area further historical research may be able to provide a more adequate picture of what actually happened.¹

Shares are usually sold via a share market and this chapter shows how such a market developed in the Irwell Valley, from its beginnings as purely by word of mouth, to a more sophisticated situation with existing companies using it to obtain finance. This led to increasing prosperity for some and also provided a source of finance for many small industrial companies, which could never have afforded to be quoted on the regular stock markets. It also goes on to examine the question of whether such companies should be classed as co-operatives, which is how many contemporary writers perceived them. It shows the distinction between the co-operative concept and joint-stock companies.

The London Stock Exchange came into existence in the early modern period and by the end of the seventeenth-century regulations were being introduced. The boom in canal building boosted it further, so that in 1854 a brand new stock exchange was built.² Of course the major British share dealings in the Victorian period took place here, but there were also various provincial stock exchanges. The two earliest of these were in Liverpool and Manchester, both of which were formed in 1836, principally due to the volume of local trading in shares of canals, railways and joint stock banks. Thomas details how the various provincial stock exchanges were set up and how they prospered, or otherwise. He does make it clear that the main objective of these exchanges was to deal in shares of railway companies as well as utilities such as gas and water works.³ He has provided a separate chapter

¹ Michael Collins, *Banks and Industrial Finance in Britain, 1800-1939*, (Cambridge University Press, 1991), p.43.

² Morgan & Thomas, *The Stock Exchange*, pp. 20 & 142.

³ Thomas. *The Provincial Stock Exchanges*, pp. 52-69

devoted to Oldham and the dealing in the shares of the 'Oldham Limiteds', from the early 1870s until the start of the twentieth-century.⁴

What is significant is that the situation in Oldham was essentially the first dealing in industrial manufacturing shares that has been documented. Virtually all the shares traded were for the local cotton mills. It is hard to say that there was a genuine stock exchange. In fact there were a number of competing small share markets, usually centred upon a public house or similar.⁵ Farnie claims that an attempt to create an 'Oldham Share Exchange Company' failed.⁶ In fact this company advertised itself very briefly in the *Oldham Chronicle* but rapidly faded from sight.⁷ The only long-term successful organisation was the Lancashire Share Brokers' Association, which was formed in 1880 and is thus not really relevant to this thesis.⁸ At this point the work by Newton on financing industrial companies in Sheffield is worth noting, since industrial shares were not quoted on major exchanges. However, in Newton's case there was a share exchange in Sheffield and the shareholders were not noted as working-class men and women.⁹

The above comments are included as they make it plain that the type of shares being dealt with in the Irwell valley in the period from 1850 to 1865 did not have an established market. Instead there appeared what might be called a 'virtual market', since there was no established procedure or established stock exchange. A share exchange did appear for a short time in Rawtenstall in 1876 in something called the 'Exchange Club'.¹⁰ This was reported to be a purpose built building, where, according to the *Bacup Times*, 'the baleful influence of the public house will not be felt'.¹¹ In 1890 the building was bought by the town and became part of the Town Hall, so, presumably it had failed as a share exchange by then. For the period being discussed there were no formal share exchanges for the sale of industrial shares. This thesis is about the worker shareholders in the Irwell Valley in the time

⁴ *ibid*, p. 145

⁵ *ibid*, pp. 149-152

⁶ Farnie, (1979), p. 254.

⁷ *Oldham Chronicle*, 2/5/74., Oldham Library

⁸ Farnie, (1979), p.254

⁹ Lucy Newton, *The Finance of Manufacturing Industry in the Sheffield Area c. 1850-1885*, unpublished PhD thesis, (Leicester, 1993), p. 181.

¹⁰ See pp. 175-176.

¹¹ *Bacup Times*, 18/7/1876

period principally from 1850-1863 and for a smaller sample up until the 20th century but in the question of the share market, data up to 1875 are discussed.

Before discussing how shares were bought and sold, one issue needs to be examined and that is an explanation of how the ordinary working people of Lancashire were able to afford to build mills and buy shares in such mills, especially as there is well-known literature detailing the poverty of these locations. Probably one of the most famous such works was Engels' *The Condition of the Working Class in England*, as a result of his stay in England and especially Manchester in 1842-1844, and this paints a very gloomy picture.¹² The 1840s were a particularly bad time. Aspin quotes numerous examples of hardship from this period, but he goes on to stress how many of the working classes, who were educated by the Sunday school system, managed to improve themselves.¹³ He also gives details of the degree of drunkenness, as well as noting that the effect of the churches meant that many men no longer spent all their free time and money drinking and he quotes regarding a Methodist church; "in the tavern there is no loud shouting or singing on a Sunday evening, but in the preaching house the noise is so great until late at night that the neighbours cannot sleep."¹⁴ It was this desire for improvement, which gave rise first to the Rochdale Pioneers and soon afterwards the Bacup Commercial Company. In 1860 a press report said; "the effects of these (co-operative) movements have already begun to be felt in the diminution of drunkenness and the encouragements of thrifty habits and forethought."¹⁵

Money was scarce in the 1840s and 1850s, one only need to read about how scanty were the funds which started off local co-ops to realise this, Aspin says that the Rawtenstall Society was launched with a meagre capital of just 3s-9d.¹⁶ Yet there were significant changes in the income of workers. Hartwell argues that there were marked improvements in the standard of living between 1800 and 1850. He makes the point that "money wages were stable between 1820 and 1850, a period

¹² Frederick Engels, *The Condition of the Working Class in England*, (Panther Books Ltd., 1969).

¹³ Aspin, *Lancashire*, pp.57 and 101.

¹⁴ *Ibid*, p. 110.

¹⁵ *The Staffordshire Sentinel*, 26/5/1860.

¹⁶ Aspin, *Mr. Pilling*, p. 9.

of falling prices”.¹⁷ Brown makes a similar argument, suggesting that when many external factors are taken into account the overall result is that in the period from 1806-1850 real earnings almost doubled, even though wages were static, because the cost of living decreased dramatically.¹⁸

Not everyone agrees with these figures, but the fact is that people did have enough money to invest a little of it. One factor affecting this is that households, rather than individuals had improvements in earnings. Horrell and Humphries have made a detailed study of the effect of women and children’s earnings and conclude that in factory districts, in the period in question, they might well have boosted the family income by around 30%.¹⁹ Lawson quotes an example of this, citing Thomas Park of Preston, who opened a savings account in 1849 with £8. In the family were five sons and one daughter, all working in the textile industry, within six years his account had accumulated £34.²⁰

Another aspect of how working class people handled money is outlined in Benson’s work on consumption, saving and investment. He says that in one way or another there was money to spare for all three of these activities. He does make the point in his conclusion that; “Social and labour historians have tended to...under estimate working class saving and overlook working class investment.”²¹ Again, John Ormerod’s testimony to Parliament in 1868 has been discussed earlier, when he confirmed that many people opened multiple accounts because the limit was £100 per account.

Whilst all the above makes for a significant debate, the fact is that these companies did sell their shares to local workers. It helped that they were sold on ‘deferred terms’, allowing the purchase to be spread over several months, but there were

¹⁷ R. M. Hartwell, ‘The Rising Standard of Living in England, 1800-1850’, *Economic History Review*, New Series, vol. 13, no. 3(1961), p. 400.

¹⁸ John C. Brown, ‘The Condition of England and the Standard of Living: Cotton Textiles in the Northwest, 1806-1850’, *The Journal of Economic History*, Vol. 50, No. 3 (Sep., 1990), p. 608.

¹⁹ Sara Horrell and Jane Humphries, ‘Women’s labour force participation and the transition to the male-breadwinner family, 1790-1865’, *The Economic History Review*, Vol. 48, No. 1 (Feb., 1995), p.103.

²⁰ Zoe Lawson, ‘Save the pennies! Savings banks and the working class in mid nineteenth-century Lancashire’, *The Local Historian*, Vol. 35, No. 3 (Aug. 2005), p. 176.

²¹ John Benson, ‘Working-class Consumption, Saving and Investment in England and Wales, 1851-1911.’ *Journal of Design History*, vol. 9 No. 2 (1996), p. 95.

very few who defaulted on the payments, though there were instances of the shares being re-sold fairly quickly in some cases.

There was no real shortage of money to invest amongst those fortunate enough to be able to work. The fact that the Co-operative Society had to place a limit on investments proves this point and it has already been discussed that in the very difficult year of 1858 the Bury Savings Bank opened many new accounts for working people. The key factor is the one mentioned above and detailed by Aspin namely, the improvements brought about by education, which were led by and led to the desire for self-improvement.

When the original companies, such as Bacup Commercial or Padiham Commercial, were being formed there is no trace of any published prospectus. Of course the number of shareholders was small, at sixty-nine for Bacup Commercial and seventy-seven for Padiham Commercial and the shareholders were all local. This seems to confirm that simple 'word-of-mouth' was sufficient for such share issues, with these early companies.

The Limited Liability Acts were passed in 1855 and 1856, and the need for two acts, the second of which essentially abolished the first, might have been clear in London, but it must have made many people wonder if there was not yet another amendment to come. On top of this 1857 was a period of commercial uncertainty.²² Given these facts it is not surprising that the surge in the registration of textile companies did not start until some time had passed. The dates of formation are all contained in Table 3, page 62. Some of the companies formed prior to the 1856 Act quite quickly took the opportunity to regularise their position, by registering under the new Act. However, the first new companies were Newchurch Building Company registered on 3/11/1856, and the Lancashire Wagon Company on 22/8/1857. These were companies with quite small share bases. Newchurch Building Co. had only thirty-three shareholders and Lancashire Wagon only sixty-two, most of whom held quite substantial numbers of shares.

²² J. R. T. Hughes, 'The Commercial Crisis of 1857', *Oxford Economic Papers*, New series, Vol. 8, No. 2 (Jun., 1956), p. 209

The first of the cotton companies to form a brand new limited company was the Bury and Heap Commercial Company in July 1859, soon followed by Bury Co-operative Manufacturing Company Ltd., which first registered in April 1860 and then almost all of the other companies in the database followed in the period 1860-1863. This does not imply that there was no other activity, some of the 'early companies' were quite late in applying for limited liability status. New Bacup and Wardle Company did not apply for limited liability status until 1867, but it did register under the new act and issue more shares and by 1856 its share register showed that it had sold 4,200 shares to a total of 370 shareholders. This compares to the 97 shareholders when the company had been re-formed in 1854.

The new companies formed after the Limited Liability Acts obviously realised that they needed to appeal to a wider audience and almost all published a prospectus in a local newspaper, which at this time meant the *Bury Times*, the *Rochdale Observer* or the *Bury Guardian*.

The pattern was usually that a group of men might come together to plan a mill. An example of how this might happen is detailed in some recollections of what happened in Bury in earlier days. The author of *Bygone Bury* describes how the company Bury and Heap Commercial came into being. He recounts that a group of men gathered in what was described as a 'village parliament' in the snug of the 'Seven Stars, Littlebridge'. The names of this group are given and they are those who were very much involved with the start of this company.²³ One part of the inspiration was the achievement of the Lancashire Wagon Company, which had been started only two years earlier, in Bury and which was seen as a great success. He goes on to say that Bury and Elton Manufacturing Company also sprang from these same roots. It seems likely that most of the new companies formed around this time originated in this, or similar ways. The effects of the Co-operative movement must have played a major part in encouraging such decisions and for a long time such companies were known as co-operative manufacturing companies – a point which will be discussed later.

²³ Lord, *Bygone Bury*, pp. 26-27

These informal groups had their own networks of connections and were confident that the proposition was viable, at least in the fact that they could expect to sell enough shares. Indeed there is some evidence that suggests that some of these projects already had enough commitments even before they advertised. The East Lancashire Paper Mill Company Ltd. advertised for premises before it published a prospectus, thus suggesting that enough shares had been sold 'by word of mouth' to make the original subscribers of the company confident.²⁴

The prospectus usually took the form of an advertisement. It would normally commence with the basic details of the company's financial situation. Thus the first item stated was often the nominal capital and how this would be divided into shares, which obviously gave the value of the shares being offered. This notice was usually inserted before the company had received its limited liability status and thus it typically had the word 'Limited' in brackets to indicate that this was the intention. Some companies then went out of their way to indicate that this was an investment aimed at the working classes; one example was an advertisement in the *Blackburn Times* for 'The Blackburn Co-operative Cotton Spinning & Weaving Company (Limited)'. After the financial information there was a short paragraph about how the cotton trade was growing, then the statement "The above registered company has been formed with a view to offer an advantageous investment to the assiduous and striving tradesman and thrifty operative".²⁵

It is significant that few, if any, of the Irwell Valley companies needed to insert such an obvious message to working men. Indeed 'Bury and Elton Cotton Spinning and Manufacturing Company (Limited)' had a very brusque announcement, which stated the obligatory financial information, but then simply said that the directors of the company were prepared to receive applications for shares.²⁶ The whole announcement occupied less than two column inches. From this it can be seen that the whole ethos of shareholding had penetrated down the Irwell Valley and needed relatively little explanation, especially in the 1859-61 period when there was a flood of such companies. Some issues of the *Bury Times* had announcements

²⁴ *Bury Times*, advertisement for premises 4/2/1860, prospectus published 18/2/1860.

²⁵ *Blackburn Times*, 4/5/1861, Blackburn Library

²⁶ *Bury Times*, 10/12/1859

of two or three new companies in each issue; indeed the issue on January 5th 1861 had a column on the front page, which had twelve announcements about new share issues or meetings of shareholders.²⁷

It was normal that after the financial announcements there followed some information about the company. If it were planned to actually build a new mill there would be some sort of progress report. If the plan was to take over an existing mill, then there would be a schedule of payments published, usually making it clear that higher contributions would not be called. Then would follow the all-important matter of how and where shares could be purchased. Some companies had arranged for office accommodation, where shares could be obtained, but more often the sales outlets were much more informal. The Whitworth Manufacturing Company (Limited) sold its shares via a Mr William Whipp, butcher and Mr Joseph Whitaker, clogger both of Whitworth.²⁸ The Stoneholme Cotton Spinning and Manufacturing Company, Crawshawbooth advised that its shares could be bought from the house of Mr William Clark, painter, next door to the Black Dog Inn, Crawshawbooth.²⁹ It was more common for the shares to be sold in public houses, such as was arranged by the 'Rawtenstall and Hardsough Spinning and Manufacturing Company (Limited)', which offered its shares at the Whitehorse Inn, Rawtenstall.³⁰ The Bacup Brewery Company (Limited) sold its shares via The Railway Tavern, Waterfoot and the Red Lion Inn, Shawforth.³¹ The Crimble Spinning Company (Limited) announced that its secretary would attend The Royal Oak Inn, Bury on Monday Wednesday and Thursday evenings from eight until ten o'clock to receive applications for shares.³²

The Lancashire and Yorkshire Cotton Manufacturing Company (Limited), which was an ambitious Bacup inspired and led undertaking to utilise mills in Yorkshire. Its prospectus, (Fig. 37), offered its shares at the shop of Mr William Hoyle, grocer, Newchurch Rd, Mr William Tagg, draper, Bacup; Mr James Raby, innkeeper, Peel's Hotel, Bury, Mr William Sykes, manufacturer, Church St; Mr Richard Greenwood,

²⁷ *Bury Times*, 5/1/1861

²⁸ *Ibid*, 26/1/1861.

²⁹ *Ibid*, 26/1/1861

³⁰ *Ibid*, 27/4/1861.

³¹ *Ibid*, 27/4/1861

³² *Ibid*, 29/10/1859

agent, Flats, Dewsbury; Mrs Richardson, innkeeper, Horbury; or Mr James Stephenson, Temperance Hotel, Broad St, Halifax. This example shows just how widely the net was being cast by 1860 as well as displaying most of the types of outlets used for share selling in the initial phases. Note the expected profit of 25-30%.

Figure 37. Prospectus for Lancashire & Yorkshire Cotton Manufacturing Company Ltd.

us. rooms moderate D 5326	grain of dust. Price 15s. Newton Wilson and Co., 144, High Hol- born, London. NELSON & SON, Briggate, Agents for Leeds, D 9000	TREN Abol
mber of ly Poli- conducted D 6748	<p>THE LANCASHIRE AND YORKSHIRE COTTON MANUFACTURING COMPANY—Limited. Capital £100,000, in 10,000 Shares of £10 each.</p> <p>This Company is formed to carry on the business of Cotton Spinning and Manufacturing in all its departments.</p> <p>The premises intended to be purchased by this Company are situate about half a mile from Horbury and about the same distance from Ossett, in Yorkshire, have been built expressly for the spinning of cotton, and comprise two new and one old mill, with three boilers, three engines, shafting, warehouses, offices, and every convenience. The whole of these premises comprise (including the site of the said buildings) about 5½ acres of land, full of excellent clay for the purpose of brick-making, free from any chief rent, land or other tax, except about £1 6s. 8d. per year, are within about a mile from Horbury Station, and situate in a neighbourhood where coals are cheap, and within a few hundred yards of these mills, and where labour is plentiful.</p> <p>The profits of this concern will, it is presumed, be on an average of from 25 to 30 per cent.</p> <p>The Executive Committee will comprise practical workmen, well versed in each department, so as to insure the most economical working of the concern.</p> <p>Application for shares may be made to, and further information obtained of, Mr. William Lloyd, grocer, New Church-road; Mr. William Tagg, draper, Rochdale-road, Baccup; or of Mr. James Raby, innkeeper, Peel's Hotel, Bury, Lancashire; of Mr. William Sykes, manufacturer, Church-street; Mr. Richard Greenwood, agent, Flatts, Dewsbury; Mrs. Richardson, innkeeper, Horbury; or of Mr. James Stephenson, Temperance Hotel, Broad-street, Halifax, Yorkshire.</p> <p style="text-align: right;">D 6375</p>	MR. amen Mr. oppe ment votin third
HINE. ake, £15. chester. D 1298 o		relax thro
Ladies ha Open designs in Flowers, spectfully D 6193 r		to br in fa
to the a, with an h will be D 6748 r		amor tive servi £14, of th nett
<p>SECOND GENERAL DISPLAY OF NEW SPRING GOODS in all the Departments. at</p>		

Source; Leeds Mercury 28/4/1860

Crucial to the success of selling these shares was the concept that they could be bought by instalment. Companies normally demanded a deposit, which varied according to the cost of the shares. At one end of the scale were small co-operative ventures such as the Belthorn Co-operative Weaving Company (Limited), with 6,000 shares of only £1.³³ The deposit was one shilling per member and a promise that calls would not exceed 3d per share per week. The Rossendale Cotton Spinning and Manufacturing Company (Limited), with 4,000 shares of £5 each

³³ Blackburn Times, 4/5/1861

demanded a deposit of 1s-6d per share, but no information on calls.³⁴ Bacup Brewery, with 1,000 shares of £10 each asked for five shillings deposit and stated that calls would be 10s - 0d per month and that 6% interest would be offered on all paid up shares.³⁵ The final point meaning that those who paid the full amount in advance received interest. The East Lancashire Paper Mill Company (Limited) had 5,000 £10 shares and asked for a deposit of 2s-6d and promised to limit calls to a maximum of £1 per month. In fact the calls were never more than ten shillings and were spread over the period from March 1860 until November 1862, by which time they were fully paid up.³⁶

Once companies were established, there would be a desire to trade their shares. A major feature of a Joint Stock Company was the idea of transferable shares, but as has already been discussed there was no market place locally for the sale of industrial manufacturing shares. This did not prove to be an obstacle however, and share sales were managed in a variety of ways. One point to note is that companies usually had a clause in their articles of association to the effect that any exchange of shares was invalid until the sale had been registered with the company.

Private one to one sales must have taken place but there is no way to examine such transactions. Quite quickly middlemen sprang up, who acted as agents for the sale of shares. Some of these were already established agencies for insurance companies and similar organisations and had often also started to sell the occasional shares in utility companies. Handling sales of the new 'co-operative' companies was a natural progression, but these were not established share brokers such as might be found in the bigger cities where genuine stock exchanges flourished. A significant example was an advertisement in the *Bury Times* as early as December 1859, when the following advertisement appeared;

WANTED, SHARES in the Bury and Heap also in the Crimble Cotton Manufacturing Companies. – Apply to G. Booth, Pawnbroker, Bolton Street, Bury.³⁷

³⁴ *Bury Times*, 26/11/1859

³⁵ *Ibid*, 27/4/1861

³⁶ Hampson, *The Quarterly*, No. 72, Oct. 2009, p.36.

³⁷ *Bury Times*, 10/12/1859 (my underline)

By 1862 the *Bury Times* had a separate section headed simply 'Shares' and under this heading, in February, were four advertisements for shares. One was by J. Downham, who classed himself as "Accountant, Auctioneer and Valuer. He wanted to buy Lancashire Wagon shares. He was John Downham, who also acted as company secretary for the East Lancashire Paper Mill Co. Ltd. The second announced; "SHARES ON SALE – 40 East Lancashire Paper Mill, 10 Crimble Spinning Company – Apply to William Kay, 61, Hornby Street, Bury." This, in fact, is almost certainly Hiram Kay, who lived at this address and later advertised from it under his own name, before moving to premises in Broad Street.

The third advertisement was by James Ingham of Rawtenstall saying simply "SHARES BOUGHT and SOLD in any of the Joint Stock Companies in the neighbourhood, on commission". This is a common, local name and the census is no help in identifying him. The final advertisement could possibly be seen as the start of professional share dealing. It says; Established 1855, J. BLOMELEY, Stock and Share Broker, Auctioneer and Estate Agent, Broad Street, Bury. The census does not show anyone who corresponds to this name and later information suggests that this was the Bury office of a Manchester based broker.³⁸

It can be seen that whilst there was no official share exchange, shares were being bought and sold. Yet there were attempts to set up local exchanges. The following advertisement appeared in June 1861:

SHARE EXCHANGE, BACUP. – J. LORD, TEMPERANCE HOTEL, BACUP, hereby intimates that the COMMERCIAL ROOM at his hotel is NOW OPENED as a SHARE EXCHANGE, from four till eight o'clock every Saturday afternoon. All persons having Shares to dispose of in the various Joint Stock Companies, and all persons wishful to purchase Shares, may meet for the transaction of business at the above time. No charge made beyond a nominal fee for registration.³⁹

Two weeks later the same advertisement appeared again alongside a virtually similar one for Rawtenstall, this time one Henry Riley announced that he had set aside a room in his residence from five until eight every Saturday.⁴⁰ After this the

³⁸ *Bury Times*, 22/2/1862

³⁹ *Ibid*, 15/6/1861

⁴⁰ *Ibid*, 29/6/1861

advertisements ceased, possibly because the public did not respond, but the hotel proprietor, Mr John Lord, obviously persisted as he appears in later news reports described as a 'share broker'.

Share lists started to appear sporadically in the local newspapers. One of the first was in the *Bury Times* in March 1861. After listing the various local utilities it then had a section for 'Cotton Spinning and Manufacturing', which listed virtually all the companies in the Irwell Valley. However it is difficult from this evidence to determine just what was the real situation. Many of the shares listed were, at this time, only partly called up. A good example would be Bury Co-operative Manufacturing, which did not start production until 1865, after the cotton famine. The sales price is shown as 2s-6d. East Lancashire Paper Mill, which was still in the process of construction and which had called up £2-2s-6d at this time, was shown with a buying price of 7s-6d and a selling price of 8s-6d. Given these anomalies this early list is not too much help. By 1864 a share list appeared in the *Bury Guardian* and this was better organised. Under the heading 'Miscellaneous' most of the local joint-stock companies were shown. This time there was a column showing the number of shares issued, the nominal value of each share, the company name, then the amount paid up and finally the current price per share. At the bottom of the list was the name 'HIRAM KAY, Stock & Share dealer, Broad Street, Bury, so presumably he was the person publishing the list. This list, bearing Hiram Kay's name appeared for several months before disappearing.⁴¹

An alternative list appeared in the *Bury Times* with the share prices continued to be sponsored by share dealers, in this case J. Blomely of Broad Street, Bury, but also listing a Manchester office.⁴² After this time actual share lists do not seem to have been published locally. In 1876 the *Bury Times* again published a comprehensive share list, this time also indicating dividends paid, but these seemed to be only for the larger companies. By the end of the 1870s the *Preston Guardian* and the *Preston Herald* seemed to have taken over publishing share prices for most of the Lancashire companies. Thus they had a section in a much bigger share list that was headed 'Bury, Rossendale and District', which showed

⁴¹ *Bury Guardian*, 9/4/1864

⁴² *Bury Times*, 24/12/1864

the name of the company, the share value, paid up value, the selling price and the most recent dividend.⁴³

A significant development was that private, family companies started to float their shares and that many of these shares were bought up by working-class people. Some companies were wholly 'floated', some partly, with the original proprietors retaining a portion of the shares.

Aspin quotes the *Bacup and Rossendale News*' review of 1874, which reported that,

The co-operative movement has made great progress during the year. Mill after mill owned by private firms have been 'floated' as co-operative concerns; and as a consequence the share broking fraternity have had a lively time of it.⁴⁴

By the mid-1870s the concept of the 'virtual' share market had really become successful. An article was published in *The Times* and repeated in the *Northampton Mercury*, headed 'Co-operative Cotton Mills' which gave a very thorough analysis of the situation with these mills, especially in Lancashire. An extract is given below.

The term "mania" was freely applied to the speculative investments of workpeople, an easy retort was found in the "craze" of manufacturers for selling out of their own establishments. Concerns heretofore in the hands of small partnerships were being converted by the dozen into companies of limited liability... The cotton and paper manufacturers are nevertheless the main subjects of Lancashire co-operation in its recent development.

The article goes on to discuss Oldham, pointing out the dependence of these companies on 'loan stock' and how this tended to inflate the share dividend. This loan stock was created because local people could use the company as a type of bank, depositing money and receiving interest. It also makes the point that in many cases where a private owner has sold out to a co-operative, the original owner often advanced some of the money in the form of a mortgage.⁴⁵ Jefferys also comments on the 'mania' of converting existing private firms into limited companies.⁴⁶ Significantly he also makes the comment that by the 'eighties' there

⁴³ *Preston Guardian*, 4/1/1879, Preston Library.

⁴⁴ Aspin, *Mr. Pilling*, p.16. (My italics).

⁴⁵ *Northampton Mercury*, 21/8/1875

⁴⁶ Jefferys, (1938), p. 98.

were virtually no family businesses left, suggesting that they had all been 'floated'.⁴⁷

In fact, in the Irwell Valley and neighbouring areas, this trend had been well underway for some time. Examining just one newspaper, *The Bacup and Rossendale News* for 1874 examples can be quoted as shown below.⁴⁸

In the February 14th issue was a report that a new co-operative venture was planning to acquire an un-named mill, the proprietor of which was said to be willing to accept £12,000 for it as a going concern. In the issue of 23rd May was an announcement that the Grane Manufacturing Co. Ltd would erect a new weaving shed, having taken over the Calf Hey Mill Estate. On the same date it reported that a new 'cooperative venture was being formed to purchase 'Turf Lane Cotton Spinning Mills' in Royton. The share capital was £140,000 in £5 shares and the current owner of the mills had agreed to a price of £140,000, but spread over an unspecified time period. The current mills were being taken over as a going concern and consisted of three mills already running with three more partially built.

On the 6th June another co-operative announced the takeover of the Oxford Mill, Burnley, purchased from the owner, Mr James Hey. The mill had 8,430 throstle and 10,000 Mule spindles. A contract to purchase the whole mill was agreed for the price of £17,500. On the 13th June The Red Cross Street Spinning and Manufacturing Co. Ltd was formed to take over this existing mill on the death of its owner. The price was £25,000 with £10,000 of this being on mortgage for three years.

On the 11th July there was a report, headed 'New Cooperative Companies' and the story was that the 'Victoria Cotton Mill', Marsh Lane, Preston, a limited liability company was valuing it with a view to takeover. On the 18th July came the news that one of the biggest Bacup manufacturers, Munn Brothers, was selling its Edgeside Holme Mill to a new co-operative for the sum of £43,500, with £20,000

⁴⁷ Jefferys, (1938), p. 95.

⁴⁸ *Bacup and Rossendale News*, 1874 – see dates above.

being left on a mortgage. This was a major mill in Bacup, with almost 20,000 spindles and 311 looms, as well as all the ancillary equipment. Significantly the reason stated for the sale was that the owners wished to retire. Earlier, in 1854 they had sold their Irwell Mill to the Rossendale Industrial Company.

When the Share Exchange was built in Rawtenstall, the opening was reported as shown below.

We admire the pluck of the *workingmen and share brokers* in having built such a splendid building, and it now stands a worthy monument of the *co-operative* motto, 'Unity is Strength'" ... *Several gentlemen in the cotton trade are about realizing their fortunes by handing over their concerns to the public.*⁴⁹

Table 31. The subscribers - Rawtenstall Exchange Company and their census records.

Name	Birth year	Share Register Occupation	Census 1861	Census 1871	Census 1881
Thomas Thomas	1834	Cotton agent	Clerk cotton mill	Cashier in mill	cotton mnf emp. 30
Elijah Hargreaves	1833	Cotton Mill Mngr	Roller Coverer	Cotton manager	Publican - Bolton
John Greenwood	1828	Joiner	Joiner	Joiner	joiner
William Chalk	1831	Commercial Agent	Cotton Weaver	Auctioneer	Bacon Factor
Joseph Barnes		Cotton warper	?	?	?
Joseph Parkinson	1830	Share Broker	Cotton weaver	Shop man	Share broker
James Thomas		Share Broker	?	?	?

Source; National Archives, Ref. BT31/2001/8602 + various census entries

True to the then current ideals in the Irwell Valley, it was formed as a joint stock company and the list of its subscribers is significant. The point made by the newspaper, when it's opening was reported, is that that it was built by the workingmen and share-brokers. In fact, looking at the 1861 census data shows quite clearly that the founders were mostly originally textile operatives, (Table 31).

⁴⁹ *Blackburn Standard*, 22/1/1876, (my italics)

Farnie makes it clear that in Oldham, many of the mills already existed and were taken over by workers. He says that, "of the 154 companies 68 or 44per cent were mill building ventures", which means that 86 of these ventures were examples of where the existing mill had been floated.⁵⁰ Thomas says that 32 such companies were floated in Oldham between 1873-1875.⁵¹

It is clear therefore that these virtual or informal share markets, might not have been recognized by the more 'official' markets, but they were vibrant and turning over impressive amounts of money. Share markets are seen as the key resource for raising finance, in this case finance for the industrial manufacturing sector. When compared to the dismal performance of the banks, in terms of finance for the manufacturing industry and the optimistic view that it was all down to re-investment, then it is clear that this was a much more exciting resource and the true source of industrial finance for the smaller manufacturing industries, at least in East Lancashire.

By the later 1860s and 70s the *Bury Times* was running prospectuses from companies much further afield as they sought to cash in on the prosperity that had been brought to the Irwell Valley. In January 1872 there were prospectuses from the 'General Bangor & Llanberis Slate Co. Ltd' and 'Mount Dalby Lead & Silver Mine' in the Isle of Man.⁵² Perhaps the most unlikely was the 'Troy Silver Mining Company', which was the subject of a share buying frenzy in the Rossendale Valley in the 1870s. The mine was in Nevada, USA, but the Head Office was in Bacup.⁵³

An indication of how the Irwell Valley had become much more commercial than most of its neighbours is the fact that in 1869 Bury had a population of 30,397 and had eight accountants and six share brokers. By contrast Bolton, with a population of 69,327, had ten accountants but no share brokers and Blackburn, population 63,126, had twelve accountants and also no share brokers. Rochdale, 38,114, had five share brokers and eight accountants, due to the fact that the pattern of

⁵⁰ Farnie, (1979), p. 251

⁵¹ Thomas, (1973), p.146

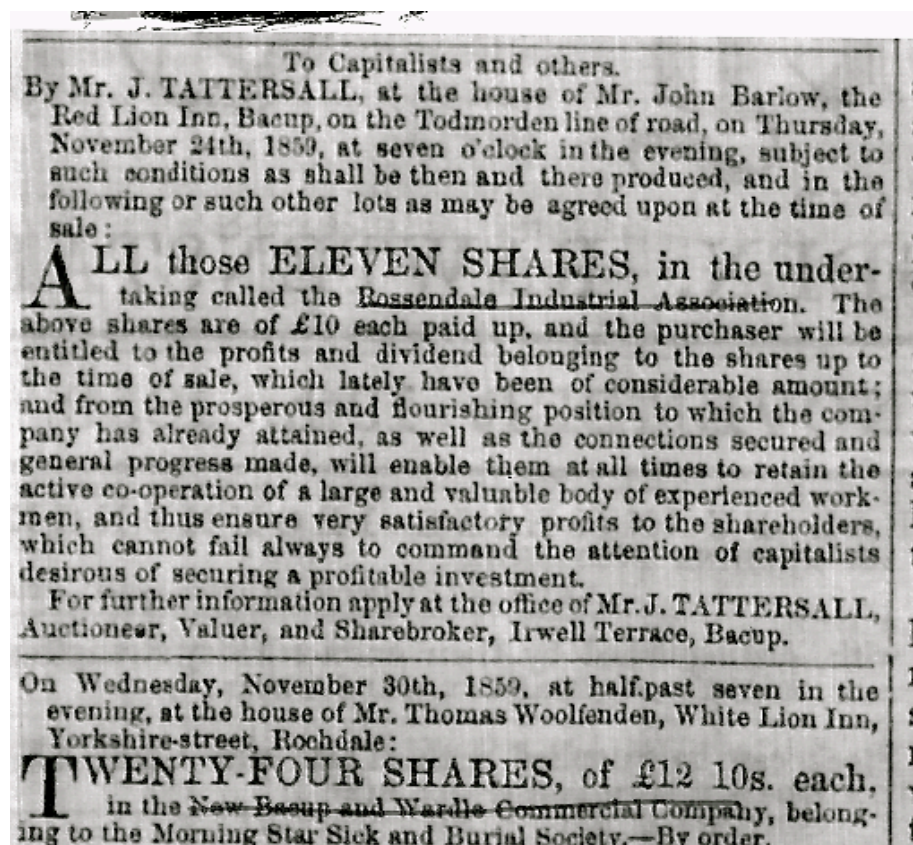
⁵² *Bury Times*, 20/1/1872.

⁵³ Aspin, *Mr. Pilling*, pp. 19-36.

worker-controlled companies had also spread to the valley of the Roch.⁵⁴ The trickle, started by the Bacup Commercial Company had turned into a flood.

Another significant example of how shares were sold were share auctions. An example was an auction offering 5 shares in the Lancaster Banking Company. The auction was to be conducted by W & T. Y. Welch of Church Street, Lancaster.⁵⁵ Shares continued to be sold by auction at least until the end of the nineteenth century, with some companies specialising in such auctions. The company holding the auctions was called 'Lumleys' and they were advertising a wide cross-section of shares for sale by auction.⁵⁶ The example shown below is quite interesting. The Rossendale Industrial Association had been formed under the 1852 Act – which forbade transferable shares, but it did not seem to trouble the local people. The company became a limited company a year later.

Figure 38. Announcement for two lots of shares to be sold by auction.



Source, *Bury Times*, 19/11/1859

⁵⁴ Slater's 1869 Directory of Cumberland, Lancashire and Westmorland, (Isaac Slater London, 1969).

⁵⁵ Lancashire record office, Ref. DDX1/6/27

⁵⁶ *Manchester Courier and Lancashire General Advertiser*, 17/10/1896

Shares were also sold openly on street corners as the recollections of one Darwen man shows. The obituary of Mr William Taylor was published in the *Blackburn Weekly Telegraph* on 19th May 1906. In it an interview with him is recalled and he is quoted as saying, "These were the days when School Street in the evening resembled a busy Stock Exchange, for there did both buyers and sellers of shares congregate. It was here that night after night, our local shares freely changed hands."⁵⁷ He was referring to a period around 1870 when Darwen was gripped by a share fever, mostly for limited liability paper mills being set up in the area.

The denomination and character of shares is a separate subject in itself. J. B. Jefferys wrote what was for a long time the defining work on this.⁵⁸ The big differences that occur between the shares sold by the Irwell Valley companies and those discussed by Jefferys concerns denomination and the amount paid up. Jefferys says that high denomination shares only partly paid up were seen as more secure than fully paid up shares, though there would appear to have been an element of snobbery in this. He quotes the Chairman of the Select Committee on Limited Liability Acts (1867) saying, "I suppose the lower you go in the denomination of shares the more ignorant people you catch".⁵⁹ This committee was formed after the financial crisis of 1866, which resulted in very heavy calls on the unpaid portions of high value shares. Indeed, Henry Pochin, who described himself as "the Mayor of Salford and a Manchester merchant" and director of various companies, as well as holding large amounts of shares, told the 1867 Committee that a high unpaid share amount made many such shares impossible to sell in the climate following the 1866 crisis, with the paid up capital as unavailable "as if it were at the bottom of the sea".⁶⁰

According to Jefferys the 1866 crisis marked the demise of high value, partially paid up shares. Acheson et al agree that it was a significant date for the move to fully paid up shares, but they argue that there had been a downward drift in nominal share prices since 1825, however, their graph still indicates a mean value

⁵⁷ *Blackburn Weekly Telegraph*, 19/5/1906

⁵⁸ Jefferys, (1946), pp. 45-55

⁵⁹ Ibid, p. 49.

⁶⁰ 1867 Select Committee on Limited Liability Acts, Q. 2288, 2298.

of approximately £40, in 1867, still a relatively high value.⁶¹ Jeffreys makes the point that it was the entry of middle-class shareholders in the 1870s that also put pressure on the concept of lower nominal values.⁶²

It can be argued that the worker-owned companies led the way in the concept of lower nominal values shares that were fully paid up and this would actually fit well with Jeffreys' claim that essentially it was the entry of people from backgrounds with less disposable income that forced this trend. Most of the Irwell Valley companies had shares with an average value of £10 and they were quickly fully paid up by means of an easy payments schedule. Such companies therefore, it can be argued, set the pattern for others to follow.

For professional and independent people, share buying was probably not such a novelty but for the working classes, which formed the bulk of the database, this was something new. It is hardly surprising therefore that the database can be used to show that there was strong evidence that shares might well be individually bought, but such buying of shares was often alongside their neighbours, relatives or workmates. Some examples of this can be seen, such as twenty-nine people who lived at Bank Lane, Shuttleworth, who all bought shares in Ramsbottom Spinning and Manufacturing Company. They were all from working class backgrounds, with three women and four children amongst the group. There were also several family connections, such as Henry and John Bramley. The census shows that John was Henry's uncle and that Henry was only one year old, so the shares might have been a present. John was 39 and a weaver.⁶³ There was also the Dearden family, the head was James, who was a farmer of 32 acres, his son, John R. was aged 14 and a carter and his other son, James Jr. was still a scholar at 13. The father had ten shares and the boys one each.⁶⁴ Out of the 8442 share records, people who lived in the same street as other shareholders, held 2,457 shares.

⁶¹ Acheson et al, (2012), pp. 869-870.

⁶² Jeffreys, (1946), pp. 51-52.

⁶³ 1861 census, ref:RG 9/2839

⁶⁴ 1861 census, ref. RG 9/2839

Figure 39. Alma St Bacup present day



Source; Reproduced at; <http://www.eleylong.co.uk/properties/25-alma-street/>, accessed 5/5/2014.

Naturally there will be some co-incidences, but there are many examples of streets with dozens of shareholders. For example, Alma St in Bacup had over a dozen shareholders, who mostly had shares in either Rossendale Industrial Company or the Lancashire and Yorkshire Cotton Company. Alma St still exists and as can be seen (Fig. 39) is composed of terraced houses. Bell Lane, Bury had more than two-dozen shareholders, most of whom had shares in Bury Co-operative Manufacturing Company. Dearden Gate, Haslingden had almost fifty shareholders who owned shares mostly in Laneside Industrial Company or Hargreaves Street Manufacturing Company.

An example of a family group was that of William Burrows and his wife Mary aged 35 and 33 respectively. William was a warper whilst Mary kept the house and William's younger sister, Martha, who was aged 24 and a cotton worker, lived with them.⁶⁵ They each held two shares in the Lancashire and Yorkshire Cotton Company. Another family group was the Myers family of Market Place, Haslingden, the father, Thomas, was a rope-maker aged 29, his wife Jenny was 28 and they had Thomas 7 years old, Ellen 4 years old, William 2 years old and John aged 4

⁶⁵ Census, 1861, Ref. R. G. 9/3050

months.⁶⁶ All the family owned shares. All the children had one share each in Rawtenstall Cotton Manufacturing. Jenny had five shares in Ramsbottom Spinning and Manufacturing and two in Hargreaves Street Manufacturing, whilst Thomas senior had ten in Rawtenstall Cotton and two in Hargreaves Street Manufacturing. Another example is the Ashworth family of Whitewell Bottom, Newchurch. Abraham, aged 61 and his wife Betty, who was the same age, lived with their son, Robert, aged 43 and Robert's wife and three children.⁶⁷ All three adults had one share each in Bury and Elton Commercial.

Finding examples of workmates acting together is much more difficult, even though many of the addresses given in the register were the actual workplace but an address such as Acre Mill might well mean the mill itself or it might be just a district. It is difficult to be sure. In places where there were few shareholders, such as Bolton, finding a group of four weavers from Halliwell, a district of Bolton, all invested in Bury Co-operative Manufacturing Company, buying one share each, strongly suggests that they were probably workmates. There were also other types of associations. There were 36 shareholders in Halifax, twenty of whom gave their address as 'The Queen's Head', Halifax and all of whom invested in Lancashire and Yorkshire Cotton. They are mostly textile workers, but with a sprinkling of other trades, such as mechanic or bookkeeper, which is probably a typical group that would meet in a particular pub. Most of them had more than one share and the group as a whole had 193 shares between them. There is little doubt that they influenced each other.

It seems to be clear that whilst individuals bought shares in their own names, there was probably quite a lot of peer pressure, as well as an element of 'keeping up with the Joneses'. Many people seemed quite content to have dipped a foot in the water and settled, at least at the date of the database, for one or a few shares in a particular company – almost always local.

Not all of the capital utilised was share capital. It is quite well known that the Oldham Limiteds had significant amounts of what was described as 'Loan capital',

⁶⁶ Census, 1861. Ref. HO 107/2250

⁶⁷ Census, 1861, Ref. HO 107/2248

i.e. money deposited with the company as a short-term loan.⁶⁸ This concept was started in Bacup, probably due to the lack of commercial banks. With most of the worker-controlled companies money could be deposited and interest was payable at 5% and it could be withdrawn with one month's notice.⁶⁹ For many this could have been easier than buying shares, since the money was reasonably readily available. Shares of course could go up and down in value and a buyer might not always be found at short notice. This loan stock was one reason why these companies paid such high dividends. The New Bacup and Wardle Commercial Company accounts for 1861 show that they had a share capital of £52,575 plus loans deposited on interest of £22,164, i.e. almost 30% of their total capital was in loans at 5%, this meant that they could pay a much higher dividend on the actual share capital, since they were paying only 5% on almost one third of their total capital and this explains some of the amazing results, such as paying dividends of 40-60%.⁷⁰

There were very few examples of fraud in the dealings of these companies. Most were formed without the help of external advisors and perhaps more importantly without frequent examples of cash being syphoned off. There seem to have been little or no major frauds of this kind amongst the worker-owned companies in the Irwell Valley in the period in question. In towns such as Bacup, with a relatively small population, virtually all of who were attendees at various chapels, relationships were very close. This was undoubtedly a very strong factor. In Lancashire working-class villages at this time and indeed until much later, everyone knew everyone else's business.

There was a notable fraud involving a worker-owned company, in Blackburn in 1862. One Thomas Lund, 36 years old, had been appointed secretary to the 'Blackburn Co-operative Cotton Spinning and Weaving Co. Ltd.' He had considerable powers and he committed embezzlement in a number of ways. For instance he paid out £30 for brickwork to William Finch, who gave a receipt. Lund substituted this for his own receipt for £92-10s-0d. Further examples of false

⁶⁸ Farnie, (1979), pp. 254-255

⁶⁹ *Bury Times*, 15/12/1866 – Rossendale Industrial Company required one month's notice.

⁷⁰ Taylor, *Bacupian Mills*, vol. 2, p. 86

The London Review, July 21st 1860, pp. 51-52.

receipts amounted to £1,600. He also embezzled cash given to him to pay for shares and there was a deficiency of £1,386-18s-0d. He was sentenced to ten years penal servitude in Australia.⁷¹ This, of course, was in a much bigger community than those of the Irwell Valley.

Fraud of a different kind resulted in the closure of the Bury & Elton Commercial Company Ltd., but this was much later, in 1894. It appears that the company secretary had been gambling in 'futures' and had lost over £18,000. A letter was sent out to the company's creditors and published in the *Manchester Times*, assuring them that the company was solvent.⁷² At a shareholder's meeting the secretary claimed that he was acting on behalf of the directors and the auditor, who had passed the accounts, was forced to resign,⁷³ Despite the letter of reassurance the company was forced into liquidation by the coal supplier, Ladyshore Colliery.⁷⁴

There were also some cases of default on share call-ups and a number of court cases were brought by the Lancashire and Yorkshire Cotton Manufacturing Company Ltd., at Bacup County Court. The shares, which were £10 nominal value, when issued, had fallen in value, after the Cotton Famine, to approximately £2-10s-0d. Crucially, when the call up was enforced, married women and minors were able to claim that they could not be made to pay, as the original contract to buy shares had been invalid. On this basis a number of men also refused to pay, unless all registered shareholders did so.

The company's case failed on a technicality. The judge, Mr S. T. Green, said that because the action had been brought for less than £50, as a portion of what was due without abandoning the remainder, he did not have jurisdiction and could not go on with the case.⁷⁵ Effectively the company's lawyers, who claimed that they would bring the case to a different court, abandoned the case. This was a

⁷¹ *Lancaster Gazette*, 22/4/1865 & 29/7/1865

Transported to Australia 13/10/1866. Australian Joint Copying Project Microfilm Roll 93, Class and Piece Number ho11/19 page no. 177(91).

⁷² *The Manchester Times*, 13/4/1894

⁷³ *Bury Times*, 20/4/1894

⁷⁴ *London Gazette*, 5/4/1895.

⁷⁵ *Bury Times*, 10/6/1865

significant case as no married women and children were charged, indicating that, in these circumstances, call-ups were unenforceable.

This section has examined the growth of share dealing in the Irwell valley, how it started with sales by word of mouth and spread until there were dozens of prospectuses published in local papers. From this point the share dealing grew and created not only a virtual share market, but also encouraged the flotation of private companies. The Cotton Famine halted the flood of new companies and some of them failed during the famine. It is difficult to establish just what effect the Cotton Famine had. It would be easy to assume that it had dampened the working people's ardour, as fewer building projects were started. However, as is made clear in the section above, the seventies saw the Irwell Valley booming commercially, but this time it was private businesses that were floated and working people were buying them up 'as co-operatives'.

There is little doubt that Oldham survived the Cotton Famine better and adapted its mills to be able to use coarser grades of cotton.⁷⁶ It was also an advantage that Platt Brothers, the major cotton machinery company, based in Oldham helped the use of Indian Surats.⁷⁷ For these reasons Oldham became the centre of new ventures by workingmen, but the Irwell Valley continued to be a major commercial player, even after the Cotton Famine.

Co-operative Production Mills

Many have assumed that these early mills were direct offshoots of the co-operative movement. There is little doubt that the successes of the Co-operative movement provided at least part of the inspiration, but it can be quite difficult to decide exactly what was implied by 'co-operative production'. In the early days, it was assumed that when working people got together and founded a cotton mill then it must be a co-operative, but, it was more complex than that. Chesters is one of the few people to study this subject in recent years and his M.A. thesis looks at 'Co-

⁷⁶ Farnie, (1953), p. 249

⁷⁷ Ibid, p. 159.

operative Cotton Companies' in S. E. Lancashire'. He proposed that there are three elements to co-operative production.

1. There needed to be investment by the working class either by loans or shares
2. There should be employee control and all employees should be members of the company.
3. Profits should be divided between capital and labour.⁷⁸

The definitions are quite reasonable and are indeed what might be expected of a co-operative unit, though they did not work out in practice. Item one was clearly the most obvious and was the bedrock of all such concerns, but the second two rarely delivered in most examples. Whilst it was common to refer to the worker-owned companies as co-operative mills, they were not really co-operatives and did not fulfil conditions two and three. There were co-operative production societies in other forms of industry and some were more successful but as the details below suggest, they had considerable problems.

Smith also looked into the question of co-operative production as part of a larger study on the Durham co-operatives. She effectively demolishes the concept of the Co-op being effective as a producer – at least on co-operative lines. She points out the problems of the 'Bonus to Labour' and makes the point that eventually the C.W.S. became the 'manufacturer', but that it simply employed workers, who had no involvement in how the company was run.⁷⁹

A report made in 1880 by E. O. Greening, a well-known co-operator, examined two hundred and twenty four failed 'productive societies' registered between 1850 and 1880. Out of this total only twenty-four had any provision for giving some sort of worker profit sharing. However forty-four had arrangements to divide the profits with customers (presumably as a 'divi'). All the other companies of this group were running on established systems of joint stock companies, with the profits going to

⁷⁸ Chesters, (2006), p.33.

⁷⁹ Kathleen Margaret Smith, *Unity in Adversity?: co-operative life in County Durham*, unpublished PhD thesis, (Durham, 2004), pp. 50-54.

shareholders.⁸⁰ It can be seen therefore that any sort of profit sharing was the exception, rather than the rule.

None of these explanations touches upon the key factor that the cotton mills covered in this thesis had shares offered for sale to the general public. They were not a closed society that a prospective shareholder had to join. This is a major difference and many who have commented on it largely ignore it.

One of the influential groups of the time were the Christian Socialists, a group composed mostly of lawyers, who were sympathetic to the idea of co-operatives. Several of them gave evidence to the 1850 Select Committee on Investments for the Savings of the Middle and Working Classes and were then active in getting the 1852 Industrial and Provident Societies Act passed. However, as already discussed, this Act was restrictive, especially as regards transferable shares. The restrictions contained in the Act encapsulated their concept. They never changed this attitude and even produced pamphlets arguing the benefits of co-operation compared to joint stock companies.⁸¹ They did produce *The Christian Socialist*, for two years from 1850-1851 and one of their main members, J. M. F. Ludlow, made several trips to the North of England, reporting back in the form of letters, reproduced in the magazine. These are useful as they are one of the few sources of information on the early production companies.

There is no doubt that co-operative production units existed and generally one of the key factors of such an operation was that those who worked and provided 'labour' got a share of the profits just as those who simply provided 'capital'. Some of the earliest co-operative production units were corn mills and this is easier to understand. The number of people involved was relatively small, but even here this system eventually died out. Jones goes on to suggest that the way that units such as co-operative tailors, or shoe makers worked best was when they operated as part of a co-operative society where the operative would be a worker, but could

⁸⁰ Jones, *Production*, pp. 87-88.

⁸¹ Edward Neale Vansittart, *The distinction between joint-stockism and co-operation*, LSE selected pamphlets, (1888).

also be a member of the society and the society would be the manufacturer.⁸² This is effectively what Smith confirms above.

One of the true attempts to form a genuine co-operative production unit was the one set up by the Rochdale Pioneers – The Rochdale Co-operative Manufacturing Society, which was established in 1854 and actually paid a bonus to labour until 1862 when new shareholders, taken on to expand the business, forced it to cease.⁸³ The new shareholders, who mostly did not work in the mill, could not accept paying an extra bonus, over and above wages to those who did. The motion to abandon the 'Bounty to Labour' was passed by 571 to 227.⁸⁴ This action, in the heart of the co-operative movement, caused much dismay, but it does clearly show the problem of trying to run an industrial unit on co-operative lines. In this case the concept failed because of the 'Bounty to Labour', an intrinsic concept for the believers in co-operation. However it was not the only problem.

Co-operators in Padiham were one of the early imitators of the Rochdale success, forming a co-operative store in 1848 and then in 1852 forming the Padiham Commercial Company under the 1844 Joint Stock Companies Act. This was an ambitious undertaking, with shares valued at £100 each, with seventy-seven shareholders, each owning one share. It was essentially a co-operative, almost all the shareholders being employed at the mill and sixty five of them were working men the other twelve were either undeclared, women or small shopkeepers. There was also the Padiham Cotton League, which was formed in 1855. This was very different the shares were £5 each and there were 475 shareholders. Out of this number some 350 were working men, 100 were working women and over 30 were children. The balance was composed mostly of local tradesmen. There were approximately fourteen persons who had shares in both companies and three of the nine promoters of the Padiham Cotton League were shareholders in the Commercial Company. An early report in the *Christian Socialist* of a visit to the Commercial mill by Ludlow was very positive and complimentary about the fact that the shareholders were the employees, whilst being critical of the fact that it

⁸² Jones, *Production*, pp.752-756.

⁸³ Farnie, (1979), p.219.

⁸⁴ Jones, *Production*, p. 154.

was a joint stock company.⁸⁵ However, after the formation of the Cotton League both companies seem to have had similar problems and these were essentially problems of discipline, as detailed below.

At the Cotton League Mill one of the weavers, Hartley Astin, was dismissed. In retaliation he entered the mill at night and slashed some warps, doing an estimated £300 of damage. He was found out and arrested and sent for trial at Liverpool Assizes, where he was discharged because the judge said that as the company was not incorporated it was, in effect, a partnership and as a shareholder (and thus partner), he could not be charged for damaging his own property.⁸⁶

Padiham suffered a severe strike by the power loom weavers in 1859 and accounts of this strike also commented upon the earlier problems faced by the two co-operative companies, which had ceased trading by then. One account suggests that the Astin case resulted in such a bad reaction between the directors and the workers that its creditors became alarmed and called in their debts. This was primarily the supplier of cotton, a Liverpool Merchant company, Bulley and Raffles.⁸⁷ This, combined with poor trading conditions, forced both companies to close.⁸⁸

Professor Jevons, who also reported on the 1859 Padiham weavers strike, strongly condemned the idea that the workers should participate in the management of the company. He said; "No such concerns can possibly succeed unless the functions of managers and operatives are kept distinct and shareholders working as operatives are prepared to submit to a manager who is their servant".⁸⁹ It can be seen that co-operative production was not an easy option and most of the attempts failed for reasons similar to the examples given above.

In contrast, one outstanding success was the Hebden Bridge Fustian Manufacturing Society, which was formed in 1870; this was explicitly formed as a

⁸⁵ *Christian Socialist*, vol. 2, p325.

⁸⁶ *Preston Guardian*, Saturday April 4th, 1857.

⁸⁷ Martin Jervis, *The Padiham Power Loom Weavers' Strike of 1859*, reproduced at; http://www.mcrh.mmu.ac.uk/pubs/pdf/mrhr_06_jervis.pdf, accessed 24/7/11.

⁸⁸ Anonymous, 'Co-operative Societies in 1864', *The Edinburgh Review*, (Oct. 1864), p.415.

⁸⁹ Potter, *Co-operative Movement*, p. 127.

co-operative, paying a bonus to labour. There was an attempt to cancel the 'bonus to labour' in 1874-75, similarly to that made at the Rochdale Co-operative Manufacturing Society, but it was successfully resisted and the rules changed to prevent further attempts. An account of the company can be found on line.⁹⁰ This was one of the very few which managed to make co-operative manufacturing work most of them failed. For most of the companies, Farnie spells out the problem, as he says "In fact they were co-operative only in name and could not become true profit-sharing associations of producers because they sought primarily to make profit rather than to reform society."⁹¹

What is significant, and makes clear some of the differences, is the fury with which co-operators attacked the worker-owned joint stock companies. A letter published in the *Co-operator* in 1861 says that with such companies workers have simply changed from one or two masters to one or two hundred.⁹² Indeed an article, also in the *Co-operator* refers to joint stock companies as 'The Hundred Master System'. The article goes on to say, "Workmen are accepted as shareholders who know nothing of true co-operation". This the articles says is "mere bastard co-operation".⁹³ The believers in co-operation desperately wanted the industrial production side to be as successful as the retail side; Jones in his massive tome on *Co-operative Production* spends 815 pages defending the principle. However, other more independent publications saw things in a different light. The *Textile Manufacturer* ran an article on co-operative production and made no bones about declaring "the principle (of co-operation) has almost everywhere failed when it has been made to apply to production."⁹⁴ In 1863, at the height of the Cotton Famine, Haslingden Union wrote to the Central Relief Committee regarding the situation of 'co-operative mills'. As a result Lord Derby included the following comment in his report,

Cotton manufacturers called co-operatives are generally, if not universally, simply joint stock companies of limited liability, the capital

⁹⁰ Joseph Greenwood, *The story of the formation of the Hebden Bridge Fustian Manufacturing Society Limited*, reproduced at; <http://www.jstor.org/pss/60216035>, accessed 24/7/11.

⁹¹ Farnie, (1953), p. 229.

⁹² *The Co-operator*, (1861), p. 127.

⁹³ *Ibid*, pp.25-26

⁹⁴ *The Textile Manufacturer*, (July 15th 1885), pp. 298-299.

of which has been subscribed in small shares, chiefly by workmen in the cotton districts and which are built and conducted with the aid of loans.⁹⁵

This seems to make the situation quite clear, and confirms that these companies did not fulfil the requirements to be classed as a co-operative.

Share dealing in the Irwell Valley started by word of mouth, but eventually developed to the point where it had created a market, which 'family firms' took advantage of to release equity. Workers bought these shares, creating more worker-controlled businesses, as a result of this the percentage of worker-owned businesses to family businesses shifted sharply. At the start of this period, before the Cotton Famine, worker-owned companies were a small percentage – probably less than 20%. However this changed, as both Jefferys and Farnie confirmed, and it is probable that by the 1880s the worker-owned firms were in the majority. This in turn meant that finance for the industrial manufacturing in the region was from a hitherto unexplored source, i.e. the pockets of working men and women. There is also evidence that whilst individuals bought shares, there was peer pressure to buy and groups of workers, from specific locations, often acted in concert.

These companies were almost entirely joint-stock companies and were not co-operatives, as much of the literature suggests. The word 'co-operative' was a convenient label for many working-class activities, but whilst these companies might have had a loose connection to their local co-operative societies, in almost every case there was no co-operative investment in them. They survived by competing in the market and creating profits for themselves and their shareholders.

⁹⁵ R. Arthur Arnold, *The History of the Cotton Famine From the fall of Sumter to the passing of the Public Works*, (Saunders, Otley & Co., London, 1865), p. 170.

Conclusions

Did you see that man in clogs and greasy corduroys? Would you believe me, sir, if I told you that there goes a man of independent means, having his shares in this and that 'Co.' reaping in 'divi' his £2 or £3 weekly, independent of his earnings as a three-loom weaver.⁹⁶

The purpose of this thesis has been to examine the extraordinary flow of capital in the form of shares that was released in the Irwell Valley in the 1850s and 1860s, by the formation of worker-owned companies. They all originated from the formation of a single joint stock company by a group of workingmen, most of whom were Chartists. The share records generated by the companies which followed the initial example, not only provide a unique window into aspects of working-class life that are seldom seen, but, more importantly, they shed new light on the long-term debate on industrial finance in the later nineteenth century.

The findings in this thesis also demonstrate that when working people had the chance to use their initiative the effects could spread far wider than might be anticipated. The Rochdale Pioneers finally discovered a way to bring the co-operative system to many working people and created an enduring legacy. The actions of the Bacup Commercial Company led to others following them and brought prosperity to the Irwell Valley and other parts of East Lancashire, as well as providing a source of finance for the local industrial manufacturing companies. The quotation at the top of the page indicates just how the lives of individual workmen were transformed; from being a 'three loom weaver' this man was also an investor in companies, which paid him dividends – possibly in excess of his regular wage. This prosperity spread down the whole of the Irwell Valley as well as spreading into the Roch Valley and other nearby areas. In particular it provided the impetus for firms in Rochdale and Oldham to achieve similar results.

The setting up of a worker-owned joint stock company, which was followed by several others in similar locations, had an impact that was reflected in the debates on limited liability. Robert Lowe, in his speech to Parliament in 1856, used the concept to help justify the new Limited Liability Act. It could be argued that if Bacup Commercial had not utilised the 1844 Joint Stock Companies Act in 1849-50,

⁹⁶ *Rochdale Observer*, 29th/12/1860

then the 1852 Industrial and Provident Act, with the restrictions it contained, might well have prevented, or at least delayed, such companies coming into existence. The 1852 Act had originally been intended not only for co-operatives, but also as the overall vehicle for working people, but it banned transferable shares and clearly stated that it was not a substitute for the 1844 Act. Whilst the Limited Liability Acts would still have happened, they might not have benefited the working classes to the same degree. The actions of the Bacup Commercial Company had rendered the restrictions contained in the 1852 Act obsolete, resulting in working people being able to set up real industrial concerns. The Limited Liability Act allowed many more companies to follow the path originally established by Bacup Commercial Company and a handful of other companies in the Pennine valleys. As a result working people were able to set up businesses, with the full protection of the law and all the company legislation that followed it no longer attempted to restrict working people's organisations.

Significantly it was not just the skilled tradesmen or the middle classes who bought shares. In the database there are very many textile operatives and labourers. The retailers, professionals and those of independent means were very much in a minority. A large number of women were shareholders and shares were also bought in children's names. Many of the women who bought shares were married and this suggests that the working-class women of Lancashire did not feel bound by the rules of coverture.

The sale of shares to working people created a source of funds that has been unknown and unexplored, but it had dramatic consequences. Initially it created a very low-key share market, with shares sold by word-of-mouth and then semi-professional share dealers emerged. The Cotton Famine dealt this whole concept a severe blow, but it did not kill it. Companies survived the Cotton Famine and the Irwell Valley continued with its thirst for shares. By the seventies, ambitious textile operatives even built a share exchange, but the real market was a virtual one and started to support outside concerns advertising their prospectuses in local papers, as well as local people getting involved in adventures such as the Troy Silver Mine in Nevada. However, the real significant development was the flotation of private companies and partnerships and the fact that many of these became 'co-

operatives', which in this case meant worker-owned joint stock companies. This is an important consideration when looking at just where industrial finance came from in this period. Once the market started to act in this manner, with dedicated share brokers serving it and both new and existing firms being floated on it, then it became de facto a fully-fledged share market and share markets are acknowledged to be the major source of finance to industry.

The idea spread from Bacup, down the Irwell Valley and through the adjacent areas of South East Lancashire and even other parts of England, first with cotton mills established in the Midlands on the Lancashire pattern and often with Lancashire help and then with other industries. Many of these companies were capable of as long an existence as any other company and, except in a few cases, continued to have a majority of shareholders who were working people, certainly into the early years of the twentieth century, when shares in such companies finally began to be quoted on regular exchanges. The fact that many of them survived is important, considering that in 1850 it had been believed that if workingmen had access to transferable shares, the shares might be sold to outsiders. In this case, the working men could lose control of their businesses. This did happen, but only in a few specific cases and it was not the way that most of these companies developed. This is also important because it proves that the application of working-class funds in the sixties and seventies was not a temporary occurrence, but that these share markets continued to operate and finance local manufacturing, for at least the rest of the nineteenth century. Such companies that were funded in this way only reached the main stock exchanges in the twentieth century and then, usually, only after merging to form some bigger entity.

The effects of these companies were of course felt locally, but the most significant finding is that it has a major impact on the long-running debate about industrial finance in the second part of the nineteenth century.. Capie and Collins, discussing the provision of industrial finance before the First World War, made the following statement;

What is not known with any degree of precision is the source of funds for such investment – not even in very general terms.⁹⁷

This is an admission that the sources of industrial finance for manufacturing companies have yet to be identified. Most of the writing on this subject tends to focus only on those companies, which were floated on the stock exchanges. There is scant reference to any of the small to medium-sized manufacturing companies, which produced much of what Britain exported in the nineteenth century, or to the question of how they were financed. These companies, especially in the northern half of the country, were the ones, which were helping to create the concept of Britain being ‘the workshop of the world’.⁹⁸ They needed finance, but did not generally have access to London-based funds. The basic concept seems to be that funds were provided either by reinvesting profits or by finance from banks.⁹⁹

Newton studied the finance of Sheffield manufacturing companies from 1850-1885, but these were more substantial companies than the ones in the Irwell Valley.¹⁰⁰ She did find that local banks lent to industry in Sheffield but the impression is that it was not very comprehensive, she says, “their main role was as a supplier of short and medium term funds” and goes on to say that there was a growing mismatch between the needs of the local manufacturers and the capabilities of the banks.¹⁰¹ Significantly, in the chapter where she examines the breakdown of shareholders, she says that the only comparison she can make is with the Oldham Limiteds, which confirms, not only that the earlier developments in Rossendale have been largely overlooked, but also that financing for industry was normally found locally, independent of major exchanges.¹⁰²

Newton’s work includes case studies of five companies, all much larger than the ones in this database and how they obtained finance. She does show that selling out to new owners, taking on new partners or going to the market brought in new

⁹⁷ Forrest Capie/Michael Collins, *Have the Banks Failed British Industry*, (Institute of Economic Affairs, 1992), p.30.

⁹⁸ Benjamin Disraeli, Speech in the House of Commons, 15/3/1838

⁹⁹ Katherine Watson, ‘Financing Industry in the nineteenth century’, *Recent Findings of Research in Economic & Social History*, No 22, (Spring, 1996), p. 4.

¹⁰⁰ Newton, (1993), p. 181.

¹⁰¹ Ibid, pp. 134-135.

¹⁰² Ibid, pp. 232-234.

investment. Only in one case was re-investment mostly internal. There were some examples of short-term credit from the banks as well as personal loans from directors.¹⁰³ Generally re-investment from the 'family' was not usually possible. Given that this was the case and as has been discussed above, banks were suppliers of short-term credit, where did the money come from?

The concept that the family firms, which had flourished at the start of the Industrial Revolution, would be able to continue simply by 'reinvestment' is somewhat naïve and does not stand up to examination. Jefferys confirms that by the 1880s there were virtually no family firms left in business, they had either failed or been 'floated'.¹⁰⁴ Cottrell devoted a chapter to examining 'internal and private sources of funds'. He says quite clearly "few firms took advantage of the liberalization of company law in order to raise capital externally".¹⁰⁵ Yet, the companies discussed in this thesis did exactly that, raising money from working-class investors. On the question of re-investment Cottrell was not convinced that this was the answer, except, perhaps, for newly established businesses.¹⁰⁶ Certainly in the early days of the industrial revolution, when small family businesses or partnerships were enough to get a small unit going, this was feasible, but by 1850 the industrial revolution had been going for 3-4 generations and such an idea ignores what has become proverbial in Lancashire, i.e. the saying "Clogs to clogs in three generations", the adage carries enough weight to be quoted in appropriate reference books.¹⁰⁷ Not only does it indicate that there is a strong possibility that later generations will spend the money, rather than invest it, but it must also be remembered that this was a time of big families and inheritance would have dissipated much that had been earned. Owens' study of inheritance in Stockport, another cotton town, involved 500 wills and he shows that there were many ways in which estates were divided.¹⁰⁸ In the section where he deals with how children inherited he says "they believed that the fairest and most

¹⁰³ Newton, (1993), pp. 291-341

¹⁰⁴ Jefferys, (1938), p. 95

¹⁰⁵ Cottrell, (1980), p. 248

¹⁰⁶ Ibid, pp. 256-257

¹⁰⁷ Reproduced at;

<http://www.oxfordreference.com/view/10.1093/oi/authority.20110803095618608>, accessed 24/11/2013

¹⁰⁸ Alastair Owens, 'Property, Gender and the Life Course: Inheritance and Family Welfare Provision in Early Nineteenth-Century England', *Social History*, Vol.26, No.3 (Oct., 2001), p. 302

appropriate way to provide for their children was to treat them equally, regardless of gender.”¹⁰⁹ If this concept was applied to a family business then it had to release much of its equity to fund the inheritances. One way to do so would have been by ‘floating the company’ and this did happen as was discussed earlier. Very surprisingly this question of handling inheritance does not seem to have been part of the discussion in works such as Cottrell’s chapter on internal sources of funds, but is touched upon by Hannah.¹¹⁰

Significantly private ‘family businesses’ that were floated in the Irwell Valley often became worker-owned companies. In one newspaper in 1874, between February and September, at least ten private firms were floated and, generally, became ‘co-operatives’ in the sense that the shares were bought by local working people. That is a rate of conversion of approximately one per month, in one locality. Those family firms that did not go in for a flotation might still sell parts of their business to the ‘co-operatives’. For example the Rossendale Industrial Company bought Irwell Mill, one of the mills belonging to the family firm of the Munn Brothers in 1860. In a similar way the New Bacup and Wardle Commercial Co. Ltd., bought Kilnholme Mill from the private firm of Stewart and Hamilton in 1868.¹¹¹

These actions were the opposite of re-investment; these were private or family companies realizing their assets, by floating the whole company or selling portions of the business. Either way this meant that the existing proprietors were taking money out of their specific industry, even if they reinvested it in another company. It was the new buyers, working class investors, who were putting new money into the businesses. Whilst there was a physical share exchange built in Rawtenstall, it was the ‘virtual’ share market that had shares changing hands on street corners and in pubs that was the real market.

The answer to the question about where did the money come from, is that in many cases it came from the pockets of the workers. Some of the figures quoted earlier make it clear that this was not a cottage style of industry. It has been discussed

¹⁰⁹ Owens, (2001), p. 314

¹¹⁰ Cottrell, pp. 248-274.

Hannah, (1983), p.17.

¹¹¹ Taylor, *Bacupian Mills*, pp. 290 & 73.

earlier that the millions of pounds that were invested in the worker-controlled companies and other similar companies in different industries, if expressed in today's currency could be worth anything from around £1 billion to several billion and that this figure, even by today's standards is a major investment. Thus, at least in Southeast Lancashire, a major source of industrial finance came from the workers.

It was not only finance that the entrepreneurs of the Irwell Valley initiated, they also created a model of share denomination that may well have been prototypical for what happened in the rest of the financial market. The idea of low-cost shares, fully paid up was common to almost all of these companies. In the mid-nineteenth century this was not the norm. The usual practice was to have high-value shares only partly paid up. This might have been acceptable in the early days of joint stock companies, which in many cases were simply extended partnerships. Once the Limited Liability Act had been passed those, which continued to operate in that way demonstrated, as Hannah agrees, that they had no real understanding of the value of the act.¹¹² In the event of a market crash the shareowners often became liable for a large call-up of the unpaid portion.¹¹³ There had been a downward trend in the value of shares from as early as 1825, but by 1865 they still averaged around £45 per share and most shares still had large uncalled elements.¹¹⁴ The financial crisis of 1866 tended to drive the lesson home. As a result lower value shares, fully paid up – as practiced by the worker-controlled companies – became more and more popular. In fact this was seemingly acknowledged in the 1867 Companies Act, which permitted companies to reduce their share denominations without having to wind-up the company. This has been identified as due to both market pressure from the earlier financial crisis and the increased entry of middle-class investors.¹¹⁵

The claim that these developments were a significant source of industrial finance would not stand up if there had not been a corresponding local flowering of commercial success and prosperity in the Irwell Valley. In fact what occurred there

¹¹² Hannah, (1983), p. 19

¹¹³ Jefferys, (1946), p. 51.

¹¹⁴ Acheson et al, (2012), pp. 863 & 870.

¹¹⁵ Ibid, p.872

amounted to what could be described as a commercial revolution. It can be defined as such because it provided most of the features that would represent a commercial milieu rather than a purely working-class environment. The worker-controlled companies, unlike the closely held family firms operating in most other manufacturing localities, had extensive share lists. This in turn fed ancillary commercial interests such as accountants, share brokers and the like. As has been discussed, ultimately this resulted in a new share exchange being built, by workingmen, in Rawtenstall. Also, Bury, and to a lesser extent Rochdale, by the late 1860s had well established professional share-brokers. This compared to bigger local towns, such as Bolton and Blackburn, which did not have a single professional share-broker at this point. Obviously there was a brisk, commercial trade in shares, enough to provide for six share-brokers in Bury alone.¹¹⁶

This commercial revolution had other results. Local papers became full of announcements of prospectuses, shareholders meetings, reports on companies results and share lists. So prosperous was the area that the comment was made that it was “probably the most significant example of rapid improvement in England and probably not surpassed even in the United States”.¹¹⁷ Other commentators also made the point that there was a marked improvement in the standard of living. Tupling says, “The general prosperity of the people increased so greatly that the district earned for itself the name of ‘the Golden Valley’”.¹¹⁸ In other words, it might be described as the ‘Silicon Valley’ of the day. It needs to be recalled that it was not just the worker-owned cotton mills, but that local ingenuity had invented and developed a huge trade in felt slippers that at the end of the nineteenth century was employing 1,300 people.¹¹⁹

This commercial revolution, in some cases, created businessmen out of workers. An extreme example, quoted earlier, was Hiram Kay of Bury, who evolved from a joiner into a share broker, estate agent etc. and left, by today's values, half a million pounds. Obviously this did not happen to many but neither was that an isolated

¹¹⁶ Slater's 1869 Directory of Cumberland, Lancashire and Westmorland, p. 165

¹¹⁷ Tupling, (1927), p. 222

William Cooke Taylor, *Notes of a Tour in the Manufacturing Districts of Lancashire*, (Duncan & Malcolm, 1842), p. 52.

¹¹⁸ Tupling, (1927), p. 222.

¹¹⁹ Newbiggin, *Rossendale*, p. 293

example. The concept that mill workers would be shareholders in viable manufacturing businesses would have been impossible just a few years earlier.

Then there were the ancillary industries which sprang up, some also funded by working men, such as those set up especially to build weaving sheds to rent on a 'room and power' basis, such as the Newchurch Building Company, also in the database.¹²⁰ In addition, the success of the worker-controlled companies was the prototype for other limited companies. Bury was noted as a centre for paper making and the East Lancashire Paper Mill Co. Ltd. was one of the earliest limited liability paper mills. Thanks to its example, more than thirty limited liability paper mills were built in Lancashire in the next few years. At least partly as a result of this, Bury became the centre of what became known as 'The Paper Maker's Allied Trades', which were all the suppliers to the Paper Industry. This was also due to the fact that the local textile industry, with experience in both wool and cotton manufacture, adapted to this new market on its doorstep, which needed both woolen and cotton 'felts', Several local textile manufacturers set out to make such products and did it so well that they set the standard for the rest of the world. The same was true of the engineering sector, which also geared up to supply the paper industry. In addition, cotton waste was a key raw material for papermaking. It can be seen that success built on success.

Not surprisingly such commercial enterprise resulted in improved social mobility. The companies of the Irwell Valley, which sold their shares locally, made no restrictions on who could buy them, men, women, including married women and children, all could buy shares. The fact that married women and their husbands ignored the law of coverture was a step towards women's emancipation. The sheer number of shares bought in children's names refutes one of the assumptions of how working class people treated children at this time. The statement quoted earlier in the 1866 Children's Employment Commission Report, that children required protection from their parents was probably correct, but the findings here show that some parents, whilst they might need their children to work, also wanted to provide for a better future.

¹²⁰ National archives, Ref. BT 31/212/654

For families to be able to accumulate funds in a positive way was also a major change. Some families moved up the social scale and their children started life without having to go into the mills, as their parents had done. A surprising number of shareholders retired to pleasanter locations, such as Southport. Some families, of course, utilized the companies in a different way. With most of the worker-controlled companies it was possible to treat the company as a bank and the interest rate at 5% was attractive and withdrawing the money was comparatively easy.

This thesis opens up a new area of investigation regarding the question of industrial finance in the period under review. The author has been unable to find any major work that also suggests that money from working-class people had any significance. Most writings on the subject stress just how little they had. It is hoped that this might now lead to a greater examination of other joint stock companies developed by workers in other locations. The fact, discussed in the thesis, that worker-owned cotton mills opened in locations in the Midlands could be a starting point. There was also mention of limited liability paper mills, created in Lancashire in the 1870s. Another starting point would be the Parliamentary returns of joint stock companies. These were certainly compiled for many years in the 1850s and 60s and are available on line.

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Appendix A - The Companies

There are twenty-three companies in the database, giving a total of 8,445 shareholder records. Some of the companies have good documentation but on others there is a scarcity of information. The object of this summary is to list the companies, giving, as far as possible, a profile of each of them. They have been arranged in the order in which they were formed.

Bacup Joint Stock Company, - Bacup Commercial Company.

The company was initially registered as the Bacup Joint Stock Company in 1849. There is the strong possibility that this action was partially as a result of a notorious strike, which took place in 1848, with almost 5,000, from nineteen mills, in Bacup out on strike.¹

The name of the company was changed when the second part of the registration process was completed in 1850. Bacup Commercial Company was registered on 19th January 1850. The original shares were intended to be £25, but this was reduced to £12-10s-0d. The initial capital was £5,000, but the planned capital was £30,000. The original directors were; William Dawson, piece looker, James Hinchcliffe, stone mason, Duckworth Duckworth, mechanic, Joseph Howarth, mechanic and Abraham Pilling, weaver.²

In 1854 the Bacup Commercial Company was wound up and a new one formed – the New Bacup and Wardle Commercial Company was established in Farholme Mill, which was newly built by the company at Stacksteads, Bacup. In 1856 the company registered under the new Acts, but did not seek limited status and at that point it declared that it had a nominal capital of £60,000 made up of 4,800 shares of £12.50 each of which 4206 had been sold. It was famous for the

¹ *Sheffield Independent*, 3/6/1848

² W. G. Taylor, *Bacupian Mills*, Vol. 2, (Self published, 1981), p. 73. Available in Rawtenstall Library.

dividends that it produced in the period 1959-61, with the maximum being 62.5%.³

Originally the company had started in Clough House Mill, Wardle, this was almost certainly rented in the first instance as a notice of an auction, which included Clough House Mill was listed in the Rochdale Observer, stating that “the premises are now in the occupation of the Bacup Commercial Company”.⁴ At some point Clough House Mill was purchased as they put it up for sale in 1870, following the purchase of Kilnholme Mill, Stacksteads from Messrs Stewart & Hamilton in 1868.

The company only adopted limited liability status in 1877.⁵ It was finally wound up in 1928, having been sold, supposedly as a going concern, but it was closed shortly afterwards, with the buildings being utilised for other purposes. Officially the company was only finally dissolved in 1939.⁶

Padiham Commercial Company

This mill was established on 16th February 1852 and was a very ambitious undertaking, with shares of £100. The motivation appears to have come from the success of the Co-operative store, founded in Padiham in 1848. The concept of a mill was initially proposed in February 1851 and there were, at that point, forty shareholders each proposing to pay £25. To supplement this they initially had an offer of help from someone to build the mill, but they found that they could sell more shares and eventually settled on shares of £100, with seventy-seven shares sold. The whole share list was composed of textile operatives, each owning one share. They refused the outside help and built their own mill.⁷ It was registered under the 1844 Joint Stock Companies Act and though they sent in the documentation required under the 1856 Act they did not apply for incorporation or limited liability status, possibly because the mill was run on co-operative lines, with most shareholders also being employees. The failure of the company

³ Chris Aspin, *Mr. Pilling's Short cut to China*, (Helmshore Historical Society, 1983), p.6.

⁴ *Rochdale Observer*, 23/4/1859,

⁵ Taylor, (1991), p.74.

⁶ *The London Gazette*, 28/2/1939

⁷ *Preston Chronicle*, 13/12/1851

appears to be partly as a result of the adverse publicity brought about by the Padiham Cotton League, but was mainly put down to the lack of discipline caused by the co-operative management style. The company was wound up voluntarily in June 1858.⁸

The Rossendale Industrial Association, later the Rossendale Industrial Company Limited.

This was also a Bacup based company, originally formed in 1853, but initially formed utilising the 1852 Industrial and Provident Act. It was registered under the new Limited Liability Act in November 1859. It had an ambitious capitalisation plan of £200,000 with 20,000 shares of £10 each and one quarter of which had been sold on registration.⁹ The company built Weir Mill in Bacup in 1854 and later bought, on mortgage, Irwell Mill from the Munn brothers. The mortgage was for £5,000. This mill was never as successful as the New Bacup and Wardle Commercial Company and was wound up in 1911.¹⁰

Todmorden Commercial Spinning and Manufacturing Company, later Todmorden Commercial Spinning and Manufacturing Company Ltd.

This company was first registered in 1854, but local historians claim that it was registered in anticipation of the new Limited Liability Act and they certainly put in an early application being granted the very early company number of 179 on the 16/1/1857.¹¹ In spite of this the company was largely run on co-operative lines. Initially mill space was rented at Shade Mill, but then the company built Alma Mill in 1855. The company had a nominal capital of £10,000 in £25 shares. Like other co-operative companies there were differences, in this case resulting in the company splitting, with some shareholders setting up a rival mill. In spite of this the company initially thrived and in 1859 paid a dividend of £10 per £25 share – 40%. Emboldened by this they bought another mill known as Square

⁸ *London Gazette*, 8/1/1915

⁹ *Bury Times*, 10/12/1859

¹⁰ *The London Gazette*, 15/5/1888.

¹¹ National Archives, Ref. BT31/41/179

Mill. However the cotton famine hit this mill badly and in 1867 the mill was wound up and the property and contents were auctioned for the sum of £7,200.¹²

Haslingden Commercial Company, later Haslingden Commercial Company Ltd.

This was one of the early companies and possibly the most successful of the textile companies as it survived until 1968; in spite of this there are few records of the company available. It was originally founded on 10th June 1854, with the proposers being Hargreaves Wilkinson weaver, John Wilkinson joiner and builder, John Pickup beamer, Richard Haworth loom overlooker and Thomas Ormerod beamer. The nominal capital was £20,000 in 2,000 £10 shares. There were initially eighty-four shareholders. It may be a coincidence but in October 1853 there was a well-reported infringement of the Truck Act in Haslingden.¹³ The company applied for registration on 27th October 1856 and this was granted in January 1857, when they received the company number of 283. At this point they declared a nominal capital of £5,000 divided into 500 shares of £10, with 165 being taken up. This suggests that their initial plans had been seriously modified to a more realistic level; there were one hundred and seventeen shareholders at this time. By 1860 they still had the same nominal capital but by then had sold 424 shares. At this point the 1860 document does not give the name of the company as having limited liability status, but an entry in the *London Gazette* in 1861 shows that the original company was dissolved and a new one, The Haslingden Commercial Company Ltd, was created in 1861.¹⁴

Whilst details are not available there is another entry in the *London Gazette* in 1893 stating that the nominal capital is reduced from £60,000 to £30,000, with no indication of why it had either been increased or was now being reduced.¹⁵

There is very little further information regarding this mill until the announcement of its closure on 24/2/1968 – 112 years after it was formed.¹⁶

¹²<http://freepages.genealogy.rootsweb.ancestry.com/~todmordenandwalsden/almamill.htm#anchor1>

¹³ *Preston Chronicle*, 22/10/1853

¹⁴ *London Gazette*, 30/4/1861

¹⁵ *London Gazette*, 9/5/1893

The Padiham Cotton League

This company was formed after the Padiham Commercial Company and it is difficult to know just how closely the two companies were connected. There were several shareholders in common but no clear links, apart from the fact that both were run along co-operative lines. However Padiham was a very small village with a population of only around 4000 people so it is impossible that the two were run totally separately.

The Padiham Cotton League was very different in its structure from the Commercial Company. There was a nominal capital of £30,000 divided into 600 shares of £5, initially there were 476 shareholders, many of whom bought on behalf of children. Unlike the Commercial Company, which managed an orderly, voluntary liquidation, the Cotton League could not meet its debts and though it offered to pay 14s in the £1, this was not accepted, especially by one of its bigger debtors, its cotton brokers, a company by the name of Bully and Raffles. This company brought an action against the Cotton League, which resulted in the existing shareholders being subject to an additional call of £5 per share in order to pay the debts in full.¹⁷ Needless to say this caused much hardship amongst those who had held shares, with bailiffs being called in, who sold up the few sticks of furniture they found. This was another example of a situation where the company had not applied for limited liability status, which would have offered some protection.

It is thought that both the Commercial Company and the Cotton League, which were both run on co-operative principles, suffered from a lack of discipline, which was compounded by the problem of the court case concerning one Hartley Astin, who was dismissed by the Cotton League and then entered the mill causing much damage. On being brought to trial the case was dismissed as he was a shareholder and therefore under the 1844 Act was classed as a partner. If the company had sought incorporation under the 1856 Act it could have sued

¹⁶ *Rossendale Free Press*, 24/2/68

¹⁷ National Archives, Ref. C 26/487

him.¹⁸ This situation highlighted the questions over management and caused panic with the creditors, which led to the collapse of both companies, as is discussed in the text.¹⁹

Newchurch Building Company Ltd

This Company was formed with the intention of building weaving sheds, equipping them with steam engines and renting out the premises as a basis for room and power. It was first registered on 18th December 1856 and this indicates that there was a strong assumption that a number of companies would be brought into being in the area, which would need room and power. The company was formed with a capital of £3000 divided into 5 pounds shares. There were only 30 shareholders and many of these were farmers. In addition they almost all came from around the village of Barley. Their first venture was to build a mill known as Spen Brook Mill, which they advertised to let in April 1858. One Thomas Parsons initially rented it until he was declared bankrupt in 1864. Following this it was rented by Jonathan Howarth through the 1870s and finally leased by the Spen Brook Manufacturing Company in 1886.²⁰ There is no obvious record of any other mill that they built. One significant shareholder was the Royal Foresters' Club who held altogether 22 shares and was the major shareholder. The company was wound up in May 1897.²¹

Lancashire Wagon Company Ltd.

This company was not a true working class company, nevertheless it was some sort of inspiration to the people of Bury and therefore encouraged the further development in the town.²² The company was initially formed in 1857 and had only 12 shareholders with a total of 173 shares. The company was reformed as a limited liability company in August 1859 with a capital of £60,000 divided into 6000 shares of £10 each. This decision appears to have been taken after an annual general meeting in September 1858 when the company reported that 160

¹⁸ *Caledonian Mercury*, 3/4/1857

¹⁹ See pp. 202-203.

²⁰ Nelson library – Spen Book Mill

²¹ *London Gazette*, 25/5/1897

²² John Lord, *Bygone Bury*, (Aldine Press, 1903), p. 26

wagons had been manufactured. A resolution was passed to double the capital, which at that point stood at around £9000.²³ At the new registration there were 1524 shares taken up, meaning that the capital was now approximately £15,000. This time there were some 62 shareholders some of whom had big holdings with the biggest being Thomas Hamer, gentleman, who held 150 shares. Most of the other shareholders tended to be middle-class and included various retailers. In 1871 the *Pall Mall Gazette* published a comparison of existing rolling stock companies. The Lancashire Wagon Company was shown as giving regular dividends of 10% for the past four years and this compared well with the other companies listed. The capital was £71,570 and it had a reserve fund of £8,629, so it was prosperous company at this point.²⁴ The business of the company was to build railway wagons and it was finally wound up in 1903.²⁵ However, this was not the end of the story, it was wound up in order to be reconstituted, the reason why is not apparent and it was immediately reformed. It was wound up again in 1911, but, seemingly, again reformed, finally being dissolved in the 1930s.

Bury and Heap Commercial Company Ltd.

This company was one of the first of the working class textile mills to be formed after the 1856 Limited Liability Act. It was formed in July 1859 and was finally wound up in 1933.²⁶ The nominal share capital was £20,000 divided into 2000 shares of £10 each. On registration the company documents showed that 1500 shares had been sold. The initial subscribers were as follows James Raby innkeeper, John Greenhalgh overlooker, James Livsey agent, John Hopkins gas-holder maker, Edward Bridge blacksmith, Samuel Kay hatter and John Holt iron dresser. There is a report that this group of men regularly met in a pub, The Seven Stars and that this is where the idea was born, inspired by the success of the Lancashire Wagon Company, there was also a connection to the Bury & Elton Company as shown below.²⁷

²³ *Bury Times*, 11/9/1858

²⁴ *Pall Mall Gazette*, 7/11/1871

²⁵ *London Gazette*, 24/3/1903

²⁶ *London Gazette*, 2/2/1933

²⁷ *Bygone Bury*, (1903), p. 26

East Lancashire Paper Mill Co. Ltd

The East Lancashire Paper mill Company Ltd was the first limited liability paper mill. The main thrust to set up the company came from two publicans, who, it is presumed, sold shares across the bar. It could be said that this is another middle-class company and certainly it was middle-class people who founded it. However the share list shows that more than 50% of the shareholders were working-class. This was a very ambitious undertaking, papermaking was well established in Bury but a paper mill was more expensive to construct than a simpler cotton mill. Even more significant it is clear from the records that the founders had very little technical knowledge and simply saw it as a potential money-maker. The initial share capital was £50,000 divided into £10 shares. It was first registered on 28th March 1860. This was a building project and the call of shares was spread over approximately 3 years normally with a call-up of 10 shillings per share.

The company was probably the most successful of those in the database, in the 1870s it regularly paid dividends of over 20%. When it ceased manufacture in 1996 it was the head of its own small group and quoted on the London stock exchange, at this point the company was bought and was still in existence as a 'shell' until 2012, when it was finally dissolved.

Bury Co-operative Manufacturing Co. Ltd.

The Bury Co-operative Manufacturing Company was first registered in April 1860. This was quite clearly a workingman's Company. The Bury Co-operative Society sponsored it but they did not put money into it. The initial capital was £40,000 divided into 8,000 £5 shares. Approximately 4000 shares were sold to over 900 shareholders, at the first registration. The intention of this company was to build a complete new mill and it was reported in the *Bury Times* of February 1862 that the mill was finally finished but it would not commence operations until there was an improvement in trade.²⁸ The mill finally opened for business in January 1865 and it was reported that at this time there were 800

²⁸ *Bury Times*, 1/2/1862

shareholders.²⁹ This was supplemented by loan stock whereby those who loaned money to the company could get an interest rate of 5% per annum.³⁰ The company was voluntarily wound up in July 1930.³¹

Todmorden and Cornholme Bobbin Manufacturing and Commercial Company Ltd.

This company was registered on 12th November 1860 it had a nominal capital of £60,000 divided into 6000 £10 shares. On registration only some 227 shares had been taken up. These shareholders were mostly joiners, wood turners or weavers. The objective of the company was to produce wooden bobbins and any associated wooden articles for the textile industry. The subscribers of the Company were James Stansfield who classed himself as a general agent, Thomas Ratcliffe weaver, James Cunliffe wood turner, John Abbott wood turner and Thomas Arnold blacksmith. There is no record of how well the company did, but it survived until 1894 when it filed for voluntary winding up so short-term it must have been reasonably successful.³²

Hargreaves Street Manufacturing Company Ltd

This company was set up in Haslingden in February 1860 the nominal capital was £10,000 divided into shares of £5 each. At the time of registration there were 465 shares sold with 183 shareholders. There was a party to celebrate the opening of the mill, which was reported on 17th August 1861. There were many speeches made, one point of interest was a speech by Mr Rawlinson of Bury who praised the co-operative movement pointing out that there were now factory girls who had as many as twenty £5 shares. He claimed that he had heard one of them talking to a young man, who was told that she would have nothing to do with him unless he had some shares in a Co-op.³³ The date of liquidation is not known, the company is listed in the *London Gazette* on 2nd July 1935, along with many others, which are being struck off the register as nothing has been heard

²⁹ *Bury Times*, 7/1/1865

³⁰ *Bury Times*, 2/1/1864

³¹ *London Gazette*, 4/7/1930

³² *London Gazette*, 25/12/1894

³³ *Bury Times*, 17/8/1861

from them for many years. The Company registrar often waited years before finally sending an enquiry to the company, which was often undelivered, as the company had vanished. After this the Company was removed from the register, but it did submit annual returns to the registrar up until 1931.

Rawtenstall Cotton Manufacturing Ltd.

When the company was registered in December 1860 the share-buying boom was going full blast and there were many who wished to buy shares. The nominal capital was £50,000 divided into £5 shares and on registration 6349 shares had been taken up, with almost 1200 shareholders signed up. Subscribers to the company were Samuel Lord tackler, Joshua Foster carder, Lawrence Hargreaves innkeeper, Joseph Hamer joiner, Charles Taylor contractor and James Pilling wool sorter. It was reported that initially there was a suggestion that this company should join forces with the Newchurch Spinning Company, but eventually the suggestion was rejected.³⁴ At a half yearly meeting of the company in August 1862 the balance sheet showed a balance of £5-15s-7p with a disposable balance in hand of £474-7s-1p.³⁵ This suggests that the company actually started manufacture before the cotton famine but even so it survived until 1920, when it received an offer to buy it out and the company then continued as 'Rawtenstall Cotton Mills Ltd.,' but it was then owned by a consortium of half a dozen cotton manufacturers and continued until after World War II.

Laneside Industrial Cotton Mill Company Ltd.

This was a Haslingden-based company and initially registered in January 1861 it had a nominal capital of £30,000 with £10 shares. On registration 988 shares had been taken and there were 440 shareholders. The subscribers were James Pickup mechanic in a cotton factory, John Lonsdale quarryman, Edward Riley grocer, James Howarth tackler, John Tattersall warper, James Pickup overlooker, Maxwell Hargreaves plumber. One of this group, James Lonsdale, was illiterate

³⁴ *Bury Times*, 10/12/1859

³⁵ *Bury Times*, 2/8/1862.

and made his mark. There is little further information available on this mill. It was finally wound up in 1897.³⁶

Bacup Brewery Company Ltd.

This is one of three breweries in the database and it was the least successful. It was first registered in May 1861 but unfortunately the record of that registration is not available and details from the annual return in 1868 have been used. Most of the original subscribers were publicans and it is clear that the intention was simply to make beer for use in their own premises. There were only 23 shareholders. In 1868 the nominal capital was £10,000 with £10 shares and at this date only 146 shares had been sold. It was wound up in March 1875 and its premises and machinery auctioned.³⁷

Bury and Elton Commercial Company Ltd.

This Company was registered in May 1861 there was a nominal capital of £40,000 with £10 shares and on registration 2000 shares had been taken up. There were almost 200 shareholders on first registration and the initial subscribers included Thomas Barlow, whose occupation was given as woollen manufacturer. In the book *Bygone Bury* it describes that he was very useful in setting up the company thanks to his experience. Also the author of the book was the Company Secretary for this company and the Bury & Heap Company.³⁸ The subscribers of Bury & Elton included James Raby and Benjamin Bentley, both of who were involved in the Bury and Heap Commercial Company. Some of the other subscribers were a tax collector, a manufacturer, two innkeepers an overlooker and a shopkeeper. The company was finally wound up in 1895. However this was not the usual voluntary liquidation, an article in the *Manchester Times* in April 1894 disclosed that there had been serious accounting problems with some directors gambling on futures.³⁹ At the shareholder meeting it was disclosed that the sum of approximately £18,000 had

³⁶ *London Gazette*, 5/8/1897.

³⁷ *London Gazette*, 5/3/1875

³⁸ *Bygone Bury*, p.26-27

³⁹ *Manchester Times*, 20/4/1894

been lost. In spite of the board trying to reassure the meeting the firm was closed within a year.⁴⁰

Lancashire and Yorkshire Cotton Manufacturing Company Ltd.

This was essentially a Bacup based company, it was set up by Bacup people with the idea of utilising an abandoned mill in Ossett in Yorkshire and there was also some suggestion that wages were cheaper there. The shares were sold very widely with outlets in Bacup, Ossett, Halifax and Bury. Some of the people who promoted the company had been involved earlier in setting up Bacup Commercial Company. The Company was registered June 1861, nominal capital was £100,000 in £10 shares. Out of the 10,000 shares available 2178 had been sold on registration. In its prospectus the company claimed that it was expecting profits of between 25 and 30%.⁴¹

It is not known if the company started manufacture before the cotton famine or not, but after the cotton famine there were several court cases as the company tried to enforce call-ups. Perhaps as a result of the bad blood caused by the court cases, the company went into liquidation in December 1872.⁴²

Ramsbottom Spinning and Manufacturing Company Ltd

This company was registered in December 1861 it had a nominal capital of £60,000 divided into 12,000 £5 shares. The list of subscribers is not known but there were 728 shareholders. The mill was evidently completed by October 1861. The company gave a dinner to celebrate the event and made it clear that not only had they built the mill themselves but they had also quarried stone locally also by themselves.⁴³ There is little other information available on how the company fared and it was finally wound up in May 1905.⁴⁴

⁴⁰ *London Gazette*, 5/4/1895

⁴¹ *Leeds Mercury*, 28/4/1860

⁴² *London Gazette*, 6/12/1872

⁴³ *Bury Times*, 26/10/1861

⁴⁴ *London Gazette*, 26/5/1905

Rossendale Printing Dyeing and Manufacturing Company Ltd.

This was one of the companies, which was unsuccessful. It was established in January 1862 with a nominal capital of £50,000. The shares were £10 and on registration 1420 had been sold. Virtually all of the shareholders were from a working-class background. It does seem to have been dogged with bad luck or bad organisation from the beginning, for example an announcement in the *Bury Times* cautioned shareholders not to pay any money to Mr Thomas Pollard the secretary until further notice.⁴⁵ This suggests that Mr Pollard was not to be trusted. The mill held the traditional 'rearing' festival, which was done once the mill had been built in January 1862.⁴⁶ By 1864 there were advertising for "an efficient manager" and then in December 1865 the premises were offered to let and by June 1866 there was a notice that the Company was being wound up.⁴⁷

This then was one of the companies, which was not successful and no doubt created a lot of hardship for the 1400 or so shareholders.

Bury Cotton Spinning and Manufacturing Company Ltd.

The Bury Cotton Spinning and Manufacturing Company Ltd, was established in January 1862 with a nominal capital of £60,000 and the share price of £50 per share. On registration £22-10s-0d of the share price had been called up and 546 shares had been sold, to 114 shareholders, many of whom were local retailers. The subscribers were men of some substance. The chairman was Matthew Peel who was a tanner employing 14 people. The second proposer was Hiram Kay, whose occupation is given a joiner, but who set up as a share broker and left £12,000 in his will. Other subscribers were a coal agent, a mechanic foreman, a brick maker employing 23 people and one Thomas Roberts, who is described as an iron moulder but who was one of the largest shareholders in this database. It

⁴⁵ *Bury Times*, 14/9/1861

⁴⁶ *Bury Times*, 4/1/1862

⁴⁷ *Bury Times*, 22/9/1866

would therefore seem that this company was not especially aimed at the working classes, though there were working-class shareholders in it.

There is very little information available about this company, but there was a notice in a newspaper that in January 1864. Mr F. Peel MP, son of Sir Robert Peel, who was the Liberal MP for Bury, held a meeting in what is described as the 'lower room of the Barn Brook mill Bury'. This was the mill built by Bury cotton Spinning and Manufacturing and as there were 3000 people at the meeting it suggests that the mill was not in operation and probably, like some of the others, waiting for the cotton famine to end.

The company seems to have realised that £50 shares were not a good idea, by 1890, if not earlier, the shares had been changed to £10 and then by 1903 they show as £5 shares. In the 1920s the company appears to have been taken over by one family, the Holland family from Preston, whose main interest was as brass founders. One man, William Hollins Holland, owned around 90% of the shares with the remainder split between other family members. Even though they submitted returns until the mid 1930s, it would seem that they were using the company as a shell. In 1939 the Registrar made enquiries about the company and was told, in a letter signed by 'Lewis Holland – Sole Director' that the company had not been in business for many years. As a result the registrar dissolved the company in 1940.

Bury Brewery Ltd.

This Company was registered on 27th February 1863. The nominal capital was £12,500 with shares valued at £10 each. On registration 944 shares had been sold. This company is technically still in existence, owned by Thwaites Brewery in Blackburn and it is presumed that it is valued for its lower company number, which is 2119.

There is something of a mystery between this brewery and one that follows, the Bury Co-operative Brewery. They appear to be set up in opposition to each other, they were registered on the same date and have consecutive company numbers.

This brewery was established by one of the men who was a prime mover in establishing the East Lancashire Paper Mill Company. This was a Mr Edmund Barlow who was the proprietor of the Queen's Hotel in Bury. There were 86 people on the share list whilst some of them were innkeepers there was a good cross-section of other occupations. The biggest shareholder was Mr Barlow with 140 shares.

The company changed hands several times before being bought by Thwaites.

Bury Co-operative Brewery Ltd.

As mentioned above this Company was established in the same date as the Bury Brewery, the company number was 2120. The nominal capital of the company was £20,000 with £5 shares and on registration 2002 shares had been sold. There were 272 shareholders, quite a small number were involved in the licensed trade. Many others had working-class occupations. The company announced in 1865 that it was changing its name to the Crown Brewery Company Ltd.⁴⁸

As with the brewery above it changed hands several times and today is owned by Whitbreads, again the suggestion is that it has been retained because of the low Company number.

⁴⁸ *Bury Times*, 23/9/1865

Appendix B. Tables relating to the development of the companies.

New Bacup and Wardle Commercial Company Ltd.,

B & W 1876						
Page	1	2	3	4	5	total
names	20	20	20	20	20	100
Local	19	18	20	20	19	96
w/c	19	16	16	19	17	87
non w/c	1	4	4	1	3	13
women	3	3	1	1	3	11
Av. Shares	14.65	13.40	11.55	11.10	57.25	21.59
total shares	293	268	231	222	1145	2159
Biggest	60	44	60	29	18	
furthest	Rochdale	Blackpool	Rochdale	Rochdale	Leeds	

B&W 1906						
Page	1	2	3	4	5	total
names	24	24	24	24	24	120
Local	22	22	23	20	21	108
w/c	11	13	17	20	19	80
non w/c	4	9	7	4	3	27
women	9	4	10	10	7	40
Av. Shares	4.5	6.79	6.58	10.5	5.12	6.70
total shares	107	163	158	252	122	802
Biggest	20	40	34	30	23	
furthest	Nottingham	Kettering	Manchester	Blackpool	Bury	

B&W 1926						
Page	1	2	3	4	5	total
names	26	26	26	25	25	128
Local	21	1	25	23	20	90
w/c	22	23	25	24	21	115
non w/c	4	3	1	1	4	13
women	9	7	8	12	10	46
Av. Shares	105.08	126.35	52.12	90.20	83.20	91.39
total shares	2732	3285	1355	2255	2080	11707
Biggest	450	1010	180	150	300	
Furthest	Somerset	Blackpool	Derbyshire	Derbyshire	Liverpool	

Rossendale Industrial Manufacturing Company Ltd.

Rosendale Industrial		1879				
Page	1	2	3	4	5	total
names	24	26	26	26	26	128
Local	22	23	26	25	23	119
w/c	21	24	24	24	22	115
non w/c	1	2	2	2	4	11
women	6	6	6	4	4	26
Av. Shares	5.08	5.04	7.69	7.58	7.73	6.62
total shares	122	131	200	197	201	
Biggest	18	21	34	27	44	
Furthest	Manchester	Carlisle	Rochdale	Southport	Blackpool	

Rossendsale IND		1894				
Page	1	2	3	4	5	Total
names	12	12	12	12	12	60
Local	11	9	11	11	11	53
w/c	9	8	11	10	10	48
non w/c	3	4	1	2	2	12
women	6	3	3	3	5	20
Av. Shares	3.92	3.42	2.50	17.17	5.83	6.57
total shares	47	41	30	206	70	
Biggest	10	20	6	89	33	
Furthest	Oldham	Carlisle	Bradford	Salford	Southport	

Rossendsale IND		1904				
Page	1	2	3	4	5	total
names	20	20	20	20	20	100
Local	17	18	19	15	14	83
w/c	14	18	16	14	15	77
non w/c	6	2	4	6	5	23
women	7	7	4	7	6	31
Av. Shares	4.30	10.90	4.20	7.35	17.25	8.80
total shares	86	218	84	147	345	
Biggest	20	33	13	40	60	
Furthest	Carlisle	Blackpool	Manchester	Bradford	Leeds	

Rosendale Industrial		1909				
Page	1	2	3	4	5	total
names	20	20	20	20	20	100
Local	17	18	19	19	16	89
w/c	16	16	16	17	13	78
non w/c	4	4	3	3	7	21
women	8	3	7	5	7	30
Av. Shares	4.30	10.40	5.80	5.30	5.50	6.26
total shares	86	208	116	106	110	
Biggest	20	89	33	31	24	
Furthest	Carlisle	Bradford	Blackpool	Manchester	Bradford	

Bury and Heap Commercial Co. Ltd.

Bury & Heap	1894					
Page	1	2	3	4	5	
names	24	26	24	25	24	123
Local	22	24	21	22	20	109
w/c	18	24	22	23	19	106
non w/c	6	2	2	2	5	17
women	2	3	6	4	8	23
Av. Shares	28.58	14.5	22.21	26.56	18.38	22.05
total shares	686	377	533	664	441	2701
Biggest	223	96	151	273	68	
Furthest	Manchester	Southport	Basingstoke	Liverpool	sussex	

Bury & Heap	1904	£10 shares				
Page	1	2	3	4	5	Total
names	27	25	26	26	26	130
Local	23	24	21	19	18	105
w/c	13	11	13	14	19	70
non w/c	14	14	8	12	7	55
women	5	6	11	5	11	38
Av. Shares	38.56	23.64	11.00	20.88	15.62	21.94
total shares	1041	591	286	543	406	2867
Biggest	170	180	38	96	50	
Furthest	I.O.M	Blackpool	Blackpool	Essex	London	

Bury & Heap	1914					
Page	1	2	3	4	5	Total
names	24	26	26	26	26	128
Local	20	23	22	21	21	107
w/c	15	15	21	19	19	89
non w/c	9	9	3	6	7	35
women	6	4	9	5	10	34
Av. Shares	40	24.58	9.85	28.88	20.19	24.7
total shares	960	639	256	751	525	3131
Biggest	307	180	54	188	76	
Furthest	Southport	Hampshire	Southampton	N. Wales	Blackpool	

Bury & Heap	1924	£10 & £5 shares				
Page	1	2	3	4	5	Total
names	26	26	26	26	26	130
Local	19	20	17	20	22	98
w/c	16	13	20	17	21	87
non w/c	10	13	6	9	5	43
women	9	5	7	8	6	35
Av. Shares	17.69	16.46	11.69	23.08	19.04	17.59
total shares	460	428	304	600	495	2287
Biggest	205	110	42	200	100	
Furthest	I.O.M.	Basingstoke	Wales	Scotland	Kent	

Bury & Heap	1932					
Page	1	2	3	4	5	Total
names	20	21	20	20	20	101
Local	12	17	18	13	16	76
w/c	15	11	15	12	15	68
non w/c	5	10	5	8	5	33
women	6	4	7	3	8	28
Av. Shares	24.4	25.86	14.9	62.85	29.1	31.42
total shares	488	543	298	1257	582	3168
Biggest	170	180	60	228	100	
Furthest	Scotland	London	Hereford	Scotland	Chatham	

East Lancashire Paper Mill Co. Ltd.

East Lancs	1870					
Page	1	2	3	4	5	
names	25	24	25	24	25	123
Local	24	24	25	24	25	122
w/c	18	20	21	19	20	98
non w/c	6	4	4	5	5	24
women	2	2	4	2	1	11
Av. Shares	12.24	22.5	11.92	11.92	18.12	15.34
total shares	306	540	298	286	453	1883
Biggest	90	115	35	30	100	
Furthest	Cockermouth	Rochdale	Ramsbottom	Rochdale	Rochdale	

East Lancs	1890					
Page	1	2	3	4	5	
names	25	25	24	24	25	123
Local	21	21	20	22	24	108
w/c	18	19	19	19	18	93
non w/c	7	6	5	5	7	30
women	7	8	11	8	6	40
Av. Shares	11.96	11.8	9.42	12.13	12.32	11.52
total shares	299	295	226	291	308	1419
Biggest	61	60	60	34	99	
Furthest	Manchester	Cumbria	Nottingham	Birmingham	Kent	

East Lancs	1900					
Page	1	2	3	4	5	
names	21	19	19	19	20	98
Local	19	18	15	17	16	85
w/c	15	18	19	18	19	89
non w/c	4	1	0	1	1	7
women	5	8	12	6	5	36
Av. Shares	12.29	9.00	8.53	12.68	12.25	10.95
total shares	258	171	162	241	245	
Biggest	117	30	27	60	26	
Furthest	Manchester	Southport	Nottingham	Manchester	Birmingham	

East Lancs	1910					
Page	1	2	3	4	5	
names	26	25	25	25	25	126
Local	3	21	18	19	19	80
w/c	25	22	22	22	22	113
non w/c	1	3	3	3	3	13
women	12	14	13	13	14	66
Av. Shares	15.92	9.44	17.68	8.24	11.72	12.60
total shares	414	236	442	206	293	
Biggest	60	47	60	24	131	
Furthest	Southport	Nottingham	Swansea	Derbyshire	Lincoln	

Hargreaves Street Manufacturing Co. Ltd.

Hargreaves Street		1891				
Page	1	2	3	4	5	total
names	12	12	12	12	12	60
Local	11	12	12	12	12	59
w/c	9	7	11	11	10	48
non w/c	3	5	1	1	2	12
women	3	3	2	2	3	13
Av. Shares	13.50	9.17	6.83	14.17	5.33	9.80
total shares	162	110	82	170	64	588
Biggest	58	60	22	72	20	
Furthest	Lancaster	Haslingden	Haslingden	Ramsbottom	Accrington	

Hargreaves Street		1901				
Page	1	2	3	4	5	Total
names	25	25	25	24	24	123
Local	25	24	23	22	23	117
w/c	25	23	23	21	22	114
non w/c	0	2	2	2	1	7
women	8	9	5	7	9	38
Av. Shares	15.32	5.56	6.08	7.96	16.29	10.21
total shares	383	139	152	191	391	1256
Biggest	118	34	52	27	100	
Furthest	Accrington	Blackburn	Blackburn	Belfast	St. Annes	

Hargreaves Street		1911				
Page	1	2	3	4	5	Total
names	19	19	19	19	19	57
Local	19	19	18	17	18	56
w/c	13	17	14	15	17	44
non w/c	6	2	5	4	2	13
women	6	6	2	7	13	14
Av. Shares	20.63	6	7	6.32	7.95	3.74
total shares	392	114	133	120	151	213
Biggest	143	25	42	14	50	
Furthest	Northwich	Rochdale	Stretford	Southampton	Market Drayton	

Hargreaves Street		1920				
Page	1	2	3	4	5	Total
names	20	20	20	20	20	39
Local	18	17	17	17	18	34
w/c	16	18	20	19	15	36
non w/c	4	2	0	1	3	3
women	11	8	10	7	12	15
Av. Shares	8.55	5.3	4.75	17.05	6.45	42.67
total shares	171	106	95	341	129	1664
Biggest	25	17	14	195	40	
Furthest	Lancaster	Bradford	Southampton	Salop	Southport	

Hargreaves Street		1931				
Page	1	2	3	4	5	Total
names	20	19	19	19	19	39
Local	17	17	18	16	19	34
w/c	19	17	18	13	16	36
non w/c	1	2	1	3	3	3
women	9	6	9	10	5	15
Av. Shares	81.55	176.89	54.68	68.47	89.11	42.67
total shares	1631	3361	1039	1301	1693	1664
Biggest	355	800	280	500	346	
Furthest	Blackpool	Harrogate	St Annes	St Annes	Blackburn	

Rawtenstall Cotton Manufacturing Co. Ltd.

Rawtenstall Cotton		1892	£5 shares			
Page	1	2	3	4	5	
names	25	25	25	25	25	125
Local	24	23	25	25	23	120
w/c	24	23	23	24	25	119
non w/c	1	2	2	1	0	6
women	3	3	5	2	8	21
Av. Shares	17.52	19.4	15.84	16.68	14.88	16.864
total shares	438	485	396	417	372	2108
Biggest	195	150	68	56	60	
Furthest	Stockport	Blackpool	Nelson	Whitewell	Blackpool	

Rawtenstall Cotton		1902				
Page	1	2	3	4	5	
names	25	25	25	25	25	125
Local	24	23	25	22		94
w/c	24	23	25	25	21	118
non w/c	1	2	0	0	4	7
women	7	13	11	9	8	48
Av. Shares	16.24	18.48	15.52	11.56	13.68	15.1
total shares	406	462	388	289	342	1887
Biggest	195	69	120	53	100	
Furthest	Morecambe	Darlington	Accrington	Liverpool	Rochdale	

Rawtenstall Cotton		1917				
Page	1	2	3	4	5	
names	26	26	26	26	26	130
Local	25	23	26	21	25	120
w/c	25	24	26	25	25	125
non w/c	1	2	0	1	0	4
women	7	9	5	10	8	39
Av. Shares	17.27	15.69	16.46	17.62	22.42	17.89
total shares	449	408	428	458	583	2326
Biggest	201	50	154	88	80	
Furthest	Derby	Liverpool	Bolton	Derbyshire	Kidderminster	

Bury Co-operative Manufacturing Co. Ltd.,

Bury Coop	1886					
Page	1	2	3	4	5	
names	23	23	23	23	23	115
Local	21	19	20	21	21	102
w/c	18	21	21	19	2	81
non w/c	5	2	2	4	6	19
women	2	5	3	5	9	24
Av. Shares	9.87	6.17	23.74	6.22	15.70	12.34
total shares	227	142	546	143	361	1419
Biggest	53	31	123	34	80	
Furthest	USA	Staffs	Liverpool	Manchester	Sussex	

Bury Coop	1891					
Page	1	2	3	4	5	
names	24	24	24	25	24	121
Local	22	22	20	22	23	109
w/c	20	21	19	24	20	104
non w/c	4	3	5	1	4	17
women	3	7	5	6	12	33
Av. Shares	11.08	7.71	19.54	7.20	22.04	13.52
total shares	266	185	469	180	529	1629
Biggest	65	25	123	49	180	
Furthest	Derby	Stoke	Preston	Denbigh	Liverpool	

Bury Coop	1906					
Page	1	2	3	4	5	
names	25	25	25	25	25	125
Local	23	21	22	24	22	112
w/c	18	21	20	21	20	100
non w/c	7	4	5	4	5	25
women	4	7	7	13	7	38
Av. Shares	12.92	15.64	10.64	16.00	10.20	13.08
total shares	323	391	266	400	255	1635
Biggest	63	108	84	109	75	
Furthest	USA	Torquay	Paris, France	Wolver hampton	Liverpool	

Bury coop	1916					
Page	1	2	3	4	5	
names	26	26	26	26	26	130
Local	22	24	23	23	23	115
w/c	22	25	23	20	20	110
non w/c	4	1	3	3	6	17
women	11	12	13	11	8	55
Av. Shares	14.27	25.85	12.69	29.08	20.15	20.41
total shares	371	672	330	756	524	2653
Biggest	117	192	39	339	103	
Furthest	USA	Southport	Leeds	Macclesfield	Carlisle	

Bury Coop	1926					
Page	1	2	3	4	5	
names	26	26	26	26	26	130
Local	20	15	24	22	21	102
w/c	23	26	21	21	23	114
non w/c	3	0	3	5	3	14
women	14	14	15	8	12	63
Av. Shares	24.23	44.19	28.85	46.73	38.58	36.52
total shares	630	1149	750	1215	1003	4747
Biggest	228	228	203	560	233	
Furthest	Southport	Southport	Leeds	Ulverston	Leicester	

Ramsbottom Spinning & Manufacturing Co. Ltd.

Ramsbottom Spinning		1869	£5 shares			
Page	1	2	3	4	5	Total
names	22	19	20	22	18	101
Local	20	19	20	22	17	98
w/c	19	18	18	21	14	90
non w/c	1	1	2	1	3	8
women	1	3	3	4	4	15
Av. Shares	10.68	7.42	7.45	5.23	2.61	6.68
total shares	235	141	149	115	47	687
Biggest	195	30	40	25	8	
Furthest	Southport	Newchurch	Bacup	Holcombe	Preston	

Ramsbottom	Spinning 1879					
Page	1	2	3	4	5	Total
names	24	24	24	24	24	120
Local	21	23	21	23	19	107
w/c	22	19	23	22	22	108
non w/c	2	4	1	2	2	11
women	3	4	4	4	7	22
Av. Shares	12.83	9.42	8.75	6.50	9.79	9.46
total shares	308	226	210	156	235	1135
Biggest	80	40	67	43	63	
Furthest	Grange over sands	Rochdale	Clitheroe	Oldham	St Albans	

Ramsbottom	Spinning 1886					
Page	1	2	3	4	5	Total
names	27	25	25	25	25	127
Local	25	25	20	23	24	117
w/c	23	25	25	22	22	117
non w/c	4	0	0	3	3	10
women	3	4	6	4	4	21
Av. Shares	10.63	11.04	10.36	7.52	26.04	13.12
total shares	287	276	259	188	651	1661
Biggest	26	67	56	100	100	
Furthest	Southport	Accrington	Ashton	Liverpool	Liverpool	

Ramsbottom	1900					
Page	1	2	3	4	5	Total
names	26	24	24	24	24	122
Local	26	21	22	24	21	114
w/c	23	22	20	21	14	100
non w/c	3	2	4	3	7	19
women	2	8	5	6	5	26
Av. Shares	13.88	9.67	13.58	25.33	22.88	17.07
total shares	361	232	326	608	549	2076
Biggest	91	56	100	100	72	
Furthest	Radcliffe	Liverpool	Birkenhead	Edenfield	Leeds	

Bury Cotton Spinning and Manufacturing Co. Ltd.

Bury Cotton	1883	£50 shares				
Page	1	2	3	4	5	
names	23	24	24	24	24	119
Local	20	23	22	22	21	108
w/c	18	15	20	19	18	90
non w/c	5	9	4	5	6	29
women	3	4	3	4	4	18
Av. Shares	5.13	10.58	4.21	4.79	10.04	6.95
total shares	118	254	101	115	241	829
Biggest	22	50	29	12	40	
Furthest	Plymouth	St Helens	Stockport	Stockport	Bradford	

Bury Cotton	1890	£10 shares				
Page	1	2	3	4	5	
names	24	24	24	24	24	120
Local	23	22	21	23	18	107
w/c	17	10	14	17	15	73
non w/c	7	14	10	7	9	47
women	5	4	7	3	5	24
Av. Shares	22.04	34.88	32.71	18.63	31.25	27.90
total shares	529	837	785	447	750	3348
Biggest	110	165	150	60	195	
Furthest	Liverpool	Manchester	Leeds	Chorley	Bradford	

Bury Cotton	1903	£5 shares				
Page	1	2	3	4	5	
names	20	20	20	21	20	101
Local	16	20	19	17	16	88
w/c	10	13	12	14	10	59
non w/c	10	7	8	7	10	42
women	6	4	8	8	3	29
Av. Shares	40.05	31.00	28.10	20.38	25.15	28.94
total shares	801	620	562	428	503	2914
Biggest	160	105	100	75	110	
Furthest	Kent	Bury	Southport	Southport		

Bury Cotton	1914	£5 shares				
Page	1	2	3	4	5	
names	20	20	20	20	20	100
Local	15	18	12	17	13	75
w/c	9	10	12	11	14	56
non w/c	11	10	8	9	6	44
women	7	5	5	7	3	27
Av. Shares	41.50	38.35	27.50	15.45	15.05	27.57
total shares	830	767	550	309	301	2757
Biggest	160	175	70	65	75	
Furthest	Kent	Derby	Wales	Portsmouth	St Helens	

Bury Cotton	1924	£5				
Page	1	2	3	4	5	
names	7					
Local	1					
w/c	0					
non w/c	7					
women	0					
Av. Shares						
total shares	5125					
Biggest	4507					
Furthest	Preston					

Appendix C. Disk containing the database.

The CD containing this is attached to the inside of the back cover.

The database is presented in the native 'Filemaker Pro' format and 'Excel' format.