district there is a wealth of knowledge and public spirit unorganized, which might be applied under wise guidance to the problems of that particular locality. It is not so much trade investigators as sympathetic leaders that are needed and the importance of these leaders at the present juncture can hardly b over-estimated. There may be fifty farmers in a neighbourhood, all of whom would make excellent members of a co-operative society, not as blind followers of a leader, but as intelligent co-workers, yet among those fifty it is very often impossible to find a single man possessing the ability and combination of virtues that go to make up the qualifications and character of the successful leader. Those who have the co-operative movement most at heart cannot do better than organize some means whereby leaders may be trained to help in this good work.

CO-OPERATION IN PRACTICE.

Management and Control.—The principles of co-operation are few and extremely simple. Nevertheless, co-operators experimented for many years before evolving them and acting on them with confidence. Perhaps the main reasons for this are their simplicity and the fact that they are fundamentally opposed to ordinary business methods.

Ordinary commercial associations, whether they are partnerships or joint stock companies, are formed for the purpose of securing dividends from the partnership or company. Co-operative associations are formed, not for the purpose of securing dividends through the association, but for the purpose of benefitting the industry.

Joint stock companies, banks, loan associations and business partnerships are essentially autocratic. In these institutions the great majority of the shareholders take little or no part in the association. Co-operative associations are essentially democratic. The management is in the hands of the members.

In ordinary business associations voting is upon a money basis, and the men with the largest moneyed interest control the affairs of the association. In co-operative associations each member has a vote and no member more than one vote. To still further guard against the concentration of power in the hands of one man or a few men, no proxies are allowed.

In commercial or industrial concerns no limit is placed upon the amount of remuneration received by capital, and capital is employed for the sole purpose of securing this remuneration in the form of dividends. In co-operative associations the amount that is earned by capital is as strictly limited and as definitely stated before it is engaged as the wages of employees, and capital is used not for the purpose of securing dividends, but for the purpose of carrying on the business.

In competitive business, capital is master; in co-operative associations it is the servant.

Division of Profits.—Nothing marks the difference between co-operative associations and joint stock companies so clearly as the division of profits. In an ordinary business association, if it should appear, as the result of the year's business, that there was a surplus of $10,000 after paying all just debts and making a proper allowance for depreciation of property, a distribution would take place in direct proportion to the capital invested and the amount which each member would receive would be announced as a percentage on the stock which he held. It would be called a 6, 7, 8 or 10 per cent dividend. In a co-operative association the mode of distributing this $10,000 would be altogether different. An account would be kept of the use each member made of the association. This would be represented in the case of an apple association by the quantity of fruit sold for him by the association.

To make this matter clearer let us take the case of three members of an apple-selling joint stock company. Mr. A. a well-wisher of the association, perhaps, but a pure investor, puts in a thousand dollars of capital. Mr. B. an investor with a small orchard yielding 200 barrels, also invests a thousand dollars. Mr. C, having a large