

Mr. SMITH (Nanaimo).—But if you do a trading business in the co-operative system, you will find that it is the members of your business that become members of your bank, and that the profit you create by doing business in the co-operative store is the self-same money coming from the self-same individuals who want investment. It would have to be controlled by the same opinion as exists in England, where you cannot get men to invest except as a consequence of the sale upon your co-operative retail business.

Mr. MONK.—In England they are not confounded with the bank.

Mr. SMITH.—Of course. There the co-operative banking system is done by the co-operative wholesale store.

WITNESS.—But not by shareholders of the local society.

Mr. SMITH (Nanaimo).—Every retail local society in England is a shareholder in the co-operative wholesale society, and the co-operative wholesale society has a banking system for the retail system.

WITNESS.—But it is not a banking system for the shareholders of the local system. You must have the safe principle of restricting the area. It might be a hardship in some cases, but there rests one of the most essential safety of the whole system.

Mr. SMITH (Nanaimo).—I was showing the impossibility of utilizing people's savings until you learn them to save.

WITNESS.—You have there a particular community in England, for instance. You must admit that there is more money, generally speaking, about our workingmen here in Canada than among the corresponding class in Europe; our people are much more extravagant than are those people on the other side, and it is to crush that extravagance that such institutions should be created, for they afford the true means to reach that end, and it is upon that point that the people should be educated.

Mr. SMITH (Nanaimo).—I appreciate fully the benefits of the banking system, but it seems to me that we are not beginning at the beginning. Of course the restricted area is provided in the Bill.

Mr. BOURASSA.—If you wish to start banking you can start it in just whatever form you like.

The CHAIRMAN.—It was necessary to provide specially in this Bill for banking operations, because the other co-operative aspects of such societies can be obtained without coming to this parliament.

Mr. BOURASSA.—Perhaps it may be put in a more exact way, that those principles of co-operative societies are on the same basis giving them the same local existence but that more precautions have to be taken with regard to banking.

Mr. MONK.—I do not think it is possible to finish to-day with Mr. Desjardins. I think we have made a very satisfactory beginning.

Mr. BOURASSA.—Before we adjourn perhaps it would be germane to the information we have received if we could be informed without entering into details as to the difference between this Bill and the legislation of Europe, having regard to the special conditions here.

Mr. MONK.—As that question will require some development, Mr. Desjardins may take a note of it for our next meeting.

Mr. BOURASSA.—What I want to get at is this, the difference of conditions in our country and those that exist in Europe, so that we may see whether we must imitate the legislation in Europe or see in what way we must reject or differ from that legislation.

Mr. MONK.—I was going to ask a similar question. It has been said that these societies render services in Europe where social conditions are entirely different from what they are here, and the doubt has been expressed as to their utility in this country. You might think over that.