

APPENDIX No. 3

and guidance towards organization. I believe that similar means would be equally effective in the whole range of agriculture, from the cultivation of the soil to the preparation and shipping of products to ultimate markets.'

Now, from an authority like Prof. Robertson, that opinion it seems to me is of special value. It would go to indicate that as the co-operative movement has made headway the general business of the community has been increased; instead, therefore, of the co-operative movement coming into competition and rivalry with some other method of trade it would appear that if successful, as it has been in these cases, the probability is that trade generally would receive such a stimulus that business in other directions would be greatly assisted thereby.

I have here a letter from Mr. A. McMullan of Old Bridgeport, C.B. This has to do with the co-operative movement among the miners in Cape Breton. We have in the Department of Labour been gathering information for some time, from different points and Mr. McMullan seems to understand the movement in Cape Breton better than anyone there. He has very kindly, in answer to the department, given some detailed statements of the movement among the miners; the reasons of its failures in the past and the probable success of the movement in the future. As throwing light upon what has been the cause of failures of the movement in some cases and what may be hoped from it if carried on carefully, I think his letter would be of interest to the committee (reads):

OLD BRIDGEPORT, C.B., December 5, 1906.

W. L. MACKENZIE KING,
Deputy Minister of Labour,
Ottawa.

DEAR SIR,—Your favour of 17th ultimo was duly received, but pressure of work prevented me from giving it the careful reply it demands with the promptness I would like.

In tracing the history of the co-operative movement in Cape Breton, it will first be necessary to note the complete failure of this movement as first organized here. I admit that to one who is struggling to revive it, this is not a pleasant task. But as these failures have their important lessons, we must look them in the face, and if possible avoid the mistakes of the past. I shall first then give you a list of the past failures.

1st. The Sydney Mines Provident Society, Ltd., Sydney Mines, C.B., was started in 1863, (not 1873 as I must have stated in my last in mistake) failed 1905. This is a contemporary of the Union Store at Stellarton, N.S., Jas. Mitchell, manager. The knowledge of the workings of these societies was brought from England to Stellarton and Sydney Mines by miners from England. The Sydney Mines Society did for many years a flourishing and profitable business, as the Stellarton Store is still doing. The omission of making provision out of their profits for a reserve fund, the withdrawal of capital from the business, and inability to adapt themselves to changing conditions, brought them into difficulties and on the top of these difficulties their stock and their store was burnt.

2nd. The Britannic Co-operative Society, Sydney Mines, started about 1873. This was in opposition to the older society. The mine officials were the chief movers in this undertaking. They failed to take the patronage of the workmen from the other store and in about three years their business went to the wall.

3rd. The International Co-operative Store Lt., Bridgeport, C.B., was organized in 1885, dissolved in 1898. The influence of the P.W.A. in bringing the workmen of the International Colliery together, and the sympathy of the company's agent, together with the help and enthusiasm of the Colliery manager, Mr. John Johnston, now of Sydney Mines, gave the first impetus to this society. But for the reasons I stated in my last, no reserve fund, withdrawal of capital, necessitated by the removal of members to other localities, and changing conditions in connection with the collieries, forced them to mortgage the property, pay the liabilities and dissolve. A. Johnston, M.P. for Cape Breton, was manager at the time of dissolution.