

## APPENDIX No. 3

England. The co-operative movement there is far and away the biggest industrial enterprise. It started on the basis of associations such as you propose to make legal in this Bill.

The total sales in the forty-two years, 1862 to 1904, £1,432,776,536, over \$7,000,000,000.

The total profits in the forty-two years, 1862 to 1903, £134,381,205, over \$670,000,000.

Now this vast organization which is destined to exercise a greater influence on the life of England year by year, is the practical result of the enjoyment by the people of England of the rights which the Bill now before your parliament wishes to confer on the people of Canada. When this Bill becomes an Act the example of co-operation in the United Kingdom and on the continent of Europe will be of great assistance to Canada. You must not, however, expect to be able to avoid all mistakes, and you must not be discouraged by failures. Failures confronted with spirit become the steps to success. It is well to remember that the great and successful co-operative movement of England has been founded on failures.

Robert Owen is the father of co-operation and every one of the 700 societies which owed their birth to the enthusiasm which he created for the principle of co-operation, have one after another disappeared. Various reasons have been assigned for their failure—incompetent managers, dishonest managers, the abandonment of the ready-money system, dependence on the rich for assistance instead of on self-support; but the real cause of the failure is to be found in the want of character and education among the people that Owen hoped to benefit. He wished to thrust improvement on them from the top, instead of allowing it to grow up from below. The failure of his societies was owing to the fact that the movement originated with him and not with the men themselves.

The movement, which grew out of the Rochdale store started in 1844, by the self-denial of a few workmen who resolved to do for themselves what Owen had tried 50 years before to do for them, on the other hand, has shown astonishing results.

Distributive societies exist to-day in various parts of Great Britain. After paying all expenses and interests at the rate of from 4 to 5 per cent, on invested capital, the profits are usually divided among the members in proportion to their purchases at the store. In a few societies where an enlightened view is taken of the relation between capital and labour, the employees are allowed to participate in the profits with the consumers at the store, £1 of wage ranking for as much in the division as £1 of purchases.

The organization is essentially democratic, all members being equal. The store is essentially the business of the people themselves. It belongs to them, and is managed by them. The object of its existence is to serve them and to promote their well being. The Store Committee becomes in those communities, where enlightened opinions prevail, a centre of social effort, a sort of civic church, the organized communion of the best men in each locality for the promotion of comfortable living and right and justice. The degree of the committee's influence necessarily depends on the education and ideals of the members of the society. Owen, recognizing that progress is largely a matter of education, appropriated a large proportion of his profits to educational work. I have not the sum which the co-operative societies voted last year; they amounted to, I believe, a charge of about 3d. in the pound upon the profits distributed. The question is now being debated whether they should not tax themselves a little higher through their societies for the promotion of the common good.

The chief advantages secured to England by this co-operative organization of trade and industry, which the legalised establishment of similar organizations in Canada, in accordance with the provisions of this Bill, will bring within reach of Canada are:

1. \$50,000,000 saved annually by the co-operators of the United Kingdom, and this amount steadily growing year by year.