

Co-operative Thrift.

The Civil Service Loan and Savings Association having definitely and finally resolved to remain co-operative and to eschew joint-stockism in any or all of its phases, it may be of interest to point out yet again the essential difference between the co-operative and joint-stock principle in this particular domain.

A joint-stock loan company is an association of persons who, having money to invest, consider money-lending a suitable and profitable business. The members unite their capital, hire a manager, and proceed to do business with the world at large. At stated intervals they balance their books and distribute profits. The primary object of the company is to make profits. Needless to say, the distribution of profits among the members is in exact proportion to the amount of capital which they have severally invested. Needless also to say, such a business may be eminently beneficial to the community in which it is carried on, and may be conducted with strict business integrity, with satisfactory results all round.

A co-operative loan association, however, sets out from an entirely different point of view. It is made up, not of men who have money to invest, but of men who have almost literally no money, certainly not enough to warrant its disposal being regarded as an "investment." That is to say, while the co-operative association must have money, it relies on obtaining this money out of a considerable number of small contributions derived from men who do not regard their contribution primarily in the light of an ordinary business investment. In other words, it is primarily an association of borrowers, actual or prospective. One hundred men, say, having small sums each, club together and use the aggregate contribution in turn. The aggregate is not "capital" at all in the joint-stock sense, for it pays no "dividends" determined by profits, but on the contrary yields a fixed rate of interest. No one who is not a member can obtain a loan. The association has no dealings whatever with the public. The object is not to make profits but to meet a legitimate need for which no other machinery is available without danger of the abuse of usury. Accordingly, an altogether different series of safeguards are necessary under the law. These, unfortunately, in the medieval community which is indicated as the Province of Ontario on the modern map, it is difficult at present to obtain, so that associations of this character here must, for the present time, forego incorporation.

May the light of common sense, not to mention an intelligent knowledge of history and economic fact, soon shine forth whether from Queen's Park or Parliament Hill!

LEGAL.

It is a maxim of legislation that the legislative body has no powers of interpretation. When an Act is passed by the Parliament of Canada, the meaning of that Act is left entirely to the courts to decide. The intention of Parliament in passing the Act may have been set forth with the greatest particularity: all this avails nothing if the meaning of the Act on the face of it should in the opinion of the bench be different.

In most cases this works very well. In the case of civil service legislation, however, an obvious difficulty presents itself. There is nothing to prevent a civil servant from obtaining due permission and taking the interpretation of the Civil Service Act to a court of justice; yet obviously he will not do this. The result is a multiplicity of rulings and interpretations by the Department of Justice, the Treasury Board, and other bodies that may or may not be according to law. It is easy to see