

APPENDIX No. 3

'I think the co-operative movement an excellent thing, very beneficial to the working people who join it.'

By Mr. Smith (Nanaimo):

Q. That was the Productive Wholesale Society?—A. That was the Productive Wholesale Society. I was going to say a word or two in this connection of the system of co-operation in England. I think it has been pretty well explained that the movement there had its beginning with these distributive societies, which were of the nature of the Harvard Co-operative Association. Afterward the movement extended to the wholesale productive co-operative associations. The banking feature came last in England as a means of furthering the large wholesale work. The point that I would like to direct attention to, however, in view of what has been said this morning, is the objection, or rather the reason alleged by two of the great co-operators in England as to the failure of the productive movement to make great headway in London—the great competition of the cheap sellers. Now, undoubtedly the movement has this feature about it: that inasmuch as it is conducted by persons who are interested in all stages of it, the quality of the goods and the welfare of the workers is likely to be a first consideration, and the result is that men purchasing from co-operative societies are likely to get a class of goods and a kind of commodity which will be better in quality than what may be obtained at other shops under the ordinary competitive system. The danger, therefore, of the co-operative movement really injuring the retail trade is very much minimized in view of this fact. The retail trade has the opportunity always of putting any class of commodities before the people, while under the co-operative movement, particularly where productive co-operation prevails, the method of manufacture is on the best scale, having reference to the welfare of employees from the point of view of health, wages and such like, and it is, therefore, probable that in a good many cases the price of an article may be a little bit higher than it would be in the case of commodities made up indiscriminately under the competitive system.

When I was in the old country last fall in connection with some work of the Department of Labour, I had in mind the possibility of this Bill coming up before the committee of the House, and it occurred to me, in passing one of these co-operative society stores, that it might be well, to drop in and find out the working conditions of the store on the spot. I was going along one of the streets in Glasgow, and noticed the St. Rollox Co-operative Society store. It was a store where one could purchase groceries or meats of any kind. I went in and asked the man in charge if he would give me a little information with regard to the store and its workings. He gave me, after some verbal explanations, this statement, which is short. I will read it, as it explains the working of a co-operative distributive store. This will illustrate, in regard to the distributive side anyway, the benefit which the people can get from a society of this kind. These are the instructions to new members joining the society:—

'St. Rollox Co-operative Society, Limited.

'Instructions to New Members joining Society.

'Persons wishing to join the society can call at any of our grocery shops and obtain an application form, and sign same, declaring his (or her) willingness to conform to the rules of the society, and to take up at least five shares, value £1 each share.

'Entry money of 6d. is charged to cover cost of rule book, share book, &c., after which he (or she) is entitled to all the privileges of membership.

'Pass book is supplied to each member for the purposes of keeping a record of their purchases. This pass book must be handed in at each quarterly stock-taking, to be added up, and total credited to the member.

'Share capital can either be paid in full or in part, or made up by deduction of 5s. from dividend earned each quarter.

'At the end of each quarter (notice of which will be published in each shop), the stocks are taken, the books balanced, the accounts audited by a chartered accountant;