

THE CIVILIAN

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Promotion from the Third Division

A Word for more deliberate consideration of the Civil Service Commission's Regulations.

The Civil Service Commissioners are reasonable men. Still more, they are men who would not consciously do an injustice. And, by this time, they may even be regarded as knowing something about their job.

A lot of harm has been done by the hullabaloo which has been raised, inside and outside the service, over the recent regulations. It has succeeded in disquieting a large body of men, and it has done so in mere indolence or inability to analyse the situation as a whole. It has been cocksure as to the remedy, but it has been superficial as to the diagnosis. A broad view of the case has been regrettably absent.

THE CIVILIAN has no wish to forestall the deliberations of the Association in this matter, and we think it would be well if the service as a whole would take a leaf from the same book. What else is the Association for but to prevent the dissemination of half-baked judgments which can help no one and may easily harm all?

One thought only is worth throwing out while the matter remains as the interview of the Association with the Commissioners (reported on another page) has left it. Three-quarters of the men who have a

grievance in the present situation have one, not because of any conditions attached by the regulations to employment in the third division, but because they should never have been placed in that division. It is the old story of the non-fulfillment of Clause 8 of the Act. Until that organization is carried out, the service in theory and the service in fact will be two different things, and it will be useless to attempt to square them. In theory, the third division is made up of clerks doing purely mechanical and routine work, who have never done other work, or had the chance to show that they could do other work. The examination for these, flexible as it is, and *essentially non-academic*, is just. But for the others there should be no examination whatever, and if the reorganization were affected there would be none.

The true strategic use to be made of the situation created by the Commissioners' regulations is, therefore, to regard them as the final demonstration of the absurdity of persisting in the make-believe that the conditions required by the new Act are now in force. They are not, and the present is but a sample of the injustices created thereby. The reorganization is not only necessary but inevitable.

Co-operative or People's Banks.

A Paper Read Before the Twentieth Century Club of Boston, by M. Alphonse Desjardins, President and Manager of the Levis People's Bank, Canada.

Mr. Chairman and Gentlemen,—

A co-operative or people's savings and credit bank is an association of individuals established on a somewhat new principle, that of a variable capital and membership. It is not, therefore, a mere aggregation of funds. The persons feeling the same wants unite together to help themselves upon an accepted and comprehensive basis, well understood and rigidly adhered to. For, without these primary conditions, success could not be achieved nor even expected. Capital here is only a mere tool, the stock in trade, almost a slave; it is not the dominating power, as in ordinary financial combinations which have one object in view, that of enhancing their productive value at the expense of non-organized economic forces. As this union of capital must have rules to make it reach its aim, so with the association of individuals. The first one, the most necessary of all, is the selection of those who may be allowed to join the society. And this selection is made upon a basis that can be achieved by any one, since it is character, honesty, industry and thriftiness that are the essential qualities required. This shows that here lies a principle which will commend itself strongly to an audience like this recruited among a people that have given to the world such examples of the grand possibilities of such a principle.

The two main objects of such an association are the encouragement

and development of the true spirit of thrift on the one hand, and the granting of credit on the other to the very humblest classes of the community, based upon universal suffrage.

In order to insure the best possible selection of members, the field of activity of the society must be closely restricted, either in territory or within the radius of a local trade. In a limited field, the individuals can be better known and their qualities better appraised.

As it is an association of persons, not of capital, there is only one vote for each person. Instead of having the principle of the voting power based on the number of shares, it rests exclusively upon the principle of one man, one vote, just as in a political democracy. Moreover, as the members are recruited within a small area, access being therefore easy to the place where the general meetings are held, voting by proxy is rigidly excluded, on account of the numberless inconveniences and abuses to which it so often leads.

One individual must not by any means or device contrary to the spirit of the organization, be in a position to exercise a damaging influence, and in order to safeguard it from such a personal power, none can hold in shares or in deposits an amount greater than the one determined upon by the general meeting. It has been thought, and experience has proved it to be correct, that a member, if allowed to hold any number of shares,

although his voting power should be restricted to one vote, could, at a special moment, or under critical circumstances, deeply influence the working of the society by threatening to withdraw his capital. This condition should never be allowed to exist, hence the necessity of fixing from time to time the maximum amount that can be held in shares or even deposits, as well as the obligation of keeping a large fund of idle money to meet such threats. These precautions are necessary, for black sheep may always make their way into a society, however stringent may be the rules to prevent their entrance.

This brings us to the question of capital. It has been said at the outset that this sort of society is of a special nature, called in the French law, "à capital et personnel variables," that is to say, the capital of which may be increased or diminished by the subscription and payment of new shares, or the withdrawal of paid up shares. The membership of this kind of society may also be increased or diminished by the admission of new members and the withdrawal of old ones. This feature is a necessity on account of the special conditions under which these associations have to work. They appeal almost exclusively to the laboring classes, to those people who more than any other cannot afford to lock up their savings, however small they may be, in non-withdrawable shares. The same rule that applies to the funds deposited in the savings banks must also be applied here. The co-operative people's bank must therefore offer in this respect the same facility as the ordinary savings banks, in order to attract the necessary funds. Moreover, the membership must be variable. Being an association of per-

sons, you cannot expect that the individual will not keep his freedom to move away or give up his membership.

The funds are provided by the issuing of shares unlimited in their number. Their value is determined by the general meeting and must be of a small amount in order that the poorest may have access to the membership. In Belgium, this amount is frequently as low as 2 francs—40 cents—and even one franc. In Canada, we have adopted the five dollars shares, with the exception of one society out of the twenty-two in existence, that has chosen a one dollar share. It is far better that the law should not prescribe the amount in order to give more scope to the societies in fixing the value of the shares, for the circumstances of the various localities and environments may and do often differ so widely as to justify a great variety of amounts so chosen. In Italy, France, Germany and Belgium as well as in England, the law is very liberal in this respect and gives the greatest possible freedom in not stating any amount for these shares.

How are those shares payable? By weekly, semi-monthly or monthly instalments, as the shareholders, as a body, may decide to be the most convenient to themselves. In Canada, our five dollars shares are payable by the trifling instalments of ten cents a week per share subscribed. Fifty weeks or almost a year is therefore granted for the payment of a share. These payments are a splendid training in thrift, and pave the way to a higher conception of economic affairs.

The number of shares that any member can hold is annually fixed by the general meeting of the society,

with a view to prevent misgivings and operate as a safeguard in certain critical circumstances. Besides, members are also at liberty to deposit other small savings bearing a fixed rate of interest, equal generally to the current rate in the locality for such deposits. These deposits as well as the funds accumulated by the payment of the shares are used for loans to members, taking always good care to keep a reserve on hand of from twelve to twenty per cent. of the general assets. This reserve is, of course, deposited in ordinary banks, benefiting thereby the larger institutions, for it must be admitted that most of these funds would not have otherwise found their way to the banks. The percentage varies and experience shows what amount should be constantly available in order to meet readily all demands of withdrawals or loans. In my practical experience of eight years with the working of such a society in Levis, I have always found that from ten to twelve per cent.—even seven to nine—was quite sufficient to meet all the possible requirements of the members.

These societies do not deal with outsiders, that is to say, they do not take deposits from or grant loans to the general public. They deal exclusively with their own members, and no one can participate in their benefits, unless he be admitted as a member. This condition adds a new safeguard in the granting of loans, admission being allowed only after the applicant has showed that he possesses to a reasonable extent the required qualities.

With regard to the loaning aspect, there is a striking feature to which your attention should be specially drawn, and that is that the small loans have always the preference. It

is held that the larger borrower is supposed to have a better chance to secure elsewhere what he wishes than the smaller one. Thus comes in the golden rule of benefitting the many without injury to the few. Moreover, being divided in very small amounts, the loans stand a far better opportunity of being faithfully reimbursed than would larger ones, a greater number of people being pledged to the repayment of the total sum loaned. In order to facilitate the reimbursement, the instalment plan is always preferred by these societies. It is a great advantage for the borrower and a better security for the society, as every instalment enhances the value of the loan.

The amount that can be loaned at once to one member is always passed upon at the annual general meeting, having regard to the funds available and the necessity of providing useful employment for all the monies at the disposal of the society.

The rate of interest is fixed in certain such associations by the general meeting, but as a matter of fact experience has shown that this practice is not the best one that can be adopted. The number of borrowers are most of the time a minority in such societies and, therefore, the majority being those under the impression that they will not appeal for any loan, would seek to insure the highest possible return for their savings at the expense of the minority, by deciding a rather high rate of interest on such loans. The best way is to leave the matter in the hands of the Commission of credit, the members of which have no personal interest to serve, being deprived of the right to borrow, and who will only endeavor to strike a fair and reasonable rate.

With reference to the much discuss-

ed question of liability, I have in Canada gone much further than the various types of European co-operative Banks, I have adopted a new one combining limited liability with constantly withdrawable shares, such a liability being therefore of a very mild character, for it lasts only so long as the withdrawal has not actually taken place. But in connection with this new type of liability, the Canadian co-operative banks are not allowed to deal with the public generally, as I have already stated. Therefore this form of liability, taken in connection with the other safeguarding provisions to be mentioned, is quite sufficient for its purpose. In making the shares always withdrawable, I have followed the régime of the American uncapitalized Savings Banks, particularly of New England, as regards the constant availability of the funds deposited with them, which availability is a necessity for the class of people most likely to adopt such institutions.

On this question of liability: The two main types of people's banks prevalent in Europe are those of Schulze-Delitzsch and Raiffeisen in Germany, and of Luzzatti in Italy, the two former being based upon the principle of unlimited responsibility on the part of the members, Schulze having coupled it with rather large shares payable in instalments which he called "forced savings"—and Raiffeisen, refusing to admit any shares at all, but using the security of this strong responsibility in order to appeal to the savings of the public as a source providing the funds required. Luzzatti, on the other hand, contended that the unlimited responsibility was neither acceptable to his countrymen nor necessary for the success of these institutions, and started the Italian

Banche Popolare upon the principle of share capital and limited liability. That was considered at first as a dangerous departure from the German system of unlimited responsibility, but the phenomenal success of the Italian co-operative Banks proved that Luzzatti was right in his view.

Benefitting from this experience, and that acquired through the working of the Savings Banks, more particularly of your own uncapitalized institutions, I took as a basis the withdrawable shares and limited responsibility. But in order to strengthen what weakness there might be in such a system, I adopted as a rigid preliminary condition the creation of a strong reserve or rest fund, made up by entrance fees and a high percentage of the annual net profits, which fund must continue to accumulate until it reaches, say, double the total amount figuring at any time as paid-up capital, even if later on this amount be reduced by subsequent withdrawals. This rest fund is the indivisible capital replacing the non-withdrawable shares, becoming therefore the real strength of the society, serving also as a bulwark for the protection of the shares in case of losses. Twenty per cent. is put aside out of the annual net profits for that purpose. Compare that twenty per cent. with the minimum of one-eighth or the maximum of one-fourth of one per cent. set aside by the Savings Banks from the net profits to accumulate as a guarantee fund until such fund reaches five per cent. of the deposits, as prescribed under the law of the State of Massachusetts. The law of the State of Maine provides that this fund must amount to ten per cent. of the deposits, and the law of the State of New York fixes the maximum of such guaranty or surplus fund at 15 per cent. of the deposits held.

Again, compare the five, ten and fifteen per cent. as a guarantee fund provided by the law of these various States with the double of our paid-up share capital required, and any one will admit that our safeguard is much stronger. Moreover, our by-laws forbid any boni or dividend of more than 7 per cent. until this fund has reached the aforesaid maximum, the balance going into this fund besides the 20 per cent. above mentioned. Thus, bit by bit, through perseverance and with stringent safeguards against hasty dissolution, the laboring classes can create a treasury that will be their own and will help them, generation after generation, in their borrowing needs.

The European Co-operative Banks receive deposits from the outside public. We do not, because our shares are withdrawable, preferring this latter advantage to the former, the members only being admitted to make such deposits.

In such banks the supreme ruling power is vested in the general assembly of the associates, and the various administrative organs selected by the general meeting are always under its strict dependance and supervision.

Three boards, usually called "board of administration," "Commission of Credit, and Commission of Supervision," are chosen. The members of each of these boards are distinct, that is, one member cannot be on two boards.

The President of the Society, however, is ex-officio a member of the Commission on credit, in order to be in a position of acquainting the Board of administration of all that is done in this important body entrusted with most delicate functions, the spirit and reasons upon which its decisions are taken, the à propos of measures hav-

ing for their object the increasing of the funds of the society. The president being or supposed to be the best man on this general board, and this board being selected out of the best men in the society, his moral authority is large, and so is his responsibility. It is, therefore, but fair that his guiding influence should be strengthened by corresponding opportunities of supervision and advising. But, as just stated, he is the only exception to the rule that one person cannot be member of more than one board or commission. This is so in order to avoid dividing the responsibility, and thereby to make it certain that no excuse or shifting can be alleged. Without going into any details, the same being unnecessary for the present purpose, let us come to the various duties to be discharged by these boards.

The board of administration has general powers of supervision and control of the affairs of the society.

It controls the admission and expulsion of members, sees to the transfer of shares, if any, makes all the recommendations to the general meeting in connection with the dividing of the profits of the year, apart from the disposal already provided for in the Rules, approves or suggests any desirable amendments to the By-laws; submits any increase in the number of shares that can be held by or the amount loanable to one member, appoints the manager and other officials required and exercises all the necessary administrative powers not specially given to the two other boards.

The Commission on credit deals only with the loans submitted to it through the manager. It makes by-laws determining the conditions upon which the loans are to be made, the security exacted, the rate of interest to be

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Ottawa, June 18th, 1909

CIVIL SERVICE PRIVILEGES.

Some recent events have opened a discussion of civil service privileges and the place they occupy in civil service affairs. The special privileges which every government under the sun attaches to its various services are not gratuitous or meaningless. They are a part and parcel of the importance and distinction which a state attaches to itself in all its relations. To regard them as mere inequalities is a narrow view. It is a view, however, which is natural where a service has been the football of politics for generations and shows the marks of the merry strife in every direction.

In a public service properly constituted and administered, and enjoying the respect of the community, the accessory privileges are a most valuable national asset. Their function is to attract the very best talent that the country has to offer. Without such attraction, it is impossible to maintain a higher standard than that of private enterprise. Now, a nation should not be content with such a standard, and it need not be if a proper use is made of the various privileges which government alone has in its power to bestow on its employees.

It is the policy of good government, therefore, to safeguard in the strongest way the distinctions that should attach to employment by the country, even when the employment is identical with that of scores of private institutions. In the government workshop the wages should be at the maximum and the working conditions of the very best. This for no other reason than that it will pay.

When a government deprives the civil service of a privilege it is by so much tying its own hands. What it should do is to multiply legitimate privileges and ensure that they are not abused.

This general topic may perhaps suggest the opposite one of attendance books. We believe that the attendance book is responsible in no small degree for a lowered morale in the service. Four times a day, except where the deputy minister has sense enough to relax the rule, every man in the service must sign a declaration that he is doing what the most elementary considerations of honesty require him to do. It is a reiterated suggestion of this kind that brings the thing to pass. But the practical objection to the system is its tendency to decrease the responsibility of the

chief clerks and heads of rooms. A chief clerk should be as liable for the punctuality of his staff as for any other detail of efficiency. If he cannot enforce punctuality he is unfit for his rank. Discipline is threatened by every curtailment of his authority. One of the evils of many branches of the service at the present time is over-centralization. Now that the class of men entering the service is under regulation the tendency should be away from such institutions as the attendance book in its present form. After all, the civil service is not a factory, and there is not only nothing to gain but a great deal to lose by making its atmosphere that of a factory.

THE NEW PORTFOLIO.

The creation of a separate portfolio for Labour, viewed from the civil service standpoint, is the precursor probably of a process of gradual expansion in that branch. The capacity for expansion in such a department is very great. In Britain and the United States, immense strides have been taken along the line of economic and sociological research by the public authorities. There is no kind of government employment that touches more intimately the life of the great masses of the people, and a splendid field is opened in it for staff-work of the most interesting and useful character.

Mr. Mackenzie King, the new Minister, is the first Canadian to attain to Cabinet rank, wholly on the score of a reputation earned in the civil service. In this connection, the following paragraph from his letter of resignation as Deputy Minister last year, is of hopeful significance:

"Next to the immediate work of

the department, I regret most my separation from the civil service of Canada. An association of over eight years, in every respect so profitable and pleasant, is not easily broken, but I shall carry with me into my new sphere of duties, a knowledge of the needs of the department and the service, and shall through the future lose no opportunity of furthering both."

THE NEWEST DEPUTY MINISTERS.

The appointments of Mr. Pope and Mr. Mulvey as the Deputy Heads of the two Departments under the control of the Secretary of State are beyond the hard and fast confines of the Civil Service Act. The service, however, would like to regard both in the light of promotions. Mr. Pope was the originator of the idea of a Department of External Affairs, and his transfer to the command is natural,—though not for that reason less to be remarked upon. Mr. Mulvey, though not of the Dominion service, is still a civil servant, and without his record as Assistant Provincial Secretary of Ontario would never have been suggested for his present position.

HOURS IN THE CIVIL SERVICE —WHAT THE MILD WEST IS SAYING.

It is the *Calgary Albertan* which rises, à propos of hours, to remark as follows—editorially and very indignantly:

"The civil service commission has decided upon lengthening the hours of the civil service in Ottawa, and now a man will have to get busy with

his work at 9 a.m. and keep to it until 5 p.m. with a reasonable time at luncheon. This is better. The average civil servant at Ottawa starts work at 10 to 11 in the morning, quits at 4 and has about 2 hours for luncheon. He varies this by taking Saturday afternoon for a portion of the year, and the entire Saturday for the rest of the year. When he takes the Saturday afternoon he usually adds the Monday morning, the combination being known as a 'week end.'"

However, the *Albertan* chastens only to be kind in almost the very next sentence:

"The *Albertan* does not believe that it is right to make the public service unattractive or a drudgery. The public should pay its servants more than other employers pay, it should work them shorter hours and then it should get the very best."

Which no man can say fairer than that.

REORGANIZATION.

"It was commonly understood that the government in reorganizing the civil service, etc.

"The means chosen by the government to bring about its economic and philanthropic reforms was, first, a commission of investigation; second, a reorganization of the service by Act of Parliament; and, third," etc. ...

—Extracts from "*The St. Patrick's Parish Calendar*" for June, 1909.

In the name of patience, when will some one arise in the outside press or public who, being seized of the importance of the civil service problem, and having the will to grapple with it seriously—that is, logically, and in detail—will take if necessary

a whole day off to learn the rudiments of the present situation?

The government has not "reorganized" the civil service. It has "reclassified" the service in the terms of the new Act—a very different thing. "Reclassification" is the mere translation of the old order into the terminology of the new, under Clause 5 of the Act of 1908—nine-tenths a mechanical procedure. "Reorganization" is the process commanded by Clause 8, which the government frankly admits it has not attempted. Under present circumstances "reorganization" is the greatest issue confronting the inside service. As the Act stands, it may be carried out by the individual ministers; but, as we have pointed out from the first, such action will not meet existing needs. What the situation demands is the thorough overhauling of the service as a working mechanism by a single authority—the commissioners to wit, who, by another clause of the Act, are available for just that purpose.

Now, if our friends of the public (who in a matter like this are the ones to be consulted, and are, therefore, their own friends first and ours afterward) would undertake to see the work begun by the Act in this connection set in line for completion, what a stroke of good business it would be! To do "The Calendar" justice, the reorganization was not the main theme of the article from which we have quoted; but perhaps if it understood how much more fundamental this matter is than the question to which it addressed itself, we might see a subsequent reference or series of references in its columns in which the true situation in this respect would be set forth and amplified. And no amount of amplification would be greater than the occasion warrants.

JOHN FRANCIS WATERS,
LL.D.

The death of John Francis Waters will be mourned by a large circle of friends within and outside the service. Genial and kindly, a master of precise and pungent phrase, he was known throughout a large portion of Canada from his lectures on literary subjects, which his store of wit and

drollery, not less than his scholarship, made instructive and entertaining to thousands of people. He had been twenty-four years in the service, and was in his fifty-fourth year. As one of the members of the first executive of the C. S. Association, his counsel and experience were of great assistance during the strenuous days of the early life of the Association. The many within the service who held him in sincere affection bid him farewell!

Notes from the Outside Organizations.

SKETCH OF DOMINION CIVIL SERVICE ASSOCIATION OF WESTERN CANADA.—A NEW ORGANIZATION AT SHERBROOKE, QUE.

(By E. W. Browne, Asst. Secy.)

The Dominion Civil Service Association of Western Canada was brought into existence some two years ago by a few enthusiasts of the outside service at Winnipeg. A few months prior to the formal adoption of organization, the Customs staff held one or two meetings of their own with the idea of getting their salaries increased. They decided to send a couple of delegates to request the Western members at Ottawa for their support and to interview the Premier. Although the visit was not entirely successful, it was shown that the whole of the Western officials united in one Association the Government would perhaps be brought to see that they were really in need of some relief as to salaries and the legislation in force.

Invitations were sent to every Dominion employee in the city irrespective of department, to attend a general meeting for the purpose of organizing, and some two hundred and more paid their first membership

fee that night. The Association selected its officers and executive from various departments. By the help of printed circulars setting forth what has been done, the number of members has grown from 200 to a little over 600, and it now covers an area from Port Arthur to Victoria, B.C. During the past twelve months the membership has been below these figures owing to some of the Western cities forming associations of their own. All, however, have fully endorsed our ideas and actions.

The Winnipeg branch is fully in accord with the Ottawa Association with regard to Federation, believing that in union there is strength. A combined body properly organized and well conducted will do far more to help the civil service than the same membership organized in separate bodies.

At the present time the Association numbers about 300 members. This does not include the smaller Associations that have been formed since 1908. The Association has been under heavy expenses this year in send-

ing a deputation to interview the Premier with regard to the salary increase as affecting the Western officials, but were repaid the outlay by the Premier's assurances that the claims of the West were fully recognized and that the West would get her due as recommended by the Civil Service Commission.

The present officers of the Association are:—

President, Dr. J. K. Barrett (Inland Revenue); Vice-President, J. A. J. McKenna (Indian Dept.).

Executive—T. Gosnell (Inland Revenue); A. McK. Cameron (Customs); H. Drummond (Receiver General); J. Broughton (P. O. Dept.); T. Greenfield (Public Works).

Executive Officers representing Provinces:—

Manitoba (outside Winnipeg)—H. Graham (Customs, Brandon).

Saskatchewan—A. W. Cairns (Inland Revenue, Moosejaw).

Alberta—X. Soucier (Inland Revenue, Calgary)..

Western Ontario—J. Hodder (Customs, Port Arthur).

Civil Service Organization at Sherbrooke, Quebec.

The Excise Officers of the Inland Revenue Division of Sherbrooke have formed themselves into the Sherbrooke Branch of the Civil Service Federation of Canada.

The headquarters of the Branch will be at Sherbrooke, Province of Quebec.

Mr. A. F. Simpson, collector, was elected president; Mr. F. C. Bowen secretary, and Mr. A. F. Simpson delegate to the Federation.

There are six members in the Branch, viz.: Mr. A. F. Simpson, collector, Sherbrooke; Mr. E. Chartier, deputy collector, Sherbrooke; Mr. F. C. Bowen, excise officer, Sherbrooke; Mr. John D. Quinn, excise officer, Granby; Mr. C. B. de Grosbois, excise officer, Granby; and Mr. E. N. Rousseau, deputy collector, Granby.

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Outline of a Bill at present before the British Parliament. Suggestions for the Canadian Case.

It has been the practise in Britain for successive Governments to pay careful attention to the condition of the public service. Every few years an enquiry is instituted as to scales of pay, duties of office, superannuation and the like. The last such enquiry was conducted a year or more ago by a commission of which Lord Courtney was Chairman. Lord Courtney, by the way, is a brother of our own Mr. J. M. Courtney, C.M.G., and is an economist of the highest repute. His work as a public man is of course known in a general way to all. In its enquiry into the operation of the Superannuation law, the Courtney Commission discovered that the very question which has caused discontent here caused similar discontent there: that is to say, the fact that many men, after a lifetime of service, often received no benefit from the contributions which they had made for so many years. Accordingly, the Commission recommended that for the sake of remedying that defect the service should be content to take a smaller superannuation allowance, provided it were supplemented by a cash sum, dependent like the said allowance on length of service, and roughly equivalent to the present value of the amount thus deducted from the superannuation annuity. At present the scale of pension is one-fortieth for each year of service, up to a maximum of 40 years of service (i.e., a maximum of 40-60ths or

$\frac{2}{3}$ rds); the Courtney Commission recommended that the maximum pension be $\frac{1}{2}$ of final salary as a maximum, with a cash allowance of the nature referred to.

Recent advices are now to the effect that a new measure, founded mainly upon the recommendations of the Courtney Commission but in some respects departing from them, has been prepared with a view to introduction into Parliament. The following account of the matter, which is pieced together from newspaper reports, will put the reader in possession of the gist of the matter:

The first portion of the bill deals with future civil servants, and, so far as the pension allowance is concerned, adheres to the recommendation of the Courtney Commission in favor of one-half salary instead of two-thirds, as at present.

The Courtney commission recommended by way of "additional allowance" only one year's salary. Now it is laid down that the treasury may grant, by way of additional allowance to any future civil servant who retires after having served not less than two years, in addition to the superannuation allowance (if any) to which he may become entitled, or the gratuity (if any) which may be granted to him under section 6 of the Superannuation Act, 1859, a lump sum equal to one-thirtieth of the annual salary and emoluments of his office multiplied by the number of completed years that he has served,

but the additional allowance shall, in no case, exceed one and a half times the amount of such salary and emoluments. If a civil servant retires from the public service after attaining the age of 65 years there shall be deducted from the amount of the additional allowance which would otherwise be payable to him one-twentieth of that amount for every completed year he has served after attaining that age.

Where a male civil servant who has entered the service after the passing of the measure dies whilst still employed in the public service, the Treasury may grant to his legal personal representatives, provided he has served for at least five years, a gratuity equal to the annual salary and emoluments of his office; but if he dies after attaining the age of 65 years the amount of the gratuity shall be reduced by one-twentieth of that amount for every complete year he has served after attaining that age. Where any such civil servant, having become entitled to a superannuation allowance, dies after he has retired, and the sums actually received by him at the time of his death on account of such superannuation allowance, together with the amount of the additional allowance, are less than the amount of the annual salary and emoluments of his office, the Treasury may grant to his legal personal representatives a gratuity equal to the deficiency.

In the application of the bill to existing civil servants the Treasury have also accorded preferential treatment. Any male civil servant, subject to regulations made by the Treasury, who has entered the service before the date of the passing of the bill, and who at that date is under 60 years of age, may be allowed to accept the provisions of the measure, and in such case

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there may be granted to him or to his legal personal representatives such superannuation and other allowances and gratuity as might have been granted had he entered after the passing of the act; but—and here comes in the important provision—the amount of the additional allowance payable on retirement shall be increased by $\frac{1}{2}$ per cent. in respect of each completed year he had served at the passing of the act.

The value of the concessions offered may be gathered from the following illustrations: A man retiring after the normal period of 40 years' service, enjoying a salary, say, of £600 a year, will get a pension, if a future entrant, of £300 a year, plus an additional allowance, in the form of a lump sum, of £800—exactly one year's salary and a third. An existing civil servant retiring under the same conditions would receive the same pension; but the additional allowance paid down would be, not £800, but £960, which is actually more than the year and a half's salary for, and a substantial advance on, the one year's salary recommended by the Courtney Commission.

The effect of the modification is, briefly, to convert a portion of the total superannuation allowance into a cash payment, such cash payment to be made at death or at retirement, whichever first occurs. It is equivalent to a return of a portion of the contributions, if we look at it from that point of view. No additional burden is placed upon the State, but, if anything, the reverse.

The time will come, perhaps, (we hope it is now approaching), when we in this country may expect fair consideration to be given to the whole question of Superannuation here. As a preliminary to such an enquiry, we

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A Failure

A Congress of teachers of languages, at which were gathered representatives from all countries, has just been held in Paris to discuss methods of teaching. At this Congress it was agreed that the so-called "Natural Method," which neglects entirely the grammar of a language, had proved a failure. Fifteen years ago we came to the same conclusion and wrote a pamphlet showing the absurdity of the so-called "Natural Method." To-day that pamphlet should have more weight than ever. Let us send you a copy. It is free.

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would commend to those in authority the spirit which animates the British authorities as manifested in the following instructions issued to a civil service commission which sat some years ago: "You will examine the non-effective charge of the civil service, and advise whether the present pension scales and regulations are *equitable alike to the State and to its servants.*" The italicized words exhibit the spirit to which we refer.

INTERVIEW OF THE C. S. ASSOCIATION WITH THE COMMISSIONERS.

The Civil Service Association Executive held a special meeting on Tuesday, June 8, to consider the Regulations of the Civil Service Commissioners. A special committee, made up of Mr. A. G. Kingston, Mr. T. M. Côté and Mr. Frank Beard, reported, and as a result it was decided to seek an interview with the Commissioners for the purpose of ascertaining more fully the exact methods in which the regulations, and especially the regulation affecting promotions from the third division, would work out.

On Thursday, June 10, accordingly, an interview with the Commissioners was obtained, and a full and free discussion of the regulations took place. The deputation representing the Association was made up of the President and Secretary, the committee above referred to, and a clerk of the third division from each of the five largest departments.

Professor Shortt, on behalf of the Commission, described in detail the grounds upon which the action of the Commissioners had been based, the precise objects of various clauses in

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the regulations, and the manner in which they are expected to operate. Nearly all present took part in the discussion; a number of questions were asked by the delegates and answered by the Commissioners; and a

thorough knowledge of the situation gained by the deputation. In the light of this better understanding, the Association will now decide what formal representations it may be necessary to make in this connection.

The Recent Order-in-Council re. Hours and Attendance Books.

Certified Extract from the Minutes of a Meeting of the Treasury Board, held on the 22nd May, 1909, approved by His Excellency the Governor-General in Council on the 29th May, 1909.

Treasury Board:

The Board had under consideration the regulations adopted by Order-in-Council of the 27th July, 1882, governing the hours of attendance in the several Departments, and they recommend that so much of the said Order as relates to the hours of attendance in the Inside Service at Ottawa be cancelled and the following substituted therefor:—

(a) That the hours of attendance to be observed by the officers, clerks and employees of the Inside Service of the Civil Service shall be from 9 a.m. until 5 p.m. each day except Sundays and recognized holidays, except also Saturdays when the hours shall be from 9 a.m. until 1 p.m.

(b) That such arrangements be made by the Head or Deputy Head of each Department, or by the Auditor General in the case of his office, as may best suit the public interest, for the granting of an intermission between noon and 2 p.m. to enable officers, clerks and employees to take

luncheon, such intermission not to exceed in any case one hour and a half.

(c) That at all times the Head or Deputy Head of any Department, or the Auditor General in the case of his office, shall have the right, if in his opinion the public interest requires it, to call for the attendance of all or any of the officers, clerks or employees of the Department.

(d) That an attendance book or books be kept in each Department, and in the office of the Auditor General, wherein all officers and clerks of whatever rank shall sign their names each day, with the hour of arrival in each case; such books to be closed at 9.15 a.m. by drawing a line under which the late arrivals shall sign; the Deputy Heads or those acting for them to initial the attendance books daily, noting the names of those who may be absent and the cause of such absence.

The Head or Deputy Head, or the Auditor General, shall have the right

to call upon their respective officers and clerks to sign the attendance book at such other time or times as may to them seem expedient, in addition to the signature at the time of arrival in the morning.

(Sgd.) F. M. BENNETTS,
Assistant Clerk to the Privy Council.

CORRESPONDENCE.

We do not hold ourselves responsible for opinions expressed under this heading.

Abstinence and Abnegation.

To the Editors of THE CIVILIAN:

The members of the Inside Service have just received an increase of salary. THE CIVILIAN should take this solemn occasion to utter a cry of warning. When a shipwrecked mariner has been rescued from the pangs of starvation and thirst, sustenance is administered in very small doses. A full meal in such cases is to be avoided. The civil service body is moreover somewhat overwrought, due to the constantly recurring view of "a sail in sight" during the past two years, with the promise of meat and drink. The appearing and disappearing of this sail, the alternate commingling of hope with fear and fear with hope has upset the nervous systems of many a goodly man. Some there are who with shattered constitutions are obliged to fall back upon their by-laws. To all such, our weak brethren of all sexes, I commend the title at the head of these lines.

To the philosophic members of the service, those who are not slaves of the emotions, who fear nothing and hope everything, who believe in themselves and are confident of the future,

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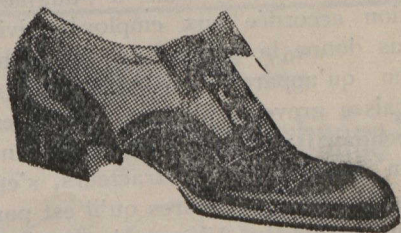
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who despite the funereal past with its lack of human succour or divine intervention, yet wear a brave heart, we should extend, not warnings, but felicitations. Theirs is the task to inspire their weak brother or sister, to disseminate their healthy outlook upon civil service life; to fight when needs must, but primarily to laugh and be merry; to let their office mates find that they know how to be glad; and to let the world know that it is well to serve the king and to lie in the sun.

Yours, etc.,
GLADSOME.

Timeo Danaos et dona ferentes.

M. le Rédacteur:—

En ma qualité d'ennemi acharné des mauvaises langues, je vous demanderai l'hospitalité de vos colonnes pour confondre ceux qui prétendent que, par ses extravagances et son inhabilité à conduire les affaires, le gouvernement mène le pays à la ruine.

Le dernier Bill relatif à l'augmentation accordée aux employés civils nous donne la preuve du contraire. Bien qu'apparemment cette dépense paraisse grever le budget, il n'en est cependant rien. Le gouvernement, n'en déplaît à ses détracteurs, s'entend si bien aux affaires qu'il est parvenu, malgré ce débours, à grossir le trésor.

Quelque paradoxal que paraisse être l'avancé, il ne l'est cependant aucunement, comme on peut s'en convaincre par le tableau suivant qui, basé sur le salaire de 10 employés dont les émoluments varient de \$400. à 2,200.00, donne une moyenne des plus conservatrice du montant économisé par le gouvernement en contrebalançant le débit résultant de l'octroi de \$150.00 per capita par le cré-

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1,400.00	4.45	.74	231.62	150.00
1,600.00	5.09	.85	266.05	150.00
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Si donc le gouvernement réalise \$650.00 sur dix employés, son bénéfice sur les 300 employés sera de \$195,093.00 c'est-à-dire bien au-delà de \$200,000.00 parce qu'il faut ajouter à ce chiffre le bénéfice additionnel que fait le gouvernement sur ceux qui ne reçoivent que \$100 ou \$50.00 ainsi que sur ceux qui ne reçoivent absolument rien. Ce qui n'est pas si mauvais après tout.

X.

The Commissioners and the Hours Regulation.

To the Editors of THE CIVILIAN:

There have been distributed recently amongst civil servants some doggerel verses protesting in undignified language against the 9 to 5 rule.

Relegating this quasi-poetry to its rightful position, I wish to protest against the Civil Service Commission being blamed by this would-be poet for the lengthened hours during these summer months.

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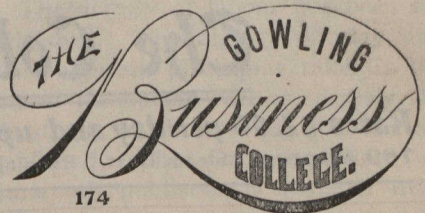
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There seems to exist throughout the service an idea that Professor Shortt and Mr. Larochelle are the Moses and Aaron bringing down on the civil service all the plagues of Egypt which have descended during these latter days.

Professor Shortt and Mr. Larochelle desire civil servants to work shortened hours in the summer, and longer (say 9 to 5) in the winter. They are too far-sighted not to realize that recreation in the hot summer months is beneficial to the work of the service all the year round. They realize that a contented and healthy civil service, not weighed down by petty regulations, is more useful to real work than one burdened by superficial reforms which will do no more good towards reforming the civil service than painting the outside of a boiler would cleanse its rusty interior.

Anybody who blames the Commissioners for the 9 to 5 summer rule is doing a gross injustice to men who

are the greatest friends of the service, did the service but know it.

Yours, etc.,

"CIVIL SERVANT."

LIFTERS AND LEANERS.

By Convoy.

The two kinds of people on earth I mean
 Are the people who lift and the people who lean;
 Wherever you go, you will find the world's masses
 Are always divided into just these two classes,
 And oddly enough, you will find, too, I ween,
 There is only one lifter to twenty who lean.

In which class are you? Are you easing the load
 Of overtaxed lifters who toil down the road?
 Or are you a leaner—who lets others bear
 Your portion of labour and worry and care?

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ATHLETICS.

THE CIVILIAN is in receipt of the official programme of the Civil Service Baseball League of Toronto. The league is composed of teams, representing Customs, Post Office, Parliament Buildings, City Hall and Fire Departments. There are thus combined in the league, federal, provincial and municipal civil servants, all bent upon keeping fit. This is a good scheme and the example should be followed in other cities where civil servants are in large numbers. Somewhere it is written that civil servants are exempt from military duty. This may be a privilege or a penalty according to the point of view. At any rate civil servants should not be content with being merely "civil," but should keep fit and ready for the day when the foreigner once more invades British soil. It is less than a hundred years since Canadians had to defend their homes. In the year 1667 Dutch guns thundered in the ears of the citizens of London. They say the time is coming round again.

* * *

The members of the Civil Service Athletic Association of Ottawa, who read this column in THE CIVILIAN, must already be aware that this is to be an "off-year" for athletics in the service. The loss of the privileges on the bill and the change in the office hours will make athletics, as organized during the past three years,

an impossibility. The bowlers are fortunate in having retained the use of the lawn on the west side of the West Block, and the bowling department will assuredly keep up a large membership in the association; but what of the members who played cricket, tennis, and football? It is to be hoped that the great proportion of these will retain their membership unimpaired, hoping for better things and staking their faith in the efforts that are at the present moment being made to preserve the identity and continuity of the association. Those who have neither faith, hope nor charity will, of course, withdraw their names from the list of membership, and those who had paid their fees before the announcement in reference to the grounds was made, and who need the money to supply a vacuum in their hearts, will, of course, have their money refunded. The necessity of the association, the need of a properly directed play-hour, was never more in evidence than at the present time. The breathing spell afforded by the present conditions might not be inopportune for some comment having regard to the importance, both physically and ethically, of play.

* * *

The dignity of labour has been established. The dignity of play and the important place play takes in the life of the human race is scarcely understood, much less has it been established. The Ottawa Citizen of June 9th publishes a dispatch from

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Buffalo reporting a conference on education held in that city. The Rev. C. W. Skinner, superintendent of an Industrial School in Washington, D. C., made the following startling comment upon the value of play: "It would mangle humanity more to extirpate play than religion or the instinct of pro-creation. Play is entrenched next to life itself with precedence over the family and the church. Next to the state which cares for life should come care for play. Suppress play and you have the weazened-faced boy for the present generation and devitalized humanity for the following. It is a crime against society to omit the proper direction of play."

* * *

What is the proper direction of play? This question has been debated in this part of Canada for nearly

three years, and some public opinion on the subject has been formed in that time. Whether the amateur or the professional shall predominate in the athletic pastimes of the country was the question. From Montreal, the stronghold of professional opinion, comes the following remarkable pronouncement, as published in the Montreal Witness: "The line must be drawn at sport which consists in watching others overdoing themselves. The sport which consists exclusively in watching others play is effeminate. One of the great evils of modern sport is that all games are sophisticated to such a professional pitch as to make it almost humiliating for any but specialists to find a place in them."

* * *

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Caspar Whitney, in a recent issue of Collier's Weekly, has a paragraph on the ethical side of sport in which he objects to the use of a professional even as a coach. A few of his sentences will be edifying in showing the value of principle as opposed to mere winning:

"The only unhappy incident of the spring season is Yale's return to professional coaching for her baseball, in an extra effort to win a championship. That's the curse of college athletics; that placing of the mere winning above all other considerations;—and the gate receipts and the professional coach are its abettors. It isn't that I inveigh against the professional in his own legitimate field; it is that the employment of a professional coach at once changes the

spirit of the men and the atmosphere of college ball; it puts the desire to win as the sole *raison d'être* of the team's life; it introduces unsportsmanly tricks—and it establishes no sporting traditions for the university. Yale can hardly be criticized for returning to professional coaching, since her chief rivals also employ them, and it's asking a great deal of boys to stand steady for a principle in the face of defeat by rivals who are violating that very principle with no reprimand.

"And yet without the principle the play is valueless. Believe me, young gentlemen, sticking to principle, "in spite of hell and high water," is worth more to you than mere winning of a game; sticking to principle, fighting for it, is a game—the greatest game man plays. Try it."

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LAWN BOWLING.

The Civil Service bowlers enjoyed a trip to Montreal, on Saturday, June 5th, to play the M.A.A.A. About twenty-five civil servants took in the trip. They travelled by special car and were entertained after the game by the M.A.A.A. The C.S.A.A.A. won by 96 to 65. The details of the score came to hand too late for insertion in this issue.

The Eastern Canada Bowling Tournament will take place in Ottawa, on the 21st inst., on the greens of the Ottawa Club and Civil Service and the following skips will likely enter rinks from the Civil Service: E. A. Thomas, W. T. Urquhart, J. Hoey, C. M. Goddard, W. A. Warne, R. W. Morley, J. L. Payne, R. C. Macpherson, J. D. Clarke and others. A great many entries will be made for the doubles and singles.

Owing to the pressure of work Mr. J. Stevens has resigned the secretaryship and Mr. Chas. Huband, of the Board of Railway Commission has been elected to succeed him, for the balance of the year.

"9 TO 5."

By Von Ludwig.

Nine to five for a starter of the work of the new Regime,
To show we are doing something, to carry out some crank's dream.

The shirker holds his job, the drones stay in the hive,
And all is as before,—but the hours are nine to five!

The ass sits in his office, the bully continues to drive,
The cringer gets his favours, but....the hours are nine to five.

What tho' the patient plod, the energetic strive,
Their tasks are never done, though the hours are nine to five.

The loafer continues to loaf,—no benefit we'll derive,—
He'll show how little he can do, from the hour of nine to five.

Here's to the brilliant brain, the latest to arrive
Who concludes that reform in the service commences with "Nine to five."

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CO-OPERATIVE OR PEOPLE'S BANKS.

Continued from page 96.

charged, the proper repayments of such loans. No loan can be made unless the members present are unanimous. In case of refusal for want of unanimity, the would-be borrower can appeal to the Board of administration, and the decision of this body is final. The members of the Commission on credit cannot borrow either directly or indirectly.

As the granting of the loans must be considered as the most important duty devolved upon the Commission on credit, and therefore deserving the closest attention, I must state that the borrower is always required to state distinctly the object for which he asks the loan, how he intends to repay it. If the object is an improvident one in the opinion of the Commission, it cannot be granted for any consideration, be the security of the very highest character. No body is allowed to borrow if it is not to affect an economy or for a productive purpose. This golden rule has been carried out everywhere and has worked wonders as a matter of safety. The character, the habits of the borrower, as well as of his family, have to be inquired into in order to convince one of his ability and willingness to reimburse the loan sought for. The moral se-

curity is paramount and refusal must follow if this security is not forthcoming, however reliable may be the other guarantee offered, because the contrary will always bring trouble and discredit upon the society. Thus, honesty, industrious habits, good conduct and thrift, becoming a reliable and valuable asset for the poor man.

Once granted, the loan must be repaid regularly and faithfully; the conditions, in most cases, are those offered by the borrower himself, if considered reasonable and fair, but once accepted he must be held strictly to them, unless there is a case of force majeure, like sickness or unemployment. Punctuality is a virtue that must be taught. Its practice will confer so great advantages that the borrower himself will soon appreciate them.

I need not mention the question of interest, as I have already dealt with it. But I may add that the custom in our society is to make it payable every 3 months, deducting from the capital loaned all the instalments paid in, computing the interest charged upon the balance only, and so on until the whole is reimbursed.

The Board of administration and the Commission on credit are renewable half every year, and are composed of, say, nine and four members respectively.

The Board of Supervision is elected for one year and is composed of, say,

Mr. Civil Servant, do you Smoke? Yes?

Then Buy a Box of

Eddy's "Silent Comet" Matches—

just out—a Vest-Pocket Size of Eddy's "Silents"—"De-Light" for the Smoker.

Always, Everywhere in Canada, ask for Eddy's Matches.

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three members. Its powers are of the widest character, including the ordinary duties of auditors. In fact I could not better describe its functions than by stating that it is the General Meeting sitting en permanence alongside the officers chosen to administer the affairs of the Society. This board can, and in some stated cases, must call at any time a general meeting and submit to it its appreciation of the acts of either the Board of administration or the Commission on credit, leaving the whole matter in the hands of the society itself as represented by the meeting.

Officers or members of these boards give their services gratuitously. The manager and officials, if any, alone can be paid. These boards meet as often as the affairs of the society require. Were I to mention here all the advantages of such co-operative banks, I would perhaps weary this audience, for they are numerous and far-reaching. Let me, however, enumerate some of them:

1. Their absolute proximity to the saver and borrower.
2. Their ability to excite local confidence, and, consequently, to draw in local capital. This has been ad-

mitted to me by a banker, who confessed that no bank could secure to the same degree the confidence of small folk, the hoarders of every description.

3. Their exact knowledge of their clients and their influence over them, either as members of the same labour union or as co-resident of the same town or city ward.

4. Their power of making the smallest loans and of undertaking operations, however petty, in consonance with local custom and individual needs, in giving preference to the humblest demands.

5. Their ability to help along a general or particular liquidation of debts.

6. Their ability to work cheaply, almost gratuitously, and thus provide cheap credit.

7. Their retention of local capital and of all profits thereon for the members and borrowers.

8. Their ability to act as agents for their members in certain circumstances and for objects outside their field of activity.

9. Their power of influencing borrowers towards the true use of credit,

Civil Servants and MUSIC—If you want some of the hits from the latest comic opera, or perhaps a new Two Step, Waltz, etc., or again perhaps your wife or child [if you have one], requires something in the music line. Remember that we carry one of the largest stocks in **McKECHNIE MUSIC CO.** Canada, and that our prices are always right **Orme's Bldg. 189 SPARKS ST.**

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and of watching the utilization of loans in accordance with contract.

10. Their tendency to group themselves into unions for mutual development, instruction, inspection and audit.

11. Their steady educative influence in matter of thrift, association and self-help, by their continuous presence and continuous object lessons, and by their frequent, though small, calls upon the activity, thought and service of their members.

12. Their tendency to develop high forms of individual capacity, of public life and of national character, and finally and most desirably, their strong tendency towards calling forth habits of thrift, economy and prudence, guiding their outlay into productive channels, giving them credit for productive and useful purposes, promoting union and associated action among very often too isolated units.

13. Being administered by people

of the local population's own choice, they soon and rightly conquer the confidence of every one.

14. Unlike the ordinary or official savings banks, they have not a mere slot in their wall through which to receive money, but a mouth where-with to give advice and a heart where-with to feel. In their keeping depositors or members may, so to speak, see their money, see it safely held, see it laid out profitably in the locality, benefitting the district and producing more money, whereas, elsewhere it disappears, to go no man rightly knows where, up in the large monetary market, while the poor is the victim of the shark.

15. They are the best means to put an end to usury, this frightful cancer that is causing so great evils among the laboring classes.

Unfortunately usury is rife in your midst as elsewhere, and the recent pamphlet published by the Charities

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Publication Committee of New York, under the direction of the Russell Sage Foundation of this city, being a carefully prepared report by Mr. Clarence W. Wassam, is an uncontrovertible witness to the existence here of this terrible plague. The cases quoted in this pamphlet recalls to my mind the most ugly ones I have noted in Canada, and it was with the deepest pleasure that I have read the very valuable article written by so eminent an authority as the Bank Commissioner of your State, the Hon. Pierre Jay, published in "Collier's" of January last. May I be allowed to add here that no law no matter how stringent it may be and how rigidly enforced, can stamp out usury. Centuries of experience has demonstrated this truth. The most dreadful penalties have been imposed in ages gone by, but with no avail, until this all powerful remedy has been found and applied in Europe as shown by Mr. Jay.

To sum up, the association that I have endeavored to describe, lends to its members and borrows from them by receiving their savings either as shares or deposits, for thrift must precede credit. This is a fundamental principle which it would be dangerous to depart from, even if it could be done. Nothing can be more simple, the more so still when one considers the conditions under which this is to be done. No wonder that those simple organizations should have spread almost all over the civilized world, but specially in Europe, where they originated, among all classes, industrial as well as agricultural. Their number to-day must reach 40,000, with many millions of members and a general annual turn-over of at least twenty billions of francs, or 4 billions of dollars. In this huge movement of funds, what strikes most

forcibly is the comparatively small amount contributed by each society, showing that each one is moving in a very small area, but doing, nevertheless, in its restricted sphere very beneficial work.

Considering these results, one cannot wonder why eminent economists of leading countries have taken a deep interest in such a movement that has sprung from the very bosom, so to speak, of the masses of the working classes. Everywhere inquiries were made, encouragement of all sorts were given, laws were passed, and that solicitude, acting as the rays of the sun upon an abundant crop, brought every effort to a richer and more beneficial maturity. Books have been and are published in every language, and each year sees the enormous progress and expansion of these really people's banks, even in countries like East India.

Let me state here that one of the best books I have read is that of Mr. Edward F. Peters, of the Office of the Statistician of the Department of Agriculture at Washington. This most valuable book is the result of an extensive and official inquiry instituted by your national Government as far back as 1892. Mr. Peters does not hesitate to recommend the introduc-

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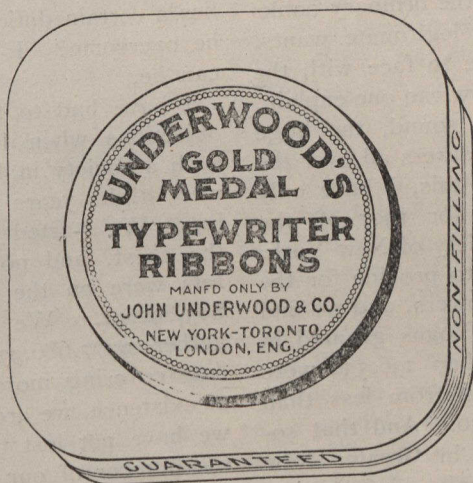
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tion of these co-operative banks into the United States for the special benefit of the working classes and generally of all those who cannot have access for credit to the existing financial institutions. I am particularly happy to have such an authority to rely upon when I venture to say, as I am going to do, that here as well as in other countries these societies would do an immense amount of good without injury to any one, save the shark.

A question now arises no doubt in your mind: Can such banks be established on this continent? One would object perhaps that there is no need of them, that the ordinary banks are catering to all legitimate wants. This brings us face to face with the usury problem. How can one explain, if this objection is sound, the huge amount loaned by usurers all over the country. To prove this, I have only to take the report for 1907 of the Provident Loan Society of New York, organized specially to provide for the wants of small borrowers, and we find that out of 283,045 loans granted in that year, no less than 236,530 were for amounts varying from less than one dollar up to \$50. And that society does business in Greater New York alone, with only six loaning offices. Surely, the population of New York is not the only one who should feel the necessity of borrowing such small sums as one dollar. But in order to better realize the significance of this figure of 236,530 loans, let us detail the elements of which it is formed. We find that loans of \$1 and under amount to 4,043; those of \$5 to one dollar, 39,517; of \$10 to \$5, 52,237; of \$25 to \$10, 96,283; of \$50 to \$25, 44,450. Nothing could better convince one of

the existence of such wants and the necessity of providing for them in a systematic and educative way. By letters received lately from various parts of your great Republic, I am safe in saying that the same state of things exists almost everywhere.

But another objection raised is that the laboring classes would be unable to work out such a scheme. Why should our American laborers, artisans, mechanics, be less intelligent, less able than those of the various countries of Europe; or are they less honest? Surely not. One would also object to the shifting character of your population. I admit that therein lies a certain difficulty, but can it not be overcome? I decidedly believe it can be.

I have had to face the very same objections when I proposed to start such a society in Levis, Canada, and after eight years of practical working. We started with not a cent in the chest, and now our general assets were on the 14th of February, \$85,892.94. We had loaned altogether \$377,686.27, and up to this date covering more than eight years of existence, we are proud to say that we have not lost one cent, although the number of our loans has reached 2;450. Our total membership is over 1,000, in a population of 7,000, about mostly of the laboring class.

This example is now bearing its fruits, for since 12 to 15 months I have had the pleasure to organize 22 other similar co-operative banks in Quebec alone. If the movement has not started to expand earlier, it is because I have always refused to give my aid elsewhere until the Levis experiment had been completed to my entire satisfaction.

(To be Continued.)