Report of the Special Committee.

To the
Board of Directors
C. G. Co-operative Ass'n.

Gentlemen:

Your committee have covered as completely as possible, the field submitted to them for investigation. It is perhaps too much to say that the following report covers in detail, all the possible points which could be raised within the range of the investigations made, or to suggest that work of improvement will be finally finished if these recommendations are carried out. Your committee are, however, of the opinion that enough has been suggested to show the way out of immediate financial difficulties and to make such improvements in the present set up of the organization as to pave the way for a very efficient co-operative machine which should be able to satisfy the consumer needs in greater Vancouver.

Your committee examined the list of old liabilities of the Association somewhat critically and feel certain that for very many reasons a settlement can be made for an amount not exceeding 50% of the face value of these liabilities. The method suggested for dealing with them is outlined elsewhere in this report.

It was also found by your committee that the only real hope of establishing a satisfactory co-operative movement in Greater Vancouver, lay in uniting the very limited and scattered forces into one society with centralized administration and decentralized control.

It is also the unanimous opinion of your Committee that the fullest exercise of democratic control can only be effected by the organization of Districts and Locals throughout this area with delegates to general meetings, rather than attempting to hold general meetings attended by all members.

In regard to the matter of serving the members it was found that a system of delivery properly equipped and organized and from working from a central depot, was not only the most economical method, but was the only method possible for some time. Facts and figures prepared and presented by the planning department of the Association and based upon statistics gathered by that dept., from a wide range of competent authorities, were very carefully and critically examined before coming to the above conclusion. As these figures are readily available it seems unnecessary to include them herewith. These general findings of your committee constitute the basis for the following specific recommendations:

1. Finances.
   "A" That immediate steps be taken to secure, on
long term loan from members and friends of the association, a sum sufficient to effect a settlement of all the old liabilities.

"B" That not less than 50% of all surplus accruing from trading operations be definitely set aside for the repayment of these loans.

"C" That after ordinary capital requirements of the Ass'n have been provided for up to an amount of from $3000.00 to $5000.00, that 50% of any further increases should be applied to the repayment of this loan.

"C" That special steps be taken to raise funds by any means found possible, such as Excursions, Concerts etc. definitely for the purpose of applying to the payment of this loan.

These recommendations are made subject to the following stipulations:

(1) That all loans are made with a full understanding by all parties concerned, of the purpose of same and methods of repayment so that there will be no possibility of anyone later pressing for payment.

(2) That once undertaken, it will be supported by the members and carried to a full conclusion, which may mean both effort and sacrifice over a considerable period of time; this must be made clear to the members.

(3) That such an effort will be supported and supplemented by a campaign for increased membership and trade.

Your committee realize that the securing of the sum of $1800.00 or $2000.00 is not an easy task, but they feel certain that if each of the present active members will assume as much of the liability as they possibly can and that an appeal is made to friends at present outside of the ranks, that it can be done. A definite time objective should be set as an incentive to action.

Regarding the Constitution and Bylaws, the following changes are recommended.

Nomination of directors.

That until there are more than three locals in any district, that each local hold a nominating ballot when any member may cast their ballot for any member qualified to act as director for the district. This shall be immediately followed by a ballot on the names selected by the nominating ballot. This shall be followed by a series of ballots, eliminating in each case, the nominee securing the lowest number of votes until a unanimous choice is made in each local. The final ballot
shall be held at an adjourned meeting when the candidates from each local shall be voted upon. A maximum of three names may in this way be submitted from each district, to the Annual General meeting, where the final balloting and election shall take place.

After there are more than three locals organized in any one district, the procedure shall be the same except that each Local may submit the name of three candidates for the office of director. They shall also at the same meeting elect a representative to the District Nominating committee.

This nominating committee shall meet under the chairmanship of the District Returning officer and shall vote upon the names of all candidates submitted by the locals within the district. They shall hold a series of ballots eliminating each time, the name of the candidate receiving the lowest number of votes. By this process, they shall reduce the number of candidates to a maximum of three. The names of the three candidates so selected shall be voted upon at the Annual General Meeting.

Standing Committees.

The constitution or By-laws should definitely provide for at least three or possibly four General Standing Committees, Organization, Finance, and Distribution and probably Education, with provision for others as found necessary.

Each local should be asked to elect a member to each General Standing Committee. Such members together with the Chairman and Secretary, shall act as the Local Executive Committee.

When more than one local exists in any district the local representatives to standing committees shall decide amongst themselves who shall attend the meetings of the General Committee as district representative. It is felt that it would not be beneficial to have more than one representative from each district on any Standing Committee.

Each of the General Standing Committees shall have as chairman a member of the Board of Directors.

At anytime any Director feels it necessary to do so he may call together the various Local Executives or the representatives of any standing committee in his district and consult them in regard to matters affecting his district. It would also seem advisable to provide in the Bylaws, for joint meetings of all standing committees at stated intervals of three months or whenever found necessary.
Membership.

Your committee gave considerable thought to the matter of definitely inaugurating a period of probation for all new members. It was felt that by such a method of selection, although the initial increase in membership might be somewhat retarded, the Association would gain in strength through a more satisfactory selection. Your Committee have not been able to arrive at sufficient unanimity on this point to make any emphatic recommendation.

It was very strongly felt however, that each new member should be supplied immediately with complete data as to the plan and principles of the movement; the duties, responsibilities, and benefits of membership, and a definite list of information regarding the various methods of operation in each department of the Association. In order to cover the cost of such material, it may be necessary to increase in some way, the registration fee.

Exact costs of providing all the above matter not being available, the matter was attacked from the angle of the amount which could reasonably be expected from each member. It was finally decided that provided there were no legal obstacles, the simplest method would be expected of the member to provide that one share shall not be redeemable or transferable or be interest bearing at any time, but shall be used to defray cost of admission.

It was decided that the value of the shares should not be increased from their present par value of $1.00, but that the minimum number of shares which any member may hold, should be set at ten, and that not less than five shares shall be paid for in cash, the balance may be paid for out of patronage dividend. It was however, very clear to the committee that the average investment of $10.00 per member while possibly all that many persons could reasonably be expected to pay, was not high enough to adequately finance the business, for this reason every effort should be made to increase this average to approximate as nearly as possible the sum of $25.00 per member by urging those who can afford to do so, to take more than the minimum of ten shares.

Education.

Every competent authority on Consumer Co-operation, stresses the importance of a strong educational movement within each society. Your Committee therefore, cannot emphasise too strongly their recommendation that every effort should be made to develop through the various locals, by the distribution of literature and by every other means possible the most energetic educational campaign found feasible. A beginning should be made immediately and carried on continuously.
to employ a full time Education Director by the Association.

In conclusion, Your Committee would urge that there should be no delay in attacking the whole problem. The present period of rising prices and improved conditions will undoubtedly be followed shortly by a very serious depression and advantage should be taken of the present economic conditions, and public interest in the movement to build as quickly and as strongly as possible in preparation for worse conditions.

No attempt has been made to estimate the possibilities of expansion of our Association's membership or activities during the next few years but undoubtedly they are very wide and require only, that bold, and energetic steps be taken to place us in the front rank of Consumers Co-operative Societies in the West.

Respectfully yours,