

the laws of Maine will not allow the establishment of credit unions. This bill is to be presented and I intend to go down to the Legislature when the time comes, to state the experience of Massachusetts in carrying on the work.

MR. ROWE: I think they will appreciate your assistance.

MR. P. O. LARSON:¹ I do not know as there is much I can add to what has already been said. We have a Mutual Benefit Society which has been established for 20 years, in which the members pay a matter of 25 cents per month. It is a Benefit Society and is simply for sick benefit purposes, although in case of death \$75 is paid by the Company, and \$75 by the Society to the beneficiaries.

We have also a savings system, handled by the Pay Department in which the different employees may save a specified amount weekly which is deducted from their wages or salaries, and is returned to them with interest when it has accumulated to the amount of \$50.

Outside of that I do not think that anything has been developed that is quite as elaborate as some of the schemes or systems which I have heard discussed here this evening.

MR. WALTER D. FULLER:² We have four different societies which have to do with the subject.

First, there is a Savings Fund in which employees can buy shares. Each share costs 25 cents a week and has a paid-up value at the end of the year of \$13.00 plus interest. The society year begins with the first of September and closes the last of August. Employees can purchase any number of shares up to twenty. During the year employees may borrow against their savings up to the full amount, but they must pay 6 per cent interest on the money they secure. If a depositor fails to pay his dues promptly he is fined one cent a share a week for each such delay. In addition to this source of income, the Company donates a certain amount of money at the close of each year. The net result is that the money paid to depositors represents the gross deposit plus about 8 per cent.

The society is of benefit to employees more because of its compulsory saving feature than because of the large return, although the interest is welcome. We have some 900 members at present. In addition to the regular Savings Fund, we operate a Permanent Fund for saving in which any employee can deposit money, and which we re-deposit for them in certain

forms of security which net us 5 per cent a year. This interest is paid yearly. It does not compound, however, if the depositor fails to withdraw it. Neither of these Savings Funds are company matters, they are merely employees' societies. The company looks upon them with favor and assists them to some degree but is in no way responsible.

The second activity of this nature is a Beneficial Society. There are two classes of membership, one which costs an employee 5 cents a week and pays a sum of \$2.50 weekly for a period of thirteen weeks, the other class costs 10 cents a week and pays \$5.00 a week for a period of thirteen weeks for disability. The activities of this society are in process of revision at present due to changes necessitated by the Pennsylvania Compensation Law. The Beneficial Society at present has about 800 members.

Our third activity consists of a Vacation Club. This is handled through our Welfare Department. The treasurer of the club issues cards which are printed with numbers around the edge, running from 1 to 52. Each week employees can pay any sum from 1 cent to 52 cents, whereupon the corresponding figure on the edge of the card is punched out. This club starts operations the first of July and is through the last of the following June. Each card then represents \$26.00 and may be cashed at the employee's option. The club pays no interest to savers.

The fourth activity consists of the Country Club Building and Property. This is located about ten miles out of the city. We have a very nice club house and some 154 acres of ground. Membership in the Country club is 5 cents per week for women and 10 cents per week for men. This is a pretty active organization. There are about 2000 members. We have the usual country club interests of dancing, amateur theatricals tennis, swimming pools, baseball diamond, trap shooting, etc. The company owns the property and leases it to the club for a small amount of money. The company takes a deep interest in the success of the organization, but the members run it themselves. The company has two representatives on the Board of Trustees, but otherwise has no representation in the management.

In addition to the societies which have just been spoken of, the company, through its Welfare Department, maintains a home visiting organization. These visitors call upon all employees who are absent more than three days. They see them, find out why they are away, and if they are ill they provide any relief which seems desirable.

The company has recently started another activity known as The Franklin Cooperative Stores. It is operated under the direction of the Employment manager and the manager of the Restaurant Department. Here all sorts of dry groceries are sold to employees at cost. This store has been greatly appreciated by

our people and has saved them a good deal of money. The company provides the space and an attendant, it also provides the capital to carry on the business. Employees file their orders each morning in special boxes. The orders are collected and the goods are packed. Employees call at the store room and pay for the goods when they leave at night. Of course, we do not attempt to make any deliveries, nor do we receive telephone orders or orders over the counter. The company pays the expense of printing the food lists, order forms, etc.

MISS EDITH BROWNLEE:¹ I don't know exactly what to tell you about Filene's. All our work of this kind is done by the employees' association—the Filene Cooperative Association; that is, it is all done by the employees and not by the Company. We have two trained nurses, one who visits the employees who are ill at home, and another who stays in the store to be of service to those who need help there. We also have a doctor who may be consulted at certain times.

As to savings, the Cooperative Association carries on a Savings and Loan Bureau. It is a voluntary affair and one may put in whatever he likes at any time. The savings and loan bureau pays five per cent interest. If employees need money for any good reason, they may borrow from the Savings and Loan Bureau. For instance, a person sometimes is paid by the day and then is put on the permanent pay-roll. In a case like this, he may need money to carry him until his first pay day and he can borrow it from the savings and loan association. The officers of the Savings and Loan Bureau give their services for the benefit of the Filene Cooperative Association.

The F. C. A.—Filene Cooperative Association—also arranges for sickness insurance. This is a purely voluntary matter. The dues are from 32 cents to 80 cents a month and the benefits from \$4.00 to \$10.00 a week, paid up to 26 weeks a year. The insurance is placed with an outside company, but the dues are collected by the F. C. A.

There is also a Christmas Club in which anyone may deposit from 25 cents to \$5.00 a week. The money is paid to the members of the Club just before Christmas, with five per cent interest.

Of course the important feature of the Filene Cooperative Association is the part that the employees take in the management of the business, but I think that does not come into the subject that you have been discussing, so you would probably not be interested in it.

THE CHAIRMAN: I think we should be interested in hearing a word or two on that line.

¹Wm. Filene's Sons Co., Boston, Mass.

MISS BROWNLEE: The F. C. A. is given a real voice in the conduct of the business. There are eleven directors in the company and four of those are chosen from candidates nominated by the Cooperative Association. These directors have the same power as anyone else on the Board and they vote on all questions brought to the directors. The books and policies of the Company are open to them.

There is also a by-law of the corporation which says that the Employees' Association has a right to make or change any rule of the store. If the management makes a rule, it is submitted to the Employees' Association. They may change the rule, which will then go back to the management. If the managers wish, they may pass it again. Then if the employees desire to take extreme measures, a mass meeting of the Association may be held and if two-thirds of the entire membership of the Association pass that rule it becomes a rule of the store, so that the employees really have the power to veto. They may also initiate rules, which must be submitted to the management, but may be passed over the manager's veto. They really have the final authority. That is the big thing in our Association.

Another important feature is the Arbitration Board. This is a board composed of a member from each section of the store, elected by the people in that section. To that Board any employee may take any question affecting store work, no matter what it is. Most frequently questions arise over the matter of discharge. Any employee who has been discharged and who wishes to bring his case before this Board may do so. If the Board reinstates him, he may go back to work just as if he had never been discharged. Other questions that come before the Board are transfers from one department to another which an employee may think unfair. Or if an employee believes that he is entitled to promotion which he does not get he may bring that before the Board. Questions of working conditions may also be brought up. This power and the power to make or change store rules are the important features of the F. C. A.

MR. J. WILLIAM SCHULZE:¹ May I ask from what source the Association gets its funds to pay the nurses, etc.—the Filene Association?

MISS BROWNLEE: They are paid by the firm, but are responsible to the Association.

MR. HUTKIN: I want to answer a few of Mr. Rich's remarks, and one was about why the salaried members should not receive the same benefits as married or single members. I think that is the way it

¹Forbes Lithograph Manufacturing Co., Chelsea, Mass.

²Secretary, Curtis Publishing Co., Philadelphia, Pa.

¹Tabor Manufacturing Co., Philadelphia, Pa.