

Housing co-operatives have developed mainly in Newfoundland, Nova Scotia, Quebec and Ontario. Co-operative housing projects are eligible for loans under the National Housing Act. Credit unions, co-operative credit societies and co-operative insurance companies help finance some of these projects.

### Credit Unions

Credit unions and caisses populaires assemble savings of the common people to meet their credit needs. The Rustico Farmer's Bank, chartered in Prince Edward Island in 1864, was a forerunner of these credit organizations.

Alphonse Desjardins organized the first caisse populaire at Lévis, Quebec, in 1900. He organized two others in the province before the Co-operative Syndicates Act. This act which provides the legal basis for this type of organization was passed in 1906. By 1930 there were many caisses populaires in Quebec. Other provinces lacked legislation governing the incorporation and supervision of caisses populaires, so that only a few were organized and most of these failed.

The caisse populaire idea spread to the United States. There it was modified to form credit unions, which met the needs of industrial workers. The caisse populaire uses the parish as a common bond of association. In the industrial credit union, employment at a given plant or group of plants is the common bond. This makes possible credit union membership to many people who are not part of closely-knit parishes.

Interest in credit unions increased during the depression of the 1930's. In Nova Scotia, the organization of credit unions was encouraged with considerable success by extension workers of St. Francis Xavier University.

Management of industrial firms across Canada began to see the potential of credit unions in helping their employees. In a few years, appropriate legislation was adopted in all provinces. The credit-union movement entered a phase of rapid growth which still continues. Credit unions and caisses populaires now have more members and more assets than all other types of co-operatives. In 1961 there were 4,697 credit unions with 2,751,059 members and total assets of \$1.5 billion. The Province of Quebec, still leading, has a third of all the credit unions, half of the total membership and about 60 per cent of the assets.

Central credit unions have been formed in all provinces. These act as depositaries for the surplus funds of their member locals, and lend money to their members and in some cases to other co-operative organizations. Membership of the centrals is composed chiefly of local credit unions, but in some provinces the central includes co-operatives and is called a co-operative credit society. There were 27 central credit unions and co-operative credit societies in Canada in 1961. Some of these served a small region, others whole provinces. Their total assets were \$208 million, including investments and loans to members of \$148 million. Members' deposits with the centrals were \$153 million.

The Canadian Co-operative Credit Society, organized in 1953, operates on the national level as a central credit organization for the co-operative movement. Its members include both provincial co-operative credit societies, or central credit unions, and co-operative wholesales.

### Supervision and Direction

Co-operative wholesales provide certain supervisory services to local associations. Some have qualified auditors doing continuous audit for local co-operatives and making regular reports to boards of directors. They also help local co-operatives with their income tax returns. The business affairs of some are managed under the direction of the wholesale.