

## REFERENCE PAPERS

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

Revised August 1960) CO-OPERATIVE BUSINESS IN CANADA

(Prepared in the Economic Division, Department of Agriculture, Ottawa)

Origin

The life of the pioneers in many parts of Canada required a considerable degree of co-operation to permit survival. Much of this co-operation was informal and took the form of barn-raising bees, exchange of labour and assistance to those in difficulties.

Some pioneer or farmer business organizations were formed in various parts of Canada at an early date. It is not really known which were the first to embrace co-operative principles, as we now understand them, to a sufficient degree to warrant being called co-operatives.

The conception of the co-operative store, as developed by the Rochdale Pioneers, was adopted by coal miners in Nova Scotia in the 1860's. A co-operative store was opened in Stellarton in 1861 and at least nine others commenced business in various parts of Nova Scotia before 1900. None of these survived beyond the period of the First World War.

The British Canadian Co-operative Society at Sydney Mines, Nova Scotia, organized in 1906, is the oldest and one of the most successful purchasing co-operatives in Canada today.

A Canadian farmer's organization known as the Dominion Grange was granted a federal charter in 1877. It established quite a number of co-operative enterprises in Ontario and Manitoba, none of which was conspicuously successful.

Development of the co-operative movement in Quebec is generally traced to the founding of La Caisse Populaire de Levis in 1900 by Alphonse Desjardins. Actually about 30 mutual fire insurance societies had been formed in Quebec between 1852 and 1900, and functioned in accordance with basic co-operative principles.

Agriculture in the Prairie Provinces entered a phase of rapid development about 1890, which encouraged attempts by the early settlers to establish more satisfactory marketing facilities. The beginnings of the co-operative movement in this section of Canada can be traced to organizations formed by the farmers at that time. Development of the Saskatchewan Co-operative Creameries commenced before 1900 and of the United Grain Growers in 1905.

By 1907 there was a considerable number of co-operatives scattered across Canada. They were hampered, in most provinces, by the lack of appropriate legislation dealing with their incorporation and operation. A federal statute was sought but