

ative farming). Wood-producers' co-operatives and feeder co-operatives, whose basic function is to provide financing for cattle on feed, are the two largest types in the production group, together accounting for over two-thirds of all business volume. Farm-machinery co-operatives (shared ownership of large items such as grain-harvesting equipment) and co-operative farms, however, have had a great resurgence in Saskatchewan in recent years, reflecting a vigorous effort by the provincial government to acquaint farmers with the benefits of producing on a co-operative basis. For 1976, business volume for 399 production associations, with 29,000 members and \$42 million in assets, amounted to \$48 million.

Financial co-operatives

Credit unions and *caisses populaires* are co-operative societies organized to accumulate savings and lend the money to members at reasonable rates of interest. The Rustico Farmer's Bank, chartered in Prince Edward Island in 1964, 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, 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 incorporation and supervision of *caisses populaires*, so that only a few were organized, most of which failed.

The *caisse populaire* idea spread to the United States, where it was modified into the credit union, which met the needs of industrial workers. The *caisse populaire* used the parish, and the industrial credit union used the place of employment, as the basis of association for members. Interest in credit unions increased during the Depression of the 1930s. 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 value of credit unions to their employees. In a few years, appropriate legislation was adopted in all provinces and the organization of both industry and rural-community credit unions was encouraged. The finance co-operative movement entered a phase of rapid growth that continues today.

An added stimulus to membership growth in recent years has been the branching-out from the basic savings and loan function to the provision of full-line financial services to credit union and *caisse populaire* members. These include personal-chequing, first and second mortgages, safety-deposit boxes, money or-