

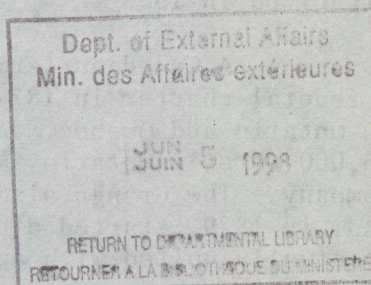
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CO-OPERATIVE BUSINESS IN CANADA

(Prepared in the Economics Branch,
Department of Agriculture, Ottawa)

The pioneers in most parts of Canada had to co-operate simply to survive. Much of this co-operation was informal, as in barn-raising bees, the exchange of labor, and assistance to neighbors in difficulties.

The pioneers developed business organizations that had some co-operative aspects. Meanwhile, in England, weavers at Rochdale and others were developing the basic principles for co-operative business. These include:

- (1) Voluntary membership (all who can benefit from the service may join);
- (2) democratic control (each member has only one vote);
- (3) limited rate of interest on capital, if any;
- (4) distribution of surplus or savings on the basis of patronage.

Beginnings

A co-operative store was opened by coal-miners in Stellarton, Nova Scotia, in 1861, and at least nine more followed in other Nova Scotia communities before 1900. None of these survived after the First World War. The British Canadian Co-operative Society at Sydney Mines, organized in 1906, is the oldest co-operative for the purchasing of consumer goods in Canada, and one of the most successful.

In Quebec, development of the co-operative movement began with the formation of a farmers' mutual fire-insurance company in 1852. Co-operative insurance soon spread to the life-insurance field, the first fraternal society being formed in 1863. Mutual fire-insurance and fraternal societies continue to be important types of co-operative in Quebec and have spread to other provinces.

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