

THE UNIVERSITY OF MANITOBA

THE CAISSE POPULAIRE:
A FRENCH-CANADIAN
ECONOMIC INSTITUTION IN MANITOBA

by

GHANNES SARKIS BALIAN

A THESIS
SUBMITTED TO THE FACULTY OF
GRADUATE STUDIES IN PARTIAL
FULFILMENT OF THE REQUIREMENTS
FOR THE DEGREE OF MASTER OF ARTS

DEPARTMENT OF ANTHROPOLOGY

WINNIPEG, MANITOBA

AUGUST 1975

PREFACE

Anthropological studies of economics and economic institutions have dealt primarily with non-industrial societies. This Master of Arts thesis in Anthropology attempts to study the Caisse populaire, an economic institution within a society based on the industrial mode of production. The essential character of this institution is brought out through historical reconstruction and its present function analyzed in the light of existing situations.

I wish to thank the members of my thesis committee, Profs. Louis Sweet, Peter Newcomer, and Paul Fortier for helpful suggestions, criticism, and comments. I would like also to acknowledge the valuable assistance of Mr. Edmond Beaudry of the Centrale des Caisses populaires in facilitating my work with the local Caisses and for providing me with all the additional information and documents needed. Mr. Lionel Dorge of the Historical Society of St. Boniface was helpful in introducing me to some of the literature on the subject.

I gratefully acknowledge my indebtedness to the Cooperative College of Canada for the Research Bursary granted to me, since it made my financial burden a little lighter for the duration and gave me time to carry out the research. And most of all to Arpie, I am immensely

grateful, for her patience during the writing of this work, for typing the two initial copies, for translating all French quotations into English, and most of all for her constant encouragement, without which this work would have been impossible.

TABLE OF CONTENTS

	Page
Preface	iii
List of Tables	vi
Abstract	vii
Chapter	
1. INTRODUCTION	1
French Canada and Its Institutions	
The Caisse Populaire	
Objectives of Study	
Sources and Procedures of Research	
The Setting	
2. THE EARLY HISTORY OF CAISSE POPULAIRE IN QUEBEC	16
3. THE CAISSE POPULAIRE IN MANITOBA	34
4. THE CAISSE POPULAIRE AND FRENCH MANITOBANS	52
5. THE CAISSE POPULAIRE IN COMPARATIVE PERSPECTIVE	66
SAVINGS AND CREDIT ASSOCIATIONS	
Arisan (Java)	
Ko (Japan)	
Hui (Central China)	
Shirkets (Lebanon)	
Esusu and dashi (Nigeria)	
Maori Komiti (New Zealand)	
Caisse Populaires (French Canada)	
Savings and Credit Associations and the Caisse Populaire	
6. CONCLUSIONS	80
French Nationalism, the Clergy, and the Caisse	
The Myth of French Canadian Capitalism	

	Page
BIBLIOGRAPHY	94
APPENDIX	
I. THE FOUNDING AND PROGRESS OF THE ST. FRANCOIS XAVIER	97
II. KNOW YOUR CAISSE	104
III. QUESTIONNAIRE USED FOR STUDY	114
IV. COMPARISON OF CAISSE POPULAIRE CREDIT UNION AND BANK LOAN APPLICATIONS	116

LIST OF TABLES

Table	Page
1. Positions Occupied by "Professional" people in 171 Caisses (1900-1920)	25
2. Founding Members of 19 Caisses	40
3. Progress Chart of Caisses Populaires	49
4. Chronology of Foundation of French Caisses Populaires	50-51
5. Ethnic Composition of Caisse Members % (1974).	65

ABSTRACTTHE CAISSE POPULAIRE: A FRENCH CANADIAN
ECONOMIC INSTITUTION IN MANITOBA

The Caisse populaire, as a financial service institution, was founded in 1900 in Québec. Its original purpose was to free the French Canadian peasant from domination by the money market, but soon it became part of that money market thus subverting its original purpose. Official ideology of the Caisse populaire still contends that its original purpose holds true.

The Caisse populaire was established in Quebec and Manitoba allegedly to ease the effects of worldwide economic depressions on the French Canadian rural population. The unit within which the Caisse operated was the parish which was a close-knit social and geographical unit. As long as the Caisse remained within the confines of this unit, it retained its cooperative and popular character, since capital accumulation was low and strictly localized. But as the Caisse populaire grew beyond the limits of the parish and entered the money market through a high level of capital accumulation, its cooperative character was lost as participation of members in decision-making declined.

The French-Canadian élite - the clergy and the notables or middle class - supported and encouraged the development of the Caisse populaire. For the French Canadian clergy, the Caisse provided a means through which it could extend and affirm its control of the French-Canadian people. For the French-Canadian middle class, the Caisse provided capital through which they could launch themselves into the big money market. Nationalism, and nationalist loyalties of the French-Canadian masses were used to attract them to the Caisse Populaire. It was said that this financial institution, owned and operated by French Canadians, would help to liberate French Canada from domination by anglophone capital. This economic liberation could have been achieved, had the Caisse populaire not entered within the money market thus being subject to its rules.

In comparing the Caisse populaire with Savings and Credit Associations described in Anthropological literature, the process by which the Caisse entered the capitalist money market becomes apparent. These savings and credit associations operate within societies lacking a money market or on the margins of such a market. Thus, the level of accumulation of capital is very low, and is usually for specific purposes. The Caisse, as long as it did not enter the dominant money market and remained

within the parish limits, had many similarities with the Associations mentioned. As it entered the money market, it basically changed into another financial institution functioning within the limit of the market regulation.

The process described is a specific case of the development of capitalism and an exposition of its basic nature. It might be indicative of the path followed by Canadian capitalism as a whole.

CHAPTER ONE

INTRODUCTION

French Canada and its Institutions: North America has come to assume a mainly English character through the turn of historical events, and consequently to an outsider, the English element might seem to be the sole agent in the development of the Continent. The English character of the Continent and the role of anglophone elements in the history of its development is beyond doubt, but one should not lose sight of the fact that other ethnic groups also contributed to the making of North America, and at some given time in history were the major element in that process. The French are one of the most important of those ethnic groups, both historically and contemporaneously. It was mainly through the efforts of French explorers that most of North America was explored, and almost all of that explored land came under French rule. But gradually, through outright sale or through conquest the French possessions were reduced dramatically. In 1759-60 whatever was left of those possessions was conquered in turn and North America became wholly British, and the French in America became a conquered people. A conquered people, if not annihilated

physically, has two choices: it may either assimilate to the dominant group or it may decide to combat assimilatory pressures by creating means for its survival as a unique cultural entity. This is a very simplified view of the problem, but it is sufficient in the context of this study.

The bulk of French people in North America live in what became Canada, and, in Canada itself, in the Province of Quebec, heartland of the former New France. The French who stayed in the United States or later migrated there from Quebec, assimilated to a large extent to the anglophone society and culture. But those who remained in Canada were able to preserve their language and culture, despite the fact that they were dominated economically and politically by anglophones. Only in Quebec were the French a numerical majority, and consequently Quebec became the centre for French survival and all attention was devoted to its preservation as a wholly French province. The struggle for survival still goes on in Quebec, and language laws are only official manifestations of it. Quebec has become at once a symbol of, and synonymous with, French Canada, and when one refers to French Canadians one usually means the French in Quebec.

And yet there are French communities in Canada outside of Quebec, which have managed to preserve their cultural identity and lead very active communal lives.

All studies on French Canada have dealt mainly with Quebec and very little attention has been devoted to the role of the rest of French Canada in French Canadian culture. Thus, the notion that Quebecois culture is the French Canadian culture has no validity, for the simple reason that there are thriving French communities all over Canada, outside of Quebec. Although a number of these communities were established by people of Quebecois origins, immigrants from other francophone nations such as France, Belgium and Switzerland had their unique role in francophone colonization of Manitoba.

The predominance of Quebec and its influence on the rest of French Canada cannot be ignored; nevertheless regional French Canadian settlements have peculiar characteristics of their own which gives their culture an identity different from the Quebecois culture. For one thing, the French in Quebec are a majority while in the rest of Canada they are a minority and as such are more in danger of assimilation than others. This is especially true in Western Canada where the French communities are surrounded by a sea of anglophones on all sides, and Quebec is a long distance away. Here, the struggle for linguo-cultural survival takes on a daily aspect. While in Quebec the provincial government has taken upon itself to preserve the French character of the

province, in Western Canada every French individual and association is trying to preserve its identity in the face of the indirect (or direct) efforts of the anglo-phones through the full force of its mass media and other institutions.

The French in Manitoba are by far the most active of the Western Canadian French communities. They have not only managed to preserve their linguo-cultural identity against considerable odds, but have produced a bustling socio-cultural life of their own.

The clergy has been one major factor in this fight for survival. In fact, it was through the efforts of the French Manitoban clergy that most of the French Manitoban settlements were established. The clergy were also the main supporters and promoters of the French mass media and French language schools in the province. The parish system of organization wherein the priest is the chief figure has also contributed to survival by keeping the people together and giving them a sense of community. The parish has also been instrumental in the preservation of the French language. A more detailed discussion of the parish will be provided in Chapter Four.

Other French Manitoban organizations which are actively involved in survival efforts are: the Société Franco-Manitobain, specializing in social and educational

activities, with branches in most French communities and/or regions; the Cercle Molière theater group; the Société Historique de Saint-Boniface; the Collège du Saint-Boniface, affiliated with the University of Manitoba; and various entertainment and art groups. Activities, such as the annual winter "Festival du Voyageur", also play a role in the preservation of French-Canadian identity in Manitoba.

The Caisse Populaire: The purpose of this study is to examine the role of one such institution which has not been mentioned above: the Caisse Populaire.

The first Caisse Populaire in North America was founded in 1900 in the town of Lévis, on the eastern bank of the St. Lawrence river across from Quebec City by Alphonse Desjardins, a French Canadian journalist (Faucher 1948: 17; Faucher and Vaillancourt 1950: 29; Couture 1951: 38; Charon 1952: 13; Vachon 1962: 20; Roby 1964: 65). One of the declared objectives of the enterprise was to emancipate the French farmer of Quebec from the exploitation of moneylenders who were charging usurious interests on loans and eventually forcing them to flock to the big industrial cities of Canada and the United States where they became part of the steadily growing urban-industrial proletariat. To Desjardins and other French Canadian leaders, the gradual depopulation

of the Quebec countryside was a serious threat to the French identity in Canada (Desjardins, 1912: 30; Roby 1964: 4). The cities were considered centres of alienating influences where people lost their identities, while the countryside was solidly French and thus constituted the backbone of French life in North America (Roby 1964: 39-40). Furthermore, the deep emotional ties between the farmer and the land, and the specific identity derived from it had to be perpetuated for the survival of French Canada. A credit and savings association, such as the Caisse Populaire, would provide a means through which the farmer would be able to save, and, on the other hand, would be able to borrow money with low interest when in need. Thus, the depopulation of the countryside would be halted since the farmer would not have to forfeit his land. In other words, by giving the French farmer economic independence of the French countryside (Vachon 1962: 36; Roby 1964: 42-43). The Caisse would also strengthen local ties in the parish and would increase the farmer's attachment to it by promoting and strengthening cooperation in the parish (Desjardins 1912: 12).

The proposed principles of the Caisse Populaire at the time of its formation were the following (Mercure 1962: 5-8; Roby 1964: 56-61):

a) The Caisses had to have a cooperative structure; that is, every member was to have an equal right to share in its administration through various elected committees, regardless of the size of his financial contribution or the number of shares held.

b) The Caisses had to have cooperative objectives; that is, all profits had to be returned to members.

c) The Caisses would exist for both saving and credit.

d) The primary source of the Caisses' funds would be from shares purchased by its members.

e) Only members would be able to get credit from the Caisses. Loans were to be for productive purposes, such as for buying a tractor or seeds from planting, or any other purchase or activity which entailed a return for the investment. Emergency loans and consolidation-of-debt loans could also be granted. But loans for ordinary consumption expenses, such as vacation trips, purchase of cars for purposes of pleasure, etc. were prohibited.

f) The unit in which the Caisses would operate would be the French Catholic parish which was a territorial as well as social entity where everyone knew everyone else. Thus a basic trust among members, necessary for such an enterprise, could be achieved.

Since its inception in 1900 the Caisse Populaire has spread all over Canada and the United States wherever French settlements or the French population have been large enough to support such an institution.

The first Caisse Populaire in Manitoba was founded in the village parish of St. Malo in 1937 (Société Historique de Saint-Boniface 1940: 116). Although an independent venture, this first Manitoban Caisse was based on the Desjardins model of Quebec, as described above. The reasons cited for its foundation were similar to those in Quebec, in that the Caisse proposed to solve the economic difficulties of the farmers thus freeing them from dependence on non-French sources of credit. At present there are thirty-one Caisse Populaires in Manitoba, all in French Manitoban parishes.

Objectives of Study:

1. The study shall provide an ethnohistorical reconstruction of the Caisse Populaire movement in Quebec. The reasons that prompted its foundation and the role it was meant to play for the farmers of Quebec will be examined in the light of the existing economic and socio-political conditions of the time. A brief account of the organization of the Caisse, its base of operation, and criteria of membership will also be provided in order to bring out its nature.

2. The study shall then proceed to provide an ethnological account of the movement in Manitoba. The reasons that prompted its foundation, the role it was meant to play, and the role it actually fulfills will be examined in relation to the contemporary social, political conditions. Wherever applicable, comparisons will be made with the Quebec situation, to point out similarities and differences. A descriptive account of the organization of the Caisses, their relations with the parishes in which they operate, with the Centrale des Caisses Populaires and the latter's relationship with the rest of the cooperative enterprises in the Province will help to clarify the role of the movement.

3. The above two objectives shall serve as a background against which the interrelationship between the Caisse Populaire and the French Manitoban community will be described and analyzed. The question as to whether the Caisse performs a social and cultural role through its economic activities will be answered.

4. The Caisse Populaire will be placed in anthropological perspective by comparing it with savings and credit associations in non-industrial or industrializing societies that have been engulfed within the world money market. These associations have been well documented and described in the anthropological literature. In a

preliminary discussion, the available literature will be reviewed and the Caisse Populaire described and compared with the types of credit and savings associations cited. The aim of the argument shall be to show the similarities and differences between the Caisse Populaire and those associations as to their basic structure and function.

5. The overall aim of the study, with the foregoing as background, is to determine the true role that the Caisse plays in Manitoba, as opposed to the official ideology it professes.

Sources and Procedures of Research:

The sources of information used in this study are of two types:

1. Primary:

- a) Information provided by a questionnaire (see Appendix III) filled out by 28 Caisses Populaires in Manitoba (3 did not wish to respond).
- b) Interviews with the manager and the social director of the Centrale des Caisse Populaires, as well as with managers of local caisses, and pioneers and propagandists of the movement in Manitoba.

2. Secondary:

- a) Professional journals and books containing

- a host of articles on simple saving and loans associations.
- b) Propaganda and educational pamphlets published by the Manitoban and Quebec Caisse Populaire and credit union movements, as well as, by various Québécois organizations, such as Action Catholique, Comité de Survivance Française, etc.
 - c) Biographies of Alphonse Desjardins and two pamphlets written by Desjardins himself.
 - d) Articles in French Manitoban journals and transcripts of radio programs concerning the nature and expected role of the Caisse.
 - e) Background information from works on the general histories of Quebec and of Manitoba.
 - f) Census material, both provincial and federal.
 - g) Statutes of Manitoba regarding cooperative credit associations.
 - h) Annual reports of credit unions and caisses populaires.
 - i) The archival records of the Centrale des Caisses Populaires in St. Boniface. These contain minutes of annual general assemblies, reports and letters from the member Caisses, information on the amalgamation or creation of new caisses, etc.

After a preliminary reading of some propaganda pamphlets and biographies of Desjardins, a Caisse Populaire was contacted for information concerning possibilities of doing research on the Caisses Populaires in Manitoba. The manager of the Caisse pointed in the direction of the Centrale des Caisses Populaires, which was the coordinating body for all the Caisses.

Officials of the Centrale were very cooperative and provided a number of books and pamphlets for further reading. Moreover, the records and facilities of the Centrale were offered for utilization. During numerous visits to the Centrale, the archival records were scrutinized and relevant events recorded. In the meanwhile, a two-page questionnaire was prepared (see Appendix III) and distributed to the 31 caisses through the Centrale, with a covering letter explaining the purpose.

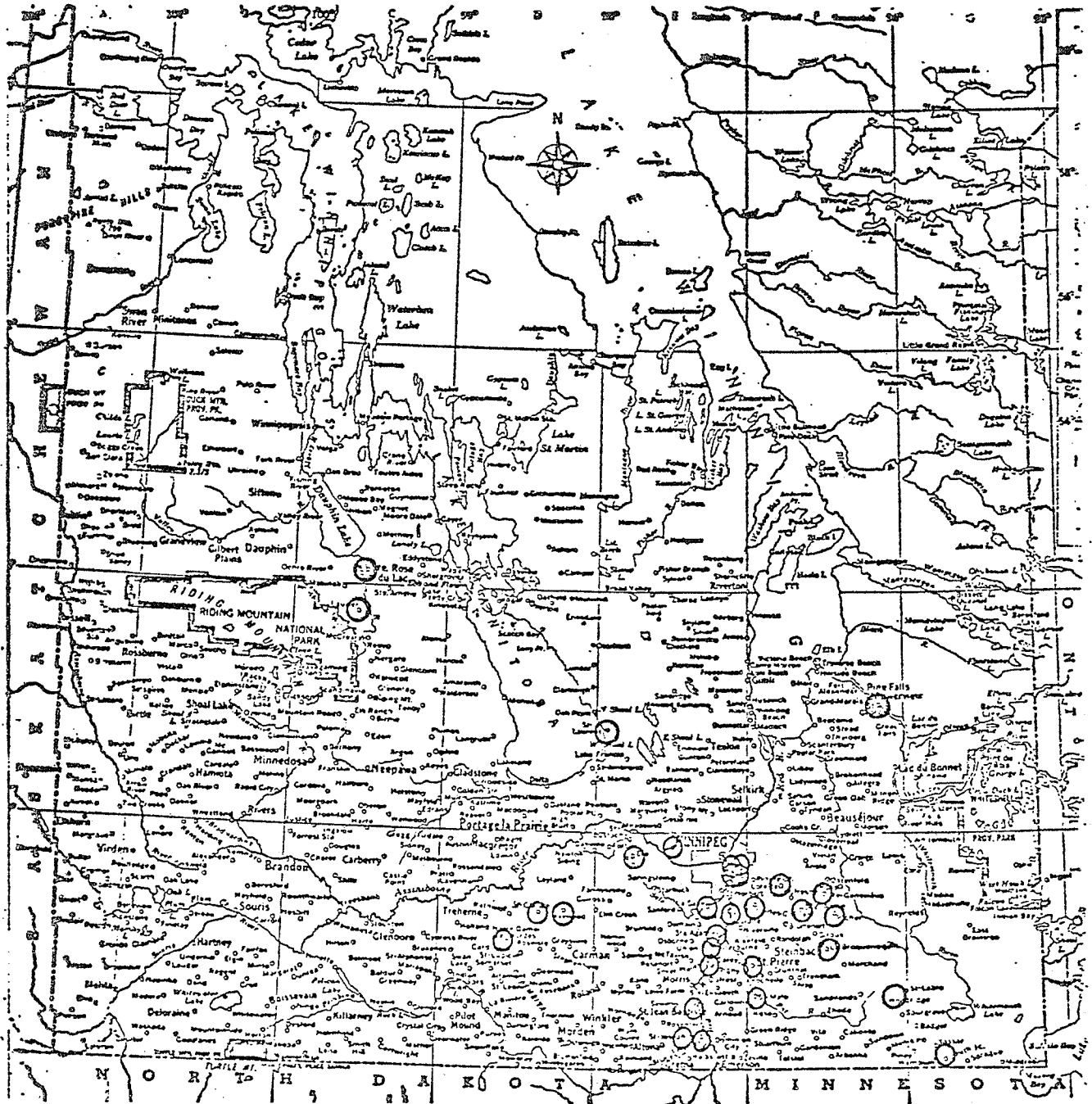
Names and addresses of pioneers and propagandists of the Caisse Movement were also obtained through the Centrale. Interviews were arranged with those persons and recorded with the help of a cassette recorder. All interviews were conducted in French. The interviews were loosely structured and revolved around a set of prepared questions. Finally, the administrators of the Centrale were interviewed as to the role and organization of the Centrale, and the role of the Caisses in Manitoba, in general.

The history of Caisse in Quebec was reconstructed through the various biographies of the founder, educational pamphlets, and some general works on cooperation and credit unions. The history of the Caisses in Manitoba was reconstructed from information obtained through the questionnaires, interviews with pioneers, propagandists and Caisse officers, credit union and caisse populaire annual reports and general history books. Information on the role of the caisse for the French community was derived from the questionnaires and various articles in the French media, as well as the sources mentioned above.

The Setting: The general area in Manitoba where most French settlements, and hence Caisses Populaires, are located lies roughly between the 49° and 51° parallel. In this area the French Canadian villages can be seen on a map to be spread along three main axes, with the metropolis of Winnipeg as the focal point. The axis which has the highest concentration of French Canadian villages is the Red River with its tributaries. The map provided shows a concentration of nine Caisses for that axis. Another area of concentration of Caisses is that running exactly south-east from Winnipeg (8 Caisses). The third area is roughly west and south-west of Winnipeg (5 Caisses). The Caisse of St. George, north-east of Winnipeg stands alone, while so does that of St. Laurent, 45 miles

northwest of Winnipeg on the shores of Lake Manitoba. An isolated group of two Caisses is situated southeast of the town of Dauphin. Here the Caisse at St. Rose serves seven communities around it. Beside these rural caisses, there are urban caisses and one professional-occupational caisse (for priests). These four caisses are located in the general area of St. Boniface. The Centrale des Caisses is also located in St. Boniface.

MAP OF SOUTHERN MANITOBA SHOWING LOCATION
OF ACTIVE CAISSES POPULAIRES¹



SOURCE: Adapted from Hammond Ambassador World Atlas, 1973.

¹ ○ Indicates location of active Caisses Populaires

CHAPTER TWO

THE EARLY HISTORY OF CAISSE POPULAIRE IN QUEBEC

The credit union movement in North America owes its origin to Alphonse Desjardins, a French-Canadian from the town of Lévis, in the Province of Quebec. It was mainly due to his own individual effort and enthusiasm that credit unions in Canada and the United States took a firm hold and subsequently flourished and spread in later years.

Alphonse Desjardins was born in 1854 in Lévis, where his family had moved the previous year from Saint Jean-Port-Joli. He was eighth in a family of fifteen children. His father was chronically ill, and the family had to depend on the earnings of the mother. After finishing parish school, Alphonse enrolled at the Lévis College in 1864 since it offered free education. In 1870, after graduation, he was unable to enter the Académie St. Joseph because of inability to meet high tuition costs. After serving as a volunteer in the expeditionary force to the Red River during the Riel uprising, Desjardins returned to Lévis, where he went into journalism. In the meanwhile, he served as reporter of Debates at the Quebec Legislature. In 1891 he started a newspaper of his own advocating the Conservative cause, but abandoned after three months. In 1892, Desjardins was chosen as the French stenographer of the Commons in Ottawa, partly

through his connection in the Conservative Party and partly because of his previous experience as reporter of the Debates. It was here, in 1897 that, according to Roby (1964: 21) "un débat sur les ravages de l'usure va complètement changer l'orientation de sa vie."

There were banks in Quebec at the time, but they served bigger interests and small borrowers had no other choice but to go to private sources when in need. Besides, banks did not have branches in small rural communities. Usually, rates of interest on private loans were so exorbitant that sometimes borrowers were forced to forfeit all their property in payment of their debt. Thus, there was a case in Montréal in 1897, when a man who had borrowed \$150.00 was condemned to pay \$5,000.00 in interests (Roby 1964: 33). The existing laws were in favor of the usurers since they stipulated that any amount of interest could be charged on borrowed money. The Debates in the Commons were aimed at revising those existing laws. According to Desjardins himself (Desjardins 1912: 4) the revelations made during those debates moved him to study the problem of usury in depth and to seek solutions for it.

During his search in the library of the Commons he came across The People's Bank by Henry Wolff, who was also president of the International Cooperative Alliance

at that time. He immediately entered into contact with Wolff and through him with the pioneers of the cooperative movement in Europe: Charles Raynéri, director of the Banque Populaire of Menton; Louis Durand, founder of Caisses Rurales in France; Luigi Luzzati, founder of Banche Popolari in Italy, and numerous others. He thus amassed from his European correspondents a wealth of information on cooperation in savings and credit. Desjardins saw the solution of usury in the creation of popular banks similar to those in Europe. Such an institution, operating on a much lower scale than the regular banks, and in a more circumscribed area would make credit and savings more accessible to the man with small means. By freeing the working class from the usurer and teaching them the advantages of thrift, the Caisse Populaire or popular bank would also help to improve their level of living (Roby, 1964: 35). It was only after long and in-depth studies of the subject that Desjardins decided to establish the first Caisse Populaire of North America at Lévis, in December 1900.

The ideas upon which the Caisse Populaire was founded came from Europe, but long before its foundation a cooperative venture existed in Quebec. In 1848 members of the Society of St. Vincent de Paul had founded the Caisse d'Economie Notre-Dame de Québec. Its purpose was to provide

the working man with capital, in the long-run, through his own savings, so that he could use it to better himself; all profits went to charity. In 1868, the Caisse d'Economie established a branch in Lévis. But the Caisse d'Economie, as also the numerous savings banks, were limited in that they only facilitated small savins and did not offer credit from the capital thus accumulated. Among other advantages, the Caisse Populaire Desjardins proposed to offer credit to its members as well as encouraging them to save.

The three main types of cooperative credit organizations upon which Desjardins based his Caisse Populaire were the Popular Bank of Herman Schulze-Delitzsch, the Raiffeisen System, and the Banch Popolari of Luzzati. In the Schultze-Delitzsch model, all members provided the capital and were obliged to subscribe to one share each. All members were responsible for the society's operation and for that reason the shares were limited to one for each member so that one or a few persons could not hope to control if they wanted to. The profits on the capital and deposits were not solely from investments, but also from loans to members. The Popular Bank loaned money at a very high interest rate (up to 12 - 14%), and did not bother with the purpose for which it was borrowed as long as it was a secure loan. All loans

in this system were short-term loans.

The Raiffeisen system, on the other hand, did not require any initial capital from its members; all the funds necessary came from deposited savings or funds borrowed by the institution either from its well-to-do members or other banks. Security was achieved through the selection of members: only "honest and moral" people were admitted; in fact, that was the only requirement for admission. Since the Raiffeisen societies operated within the confines of a restricted locality, such as a town or a quarter, this was easy to control. The only advantage a member in this system had was his access to credit since no dividend or interest was paid on deposits. Credit was accorded for production, not consumption. Furthermore, interest on loans was low (4 - 4 1/2 %) and terms of payment could extend over twenty years.

In the Luzzati system, the initial capital was raised from the sale of shares to members. The payment for these shares could be made during a period of ten months. Like Raiffeisen, Luzzati insisted on the moral character of members. Members received interest on their savings and also had advantages for credit. Each member, no matter how many shares he had, had only one vote.

Desjardins' Caisse Populaire was a combination of some of the characteristics of the above. One of these,

derived from Raiffeisen's model, was the restriction of the activities of a Caisse to one locality, that of the French-Catholic parish:

"Nous avons tout d'abord adopté la limitation des activités sociales d'une Caisse Populaire et le recrutement de ses membres à une seule unité territoriale très petite, et qui, par sa nature même est peu susceptible de subites ou de fréquentes variations, présentant aussi - condition essentielle de succès - des contacts intimes et nombreux par lesquels les intéressés peuvent se mieux connaître, s'apprécier réciproquement avec plus de justice tant au point de vue moral qu'économique. L'unité paroissiale nous a paru réunir toutes ces qualités à un si haut degré qu'elle est pour nous la cellule économique idéale, le cadre parfait où doit fonctionner une telle Caisse (Desjardins 1912: 12)".

"At first we adopted the limitation of the social activities of a Caisse Populaires and the recruitment of its members from a single and small territory, which by its own nature is very little susceptible to sudden or frequent variations, and also presents intimate and frequent contacts - main condition for success - by which shareholders could know and appreciate one another much better, morally and economically. The parish unity seemed to bring together all these qualities to such a high degree that it is for us the ideal economic cell, the perfect framework where the Caisse should function."

Like the Raiffeisen and Luzzati models, all members of a parish who "doivent jouir d'une réputation d'honnêteté, de sobriété et de parfaite honorabilité" could become members of a Caisse. Since almost everyone knew everyone else in the parish there would be no problems in assessing the character of the applicant. Again, following the

Luzzati model the initial capital for loans was raised through minimal shares (each not exceeding five dollars) which could be paid for by small monthly payments. A member might hold as many shares as he could but he had only one vote in the general assembly. Shares, which were considered long-term savings, could be redeemed anytime. The Caisse existed mainly to promote thrift among its members and to extend them credit when they needed it. Any amount of money, whether big or small, could be deposited at the Caisse even if it were for a few days. Savings could be withdrawn anytime, but if the amount involved were substantial, advance notice was to be given to the Caisse. The Caisse also loaned money to its members, and only to them. As in the Raisseisen bank, the purpose for which the loan was requested had to be productive (that is, for a kind of activity or purchase with some immediate or future material benefit or return for the borrower). Members of the Credit Commission, which administered the loans, could not borrow from the Caisse. There were to be three administrative bodies governing each local Caisse; all were to be elected by the annual general assembly of all members. These bodies were: the Administrative Council composed of 5 - 9 members; the Credit Commission composed of 3 - 4 members; the Supervisory Committee composed of 3 members.

Every year, the Caisse had to set aside at least 10% of its annual net profits into a Reserve Fund until this Fund at least equalled the maximum equity represented by the shares and savings deposited. This Reserve Fund, besides being an insurance for the Caisse and its members, also provided direct benefits in that the interest gained through its investment was used to decrease interests on loans and to increase return on shares.

The Caisse Populaire of Lévis founded at the end of 1900 began its operations on the basis of the above principles in January 1901. The first deposit was ten cents, and the total deposits amounted to exactly \$26.00. Between 1901 and 1906 only two other Caisses were established in neighboring parishes. The reason for this slow expansion of the movement was twofold: one was Desjardins' desire to observe the Caisse in action in order to correct any defects it might have. Although he had based it on existing models, he was not sure how and if it would succeed in Quebec. The second reason for caution was his desire to obtain some sort of legislation, Federal and Provincial, regarding cooperative banking only then would he proceed to the propagation of the institution under the protection of the law (Roby 1964: 67). Another sort of protection Desjardins was seeking was that of the clergy. The Catholic clergy was (and still is) one of the most powerful forces in French Canada,

especially among the rural population, and Desjardins consequently sought its support and active participation for the successful propagation of his Caisse. The operations of three existing Caisses were proceeding smoothly when Desjardins sought to obtain the sanction of the law. In Ottawa his efforts were not fruitful, although he had enlisted the support of the governor-general and a number of members of Parliament. After failing in Ottawa, he turned towards the Quebec Provincial Legislature. Besides lobbying a number of members of the Legislature, he solicited and received the support of the major bishops in Quebec (for example, the bishops of Quebec City, Trois-Rivières, Chicoutimi, Nicolet, etc.). In 1906, the Quebec Legislature passed a law concerning cooperatives (Loi Concernant les Syndicats Coopératifs) which legalized the Caisse and gave it its production. Since the high ranking clergy had already given their support to the movement, local clergymen soon actively participated in the administration of the Caisse as well as in the propaganda for its expansion in the Province. A look at the key administrative positions in 171 Caisses founded between 1900 - 1920 shows the role played by the clergy.

Even during the Pope's interdiction between 1910 - 1913, barring all clergymen from participation in secular

TABLE 1
 POSITIONS OCCUPIED BY "PROFESSIONAL" PEOPLE
 IN 171 CAISSES (1900-1920)

<u>Profession</u>	President	Vice- President	Secretary	Secretary Manager	Manager	President Manager
Parish Priest	74	-	1	16	5	30
Notary	1	5	3	23	1	1
Lawyer	-	2	-	1	-	-
Doctor	3	7	2	2	5	-
Curate	6	2	-	3	1	-

Source: Y. Roby, Alphonse Desjardins et les Caisses Populaires, 1854-1920. Fides, Montréal, 1964, p. 114.

associations, w1 newly established Caisses had 18 parish priests occupying key positions.

From administrative participation some clergymen even passed on to propaganda work. Thus, during Desjardins' sickness and after his death in 1920, a number of leading clergymen, principal among whom was abbé Philibert Grondin, presided over the foundation of the new caisses and advocated the establishment of caisses in all parishes across Quebec. Even in other provinces, like Manitoba, where the Caisses were later instituted,

the clergy played the leading role in their organization and propagation.

One of the reasons for the Clergy's support of this cooperative movement was its realization that the Caisses had the potential of preventing the depopulation of the countryside by giving the farmer a means to remain on his land:

"C'est ainsi que le clocher paroissial deviendra le symbole non seulement de la vie religieuse, aussi celui d'une vie économique régénérée, mieux outillée, intensifiée, rendue plus facile et plus fructueuse. Sans exagérer l'importance de ce facteur nouveau, nous croyons voir là pour nos groupements agricole le germe d'une heureuse évolution, le point de départ de la réaction vers le retour décisif et continu à la terre et l'éloignement des séductions trompeuses de la ville (Desjardins 1912: 30)."

"Thus the parish becomes not only the symbol of religious life, but also that of an economic life, regenerated, better equipped, intensified, made simpler and more profitable. Without exaggerating the importance of this new role, we believe there exists, for our agricultural class, the birth of a happy evolution, the point of departure from the reaction to a decisive and final return to the soil, living apart from the deceitful seductions of the city."

The Caisses would be the moving forces for the economic, and consequently, cultural and political emancipation of the French Canadian people. The first step would be achieved by halting the depopulation of the countryside; the second would be the creation of capital which would serve to make the French masters of their Province.

Other cooperatives organized around the Caisses would facilitate the task still further. This is what Desjardins was visualizing when he wrote the following:

"Quelles que soient les conséquences immédiates ou lointaines, probables ou imprévus, du plein développement de ces organismes, notre nationalité peut se créer, par eux, un trésor indivisible. Elle peut ainsi élever une véritable forteresse économique fondée sur l'immeuble unité paroissiale, si vivace parmi nous, forteresse où notre jeune démocratie puisera la force de résistance et les concours nécessaires pour développer ses énergies, agrandir son action, aider ses initiatives et consolier son existence. Appuyé sur la force que donne la possession d'un capital à l'abri des trahisons, de la cupidité ou de l'égoïsme individuel, capital qui se développera automatiquement et sans cesse par suite des avantages mêmes qui en découleront, nous pourrions accroître notre fortune nationale, grandir les prestige qu'elle comporte, prestige qui nous aidera à sauvegarder tout ce qui nous est cher et à étendre la domaine de notre légitime influence (Desjardins 1912: 30)"

"Whatever the consequences may be, immediate or future, probable or unforeseen, of the full development of these institutions, our nationality may create for itself, through them, an indivisible treasure. It then may build an economic stronghold founded on the unity of the parish, so lively among us, a stronghold where our young democracy drawing of resistance and competition necessary to develop such energies will become stronger and and firmer. Based on the strength of possessing capital - sheltered from treachery, greed and selfishness, this capital will develop automatically and nonstop as a result of the surrounding advantages - thus giving us our national fortune, along with its prestige which will help us protect our assets and expand the domain of our rightful influence."

A brief examination of the conditions and events in Quebec and Canada of the period is necessary at this point to provide a context in which the Caisse Populaire movement could be more meaningfully placed and understood. Numerous studies have been compiled about the economy of Quebec and its progression from the Conquest to the present. My aim is not to imitate them but to sketch out the most salient points.

In 1763 by the Treaty of Paris, New France was incorporated into the British Empire in North America. The French became a minority in a sea of Anglophones, and a struggle for the maintenance of the French nationality started and continues to this day. After the American Revolution when Canada became a bastion of the fleeing loyalists and the Upper and Lower Canadas came into being, the friction between francophones and anglophones intensified. English capital moved in and took over the economy of Lower Canada. After the crushing of the 1837 - 38 Rebellions, the French Canadians, were subjugated more than ever. But Lower Canada itself was by far the most prosperous of the two Canadas. One of the main reasons for this prosperity was the St. Lawrence waterway. This being the commercial era, the cities on the St. Lawrence, - Quebec, Trois-Rivières, and Montréal, enjoyed an advantage over all other Canadian cities.

Quebec City was the most prominent of the three due to its position as federal, and later, provincial capital, and also to the existence of a flourishing shipbuilding industry. But more than 85% of the population of the Province of Quebec lived in the countryside and practised subsistence farming. In the cities, which were mostly English, industry and commerce were held by the English while labor was mainly French (Wade 1968: 333).

The advent of industrialism was to change the economic situation in favour of Upper Canada. Iron and coal replaced wood as construction material and fuel respectively. The steam engine revolutionized transportation and Quebec City lost its importance as a shipbuilding centre; the building of the railways further changed the transportation picture. Regions possessing iron and coal became the centres of rapid development. Montréal gained preponderance over every other city in Quebec by deepening the St. Lawrence channel and because of its proximity to Upper Canada. The building of the Grand Trunk railway also profited Montréal since its headquarters were situated there. Montreal also became the banking centre of Canada after the failure of the leading Ontario banks in 1866-67. The economic decline of Quebec as a whole, with the exception of Montréal, produced thousands of unemployed people who flocked to

Montréal and the cities of New England whose expanding industries needed manpower. The city of Montreal more than doubled in population between 1851 and 1871, going from 57,715 to 115,000. It is estimated that more than half a million French Canadians emigrated to the United States in the latter half of the nineteenth century (Faucher and Lamontagne 1964: 263). There was another reason for this massive exodus. The birth rate of French-Canadians was one of the highest in North America, the natural increase in population per year reaching 25/1000. On the other hand agricultural land was limited to the St. Lawrence basin and some sections of the valleys. The seigneurial form of land tenure did not allow for any expansion, and these lands were depleted by continuous cultivation and the use of primitive methods (Wade 1968: 336). The demographic pressure coupled with the land situation produced a landless unemployed population surplus that flowed out of the countryside to become an urban proletariat.

This rural exodus was most alarming to the clergy which saw its basis of existence disappear: "Pour le clergé, l'agriculture est non seulement la base de l'économie du pays, mais encore la condition du survie de la nation canadienne-française et par voie de conséquence de la religion catholique (Roby 1964: 6)." To try to

prevent the exodus, in 1896 the clergy organized the agricultural missionaries and the colonizing associations to settle the as yet underdeveloped areas of Quebec outside the St. Lawrence Basin. The project was only partly successful. The situation was to improve later with the changing of agricultural methods and also the change from grain farming to dairy farming for cash. Some Québécois also returned from the United States, bringing with them the manufacturing knowledge and skills acquired there, and established small industries in Québec and Montréal. Gradually, Quebec City became dominated by the French and the English moved down to Montréal. The main industries were in shoe manufacture, textiles, lumber, tanning, wood and metal work. At the end of the nineteenth century the Quebec economy presented the following picture: Agriculture occupied 65% of total production (GNP); forest exploitation 25%; manufacturing industries 4%; fishing 2%; mining 2%; (Faucher Lamontagne 1971: 266)¹.

This brief history would not be complete without a look at the expansion of the Caisse in Quebec and its influence on the Credit Union movement in the United States.

¹In 1941 agriculture represented only 10% of GNP, while manufacturing had gone up to 64% (Faucher and Lamontagne 1971: 267).

The Caisse of Lévis started in 1901 with \$26.00, but by 1903 the total assets of that Caisse had reached \$15,513.86. After the Law of Cooperative Syndicates was passed, in 1906, Desjardins proceeded to expand and propagate his enterprise. He travelled extensively in Quebec and Ontario, as well as in the United States, giving lectures. A massive propaganda drive was launched through the press and by an impressive personal correspondence. From 1906 to 1914, 150 new Caisses were founded and at the death of Desjardins in 1920, 171 Caisses were in operation. The Caisse Populaire penetrated all sorts of settlements, whether urban, rural or mining centres. But this proliferation was not limited to Quebec; Ontario and the United States also got their share. In Ontario, Desjardins established 24 Caisses in Franco-Ontarian communities, by 1914 of the 23 Caisses in the French settlements in Massachusetts, nine were founded by Desjardins himself. Desjardins also helped draft the Credit Union Law of Massachusetts (1909). The first Caisse Populaire in the United States was founded in New Hampshire in 1909 by Desjardins.

Desjardins' work was far reaching, since the credit unions and the Caisses Populaires spread all over Canada and the United States.² The Antigonish cooperative

²In 1913 in recognition of his work Desjardins was knighted by the Pope.

movement in Nova Scotia in the years 1931-32 was indirectly influenced by Desjardins' work, since the credit union idea was brought in from the United States where it had been established by Desjardins himself. Today, the Caisses Populaires in Quebec are reported to have assets to the tune of five billion dollars.

The Caisse Populaire in Manitoba was initiated and propagated by the French Catholic clergy. It began with the establishment of 1937 of the Caisse Populaire of St. Malo. A brief account of that movement shall be the subject of the following chapter.

CHAPTER THREE

THE CAISSE POPULAIRE IN MANITOBA

The pioneers of cooperative credit and savings in Manitoba were again to be Manitobans of French descent. The first Credit Union - Caisse Populaire to be established on Manitoban soil was in the French village of St. Malo in 1937. And yet this was not the very first attempt at establishing a Caisse in Manitoba. In fact, in 1911 Abbé Clovis St. Amant, curé of the French village which had lasted till 1918. It dissolved because of the death of the manager and the transfer of Father St. Amant to another parish. The Caisse had 100 members at dissolution. So, the St. Malo attempt might be regarded as the first permanent venture of this type. After St. Malo, credit unions - Caisses Populaires rapidly spread all over Manitoba. Twelve years later, in 1949, there was a total of 136 credit unions in the Province, of which 35 were French Caisses Populaires. A number of factors might be mentioned as having influenced the establishment and spread of credit unions in general and Caisses Populaires in particular. In the following sections we shall try to discuss these factors.

One of the factors that may be said to have influenced the establishment of the Caisses in Manitoba was the

economic depression of the 1930's. One of the provinces hardest hit by the Depression was Manitoba, which came to the brink of bankruptcy during that period. Both the cities and the rural areas suffered considerably.

"They were bitter years, as worklessness became the accustomed mode of life of the unemployed ... On the farms the equipment grew older year by year, houses and barns more weather-beaten... The towns became more run-down as year by year the dust from the blowing fields swirled down their empty streets (Morton, 1967: 426)."

To remain on his farm, the farmer needed money to buy seeds for the planting of next year's crop. But no funds were forthcoming, since many banks had closed down, and, anyway, the small farmer had no chance of getting any credit. Many farmers diversified their products to be able to withstand the pressure. Some went into dairying, others into honey harvesting or raising of poultry. But many were forced to leave for the cities where they swelled the relief rolls. Father A.J. Couture, propagandist for Caisses Populaires and curé of la Broquerie at the time, spoke about the situation in his village:

"In 1927-31 there was the Depression. People were poor and hardly had anything to eat so they were leaving for the city. We thought of starting a cheese cooperative. It took us a year to discuss the matter. We counted the cows - there were 500, but not in good shape. We invited an agronomist to advise us. There was the question of finding money, but there was no place we could get it from since the banks had closed down. We decided

that everyone would contribute three shares: one share would be labour in building the cheese factory; the second share would consist of a share of future revenues from the cooperative and the third share would be a small amount of cash. The factory worked for a while but we were forced to close it down in 1937-38 because they were paying more in the city (Interview, November 25, 1974)".

The conditions created by the Depression had been aggravated by a drought that had persisted from 1929 to 1937, and a rust epidemic in 1935 had reduced crops even more. In this situation, the farmer had either to quit farming and move to the city or put up his entire farm as collateral for a loan on which he had to pay exorbitant interest and maybe lose his farm in the process. According to the French Catholic clergy, the most suitable response to counter these problems seemed to be a cooperative venture that would make credit available and accessible to the farmer at reasonable rates. The answer was the Caisse Populaire which had proved itself in Quebec in similar circumstances.

In Manitoba, the initiators and propagandists of the Caisse movement were the French Catholic clergy. The war of 1939-45 had the effect of encouraging the spread of the Caisses in an indirect manner by the conditions created in the Province in response to it, and we shall discuss that briefly a little further on.

The French clergy in Manitoba was alarmed at the

rural exodus that was sapping the French countryside of its forces. It considered, like its counterpart in Quebec, the French Manitoban rural parishes to the mainstay of French presence and French culture in the Province, and hence a guarantee for the continuation of their influence and authority (interview with Father Couture, November 25, 1974). The city, predominantly Anglophone in character, would surely be considered a melting pot where the French person would lose his language and his cultural identity. To save the French countryside would be to save the French culture in Manitoba. Father Couture says that his bishop called him to St. Boniface and told him that they should start Caisses Populaires in the French parishes. Fr. Couture was hesitant at first because of his failure in the cheese venture, but his bishop told him that he must go to Quebec and Antigonish to study the cooperative movements there. The provincial government was approached on the matter and the then Agriculture Minister, Campbell, showed great interest in the project. In fact, he managed to secure enough funds from the provincial government for himself and Father Couture to travel to Antigonish and Quebec. But while they were on their fact-finding tour, a Caisse was slowly but independently taking shape in the village of St. Malo, about 40 miles southeast of Winnipeg.

In 1936 St. Malo was given a new curé in the person of Father Arthur Benoît who had been transferred there from California. Shortly after arrival, Father Benoît started evening study sessions for the whole parish, during which, among other things, they discussed their economic problems and sought solutions to them. After more than a year of deliberation, the Caisse Populaire was seen as one agent that would solve some of their economic problems. Although there was no provincial legislation covering credit unions and Caisses Populaires at the time, the people of St. Malo went ahead and established their Caisse, the first in Manitoba. It opened its doors on the First of March 1937 with 17 members. Of these, 13 were farmers, 1 was a carpenter, 1 a merchant, another the postmistress, and the curé. In the autumn of 1937, 975, 750 litres of wheat were harvested by the farmers of St. Malo. The planting seeds for this crop were purchases through credit from the Caisse Populaire. A year later, in 1938, the Caisse had transacted \$85,000 worth of business, had paid 9% interest to its shareholders and 4% to its depositors, and had given out \$20,000 worth of credit. In the meanwhile, Fr. Couture and Agriculture Minister Campbell had returned from their tour and had drafted a law for Credit Unions, which was passed by the Legislature in 1937.

The green light was on for the creation of new Caisses. The success of St. Malo even during its first year of operation gave added impetus to the Caisse movement which was spearheaded by Fr. Couture. He was directly or indirectly involved in the establishment and organization of most French Caisses in Manitoba and hence has come to be known as "the father of Caisses Populaires in Manitoba" (E. Beaudry, personal communication).

The establishment of any Caisse had to be preceded by study sessions during which people would become acquainted with the principles of Caisse organization and their operation since they would be the ones charged with the task of administration. The usual procedure was something like the following: when a village decided to have its own Caisse Populaire, the curé or some other parishioner would invite Fr. Couture or another knowledgeable person to give a lecture on the Caisse, its operation and advantages. The meeting was usually held in the church basement. Study sessions would follow and continue for a period of time until every participant had formed a clear idea about the Caisse. Following this, a general meeting would be called for the formal establishment of the Caisse, by the election of the Administrative Committees from the membership at large. A formal application would then be made to the provincial

authorities for legalization as a cooperative. The parish, after which the Caisse would be officially named, also represented the territorial limits in which the Caisse would operate. The curé was usually the official initiator of the movement for the establishment of a Caisse, and most of the people involved were farmers, small merchants, housewives, salesmen, electricians, etc.

TABLE 2
FOUNDING MEMBERS OF 19 CAISSES

Farmer	Clergy	Merchant	Housewife	Other *	Total
132	16	14	8	20	190
69.46%	8.44%	7.36%	4.22%	10.52%	100%
* Labourer, journeyman, trucker, municipal clerk, mechanic, cheesemaker, postmaster, postmistress, carpenter, electrician, salesman, teacher, telephone agent, grocer, gas station manager, pool agent, CNR worker.					

Source: Compiled from information gathered by Questionnaire.

Between March 1937 to the outbreak of the War in September 1939 seven new caisses had been established in the Province. The War did not hamper the spread of Caisses, but on the contrary greatly encouraged it. Twenty-five new Caisses were founded between the beginning of the war and its end in 1945. This might have been

due to the economic conditions created in the Province by the state of War. Wheat and cattle were in high demand to satisfy the food needs of Canada and Britain, and the Manitoba farmer had to increase production to meet those needs. This was achieved not by further expansion of cultivated land but by improvement of farming practices through the use of fertilizers and machinery. Money was needed to buy all that, and the farmer found the Caisse handy. A look at Table 2 shows that the highest activity of the Caisse movement was at the peak of the War in 1943 when seven new Caisses were founded one after the other. After the War the movement of Caisses subsided after that rapid expansion, and there were only 13 new Caisses formed between 1947 and 1973.

During the period of 30 years from the end of the War to the present (1975) the total number of French Caisses in Manitoba decreased despite the addition of 13 new Caisses. This was due mainly to the dissolution of some Caisses and the amalgamation of others with larger Caisses in their neighborhood. In two cases that I am aware of, the Caisses left the French Centrale and joined the English Central organization. The Caisses that dissolved did so because of bankruptcy or embezzlement, and also because they could not operate meaningfully since the communities they were founded in shrank too much in

size. In such cases the Caisse either dissolved or amalgamated with a larger Caisse in the area if such existed. For example, the Caisse of Lourdes absorbed those of St. Lupicin and St. Léon. Today, the number of French Caisses Populaires in Manitoba stands at 31; all are members of the Centrale des Caisses Populaires in St. Boniface.

The Caisses, like their English counterparts, were simple savings and loans associations, loaning the savings of some members to others. But as they expanded and acquired expertise they started to offer a variety of services. Now all services obtained at a bank may be obtained at a Caisse.³

There are 31 French Caisses Populaires in Manitoba at the present time. That is, only the thirty one Caisses that are members of the Centrale des Caisses Populaires are considered to be French, since the only other Central body is the "English" Cooperative Credit Society of Manitoba (C.C.S.M.). The existence of a central organization for the Caisses Populaires - Credit

³ The cooperative movement was by no means limited to the Caisse Populaire, but spread to the fields of production and consumption as well. Thus, by 1944, there were ten cheese-cooperatives in full operation in French villages, and in 1945 there were 13 cooperative stores in as many French communities. These types of cooperatives do not fall within the scope of the present study, so this simple mention of them will suffice.

Unions is provided for by provincial law, Chapter C300 of the Revised Statutes of Manitoba of 1970, entitled, "An Act Respecting Credit Union Societies." This defines the central credit union:

"2 (1) In this Act,

- (a) "central credit union" means any incorporated organization
- (i) the membership of which is composed, for the most part, of societies,
- (ii) the objects of which are to co-ordinate the activities of the societies in the manner set out in clauses (a) to (e) of subsection (1) of Section 79.
- (iii) which is approved as a central credit union by order of the Lieutenant Governor-in-Council (R.S.M. 1970: 1)."

Subsection (1) of Section 79 goes as follows:

- "79 (1) A Society may become a member of a central credit union for the purpose, and with the object, of
- (a) taking joint action with other credit union societies for the protection of their common interests;
 - (b) advancing and protecting the credit union movement in the province;
 - (c) arranging for the group vonding of employees of credit unions;
 - (d) depositing moneys with, or borrowing from, the central credit union;
 - (e) carrying on or rendering any other service that may be conveniently carried on or rendered in accordance with this Act and the by-laws of the society (R.S.M. 1970: 28)."

The existence of a French Caisse Centrale dates back to 1952 when La Caisse Centrale de St. Boniface was incorporated as a body separate from the C.C.S.M. The first credit union law was enacted in 1937 and in 1943 a Credit

(the Manitoban section of the C.C.C. mentioned above), which offered technical assistance to the Caisses and cooperatives, while the Caisse Centrale offered financial services. Now, both functions are combined in the existing Centrale. The Centrale is still a member of the Cooperative College of Canada and an associate member of the C.C.S.M. Beside the 31 Caisses some francophone cooperatives and associations are also members of the Centrale. Examples of the latter are the French radio station of the CBC in Winnipeg, the Société Franco-Manitobaine, the French journal, La Liberté, etc.

The Centrale may be regarded as the Caisse populaire of the Caisses Populaires; the relationship of each Caisse to the Centrale is the same as the relationship of each caisse member to his caisse. The Centrale has no direct control over the Caisses which are, by definition, autonomous bodies. On the contrary, it is the Caisses that have a certain control over the Centrale through the annual meeting to the General Assembly, which is the supreme body of the Centrale. At this assembly the three administrative bodies of the Centrale are elected. These are: (1) the Administrative Council; (2) the Supervisory Committee; (3) the Credit Commission. All major decisions are made at the General Assembly meeting.

Every Caisse is organized similarly to the others; that is, all its officers are elected through the legal caisse general assembly. The role of the Centrale is to coordinate the activities of the Caisses, by uniformizing accounting procedures and assuring a better administration for them. The Centrale also takes care of education and publicity and the general propagation of the movement of Caisses. But the main role of the Centrale is financial: all surplus cash from the Caisses is deposited with the Centrale which in turn reinvests it for the Caisses and itself. The Centrale also loans money to Caisses which need it or which are encountering difficulties in starting their operations. For instance, when the Louis Riel Caisse of St. Laurent started in 1973, the Centrale obtained \$1,000.00 from the C.C.C. to help that Caisse in its first steps. All elected officers except the manager serve without wages. The Centrale also offers the following services to its member Caisses and associations:

- information on taxation
- centralized cheque clearing
- training of elected personnel
- facilities design and planning assistance
- centralized data processing

It was mentioned in the previous section that the limit of operation of a Caisse Population was the parish (or

an ethnic, religious, occupational group). In 1970, by the revision of the Credit Union Act anyone in Manitoba could become a member of a credit union wherever it might be. This is bound to have an effect on the French character of the Caisses, as we shall see in the next chapter. Another change in the Caisses is the variety of services offered. Initially, the Caisses were simple money saving institutions, loaning the savings of some members to other members needing it for productive purposes; but now they offer almost the full services of a bank. Most caisses offer the following services:

SAVINGS: Life insured savings

Special savings

Term deposits

Registered Retirement Savings Plan

Personal chequing accounts

LOANS: Personal loans

Mortgage loans

Revolving credit

Monthly bill payment plans

Industrial and commercial loans

Farm loans

Student loans

OTHER: Canada Savings bonds / Life Insurance
 Debt Management Counselling
 Safety deposit boxes
 Money orders
 Travellers cheques
 Group insurance programs

Despite the decrease in the number of caisses, the membership rate has increased and so have the assets. From 1972 to 1973 the total assets of 30 caisses have increased from \$24,065,690 to \$35,818,332 or a 49% increase; membership has gone up from 20,720 to 22,686, an increase of 9.5%. One of the officials of the Centrale told me that the assets for 1974 were over 50 million dollars and that membership had gone over 24,000; figures showing the progression of the caisses over 18 years (1955 - 1973) are given in Table 3... According to officials of both local caisses and the Centrale, the Caisses in Manitoba have reached the limits of territorial (numerical) expansion and henceforward a consolidation and growth of existing caisses would be the trend. The manager of the Caisse Populaire of St. Malo believes that the Caisse is attracting young people back to the village. He says that in 1973 the Caisse contributed in the building of 15 new houses in the village. Another sign of the prosperity is that 9 caisses built new premises during

1973-74. But Caisses Populaires are seen as more than mere economic institutions by the French of Manitoba. Our next chapter will then be a discussion of the specific role that the Caisses play or are seen as playing, in French Manitoba.

TABLE 3

PROGRESS CHART OF CAISSES POPULAIRES

Year	Assets	Membership	No. of Caisses
1955	2,041,000	7,907	34
1956	2,432,000	8,231	33
1957	2,735,000	8,916	33
1958	3,254,000	9,643	36
1959	4,128,000	10,551	36
1960	4,940,000	11,453	37
1961	5,950,000	12,612	42
1962	7,042,000	13,725	43
1963	8,409,000	15,180	43
1964	9,880,000	16,054	43
1965	11,349,000	16,968	43
1966	13,633,000	18,404	43
1967	15,567,000	19,583	41
1968	16,598,000	19,677	42
1969	17,113,000	21,004	42
1970	16,691,000	20,408	37
1971	19,983,000	19,035	31
1972	24,426,000	20,720	31
1973	37,644,000	22,686	31

Source: Province of Manitoba Department of Cooperative Development. Manitoba Credit Unions: Annual Reports, 1955-1973.

TABLE 4

CHRONOLOGY OF FOUNDATION OF FRENCH CAISSES POPULAIRES

St. Malo	February-March	1937	
Lorette	March	1938	
St. Pierre	May	1938	
St. Boniface	August	1938	
La Broguerie	August	1938	
St. Joseph	September	1938	
St. Léon	January	1939	Amalgamated with Lourdes (1970)
St. Anne	July	1939	
St. Elizabeth	October	1939	Amalgamated with St. Malo (1971)
Notre Dame de Lourdes	January	1941	
St. Jean Baptiste	January	1941	
St. Adolphe	January	1941	
Haywood	February	1941	
Laurier	November	1941	
St. François	March	1942	
Elie	June	1942	
Mariapolis	July	1942	Dissolved (1970)
St. Rose	October	1942	
St. Labré (Woodridge)	October	1942	Left Centrale des Caisses Populaires and joined C.C.S.M. (1970)
St. Norbert	March	1943	
St. Agathe	February	1943	
St. Lupicin	April	1943	Dissolved
Richer	May	1943	
Dunrea	July	1943	Dissolved (1971)
South Junction	December	1943	
Somerset	December	1943	Dissolved (1956)
St. Georges	May	1944	
St. Amélie	August	1944	Amalgamated with St. Rose (1971)

Ile des Chênes	March	1945	
Ste. Eugène (Norwood)	March	1945	Left Centrale des Caisses and joined C.C.S.M.
Letellier	April	1945	
Otterburne	June	1945	
Cayer	February	1945	Dissolved
St. Lazare	April	1947	
La Salle	March	1953	
St. Claude	April	1955	
Sacre Coeur Limitée	April	1958	Dissolved (1970)
Ste. Geneviève	May	1958	
Precieux Sang	December	1958	
St. Vital		1960	
Parc Windsor	November	1961	Amalgamated with St. Boniface (1971)
Notre Dame de L'Assomption		1961	Amalgamated with St. Boniface (1972)
Caritas	December	1962	
La Familiale		1961	Dissolved (1970)
Aubigny		1963	
Thompson		1968	Dissolved (1971)
St. Laurent ("Louis Riel")		1973	

CHAPTER FOUR

THE CAISSE POPULAIRE AND FRENCH MANITOBANS

The settlement of the French in Manitoba really started after the Riel uprising had been brought to an end in 1871. Although Manitoba had been opened up by the French explorers, voyageurs and coureurs du bois, villages like St. Malo, St. Pierre, St. Jean-Baptiste, Letellier, Notre Dame de Lourdes, etc. were founded after the troubles subsided. To be sure there were a number of francophone settlements like St. Boniface, St. François-Xavier, Ste. Anne, and Ile-des-Chênes, but these were mainly of Metis background.

The new settlements were founded by French from Quebec, Massachusetts and France. A society designed to encourage and facilitate French immigration to the Province was formed in St. Boniface, under the auspices of the clergy. The clergy thus hoped to give a permanent French character to the West, but the massive immigration of Anglo-Saxons from Ontario and the arrival of such groups as the Mennonites and the Icelanders drowned that dream. The French became a minority in Manitoba and so they "assumed an attitude at once defensive and resigned (Morton 1973: 240)".

Surrounded on all sides by Anglophones and politically dominated by them, the French concentrated their efforts towards strengthening and preserving their cultural and linguistic presence in the area. French survival in the West, in general, and in Manitoba, in particular, became the predominant theme of French life and remains so to this day.

The attitude and activities of the Anglophone majority did not in any way to ease the situation. In fact, the long standing French suspicion of Anglo-Saxons was confirmed by the turn of events. The Riel uprising of 1869 considered by the Anglophones as a French rebellion against British rule, was crushed mainly through the efforts of Anglophone Ontarians who had immigrated to the province in great numbers and had occupied land that was claimed as the hereditary property of the French Métis. Another incident in which the Anglophones had abrogated French rights was the Manitoba School question. The French had always been free to teach their language and catechism in public schools in their parishes, but the Anglophone Ontarian immigrants contested this right despite violent protests from the French. The School Act passed in 1890, took that right away from them. Thereafter, French language and catechism could be taught only in privately run schools. But despite these

restrictions, French continued to be taught clandestinely. One French institution that could not be abolished, however, was the French Catholic parish.

The French Catholic parish is both a religious and geographical unit, since it consists of French Roman Catholics living in a circumscribed area. This area is either a village, or a quarter, in the case of an urban environment. The chief figure in a parish is the parish priest who caters to the spiritual needs of the parishioners and also wields considerable temporal powers (Falardeau 1964: 345) (Gold 1975: 59). He is usually the person who most actively organizes the parish life and gives it direction; he is the person to whom people turn for advice and guidance, and he in turn keeps in touch with his parishioners through frequent visits to their homes. The parish priest knows almost everything about the parish and the parishioners. The people of a parish are usually of the same ethnolinguistic background, and so is the priest.

The unity of a parish is further enhanced by the close-knit social relationships among parishioners. Almost everyone knows everyone else and is in everyday contact with them. The village or quarter in which the parish is situated is usually in a township or municipal area governed by an elected municipal council.

Economically, the village or quarter is dependent upon the larger society surrounding it. At the local level, the municipality might be run by the French, but economically the parish is dominated by the Anglo-Saxons who control the larger society politically and economically. So, the French-Manitoban clergy and elite believed that the French Manitoban parish could survive as a unit only if its economic welfare could be secured. The Caisse Populaire, according to the clergy, would be one of the ways through which that aim could be achieved (Interview with Fr. Couture, November 25, 1974).

It was believed that the Caisse Populaire strengthened the close-knit character of the parish, and in turn depended on it for the orderly continuance of its operations. The Caisse, by the very nature of its activities provided a medium for organized economic cooperation among parishioners; according to Fr. Couture, the Caisse formalized and sanctioned the principles of mutual help existing in the parishes. Usually identified by the parish name, the Caisse helped to strengthen the identity of the parish as a group vis-a-vis other groups. It was "their" Caisse; they owned it; they operated it; and they profited by it; as opposed, ay - to a bank which was owned by outsiders and would be there to exploit rather than to profit the group. The Caisse also

provided an opportunity for increased interaction between people in the parish through its meetings as well as through its day-to-day transactions. The educational role of the Caisse was not to be disregarded. It was mentioned previously that before any Caisse could be founded, the prospective members had to be educated through regular study sessions as to the philosophy and functions of such an institution. After the Caisse was founded its elected officials had to be trained to carry on their responsibilities. Furthermore, the general membership had to be constantly educated to keep pace with the changes introduced and also to be able to contribute meaningfully to the Caisse through their control on decisions taken in the general assembly.

The Caisse in its turn was based on the unity of the parish. Its continued existence and well-being depended on the continued existence and well-being of the parish: moreover, the proper functioning of a Caisse depended on the mutual confidence of its members, and the parish with its close day-to-day relationships created such an atmosphere of confidence. The narrower limits of the parish and the almost total interaction among all members made control of operations of the Caisse by the local members easier. Desjardins had realized all the above advantages when he decided to make

the parish the unit of organization of the Caisses Populaires. For him the parish was the perfect cadre for the functioning of a Caisse (Desjardins 1912: 12). Later, other units such as the employees of a factory, or of a single company, or an occupational group such as miners in a mining town were able to become acceptable bases for a caisse or credit union. But in Manitoba the parish is still the mainstay of the Caisse Populaires. Except for one Caisse which is for Catholic priests, all Caisses in Manitoba are based in French Catholic parishes. The Caisse Populaire in Manitoba has become a French Canadian institution identifying the French parish and being identified by it, like the steeple of the French church.

The Caisses Populaires in Manitoba have been able to preserve their distinctive French character through their own deliberate efforts. In Quebec, the Caisse Populaire had been regarded by its founder and propagators as one of the means of liberating the French Canadians from total economic domination by the Anglophones and consequently assuring their survival as a separate group. The French Caisses Populaires in Manitoba were closely patterned on the Quebec Caisses, and were similarly regarded as means for economic and cultural liberation. Initially, all transactions in a Caisse were in

French, since almost all members were French. Non-francophone residents of a French village could become members of the local aisse if they accepted the fact that service would be in French. In some cases, however, services had to be bilingual since about fifty percent of members were, in fact, anglophones. The French character of the Caisses was also preserved by the formation of separate central bodies to cater for the needs of French Caisses and cooperatives. Thus, in 1946, as was mentioned previously, the French cooperatives (including the Caisses) formed the Manitoban Section of the Conseil Canadien de la Cooperation which was the Canadian national central organism for francophone cooperatives. The English (or rather anglophone) cooperatives were already affiliated with the Cooperative Union of Canada (C.U.C.). The report of foundation of this French central body says that instead of affiliating with and being lost in the C.U.C., "qui d'ailleurs avouait ne pas pouvoir rendre aux groupes français les mêmes services qu'elle rendait aux groupes anglais, il fut décidé de mettre sur pied un organisme de même nature pour les coopérateurs de langue française complètement indépendant de la Cooperative Union of Canada (Pelletier 1949: 199-200)." The concern then was to keep the French character of the cooperatives by keeping the services in French. The same concerns

were cited in 1952 when the French Caisses seceded from the Cooperative Credit Society of Manitoba, the central body formed by a special act of the Manitoba legislature to coordinate all cooperatives in Manitoba, and formed their own Caisse Centrale. The French Centrale has been instrumental in preserving and strengthening the French identity of the Caisse Populaires in Manitoba. All transactions by the Centrale are conducted in French, and only the Caisses that are members of the Centrale are considered to be French Caisses, all others being credit unions. Moreover, the fact that organizations such as the Société Franco-Manitobain, CKSB (the French radio station) and others are members of the Centrale further enhances its French image. The choice of the bank with which the Centrale carries on its business may also be seen as a further step to emphasize the French image of the Centrale. That bank is the Banque Canadien National (B.C.N.) which is a French-Canadian Bank.

One of the ways in which the Caisses tried to preserve their ethnic-linguistic character was by limiting entry into the Caisses to Francophone people, as far as possible. Thus, Fr. Couture could say in his closing remarks at the seventh annual meeting of the Caisse Centrale (April 15, 1958):

"Nous cherchons cette entr'aide parmi nos groupes manitobains canadiens - français et nous les préservons aujourd'hui en refusant des entrés dans nos Caisse françaises à d'autres coopérateurs de langue différente qui frappent à notre porte et qui veulent s'associer à nous. Nous les préservons comme patrimoine, nous le gardons à notre corps défendant au point de vue financier, pour garder notre esprit à nous qui est bien particulier au milieu d'un groupe tout-à-fait différente."

"We look for this assistance among our Manitoban French-Canadian groups and we keep this today by refusing to accept into our French Caisses membership of other cooperators of a different language who want to associate with us. We keep it like an inheritance; we keep it to ourselves, defending it financially, to preserve our soul which is for us very intimate among a group which is completely different from us."

In 1970, a new regulation did away with all restrictions so that any Manitoban could become a member of any Caisse or credit union. Many Caisses now have non-French members (see Table 5.), but I do not know whether the new regulations are responsible for that or whether those Caisses already had non-French members before the regulations came into effect. However this change came about, it is not viewed favorably by the local French press. In a special correspondence signed J.-P.A. to La Liberté (March 12, 1975) this matter is brought up:

"... certaines caisses ont laissé tomber leur identité linguistique et culturelle en acceptant comme membres des étrangers à la collectivité. Cela a entraîné la dislocation du groupe francophone qui avait appris, non sans difficulté, à s'identifier, à se connaître et à se faire confiance. Depuis, ces caisses sont devenues, à toutes fins utiles, des 'Credit Unions'."

"... certain Caisses have dropped their cultural and linguistic identity accepting members from outside the community. This resulted in the breaking up of the francophone group which had learned, with much difficulty, to identify itself and have full confidence in itself: Since then these Caisses have become 'Credit Unions'."

Although the inclusion of non-French members may in the long run alter the character of the Caisses, a look at Table 5 shows that most Caisses are still solidly French. Moreover, since the average percentage of the total membership of all caisses for 1974 is estimated at over 24,000, there are over 20,000 French members in the Caisses. This is about 23% of the total French population of Manitoba (83,000 in 1971). But, according to the Caisse managers interviewed, active participation in administration and decision making as seen through attendance at the annual general meetings, is very low. Despite deliberate devices, such as prizes, etc. to attract members to these meetings, attendance remains at an average of 10% of total membership.

In Quebec, Desjardins had conceived the Caisse as an economic emancipator for the French people of Quebec. In Manitoba, the same ideas were put forth by the propagandists of the movement, most of them clergymen. As in Quebec the Anglophones dominated the economy. Through this control came also political, cultural and linguistic domination. If the French were concerned with their survival as a group in this environment, they had to find means to become economically independent from the Anglophones. With economic independence would come cultural and linguistic independence. This could only be achieved by the cooperative efforts of the French themselves. The French clergy was concerned with this survival which was, in the long run, its own survival. That could be the reason why most of the propagandists and organizers in the early stages of the movement of Caisses populaires were clergymen.

The articles on cooperatives, published in the local French Manitoban press were also the work of clergymen. Writing at the height of the Caisse movement in 1943 André Jobin, priest at the Quebec Seminary, asserted that a people living under a foreign economy could not survive; it could only vegetate. He saw cooperation on economic and professional levels as a question of life or death for French nationality in Canada, since French

finance was controlled by foreigners and French savings were being used by the Anglo-Saxons for their own profit. He says that French Manitobans have to reconquer their economic autonomy and they can do that through cooperation, especially since they are a minority: the success of the cooperative movement among the French in Manitoba, then, is "une solide garantie de survivance française (Jobin 1943: 209)." Another priest writing a year later, expresses similar views: an ethnic group cannot live on and progress without having the attributes necessary for life and progress; one of the most important of these is a certain economic independence; cooperation may lead to that independence which is necessary for French survival; the French should increase their influence in all sectors of business; if they do this, then their survival in the west is without doubt (Beaubien, 1944). But it is not only the priests who advocate economic independence and tie French survival to it. In a study and analysis of the Caisse Populaire movement in Manitoba, the chartered accountants' firm of Forest, Guénette et Cie make the following conclusions, among others: the movement of Caisse Populaire provides the only available means presently, to give the French Manitoban economy the expansion so much sought over the past 50 years; they believe that only the expansion of the French Manitoban economy can assure the survival of

the French Manitoban group; the French Manitobans have enough human and financial resources to be able to enjoy a certain economic, cultural and social independence (Forest, Guénette et Cie, 1970).

Thus far, I have presented the role of the Caisse Populaire in French Manitoba mainly in 'emic' terms; that is, as the official ideology presents it through propaganda and the opinions of the people actively engaged in its administration. In the concluding chapter, I shall take a critical look at the true role of the Caisse in French Manitoba, in particular, and French Canada, in general. I shall also critically evaluate the reasons behind the French clergy's interest and active participation in the movement of the Caisse.

TABLE 5

ETHNIC COMPOSITION OF CAISSE MEMBERS % (1974)

	French	English	Others
St. Adolphe	80	6	14 Ukrainians, Belgians
Ste. Agathe	99	1	1
Ste. Anne	95	1	4 Germans
Aubigny	90	10	
St. Claude	75	25	
Elie	50		50 Russian, German, Belgian, Icelandic Ukrainian, Polish Norwegian, English
St. Francois	75	25	
Ste. Genevieve	99	1	
St. Georges	99	1	
Haywood	90		10
Ile-des-Chenes	60	15	25 German, Ukrainian
St. Jean Baptiste	90	10	
La Broquerie	95	5	
La Salle	80	20	
Laurier	75	25	
Letellier	90	10	
Lorette	50		50 English, Russian, German, Belgian, Slovak
Notre Dame de Lourdes	95	5	
St. Malo	97		3
St. Pierre	95	5	
Richer	100		
Ste. Rose du Lac	65	35	
South Junction	70	5	25 Ukrainian, German Scandinavian
St. Laurent	95	5	
St. Boniface	95	5	
Caritas	97	3	
Parc Windsor	96	4	
Precieux Sang	100		
AVERAGE	85	8	7

CHAPTER FIVE

THE CAISSE POPULAIRE IN COMPARATIVE PERSPECTIVE

The purpose of the following discussion is to compare the Caisse Populaire with savings and credit associations described in anthropological literature, and to point out the similarities and differences between them. It will be argued that the Caisse populaire, especially during its initial stages, is basically similar to the savings and credit associations in terms of the purpose and role it proposes to achieve, the main differences between the two kinds of institutions arising from differences in the economic systems in which each type operates.

Money, in the form of general purpose currency, and a money/market economy of production and exchange is a prerequisite for the existence and continued operation of what are termed savings and credit associations. Consequently, the societies within which savings and credit associations are found must either be fully participating in a money economy or must in some way be in contact with it. All of the savings and credit associations described below either operate within money economies or are in contact with such, thus providing a link for their members

whose economic bases are different from a money dominated economy. The economic role of these associations is usually couched in social terms. Thus, the associations are said to strengthen community ties, to create and/or preserve a spirit of cooperation, and to educate their members, among other things. After a description of a sample of savings and credit associations and the Caisse populaire, a comparison will be made between them and significant similarities and differences pointed out.

Savings and Credit Associations

Economic cooperation has always existed in traditional communities. Thus, the building of a house or the financing of a feast might be occasions when people of the community contribute labor and material for the purposes at hand. The basis for cooperation could be either a kinship group, or the village or camp as the case might be, and rarely extended beyond the boundaries of the settlement. As these traditional societies came more and more into the sphere of money economy, either under direct colonial pressure or through contact and participation in world markets, cooperation became more formalized by the establishment of cooperative associations.

Arisan (Java)

Arisans are formed when members come together and

agree to contribute a certain sum at regular intervals. At each interval one member collects the fund and receives the association at his home and provides food and coffee for the occasion. The social character of the arisan is declared to be more important since it is thought to strengthen community solidarity: "The primary attraction of the arisan, they say, is not the money you receive, but the creation of Eukun (communal harmony) which occurs, the example of gotong rojong (mutual assistance) which is demonstrated (Gurtz 1962: 243)." In villages, arisans are usually formed by a local group of three or four householders and others are later invited to join. There are no elected officers and the amounts of money handled remains small. Urban arisans are very popular among the semi-urban, semi-rural proletariat which to a certain extent still clings to the village values and beliefs. The arisan is "an institution of growing importance in the wholly monetized economy of this culturally rather traditionalistic urban proletariat - at once a unifying ritual, an exciting game, an economically useful device, and a generally educational experience (Gurtz 1962: 247)."

Ko (Japan)

Ko are initiated by individuals who are in need of immediate cash. Such a person usually gathers a group of

friends together and asks them to put up the loan, which he then pays in ten or twenty years with interest. But the deal does not end there since the original contributors form a rotating system. At the repayment meetings everyone makes a bid as to who will get the money; the one who bids lowest gets the original repayment plus the amount he bid from each of the members. After receiving that amount he contributes an amount equal to the original instalment of the debtor at a subsequent meeting. The man who receives the fund is responsible for organizing the next meeting in his house with the necessary food and refreshments. Ko might be organized not only along neighborhood lines, but also by sex, age, occupation, etc:

"As almost everyone belongs to at least one Ko and most people belong to several, the Ko acts as an important integrative institution in the society generally, and is deeply involved in the traditional Japanese value system, emphasizing village cooperation (Gurtz 1962: 251)."

Hui (Central China)

Hui (Geertz 1962: 251) are also organized by individuals who need cash, usually for ceremonial purposes such as funerals, weddings, etc. It is usually composed of the consanguinal and affinal relatives of the individuals involved. There is feasting at every meeting, and turns for the fund are determined by lottery.

Shirkets (Lebanon)

A shirket (Balian, 1972, 1972; Hamalian, 1974) is founded by an individual or a group of people by mutual agreement. The basis for membership might be a neighborhood, a group of friends and acquaintances, with Kin or village-of-origin ties. Members elect a secretary and a treasurer at the first meeting and decide on the pattern and frequency of subsequent meetings. Meetings are held regularly and attendance is compulsory. Each time one member receives the whole group. Subscriptions are paid at each meeting. The rate of subscription varies according to the financial ability of the individual members. The funds collected are used to provide loans to members at an interest. Some members may borrow money from the shirket and loan it to non-members for higher interest. The amounts of money involved are usually very small and not acceptable as savings by banking standards. Besides being a means through which women of low income groups can balance their budgets, the shirket provides an avenue for social control through gossip.

Esusu and dashi (Nigeria)

Bascom describes the esusu as an economic institution having elements that "resemble a credit union, an insurance scheme and a savings club, but it is distinct from all these (Bascom 1952: 63)." Anyone who wishes

so may form an esusu, if people are willing to entrust their money to him. He thus becomes the head of the esusu. If membership is large, subgroups are created and usually entrusted to Kinsmen of the esusu head. The esusu head collects and redistributes the money; he is the one who determines who will get the fund and when. Sometimes he is bribed to give a favorable decision for someone who needs the money but whose turn has not come. There are no meetings and members may or may not know one another; they deal principally with the esusu head or subsection heads. Thus, there is no social aspect to the esusu head or subsection heads. Thus, there is no social aspect to the esusu; it is mainly an economic organization. The head's benefits accrue from membership in the esusu and also through bribes. Two types of esusu are distinguished: one whose membership is unrestricted, that is, anyone can join; and the other whose membership is restricted to members of a compound. The size of subscriptions is fixed, but one may contribute more than one share and hence receive the fund more than once. The dashi among the Nupe, described by Nadel (1942: 372-373) are similar to the esusu, except that the head or leader is not a paying member. His profit lies in being able to borrow from the fund and in bribes from members who want an earlier turn. In both the esusu

and dashi preference is given to those who need the money urgently.

Maori Komiti (New Zealand)

The Maori Komiti described by Metge (1964) were found in a rural area. The community in which it operated derived its income from farming, herding, and wage labor. The level of capital was generally low as were savings in the Post Office Savings Bank in the nearby township. There were two main distinctions between people in the community: there were 'people of the land' who formed the majority and there were 'immigrants' some of whom were affiliated with the former. The first group was in turn subdivided into several descent groups which were referred to as 'families'. These families were responsible for the organization of funeral wakes, weddings, and other such activities. In the past these were done on an ad hoc basis, but at the time Metge first studied them five families had formed Komiti to deal with the matter. Komiti were mainly responsible for the tangihanga (funeral wakes) and the maintenance of the marae (sacred place of assembly). Membership was limited to kinfolk, but no in number. Women were the main organizers but men could also belong to Komiti. In most cases it was the adult, married people who subscribed to the Komiti. A chairman, treasurer, and secretary were elected,

every one or two years by members, to keep the minutes and account books. Subscriptions were paid at meetings supposed to be held every month. When funds were depleted special collections would be made from members. All funds were deposited in the Post Office Savings Bank in trust, usually in the treasurer's name. The Komiti were not registered or incorporated associations. Later, four family Komiti federated to form a 'big Komiti' which acted as a sort of central organization for the Komiti. The "big Komiti" was supported by subscriptions from individuals from the family Komiti and by donations from the family Komiti funds directly. The family Komiti were otherwise fairly autonomous. Although the Komiti derived from colonial influence, many organizational features were well in tune with Maori traditions. In this situation, the capitalist system was dominant but the Maori were marginal to it.

Caisses Populaires (French Canada)

Local Caisses Populaires, as was seen previously, were originally founded in small communities by groups of people who had studied the institution in its basic principles, and who had also been convinced by ethnic ideological propaganda that the Caisse would be a liberator of the ethnic group. Thus, the ideas that constituted the Caisses came from outside the group. The

Caisse was originally organized in a closely integrated social unit - the French Catholic Parish. The parish was not only a social unit, but also a clearly circumscribed geographical area. The people of a parish were tied together by neighborhood, friendship, religion, language, and ethnic origin. Thus, originally, membership in the Caisse was limited to the parish. The main criteria for membership were the "good reputation" and "trustworthiness" of the individual, qualities readily verifiable in a close-knit social environment. The membership of a Caisse was large or small depending on the size of the parish. Officers elected by and from the membership at annual meetings to regulate the affairs of the Caisse; these officers did not receive salaries. There were two types of savings in a Caisse: one consisted of fixed shares and constituted long term savings, while the second consisted of deposits of varying sizes and constituted short term savings. Deposits and withdrawals were voluntary, while the purchase of at least one share was obligatory for membership. The accumulated funds were to be used mainly to provide loans to members at a low interest rate. Decisions to grant loans, reached by special committees, rested mainly on the 'good character' and 'honesty' of the applicant and the use he intended to make of it.

The Caisse had to be incorporated and registered by law, and be governed in its dealings by specific governmental statutes. The amounts of money involved in the transactions of the Caisse were originally very small, the relative amounts varying with the size of the caisse involved.

The Caisses underwent a number of changes to keep pace with the needs of an evolving economy. To be able to cope with a growing membership and a proliferation of services, the Caisses had to employ a regular salaried staff to take care of their day-to-day business. As mentioned in Chapter Three, the Caisses became much like banking institutions, with a multiplicity of services, which were needed if the Caisse were to survive in the 'business world'. While originally a local community affair, the Caisses' range of activity widened to include surrounding communities and subsequently the wider society. The parish was no longer the basis for membership in the Caisse; anyone paying five dollars could become a member. The criteria for granting loans assumed a material basis: rather than being based on personal qualities of the applicant, his assets, income, and payback capabilities assumed primary weight in decision making.

repays it gradually in equal installments, with or without interest. Another similarity that the original Caisse has with the Associations is its emphasis on social-cultural aspects of its activities alongside its material emphasis. Thus, the Caisse was seen as strengthening local ties within the parish, a financial school for its members, and also as a factor that would liberate the French Canadians. The Associations similarly stress the social aspects of their activities (feasts, meetings, etc.). But as the Caisses grew in size and range, the emphasis was laid on profit and accumulation of capital assets. Investments that would bring in substantial profits were given preference. Although members could still borrow when in need, loaning to members ceased to be the main purpose as other profitable activities were introduced. The social-cultural aspect of the Caisse was all but lost with the inclusion of members from other ethnic groups and communities and because of the increasing predominance of the materialist emphasis of the Caisse.

The Caisses Populaires started with a few pennies and operated on a small scale of capital accumulation as long as their activities remained localized within the circumscribed area of the parish. At that stage it was similar to the associations which operate at a very low level of capital accumulation. All the associations

described are and remain strictly localized, while the Caisse populaire has transcended its localization since about 1970.

One point where the associations differ from the Caisse originally is that of duration. While the association is a short-term institution, the Caisse, from the beginning is organized as a long-term financial service institution. The association is formed for a specific purpose and disbands after a certain specified period. Thus capital accumulation is both small, short-term, and specific. The Caisse populaire, on the other hand, is organized for the general purpose of mainly long-term accumulation and lasts as long as it can operate profitably. Another point at which the associations differ from the Caisses populaires is the needs they serve. The Associations are meant to satisfy immediate personal and familial needs, while the Caisses populaires satisfy needs beyond the personal and familial level.

It was mentioned above that the basic differences between the Caisse populaire and savings and Cr dit associations was the fact that each operates within a different economic system. The society within which the Caisse Populaire operates is dominated by the money market, while the societies within which the associations operate generally lack a money market or if they have a money market they themselves are marginal to that market.

An economy dominated by a money market is characterized by the accumulation of capital assets, and the subordination of production to money transaction. As capital accumulates it becomes monopolized in the hands of a few people who control production through it. In such a situation cooperation ceases to have any meaning, since by definition cooperation and accumulation are diametrically opposed. The Caisse populaire, existing within a money market, was originally organized to subvert that market by providing people with small means an independence from the market. But the Caisse itself became part of the money market through accumulation of capital assets and consequently its materialistic emphasis.

The economies within which the associations operate lack money markets or are otherwise marginal to them. Here, there is little, if any, capital accumulation and thus money transaction is subordinated to production. Thus, cooperation is still possible since every individual is more or less of the same economic ability.

It becomes apparent from the above then, how the Caisse populaire changed from a cooperative to a "capitalist" enterprise. The Caisse was originally organized to recycle local monies within a specific community. As such it was a cooperative since there was no large accumulation of capital for its own sake. As long as it

stayed at this small scale at the local level, the Caisse accomplished its slated purpose. But as its started accumulating large capital assets, its cooperative character all but disappeared since the individual member lost his de facto ability to participate in the decision making process, partly through the creation of a bureaucracy. The Caisse became just another institution where one invested his savings for maximum profit. The Caisses had also originally utilized nationalist loyalties to organize and spread their network. As profit became the major goal, the loyalty of the Caisses shifted from nationalism to capital. The Caisses naturally assumed all of the characteristics of other so-called "capitalist", financial institutions (such as banks) operating more or less on the same business principles, since they had to be competitive to remain in business.

In the following chapter the important points raised in the thesis will be critically examined.

CHAPTER SIX

CONCLUSIONS

French Nationalism, the Clergy, and the Caisse: The circumstances under which the Caisse Populaire started its history both in Quebec and in Manitoba are fairly similar. In both provinces the Caisse was founded at a time when the effects of widespread economic depression were beginning to lose their force. It allegedly came to ease such effects of that depression upon the French communities in the two provinces as the general impoverishment of the farmer and the rapid depopulation of the French countryside. A quarter of a century earlier Quebec had lost half a million French to New England alone, while thousands more had poured into Southern Ontario. Montreal had absorbed only a small portion of that massive rural exodus. Consequently, nationalism, which was expressed as the preservation of the French language and French culture in the midst of an overwhelming majority of traditionally hostile anglophones was played up consistently in the propaganda for the Caisse. The Caisse, it was argued, would help to keep the French countryside French by giving the farmer the economic security and independence he needed to grow and prosper, and hence would help to keep him on his farm. In Manitoba, the French were a minority and hence concerned

with linguo-cultural survival. Consequently, here too nationalism was used to propagate the Caisse Populaire. National sentiments were exploited again later on to help keep the French Caisses Populaires separate from the anglophone credit unions, while all the other ethnic credit unions had joined the anglophone dominated C.C. S.M.

The French Canadian clergy actively supported the Caisses Populaires movement both in Quebec and in Manitoba since this was an opportunity for extending and increasing its influence, if not domination of French Canadian society. That domination was already so pervasive that almost nothing could be done in French Canada without the participation and/or consent of the church hierarchy:

"French-Canadian society, since its early days, has been surrounded, restrained, and dominated by the clergy and ecclesiastical leaders to such an extent that its history is completely intermingled with that of the Canadian church... The history of French Canada is the history of the church in Canada, and vice-versa (Falardeau 1964: 342)."

Paradoxically, the church gained its control over French Canadian society only after the Conquest:

"As the Catholic Church was the only formal organization left after the collapse of the French regime, it was recognized as a very important means of maintaining order by the British military administration. In this situation, and because of the lack

of local government, the parish priest was not only the religious head of a parish, but became also the agent in each rural community of the Catholic hierarchy's political policies (Gari-gue 1964: 131. Emphases mine)."

"The tradition of loyalty toward the British Crown ... has been one of the dominant attitudes of the church hierarchy (Falardeau 1964: 347)."

Thus, the French clergy collaborated with the conquerors in return for religious and political control of the French population. One way of maintaining this control was through the exploitation of the nationalist feelings of the people. The church was responsible for the creation of an ideological myth according to which the French Canadians had survived and would survive because of their Catholic faith and consequently because of the church:

"After the Rebellion (of 1837), the clergy realized what strength there was in nationalism. After all, it had seen habitants lay down their lives for the liberation of Quebec. It understood that Canayen (French Canadian) nationalism would be the instrument for keeping the Canayens under its thumb... From then on it spread the idea that 'it is thanks to the clergy that the Canayens still exist.' We still hear this utter fabrication today... But the truth lies elsewhere. If the Canayen people have survived, it is despite the clergy which was prepared to commit the worst kind of national betrayal in order to maintain its domination (Bergeron 1971: 145)."

Thus, as we have seen, "the preservation of the French countryside" was used as a pretext to obtain the participation of the people in the Caisses Populaires which were to be additional institutions through which the clergy could exercise direct control over the people. Since the Caisse was based upon and operated within the confines of a parish, the parish priest could closely supervise its activities in his role as leader of the parish:

"The uncontested leader of the parish was the priest, whose role as spiritual minister and moral arbitrator of his flock developed into that of natural protector, adviser, and, in fact, pastor in the literal sense of the word. It is the parish priest who directly, profoundly, and inescapably influenced the temperament of the French-Canadian habitant (Falardeau 1964: 346)."

Both on the national/regional and local levels, the clergy were not alone in the control of the people. The Notables or the bourgeois class collaborated closely with them: "the clergy took up the nationalist cause and the professional bourgeoisie supported the action of the clergy (Dumont and Rocher 1964: 192)." On the local level:

"It is important to note, however, that while the clergy were leaders in St. Pascal, they also were only one component of the regional elite that developed in St. Pascal. The notables of the parish (as they were called) abided by their curé's decisions as a team in matters that

concerned the welfare of their parish
(Gold 1975: 60)."

The class interests of the clergy then become clear from the above. That is, the clergy was interested in maintaining and safeguarding its position of leadership and special place within the bourgeois elite, while its official ideology asserted the contrary. So, it appears that the interest manifested for the Caisse was just a smokescreen to cover the real intent of the clergy, namely, the extension and perpetuation of their domination over the people. Although now the Caisses are completely under secular control, both the church and individual priests still maintain a "spiritual sponsorship" over them.

The Myth of French Canadian Capitalism: Desjardins'
greater ambition in founding the Caisses was to create a French capitalist system parallel to the English one; by French capitalist here is meant that the French people as a group would be the capitalists through a network of cooperatives such as: consumer cooperatives, marketing cooperatives, service cooperatives, real estate cooperatives, insurance cooperatives, etc. Today, the "Desjardins movement" in Quebec controls assets evaluated at 5 billion dollars, but it has not yet become capitalist in the sense that these assets are not applied for

the acquisition of the means of production or other commercial enterprises in Quebec.

The argument put forward for the creation of a French capitalist system was that this would make the French economically independent of the English. Now, even if the assets of the Caisses Populaires were used to acquire means of production, either through purchase of existing ones or the creation of new ones, the French could not hope to become economically independent since their capitalism would be subject to the omnipresent multinational interests which control most of the economy in North America. Ofari has shown this very clearly for the blacks in the United States:

"It is thought in some quarters that a system of black cooperatives can be made a functional counterbalance to capitalism... The only problem with it is that it has to deal adequately with the whole question of corporate capitalism's economic dominance of America. A black cooperative enterprise, under capitalism, would still be subject to all pressure - price levels, competition, acquisition of capital, maintenance of credit bases, etc. - that are experienced by the standard black business enterprise (Ofari 1970: 89)."

Another manner in which the French Canadian economy is proposed to be 'liberated' is by investing in already existing French Canadian industries and commercial enterprises to help them enlarge and thus displace the foreign ones. The Société d'Investissement Desjardins

was created in 1974 exactly for this purpose (RND 1975: 26). First of all, the French owned enterprises and industries do not have the capacity to displace the non-French (usually American) enterprises and even if they could, they would again be subject to the conditions of the overall capitalist market. Second, only a handful of people would profit from these investments, namely the owners of the enterprises, while the mass of people would not gain anything. In fact, their hard earned savings would have been used to finance a few privileged individuals.

Now then, if it is not possible to attain economic independence through French capitalism why all the propaganda for the Caisses as economic emancipators? One plausible explanation is that the French bourgeois elite is using the nationalistic feelings of the people for the benefit of its own business interests. The similarities between the French Canadian situation and that described for the blacks in the United States by Ofari are striking: "The justification the black elite uses for pushing its program of business development is that this is a means for keeping the money in the community (Ofari 1970: 80)." This is exactly the same argument used by the propagandists of the Caisses:

"Le Sociétaire des Caisses... en déposant à sa Caisse locale, empêche que les capitaux d'ici ne fuient à l'étranger. Sans

faire de beaux discours, il collabore ainsi efficacement au relèvement économique du Québec, et fait sa part pour combattre la pauvreté. (RND 1975: 9)."

"The Caisse member... by depositing at his local Caisse prevents local capital from going outside the province. Without making speeches he thus effectively collaborates in the economic progress of Quebec, and does his share in fighting poverty."

The Class Interests of the Caisse: In theory, the Caisse is "populaire" since every member has an equal voting right and through this, an equal right in the major decision-making of a Caisse. It is also believed to be "populaire" because the resources of the Caisse are accessible to every member.

First of all, with an active participation of only 10% of the membership, decision-making loses its popular character. It is likely that there was more participation in the early history of the Caisses, but since the Caisses expanded and became "depersonalized" through bureaucratization, participation declined accordingly. Secondly, although every ordinary member is a potential candidate for administrative positions, it is almost always the bourgeois elite or professionals who get elected. That is what Gold relates for the Caisse populaire of St. Pascal in Quebec: "There have been only a few changes in office holders over the past 20 years, and the notables of the parish have held virtually all of these posts

uncontested (Gold 1975: 99)." Gold also points out that the Caisse Populaire reflects the class interest of the elite (Gold 1975: 62-63).

It is true that the resources and services of a Caisse are accessible to all members, but membership is in fact only accessible to people with steady incomes. Savings are surpluses, and in order to be able to put surpluses aside one must have a steady flow of income. Loans on the other hand are granted mainly on the basis of the payback potentialiteis the borrower has. The payback potential in turn depends on the income potential of the individual involved. Thus, the Caisse does not any longer do anything to help the people who need its services most: those without steady incomes. As in the 1925-35 depression years when the caisses were first organized.

In a recent article on the Caisses Populaires in Quebec, the following justification is given for the refusal of Caisses to take "poor" people as members:

"Les Caisses sont des coopératives et le premier souci des sociétaires est d'assurer leurs propres intérêts. C'est assez normal. Les sociétaires d'une Caisse n'ont pas avantage a accepter dans leur coopérative des gens denués de sens, incapables, profiteurs ou fraudeurs. L'esprit d'initiative et de confiance qui fait la force d'une Caisse serait sapé a la base. Les Caisses auraient pu remettre tous leurs profits aux pauvres, mais elles n'auraient pas fait

long feu, et finalement elles n'auraient libéré personne. Le trait de génie des Caisses est justement d'avoir travaillé au progrès social en s'appuyant sur une finance solide et en ménageant un véritable intérêt financier à ses membres. De ce point de vue, les Caisses doivent rester concurrentielles et offrir des services analogues à ceux des banques. Autrement le nombre de leurs membres risquerait de diminuer dangereusement. Si les Caisses avaient voulu rejoindre tous les pauvres au détriment des sociétaires, elles n'auraient finalement rien fait, et le nombre des gens étouffés de dettes serait encore plus grand (RND 1975: 8)."

"Caisses are cooperatives and their primary concern is to insure their own self-interests. This is quite normal. Members of a Caisse do not have any advantage to admit in their cooperative thoughtless people,incapables, profiteers or frauds. The spirit of initiative and confidence which make up the force of a Caisse would be thus undermined. The Caisses could have given all their profits to the poor but they wouldn't have lasted, and in the final analysis, would not have liberated anyone. The trait of genius of the Caisses lies exactly in the fact that they worked for social progress by relying on a solid financial policy and by insuring a veritable financial interest to their members. From this point of view, Caisses have to remain competitive and to offer services analogous to the banks. Otherwise they risk to lose a substantial number of their membership. If the Caisses had wanted to help the poor at the expense of their members, they would have achieved nothing, eventually, and the number of people in debt would be far greater than it is today."

There is a basic contradiction between the ideology of the Caisse populaire and its actual nature as a financial service institution. It is this contradiction that this thesis has tried to bring out and analyze. According to its official ideology and original purpose, the Caisse was to be an institution simply formalizing and channeling the cooperative spirit existing within French Canadian communities. It would thus pool the savings of a small locality and would put these at the service of that same locality. The profits accrued would remain within the specified locality. The Caisses were thus organized to subvert the money market by freeing its participants from dependence on it. This would have remained so, had the Caisse preserved its localized nature, with the consequent result of a low level of capital accumulation. But as capital accumulation grew and became an end in itself, the Caisse became part of that same money market it had proposed to undermine. Since profit became the driving force of the institution and the necessity to remain competitive vis-à-vis other similar institutions within the market assumed increased importance, the extra accumulated cash from each local Caisse was invested in the Central organization which in turn invested in government bonds (national, regional, and local), banks, and in various commercial interests

to maximize profits. This fact is criticized in a recent publication on the Quebec's Caisses Populaires:

"L'un des plus graves dangers qui menacent les Caisses actuellement est celui du mercantilisme. Appuyés en cela par une catégorie des sociétaires, certains dirigeants des Caisses son non seulement préoccupés mais obsédés par le souci de faire des placements rentables et de concurrencer les banques par une publicité qui essaie de 'vendre' les services des Caisses (RND 1975: 8)."

"One of the gravest dangers threatening the Caisses today is mercantilism. Supported by a certain category of members a number of Caisse directors are not only preoccupied but obsessed with making profitable investments, and competing with the banks through a publicity that tries to "sell" the services of the Caisses."

The further bureaucratization of Caisse operations necessitated by the very fact of its inclusion in the money market and for competitiveness, to a great extent depersonalized day-to-day transactions. Thus, the individual member could no longer feel he had any direct influence on the decision-making process. Consequently, participation declined and the Caisse was controlled by a small minority who had vested interests in it. This small minority, namely the elite in French Canadian Society had always controlled the Caisse from its inception, but ordinary members had some say in Caisse affairs as long as it remained localized. It could be asserted that it is the French-Canadian elite that made the Caisse

become part of the money market for its own benefit. Initially the funds accumulated in a local Caisse provided capital for the local élite to launch themselves into the larger market (See Gold, 1975). As they became part of the money market themselves, the potential of the Caisse to make them grow further let the elite to expand the Caisse beyond the limits of the parish, and to a proliferation of its financial services, so that capital accumulation could proceed at the level of the existing money market, only to be diverted again towards the business interests of the élite. The pressures applied on the Caisse, especially in Quebec, to support local commerce and industry are indications of this trend (RND 1975: 12). To assure the allegiance of the French Canadian masses, the élite appealed to their nationalist feelings and loyalties, by declaring that the Caisses, by helping to put part of the economy in French hands would liberate the French masses from exploitation by Anglophones. As we have seen above, this is not at all what actually happens.

The Caisse populaire today, its ideology notwithstanding, is a financial enterprise, just like banks, trust companies, and similar institutions. It started as a cooperative but eventually fused into the dominant money market system. This thesis then illustrates a

specific case of the process whereby capitalism develops.
Though limited in regional scope it should have wider
implications in teaching us something about the nature
and development of capitalism.

BIBLIOGRAPHY

- Balian, O., 1972, Ethnic Integration of Armenians in a Resettlement Housing Project. Unpublished M.A. thesis, American University of Beirut.
- Bascom, W.R., 1952, "The Esusu: A Credit Institution of the Yoruba", Journal of the Royal Anthropological Institute, 82: 63-69.
- Beaubian, Irénée, 1944, "Perspectives d'avenir", Le Bonifacien, 11: 16-19.
- Bergeron, L., 1971, The History of Quebec: A partiote's Handbook, NC Press, Toronto.
- Charon, P.E., 1952, Les Caisses Populaires Desjardins, Les éditions de l'Union Catholique des Cultivateurs, Montreal.
- Couture, A.J., 1951, Qu'est-ce qu'une Caisse Desjardins, St. Boniface.
- Couture, A.J., 1951, "Alphonse Desjardins et son oeuvre", Les Cloches de St. Boniface, L: 30-31.
- Desjardins, Alphonse, 1912, La Caisse Populaire, L'ecole Sociale Populaire #7, Montreal.
- Dumont, F. and G. Rocher, 1964, "An Introduction to a Sociology of French Canada", in Marcel Rioux and Yves Martin eds., French-Canadian Society, McClelland and Stewart, Toronto.
- Falardeau, J-C., 1949, "The Parish as an Institutional Type", Canadian Journal of Economics and Political Science, 15: 353-367.
- Falardeau, J-C., 1964, "The Role and Importance of the Church in French Canada", in Marcel Rioux and Yves Martin eds., French-Canadian Society, McLelland and Stewart, Toronto.
- Faucher, A., 1948, Alphonse Desjardins, University Laval, Quebec.
- Faucher, A. and C. Vaillancourt, 1950, Alphonse Desjardins: Pionier de la Cooperation, d'épargne et de Credit en Amerique, Le Quotidien, Lévis.

- Faucher, A. and M. Lamontagne, 1964, "History of Industrial Development" in M. Rioux and Y. Martin eds., French-Canadian Society, McClelland and Stewart Ltd, Ottawa.
- Forest, Guenette et Cie, 1970, Etude et Analyse du Mouvement des Caisses Populaires du Manitoba Francais, St. Boniface.
- Garigue, Ph. 1964, "Change and Continuity in Rural French Canada" in Marcel Rioux and Yves Martin eds., French-Canadian Society, McClelland and Stewart, Toronto.
- Geertz, C., 1962, "The Rotating Credit Association: A 'Middle Rung' in Development", Economic Development and Culture Change, 10: 241-263.
- Gold, G.L., 1975, Saint-Pascal: Changing Leadership and Social Organization in a Quebec Town, Holt, Rhinehart, Winston, Toronto.
- Hamalian, A., 1974, "The Skirkets: A Visiting Pattern of Armenians in Lebanon", Anthropological Quarterly, 47: 71-92.
- Hamelin, J. and Y. Roby, 1971, Histoire Economique du Quebec 1851-1896, Fides, Montreal.
- Jobin, André, 1943, "Le Movement Cooperatif au Manitoba Français", Les Cloches de St. Boniface, XLII: 207-209.
- Manitoba, Province of, Revised Statutes, 1970, Winnipeg.
- Manitoba, Province of, Department of Cooperative Development, Annual Report of Credit Unions - Caisses Populaires 1955-73, Winnipeg.
- Mercure, G., 1962, Credit Unions and Caisses Populaires, Royal Commission on Banking and Finance, Ottawa.
- Metge, Joan, 1964, "Rural Local Savings Associations (Maori Komiti) in New Zealand's Far North" in R. Firth and B.S. Yamey eds., Capital, Saving and Credit in Peasant Societies, Allen and Unwin, London.
- Morton, W.L., 1967, Manitoba: A History. University of Toronto Press, Toronto.
- Nadel, S.F., 1942, A Black Byzantium, Oxford University Press, London.

- Pelletier, J., 1946, "Rapport de Fondation: Section Manitobaine du Conseil Canadien de la Cooperation, 10 Juin 1946", Les Cloches de St. Boniface, XLV: 199-201.
- Ofari, E., 1970, The Myth of Black Capitalism, Monthly Review Press, New York.
- Revue Notre Dame, 1975, Dossier: Les Caisses Populaires de pop-sac-a-vie à Place Desjardins, Des Tournants Difficiles, (Reprint of the April issue).
- Roby, Yves, 1964, Alphonse Desjardins et les Caisses Populaires, 1854-1920. Fides, Ottawa.
- Savoie, Richard, 1957, L'Administration Cooperative, Conseil Canadien de la Cooperation.
- Société Historique de St. Boniface, 1940, Saint-Malo: Paroisse Manitobaine.
- Vachon, S., 1962, Alphonse Desjardins: Un Modele pour la Jeunesse.
- Ward, J.W., 1943, Join Your Credit Union, Department of Agriculture, Manitoba.
- Wade, Mason, 1968, The French Canadians 1760-1967, Macmillan of Canada, Toronto.

APPENDIX I

THE FOUNDING AND PROGRESS OF THE

ST. FRANCOIS XAVIER*

CAISSE (1942-1967)

Thanks to the shrewd foresight of our pioneers, the St. Francois-Xavier Credit Union officially opened its doors on March 24, 1942, and after those 25 years of existence, we are gathered here to celebrate this happy occasion.

We wish at this time to extend congratulations and thanks to all the members who have collaborated in this achievement, but we offer special tribute to our founder, Fr. Halde and to the first officers who showed great perseverance in the face of numerous difficulties. We must also acknowledge the services of several other members who have carried on the work begun by our pioneers. We shall not forget to mention the assistance we have constantly received from the Centrale des Caisses Populaires and from the C.C.M., also from the Credit Union Services Branch as well as from Assurance-Vie Desjardins.

Thanks, congratulations, acknowledgements, are all very appropriate on this occasion. However, we must set

* Free translation of a report by the Caisse Populaire of St. François-Xavier. Original, in the records of Centrale des Caisses Populaires.

out to look at things as they really are, devoid of all illusions and poetry. In reality, our Credit Union has achieved some progress during those 25 years, but a rather slight progress, if we consider that our assets total only \$60,000.00.

Nevertheless, we firmly believe that our Credit Union has been of service to many and, moreover, it has taught us a unique way of working for the common good while helping one another. When we observe that we are living in an age more or less given to selfishness and distrust, it is certainly gratifying to realize that we belong to an organization such as the Credit Union.

We thus hope that this celebration will not merely point out the fact that we have existed for 25 years. It is imperative that we outline a programme that will involve more vigor and more conviction.

Our predecessors were, no doubt endowed with a goodly measure of vigor and conviction, when they set out to found a Credit Union here, in St. François Xavier.

Here is an excerpt from the Minutes that give a summarized account of the beginnings. It was written by Father Halde.

"As early as October 1940, Fr. Halde had invited Fr. Brunet, Parish Priest at Starbuck, Manitoba, to speak to his parishioners about the Credit Union movement. In

November, some 50 persons, of several ethnic origins and different languages, attended the meeting held in the parish hall. The Pastor called on Fr. Brunet to address the gathering, which he gladly did, outlining the main aspects of the Credit Union. He furthermore invited those present to set up study groups.

On April 20, 1941, accepting the invitation of the Pastor, Fr. Couture, of the St. Boniface Archdiocese, gave a conference on the subject. He succeeded in demonstrating to us the evident advantages of the establishment of a Credit Union in a Parish. A good number of questions were asked and Fr. Couture's explanations contributed in convincing several listeners.

That same evening, 24 parishioners deposited with Fr. Halde - appointed manager for the time being - amounts varying from 25¢ to \$1.00, the sum of which totalled \$11.75.

On April 24, 1941, these monies were deposited in the Banque Canadien national for the Credit Union under the name of "P.E. Halde in trust". A passbook was issued to the Credit Union. From this date until May 10th, there was little activity. On May 10, following a card party held in the parish hall, several persons bought shares or portions thereof and on May 30, cash receipts totalled \$52.02. During the second semester, the pupils

of the local school deposited close to \$10.00 in amounts ranging from 1¢ to 50¢. Some children had registered as members.

On October 30, 1941, the bank account showed \$58.70. On December 15, after a meeting of some kind, the subject of the Credit Union was brought up and, in order to propagate the movement, the following persons were designated to spread the good word in their neighborhood: Messrs. Dosithe Perras, Alcide Morin, Eugene Robidoux and Rene Leclerc. Moreover, 11 new members deposited a total of \$42.00, which brought the all-over total to \$100.70, plus 35¢ bank interest.

On January 16, 1942, following another meeting of some 40 people in the parish hall, 2 committees were set up: Board of Directors and Credit Committee, and the Secretary-Treasurer was officially appointed.

February 20, 1942. About 60 persons - including a few ladies - attended a general meeting. Fr. Benoit, of Holy Cross Parish, in Norwood, under the invitation of the Pastor, spoke at length on the functions and uses of a Credit Union and gave a detailed account of the beginnings of the St. Malo Credit Union which he was instrumental in establishing, 4 years previously. Later on in the evening, the Supervisory Committee was elected: Messrs. Pierre Leclerc, Pres., Joachim Regnier, V-Pres., Raoul Allard,

2nd. V-Pres. Messrs. Bruno Regnier and Louis DesLauriers were also elected as additional members to the Board of Directors.

March 4, 1942. Meeting called for the purpose of officially establishing the St. François Xavier Credit Union, where Mr. C. A. Prefontaine acted as Chairman and Mr. Marc Regnier was Secretary. The Pastor had asked Fr. Couture over to help in the official registration forms. Fr. Couture, accompanied by Mr. Remillard, of St. Boniface, gave a brilliant speech on the qualifications and virtues required of a good member and especially of those who are elected to office, such as truthfulness, charity. The papers were signed by 10 members, Messrs. C. A. Prefontaine, Marc Regnier, Aime McCaughan, Pierre Leclerc, Laurent Allard, Raoul Allard, Alfred Fleury, Joachim Regnier, Dosithe Perras and Pierre Allard. Witness to these signatures was Gustave Regnier. To date, \$381.00 had been subscribed.

After many calls and interviews, the Charter was finally granted on March 24, 1942.

That is how our Credit Union began. Let us now look into the principal changes that have occurred since then.

Fr. Halde was Secretary and Manager from the beginning until May 1957, during which time the Credit Union's office was in the rectory and the meetings were held in the parish hall.

We have just pointed out the large amount of work that went into the formation of our Credit Union, but that was only the beginning. The tasks of expanding the movement, of bringing in new members, of appointing officers, was sometimes difficult, but our predecessors carried on in spite of these problems. Fr. Halde had accomplished a great deal to maintain the Credit Union during the first 15 years, and he certainly deserved the rest he requested several times, but which, on account of the difficulty of finding another Manager, came only in 1957.

Mr. Maurice Regnier took over as Manager in May 1957 and, during 17 months, he discharged his duties with diligence, but the time taken by the operation of his farm did not allow him to continue. Therefore, in September 1958, Mr. Pierre Allard became Manager and performed this function for 7 years. He resigned in September 1965 and was replaced by the present Secretary-Manager, Miss Therese Allard. At that time, the office of the Credit Union was moved to the basement of the Municipal Hall. Previously, the office had always been situated in the home of the Manager.

In 1957-58, the Directors undertook the wise move of joining our Credit Union with the Centrale and that of insuring deposits and loans with the Desjardins firm.

We also notice that during that same period, our Credit Union became a member of the C.C.M. and launched the Estate Loans service.

In October 1956, with the assistance of Fr. St. Laurent, the directors introduced the Credit Union in the school. It functioned until May 1961. Unfortunately, with the closing down of the high school, it became impossible to carry on this programme. In the year 1966, the Directors took up this matter with the school board, but without any positive results.

Thus, from year to year, our Credit Union has faced up to its problems, met its failures, while providing services to its members and spreading the ideas of co-operation. The first pages of the Annual Report give a list of the members who served as Officers of our Credit Union since the beginning. In closing we wish to mention the names of those pioneers of the Credit Union who have left this world: Dieudonne Robidoux, Charles Prefontaine, Dosithe Perras, Louis DesLauriers, Pierre Leclerc, Joachim Regnier, Edmond McCaughan and Eugene Robidoux. All have contributed their share to the progress of our Credit Union.

APPENDIX II

KNOW YOUR CAISSE*

Cooperative Principles

One of the essential differences between a Caisse populaire and a limited company resides in the fact that in a Caisse each member is entitled to only one vote regardless of the number of Shares he may have.

The profits that arise from interest on loans and investments are distributed to members of the Caisse who may have Shares or deposits in a Savings account like a bank.

The law of equality regulates the association in the following manner:

- (a) One man, one vote
- (b) free entry
- (c) non political and non-racial

The law of proportionality rules the caisse as such: Interest is limited on the capital and distribution of net receipts to members is prorated on the basis of their transactions with the caisse. Justice thus regulates all relations among members.

The success of the cooperation demands constant

* Free translation of a mimeographed educational brochure for members of caisses populaires.

effort for education. Hence, education becomes a condition for success besides being a result of cooperation.

Unlike bank branches, each caisse is financially independent of another. However, they all apply among themselves the cooperative ideas that they institute on their members.

All the residents of the electoral district of a caisse or all those who belong to the same group (i.e. its larger context) may become members of the caisse.

However, all caisses populaires which have assets over a million dollars may accept members from the whole province.

Purpose and performance

The 2 principal services offered to members are savings and credit. The caisse must, as much as possible, keep in its district or group, the savings that have accumulated in order to use it efficiently for the need of its members.

In general, the liabilities of a caisse constitute the total of paid capital, savings accounts + term deposits.

The savings accumulated by the caisse are the source for the credits. Only members may borrow money. Such loans are granted only for productive and beneficial purposes, and are payable by periodic disbursements

established either by IOU's or by mortgage guarantees.

The Caisse must retain at all times a percentage of liquidity enough to honor withdrawals of members. This liquidity constitutes moneys or deposits in central caisses or in banks, in a ratio of approximately 10 to 14% of the total deposits depending on the value of the assets of the caisse, elsewhere, the total liquidity consists of obligatory investments. The portfolio must contain funds and bonds that are easily negotiable. These investments may be utilized in responding to withdrawal demands of members.

Advantages and Services

Besides keeping a member to save by buying a share or by opening a savings account or by loaning for a profitable purpose, the caisses populaires offer other services as well:

- insurance
- insured savings - life insurance
- actual savings
- chequing account - accounting service
 - travellers' cheques
 - personalized cheques
- term deposit certificates - 1-5 years
- personal loans
- line of credit

-mortgage loans

-Safety deposit boxes

The interest rates are as much if not more than those of a banking institution depending on the type of the saving a/c.

The loans

The Caisse may authorize a loan on conditions normally more beneficial than elsewhere. Since its members are its proprietors and that the money deposited, regardless of its amount, in favour of its members. The Caisse authorizes loans to help needy people. The manager or the officer in charge of loans, presents an application with an understanding of the problem, and serves as an advisory counsel to the Credit Committee which in turn authorizes the loan subject to terms depending on the needs and the pay-back abilities or guarantees available.

A Personal Loan

It is the most current loan. It satisfies immediately legitimate needs such as the buying of services or goods.

With this type of a loan the Caisse accomplishes an important social role. In general a loan helps consolidate several debts. The Caisse liberated, and will

continue doing so, individuals from imposed handcuffs of usurers. At times, the manager may ask for an endorser's signature for the protection of the Caisse.

Mortgage loans

This is a loan which is authorized for construction or the buying of a house. It has particular advantages - the amount of the mortgage is sometimes much more than those granted by specialized institutions; the rate of interest is always competitive if not less, since the interest is calculated on the balance of the account; furthermore this loan is automatically insured against death or disablement. If it happens that a member cannot meet his monthly payments for a certain period of time, the Caisse will treat such members with much better understanding - and more humanly.

The Caisse does business only with its own members. The members are not only the only ones who can save, they also are the only ones who can borrow. So they are the proprietors, the savers, the borrowers, and also the directors of their caisse populaire.

In order to allow everyone to benefit from the advantages of the Caisse populaire every member is entitled to buy only one share of \$5.00. This gives him the right to open a savings a/c and also to borrow money.

Its Structure

The administrative council
the Shareholders

The Supervision Committee

The Credit Committee

The shareholders meet in a general assembly every year to elect, democratically, a certain number of members whom is delegated the administration of the Caisse.

The work of the administrators, credit manager and councillors is free of charge. Only the manager gets a remuneration which is determined once a year by the administrative council. The employees are not eligible for an administrative function.

What is the Annual General Assembly?

Once a year, according to the law, the administrators of the Caisse give a report on their administration, and submit the balance sheet. But as it is a cooperative the mandate of the administrators goes beyond financial transactions. Since the Caisse plays an important social role in its community, the administrators should give account of their contributions in this respect. The duty and obligation of each member is to accept, appreciate and to criticize constructively - after which vote to the election of the new administration.

What is the administrative council?

The administrative council is composed of at least 5 members elected by the shareholders, responsible of the administration of the Caisse populaire.

The administrative council regulates all matters through the manager. The council withholds the powers which are totally and specifically delegated to him by the general assembly.

The administrators are responsible of their administration before the members gathered at the general assembly, and they should give full account of their mandate. It is this council that appoints the manager.

The manager:

He is the key-man of the Caisse populaire. He directs and assumes responsibility of all the transactions of the caisse, with the aid of his personnel. His duties go much further: he understands, and he advises the members in their interest.

What is the credit committee:

The credit committee is composed of 3 to 5 members. It studies the loan applications, approves them, and attends to their payback. The manager acts as secretary: In general, the credit committee may authorize the manager to approve loans directly without submitting the applications to the committee who will then ratify them.

The elected members must not be borrowers or guarantors of any loan at the caisse thus being sure of free action.

The Credit Committee is responsible for the administration of the savings and must report same to the general assembly.

What is the Supervision Committee?

This committee is composed of three members. It represents the general assembly and sees to it that all decisions taken by the annual general assembly are carried out during the year. It is some sort of a watch dog of the shareholders. Its function is to assure that the Administrative Counsel and the credit committee are always doing their duties.

Besides the administrators who work voluntarily there are the salaried employees of each caisse. The most important is the manager who is responsible for the smooth flow of daily transactions. There are also tellers and an accountant.

You are a member, you deposited or probably you loaned money at the caisse populaire. After meeting and talking to the manager and the personnel, you understand why you deposit and get money at conditions different and normally more advantageous than in other places.

As a result of all these the profits are distributed

back to you, the proprietors of the caisse. Hence, through your dealings with the caisse you find an unsuspecting social dimension - Cooperation.

What is the Caisse Centrale?

The Caisse Centrale, for all practical reasons, attends to the financial services of the caisses populaires. Its principal mission is to promote the general interests of the movement. In short, it plays towards the affiliated caisses the same role that the caisse plays towards its members.

One of its major duties is to see to the uniformity of accounting principles and to assure a better administration of the caisse populaire.

The caisses populaires are now audited yearly by inspectors to ascertain its security funds.

Its function is:

- to receive the unproductive surplus from local caisses populaires. These funds serve for compensation and acquisition of obligatory investments.
- It assures economic cooperation and financial assistance among caisses.
- It strengthens the financial structure of the caisses allowing them to draw to the full extent of their assets.
- It directs and supervises the assets of the caisses populaires.
- It coordinates all the activities of the caisses by establishing efficient norms and by creating different services

- The Centrale offers the following services:

- Secretariat
- Administrative services
- Technical services
- Personnel services
- Educational services
- Research services

APPENDIX III

QUESTIONNAIRE USED FOR STUDY

CAISSES POPULAIRES AU MANITOBA

QUESTIONNAIRE

Nom du Caisse:

Adresse:

Date de Fondation:

Noms des Fondateurs:

(leurs occupations ou titres)

Raisons de Fondation:

(expliquez-vous en détails)

Buts du Caisse:

(économiques, sociales, culturelles, etc.)

Quelles genres de service offrez-vous à vos sociétaires:

Est-ce-que votre caisse sert d'autres paroisses avoisinants? Si oui, lesquelles (indiquez le pourcentages des sociétaires des Autres Paroisses):

Le Pourcentage Francophone de vos sociétaires:

Francophone: %

Autres: %

(spécifiez) %

 %

APPENDIX IV

COMPARISON OF CAISSE POPULAIRE-CREDIT UNION
AND BANK LOAN APPLICATIONS

The original purpose of the Caisse populaire was to gather the savings of members and to loan them to members in need for "productive" purposes. The granting of a loan was contingent upon the character and integrity of the applicant. The banks, it was implied, granted loans to anyone for any purpose as long as material securities were provided. Thus, the Caisse populaire was an association of people, while the bank was an association of capital. That was, and still is, part of the ideological propaganda of the Caisse: until today, the 'character' and 'integrity' of applicants is said to constitute a main factor in the granting of a loan.

To find out whether the loan policies of a Caisse really differ from those of a bank, application forms from both types of institution were compared item for item. Both the Caisse and the bank request exactly the same kind of information and subject all given information to verification. There is no question asked that would examine the 'character' of the applicant. It might be objected that in the Caisse that could be determined by the manager or the Credit Commission since they know everyone in the parish. This may be true only in the

smallest of the parishes. Besides, with the inclusion of people from other communities into the membership and also with growth of membership, the task of knowing and identifying every member becomes an impossibility. In a small neighborhood bank, the manager might know as many customers as the manager of a Caisse in a big town or a quarter of a city. Even if it is conceded that 'character' and 'integrity' could be determined in some way, they form only a minor criterion in the consideration of a loan application. The major criteria are the employment, income, and various assets of the applicant as well as his current debts, if any. In both types of application some sort of security must be provided for the loan.

In the absence of any other document to the contrary, it must be concluded on the basis of the application forms below, that the Caisse populaire does not differ from a bank as far as loans are concerned. Some of the reasons that might have caused this could be, the growing membership of the Caisses, increasing bureaucratization of the Caisse, the need to remain competitive with banking institutions, and governmental legislation requiring securities on loans.

DEMANDE D'EMPRUNT à la CAISSE POPULAIRE de.....Ltée

DATE de la demande

FOLIO

NOM AU COMPLET DE L'EMPRUNTEUR (DES EMPRUNTEURS)			ADRESSE ACTUELLE			RÉSIDENT: () PROPRIÉTAIRE () LOCATAIRE		CONFIRMÉ OUI () NON ()	
NO D'ASSURANCE SOCIALE						NOM ET ADRESSE DU PROPRIÉTAIRE			
ÂGE		ÉTAT CIVIL	NOMBRE DE PERSONNES À CHARGE	DURÉE DU SÉJOUR À L'ADRESSE ACTUELLE	TÉLÉPHONE:				
Jour	Mois				An	RÉSIDENT		BUREAU	
NOM DU CONJOINT (DE LA CONJOINTE)			ADRESSE PRÉCÉDENTE			DURÉE DU SÉJOUR À L'ADRESSE PRÉCÉDENTE			
CONFIRMÉ OUI () NON ()	EMPLOYEUR DU CONJOINT (DE LA CONJOINTE)		OCCUPATION		DURÉE DE L'EMPLOI		REVENUS \$		
	EMPLOYEUR ACTUEL DE L'EMPRUNTEUR						TRAITEMENT \$		
	EMPLOYEUR PRÉCÉDENT						AUTRES REVENUS \$		
	EMPLOYEUR PRÉCÉDENT						REVENU TOTAL \$		

Je fait par la présente, la demande de l'emprunt indiqué ci-dessous, et je désire obtenir cet emprunt pour les raisons valables suivantes:

A			B	C	D	E	F			G	H			I	J
DATE			PRINCIPAL	COÛT DE L'EMPRUNT	TAUX ANNUEL	TOTAL À REMETTRE	PREMIER VERSEMENT			NOMBRE DE VERSEMENTS	VERSEMENT MENSUEL (SAUF DERNIER)	DERNIER VERSEMENT			PRIME D'ASSURANCE
J	M	A					J	M	A			J	M	A	
			\$	\$		\$				\$					
J Tableau de remise (autre que mensuelle)															

DETAIL DE L'EMPRUNT

- 1 - Solde des prêts antérieurs (à la Caisse).....\$.....
- Plus intérêt à date.....\$..... \$.....
- 2 - Prime d'assurance-vie exigée..... \$.....
- 3 - Frais d'enregistrement payés à un organisme provincial..... \$.....
- 4 - Somme à être avancée à..... \$.....
- 5 - Somme à être avancée à..... \$.....
- 6 - Somme à être avancées à l'emprunteur..... \$.....
- 7 - Principal de l'emprunt..... (case B) \$.....

ACTIF		ETAT DE SITUATION FINANCIERE				PASSIF - Je n'ai pas d'autres obligations que celles ci-dessous		
ADRESSE DE VOS PROPRIETES	TAXES PAYEES JUSQU'AU	DATE D'ACHAT	PRIX D'ACHAT	VALEUR ESTIMEE	CREANCIERS HYPOTHEQUE SUR IMMEUBLE	MONTANT ORIGINAL	SOLDE DU	VERSEMENT MENSUEL
AUTOMOBILES - CAMIONS VOS APPARTENANT	ANNÉE	MARQUE	MODÈLE		EMPRUNTS POUR AUTOMOBILES - CAMIONS			
AUTO-NEIGE - BÂTEAU ROULOTTE - MOTOCYCLETTE					AUTO-NEIGE - BÂTEAU ROULOTTE - MOTOCYCLETTE			
ASSURANCE-VIE (GAUF ASSURANCE À TERME) VALEUR DE RACHAT					COMPTES DIVERS			
MEUBLES AU PRIX COÛTANT \$								
ÂGE MOYEN								
ÉPARGNE - DÉPÔTS À TERME								
PARTS - OBLIGATIONS								
COMPTE DE BANQUE								
AVOIR DIVERS								
TOTAL					TOTAL			
Garantie (s) subsidiaire (s) offerte (s)	Valeur \$				ENGAGEMENTS EVENTUELS			
	Valeur \$				TOTAL du Passif			
	Valeur \$				TOTAL de l'Actif			
					EXCEDENT - DEFICIT			

JE SUIS EN BONNE SANTE ET SUIS EN MESURE D'EXECUTER LES TACHES QUI ME PERMETTENT DE GAGNER MA VIE OUI () NON ()

LES DECLARATIONS CI-DESSUS SONT FAITES EN VUE D'OBTENIR UN EMPRUNT ET SONT VERIDIQUES AU MEILLEUR DE MA CONNAISSANCE.

PAR LES PRESENTES J'AUTORISE LA CAISSE POPULAIRE D A ENQUETER SUR MON CREDIT ET MON CARACTERE.

Le _____ 19 _____
signature de l'emprunteur

(1) Notre expérience

(2) Rapport du Bureau de crédit

(3) Recommandations

F. L. - 75 - B IND.

EVALUATION de l'OFFICIER de PRET

Approuvé () Refusé () Différé ()

Date..... Montant \$.....

Signature de l'Officier de prêt.....

LOAN APPLICATION

ACCOUNT NUMBER

..... CREDIT UNION LTD. Branch Date 19.....

Borrower's Name				Married, Sgle., Wid., Sep., Div., C.L., Dependent Children							
				Spouses Name		Age					
Address				Home Status		Cost Per Month					
				Own Rent Room R & B Free							
City or Town		How Long		Verified		Landlord or Mortgage Holder					
Postal Code			Telephone			Address					
Social Insurance No.			Date of Birth								
			Mo. Day Yr.								
Previous Address (If less than 3 years at present address)											
Name of Employer				Occupation		How Long					
Address				Telephone		Employment Verified					
Monthly Income				Pay Dates		Gross	Net				
Rents, Commissions, Family Allowance, Boarders, etc.											
Spouses Employer				Occupation							
Address				Telephone							
Employment Verified				Total Income							
Applicants Previous Employer (if less than 3 years with Present)				Occupation		How Long					
Address											
Amount of Loan Applied For \$											
Purpose:											
A	B		C	D	E		F	G	H	I	INSURANCE PREMIUM
Date	Principal Amount of Loan		Cost of Borrowing	Annual Rate	Total Amt. Borrower required to pay		First payment due Date	No. of Monthly Payments	Monthly Payment (Except final)	Final Payment Due Date	\$
Mo. Day Yr.			\$	% \$			Mo. Day Yr.		\$	Mo. Day Yr.	\$
Schedule of Payments (other than monthly)										J	

PARTICULARS OF LOAN

(1) Refinancing of Previous Indebtedness			
Present loan balance		\$	
Add: Accrued Cost of Borrowing to date of Refinancing		\$	\$
(2) Insurance Charges Paid on Behalf of Member at His Request			
Less: Rebate on Previous Premium Unearned		\$	\$
(3) Registration Fee			\$
(4) Amount to be Advanced to			\$
(5) Amount to be Advanced to			\$
(6) Advance to Member			\$
(7) Total Loan Excluding Cost of Borrowing			\$

STATEMENT OF FINANCIAL POSITION

ASSETS	TAXES PAID TO	ESTIMATED VALUES	LIABILITIES & NET WORTH	ORIG. AMOUNT	BALANCE OWING	MONTHLY PAYMENT
ADDRESS OF REAL ESTATE OWNED			I HAVE NO OBLIGATIONS OTHER THAN THOSE STATED HEREUNDER: MORTGAGE ON REAL ESTATE			
AUTOMOBILES & OR EQUIPMENT OWNED	MODEL		AUTOMOBILE & OR EQUIPMENT LOANS			
YEAR						
LIFE INSURANCE EXCEPT TERM	C.S.V.		CONTINGENT LIABILITIES			
FURNITURE AT PURCHASE PRICE \$	AVERAGE AGE YEARS		CONSIDERED NOTES ETC. & OTHER LIABILITIES			
STOCKS, BONDS, ETC.						
CREDIT UNION SAVINGS						
BANK ACCOUNT						
OTHER ASSETS						
TOTAL		\$	TOTAL LIABILITIES (ASSETS-LIABILITIES) NET WORTH			
			TOTAL			(RENT)

SECURITY OFFERED FOR THIS LOAN

Loan Value \$
 Co-Maker Address
 Address
 Loan Value \$
 Employer
 Loan Value \$
 Co-Maker
 Loan Value \$
 Address
 Total \$
 Employer

BORROWERS DECLARATION - I am in good health and able to perform the usual duties of my livelihood YES NO The statements herein are made for the purpose of applying for the loan, and are true to the best of my knowledge and belief. In connection with the benefit applied for, the applicant hereby consents to the conduct of a personal investigation by your firm and/or a personal reporting agency.
 Borrowers signature

OFFICE USE

LOAN OFFICER'S ANALYSIS

- Our experience (Borrowed before HIGH PERFORMANCE)
- Credit Bureau and other creditors reports:
- Recommendations (Requirements or conditions to granting loan):

DATE 19..... SIGNATURE

APPROVED BY: _____ DATE 19.....

Loan Officer: _____ Signature

Credit Committee: Date 19.....

AMOUNT \$

Personal Loan Application

• Complete a new form for every loan application.
 • It is not necessary to complete the shaded areas if a detailed application has been taken in the last 24 months, provided information therein is unchanged. These areas are to be checked (✓) if no change has occurred.

Branch Stamp _____ Loan Account No. _____ District No. _____

Surname		First Name and Initials		Social Insurance Number		Date of Birth		Age: Yrs.		S.C.S.
Present Address		City		Province		Postal Code		1 Since		
Telephone Numbers		3 Single <input type="checkbox"/> Married <input type="checkbox"/> Other <input type="checkbox"/>		Number of Dependents (include spouse)		4		2 Own <input type="checkbox"/> Monthly Cost Rent <input type="checkbox"/> (include taxes) \$		1
Home:		Spouse's First Name and Initials:		Date of Birth		19				2
Work:		loc.								3
Previous Addresses (Required if less than 3 years at present address) How long? 1)										4
5 Applicant's Occupation/Position		Name of Employer		6 How long? Yrs.		7 Gross Monthly Income \$				5
8 Nature of Business		Address of Employer		Pay Day		Extra Income: Amount Monthly \$				6
Spouse's Occupation		Name of Employer		How long? Yrs.		Gross Monthly Income \$				7
Applicant's Previous Occupation and Employer (required if less than 3 years with present company) 1)				How long? Yrs.		Total Family Income \$				8
2)										9
10 Life Insurance Amount \$		Beneficiary		Name of Company						10
Real Estate: Brief description (Address)		Purchase Price \$		Registered Owner						11
1st Mortgage		Tax Purchased		Present Value		Original Loan		Rating		12
2nd Mortgage										13
Automobiles - Description		Financed by:								14
1)										
2)										
Other Assets - Description										Total
Other Obligations & Credit Ref.		Address		Purpose		Due Date				
12 ① Bank										
13 ②										
13 ③										
Master Charge: Yes <input type="checkbox"/> No <input type="checkbox"/> a/c No. solicit				Totals						
14 Bank Accounts Savings <input type="checkbox"/> a/c No.		at		Personal References - Name and Address		1)				
Current or Chequing <input type="checkbox"/> a/c No.		at				2)				
Safety Deposit Box		<input type="checkbox"/> Yes - at <input type="checkbox"/> No - solicit								

Application for \$ _____ Date _____

Purpose: _____

Identification _____

Loan Granted new money \$ _____

Amount Refinanced (Net) \$ _____

Total \$ _____

Interest for ___ mos./ ___ days @ ___ %

Amount of Note \$ _____

Payments due monthly on the ___ Amount x \$ _____
 Other _____ of _____
 _____ Instalments x \$ _____

Proceeds to be deposited to: _____

Payments to be charged to: _____

Signed O/N or J/S _____

Security, Source of Repayment and Recommendation

Applicant interviewed by: _____ Signature _____

Application: approved by: _____ Signature _____
 declined by: _____ Signature _____

Loan Amount Offered \$ _____ Name _____

The undersigned hereby authorize(s) the Bank to obtain any information required related to this application from any sources to which the Bank may apply and each such source is hereby authorized to provide the Bank with such information. The Bank is furthermore hereby authorized to disclose, in response to direct inquiries from any other lender or any credit bureau, such information concerning the loan account of the undersigned as the Bank considers appropriate, and the undersigned agrees(s) to indemnify the Bank against and save it harmless from any and all claims in damages or otherwise arising from any such disclosure made by the Bank.

Application Date 19____ Signature _____

In consideration of the Bank approving the undersigned's application(s) for a loan or loans, the undersigned by this agreement hereby expressly authorize(s) the Bank

- to purchase insurance, for a loan or loans under the Bank's Firstbank Finance Plans, on the life of the undersigned from any recognized life insurance company, such insurance to be owned by and payable to the Bank, to be effective from the date upon which each loan is made, to be in an amount not exceeding the amount of the loan, and to be on such terms and conditions as may be agreed upon between the Bank and such insurance company;
- to charge my/our account with instalments as they mature, service charge for any notices of overdue instalments and any costs involved in arranging security.

The undersigned hereby acknowledge(s) receipt of the certificate of life insurance relative to this loan, if made under the Firstbank Finance Plans.

The undersigned hereby certify that the above information covering the income, assets and liabilities of the undersigned is a true statement of the affairs of the undersigned as at this date, acknowledging that the Bank in granting the loan(s) relies upon the accuracy of such statement.

Date Loan Granted 19____ Signature _____

