

Nearly all Canadian co-operatives are incorporated under provincial authority. There is no general federal co-operative legislation. However, a few co-operatives that operate in more than one province have been set up under the Dominion Companies Act or special acts. There are ordinances governing organization of co-operatives in the Yukon and Northwest Territories.

The extent of supervision and guidance offered to co-operatives varies from province to province. In some, the only government service for most types of co-operatives is to ensure that they are properly incorporated and that the correct legal procedures are followed in amalgamations and dissolutions. In others, the registrar of co-operative associations has a small staff who assist co-operatives during organization and provide advisory services. The Saskatchewan government has a special department to deal with co-operative matters; the provision of inspection and advisory services is among its main functions.

There is more supervision of credit unions than of other co-operatives. In most provinces each credit union is inspected by a government representative about once a year. In Ontario, Credit Union League fieldmen do about half of this inspection work. In Quebec, central credit unions are responsible for all inspection work. They receive grants from the provincial government to do this. The inspector checks to see that the credit union is complying with the act and bylaws; he also looks for unsound management practices and other flaws that may impair the financial soundness of the credit union.

Co-operatives in Canada are generally subject to the same taxes as other business firms. However, they do not have to pay federal income tax during their first three years of operation. Under the Income Tax Act, patronage dividends paid by a business firm may, subject to certain restrictions, be deducted in computing incomes for income tax purposes. Credit unions are exempt from income tax.

Education

Two important national co-operative bodies work together to improve co-operative organization, education and promotion. The Co-operative Union of Canada, which celebrated its fiftieth anniversary in 1959, concentrates its efforts in English-speaking areas. Le Conseil Canadien de la Coopération serves the co-operatives in the areas where the French language predominates. Both are members of the International Co-operative Alliance, with headquarters in London, England.

Eight provincial co-operative unions are members of the Co-operative Union of Canada. Membership also includes interprovincial co-operative credit, manufacturing, marketing and insurance societies. The Credit Union National Association, Co-operative Wholesale Society of Great Britain and Scottish Co-operative Wholesale Society are affiliate members.

A few Canadian universities offer courses on co-operatives and some conduct extension work in this field. None of the others, however, has as extensive a programme as St. Francis Xavier University in Antigonish, Nova Scotia. Since the early 1930's, this university has carried on extension work in the Maritime Provinces to organize and assist co-operatives. In more recent years a variety of courses has been developed to train people in co-operation. Some of these are short courses for directors and managers of existing co-operatives and credit unions; others are offered as an integral part of university work. In addition, special courses are offered for visitors from other countries who wish to learn about co-operatives in Canada. The Coady International Institute was set up at St. Francis Xavier University in 1960 to train students from abroad.

To provide training for employees of co-operatives, the Co-operative Institute was established in Saskatoon, Saskatchewan, in 1955, under the sponsorship of Federated Co-operatives Limited. It has concentrated on short courses, often only one or two weeks long, for co-operative directors, managers