

The fight for satisfactory legislation made co-operatives conscious of the need for united action in education and in presenting their views to governmental agencies. Consequently, the Co-operative Union of Canada was founded in 1909.

Growth of the co-operative movement in Canada has followed an irregular pattern. The first 15 years of the present century appear to have been a period of very rapid expansion, especially for purchasing co-operatives. However, the new co-operatives were poorly equipped to cope with the rapid changes in price levels which occurred between 1916 and 1924, with the result that many of them failed during this period.

Meanwhile, the farmers of Western Canada, having already built a system of co-operative grain elevators and creameries, developed a keen interest in the pooling principle, whereby they might receive average annual prices for their produce rather than the prevailing market price on delivery date. This approach was particularly attractive in the marketing of cereal grains, as the farmer usually delivered most of his grain during the fall months when prices often declined to seasonal lows. Consequently, Prairie farmers organized three large grain pools, which by 1925 were handling about half the grain marketed in the Prairie Provinces. A number of other pools were organized during the 1920's, following the pattern set by the grain pools.

The severe depression that commenced in 1929 caused serious difficulties for pooling co-operatives. Prices of agricultural commodities held a downward trend for over three years. Consequently, the pools had difficulty in realizing even delivery-date prices on produce purchased. Some of the pools failed; others abandoned the pooling principle. Nevertheless a very large sector of the co-operative marketing structure built by the Prairie farmers during the 1920's survived the Great Depression and continued to play an important role in the marketing of agricultural products. Grain co-operatives now handle well over half the grain marketed in Canada. They no longer operate pools in Western Canada. They assemble and store grain as agents of the Canadian Wheat Board.

The early 1930's brought a revival of interest in co-operative purchasing. Emphasis turned to the purchase of farm supplies. In the Prairie Provinces the mechanization of agriculture led to special interest in savings on the cost of petroleum. A small group of farmers organized Consumers Co-operative Refineries Ltd. in 1935 and built the first co-operative oil refinery in the world. This was the beginning of an upsurge in co-operative purchasing in Canada, which continues to this day. Co-operative marketing also made considerable strides between 1935 and 1950, although little growth has been evident during the last decade.

#### Marketing and Purchasing Co-operatives

During the year ended July 31, 1959, the total business done by co-operative marketing and purchasing associations, other than fishermen's, exceeded \$1.3 billion, the highest yet reported. Seventy-three per cent consisted of the marketing of farm products; most of the balance was represented by purchase of farm supplies. In addition, the 77 fishermen's co-operatives that reported did over \$25-million worth of business, mainly in marketing fish.