

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 co-operatives in the areas where the French language predominates. Both are members of the International Co-operative Alliance, with headquarters in London, England.

Membership in the Co-operative Union of Canada includes 27 co-operative societies and provincial co-operative unions, the Credit Union National Association, the Co-operative Wholesale Society of Great Britain and the Scottish Co-operative Wholesale Society.

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 1930s, this university has carried on extension work in the Maritime Provinces<sup>(5)</sup> 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 of only one or two weeks duration, for co-operative directors, managers and employees. In 1959, with support from co-operatives in the four Western provinces, the Co-operative Institute was reorganized as Western Co-operative College. College buildings, including residences, were constructed in 1962 and additional residences were built in 1965, which provide accommodations for 84 students.

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<sup>(5)</sup> Since the entry of Newfoundland into Confederation in 1949, the extension work of St. Francis Xavier University has covered the four Atlantic Provinces.