

The great majority of Canadian co-operatives are registered or incorporated under provincial authority. In view of the recent rapid growth of co-operatives in Canada, provincial governments have expanded their staffs and services in order to assist and supervise all co-operatives within their jurisdiction. Eight provinces now have officials directly responsible for administering co-operative legislation and supervising co-operative activities. In Prince Edward Island, however, this task is performed by the P.E.I. Co-operative Union Limited, aided by a grant from the government to which a report is submitted annually. In March 1949, a Director of Co-operative Services was appointed in Manitoba. Newfoundland has a Department of Fisheries and Co-operatives with a Minister in the Cabinet. In 1944 a Department of Co-operation and Co-operative Development was established in Saskatchewan, which encourages, organizes and inspects co-operative associations, and also conducts economic research studies on the problems of co-operatives in all fields.

#### Financing <sup>A</sup>

While Canada has not witnessed any phenomenal growth in co-operatives since 1944, progress has been steady. One of the significant features of this growth has been an increasing realization among Canadian co-operatives of the necessity of farmers' financing their own associations. Reports received by the Canadian Department of Agriculture show an increase in liabilities to members of co-operatives each year since the Second World War. Liabilities to other than members have been decreasing since 1944 and now stand at 45 per cent of total assets. The plant value of co-operatives in Canada has increased by almost \$44 million since 1946 and much of this has been financed directly by the members. Only a small proportion has been financed by conversion of working capital.

An example of this trend is the financing of the recent acquisition of expanded facilities by Manitoba Pool Elevators. In December 1947, negotiations opened between a private grain company and Manitoba Pool Elevators for the purchase by the Pool of certain grain handling facilities in Manitoba and at the head of the Great Lakes. The proposition involved the purchase of a  $3\frac{1}{2}$  million bushel terminal at Port Arthur, 20 country elevators throughout Manitoba and a feed grain plant at Portage la Prairie. The amount required to finance the undertaking was \$2 million. The decision was made to issue bonds and offer them to farmer members of the Pool. Without any sales cost, the issue was over-subscribed in a few weeks. This example is being repeated in many co-operative enterprises across Canada.

Credit unions are a part of co-operative business in Canada, and over 2,800 co-operative credit societies are in operation with assets of over \$280 million. In some rural communities credit unions have helped to solve the problem of cash trading at the co-operative farm supply store. Also, where arrangements have been made between the credit unions and the banks, chequing privileges have been extended and payment for supplies has been made easier, and an increased volume of business for both the co-operatives and the credit unions has resulted.

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<sup>A</sup> See Appendix III