

These associations have been brought into being in order to obtain better price terms through increased bargaining power, to provide some service not at present available, or to improve some existing service considered inadequate.

In Canada the expansion of co-operative activity has taken place most rapidly and to the greatest degree in the marketing field. Collective action has made possible the pooling of the proceeds received from the sale of agricultural products of the same grade and quality and the return to the farmers of an average price for such products. This has frequently implied better grading and preparation for market while the products are still under the control of the producers than would otherwise have been the case. The value of farm products marketed amounted to \$180,747,471 for the crop year ended July 31, 1939.

Many associations formed primarily for marketing have found it possible to render additional service to their members by utilizing the existing organizations for the purpose of purchasing supplies needed on the farm. A number of associations have been formed primarily for the purpose of buying supplies, usually bulk commodities, and some are operating stores carrying a full line of general merchandise. Over half of the associations of this type operate in the Prairie Provinces and the principal commodities handled are gasoline, tractor fuel and other petroleum products, coal and wood, and binder twine. Sales of supplies and merchandise amounted to \$20,400,008 for the crop year 1938-39 or about 11 p.c. of the value of farm products marketed.

In order to increase effectiveness, sales agencies have been formed on a regional basis or on a Dominion-wide commodity basis, as the Canadian Co-operative Wool Growers, Limited, and the Canadian National Silver Fox Breeders' Association. Wholesale societies are also operating in most of the provinces, consolidating the buying power of the local associations and augmenting the benefits to be obtained from quantity buying. The United Farmers of Ontario, Limited, and the Co-operative Fédérée de Québec combine the functions of sales agency and wholesale buying agency for their affiliated local associations.

Fruits, vegetables, grain, seed, eggs, poultry, wool, and furs are usually graded and otherwise prepared for market before being offered for sale. Elevators, stockyards, common and cold-storage warehouses, and chick hatcheries are owned and operated co-operatively. Butter and cheese are manufactured, chicken and apple products are canned, commercial feeds and spray materials are prepared in co-operative plants. The First Co-operative Packers of Ontario, Limited, process hogs into bacon and other pork products. The Consumers' Refineries Co-operative Association, Limited, Regina, refine crude oil into gasoline, distillate, and other petroleum products.

In 1908 the Nova Scotia Legislature passed the Farmers' Fruit Produce and Warehouse Associations Act and in the same year the Quebec Legislature enacted the Co-operative Agricultural Associations Act. Since that time each province has provided for the incorporation of co-operative associations by suitable legislation. Since 1932, five provinces have enacted new co-operative associations Acts and in three provinces there have been extensive amendments or consolidations. Such legislation varies between provinces but in most cases interest on capital is limited and profits are required to be distributed to members on the basis of