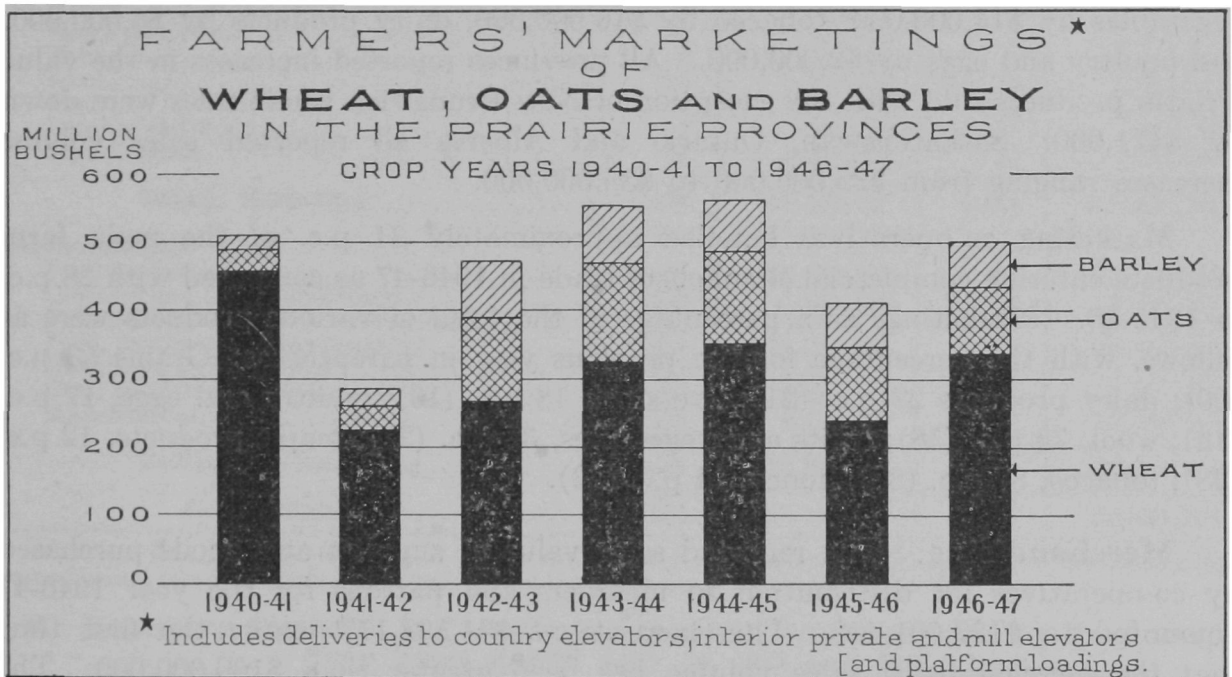


Section 5.—The Co-operative Movement in Canada*

An outline of the growth of co-operative activity in Canada and of the legislation passed in connection therewith, is given at pp. 543-545 of the 1942 Year Book. Developments leading up to the appointment in November, 1944, of a Royal Commission to inquire into the application of income tax and excess profits tax to co-operatives are given at pp. 618-624 of the 1946 edition. Amendments to the Income War Tax Act based on the report of that Commission and passed in August, 1946, are given at p. 838 of the 1947 edition.



Trends in the Crop Years Ended July 30, 1946 and 1947

Co-operation in the marketing of farm products and in the purchasing of farm supplies and consumer goods has increased steadily during the past 16 years. For the crop year ended July 31, 1947, 2,095 associations reported as compared with 1,953 for the previous crop year. Of the 1947 total, 1,124 were engaged in marketing and 1,548 in purchasing supplies for their members. The larger number of associations purchasing supplies is explained by the fact that many co-operatives, organized primarily to market produce, purchase supplies as well and a few purchasing co-operatives market produce as a part of the service given their members. There is thus some duplication in the totals.

Summary statistics of the reporting associations are given in Tables 31-33. The numbers of members and patrons in 1947 were the highest on record, Manitoba and Saskatchewan showing the most substantial increases over 1946. It should be noted, however, that there is also duplication in these figures since many members, and farmers especially, belong to more than one co-operative. Assets and liabilities were both slightly higher in 1947 than in 1946; value of plant increased by over \$6,000,000 but working capital was less by about \$2,000,000. Total business reported by the co-operatives for the crop year 1946-47 amounted to \$712,583,246 a record volume which exceeded the figure for the previous year by over \$158,000,000.

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