

## 2012-2 Co-operative development tax credit\*

**Whereas:** There are more than 410 co-operatives, credit unions, and caisses populaires in Manitoba, comprising of over 800,000 memberships and almost \$18 billion in assets. Co-operatives are more sustainable given their collective ownership and community commitment; 62 per cent of new co-operatives are still operating after five years, compared with 35 per cent for other new businesses. After 10 years, the figures are 44 per cent and 20 per cent respectively.

**Whereas:** Co-operatives are committed to co-operating with and supporting other co-operatives, strong co-operative economies occur where strong co-operative sector infrastructure exists, and where co-operatives invest in co-operative development.

**Whereas:** There currently are insufficient resources to support sector-led co-operative development in Manitoba, and to build the required networks and associations to build a strong co-operative community.

**Whereas:** The Province of Manitoba has committed to co-operative development through the Co-operative Visioning Strategy.

**Whereas:** Co-operatives create economic democracy, root ownership locally, distribute profits equitably, and often create jobs and services in communities where they are otherwise lacking.

**Whereas:** The Province of Manitoba has implemented a Co-operative Development Tax Credit for co-operatives in Manitoba who contribute toward co-operative development as carried out through the Manitoba Co-operative Association. For which total contributions were capped at \$250,000 per year for 5 years and implemented a sliding scale which provides a 33% corporate income tax credit for large contributions, a 75% refundable tax credit on contributions of less than \$1000, and various tiers of credit in between.

**Be It Resolved That:** CCEDNet Manitoba urge the Province of Manitoba to continue to support education of all co-operatives on the use of this tax credit and its multiple benefits for the broader community.

\*Amendment to 2011-5