

Shareholders and members numbered 739,604 and the total number of patrons including members and non-members was estimated to be 738,345. The consolidated balance sheet shows that total assets after provision for depreciation and bad debts amounted to \$172,565,590. This is a decrease of \$30,000,000 in value of assets from the previous year and is largely accounted for by a reduction in stocks of grain. Bank borrowings which covered these inventories were reduced correspondingly with a total decrease in general liabilities of \$43,200,000. The members' equity amounted to \$83,774,151 consisting of paid-up share capital of \$15,789,047 and reserves and surplus of \$67,985,104. This was an increase in members' equity of \$11,282,613 over 1944. From 1944 to 1945 total working capital increased from \$31,826,711 to \$40,163,231. The relation of net worth to total assets increased from 35.7 p.c. in 1944 to 48.2 p.c. in 1945 indicating a strengthening of the co-operative financial structure.

Sales of farm products amounted to \$500,481,627, sales of supplies and merchandise \$81,360,855 and other revenue \$3,807,584, a total business of \$585,650,066. The increase reported in total business over the previous year amounted to \$57,794,526.

Marketing.—The value of farm products marketed increased from 1944 to 1945 by \$41,000,000. The sales value of fruits and vegetables increased by \$11,000,000, tobacco \$9,000,000, dairy products \$8,000,000, live stock \$6,000,000, and grain and seed \$5,000,000.

A useful measure of co-operative activity on a regional basis is obtained by dividing the total value of products marketed co-operatively for an area by the number of farms which it contains (as reported in the Census of 1941). Saskatchewan led all provinces with average marketings of \$1,257 per farm, British Columbia was in second place with \$1,083 per farm, Alberta \$913, Manitoba \$727, Ontario \$364, Prince Edward Island \$281, Quebec \$272, Nova Scotia \$154 and New Brunswick \$112. The average for Canada as a whole was \$683 per farm.

The marketing of grain continued at a high level throughout the crop year 1944-45. It is estimated that during the year ended July 31, 1945, deliveries of grain to the four large co-operatives in the Prairie Provinces whose business is included in this report were 46 p.c. of total deliveries in these provinces. This is the same proportion that was estimated to have been marketed co-operatively in 1943-44. Sales value of grain and seed by co-operatives which amounted to \$269,000,000 was approximately one-half of the total co-operative business in Canada during the year 1944-45.

It is estimated that marketing co-operatives handled approximately 28 p.c. of the main farm products entering commercial channels of trade in 1944-45. Of the total dairy products marketed, co-operatives handled approximately 17 p.c., live stock 17 p.c., eggs and poultry 12 p.c., wool 47 p.c., fruits and vegetables 27 p.c., honey 21 p.c., maple products 36 p.c., tobacco 89 p.c. and grains and seeds 46 p.c.

In order to determine the status of co-operatives in relation to non-co-operative methods of moving farm products into commercial trading channels, a comparison was made between the changes in co-operative marketings and total cash income from one year to the next. In 1944-45, co-operative marketings of farm commodities increased 9 p.c. over 1943-44 while total farm cash income from the same products increased 15 p.c. This indicates a reduced proportion of the total marketed through co-operative organizations. In the live-stock products group co-operative market-