

instalment financing of consumer goods, from a gross basis to one which was net of unearned finance charges.) A buoyant economy during 1972 pushed total consumer credit balances to a record level of \$14,870 million by year-end — 17.2% higher than the 1971 figure (Table 17.42).

While total credit volume has been expanding, the composition of consumer credit balances has been undergoing continual change. Chartered banks have been by far the most active financial institutions in this sphere of financing, increasing their share of total consumer credit holdings from 40.0% in 1970, to 45.7% in 1971 and 48.2% in 1972. At the same time, consumer loan and sales finance companies — whose holdings of consumer instalment credit and personal cash loans had declined by 19.9% in 1971 — experienced an 8.1% increase in balances for 1972. Their share of total consumer credit, however, continued to decline, from 24.4% in 1970 to 17.9% in 1972. Credit unions and caisses populaires, on the other hand, extended their share of consumer credit to 13.5% at year-end 1972, increasing their balances outstanding by 18.3% over 1971. During the same period, retail store credit, public utilities' credit and balances held by other credit-card issuers all rose in amounts outstanding, but with no change in their share of total consumer credit balances.

Retail credit. Retail credit is defined as the value of accounts outstanding on the books of Canadian retailers, including department stores and their "captive" acceptance companies, adjusted to exclude non-consumer credit accounts. During 1972, total retail credit outstanding rose by 10.1% — somewhat less than the 10.7% increase in retail sales over the same period (Table 17.43). Department stores, which held a 46.2% share of the retail credit sector by year-end, contributed a 9.1% increase in credit balances during 1972 (while their sales increased by 15.3%). Balances held by furniture, TV, radio and appliance stores rose, for the second consecutive year, to \$186.6 million as the result of a significant increase of 16.6% during 1972. On the whole, however, the proportion of consumer credit accounted for by retail stores continued to fall steadily to 12.0% at the end of 1972 despite vigorous growth in the accounts receivable of fuel dealers, men's clothing stores, grocery stores, and the automotive group.

17.5 Co-operative organizations

Business volume of Canadian co-operatives rose in 1970 for the first time since 1967 with a turnaround in grain exports which had slumped badly in the previous two years and offset gains in most of the other sectors. Gross volume was \$2,179 million for a gain of \$87 million or about 4%. Revenue broken down by the four broad components of co-operative business was: farm product marketings \$1,354.3 million representing a gain of 10%; sales of merchandise and supplies \$748.8 million, an increase of 3%; revenue from services (trucking, cold storage, seed cleaning, etc.) \$59.9 million, a decrease of 10%; and miscellaneous income (rent, interest, dividends, etc.) \$16.2 million, almost unchanged from the previous year.

Business co-operatives (as opposed to such non-commercial co-operatives as community halls and rinks, etc.) are classified by their primary function into four main groups: marketing and purchasing (by far the largest group), service, fishermen's and wholesale. The first three groups are known as "local" co-operatives since they deal directly with individual members; the wholesale co-operatives, as their name indicates, perform wholesaling functions for the locals. Revenues of the wholesale co-operatives are usually presented separately from those of the locals since their sales are mostly a duplication of the locals' sales. Assets of the locals at \$1,240.9 million were down for the year with a drop in the value of grain inventories in the Prairie Provinces nullifying the increases which were experienced elsewhere. The number of business co-operatives increased in 1970 for the first time in many years led by Quebec and Alberta with new incorporations, mainly in the service group. Membership in co-operatives stood at 1,735,000 for 1970 a gain of about 45,000 over the previous year. All provinces except Ontario contributed to the increase.

Total business volume of marketing and purchasing co-operatives recorded a gain of \$78.8 million or 4% for 1970 (Table 17.44) with farm product marketings, supply sales, service revenue, and other income all showing an increase. On a geographic basis only New Brunswick and the interprovincials were down for the year. Assets of the marketing and purchasing co-operatives declined by \$25 million during the year due to the drop in grain inventory values and a retrenchment in property and equipment investment. The number of co-operatives declined again in 1970 as it has for a number of years. Membership rose on the strength of gains in Quebec, Alberta and British Columbia. Farm product marketings by marketing and