

purchasing co-operatives rose to \$1,288.4 million made possible by the modest improvement in the western grain situation (Table 17.45). Dairy product marketings continued an upward trend into 1970. Fruit and vegetable marketings slipped almost 10% during the year, led by British Columbia but also including Ontario, Quebec and New Brunswick. The apple crop in British Columbia was satisfactory but production of tender tree and soft fruits was hard hit by extensive winter frost damage. Nova Scotia fruit and vegetable marketings rose on the strength of a good apple crop, as did those of Alberta and Prince Edward Island with better returns from potatoes. Livestock marketings rose on good gains in Saskatchewan, British Columbia and Nova Scotia. Poultry and eggs moved slightly up, with a good gain in Quebec countering declines in some other areas. Miscellaneous marketings eased down about 4%. Maple products climbed about 10% while honey and tobacco sales slumped. Supply sales of marketing and purchasing co-operatives advanced \$22 million or 3% for the year despite the fact that cash receipts to Canadian farmers declined almost 2% in the period. However, total supply sales represented a mixture of two different trends: sales in the Prairie Provinces (including the interprovincials) were unchanged, while sales in the other provinces taken as a group, made a very comfortable gain of nearly 6%. Although poor economic conditions affected all supply sales in the Prairie Provinces, fertilizer and machinery were the only categories which had major declines. Fertilizer sales continued on a downward trend started in the previous year reflecting a combination of depressed prices caused by overcapacity in the industry and lower demand by farmers suffering from lower grain shipments and thus reduced incomes. The effect of economic conditions on farm machinery sales was extremely harsh with farmers cutting their purchases drastically.

Business volume of the service co-operatives expanded by about 8% in 1970 to \$70.5 million and consisted of service revenue \$30.9 million, marketing of farm products and sale of supplies \$37.8 million, and miscellaneous income \$1.8 million. The rise in business volume was led by the feeder co-operatives in Alberta and Saskatchewan where more and more farmers turned to cattle feeding as a means of marketing their grain. An added impetus to feeding was provided in Alberta through the introduction of new regulations under their feeder loan legislation which permit larger borrowings by individual farmer-feeders. Quebec wood-cutting co-operatives turned in another year of increased volume. The business of medical insurance co-operatives declined for the second consecutive year with reduced coverage in British Columbia and Ontario as the result of changes in medical care legislation in the two provinces. Natural gas co-operatives in Alberta experienced another year of growth while rural electric co-operatives levelled off after a long period of expansion. Service revenues in New Brunswick picked up on the first full year's operation of a large housing co-operative. Assets of the service co-operatives rose 9% in the year to \$156.5 million. Membership at 296,000 and number of co-operatives at 1,103 also represented gains over the previous year. Business volume of fishermen's co-operatives rose about \$2.0 million or 6% for 1970. All provinces were on the uptrend except British Columbia which suffered a mild decline as a result of rising prices not quite making up for a decrease in production. Asset values of the fishermen's co-operatives at \$18.0 million were virtually unchanged from the preceding year as were the number of associations reporting and reported membership.

Wholesale business volume advanced \$30.0 million or 5% for the year with almost all of the increase occurring in supply sales led by food products and feed, while marketings were little changed from the previous year. Food sales were boosted by large gains in Quebec while feed sales reflected an increase in the sale of western feed grains in central Canada which suffered a crop reduction. Fertilizer sales were unchanged, a continued decline in the Prairie Provinces matching increases in other areas. Building material sagged with the general slump in construction activity in the West. Petroleum sales were up substantially, paced by large gains in Quebec where special emphasis has been placed on accommodating the continuing population shift from rural to urban areas. Hardware and machinery sales made good gains in eastern Canada while clothing and home furnishings, and miscellaneous sales were moderately ahead in most areas. On the marketing side poultry and eggs were hit by a sharp drop in broiler chicken prices, while livestock volume was unchanged with a bad year in Quebec offsetting gains in Ontario and the Maritimes. The number of wholesale co-operatives declined by one in 1970 when the British Columbia Co-operative Wholesale Society was merged with Federated Co-operatives Limited. Assets of the wholesales at year-end 1970 totalled \$235.2 million, an increase of \$13.0 million or 6% during the period.