

prices due to inflation. Grain marketings rose almost \$300 million or 36% and other farm product marketings were also up. Supply sales climbed at the unusually high rate of 30%. Service revenue and other income recorded a combined gain of 22% for the year. Dollar totals for the four broad categories of co-operative business volume were: farm product marketings, \$2,265 million; supply sales, \$1,187 million; service revenue \$84 million; and other income, \$28 million.

Co-operatives covered here exclude recreational (community halls and rinks, etc.), financial (credit unions) and those run by native peoples. Those included are classified by their primary function into four main groups: marketing and purchasing (the largest), service, fishermen's and wholesales. The service group is frequently subdivided into service and production. Production co-operatives provide services directly related to agricultural production such as artificial breeding, or are directly involved in production such as co-operative farming. The first three groups are known as "local" co-operatives since they deal directly with individual members; the wholesale co-operatives perform wholesaling functions for the locals.

Assets of the locals increased by \$170 million or 13% during the year with most of the growth going into inventories, receivables and property and equipment. The number of reporting associations rose slightly during the year with the incorporation of some new service co-operatives in Alberta and Quebec outweighing the downward trend in most of the other provinces. Membership totals rose almost 100,000 with large gains in British Columbia because of health insurance (service co-operatives) and in Quebec where there were new incorporations of a wide variety of service co-operatives and a growing membership in student supply and food co-operatives.

In 1973 marketing and purchasing co-operatives experienced a 28% gain in business volume compared to 18% in 1972. The dollar increase was \$749 million and brought total volume up to \$3.42 billion (Table 18.24). All provinces and all revenue categories contributed to the rise in business activity. Saskatchewan volume passed the billion dollar mark for the first time. Farm product marketings of the marketing and purchasing co-operatives advanced by \$468 million or 27% slightly ahead of the rise in over-all farm cash receipts which came to 25% (Table 18.25). Grain provided three fifths of the increase; dairy volume climbed a moderate 8% in line with the continuing over-all dairy trend of lower production and higher prices. British Columbia, Alberta and Nova Scotia dairy co-operatives made substantial increases in their market share during the year. Fruit and vegetable revenues to co-operatives rose about 20% with some good crops in British Columbia and Nova Scotia at a time of higher prices due to crop shortages in some countries. Livestock returns increased by 29% in the period with unusually high prices for hogs and cattle. Poultry and egg co-operatives benefited from higher poultry meat consumption and higher prices for poultry and eggs. New facilities in Ontario and additional marketing operations acquired in Manitoba and Nova Scotia aided poultry and egg volumes. Egg prices came under the over-all responsibility of the Canadian Egg Marketing Agency in June 1973. Miscellaneous marketings increased about two thirds for the year. Honey, maple, wool and fur marketings all benefited from higher prices while tobacco and forest products volumes decreased.

Marketing and purchasing co-operatives had another good year of supply sales in 1973. Machinery, feed, and fertilizer sales rose at rates of 50%, 48% and 42%, respectively. Machinery outlets experienced a second straight year in which availability of supply was about the only restriction on volume as producers in times of high farm receipts hastened to upgrade and replace outmoded and depreciated production facilities. Feed sales climbed sharply in eastern Canada and British Columbia as farmers with lower crops purchased increased tonnages at almost doubled prices. Fertilizer sales responded to greatly accelerated demand from farmers striving to increase production in the face of world-wide food shortages. The remaining sales categories rose at various rates on rising demand accompanied by inflating prices.

Business revenues of the production co-operatives increased to \$55 million in 1973, a gain of \$9 million or 19%, with Alberta contributing four fifths of the gain. Livestock marketings of feeder co-operatives in Alberta and Saskatchewan climbed at rates of 27% and 18%, respectively. Artificial breeding co-operatives provided the rest of the increase in revenues. Assets of \$40 million were almost \$5 million more than at the beginning of the year. The number of associations was 356 and membership equalled 29,000, a drop of 4,000.