

Co-operatives covered here exclude recreational (community halls and rinks, etc.), financial (credit unions) and those for native peoples. Those included are classified by their primary function into four main groups: marketing and purchasing (the largest), 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 perform wholesaling functions for the locals. Assets of the locals at year-end came to \$1,334 million representing an annual gain of about 5%. The actual asset expansion was at a rate of 9% but this was partly offset by the exclusion of a large investment-type co-operative in British Columbia which was reclassified as a financial co-operative. The number of co-operatives dropped rather sharply in 1972 as a result of a combination of dissolutions and amalgamations in Alberta, Saskatchewan and Quebec. Co-operative membership edged up slightly to 1,774,000.

It was a record-breaking year for the marketing and purchasing co-operatives in 1972 with all provinces contributing to the gain (see Table 18.20). Total business volume rose to \$2,670 million, an increase of almost 18% over the previous year. Fruits and vegetables, and feed were the only items not showing any appreciable gain for the period. Additions of \$105 million were made to marketing and purchasing assets and about one third of this went into property and equipment, most of it in the Prairie Provinces. The number of marketing and purchasing associations dropped while membership rose by about 15,000, mostly in Alberta and British Columbia. Farm product marketings by marketing and purchasing co-operatives rose significantly in 1972 for an outstanding gain of \$305 million or 22% (Table 18.21). Grain marketings accounted for two thirds of the increase due to strong demand from the export market. Dairy marketing co-operatives also experienced a good year featuring a gain of nearly 16% despite the fact that milk production in Canada remained the same in recent years. Although almost half the increase in returns from dairy co-operatives is due to higher prices, the remainder signified an increased share of the market by co-operatives, much of it through diversification into milk-base food products and the fluid milk market. Fruit and vegetable volume was almost unchanged from the previous year with some crop losses in British Columbia offsetting generally good crops in eastern Canada. Livestock marketings rose but the increased return was due more to higher prices than to higher volume. Poultry and egg marketings by co-operatives were generally higher and miscellaneous marketings climbed about 20% on stronger performances by honey, maple products, tobacco and wool. Marketing and purchasing co-operatives achieved another good year of supply sales reflecting for the most part a year of rising farm incomes. The increase was \$87 million or about 11% and the upward trend was evident in all regions. Food sales rose at a higher than expected rate due to a significant co-operative breakthrough in the urban areas of Alberta. Fertilizer volume rose significantly as farmers expanded production. Sales of farm machinery increased especially in the Prairie Provinces with availability of supply about the only limitation on volume. Feed sales levelled off with good home-grown crops in Ontario while most other merchandise categories rose along with the general improvement in business conditions.

Service co-operatives experienced a moderate increase of 4.5% in business revenues for 1972. The gross was \$84.5 million and was made up of service revenue \$37.3 million, marketing of farm products and sale of supplies \$44.7 million and miscellaneous income \$2.4 million. Livestock marketings by feeder co-operatives in Saskatchewan accounted for a large part of the increase in business volume. Nova Scotia feeder co-operatives operating on a much smaller scale registered a proportionate increase in livestock volume. New Brunswick service co-operatives made a good over-all gain in business volume of about 25%. Medical insurance volume recorded significant gains in British Columbia mainly due to the rapid growth in dental insurance plans introduced recently by the province's large insurance co-operative. Lumber sales by Quebec wood-cutting co-operatives eased slightly during the year. Assets of the service co-operatives totalled only \$148 million at year-end, a drop of some \$36 million primarily due to the previously mentioned reclassification of a large investment type co-operative. Membership in service co-operatives stood at 275,000 while the number of associations came to 1,019. Fishing co-operatives as a group featured a gain in volume of 18% to reach the \$40 million level. British Columbia recorded a notable gain of 44% based on a combination of a larger catch, heavy inventory carryover from the previous year and rising world prices and demand. Most of the other provinces also enjoyed increased returns with higher prices and in most cases higher production. Over-all membership and number of fishing co-operatives were