

# SASKATCHEWAN WHEAT POOL *and subsidiary companies* FIFTIETH ANNIVERSARY REPORT



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# 1974

*"Cooperation has been and is a great spiritual factor in man's upward march. It has meant mutual aid, amity, peace, concord. It has united men, not divided them; it has conserved life, not destroyed it. Its law is the law of love. It has been the mainspring of justice and the bond of all society.*

*"It has promoted peace and goodwill among men. It has a place in all religions and in every system of ethics. It has been the hand-maiden of every human activity which makes for a higher and a nobler life. It is a thing of which nobody is ashamed and which everybody honors.*

*"From the primitive horde through tribe, clan, community and nation we can measure human progress by the extent to which cooperation has been substituted for competition. It is the yardstick by which we measure civilization. History teaches us no surer thing than this that the increasing purpose in human life of which the poet sings finds its expression in human cooperation, which having carried the race from savagery to civilization will carry it on to universal brotherhood."*

*. . . J. T. Hull*

as quoted in "The Alberta Wheat Pool Budget"



# A CONDENSED VERSION OF SASKATCHEWAN WHEAT POOL'S 50th ANNIVERSARY REPORT

COVERING THE 1973-74 CROP YEAR

*People. That's what the Pool's all about. People like the Ron Sauder family of Hodgeville.*

*The Pool is 73,000 active members and their families, working through the organization they own to achieve better social and economic conditions.*



*Ron Sauder family  
from left: Karen, David, Ron, Linda, Connie and Brenda*



## PRESIDENT'S VIEWS . . .

a selection of opinions expressed in major addresses by Pool president E. K. Turner at 50th Annual Meeting — 1974

*"We are finding decisions relative to our own operations are being imposed from outside. We are finding that farmers' choices are increasingly being limited by government decree."*

*"Prairie farmers must indeed be wary of the suggested removal of the Crowsnest Pass rates."*

Our organization has reached a significant milestone in its existence. While many of our activities during the past year caused us to look backward in time, I was continually reminded of the importance of looking ahead. At all the gatherings where original Pool members were honored, there were young farmers with new ideas and with leadership potential. The conversations at these gatherings included both recollection of the past and discussion about the future. This is a healthy situation. As we move into our second half century we need to encourage the development of leadership, to improve the process of communication and prepare to meet the challenges of the future with the same courage and determination as did our founders.

### CURRENT AGRICULTURAL SITUATION

The Pool and its members face a unique situation as we advance into the second half of our first century in business. We have a stronger market situation for our grain than has ever been experienced in the history of Western Canada. In the past year Canadian Wheat Board selling prices for 1 C.W. wheat (14 per cent protein) at Thunder Bay have ranged between \$4.75 and \$6.00 per bushel, and somewhat higher at Vancouver.

Production volume in Canada and most other wheat producing countries in the world varies substantially from year to year and this variation has dramatic effects on world trade in wheat. These fluctuations will continue, and we need to find more effective ways to accommodate to them. There is much to be said for the establishment of effective and strongly supported commodity agreements for wheat and feed grains. Within Canada we need some recognition of the value of a reserve stock of grain.

### ELEVATORS

Our elevator development plan is pointed toward a system that will have approximately 400 delivery points in the province. It is our intention to provide, at these points, the kind of handling facilities and the staff needed to give good service and to handle our members' grain with maximum efficiency. There is no doubt that some changes in facilities and in methods will be required as we move toward this system. It is quite clear that the changes required in the handling system during the next few years will require very substantial amounts of money.

### INFLATION

The most serious cause for concern among farmers and other Canadians is inflation.

Governments themselves are very significant contributors to inflation. I think it is worth noting that expenditures by federal and provincial governments in Canada, on current and capital projects, have increased in the last year by 11 per cent, in the last two years by 31 per cent, and have tripled in the last 10 years.

Over a period of years we have seen in Canada governments which, under conditions of very strong economic activity, lack the guts to budget for surpluses, and instead increased their spending programs in proportion to the increased government revenues.

I find it extremely disturbing that the federal government seems unable to take effective action to control inflation, and even more disturbing that no one in the government seems to consider the problem particularly serious.

The time has come for government leaders to be frank and open with the citizens of Canada, to give an honest assessment of the situation, and to take those

actions which are necessary to "wrestle inflation to the ground", even though such measures will undoubtedly require some self-discipline and some belt-tightening of all segments of Canadian society.

I think each citizen has a responsibility, too. I think we should apply restraint to our own spending habits.

## GOVERNMENT AND THE POOL

The federal government's new feed grain marketing policy is now in effect and the rules under which it operates are clearly stacked to encourage patronage of the open market system.

The role of the federal government in the Vancouver grain handlers' strike is one which bears some examination.

I think it is significant that, in this strike alone, the government took sides on the issue itself and eventually ordered a settlement on the basis of the Perry report. The handling companies warned that the settlement would prove inflationary, and would very likely set a pattern for settlements in other parts of the economy. There are indications already that such is the case, and I think the responsibility must be laid squarely on the government.

We, as farmers and as operators of a business, must express our concern about the heavy-handed interference of the federal government. Farmers worked hard to gain the benefits of a marketing system which could operate in their interests but are now finding that, increasingly, marketing decisions are being made by politicians and civil servants. **We are finding decisions relative to our own operations are being imposed from outside. We are finding that farmers' choices are increasingly being limited by government decree.**

A campaign has been launched aimed at gaining public support to terminate the **Crowsnest Pass Agreement**. Government spokesmen have made a number of statements about grain producers getting subsidies instead. Why the pressure to subsidize far-



mers directly? Do farmers want to become dependent upon a handout from government to achieve a viable farm operation? Do they recognize that it logically follows that dependence on government leads to greater control by government?

**Prairie farmers must indeed be wary of the suggested removal of the Crowsnest Pass rates or we will, as in the case of the rapeseed vote, the feed grain policy and the two-price system, have cause to regret the consequences and to wonder about the benefits.**

To me the major issue facing us in the coming year is the Crowsnest Pass Agreement and the freight rates for grain that will be determined by whatever changes, if any, are made in it. I suggest we fight very hard on this issue. We are being asked to trade off a firmly established brick house for a cardboard house without even a decent foundation under it.



# POLICY HIGHLIGHTS

## 1975

### GRAIN HANDLING AND MARKETING

**Saskatchewan Wheat Pool will continue to give leadership in the development of a grain handling system having the capability to assemble and move Canadian grain to all markets with speed and efficiency and without excessive cost to grain producers.**

In recent years Saskatchewan Pool has done a great deal to improve the elevator system by removing uneconomic units from the system. Recognizing that producers require adequate service within a reasonable distance, the program has been accompanied by new construction and renovations.



Saskatchewan Pool considers it important that Canada's grain handling facilities be owned and controlled by farmers.

**Saskatchewan Wheat Pool supports the single selling agency role for the Canadian Wheat Board in the marketing of Western Canadian grain.** The Pool is concerned about the erosion of the Wheat Board's marketing powers and the expansion of the open market for grains. The equity that producers have been able to obtain through the operation of the Wheat Board is lost when quotas are not uniformly applied or when grain is moved forward to meet futures contracts instead of real sales commitments. There is a danger that export grains handled by the Board could become a residual movement in terms of priority within Canada and shatter the effectiveness of the Board as a marketing agency.

The federal government program for feed grains has been imposed on farmers despite repeated warn-

ings that it would result in increased administration costs, inefficient use of handling and transportation facilities, as well as opportunity for speculative profit and manipulation in the market place. **The Pool believes that the interests of both producers of feed grain in the Prairie region and consumers of these products in other regions, will not be well served by this imposed marketing change.**

### TRANSPORTATION

Saskatchewan Wheat Pool believes it is vitally important that the federal government provide a comprehensive statement of its transportation policy.

That policy, in the opinion of the Pool, should:

- preserve the Crowsnest rates on grain;
- allow regional development and maximum processing within Canada of Canadian materials;
- protect the interests of shippers where there is a lack of effective competition in transportation;
- ensure adequate capability to move anticipated volumes of Canadian commodities by rail;
- assure a rail network that is adequate for the needs of Western Canada; and
- ensure improved, more efficient and more reliable rail transportation in Western Canada.

The Pool supports many proposals to help the railways (such as certain subsidies, provision of new cars and repair programs for old cars), provided the Crowsnest rates are kept in effect, and the railways maintain adequate motive power, a minimum fleet of 8,000-10,000 grain cars of their own, and provide proper maintenance of lines.



Significant improvements in grain-movement efficiency could be achieved by a closer integration of railway operations through:

- exchange of ownership of lines;
- increased arrangements for joint running rights;
- acquisition by the federal government of railway roadbeds in Western Canada; and
- nationalization of CP Rail.

Regarding rail line abandonment applications, the Pool will press for full consideration on an area basis.

## Government Support

(a) The new grain stabilization plan is considerably improved over the proposal introduced in 1971. However, the Pool believes it should take account of regional differences in the Canadian Wheat Board area, such as climate and soil type. The plan should take account of needs of farmers who feed their grain production to livestock.

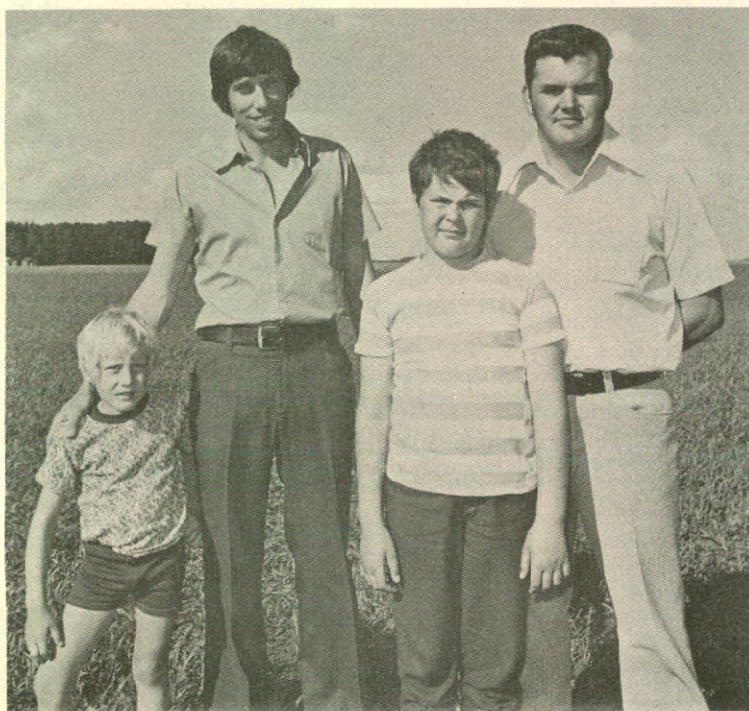
(b) The Pool urges the federal government to share with grain producers the cost of storing a carryover quantity of each grain necessary to meet anticipated market requirements, both domestic and export. Incentives should be provided to encourage farmers to acquire facilities to store grain.



(c) Saskatchewan Pool holds the view that the minimum guaranteed price to producers for domestically consumed wheat should be related to the cost of production including a reasonable return for labor and management. The agreement between the federal government and

the Canadian Wheat Board on domestic price of wheat for food use should be amended to provide for an annual review of the guaranteed floor price and subsidy limits, so that the floor and ceiling would reflect changes in production costs.

(d) Governments should develop a range of policies designed to encourage development in Western Canada of a variety of processing industries using agricultural products, or in manufacture and distribution of products and materials used by farmers, and to make it possible to export the products of such activity.



## Industrial Disputes

The increasing frequency and duration of various types of labor-management disputes is upsetting the rhythm of grain movement and Canada's reputation as a reliable supplier of grains has already been damaged.

There is indication that other groups, including labor, believe as does Saskatchewan Pool that some other alternative must be devised to the present adversary approach of settling industrial disputes. **The Pool would support the establishment by government of an impartial board to deal with all labor disputes;** this group to sit for a definite length of time rather than a

new board being established for each separate dispute. In this way normal work operations could proceed while the case was under review, there would be no interruption of business or loss of wages, and customers or users of the service would not suffer undue inconvenience. It would likely be necessary to have two levels of authority, one with federal and one with provincial jurisdiction.

### Inflation

Farmers as a group are particularly sensitive to the effects of inflation because they are often unable to pass on as increased commodity prices the rising costs of items they use in production.

If the Canadian government finds itself unable to control inflation more effectively than it has done to date, it should introduce a program of **agricultural price supports at realistic levels** subject to periodic adjustment to take account of change in relative costs and prices in the Canadian economy.

### Livestock Production and Marketing

(a) The Pool supports the Saskatchewan Hog Marketing Commission with provision that the hog producers be given an opportunity, in one or two years, to indicate by plebiscite the form of marketing structure they prefer.

(b) The livestock industry is facing a rather shaky future in the next year or two. The Pool believes major benefits could be achieved if provincial and federal government policies were developed and co-ordinated to stabilize the industry so that it could develop to its potential in an orderly manner.



### International Agreement

Saskatchewan Wheat Pool holds the view that both producers and consumers of grains can benefit from the existence of a realistic and strong international agreement for the marketing of wheat and feed grains. Tied to it should be a world food aid plan having Canada's share at one per cent of Canada's Gross National Product.

*The foregoing are Pool policy highlights. Your Pool delegate can provide more information on these and other policies.*

*A copy of the 1975 "major policy issues" document may be obtained by writing to Publicity & Advertising Division, 2625 Victoria Avenue, Regina.*



***Pool farm policy is set by the Board of Directors after extensive consideration of recommendations from the delegates' annual meeting and of ideas advanced from Pool membership meetings.***

***Pool agricultural policy is designed to bring benefits to farmers and their families.***

# SASKATCHEWAN WHEAT POOL BOARD OF DIRECTORS AND OFFICIALS JUNE 1974



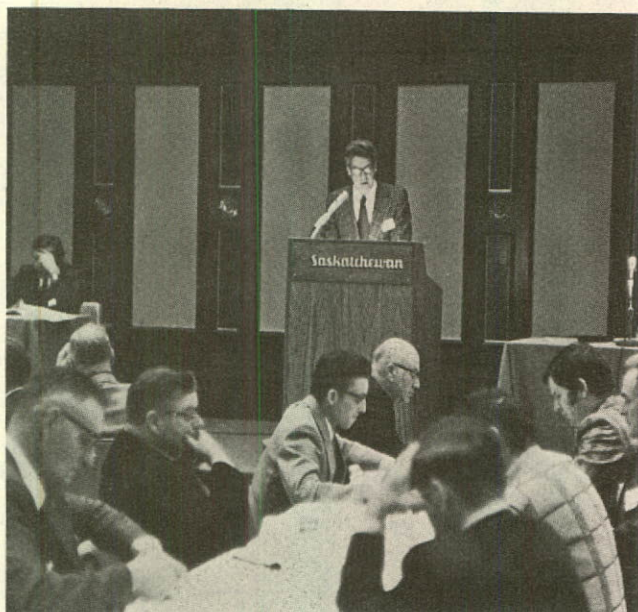
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*Back row, left to right: D. M. Lockwood, first vice-president, Regina, District 10; J. Wm. Marshall, second vice-president, Regina, District 15; J. M. Fair, treasurer, Regina, R. D. McKell, Regina, District 6; W. Burnard Mundell, Leroy, District 13; Aubrey B. Wood, Ruthilda, District 12; Ira K. Mumford, general manager, Regina.*

*Middle row, left to right: J. O. Wright, secretary, Regina; Don Sinclair, assistant secretary, Regina; James Lindsay, Limerick, District 2; Garfield Stevenson, Whitewood, District 7; Avery K. Sahl, Mossbank, District 5; Walter A. Kumph, Smiley, District 11; Clifford Murch, Lancer, District 4.*

*Front row, left to right: William Schutz, Saltcoats, District 8; Erling O. Johnsrude, Weyburn, District 1; Hugh F. McLeod, Leross, District 9; E. K. Turner, president, Regina, District 16; Gustave C. Anderson, Val Marie, District 3; Harold Yelland, Porcupine Plain, District 14.*

# GENERAL MANAGER'S REPORT



Ira K. Mumford.

Farm prosperity in Saskatchewan reached new record levels in 1974. This year's income is predominantly the result of unprecedented high grain prices in contrast to the two previous years.

Despite this, farm people have reason to feel uncertain and uneasy about the future. The rapid escalation of farm costs, shortages of labor, machinery and farm inputs, and a whole host of changes on the agricultural scene are creating frustration and uncertainty. Excessive public debate about the future of the handling and transportation system and the new government grain programs are confusing and unsettling to say the least.

**While meeting today's challenges, it is essential that the problems be kept in perspective.** Saskatchewan farmers have never had it so good, and prospects for the immediate future could hardly be brighter.

## COMMERCIAL OPERATIONS — 1973-74

Operating results were highly successful during the past year reflecting financial improvements in all Divisions except Livestock. Net earnings were \$32.1 million, establishing the third successive record in annual financial performance.

The Country Elevator Division handled two-thirds of the grain marketed in Saskatchewan and recorded an earning of \$15.4 million. The Terminal Elevator Division, whose operations were hampered by labor problems and a severe winter, showed earnings of \$7.8 million. The Farm Service Division achieved sales records in nearly all product lines despite supply problems and earned \$6 million for Pool farmer-members. The Industrial Division achieved earnings of \$2.2 million, a new high, with the flour mill doing relatively well and the oil

seed operation continuing its contribution to the development of rapeseed production.

Two operating divisions, Printing and Publishing, and Livestock, did not register a surplus in 1973-74. Though the Printing and Publishing Division, made up of Modern Press and The Western Producer, had a generally successful year, there was a net deficit of \$70,800. The loss of the Livestock Division was \$341,686, largely brought about by the Division's action in attempting to stabilize market conditions. Without expenditures to purchase cattle, which had the effect of buoying up prices at times, Saskatchewan producers would have sustained larger losses, possibly amounting to as much as \$10 million.

**Members should not expect their organization to achieve the financial success in 1974-75 it did in the past year. Handlings will be down because of a lower crop, the livestock situation will remain uncertain, and escalating costs of operation will be a significant factor in the current year. A large part of our earnings success in the past year is due to inflationary increases in inventory values and unusually high market prices for grain by-products. These factors are unlikely to be repeated.**

## DIFFICULT YEAR

Operationally, 1973-74 was a very difficult year. Probably not since the early years of the organization did we face so many changes. Some of them, such as flexible handling tariffs and the new feed grain policy, we have resisted in principle; but when the policies have been imposed in spite of our resistance, our management personnel have met the operating challenges quickly and efficiently. This kind of thing has been repeated, not only in the grain divisions but in livestock, farm service, industrial and our publishing operations.

**In 1973-74, strikes and slowdowns plagued the grain handling and transportation industries.** The severity of the worst winter in recent history added further complications. Our country staff particularly deserve great credit for the way they met their responsibilities in handling peak volumes in short periods and under very trying circumstances. This is a recurring problem, particularly for both the Elevator and Livestock Division country personnel.

Government intervention has had a startling and disturbing effect on operational matters in recent years. There is evidence of mounting pressure in federal government circles for modification of the Crowsnest Pass rate structure and the introduction of an inland terminal grain handling system. It would be tragic if these changes were permitted.

This year we have had a new domestic feed grain policy imposed despite the strongest objections by most of the producer organizations in Canada. Already this has brought about anomalies such as a completely unreal relationship between export and domestic feed grain prices at the country elevator, an inefficient and unworkable plan for allocating precious feed grain storage capacity, and a bureaucratic nightmare of accounting tasks which add needless cost and frustration for country and office personnel.

Other examples of unfavorable government action during the past year include the livestock marketing

## SECRETARY'S REPORT

situation, the West Coast labor dispute, DREE refusal of our fertilizer application, uncertainty about DREE and Provincial Government policy respecting oilseed processing, and apparent intrusion into Canadian Wheat Board operations.

**As a co-operative organization, we have often been quick to seek government assistance for policies which we believed would be favorable to agricultural producers.** If government interference and control is to be a by-product of such assistance, we may need to exercise restraint in seeking such assistance in future.

New and disquieting factors emerged to threaten the strongly developed concept of orderly marketing in Canada.

Three elements appear likely to dominate the speed and degree of change in the next decade. These are: (i) changes in the marketing system, (ii) changes in the rail network, (iii) attitudes of people and institutions — federal, provincial and municipal governments, and the grain producers themselves.

It is likely that it will take a number of years yet before the future pattern sorts itself out. Studies and public debate will no doubt continue, and probably some hard bargaining will develop between different levels of government. In the final analysis, grain producers themselves will have the major responsibility and opportunity for the ultimate decision. **During the past year your Management has attempted to establish a public understanding that Pool delegates have said they favor the development of a high throughput elevator system for the future.** We have set out tentatively the goal of 400 points for Sask. Pool, ranging from one to two million bushels capacity each as our concept of an ideal grain handling system. In our view, the producer's grain handling cost with such a system would be far less than through the more centralized inland terminal plan.

### SUPPORT

Based on the excellent support given our commercial operations by producers in 1973-74, Management sees ample evidence of satisfaction among the membership with overall Pool policies.



J. O. Wright.

Because of the size of our operation, as a percentage of the total economic activity in Saskatchewan, practically all people in this province have a concern about the actions of, or about the welfare of, Saskatchewan Wheat Pool. This fact, plus the role given the organization by members as a spokesman in any area of policy concern, puts the organization in a position of "high profile" in the news media, and in the public eye generally.

It also means that many individuals or organizations engaged in commercial or political activities, at some time come in conflict with the Pool. On occasion, they feel that the way to success lies in discrediting the policies or operations of this organization.

During the past year it has been necessary to take strong policy positions on a number of issues because of challenges from many quarters such as the advocates of a return to the chaos of the speculative market system.

**In thinking through and deciding which way they want their products to be marketed, I am satisfied that today's generation of farmers will come to the same decision as their fathers did: they cannot afford to abdicate the responsibility for marketing at the farm gate.**

Among the upsetting trends and actions which occurred during the year were the rapeseed marketing poll results; our inability to convince government that a "return to the pit" in domestic feed grain pricing was not in the best interests of producers or of valued customers in other parts of Canada; and our continuous battle against the type of change in our marketing and handling system advocated by those who do not place the farmers' interests as paramount.

By taking strong, reasoned and consistent positions on the foregoing, and on other issues, I feel that your organization has gained in public stature.

Members should be proud of the honest and consistent way their organization put forward its arguments.

**The farmers who own Saskatchewan Wheat Pool possess the best system for member participation and influence of any co-operative, government or public business in the world.** They should be using these resources to fuller advantage.

Individual farmers must be motivated through patronage, but more particularly through active concern at farm meetings and, for example, by letters to their elected representatives, showing support for their organization. There is a real need for producers to play a more direct, individual role in policy affairs which affect their lives and their business enterprises.

**Members should feel confident that the Pool will continue to progress in service to farmers, both as an instrument of policy development, and as a strong and influential company in the provision of commercial services.**

As Secretary of the Central Board of the three Pools, CCWP, I am pleased to note examples of co-operative action on policy issues such as rapeseed marketing, the feed grain issue, and national transportation policy. There must be more such joint action.

## AUDITORS' REPORT

The Shareholders,  
Saskatchewan Wheat Pool,  
Regina, Saskatchewan.

We have examined the consolidated balance sheet of Saskatchewan Wheat Pool and its subsidiary companies as at July 31, 1974 and the consolidated statements of unallocated earnings, unallocated earnings retained from prior years, operations, and source and application of working capital for the year then ended. For each company our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the companies as at July 31, 1974 and the results of their operations and the source and application of their working capital for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year, except for the change in the method of valuing inventory, as outlined in Note 2 to the financial statements, and with which we concur.

Regina, Saskatchewan.  
October 7, 1974.

TOUCHE ROSS & CO.  
Chartered Accountants

### SASKATCHEWAN WHEAT POOL AND SUBSIDIARY COMPANIES CONSOLIDATED BALANCE SHEET AT 31st JULY 1974

			Statement 1	
ASSETS			LIABILITIES AND CAPITAL	
	1974	1973		
<b>Current</b>			<b>Current</b>	
Cash	\$ 2,093,878	\$ 3,221,053	Cheques and orders outstanding	\$311,785,134 \$ 27,527,965
Accounts receivable	31,898,387	30,681,848	Bank loans - secured (Note 6)	25,200,000 58,280,000
Inventories (Note 2)	405,624,448	142,441,397	Notes payable	3,400,000 20,775,000
Prepaid expenses	2,307,206	2,198,940	Accounts payable	41,265,346 25,240,599
Prepayment on income taxes	858,235	894,665	Debenture loan due before July 31, 1975 (Note 7)	1,325,000 1,325,000
	\$442,782,154	\$179,437,903	Members' term loans due before July 31, 1975	2,169,651 1,649,408
			Unallocated earnings (Statement 2) (Note 8)	32,101,290 22,636,244
				\$417,246,421 \$157,434,216
<b>Accounts Receivable—</b>			<b>First Mortgage Debenture Loan</b>	
Deferred (Note 3)	3,698,259	1,807,901	(Note 7)	10,100,000 11,925,000
<b>Investments and memberships, at cost (Note 4)</b>	8,548,859	9,213,484	<b>North Vancouver Terminal Loan</b>	1,775,427 3,770,087
<b>Fixed Assets, at cost (Note 5)</b>			<b>Members' Term Loans</b>	7,898,484 8,424,852
Sites, buildings, machinery and equipment	\$169,838,172		<b>Note Payable to Manitoba Pool Elevators</b>	— 1,132,245
Less accumulated allowance for depreciation	103,392,665	64,223,699	<b>Minority Interest</b>	— 111,611
				\$437,020,332 \$182,798,011
<b>Deferred Charges</b>			<b>Capital (Note 9)</b>	
Stocks of repair parts and supplies	641,034	498,563	Authorized 80,000,000 shares of \$1 each	\$80,000,000
Goodwill, at cost less amounts amortized	961,828	1,099,232		
<b>Other</b>			Allotted and fully paid 69,496,991 shares	\$69,496,991
Excess of cost of shares of subsidiary company over the book amount of assets required	899,466	665,927	Allotted and partly paid 79,941 shares	39,926 69,536,917 58,012,786
	\$523,977,107	\$256,946,709	<b>Unallocated Earnings Retained from prior years (Statement 2A)</b>	17,419,858 16,135,912
			<b>Commitments and Guaranties (Note 10)</b>	
			The notes to the financial statements are an integral part of the statements.	\$523,977,107 \$256,946,709

### SASKATCHEWAN WHEAT POOL AND SUBSIDIARY COMPANIES

#### Statement 2 CONSOLIDATED STATEMENT OF UNALLOCATED EARNINGS FOR THE YEAR ENDED JULY 31, 1974

	1974	1973
Unallocated Earnings, August 1	\$ 22,636,244	\$ 16,692,471
Allocated to or on behalf of members	21,363,342	15,858,129
Attributed to business with non-members	\$ 1,272,902	\$ 834,342
Deduct provision for income taxes	612,000	883,000
	\$ 660,902	\$ (48,658)
Transferred from (to) unallocated earnings retained from prior years	(660,902)	48,658
	nil	nil
Add corporate net earnings for the year—Statement 3	32,101,290	22,636,244
<b>Unallocated Earnings, July 31</b>	<b>\$ 32,101,290</b>	<b>\$ 22,636,244</b>

#### Statement 2a CONSOLIDATED STATEMENT OF UNALLOCATED EARNINGS RETAINED FROM PRIOR YEARS FOR THE YEAR ENDED JULY 31, 1974

	1974	1973
<b>Balance of Unallocated Earnings Retained from Prior Years, August 1</b>	<b>\$ 16,135,912</b>	<b>\$ 16,199,678</b>
Transferred from (to) unallocated earnings	660,902	(48,658)
	\$ 16,796,814	\$ 16,151,020
<b>Net earnings of subsidiary companies, profit or loss on disposal of fixed assets, and adjustment of prior years patronage dividends - net</b>	<b>623,044</b>	<b>(15,108)</b>
<b>Balance of Unallocated Earnings Retained from Prior Years, July 31</b>	<b>\$ 17,419,858</b>	<b>\$ 16,135,912</b>

Note: Bracketed amounts represent deductions.

# SASKATCHEWAN WHEAT POOL AND SUBSIDIARY COMPANIES

## CONSOLIDATED STATEMENT OF OPERATIONS FOR THE YEAR ENDED JULY 31, 1974

Statement 3

	1974	1973
Revenue from Sales and Services .....	\$1,085,485,100	\$747,381,020
Cost of Sales and Services .....	1,033,983,455	707,860,180
Selling and Administrative Expenses .....	\$ 51,501,645	\$ 39,520,840
	20,371,071	18,267,254
Net Earnings from Operations .....	\$ 31,130,574	\$ 21,253,586
Country Elevator Division .....	\$15,399,166	\$ 9,977,092
Terminal Elevator Division .....	7,849,674	8,746,228
Farm Service Division .....	6,079,127	1,028,985
Industrial Division .....	2,215,149	1,108,982
Livestock Division .....	(341,686)	576,244
Printing and Publishing Division .....	(70,856)	(183,945)
	\$31,130,574	\$21,253,586
Saskatchewan Wheat Pool's share of earnings from joint terminal operations of Pacific Elevators Limited after deducting diversion premiums credited to Country and Terminal Elevator Divisions .....	772,803	1,178,485
Western Co-operative Fertilizers Limited Patronage Loans (Note 3) .....	197,913	204,173
NET EARNINGS .....	\$ 32,101,290	\$ 22,636,244

Note: Bracketed amounts represent deductions.

## SASKATCHEWAN WHEAT POOL AND SUBSIDIARY COMPANIES

Statement 4

## CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF WORKING CAPITAL FOR THE YEAR ENDED JULY 31, 1974

	1974	1973		1974	1973
<b>Source of Working Capital</b>			Increase in cost of shares of subsidiary company over the book amount of net assets acquired .....	233,539	—
Prior year's earnings allocated to or on behalf of members .....	\$21,363,342	\$15,858,129	Increase in deferred accounts receivable .....	1,290,358	8,000
<b>Deduct</b>			Increase (decrease) in investments and memberships .....	(664,625)	25,052
Patronage refunds paid in cash to or on behalf of members .....	3,851,460	2,610,404	Increase in stocks of repair parts and supplies .....	142,471	167,326
Purchase of members' equity .....	2,924,584	2,424,695	Current maturity of first mortgage debenture loan .....	1,825,000	1,325,000
	\$ 6,776,044	\$ 5,035,099	Payments to members on North Vancouver Terminal loan		
Capital provided from prior year's earnings .....	\$14,587,298	\$10,823,030	— cash repayments declared .....	1,841,211	1,655,354
Corporate net earnings .....	32,101,290	22,636,244	— purchase from eligible categories	153,449	212,563
Depreciation charged .....	6,863,321	6,409,249	Purchase of members' equity from eligible categories .....	3,080,716	2,228,986
Amortization of goodwill .....	137,404	137,404	Decrease (increase) in unallocated earnings retained from prior years	(1,283,946)	63,766
Provision for loss (reinstatement) on Western Co-operative Fertilizers Limited patronage loans .....	(600,000)	(204,173)	Payment of note payable to Manitoba Pool Elevators .....	1,132,245	—
Increase (decrease) in members' term loans .....	(526,368)	5,685,193		\$16,835,549	\$11,643,397
New member share subscriptions ..	17,551	11,902	<b>Sources in excess of applications</b>	\$35,633,336	\$33,855,491
Increase (decrease) in minority interest .....	(111,611)	39	Unallocated earnings .....	32,101,290	22,636,244
	\$52,468,885	\$45,498,888	<b>Increase in working capital</b>	\$3,532,046	\$11,219,247
<b>Application of Working Capital</b>			Working capital, August 1 .....	22,003,687	10,784,440
Fixed asset additions—net of disposals .....	\$ 9,085,131	\$ 5,957,350	<b>Working Capital, July 31 .....</b>	<b>\$25,535,733</b>	<b>\$22,003,687</b>

Note: Bracketed amounts represent deductions.

# SASKATCHEWAN WHEAT POOL AND SUBSIDIARY COMPANIES

## Notes to Consolidated Financial Statements For The Year Ended July 31, 1974

### 1. Principles of Consolidation

The consolidated financial statements at July 31, 1974 include the accounts of the company and the following wholly-owned subsidiary companies:

Saskatchewan Pool Elevators Limited  
Saskatchewan Pool Terminals Limited  
Saskatchewan Co-operative Livestock Producers Limited  
Modern Press Limited  
Westland Elevators Limited

During the year the company purchased the minority shareholder's interest in Westland Elevators Limited.

### 2. Inventories

	1974	1973
Grain purchased for sale to The Canadian Wheat Board valued on the basis of established selling prices after allowance for costs yet to be incurred.....	\$341,840,391	\$ 64,769,497

Grain valued on the basis of open sales contracts, futures contracts, or in the case of unhedged grain, at the lower cost and futures prices, after allowance for costs yet to be incurred. Grain stocks are hedged in all cases where futures markets exist. ....	46,064,438	67,211,124*
--	------------	-------------

Other inventory valued at the lower of cost (principally average cost) and net realizable value, or on the basis of open sales contracts.	17,719,619	10,460,776
	<u>\$405,624,448</u>	<u>\$142,441,397</u>

The basis of valuing stocks of grain results in a net handling margin being included in earnings when grain is purchased by the company. This practice is followed in order to achieve the objective of matching earnings and resulting patronage dividends with deliveries by members.

\*Due to changing market conditions the company revised the basis of valuing fully hedged grain stocks. If the former basis had been followed in the current year, inventories and net earnings would have been increased by approximately \$3,100,000.

### 3. Accounts Receivable Deferred

Due to the profitability of the operations of Western Co-operative Fertilizers Limited, the prior year's provision of \$600,000 for loss in collection of this account has been reversed, and is reflected in the Farm Services Division statement of operations in the amount of \$402,087, and in the statement of combined operations in the amount of \$197,913.

### 4. Investments and Memberships

Investments and memberships are carried at cost. Included are investments in Western Co-operative Fertilizers Limited, XCAN Grain Ltd. and Pool Insurance Company, joint ventures with other co-operatives. The equity of the company in the net assets of these joint ventures is in excess of cost, which has not been reflected in the accounts.

### 5. Fixed Assets

Depreciation has been recorded on all depreciable assets in use at July 31, 1974 for a full year using the diminishing balance method at rates allowed under income tax regulations.

### 6. Bank Loans

Accounts receivable, inventories, conditional sales contracts and fire insurance policies have been assigned to secure bank loans.

### 7. Long Term Liabilities

The First Mortgage Debenture Loan of \$10,100,000, plus \$1,325,000 included in current liabilities, represents borrowings from Saskatchewan Co-operative Credit Society Limited of \$7,125,000 and Co-operative Fire and Casualty Company of \$4,300,000, bearing interest at 7¼% and repayable at \$1,325,000 per year commencing August 1, 1973 with the balance repayable August 1, 1980. The debenture is secured by an unregistered land mortgage and a registered chattel mortgage on Industrial Division properties in Saskatoon and the hypothecation of Western Co-operatives Fertilizers Limited bonds in the principal amount of \$7,000,000.

### 8. Unallocated Earnings

Net earnings for the year before providing for income taxes are included in current liabilities as unallocated earnings. These earnings are allocated at the annual meeting of delegates. Income taxes on current earnings retained are indeterminable until after the allocation to members has been made.

### 9. Capital

The following statement shows the changes in Capital Account during the year ended July 31, 1974:

Balance at July 31, 1973.....	\$	\$58,012,786
Add: New shares allotted.....	17,551	
Allocated from 1972-73		
Earnings — net .....	14,587,298	14,604,849
		<u>\$72,617,635</u>
Less: Purchased from eligible categories.....	\$ 3,066,272	
Address unknown — cancelled — net .....	14,446	3,080,718
		<u>\$69,536,917</u>

### 10. Commitments, Guaranties and Contingent Liabilities

At July 31, 1974 planned future expenditures on authorized capital programs approximated \$14,852,800.

The company has guaranteed a bank loan of XCAN Grain Ltd. to a maximum of \$166,666 and borrowings of Western Co-operative Fertilizers Limited to a maximum of \$2,000,000.

There is a liability of undetermined amount in connection with unexpired subscriptions to The Western Producer.

Future payments to the Employees' Retirement Plans in respect of past services have been actuarially determined to be \$6,856,148 and are required to be made in varying amounts over the next 18 years. During the year under review, payments totalling \$661,164 were made to the Plans.

A deficiency existed in one of the Plans at December 31, 1973 due to experience factors. This amount has not yet been actuarially determined. A further deficiency existed at July 31, 1974 due to the decline in investment values.

### 11. Wind-up of Subsidiary Companies

Subsequent to the year end authorization was given to wind-up the subsidiary companies and transfer their assets to the company at net book value.

### 12. Comparative Figures

Certain 1973 amounts are restated to conform with the 1974 presentation.

## ALLOCATION OF NET EARNINGS

The Board of Directors has approved that the net earnings for the year ended 31st July, 1974, in the amount of \$32,101,290 be allocated as follows:

### Grain and Cereal Seeds:

Patronage dividend at the rate of 6.25c per bushel to be applied in payment of shares allotted pursuant to Article 19 of the Articles of Association of the Company, estimated..... \$23,631,985

### Farm Supplies:

Patronage dividend at the rate of 15.5 per cent of the value of farm supply purchases, to be applied in payment of shares allotted pursuant to Article 19 of the Articles of Association of the Company, estimated..... 5,510,324

Notwithstanding the foregoing, each member whose shares in excess of the qualifying shares required to continue membership have heretofore been purchased by the Company, shall be paid his dividend in cash.

Total Patronage Dividend, estimated ..... 29,142,309  
Provision for Income Tax, estimated..... 920,000  
Transfer to Unallocated Earnings retained from prior years..... 2,038,981

**TOTAL..... \$32,101,290**

The Board of Directors has approved that:

1. The sum of \$5,280,000 be used as required in 1974-75 for the purchase of the equities of members in all eligible categories. This amount includes \$500,000 to repay 50 per cent of the equity of members upon reaching age 69, such amount to provide for a phasing-in of the proposed equity revolvment procedures.

2. A sum of approximately \$1,775,000 be provided for repayment of the balance remaining in each member's North Vancouver Terminal Loan account.

3. After allocation to shares of the 1973-74 patronage dividend, and payment of withholding tax, a sum of approximately \$3,550,000, representing a 4 per cent purchase of share equity, be paid to all members having a share equity of \$100 or more.

It is noted that an estimated \$2,200,000 will be required to pay, in cash, dividends earned in the year under review by shareholders who have previously qualified to receive repayment of their equity. In addition, an estimated \$3,500,000 will be paid to the Receiver General for Canada as a prepayment of Income Tax on behalf of shareholders whose total dividends earned for the year exceeded \$100.

Payments totalling \$16,305,000 will be made to, or on behalf of members, during the 1974-75 year.

# COUNTRY ELEVATOR DIVISION

## Earnings

Net earnings for 1973-74 were \$15,399,166 compared with \$9,977,092 in 1972-73. Major factors included a one-half cent a bushel increase in handling charges, accrued earnings from the previous year's stored purchases, interest savings, and good cost control in a year of increasing expenses.

## Grain Operations

Receipts of all grains handled during the crop year totalled 331 million bushels, a reduction of 65.5 million bushels from 1972-73.

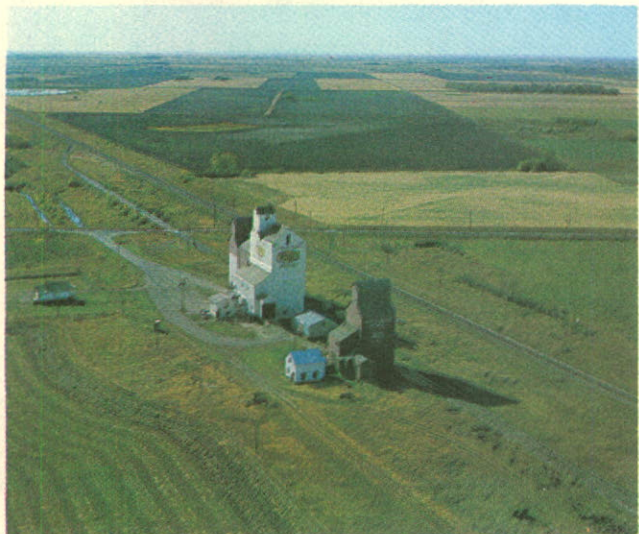
Preliminary figures show the Division handled some 67.17 per cent of the grain marketed in Saskatchewan. The achievement was recorded despite prob-

lems of rotating strikes, a shortage of grain cars during some periods and a severe winter and spring which hampered grain movement.

## RECEIPTS AT POOL COUNTRY ELEVATORS 1972-73 and 1973-74

(Thousands of Bushels)

	1972-73	1973-74 (preliminary)
Wheat.....	261,806	213,456
Durum .....	39,194	27,715
Oats .....	5,308	7,848
Barley.....	65,511	67,882
Rye.....	3,011	1,517
Flax .....	6,528	4,101
Rapeseed.....	14,561	7,862
	<u>395,919</u>	<u>330,381</u>



## Elevator Development Program

A major project of the Elevator Development committee during the year was the classification of delivery points throughout the province. The program was well received and the information gathered is very valuable in the planning process.

The committee is proceeding on a second phase of the development plan. It consists of setting up procedures whereby the complete elevator system can be analyzed and from the the information, long and short range construction programs can be developed.

## Platform Handlings

In the 1973-74 season, 30,145 bushels of grain were handled over the platform compared with 6,442 bushels in the previous year.

## Other Seeds

Other seeds handled through country elevators amounted to 729,303 bushels of mustard, 1,951 bushels of buckwheat, 27,053 bushels of sunflowers, 18,933 bushels of clover and 118 bushels of alfalfa.

## Selected Grains

During the year 12,784,029 bushels of malting barley were handled. Six-row barley constituted the major portion. Selection of barley by companies was as follows:

	Bushels
Saskatchewan Wheat Pool .....	3,886,152
Canada Malting .....	6,864,252
Dominion Malting .....	1,893,936
Other Companies .....	139,689
	<hr/> 12,784,029 <hr/>

A total of 155 carlots of milling oats were selected and accepted by mills. All selections were for Ogilvie Flour Mills and Robin Hood and production contracts were arranged for 2,000 acres of Hinoats for the account of Ogilvie Flour Mills.

## Construction and Maintenance

The continued heavy volumes of grain moved through the elevator system placed a greater workload on the construction and maintenance forces. The shortage of experienced personnel plus inability to recruit sufficient work forces limited the number of work crews and progress was slow on some projects.

Experiments are continuing with new equipment installation in existing elevators which would increase handling capabilities and reduce labor costs. Some of the most recent installations include a net load scale, installation of a second leg, automatic overhead shipping scales, full bin warning devices, etc.

New construction completed during the 1973-74 season included one 45,000 bushel elevator, three 50,000 bushel elevators, two 95,000 bushel elevators and three 100,000 bushel crib annexes. Other projects included new agents' dwellings, moving elevators and major repairs to a number of elevators.



## SASKATCHEWAN WHEAT POOL Country Elevator Division Schedule of Handling Charges 1950-75

Year	Wheat C	Oats C	Barley C
1950-51 to 1956-67 .....	4½	3½	4½
1957-58 to 1961-62 .....	4½	3½	4½
1962-63 .....	5	3¾	4¾
1963-64 to 1965-66 .....	4½	3½	4½
1966-67 .....	4½	3½	4½
1967-68 .....	5¼	4	5¼
1968-69 .....	5½	4¼	5½
1969-70 .....	5¾	4½	5¾
1970-71 .....	5¾	4½	5¾
1971-72 .....	5¾	4½	5¾
1972-73 .....	5¾	4½	5¾
1973-74 .....	6¼	5	6¼
1974-75 .....	8¾	7	8¾

## Country Elevator Facilities and Handlings

Year	Number at August 1	Storage Capacity Millions	Total Handlings (000)
1964-65 .....	1,224	89.7	197,366
1969-70 .....	1,226	98.4	178,980
1970-71 .....	1,198	92.1	218,681
1971-72 .....	1,726	125.4	328,136
1972-73 .....	1,665	123.2	395,925
1973-74 .....	1,650	121.5	331,468

## Livestock Division Handlings

Year	Cattle & Calves	Hogs	Sheep
1965-66 .....	583,719	103,344	17,157
1966-67 .....	548,846	129,872	15,302
1967-68 .....	585,870	165,260	18,499
1968-69 .....	520,379	150,983	19,714
1969-70 .....	489,016	171,975	14,903
1970-71 .....	498,513	237,753	12,094
1971-72 .....	588,764	216,577	14,618
1972-73 .....	669,145	205,196	12,774
1973-74 .....	552,541	207,305	9,698

## Distribution of Earnings from Grain

Year	Savings Credited to Members (c)	Repaid to Members in Cash (c)
1963-64 .....	4.15	—
1964-65 .....	2.1	—
1965-66 .....	3.89	—
1966-67 .....	3.19	—
1967-68 .....	.16	—
1968-69 .....	—	—
1969-70 .....	1.66	—
1970-71 .....	4.24	4% of member equity
1971-72 .....	4.72	4% of member equity
1972-73 .....	5.77	4% of member equity
1973-74 .....	6.25	4% of member equity

# TERMINAL

## ELEVATOR

### DIVISION



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#### Earnings

Operations resulted in a surplus of \$7,849,674 compared with earnings of \$8,746,228 on operations for the previous year.

High by-product prices and operating efficiency allowed the Division to return reasonable earnings on operations.

During the year, Saskatchewan Wheat Pool purchased the shares of Manitoba Pool Elevators in Westland Elevators Limited at Thunder Bay. Earnings from Westland or Co-op Terminals are included in the above figures for both years for comparative purposes.

Handlings at Thunder Bay declined to 234 million bushels from 273 million in the previous year. Handlings at Vancouver were 62 million bushels compared to 71.3 million bushels the previous year.

Terminal Elevator operations and efficiency were greatly hampered during the year by labor problems and by a severe winter on the prairies. A major concern of the Division is the large capital expenditures required in future. At Thunder Bay, major costs in the next few years will be incurred to bring plants up to standards now required by law, such as air pollution control, lighting improvements and changes in methods of sampling grain when shipped out of terminals. Other projects include improvements in grain-cleaning methods, unloading facilities to accommodate the increased supply of hopper cars, and studies of changes necessary to improve the capacity of lakefront terminals. Over \$10 million has been allocated for installation of pollution control equipment at Thunder Bay over a two-year period.

These factors combined with high operating costs will, no doubt, call for higher terminal tariff levels in the near future.

#### General — Thunder Bay

Ways to improve and speed up grain cleaning are being studied. Recent installations and tests indicate that major changes may be made in grain cleaning methods to allow handling of larger volumes of grain.

Over 16 million bushels of grain were dried in Pool terminals during the year. This compares with about 8 million bushels during the previous year.

The new pellet plant was completed at Terminal 7 in December but mechanical failures and extreme cold weather precluded anywhere near maximum production for several months, however, we have now reached a production rate of up to 300 tons in a 24-hour period.

#### General — Vancouver

The Vancouver terminal operated under very irritating conditions during most of the crop year. There were labor problems, excess quantities of high-moisture content grain, insufficient railway service and also periods of congestion.

As the result of large quantities of tough and damp grain, at times the company was not in a position to deliver the required grades for vessels arriving in a port. However, Saskatchewan Wheat Pool's percentage of total shipment increased from 20.57 per cent to 24.1 per cent for the crop year.

During the crop year, Saskatchewan Wheat Pool dried 671,330 bushels of damp grain and 7,512,000 of tough grain.

Many of the planned capital projects were curtailed as a result of strikes in other industries. However, progress is being made in most areas.

Throughput limitations caused by a lack of storage space and associated machinery, along with a lack of railway trackage to properly service the terminal during peak performance, are subjects of continuing study. Proposals for future expansion will be coming forward as solutions to rail service problems are found.



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### EXPORTS OF CANADIAN WHEAT (EXCEPT DURUM) TO MAJOR IMPORTERS

(Millions of Bushels)

	1973-74	1972-73
Japan .....	62.3	50.6
People's Republic of China .....	53.7	144.1
Britain .....	44.4	42.9
U.S.S.R. ....	33.5	147.9
Brazil .....	30.9	15.6
Others .....	129.0	91.6
<b>TOTAL .....</b>	<b>353.8</b>	<b>492.8</b>

Source: Canadian Grain Commission, Exports of Canadian Grain and Wheat Flour

### EXPORT OF ALL GRAINS AND WHEAT FLOUR

(Millions of Bushels)

	1973-74	1972-73
Wheat (Except Durum) .....	353.8	492.8
Durum Wheat .....	46.5	60.0
Flour .....	18.8	23.4
<b>Wheat and flour .....</b>	<b>419.1</b>	<b>576.2</b>
Oats .....	0.8	6.7
Barley .....	118.6	156.8
Rye .....	4.6	8.2
Flaxseed .....	15.5	19.6
Rapeseed .....	39.2	54.1
<b>TOTAL .....</b>	<b>597.8</b>	<b>821.6</b>

Source: Canadian Grain Commission, Exports of Canadian Grain and Wheat Flour

## XCAN GRAIN LIMITED

XCAN had earnings of \$1,474,000 on its operations after the payment of corporate taxes.

Sales volumes are still not satisfactory in relation to the overall handlings of the three Pools. This problem can only be solved by the continued efforts of management and marketing people within XCAN and the Pools.

It is expected that XCAN will become the exclusive agent for Saskatchewan Wheat Pool's non-board grain sales in the future.

The advent of a new domestic feed grains policy has necessitated some reorganization within XCAN to accommodate the policy and XCAN's growing clientele in Eastern Canada. It is anticipated that during the new crop year, with the support of its principals, XCAN should become the major supplier of domestic feed grains to the east.

During the year, the three prairie Pools purchased the interest of United Grain Growers Limited in XCAN Grain.



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## INDUSTRIAL DIVISION

### Operations

Combined operating results of the flour mill, oil mill and mill elevators resulted in a surplus of \$2,215,149. This compares with a surplus of \$1,108,982 for the Division in 1972-73.

Increased sales to both domestic and export markets combined with improved margins in the flour industry provided record earnings for the flour mill operations.

Oil and meal markets fluctuated wildly throughout the year making the successful operation of the processing facility extremely difficult.

### Flour

Fluctuating wheat prices caused many problems during 1973-74 until a new domestic floor price was established by the federal government.

The increasing magnitude of inflation presents the most serious aspect of the year's operations for the milling industry. The resulting increases in freight rates, port charges, packaging and operating expenses place the most serious difficulties ahead for future economic operation of flour mills, particularly those in Western Canada.

During 1973-74, our export sales of flour were up due to participation in government food relief programs and in an increased amount of Russian flour purchases for Cuba.

Domestic sales of family flour were up about 12 per cent, but a decline was experienced in bakery flour during the year.

Wheat supplies during the year were generally of good quality but some problems were experienced obtaining particular types and protein levels. Average daily mill production for the year was 4,629 cwt., an increase of more than 300 cwt. per operating day from the previous year.

During the year large capital installations were limited to the modernization of the packing operations and some changes in the mill.

### Vegetable Oil

Relatively high prices for rapeseed compared with other competing materials brought a temporary halt to the increasing use of rapeseed oil in the domestic market.

Sales were hampered during the year by the crushing margins which held any increase in sales to a nominal amount. During most of the year, better earnings could have been achieved by selling the seed rather than crushing it. Consequently, most of the sales were made in brief periods when a positive crushing margin existed. The oil mill's participation in export oil markets was minimal during the year, again chiefly due to the earnings available on the seed. Meal marketing to the export market and the United States was expanded.

During the year, the Pool announced that a new 600-ton per day plant will be constructed at Canora. Other processing expansion in Western Canada includes start of construction by a consortium at Lloydminster, an announcement of a plant by Alberta Wheat Pool at Edmonton, and an expansion at the Altona plant of Co-op Vegetable Oils.

Western crushers have appealed the rapeseed freight case to the federal cabinet, since rates established by the Canadian Transport Commission were not satisfactory to the industry or to the Western provinces. Although the Canadian Transport Commission ruled that crushers had won their case and that low rates, particularly for exports were in the public interest, railways were allowed to continue to do the rate making on export oil with the result that a few rates were actually increased.

Western crushers continue to press for lower rates to Eastern Canada on vegetable oil. Rates on rapeseed meal to the east are tied to feed grain rates plus a fixed differential.



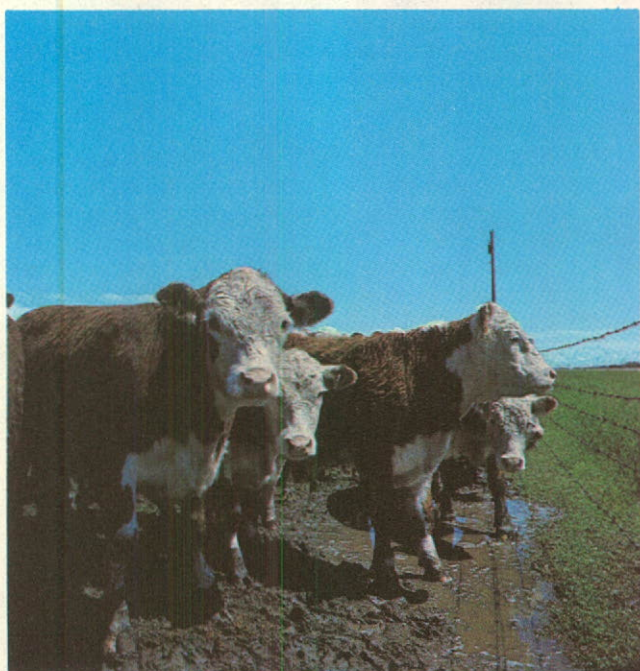
## Mill Elevators

Wheat handlings for the current season show little change over the previous year. Rapeseed handlings declined by nearly 900,000 bushels. Gristing dropped during the year, as member interest declined. Nonetheless, more than 58,000 bushels of wheat were delivered for gristing.

Rapeseed cleaned and shipped for export was reduced drastically below the previous year. A major factor was the problem of securing permits for shipping clean seed at appropriate times.



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## LIVESTOCK DIVISION

### Cattle Marketing

During the year 552,541 head of cattle and calves were delivered to Pool stockyards compared to 669,145 head in the previous year.

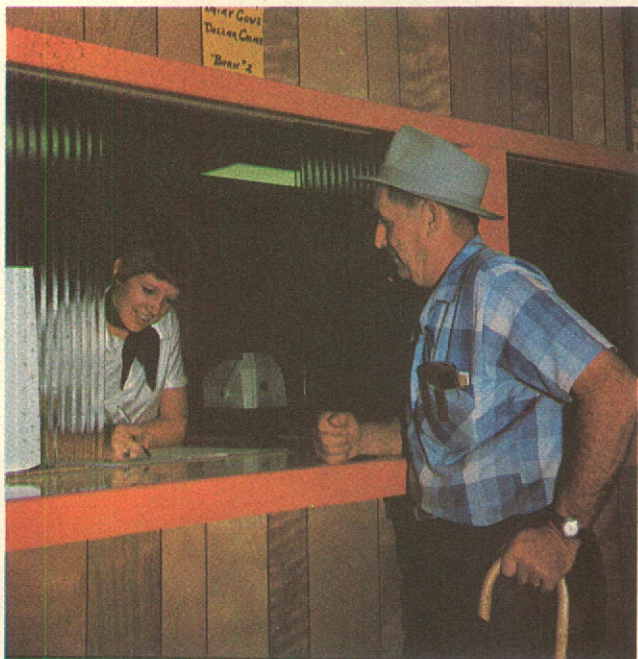
Actions by governments at home and abroad during the year tended to add confusion to the market place. Under these conditions, opportunity for taking advantage of both producers and consumers existed and the Division's main efforts during the year were focused on protecting the interests of members in this chaotic market situation.

The Livestock Division supported the daily markets, sometimes in the complete absence of orders and with markets generally declining. This action resulted in the Division losing \$309,516. Had the Division not attempted to keep markets in line and resorted to selling to the buyers on hand, the Pool feels that the loss of revenue to producers could have been as high as \$8 million to \$10 million. Over the years, and particularly this year, this method of operations has contributed more protection to the producer than other means known in the trade. It has also had the effect of keeping other markets in the province competitive with Pool markets.

### Operations

Operations of the Livestock Division for 1973-74 resulted in a loss of \$341,686 compared with a surplus of \$576,244 in the previous year. Although the Division, for the first time in its history, shows a deficit in operations, Saskatchewan Pool is of the opinion that producers received a significant degree of price protection in the period under review, because of the Division's market activity.

Total dollar volume of sales amount to \$208 million.



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## Hog Marketing

The role of Saskatchewan Wheat Pool in the marketing of hogs has basically become one of assembling for the Saskatchewan Hog Marketing Commission, with the marketing function retained only on breeding stocks and feeders. During the year the Division handled 120,269 hogs for the Commission, and sold 27,596 through the Saskatchewan branches, plus 59,440 at Talbotville, for an over all total of 207,305 hogs.

## Feeder Finance Program

During 1973-74, 54,389 cattle were purchased under the Pool Feeder Finance Program. This was a decrease of 20,277 head from the year previous. A peak of \$9,494,302 on contract was reached in February while the average monthly balance was \$8,628,392.

## Facilities

A new Kindersley Livestock yard was opened early in 1974. Plans were drawn and construction started on a Regina complex which will include both livestock and farm service market facilities.

## 4-H Sales

Consistent with company policy the Division again actively participated in the promotion and development of 4-H club activity through its attendance and support at sales. All branches took part by attending 30 4-H sales and purchasing 296 calves.

# FARM SERVICE DIVISION

## Operations

Net earnings for the year were \$6,079,126 compared to \$1,028,985 for the previous year. About \$1.4 million of the Division's earnings were patronage dividends and deferrals received from Western Co-operative Fertilizers Ltd.

## Sales

Sales of \$41.7 million represent a 75 per cent increase from 1972-73. While some of the increase is due to inflation, sales records were achieved in practically all areas. The sales increases are a direct result of a new high level of farm income.

## Sales Volume

	1972-73	1973-74
Fertilizer .....	\$ 7,484,575	\$11,969,736
Chemicals .....	6,637,809	12,071,524
Livestock Supplies .....	1,586,850	2,457,954
Cereal Seed	4,639,277	6,820,270
Forage Crop Seed		
Misc. Equip. & Service .....	2,088,214	5,278,623
Twine .....	1,168,986	2,745,428
Sundry .....	292,111	402,007
	<u>\$ 23,897,822</u>	<u>\$41,745,542</u>

As a result of market research and study about fertilizer use the Division plans to build three new fertilizer handling and distribution plants in the province in 1975 — two for liquid solutions and one for anhydrous ammonia. A trend toward the use of non-granular fertilizer is expected to develop and the Pool will be prepared to provide these products and services.

## Fertilizer Marketing

Fertilizer sales of 111,702 tons for 1973-74 established a new record — an increase of 52 per cent over last year's sales of 73,460 tons. Final sales figures for Saskatchewan have not been published, but preliminary figures show the Division captured about 34.7 per cent of the market. The major problem experienced during the year was a shortage of product.



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## Chemical, Livestock Products and Twine Marketing

Previous sales records of all product lines, except insecticides, were again shattered during 1973-74. Although larger volumes of product were sold, substantial manufacturer price increases on most products contributed greatly to a large sales dollar increase compared with the previous year.

The Division sold about two-thirds of the grasshopper control insecticide applied on an estimated 1.5 million acres in Saskatchewan.

Vastly increased sales of nearly all specialty herbicides were achieved although limited supplies of most of these products forced a large number of producers to choose alternative weed control measures.

Sales of wild oat herbicides again showed an increase in 1973-74.

A substantial swing to the use of synthetic baler twine finally occurred during 1974 as prices for synthetic products increased at a slower pace than regular twine. Sales of nearly 20,000 bales of synthetic twine during the year would have been higher had adequate supplies been available.

Continued growth in sales of animal health products, feed and livestock equipment were recorded during the year. The equipment line registered the largest advance by more than doubling sales. As well substantial gains were achieved in the sale of livestock equipment.

## Seed Marketing

Seed sales for 1973-74 were an all time record of \$6,820,270.

Bulk certified seed now accounts for 65 per cent of the total cereal seed sales. Sales of fababeans and peas were better than last year and these two crops look promising if specialty crops increase in Saskatchewan in the years ahead.

Over 2,000 acres of cereals and specialty crops were grown under contract for seed purposes.

## Technical Services

The demand for technical services was strong throughout the year reflecting increased sales, introduction of several new products and expanded research and development by manufacturers and other agencies. The department was also involved in market development with the Canadian Wheat Board and other agencies.

Several imported grain varieties were placed under test at the Crop Development Centre at Saskatoon. Assistance was provided to the Indian Head Experimental Farm to set up for fertilizer tests on cereals using different sources of nitrogen.

The Division represents the Pool on an advisory committee concerned with a varietal test marketing program of the Canadian Wheat Board. The purpose of the program is to speed up market developments by arranging to grow and test candidate varieties in markets wherever they exist.



The Pool's new agricultural complex at Regina consists of a livestock auction ring and holding barn, a farm supply retail store and warehouse, and bulk seed, feed and fertilizer outlets.

Inset, from left: Livestock Division Director, Charles Leask; Farm Service Division Director, Roy McKenzie; Supervisor of Engineering Al Gallinger; Corporate Engineering Division Director, Mike Thompson.

## WESTERN CO-OPERATIVE FERTILIZERS LIMITED

Western Co-operative Fertilizers Limited has just completed its most successful year of operations. Both the Calgary and Medicine Hat plants operated at full production with output totalling 513,312 tons. Of the total 447,886 tons were marketed in the Western Canadian region.

Earnings on operations after normal depreciation charges totalled \$7,200,899. After liquidating the remaining deficit on past operations, patronage dividends of \$4,365,000 were allocated to the member owners. Dividends are to be retained as a loan with the funds

being used to pay off the original bond issue as quickly as possible.

Even with two plants operating at full capacity, WCFL was unable to meet the fertilizer requirements of its members. Expansion is underway to take care of member needs.

During the year Canadian Fertilizers Limited has been organized with CF Industries of Chicago, United Co-operatives of Ontario, Co-operative Federée of Quebec, and WCFL as owners.

# PRINTING & PUBLISHING DIVISION

Combined operations of the newspaper and the printing plant resulted in a net deficit of \$70,856 compared with a deficit of \$183,946 in 1972-73.

## Commercial Printing Operations

The commercial printing operations experienced a busy year highlighted by encouraging growth in all sales areas. Plant production statistics compared quite favorably with previous performance in most areas.

The paper situation continued to be difficult with many stocks being in short supply. A number of price increases were applied by the supply houses. The total hike on some paper used in commercial and newsprint work was as high as 35 per cent.

The printing of books, calendars and print-sets for the book service department more than doubled the previous year's volume.

## Prairie Books

Six new books, either new titles or revised editions under familiar titles, were published during the year and six books were reprinted.

## Insurance

Claims totalling \$562,399 were paid during the year. Accident policy claims numbered 2,694 and liability 134 representing a slight decline in both cases.

## The Western Producer

Fifty-two issues were published during the year including a special edition commemorating the 50th Anniversary of The Western Producer and a special 28-page supplement recognizing the 50th Anniversary of Saskatchewan Wheat Pool.

Revenue from advertising carried in The Western Producer exceeded the \$1 million mark for the first time, topping the previous year's volume by almost 31 per cent. Statistics on display advertising lineage carried in Western Canadian farm publications indicate that The Western Producer enjoyed 38.35 per cent of the market.

There were encouraging improvements in the amount of advertising carried in the photo color section of the newspaper.

Net paid circulation increased by 4,320 during 1973-74, reaching 155,352 at year end. Gains were registered in each of the four provinces.

## Editorial and News Policy

The Western Producer continues to put forward the case for agriculture in Canada and particularly in the prairie region.

The new editor and publisher of The Western Producer has stated his policy for the future as follows: "in the years ahead, this newspaper intends to try to help farmers understand what is happening in the world around us and where possible, what may be about to happen. This implies willingness to publish the facts, all of them that are relevant and important. By facts is meant, simply deeds, acts, happenings or anything done as distinguished from a mere statement of belief.

"This newspaper also intends to publish statements of belief about what should be done or not be done, but in doing so it is intended to examine in as much detail as possible the implications for individual farmers and for the organizations which serve farmers.



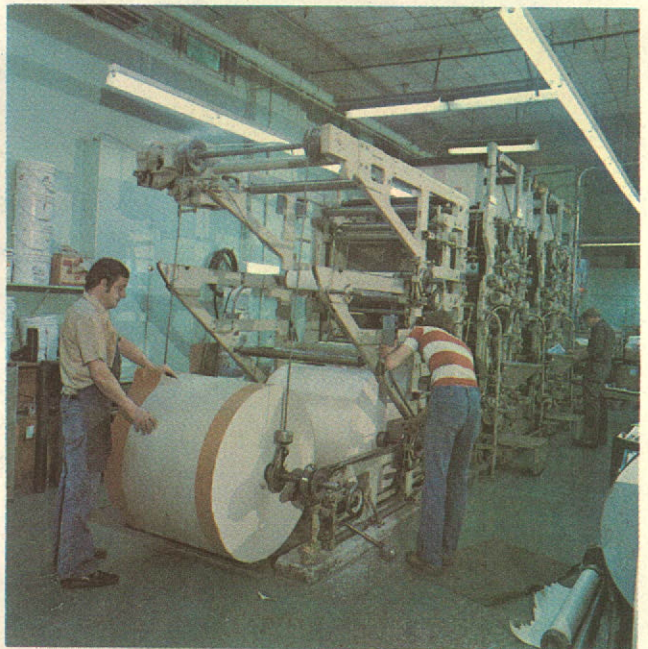
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"This newspaper intends to offer a gentle prod on occasion when a path of action appears to suggest improvement.

"This newspaper knows exactly where it stands on all issues, it stands four-square for the farmers of Western Canada."

## Magazine

The eight-page color section continues to be published every other week. An attempt has been made to include a wide variety of topics with emphasis on agricultural stories, pioneer and Western Canadian history stories, farm life, photo stories, nature stories, fiction stories and a corner for poets.



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## RESEARCH

The major activities of the Research Division during the past year were in areas of public policy, and in the study of subjects related to the various commercial activities of the Saskatchewan Wheat Pool.

When the Saskatchewan Wheat Pool is invited or decides to present its views on a particular subject, the drafting and co-ordinating is done by the Division in consultation with the Executive, the Secretary, the General Manager and, in some cases, representatives of other Divisions.

Some activities are initiated by requests from the Board of Directors or the Annual Meeting of Delegates, while others may be initiated by the Division on subjects considered important to the Saskatchewan Wheat Pool and its members.

Several studies and preparation of reports were carried out for commercial divisions.

Several steps were taken to place more emphasis on understanding of, and work with, the Pool's commercial operating divisions. Economic studies, market research, operations research, and industrial technology are growing areas where competence and leadership will be required within the Pool organization.

The Research Division administers the Pool's scholarship and bursary program, which remained unchanged from the previous year.



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## PUBLICITY & ADVERTISING



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The Division was heavily involved in the 50th Anniversary celebrations.

Significant policy developments in agriculture, including the rapeseed plebiscite, the labor situation and public concern with the new feed grains policy and questions of grain handling and transportation kept the Division busy providing news features and background information to the various media.

Press releases for the year totalled 169.

Radio news features (Pool Report) were carried regularly, highlighting Pool opinions on major topics.

On television we presented (a) Pool View, the twice-monthly program of opinions and current agricultural topics; (b) three half-hour shows, featuring interviews with the president; (c) a half-hour 50th Anniversary program; (d) a one-minute commercial.

An extensive advertising program in Saskatchewan, and some out-of-province media was carried on throughout the year.

About 1,700 queries from various sources were handled.

## EXTENSION

The Division experienced a busy year and was heavily involved in 50th Anniversary functions and the rapeseed marketing poll.

Ten districts organized special public meetings with all political candidates during the Federal Election. In each case, district delegates put together a brief presenting the Pool's position on key agricultural issues.

Discussions at local Wheat Pool committee meetings covered a wide variety of topics. There were 844 local Wheat Pool committees at year end, compared with 881 a year earlier.

The Division was involved in delegate training programs which included orientation courses for new delegates, co-op leadership courses and financial workshops.

Fieldmen were again involved in co-operative youth seminars; eleven were held with an attendance of 334.

Five tour programs to Vancouver's grain handling facilities were conducted by the Division during the year — two tours were set up for members, and three for delegates.

Farm contact programs were given a high priority at all points where elevator facilities were closed during the year. At all such points, each permit holder was visited to discuss the reasons for the decision and the future grain delivery plans of farmers affected by the decision.



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## PERSONNEL AND ORGANIZATION



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A major achievement was a fairly extensive re-grouping of functions and responsibilities in the Division, to provide an organization that would better meet the new challenges in industrial relations and the increased workload involved in providing services to various divisions.

During the year under review, training and development opportunities were provided to 500 employees and elected officials. Enrolment in night classes at the university, various correspondence courses, in-house training courses, courses at Co-operative College of Canada, special seminars, etc. were well utilized to provide a variety of training and development experiences for employees.

Our safety program is actively promoting safe working practices in all aspects of operations through safety education, training and supervision.

At July 31, 1974, Saskatchewan Wheat Pool had 4,057 employees.

# CORPORATE ENGINEERING



Among the most important activities are those involving planning of facilities for the intermediate and long range and the development and management of projects with significant capital cost.

During the year, preliminary development programs for Terminals Nos. 4, 7, 14 and 15 at Thunder Bay were proposed, with a view to increasing system capability by about 100,000,000 bushels per year, and improving performance in high cost areas. There was work done on possible modifications to existing elevator designs which are felt to offer immediate benefits. Also, there was a fresh look at elevator designs to suit the expected environment in the intermediate future (up to 1980 or perhaps 1985). Other activities included participation in designing the rapeseed plant to be built at Canora and the new Regina agricultural complex which will house a Livestock Yard and a Farm Service Centre.

Close attention was given to rail car handling systems at terminal and country elevators.

## TREASURY

As a result of a special study, the Division is now broken into four major sections, namely, Corporate Controller, Finance and Taxation, Information Services, and Internal Audit. In addition, the accounting responsibilities of each of the operating divisions has been assigned to a division controller who, it is planned, will work closely with the division management in directing the financial and accounting services of the respective Division.

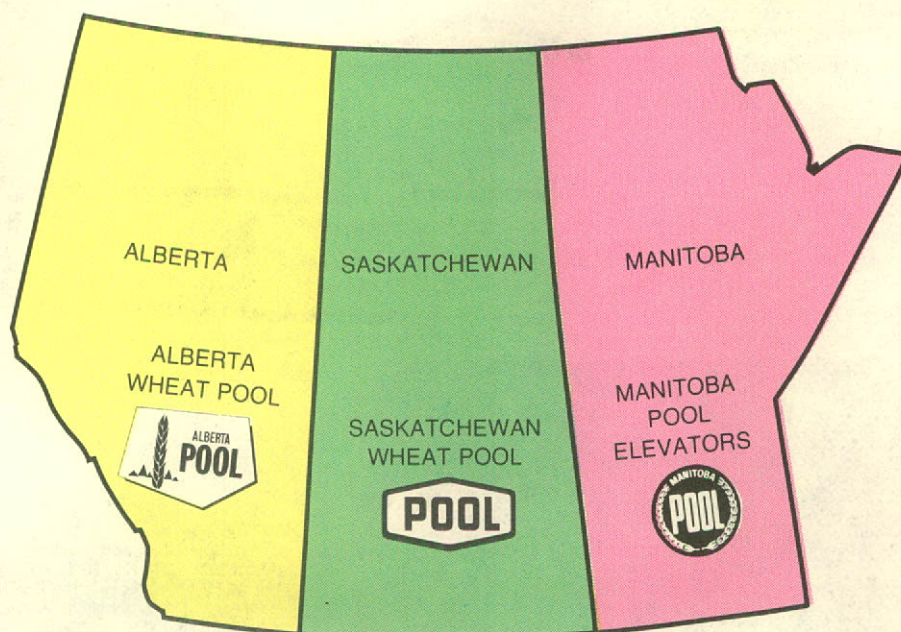
New computing equipment was installed and went into operation June 1.

During the year the Division carried out a detailed examination of Pool equity repayment and revolvment methods.

A project involving the wind-up of subsidiary companies was completed. Approval of changes was given by the Board of Directors, and with the exception of Saskatchewan Co-operative Livestock Producers Limited, all wholly-owned subsidiaries will be wound up, effective 1st August 1974. Bringing that company into the parent Company will be delayed until 1975 because of a required revision in the Provincial Act under which the livestock company was incorporated.



# CANADIAN CO-OPERATIVE WHEAT PRODUCERS



*Canadian Co-operative Wheat Producers Limited performs the role of spokesman for the three Wheat Pools on a number of agricultural policy questions in which their interest is common.*

The new federal feed grains policy has caused us grave concern. The policy, announced by Otto Lang, Minister responsible for the Wheat Board, and Eugene Whelan, Minister of Agriculture, was imposed on farmers despite repeated warnings about effects which include increased administration costs, opportunities for speculative profit and manipulation in the market place, and inefficient use of scarce resources like country elevators, railways and terminal elevators. There also is inequity between producers in delivery opportunities.

Interests of both producers of feed grain in the prairie region and consumers in other regions will be ill-served by this imposed marketing change.

## **Rapeseed**

There was a vote last year among rapeseed producers on marketing methods. While the issue was under discussion, Mr. Lang announced that if producers didn't opt for marketing through the Wheat Board, the government would provide for voluntary pooling and for government supervision of the Winnipeg Commodity Exchange.

Reports indicated that the Minister's statement, plus the nature of the questions on the ballot and the existence of price differentials between Vancouver and Thunder Bay had a significant influence on the results.

## **Agricultural Situation**

Farm cash receipts and net income reached new highs. However, farmers were faced with unprecedented levels of cost increases, and have a considerable feeling of uneasiness about the future.

In the short term, it appears that world grain prices will continue to be strong, but farmers are still uneasy, knowing from bitter experience the effects of small surpluses on farm commodity prices.

While strong demand and high prices have improved the situation for agricultural producers in many countries, the gains were not evenly shared. The developing countries have found themselves in an increasing squeeze with respect to fertilizers, chemicals and capital needed to produce under these conditions.

International co-operative effort will be needed to provide the climate within which producers can continue to meet the world's food demands.

## **General**

Significant areas of joint operations are being developed by the Pools and in conjunction with others, including exporting, fertilizer manufacturing and insurance.

The present world grain marketing situation provides no fresh protection against violent price instability to producers and insecurity of supply to users. An International Grains Arrangement is considered essential to correct this situation.

Wheat production on the prairies is estimated at 518 million bushels for 1973-74. Total production of the six major grains grown on the prairies in 1973-74 is estimated at 1,242,300,000 bushels compared to 1.5 billion bushels in 1972-73.

Deliveries of grain from farms in the prairie provinces during 1973-74 were 845.8 million bushels compared with 993.1 million bushels in 1972-73. Grain prices were reasonably constant during the year.

## **International Involvement**

Canadian Co-operative Wheat Producers are involved in international affairs through the International Federation of Agricultural Producers.

The Pools were represented at the 20th annual conference as part of the Canadian Federation of Agriculture delegation, along with representatives of some 45 member countries.

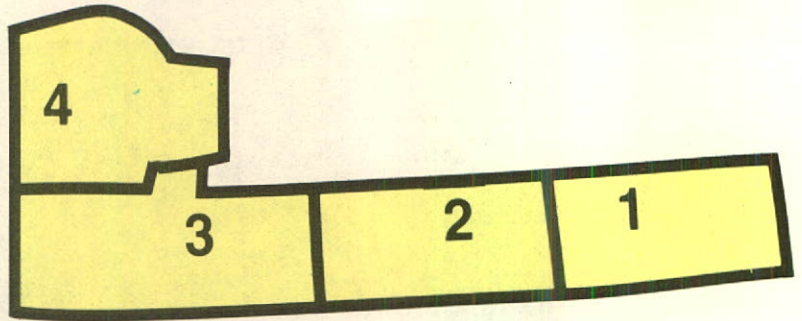
# SASKATCHEWAN WHEAT

## DISTRICT 1

Front row, from left: Douglas Wilmot, Carnduff; Harold Voechting, Tribune; John Kish, Estevan; Erling Johnsrude, Weyburn; Warren Hjertaas, Wauchope; Douglas Bryson, Estevan; Raymond Luterbach, Lampman; Harold Crossman, Stoughton.

## DISTRICT 2

Second row, from left: Kenneth Elder, Coronach; Gary Gording, Rockglen; Orville Dahl, Viceroy; Gerald Muldoon, Crane Valley; James Lindsay, Limerick; T. C. Jacques, Khedive; Jay Larsen, Radville; Oswald O'Neill, LaFleche.



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## DISTRICT 3

Third row, from left: Herbert Anderson, Shaunavon; George Murphy, Neville; R. A. Thomson, McCord; Verner Ross, Hazenmore; Hugh McDonough, Cadillac; Maynard Rapley, Climax; Gustave Anderson, Val Marie; Gene Busse, Eastend.

## DISTRICT 4

Fourth row, from left: R. W. Benjamin, Swift Current; J. A. Anderson, Cabri; Vernon Sawby, Maple Creek; Arthur Myrol, Fox Valley; Donald MacKay, Swift Current; Clifford Murch, Lancer; George Toews, Waldeck; Hilbert Yackel, Leader.

## DISTRICT 5

Front row, from left: John Cooper, Tugaskie; Robert Langdon, Moose Jaw; Edward Bowler, Palmer; Avery Sahl, Mossbank; Allan Grigg, Moose Jaw; Homer Beach, Ernfold; George Schmidt, Hodgeville; Darl Hicks, Marquis.

## DISTRICT 6

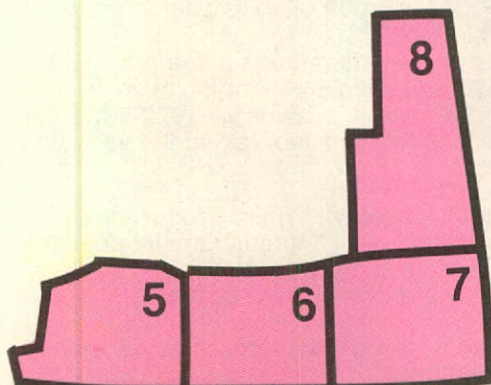
Second row, from left: Herbert Wilke, Yellow Grass; Stanley Petruic, Avonlea; A. P. Kambeitz, Sedley; Roger Gray, Indian Head; Robert McKell, Regina; J. M. Hubbs, Milestone; Harold Nicholson, Abernethy; J. W. Russell, Craven; Wesley Brunskill, Pense.

## DISTRICT 7

Third row, from left: Garfield Stevenson, Whitewood; Verner Freed, Dubuc; Robert Johnson, Corning; Wesley Glydon, Kipling; Stephen Pask, Atwater; Regis Ferraton, Montmartre; Neil McConnachie, Wawota; Edwin Knuttila, Rocanville; Lloyd Merkel, Broadview.



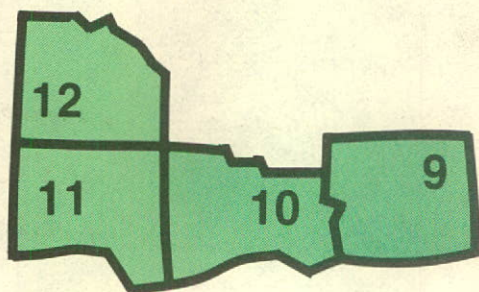
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## DISTRICT 8

Fourth row, from left: Peter Horkoff, Kamsack; William Schutz, Saltcoats; James Harasen, Wroxton; Edwin Mitrenga, Melville; Carl Lukey, Norquay; Donald Sklaruk, Canora; T. W. Wood, Yorkton; Maurice Kostichuk, Insinger; Nels Wetterlund, Sturgis.

# POOL DELEGATES 1973-74



## DISTRICT 9

Front row, from left: J. M. Olafson, Dafoe; J. Keisig, Ituna; Milton Ewert, Drake; Harry Baan, Punnichy; Hugh McLeod, Leross; Brock Turner, Cupar; W. A. Day, Bulyea; Russell Young, Cymric; Donald McMartin, Elfros.



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## DISTRICT 10,

Second row, from left: Delmer Rue, Watrous; Roy Bristow, Strongfield; Donald Lockwood, Regina; Paul Paulsen, Hanley; Kenneth Elder, Simpson; Gilbert Robbins, Laura. Missing from picture, P. D. Wensley, Wiston.

## DISTRICT 11

Third row, from left: Walter Kumph, Smiley; Robert Greer, Sovereign; Gary Mack, Dodsland; Wayne Nargang, Kindersley; Ray Howe, Eston; William Marjerrison, Elrose; George Siemens, Fiske; Robert Thomson, Alsask; Melvin Egeland, Kyle.

## DISTRICT 12

Fourth row, from left: Cletus Scherman, Battleford; Aubrey Wood, Ruthilda; Donald Wallace, Unity; Earl Ternan, Luseland; Chris Haas, Landis; Cyril Sawtell, Neilburg; Ronald Gartner, Macklin; Larry Bingham, Cut Knife.

## DISTRICT 13

Front row, from left: Richard Gerwing, Lake Lenore; Bernard Mundell, Leroy; George Wilson, Saskatoon; Stuart Smith, Allan; Joseph Buchinski, Cudworth; Albert Thoen, Viscount; John Kurysh, Vonda; Ervin Wiebe, Langham; George Burton, Humboldt; Kenneth Bunn, Perdue.

## DISTRICT 14

Second row, from left: Lorne McConaghy, Beatty; Leo Hleck, Codette; Harry King, Quill Lake; Harold Yelland, Porcupine Plain; Glen Lowndes, Kelvington; F. G. Adames, Tisdale; Glen Bone, Tisdale; Sydney Joseph, Hudson Bay; Archie Groat, Melfort; Lloyd Loynes, Lac Vert.

## DISTRICT 15

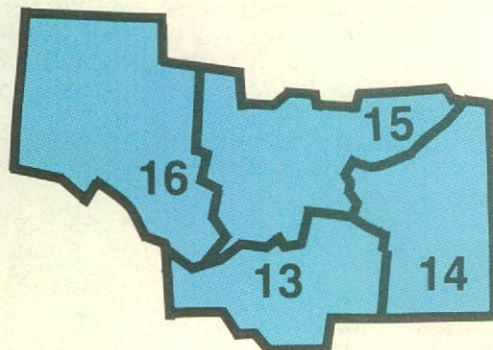
Third row, from left: William Marshall, Regina; Colin Belt, Spruce Home; Neil Hazelwood, Prince Albert; John Weathered, Marcellin; Leroy Larsen, Canwood; Leonard Parker, Choiceland; F. J. Myers, Meath Park; Harry Bastness, Hagen; Walter Funk, Laird; Lorne Hansen, Weldon.

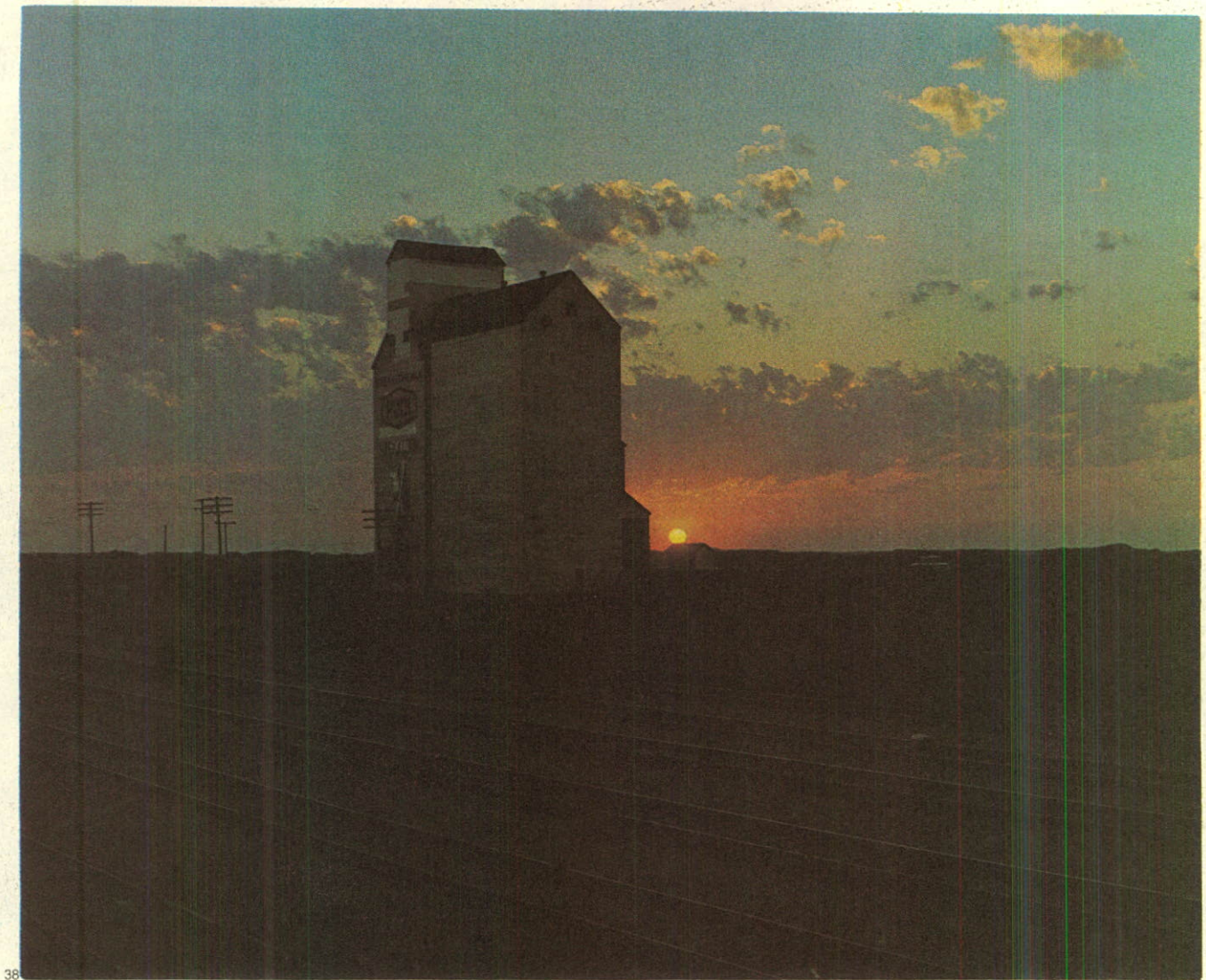


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## DISTRICT 16

Fourth row, from left: Alan Harbin, Lashburn; Len Weber, Vawn; Harry Moffat, Denholm; Gordon Ross, Paynton; W. N. Stroman, Meadow Lake; Frank Seidle, Medstead; Y. M. Kotyk, Richard; E. K. Turner, Regina. Missing from picture, G. R. Warrington, Mervin.



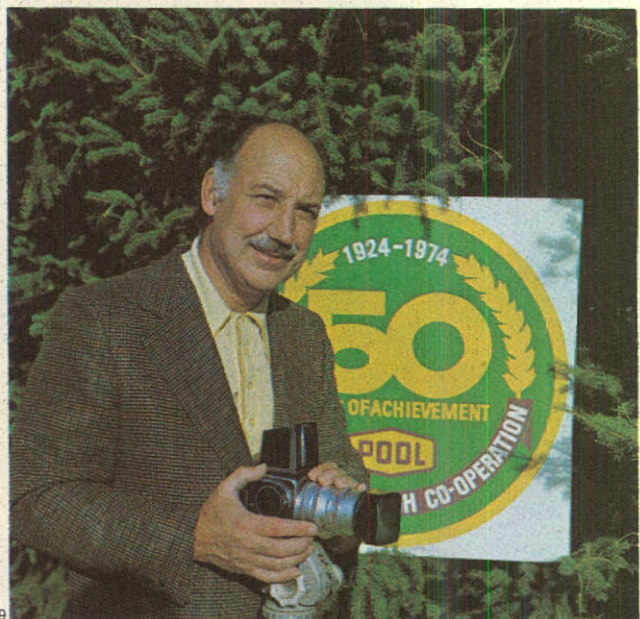


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The above photograph, and almost all others in this booklet are the work of well-known Saskatoon photographer Murray Gibson, who has taken hundreds of pictures for the Pool for many aspects of its information programs.

Among his awards is one from the Canadian Farm Writers Federation for best color photograph in its 1974 competition.

The picture was an elevator-sunset scene used extensively by the Pool.



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# THE FIFTIETH...



*A word and picture review  
of Saskatchewan Wheat Pool's  
50th Anniversary  
Celebrations*

**1974**



50th picnic at Prince Albert, one of many such Anniversary functions held in the province during 1974

*"The principle of co-operation draws the whole community together. It breaks down barriers. It unites the State. It gives hope to the humblest toiler. And it strengthens the great moral ideal of duty, without which no state can endure."*

—EARL GREY  
Governor General of Canada  
1904-1911



# June 26, 1974 . . . a milestone for Saskatchewan Wheat Pool

## Special Presentation at Bulyea\* Marks Official 50th Anniversary

Courage, vision, a willingness to build . . . to work together, to defy the odds and to fight for an ideal brought Saskatchewan Wheat Pool into existence half a century ago.

A small band of progressive thinkers refused, in 1923 and 1924, to accept exploitation as the farmer's inevitable lot in life. They were determined to form a farmers' co-operative to market their grain. Hardly anyone else believed they could do it. Powerful forces were arrayed against them. But, by June of 1924, they had 55,000 contracts with farmers — representing half the province's acreage — and Saskatchewan Wheat Pool was a reality.

As the Pool celebrates its 50th Anniversary, it does so with the same basic principle guiding it as when the organization was founded half a century ago: to be a farm organization dedicated to the improvement of the social and economic conditions of Saskatchewan farm families.



*Pool founding member Alex May of Duval receives his 50th Anniversary plaque from President E. K. Turner. Mr. May was one of the 7,500 original surviving contract signers honored during 1974.*



*Doug Leonard, who farms north of Regina, also took part in the Bulyea presentation. Doug, seen here with President Turner, typifies today's young generation of Pool members whose active involvement is necessary for future success of the organization.*

\*Bulyea was the location of the Pool's first elevator, built in 1925.

# New Livestock Yard at Kindersley opened May 3, 1974



## Glenavon and Glen Ewen among new elevators opened during Anniversary Year



Openings were also held during the year at Hamlin and Redvers. Opening of the Abbey elevator is scheduled for December.

The following is an excerpt from an address by D. M. Lockwood, 1st vice-president, at Glen Ewen opening, June 24, 1974:  
"Saskatchewan Wheat Pool has had a good deal of influence with governments over the years in getting policies farmers need to improve general agricultural conditions. Sometimes we don't get exactly what we ask for. That doesn't mean we should quit working to attain measures we know are required. At times we have to abide by what is in effect while struggling to get the changes required."

"Hammering the table is not the way to get action. Reasoned arguments presented in a reasonable manner are what count. I urge young people to get behind their Pool organization because of what it can accomplish. If today's farm youth dedicate themselves to working through the Pool, the organization can mark many more half centuries of worthwhile service. There's no justification for anyone thinking that someone else can do better for him than he can do for himself. The answer to progress in agriculture is to do things for yourselves — through co-operatives like Sask. Pool."

50th Anniversary activities involved tremendous effort by delegates, committees and other Pool members. In addition there was a significant contribution by field staff. Also, many of the publicity projects and related projects such as plaques, pins and floats were carried out after direction from the Board of Directors which named an "anniversary committee" consisting of Don Sinclair, assistant secretary, chairman; Ian Bickle, director of Publicity & Advertising Division; Doug Kirk, publicity officer; and Freeman Magnusson, extension program supervisor.



Assistant Secretary Don Sinclair, Chairman of 50th Anniversary activities.

Saskatchewan Wheat Pool's 50th Anniversary celebrations were successful by any standard of measurement. A new awareness of the Pool's importance was created among the general public; members gained a deeper appreciation of the achievements of the company they built. Thousands of people took part in events throughout the province and this was the key to success: participation by people.

The Extension Division's July 1974 Newsletter made some points worth noting: "Many things about the 50th Anniversary celebrations will leave lasting impressions — good ones: the careful planning, and a lot of hard work on the part of committee members; the obvious pride and satisfaction evidenced by the original signers as they received their plaques; the anecdotes related by some of the old originals — bits and pieces of history."

The most popular event to mark the 50th Anniversary was the community dinner. However, there also were teas, picnics, sports days and special plaque-presentation ceremonies. One of the most original ideas was a function at Muenster arranged by Delegate George Burton that began with an inter-faith religious service.

The Western Producer and many local weekly newspapers throughout the province were faithful in recording details of various functions.

Not only was there a chance during the year to recall significant details of the past, there was opportunity to reflect on the present strength of the organization and to think about the potential for the future. Pool President E. K. Turner expressed the opinion many times at public events he attended that members realize they cannot be content with their achievements, however considerable, but must always work diligently and vigorously to ensure the kind of future development that will best serve the interests of farmer-members.

Over the year, at several hundred events, thousands of words were spoken about the Pool. Taken together they give a picture of a people-owned-and-controlled enterprise that members are proud of, that members realize is essential, that members are determined to continue.

# The a year to



Under the "B", 50!



Churchbridge, March 9, scene of the first major anniversary function in 1974.

# fiftieth ... remember

On the left, Churchbridge committee Chairman Harold Wagner and district 8 Director William Schutz; middle, Pool founding member O. Swanson and Mrs. Swanson; on the right, committee member Roger Kaeding.



# A random selection of significant opinions expressed during the Anniversary Year

## Churchbridge

*Howard Tyler, manager of field services* — "The founders of the Pool can pass on to young members a multi-million dollar organization, which is a co-operative, 100 percent Canadian, and is owned and controlled by Saskatchewan farmers.

"They can pass on a wealth of knowledge. What they cannot pass on was their most precious asset. It was their drive — their sense of purpose — their memories of hardship — the will to win — and the fierce determination born of struggle.

"The co-operative of today, and of the future, in order to be effective and have influence — must be big. The challenge to young farmers will be to own and control it so that it will serve their needs. It will have to be big enough to be a potent force in the market place, yet be responsible and responsive enough to keep the confidence, loyalty and support of its members."

*Bill Schutz, director for district 8* — "The Pool's staff has helped in the organization's growth and I pay tribute to them as well as to the farm people who made the decisions and promoted the advancement of their own co-operative.

"Saskatchewan Wheat Pool will grow bigger and will have a bigger influence. There are opportunities in the development of the processing of farm products in Saskatchewan.

"Where there's any chance to better the conditions of farm families, the Pool will be there to carry them out.

"Members have the democratic structure to keep the Pool doing exactly what they want it to do."

*Mayor Don Swanson* — "Honoring of original Pool members is a commendable thing to do because people fought and created a successful organization."

## Pasquia Park

*Harold Yelland, director for Pool district 14* — "By working together, Pool people can accomplish anything they set before themselves."

*D. M. Lockwood, 1st vice-president* — "The key to future success of the Pool is the strength of the delegate body putting forth the wishes of members. I urge Pool supporters to take the responsibility to make sure capable men are elected Pool delegates. Hold them accountable, and your organization can make much progress."

*Bill Ross, former Pool director* — "The Pool can't afford to become complacent. The people who are against us never give up in their attempts to discredit us. We need to keep together and work together."

## Cholceland

*J. W. Marshall, 2nd vice-president* — "50 years ago people weren't treated fairly and that was the reason producers banded together to deliver their wheat to the Pool for five years. At the end of five years the practice had become an ideal that even the Depression couldn't destroy."

## Climax

*G. C. Anderson, director for district 3* — "Farmers can be justly proud of their achievements in building a strong commercial business and a respected farm organization."

## Earl Grey

*Abel Toupin, manager of country organization* — "Pioneers had courage, vision, determination and perseverance. They faced many problems in bringing stability to the market place. They had the wisdom to think of something that had never been done



At Pasquia Park — from left, Pool 1st vice-president Don Lockwood; Harold Yelland, district 14 director; former directors Bill Ross and Gordon South.

before; the courage to tackle the job, and the determination to see it through to a successful conclusion.

"Praise should go to the farm women who stayed home and kept things going while their husbands were attending meetings, canvassing farmers for membership and selling the Pool idea."

## Herbert

*Cliff Murch, director for district 4* — "We shouldn't relax our plans to battle for orderly marketing."

## Leipzig

*William Gillespie, Landis, pioneer member* — "Be sure to keep the Wheat Pool going."

## Oungre Regional Park

*E. O. Johnsrude, director for district 1* — "Because of the work of our pioneers, the Pool is able to provide a service for today's farmers that is second to none."

## Weldon

*Clint Manning, fieldman* — "I hope young members will take over and do the kind of excellent job for the Pool that the old timers did."

## Killaly

*Verner Freed, delegate* — "Pioneers showed courage in signing a contract to deliver grain for a five-year period to an organization that was but a dream and an idea. Now the dream has become an organization that is among the 20 largest in Canada, but Saskatchewan Wheat Pool is different in that it is owned and controlled by the farmers of Saskatchewan, not by someone in Chicago or Toronto or elsewhere in Eastern Canada."

*J. O. Wright, Pool secretary* — "It is important for young people to participate in the affairs of Saskatchewan Wheat Pool and to realize what can be accomplished through their own organization."

## Glen Ewen

*J. E. Porter, Pool original contract signer* — "Often, before meetings of farmers got underway, there were prayers. There were Bible readings in the home. I think that is one of the things that made people what they were. Everywhere you went there was a consciousness of the need for people to help each other."

## Herschel

*Walter Kumph, director for district 11* — "Farmers should, through the Saskatchewan Wheat Pool, go farther in the processing of their own production. There are possibilities in the oilseed, flour and livestock areas."

*Thomas McGlaughlin*, upon receipt of a plaque honoring him as one of Saskatchewan Wheat Pool's original members — "Best contract I ever signed."

## Carnduff

*Doug Wilmot, Pool delegate* — "The concrete achievements farmers have recorded by working through Sask. Pool were the result of effort, dedication and foresight. Our founding members have faith that today's farmers will use their energies and efforts to continue and strengthen the principles of fairness and equity that are so important to the social and economic welfare of Saskatchewan farm families."

*Don Sinclair, Pool assistant secretary* — "Pool pioneers must feel a great deal of satisfaction over what their organization has achieved. Future agricultural problems can be handled with the unity of action available through the Pool."

*Reverend Clark McCutcheon* — "Farmers 50 years ago were great individualists but saw the need for collective action. The miracle happened and they got together to form a great movement. The Pool has had a wholesome influence in Saskatchewan life."

## Scott

*E. K. Turner, president* — "The pioneer farmers who travelled Saskatchewan fifty years ago selling the pooling concept for marketing their products had commitment, courage and dedication."

"The Pool is still pursuing its original objective: to improve conditions for farmers. We will continue to work for the benefit of farmers in the future."

"Farmers by their actions will dictate the grain handling system of the future."

"Saskatchewan Wheat Pool will continue to search for ventures that will lead to further processing of agricultural products in Western Canada. This may be done jointly with other companies or co-operatives, some of which may be based out of the country."



A friendly chat at the Muenster 50th function: from left, district 13 Director Bernard Mundell, and Pool founding members S. E. Clarke, Tom Gransmore and Abe Pocock.



Original signer J. E. Porter speaking at Glen Ewen 50th banquet.



District 14 fieldman Emile Baillargeon hands out notebooks at Pasquia Park 50th event.



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Founding member Peter Chuhaniuk of Blaine Lake receives plaque from President Turner at Scott picnic.



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Part of the large crowd at Prince Albert.

50th decals and notebooks were popular with the youngsters at various anniversary events.



17

Flapjacks at Saskatoon's Forestry Farm . . . delicious!



18

# Over 1000 People Enjoyed Scott Picnic . . .



"50" was prominent wherever you looked!



Second helpings were popular.



Director for district 12 Aubrey Wood presents copies of "Sky Painter" to former district 12 delegates: from left, August Sittler, Wilkie; Francis Barnsley, Rivercourse, Alberta; and Archie Clarke, Biggar. The book, written by Saskatoon author Jean Swanson, portrays in words and pictures the story of Robert Hurley, one of Canada's most successful artists. "Sky Painter" was published by Prairie Books Section of Modern Press.

... biggest anniversary  
function of the year.



# November 16, 1973 . . . Banquet at Regina's Centre of the Arts marked official kickoff to 50th celebrations

*"Men have the knowledge and the abilities to do almost anything to which they set their minds. And achievements can be considerably more meaningful when the human factor is kept uppermost in mind.*

*"Fifty years ago in Saskatchewan the people in our vital agricultural industry faced overwhelming problems. They just were not treated fairly in the handling and marketing of their product. They decided to do something about it and the route they chose was the co-operative one. There can be no argument that their achievements have been mighty.*

*"Lessons can be learned from the experience of the past half-century. One of the most significant lessons is that the co-operative system really works. This is important to Saskatchewan Wheat Pool and for society generally.*

*"As we advance into the future, we should realize that today's technology, harnessed and leavened by the principles of co-operation, can take men to heights of human accomplishment unheard of in history.*

*"We must settle, in our second half-century, for nothing less."*

—Excerpt from President E. K. Turner's 50th Anniversary address, Hanbidge Hall, Centre of the Arts, Regina, 16 November 1973.





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*Hon. Stephen Worobetz  
Lieutenant Governor  
of Saskatchewan*

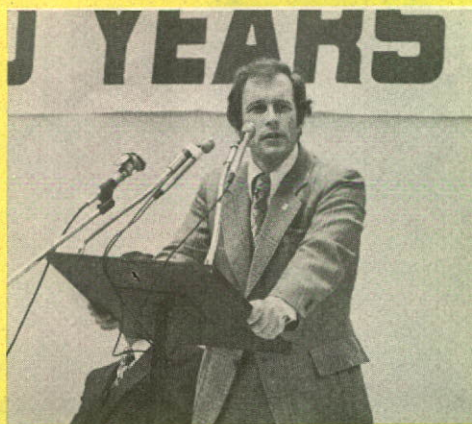


*Hon. Otto Lang  
Minister responsible for  
the Canadian Wheat Board*

"The spirit of co-operation has built the Pool and solved many of the problems of the pioneers. Farmers have been enormously fortunate in the type of leadership that members have elected within the Pool.  
"I hope the problems of the future will be met with determination, with a spirit of hopefulness, of co-operation, of working together and with the best spirit regarding the genuine intentions of your fellow men."

26

"I pay a well-deserved tribute to those who have been associated with Sask. Pool, those who have contributed to the betterment of the social and economic conditions of farm families. This gathering is a tribute to the Pool's vitality."



*Hon. John R. Messer  
Minister of Agriculture  
for Saskatchewan*

"The Pool has long given leadership in agriculture and its actions have improved the lot of producers. None of the issues to be faced in the future are simple but the Pool will play a key role in meeting them."

27

# Celebration



28

One of the special 50th projects involved the search for surviving members who were original contract signers in 1923-24. Close to 7,500 were located. George Robinson of Broadview, at age 103, has the distinction of being the senior member in this very select group.



29

## Saskatoon

Pool founding member R. W. Berndt of Saskatoon, left, receives his plaque from district 13 fieldman Ivan McDonald at 50th function held at the Forestry Farm, Saskatoon. Looking on is district 13 Director Bernard Mundell.



30

## Climax

Top, 3 generations, from left, Orville Mything Jr.; O. Mything Sr.; grandson Lesley.

## Carnduff

Back row, from left, original members Earl, Delmer and Norman Burke. Front row, original member John Wilmot and son Doug, sub 1 district 1 delegate.



31



32

Bottom, the 3 generation Nerada family . . . from left, grandson Dennis; Frank Sr.; Frank Jr.

# Seventy-Four...

## Regina

Original member Carl Martin and Jim Forrest, district 6 fieldman.



33

## Lashburn

Lashburn area founding members.



34

## Leipzig

Left to right, Chris Haas, sub 2 district 12 delegate, founding members William Gillespie, Robert Clay and Henry Nestmann Sr.



35

## 50th Float A Winner



36

The Pool's Anniversary float won first place at Saskatoon's Travellers' Day Parade and second at Regina's.

## A Challenge... To Farm Youth

*"Tool founders—their most precious asset was their drive—their sense of purpose, their memories of hardship, the will to win, the fierce determination born of struggle."*

**Pool View Presents**  
**THE 'OLD' AND THE 'NEW'**



Music like the air in Shakespearean Wheel Foot's first "For  
you" version of the record. (March 22 and 23)

Sing along with the "old" and the "new" in your area... See  
are dates and times!

FRIDAY - MARCH 31		SATURDAY - MARCH 31	
Q101.1 TV, Police News	6:25 p.m.	Q101.1 TV, News	6:25 p.m.
Q101.1 TV, Local News	6:52 p.m.	Q101.1 TV, Local News	6:52 p.m.
Q101.1 TV, Local News	7:25 p.m.	Q101.1 TV, Local News	7:25 p.m.



**Saskatchewan Wheat Pool**  
1934 - OUR 50th ANNIVERSARY

## Pathway to the future...

**Saskatchewan Wheat Pool** is entering its second half century. June 28 is the organization's 50th birthday, and while it's a day to celebrate, it's also a day to reflect on what farmers have proved that through their own co-operatively-owned enterprise, they can provide themselves with the best in services at cost. And they can have an important voice in getting the kind of government policies and programs that will benefit the industry as well as the entire economy. It's "Happy Birthday" to Saskatchewan Pool's 73,960 active members — they, and those who came before them — have built a solid company, one of the 29 largest in the world. They've also helped shape the country in respect, powerful policy voice for the farmer. Saskatchewan Wheat Pool enters its second 50 years with vigor. Under direction of its members, its course is set. The Pool's pathway to the future is clear: to keep achieving the goals and dreams of its members. Another year, another goal.



**Saskatchewan Wheat Pool**  
1993 - OUR 50th ANNIVERSARY

A circular logo for the Saskatchewan Wheat Pool's 50th anniversary. The outer ring contains the text "SASKATCHEWAN WHEAT POOL" at the top and "... IS 'ON RECORD'" at the bottom. Inside the ring, the years "1924-1974" are at the top. The center features a large "50" flanked by wheat stalks. Below the "50" is the text "YEARS OF ACHIEVEMENT" and a small box containing the word "POOL". At the bottom of the inner circle is the phrase "PROGRESS THROUGH CO-OPERATION".



**1/2-HOUR TELEVISION SPECIAL...**  
**"50 YEARS SASKATCHEWAN"**  
**THE STORY OF**  
**SASKATCHEWAN**  
**WHEAT POOL**

Here are dates and times:

CKOS-TV Yorkton	Saturday, June 8, 6:00 p.m.
CKBI-TV Prince Albert	Saturday, June 8, 6:30 p.m.
CRSA-TV Lloydminster	Saturday, June 8, 9:30 p.m.
CFCK-TV Saskatoon	Sunday, June 9, 1:00 p.m.
CKCK-TV Regina	Sunday, June 9, 4:00 p.m.
CIFB-TV Swift Current	Tuesday, June 11, 6:15 p.m.

14

# Promotion Campaign In All Media . . .

## Creative Contest Draws Nearly 1000 Entries



Marlene Burgsteden of Kinistino, a district 15 winner in the 12 and under classification for literary entries, was also one of the twelve provincial winners. Marlene is seen here being congratulated by 2nd vice-president Bill Marshall at Prince Albert.



12-year-old Susan Mah of Assiniboia was one of the 12 provincial winners. Susan is seen here receiving her cheque from district 2 Director Jim Lindsay.

### The 12 provincial winners:

#### CLASSIFICATION 1

Literary (Essay, Story or Poem)  
Group 1 — 12 and under  
First prize \$100: Shelley Kuchinka, Macoun, age 12.  
Second prize \$50: Marlene Burgsteden, Kinistino, age 12.  
Group 2 — 13 to 17  
First prize \$100: Stefanie Stefanson, Bankend.  
Second prize \$50: Sheila Durell, Fairy Glen.  
Group 3 — 18 and over  
First prize \$100: Mrs. Myra Stilborn, Saskatoon.  
Second prize \$50: Mrs. Emile Becotte, Baldwinton.

#### CLASSIFICATION 2

Artistic (Drawing, painting or photograph)  
Group 1 — 12 and under  
First prize \$100: Susan Mah, Assiniboia, age 12.  
Second prize \$50: Caroline Mapstone, Consul, age 9.  
Group 2 — 13 to 17  
First prize \$100: Teresa Harach, Halford.  
Second prize \$50: Bonnie Ann Mattus, Central Butte.  
Group 3 — 18 and over  
First prize \$100: Elise La Breche, Montmartre.  
Second prize \$50: Mrs. Marlys J. Rivard, Saskatoon.

## "Spotlight on Talent" Anniversary Year Winners Featured on CKBI-TV Prince Albert

## Commemorative Brochure Widely Distributed

This special presentation chronicled the organization's history, development and growth over the past half century. Typical of the comments received was this one from well-known Canadian author and former Lieutenant Governor of Alberta Grant MacEwan: "Your 50th Anniversary brochure is an excellent effort . . . you may be sure it will have a permanent place among my files. Congratulations on a fine piece of work . . . I hope it will be widely distributed and widely studied."



Pool "Spotlight on Talent" winners in our anniversary year were the "Sander Sisters", daughters of Mr. and Mrs. Jerry Sander of Wilkie — Theresa, left, Wilkie; Julia, Blaine Lake; and Ann (Wallace), Saskatoon, shown with the program's M.C. J. J. Cennon, of CKBI-TV, Prince Albert.



# The 50th Logo . . .



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48



49



50



51

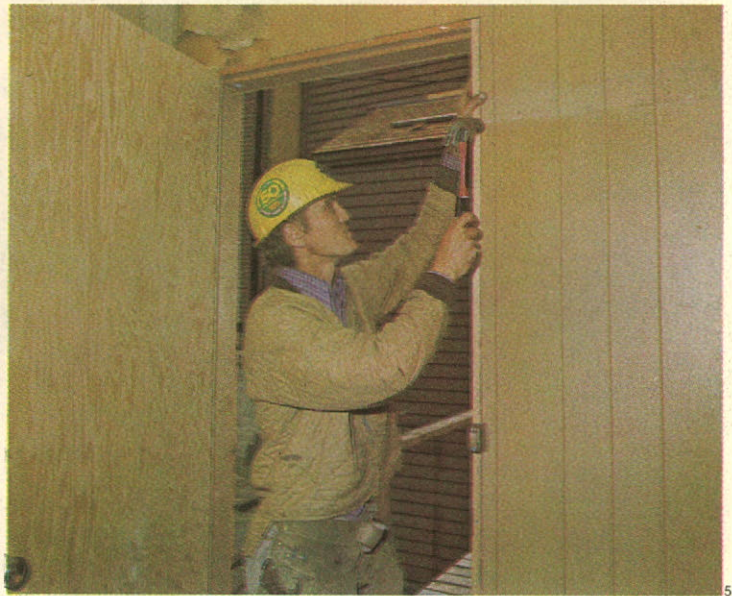


52

# It Made Its Mark!



53



54

*That there was an extremely "good feeling" about the Pool's 50th Anniversary year, the memories evoked, the accomplishments recorded, the potential of the future, was demonstrated time and again throughout 1974. Numerous letters were received in head office from enthused members and former members. A typical comment came from P. Fredrickson, Livermore, California, "I wish to acknowledge receipt of the beautiful commemorative plaque sent me in honor of being one of the original members of the Wheat Pool. Thanks so much. It brought back many memories of the early days in pioneer life, trying to organize the growers.*

*"Who would have thought at the time that this 'Pool' would grow into the great organization we have today? May the next 50 years bring as much help and growth as the past 50 years."*

*This kind of reaction, more than anything else, proved that observance of the Pool's "first fifty" was meaningful.*

*"Coming together is Beginning,  
Thinking together is Unity,  
Working together is Success,  
Keeping together is Progress." \**



District 14 sub 8 delegate Glen Bone of Runciman, right, seen here at Pasquia Park with Mrs. Bone and Mr. and Mrs. H. McCrae of Ridgedale.

\*Author unknown.



All photos by GIBSON, Saskatoon, except the following:  
17, Saskatchewan Department of Agriculture;  
24, 25, 28, 31, 32, 33, Armadale Productions, Regina.

