

# POOL REPORT

1969 - 70



SASKATCHEWAN WHEAT POOL

and subsidiary companies

*Original painting for cover by Howard Hatton of  
Saskatchewan Wheat Pool.*



# **A condensed version of the Saskatchewan Wheat Pool Annual Report 1969-1970**



*Delegates Annual Meeting in Regina, November, 1970.*



## **A MESSAGE FROM THE PRESIDENT**

*Excerpts from presidential address of E. K. Turner, Pool annual meeting, November 1970*

How optimistic should one be about the year ahead? With world wheat production down there is some reason to expect an increase in the demand for Canadian wheat but one must avoid expecting the dramatic to occur.

In respect to the other grains there is more room for optimism. Canada now is able to increase rapeseed production dramatically and we must be sure that we increase our marketing efforts by a like amount to move the increased production into both domestic and export markets. The demand for Canadian barley has strengthened and we must remain alert to take every advantage this offers for increased barley production in the year ahead.

In respect to livestock, leadership is required to assure satisfactory expansion of the industry in Saskatchewan.

## Goals

The Pool Board of Directors believe farmers want to achieve three goals to strengthen the agricultural industry.

1. A rising standard of living for farmers.
2. Stability for the agricultural industry.
3. An efficient agricultural industry.

Farmers want a rising standard of living so that people will be encouraged to remain in farming.

This does not mean that all people now on the farm must remain there. But it does mean that those who want to continue farming ought to have some assurance that their standard of living will not be less if they remain on the farm than if they seek an alternative off the farm.

By stability, we mean stability of income. This implies acceptance of policies and programs to help increase farmers' gross revenue, to help reduce costs of the farming operation and to help improve the farm community and make it a better place to live. The Canadian Wheat Board as a central marketing agency for grains is one form of stabilizing policy and program which Pool farmers accept and support.

An efficient agriculture has always been a goal of Saskatchewan Pool and farmers must continue to use agricultural resources to their best advantage.

## *Responsibility of Government*

In 1872 the federal government adopted a homestead policy that encouraged persons to settle in the West.

The transcontinental railway was built with substantial help from government and this was done to encourage settlement. The railways expanded their network of rail lines and in time these became too expensive to operate because of reduced revenue. It would be difficult to convince prairie farmers that the Canadian government does not bear some responsibility for the excess railway mileage in Western Canada.

In 1900, after several years of complaint by farmers that grain companies and railways were taking unfair advantage of individuals, the Canadian government enacted the Manitoba Grain Act which later became the Canada Grain Act.

It would be difficult now to convince prairie farmers that the Canadian government must not forever remain a policeman in the Canadian grain trade.

## Government Participation

A continuing role of government is vital to prairie agriculture.

We expect the Canadian government to do what it can to have various kinds of tariff barriers reduced. And we also expect the Canadian government to offer direct assistance to Canadian exporters when the barriers themselves cannot be removed.

Canada's entire network of secondary industry was developed and now prospers behind a rather complicated wall of tariff protection. Canada's extractive industries would not exist without direct governmental grants and tax incentives to keep them going. Canada's transportation system uses capital plant built in part with governmental funds which have never been repaid nor ever will be.

Prairie farmers who own and operate Saskatchewan Wheat Pool will not accept the notion that somehow governments should withdraw from agriculture and let farmers go it alone. Prairie agriculture requires a continuing participation and commitment of the Canadian government.

*The individual farmer is unable to bargain effectively with his customers at home or abroad.* This kind of situation gets special attention in most other countries in the world.

Canadian farmers will be at marked disadvantage if there is no direct government support in a world where other countries have sizeable commitments to their grain producers.

In 1970 the United States wheat support program cost the government \$403 million and its total commitment to agriculture reached \$3.2 billion.

I feel strongly that any proposal which appears to reduce government commitment to Canadian agriculture at a time when major adjustments face the industry will not be acceptable.

If we are able to succeed in market expansion, there will be increasing opportunities for farmers to remain in agriculture. Without expanding market opportunities there will be mounting pressure for some Canadian farmers to leave agriculture. Saskatchewan Wheat Pool would leave the choice to the farmer whether he leaves agriculture or stays.

But we say he is likely to be more able to make the choice if he has a clear understanding of the alternatives.

## AGRICULTURAL POLICY GOALS

The Pool Board of Directors identified three goals for national agricultural policy and urged that the efforts of farmers, their organizations and governments be directed to their achievement.

1. A rising standard of living for farmers. Farmers want and it is in the interests of the agricultural industry and of the country, that farmers achieve a rising standard of living so that people will be encouraged to remain in farming.
2. Stability for the agricultural industry. Farmers want increased stability in production, marketing and income, and it is in the interests of the industry and the country that the government assure increased stability for the agricultural community.
3. An efficient agricultural industry. Farmers want and it is in the interests of the industry and the country, that agricultural resources be used to the best advantage, that production be related to market opportunity and that Canadian farmers be as efficient as farmers in any other country.

To achieve these three fundamental goals for agriculture, the Canadian government must play an active role.

The Pool Board believes that government participation is necessary for three reasons. There are influences on Canadian agriculture from abroad, because foreign governments are directly involved in agricultural production and trade in other countries; there is a wide diversity of agricultural production in the various regions of Canada; and finally there are national trade, tax and economic policies which affect production costs and market access for agricultural products.

National policies with co-ordination and direction at the national level are fundamental to achieving any rational solution to agricultural problems in Canada.

## POLICY OF SASKATCHEWAN WHEAT POOL

### Pool Policies for Grains

#### 1. *Grain Production and Marketing.*

The Pool supports retention of The Canadian Wheat Board and advocates an extension of its jurisdiction to include rye, flax and rapeseed. It asks that government guarantee initial payments, accept the quota committee recommendations and press for a new International Grains Arrangement.

A delivery quota is necessary for orderly marketing. Farmers must co-operate with the system by delivering the kinds of grain required to meet export sales.

The Pool is prepared to support a new International Grains Arrangement. As well as a price range that will be supported by all member countries, we suggest that under IGA exporting countries devise a market sharing formula.

Coarse grains should be marketed in an orderly way, with the largest volume being moved at the best price that can be obtained.

#### 2. *Carry-over Levels of Grain.*

The Pool believes Canada should maintain a reasonable stock of all grains on hand at all times and that the federal government and producers should be responsible for paying the costs of storage.



*Pool policy is for Farm Families.*



*Speaking to a Policy Resolution at Annual Meeting.*

**3. Cash Advances.**

The Pool supports the prairie grain cash advance program and wants the government to continue to pay interest costs.

**4. Crop Insurance.**

The Pool supports elimination of the PFAA program but not until crop insurance is available in all areas.

**5. Crop Production Targets.**

The Pool believes annual production targets should be established and that they should be announced early enough each year to help farmers plan their cropping pattern.

**6. Grain Income and Stabilization**

The Pool believes Canadian grain farmers can't be expected to live solely from revenue of the marketplace in a world where grain farmers in most other countries receive some form of governmental assistance.

The Pool would support a Grain Income Stabilization program that would provide for the following basic requirements.

- (a) Retention of The Canadian Wheat Board;
- (b) Marketing of flax, rye and rapeseed under the Canadian Wheat Board;
- (c) Guaranteed initial prices for each species of grain;
- (d) Annual separate pools for each species of grain;
- (e) Recognition of a storage policy for each species of grain paid for jointly by government and producers.
- (f) An adequate two-price system for wheat.

The Pool believes a stabilization program must include factors that take account of rising costs of production.

### **Pool Policies for Livestock**

Canadian demand for red meats is expected to expand substantially in the next decade. The Pool encourages farmer deliveries to livestock sales yards to assure competitive buying and top prices to producers. It will also offer assistance to members who wish to expand their livestock feeding operations.



*Delegates study Task Force recommendations  
at special June meeting.*

Pool policy calls for:

1. Marketing promotion and adequate grading standards.
2. That the check-off fund be used for production, animal health and marketing research.
3. Hog marketing by public markets to achieve the highest possible price.

The Pool believes marketing arrangements for hogs need to be strengthened through formation of marketing boards, commissions or formal selling arrangements with marketing agencies in neighboring provinces.

### **POOL POLICY FOR LOW INCOME SECTOR OF AGRICULTURE**

The Pool believes separate policies are required for:

- (1) farmers who operate successful farming enterprises.
- (2) farmers who are able to, with some assistance, establish a successful farm enterprise.
- (3) those who are unable to make a living in agriculture under present conditions.

The Pool wants services to help identify the alternatives for these people. There should be policies to increase off-farm employment opportunities and some form of income assistance for those who wish to remain on the farm.

The Pool supports a serious examination of the proposal for a guaranteed annual income for all Canadians.

### **POOL POLICY FOR THE INDUSTRY**

The Pool believes that government must play an active role in agriculture to ensure the required economic climate, to provide leadership, to bring about adjustments both inside and out of agriculture.

The following measures are desired:

1. *Agricultural Industry Department.*

The Pool supports it. The Canadian Wheat Board should report to parliament through its minister, but must retain its present independence. Effective liaison with the federal government's trade representatives abroad must be maintained.



*Pool policy is for Farm Families.*

*2. Agricultural Stabilization Board.*

The federal government should continue to administer price support programs for a number of commodities.

*3. Credit Board.*

The Pool supports the principle of a new federal-provincial agricultural credit structure for commercial farmers in which farmers share control.

*4. Marketing Legislation.*

The Pool supports in principle legislation before parliament to provide for the establishment of a national farm products marketing council and the establishment of national marketing agencies for farm products.

*5. Control Over Inflation.*

The Pool is sceptical about the effectiveness of voluntary restraints and suggests that since government policies to curb inflation are not effective, some form of price control is necessary.

*6. Fair Treatment of Co-operatives.*

The Pool believes that proposals to tax co-operative revenue in the hands of co-operative associations before allocation is made to members, is discriminatory and unjustified. The Pool will remain active in debates surrounding the federal government's tax reform proposals.

## 7. *Industrial Disputes*

The Pool proposes that the Government of Canada give careful study to the methods used in various countries to deal with industrial disputes, and then set up machinery offering an effective means of settling disputes, in those instances when private negotiation breaks down and work-stoppage is imminent. The Pool favors the establishment of a permanent labor-management tribunal authorized to preside over industrial disputes and to pass judgment which will be binding on both parties.

The Pool believes that the Government of Saskatchewan should set up similar machinery to settle disputes in matters under provincial jurisdiction.



*Pool General Manager Ira K. Mumford.*

**Pool General Manager Ira K. Mumford** in reviewing operations, emphasized the favorable performance of the organization. He said the increase in earnings reflects dramatically what an extra 30 million bushels in handlings can achieve.

"Our increase of more than \$5 million in working capital demonstrates the financial stability of the Pool and reflects improved ability to meet the heavy capital needs of the future."

He noted the good support Pool members had given their organization during the past year and said that a continued increase in patronage would strengthen the ability to improve services and pay dividends in future.

# SASKATCHEWAN WHEAT POOL

## CONSOLIDATED BALANCE

### ASSETS

Cash.....	\$ 2,418,991	
Accounts Receivable.....	13,857,396	
Stocks of Grain (Note 1).....	130,978,498	
Stock in Trade (Note 2).....	8,017,426	
Manufacturing Supplies.....	133,340	
Prepaid Taxes, Insurance and Other Expenses.....	926,387	
<b>Total Current Assets.....</b>	<b>\$156,332,038</b>	
Accounts Receivable Deferred (Note 3).....	1,353,970	
Investments and Memberships, at cost (Note 3).....	9,277,713	
<i>Fixed Assets, at cost (Note 4)</i>		
Sites, Buildings, Machinery and Equipment.....	\$138,354,443	
Less Accumulated Allowance for Depreciation.....	81,231,450	57,122,993
<i>Deferred Charges</i>		
Stocks of Repair Parts and Supplies, etc.....		359,952
		<u>\$224,446,666</u>
On Behalf of the Board		
E. A. BODEN, <i>Director</i>		
D. M. LOCKWOOD, <i>Director</i> .		

### AUDITORS' REPORT

To The Shareholders,  
Saskatchewan Wheat Pool,  
Regina, Saskatchewan.

We have examined the consolidated balance sheet of Saskatchewan Wheat Pool and its subsidiary companies, Saskatchewan Pool Elevators Limited, Saskatchewan Pool Terminals Limited, Saskatchewan Co-operative Livestock Producers Limited and Modern Press Limited, as at 31st July, 1970, and have obtained all the information and explanations we have required. 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, and as shown by the books of the various companies, the accompanying consolidated balance sheet presents fairly the financial position of the organization as at 31st July, 1970, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

All the transactions that have come to our notice have, in our opinion, been within the objects and powers of the companies.

25th September, 1970.

TOUCHE, ROSS & CO.  
Chartered Accountants.

# AND SUBSIDIARY COMPANIES

SHEET AT 31st JULY, 1970

## LIABILITIES AND CAPITAL

Cheques and Orders Outstanding.....	\$ 24,472,699
Bank Loans—Secured.....	80,980,000
Notes Payable.....	4,580,000
Saskatchewan Economic Development Corporation Loan—Secured.....	2,000,000
Unallocated Surplus—1969-1970.....	4,069,227
Accounts Payable.....	25,183,380
Members' Term Loans Due Before 31st July, 1971.....	363,254
<b>Total Current Liabilities.....</b>	<b>\$141,648,560</b>
North Vancouver Terminal Loan.....	8,031,506
Members' Term Loans.....	7,965,188
Bank Term Loans—Secured.....	7,000,000
<b>Capital (Note 5)</b>	
Authorized	
50,000,000 shares of \$1 each.....	\$ 50,000,000
Allotted and Fully Paid	
43,970,531 Shares.....	43,970,531
Allotted and Partly Paid	
85,631 Shares.....	42,815
	44,013,346
Reserve.....	15,788,066
Commitments and Guaranties (Notes 6 to 9). The notes to the consolidated balance sheet are an integral part of the balance sheet.	\$224,446,666

## NOTES TO CONSOLIDATED BALANCE SHEET

31st July, 1970

1. Stocks of grain have been valued either at The Canadian Wheat Board prices, Winnipeg market cash closing prices at 31st July, 1970, or open sales contracts, after allowance where necessary for freight and carrying charges.
2. Stock in trade has been valued at the lower of cost and net realizable value, or on the basis of open sales contracts.
3. No provision has been made in the accounts for the substantial losses likely to be suffered by both Western Co-operative Fertilizers Limited and Interprovincial Co-operatives Limited in the year 1969-1970. The value of our investments in these companies, and the collectibility of the accounts receivable from them, depend on their future operations.
4. Provision for depreciation has been made for a full year on all depreciable assets in use at 31st July, 1970, by the diminishing balance method at the normal maximum rates allowed under income tax regulations.
5. The following statement shows the changes in Capital Account during the year ended 31st July, 1970:

Balance at 31st July, 1969.....		\$44,793,928
Add—		
New Shares Allotted.....		1,339
		<u>\$44,795,267</u>
Deduct—		
Purchased From Eligible Categories.....	\$771,450	
Cancelled, Address Unknown, etc.—net....	10,471	781,921
		<u><u>\$44,013,346</u></u>

6. As at 31st July, 1970, Capital Commitments to 31st October, 1970, totalled \$1,401,000.

7. Under the Employees' Retirement Plan and revisions thereto, there is a liability as valued by actuaries in respect of past services of approximately \$5,103,708 to be paid to the Retirement Funds in varying amounts over the next twenty-two years. During the year under review, payments totalling \$461,296 were made to the Funds.

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

9. There is a continuing guaranty in connection with loans made to livestock feeders by various credit unions.



*Saskatchewan farmers have become very efficient.*

## STATEMENT OF COMBINED OPERATIONS

Operations of all Divisions of the Company for the year ended 31st July, 1970, as follows:

### Operating Surplus\*

Country Elevator Division.....		\$ 2,669,286
Terminal Elevator Division.....		1,486,602
Farm Service Division.....		( 72,298)
Industrial Division—Flour Mill.....	\$ ( 45,494)	
—Oil Mill.....	230,429	184,935
Livestock Division.....		168,871
Printing and Publishing Division		
—Job Printing Department.....	\$ 13,056	
—The Western Producer.....	(381,225)	( 368,169)
<b>Total Operating Surplus.....</b>		<b>\$ 4,069,227</b>

\*Brackets denote deficit.

### Allocation of Surplus:

The Board of Directors recommends that the surplus earnings for the year ended 31st July, 1970, in the amount of \$4,069,227, be allocated as follows:

#### Grain:

Patronage dividend at the rate of 1.66c per bushel to be applied in payment of shares estimated..... \$2,979,798

#### Livestock:

Patronage dividend at the rate of 28c per head for cattle, 15c per head for calves, 4c per head for hogs and 7c per head for sheep and lambs, to be applied in payment of shares, estimated..... 115,917

Notwithstanding the foregoing, each member whose shares in excess of one share have heretofore been purchased by the Company, shall be paid his dividend in cash.

Total Patronage Dividend, estimated..... \$3,095,715  
 Provision for Income Tax, estimated..... 450,000  
 Transfer to Reserve Account, estimated..... 523,512

**Total..... \$4,069,227**

Your Board recommends that the organization's objective be to retire the shares and terminal loan equities of members in the following categories:

1. Estates of deceased members;
2. Totally disabled members;
3. Members no longer interested in the production of grain or livestock;
4. Members over 70 years of age, or 65 years of age, if a veteran.

It is estimated that a sum of \$3,000,000 will be required for this purpose for the period 1st August, 1970, to 31st July, 1971.

It is further recommended that a sum of approximately \$800,000 be allocated for the retirement of ten per cent of each members' equity in the special terminal loan.

## ORGANIZATIONAL GOALS

The Pool Board of Directors identified several key organizational goals towards which the policies and operations of Saskatchewan Wheat Pool will be directed in the coming year.

1. To work with the federal government and related agencies in examining the grain handling and marketing system, to assure that adjustments contribute to greater efficiency and ability to respond to market opportunities; that they do not add unduly to the burdens borne by producers; and that the way is kept open for producers to exercise ownership and control over the facilities that serve them.
2. To achieve a system of grain shipment and quotas which will permit the country elevator system to retain at all times sufficient space for efficient operations and will also provide a freely competitive situation in attracting farm deliveries.
3. To work towards a co-ordinated approach amongst co-operatives in serving the needs of livestock producers in order that producers might control this growing industry for their own benefit.
4. To communicate effectively with members, potential members and the general public, in order to create support for the organization and its objectives.
5. To operate at all times in such a manner as to attract the loyalty and patronage of an increasing number of Saskatchewan farm families, so that the organization will grow in influence, in service and in ability to effect savings on behalf of members.



*Pool agents serve over 70,000 farmer-members each year.*

## **THE COUNTRY ELEVATOR DIVISION 1969-70**

### **Earnings**

Net earnings on grain operations amounted to \$2,669,286, compared with \$429,664, the previous year.

### **Grain Operations**

While the year started off as one of the slowest on record, handlings in the months of June and July totalled 78 million bushels, which represented 44 per cent of the total receipts for the year.

Deliveries of all grains to Pool elevators were 178,979,538 bushels, compared to 148,910,812 bushels the previous year.

During the year, the block shipping system was fully introduced across the province.

Congested facilities on many occasions impaired the flexibility of the Division in buying and shipping the grades of grain that were in export demand. In addition, many Pool members were unable to deliver to their own facilities.

The elevator consolidation program continued during the 1969-70 season. In an effort to maintain service without increasing costs, 45 stations were closed, facilities at 21 stations were bought from other companies and at year-end, 99 stations were providing part-time service.

### Receipts—Pool Country Elevators

	1969-70 (Bushels)	1968-69 (Bushels)
Wheat.....	118,340,000	120,255,000
Durum Wheat.....	16,476,000	10,134,000
Oats.....	2,007,000	4,719,000
Barley.....	30,029,000	8,692,000
Rye.....	2,245,000	1,155,000
Flax.....	4,166,000	1,677,000
Rapeseed.....	5,717,000	2,279,000
<b>Total</b> .....	<u>178,980,000</u>	<u>148,911,000</u>

Pool elevators also handled 369,630 bushels of mustard seed, 2,996 bushels of clover, 1,332 bushels of peas and 883 bushels of buckwheat.

### Congested and Mill Orders

Shipments of wheat to flour mills dropped to 4,659 cars from 5,056 cars in the previous year.

With the introduction of the shipping block system, the use of congested shipping order No. 1,000 was limited. Efforts are continuing to find a method of allocating shipping orders which will properly reflect producers' delivery intentions and assure sufficient operating space for competitive operations.

### Country Elevator Cleaning

During the season, a total of 11,493,376 bushels of grain were cleaned, compared to 13,764,424 in the previous year. This total is made up of 10,019,763 bushels of custom grain cleaned and 1,473,613 of commercial grain.

### Malting Barley

The volume of malting barley handled amounted to 3,395,390 bushels, compared to a handling in the previous year of 2,520,543 bushels. The following table indicates the selection of malting barley by companies.

Canada Malting Company Limited.....	1,409,175
Dominion Malting (1968) Limited.....	648,115
National Grain Company.....	3,849
Saskatchewan Wheat Pool.....	<u>1,334,251</u>
<b>Total</b> .....	<u>3,395,390</u>



*Farmers reduced wheat acreage in 1970.*

### **Construction Program**

Work completed during the year included the construction of three elevators, one circular bin of 15,000 bushel-capacity and one five-room dwelling and one four-carlot farm supply warehouse. Along with this, the Construction Department was involved in the construction of a new office and cafeteria building at Talbotville, Ontario, livestock yard.

Major repairs and improvements to existing facilities were also completed during the year.



## BOARD OF DIRECTORS at July 31, 1970

### OFFICIALS

*Front row*  
president  
president  
*Back row*  
district  
G. C. A.  
district



*I. K. Mumford,  
General Manager*



*J. O. Wright,  
Secretary*



*W. R. Purslow,  
Treasurer*

### NEW TREASURER

J. Milton Fair was appointed Treasurer of Saskatchewan Wheat Pool on December 1, 1970. He succeeded W. R. Purslow who retired. Mr. Purslow was named assistant to the General Manager for a five-month period beginning December 1.



*J. Milton Fair*



v, left to right: E. J. Sjolie, district 8; D. M. Lockwood, district 10, second vice-  
t; E. K. Turner, district 16, president; E. A. Boden, district 12, first vice-  
t; J. W. Marshall, district 15.

v, left to right: J. A. Anderson, district 4; H. F. McLeod, district 9; W. A. Kumph,  
11; J. Lindsay, district 2; W. B. Mundell, district 13; R. D. McKell, district 6;  
Anderson, district 3; G. South, district 14; A. K. Sahl, district 5; A. G. Pederson,  
1.



*Garfield Stevenson*

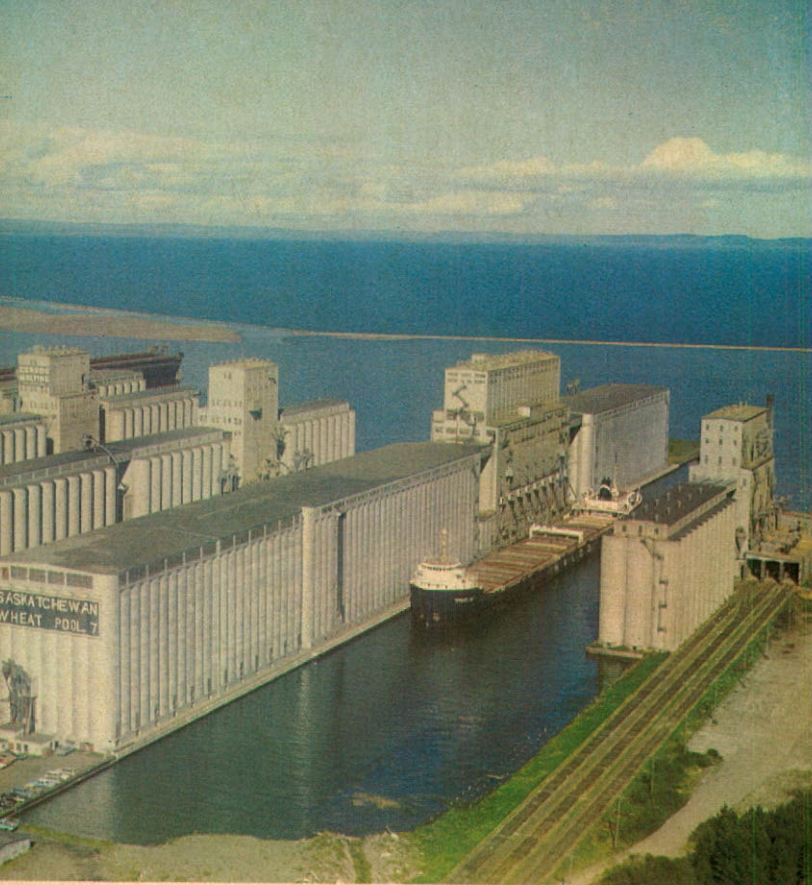
Missing from the photo of the Board of Directors is Garfield Stevenson, District 7, who was overseas with a Canada Grains Council technical mission when the picture was taken.

## **NEW DIRECTOR**

Erling O. Johnsrude was elected Director for District 1 in November 1970, succeeding A. G. Pederson who retired as a Director.



*E. O. Johnsrude*



*Pool Terminal No. 7 at Thunder Bay  
has capacity of 9,000,000 bushels.*

### **TERMINAL ELEVATOR DIVISION 1969-70**

Operations of the Terminal Elevator Division for the year resulted in a surplus of \$1,486,602, compared with a loss of \$720,029 in the previous season. The main factor contributing to the improvement, was increased handlings of about 45,000,000 bushels. Most of the increase was handled at Thunder Bay in the last three months of the crop year.

In a continued effort to reduce operating expenses and improve efficiencies, an increasing percentage of grain handled at Thunder Bay was put through the Lakefront Terminals.

Engineering and maintenance personnel at both Thunder Bay and Vancouver were successful in reducing the repair and installation costs as priority was placed on efforts to reduce operating expenses.

During the year, there were many roadblocks which interfered with maximum operations at the West Coast. Labor problems in related industries seriously affected the confidence of importers and at times affected normal operations of the terminal.

The addition of new oilseed cleaning equipment in March, 1970, substantially increased the plant's ability to handle these grains. During the season, increases in percentage of shipments were experienced in all grains except barley. The plant has yet to be tested to determine its maximum handling capacity.

The appointment of a grain co-ordinator, just prior to the opening of navigation, provided a worthwhile service to the industry in co-ordinating the movement of grain through the Thunder Bay facilities.

## **XCAN GRAIN LIMITED**

During the year, XCAN Grain Limited was organized, following extensive research by a committee established by Canadian Co-operative Wheat Producers Limited. The new company is equally owned by Manitoba Pool Elevators, Saskatchewan Wheat Pool, Alberta Wheat Pool and United Grain Growers Limited.

The new company will serve to complement the present services of its owners, to complement the sales efforts of The Canadian Wheat Board, and to provide more information to producers on the market potential for various products.

Possibly most important, XCAN Grain Limited is backed by the determination of western Canadian farmers to aggressively compete for their share of the world's grain and oilseeds market. Farmers started this company to sell their grain.

## INDUSTRIAL DIVISION 1969-70

### Flour Mill

The flour mill reported a loss of \$45,494 for the year, compared with an earning of \$115,229 for 1968-69.

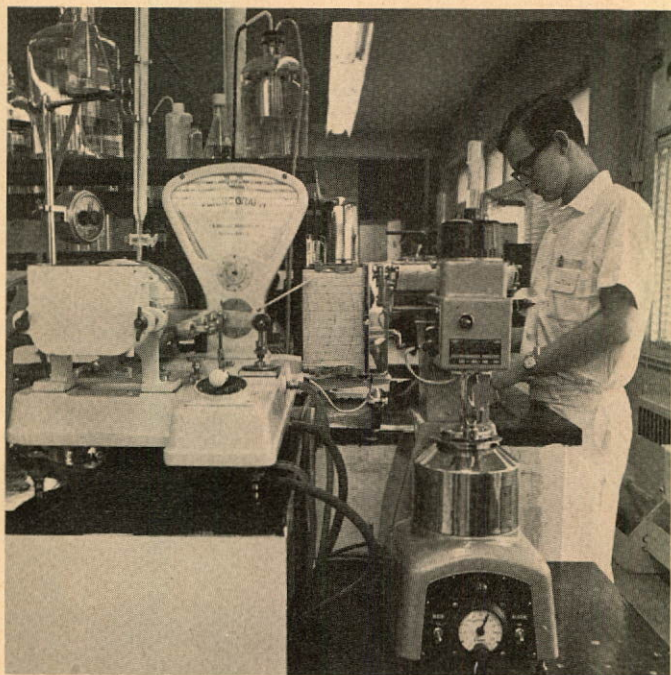
Surplus of production capacity against available markets continued to put pressure on milling operations throughout the year, especially those in Western Canada.

Exports arranged under the Canadian International Development Agency were increased during the year. This provided some relief to the industry.

No progress was made to secure assistance from the federal government to help offset competition from subsidized flour exports from other countries.

Domestic markets were very competitive throughout the year and prices were reduced from 1968-69.

During the year, the mill used 2.2 million bushels of wheat and operated 234 days.



*Testing Quality of Pool flour.*



*The Vegetable Oil Plant at Saskatoon  
set new production records in 332  $\frac{3}{4}$  days of operation in 1969-70.*

## **Vegetable Oil Mill**

Operations for the year resulted in an earning of \$230,429, compared to a surplus of \$99,278 for the previous year.

Throughout the year, there was a good demand for rapeseed oil and meal and the mill crushed 1,507,000 bushels of seed. Along with this, 994,000 were cleaned and shipped to export markets.

During the year, sales were limited by crushing capacity and the Pool Board of Directors and management studied the feasibility of expanding the oil mill to increase its production.

At the year-end, no decision had been made to expand the facilities.



*Assembling cattle for sale at Yorkton.*

## **LIVESTOCK DIVISION 1969-70**

The year 1969-70 proved to be the most successful year that the Division has ever recorded from the standpoint of selling cattle. Operations for the year resulted in a surplus of \$168,871, compared to earnings of \$62,239 for the previous season.

### **Marketings**

Feeder cattle sold well throughout the year and butcher cattle, although under pressure at times, also sold well.

The demand for bred cows and calves in the fall of 1969 reached phenomenal proportions and many farmers paid premium prices for lower-quality cattle than are desirable for herd expansion.

The Division handled 489,016 cattle and calves this year. This was a reduction of 31,363 from last year.

Hog marketings for the year were 171,975 and the Division handled 14,903 sheep and lambs.

## Feeder Finance Program

At July 31st, the Pool had \$3,421,931 in outstanding accounts with feeders. Since the inception of the plan, 39,525 head of cattle have been financed.

Feeder clubs continue to play an important role in assisting farmers with the purchase of feeder cattle.

The Saskatchewan Co-operative Credit Society reports that 25 clubs are operating and about 10,000 were on feed at the year-end.

## Market Stabilization

Policy of supporting prices to avoid sudden price fluctuations continued and 107,860 head of cattle were pooled during the year. This action helped to strengthen prices and increase the net returns to Saskatchewan livestock producers.

## Country Sales

The Division handled country sales out of the Swift Current and North Battleford yards and handled 19,591 head of cattle at 43 sales. The sales were held at Tompkins, Consul, Climax, Piapot and Meadow Lake.



*Another Pool service for livestock producers.*



*Farm Service Centre at Assiniboia.*

## **FARM SERVICE DIVISION 1969-70**

Operations for the year under review resulted in a loss of \$72,298. This is an improvement of \$454,288, compared to the loss experienced the previous year.

Drastic reductions in fertilizer sales was a major factor in the loss. Total sales for the year totalled \$9,571,579.

### **Seed Marketing Section**

Seed sales increased by \$1,165,250 in 1969-70 making it the best sales year on record. Sales could have been higher, if supplies of some types of forage seed had been available.

Hard red spring wheat sales dropped 27 per cent from the previous year, while all other cereal grains and oil seed crops showed a marked increase.

### **Fertilizer Marketing**

Fertilizer sales suffered a severe setback in 1969-70. Sales were reduced by \$1,447,858 from the previous year.

### **Chemical Marketing**

Sales of chemicals were down \$368,077 from the previous year. The reduction in sales is attributed to unfavorable weather during the spraying season.

### **Livestock Supplies**

A successful trial marketing program was started during the year and sales totaled \$180,442.

The Division feels this program can be expanded and plans are being made to proceed with a broader marketing program for 1970-71.

### **Facilities**

During the year, a new Farm Service Centre was opened at Raymore.

The alfalfa dehydrating plant at White Fox was closed because of a lack of markets that would sustain its operation.

### **WESTERN CO-OPERATIVE FERTILIZERS LIMITED 1969-70**

Production for the year amounted to 221,889 tons of fertilizer.

Sales for the year amounted to 195,028 tons of product valued at \$12,517,571.

Operations for the year showed a loss of \$1,518,002.

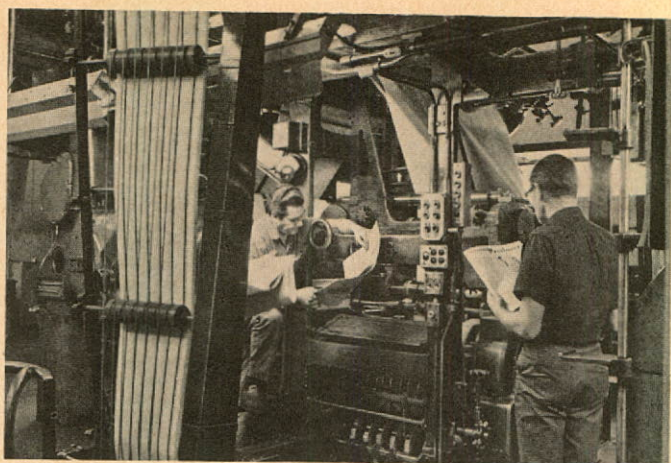
The future of Western Co-operative Fertilizers Limited continues to be linked with the economic health of Western agriculture. With improved grain sales, prospects look better. Manitoba Pool Elevators and B.C. co-operatives have joined WCFL, broadening its selling area.

Some progress has been made in establishing markets in the United States and elsewhere.

### **PRINTING AND PUBLISHING DIVISION 1969-70**

Operations for the season resulted in a loss of \$368,169 made up of a surplus of \$13,056 for the Job Printing Department and a loss of \$381,225 for The Western Producer. A loss in combined operations a year ago amounted to \$289,495.

Depressed economic conditions in the prairie provinces affected sales volume in both newspaper and commercial printing operations. Revenues from all major sources were actually better than the previous year, but sharply rising costs offset the revenue improvement by a wide margin.



*Printing The Western Producer.*

### **Commercial Printing Department**

Activity in the commercial printing field reflected the unfavorable economic conditions experienced by business generally throughout the province. The decline in trade volume was responsible for a reduction in printing requirements of many accounts and contributed to increased emphasis on price and the seeking of alternative methods of production. This situation produced keen competition throughout the printing industry and made it impossible to obtain a reasonable return on much of the year's production.

### **The Western Producer**

Circulation of the paper during the year declined by 8,045, leaving a circulation of 150,649 at July 31st.

### **Editorial Content**

Topics given high priority during the year included the Task Force Report on Agriculture, the Quota Committee Report, Canadian Wheat Board activity in international markets and activities of the Canadian and Saskatchewan Federations of Agriculture.

During the year, a record amount of space was devoted to Pool affairs and a 12-page condensation of the Task Force Report, prepared by the Pool Research Division, was distributed in one issue of the Producer. Special attention was given to stories about groups of farmers who saw co-operation at various levels as a means of overcoming problems faced by individuals.

## **CANADIAN CO-OPERATIVE WHEAT PRODUCERS LIMITED**

Prairie grain production dropped to an estimated 311 million bushels in 1970, from 665 million in 1969. The reason for the drop in production was the federal government's Wheat Acreage Reduction Program.

Exports of all grains amounted to 447 million bushels in the 1969-70 crop year, an increase of about 117 million bushels from the previous year. Much of the improvement was due to fairly large sales to China, Russia and a number of smaller markets.

### **Grain Deliveries From Western Farms**

Grain deliveries from farms amounted to 616,500,000 bushels in the 1969-70 crop year, an increase of about 33 million from the previous year. Preliminary figures from the Board of Grain Commissioners indicate that wheat deliveries declined by 44 million bushels. Barley deliveries increased by about 82 million bushels. Deliveries of oilseed crops also increased.

### **International Grain Year**

World wheat production for 1969-70 is estimated at 10.5 billion bushels by the United States Department of Agriculture. The estimates suggest a drop of 10 per cent from the previous year.

Prices for wheat during the year were below the floor price of the International Grains Arrangement. In spite of increased world trade, stocks of wheat in the three principal grain exporting countries remained high. It's estimated that Canada, the United States and Australia will carry 2.4 billion bushels into the 1970-71 crop year.

While prices remained below the floor of the IGA during 1969-70, the exporting members continued to meet on occasion to review the situation and exchange views. The meetings seemed to have a stabilizing affect on the market. The present agreement expires in 1971 and some discussions about a new agreement have been held.

Canadian Co-operative Wheat Producers Limited commend The Canadian Wheat Board for its efforts during the year.

## **SECRETARIAL DIVISION 1969-70**

### **Publicity and Advertising**

A regular institutional advertising program continued in most issues of The Western Producer. However, there was a sharp reduction in commercial advertising by the operating Divisions.

Agricultural problems received an unusual amount of attention by all media and a high percentage of information required, was sought from or through this Division. Along with this, the Division issued 228 news releases during the year.

The regular Pool broadcast emphasized Pool policies throughout the year.

### **Research**

The Division prepared material on a number of topics during the year, including the LIFT program.

A summary of the Task Force Report on Agriculture was prepared for use at a special Delegates meeting held in June.

### **Extension**

The Division played a major role in organizing a series of country meetings to explain the recommendations of the Task Force Report on Agriculture to farmers.

Other programs organized by the Division, included Committee Chairmen and Secretary Workshops, programs explaining the operation of production co-operatives and assistance was provided with training for CCIL delegates.

A number of youth programs were conducted during the year.

### **Member Relations**

Delegate elections and three by-elections were administered during the year.

Other activities of the Division, included the updating and correcting of the membership list.

The Division also administered the repayment of \$1.5 million for the purchase of member equity.

### **Personnel and Organization**

At July 31st, 1970, the Pool had 1,813 monthly employees and 940 hourly employees.

The Division continued to work closely with all other Divisions in determining employee needs.

# **POOL DELEGATES 1969-1970**

## **District 1**

Sub Front Row (L to R)

1. Douglas F. Wilmot
2. Roy W. McNeil
3. Roger Carlton
4. A. G. Pederson

Back Row (L to R)

5. H. E. Voechting
6. Erling O. Johnsrude
7. Harold D. Crossman
8. George D. Thornton



## **District 2**

Sub Front Row (L to R)

1. Jay A. Larsen
2. Kenneth A. Elder
3. Gary Gording
4. Oswald G. O'Neill

Back Row (L to R)

5. James Lindsay
6. Orville E. Dahl
7. Carman H. Dunn
8. Thos. C. Jacques



## **District 3**

Sub Front Row (L to R)

1. Gustave C. Anderson
2. Chas. Maynard Rapley
3. John D. Pierce
4. Charles E. Bessie

Back Row (L to R)

5. Herbert V. Anderson
6. Hugh E. McDonough
7. George E. Murphy
8. Verner D. Ross
9. R. A. Thomson



## **District 4**

Sub Front Row (L to R)

1. Donald H. A. MacKay
2. R. W. Benjamin
3. Vernon J. Sawby
4. Joseph Tuchscherer

Back Row (L to R)

5. J. Earl Howes
6. Clifford E. Murch
7. Jas. A. Anderson
8. George J. Toews



### District 5

Sub Front Row (L to R)

1. Norman R. Lowe
2. Avery K. Sahl
3. Edward J. Bowler
4. Arthur G. Gross

Back Row (L to R)

5. Allan E. Grigg
6. Homer H. Beach
7. C. R. Paul Nelson
8. Darl E. Hicks



### District 6

Sub Front Row (L to R)

1. Herbert C. Wilke
2. J. M. Hubbs
3. John L. Schnitzler
4. Wesley H. Brunskill

Back Row (L to R)

5. Herman Lindenbach
6. Roger T. Gray
7. Harold W. Nicholson
8. R. D. McKell
9. Edison McRae



### District 7

Sub Front Row (L to R)

1. Neil C. McConnachie
2. Wesley J. E. Glydon
3. Robert W. Johnston
4. Regis Ferraton

Back Row (L to R)

5. Thomas L. Brooks
7. Frank J. Carter
8. Stephen J. Pask
9. Verner A. Freed

Missing from the picture is:

6. Garfield Stevenson



### District 8

Sub Front Row (L to R)

1. Wm. Schutz
2. Eddy Selland
3. Maurice Kostichuk
4. F. Rupert Kirkham

Back Row (L to R)

5. Jas. Harasen
6. Peter P. Horkoff
7. Donald M. Sklaruk
8. John A. Secondiak
9. Elmer J. Sjolie
10. H. C. M. Johnson



### District 9

Sub Front Row (L to R)

1. Stanley Klus
2. R. Brock Turner
3. Herb G. Maskell
4. Lorne A. Hancock

Back Row (L to R)

5. Harry Baan
6. Hugh F. McLeod
7. Donald E. McMartin
8. J. M. Olafson
9. Milton H. Ewert



### District 10

Sub Front Row (L to R)

1. Claude N. Beaton
2. Donald M. Lockwood
3. F. Eric Tuplin
4. Willis Jaskela

Back Row (L to R)

5. G. A. Hopkins
6. Gilbert N. Robbins
7. Roy Bristow
8. Paul M. Paulsen
9. D. A. Murray



### District 11

Sub Front Row (L to R)

1. Melvin A. Egeland
2. Wm. A. Marjerrison
3. Ray L. Howe
4. Robert J. Thomson

Back Row (L to R)

5. Wayne G. Nargang
6. George A. Siemens
7. Marcel Dubois
8. Gary H. Mack
9. Walter A. Kumph



### District 12

Sub Front Row (L to R)

1. Aubrey B. Wood
2. Chris L. Haas
3. August Sittler
4. Earl M. Ternan

Back Row (L to R)

5. Ronald A. Gartner
6. Donald Wm. Wallace
7. Francis Barnsley
8. Edward A. Boden
9. Cletus J. Scherman



### District 13

Sub Front Row (L to R)

1. George P. Burton
2. Albert Thoen
3. Stuart M. Smith
4. George A. Wilson
5. Kenneth G. Bunn

Back Row (L to R)

6. Ervin Wiebe
7. John J. Tarala
8. Alex J. Kotelko
9. Jos. B. Buchinski
10. Richard J. Gerwing
11. W. Bernard Mundell



### District 14

Sub Front Row (L to R)

1. R. H. Clark
2. Harry F. King
3. Lloyd D. Loyns
4. Archie T. Groat

Back Row (L to R)

5. F. G. Adames
6. Harold G. Yelland
7. Sydney T. C. Joseph
8. Glen Bone
9. Gordon South
10. Maurice J. H. Poty



### District 15

Sub Front Row (L to R)

1. Selmar O. Njaa
2. Harry R. Bastness
3. Neil C. Hazelwood
4. A. R. Friesen

Back Row (L to R)

5. Dennis G. Banda
6. Lloyd D. Good
7. J. Wm. Marshall
8. S. Colin Belt
9. Louis Pender
10. Leonard V. Parker



### District 16

Sub Front Row (L to R)

1. E. K. Turner
2. Y. M. Kotyk
3. Steve G. Ornowka
4. Leonard J. Weber

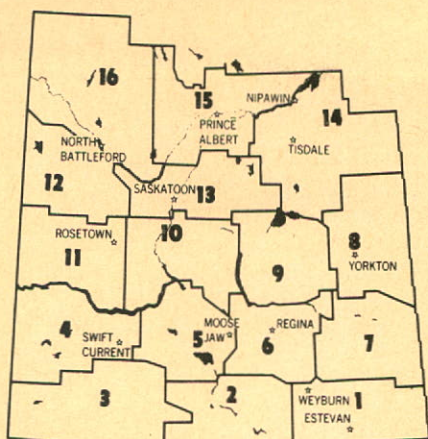
Back Row (L to R)

5. Walter Weston
6. Alan Harbin
- \* 7. A. W. Heggstrom
8. Frank Seidle
9. Leo. Fontaine
10. F. J. Turgeon

\* Deceased Oct. 1970



## POOL DISTRICTS



### Aim and Objectives SASKATCHEWAN WHEAT POOL

#### Aim

To be a farm organization dedicated to the improvement of the social and economic conditions of Saskatchewan farm families.

#### Objectives

1. To maintain a democratic structure which provides a forum for the development and promotion of agricultural policies.
2. To increase general understanding and knowledge of co-operative philosophy and to assist in the development of the Co-operative Movement in all its phases.
3. To maintain a well-informed membership through educational and informational programs dealing with all aspects of agricultural production and marketing.
4. To promote and develop markets at adequate prices for the products of Saskatchewan farms.
5. To promote and provide co-operative and other services required by farmers in the production and marketing of agricultural products, thereby reducing speculation, manipulation and waste.
6. To create working conditions and training opportunities in which staff members will be encouraged to grow and develop with the organization.

**TABLE I**  
**SASKATCHEWAN WHEAT POOL**  
Country Elevator Division  
Schedule of Handling Charges—1925 to 1970

Year	Wheat c	Oats c	Barley c
1925-26*	4	—	—
1926-27*	5	4	5
1927-28*	4	3	4
1928-29*	4	3	4
1929-30*	4	3	4
1930-31*	5	3	4½
1931-32	4	3½	4
1932-33	4	3½	4
1933-34	4	3½	4
1934-35	4	3½	4
1935-36**	4½	—	—
1936-37	4	3½	4
1937-38	5½	4½	5½
1938-39**	5	4	5
1939-40**	5	4	5
1940-41**	5	4	5
1941-42**	5	4	5
1942-43	3	2½	3
1943-44	3	2½	3
1944-45	1	1	1½
1945-46	3	3	3½
1946-47	3	4	4½
1947-48	3½	5	6
1948-49	4½	4½	5½
1949-50	4½	3½	4½
1950-51 to			
1956-57	4½	3½	4½
1957-58 to			
1961-62	4½	3½	4½
1962-63	5	3½	4 7/8
1963-64 to			
1965-66	4½	3½	4½
1966-67	4½	3½	4½
1967-68	5½	4	5½
1968-69	5½	4 3/8	5½
1969-70	5½	4½	5½

\*Saskatchewan Pool charges during Pooling years.

\*\*In these years, handling charges for Canadian Wheat Board grain differed from charges on open market grain. The higher figure has been selected in all cases.

**SASKATCHEWAN WHEAT POOL**  
Country Elevator Facilities and Handlings

Year	Number at August 1	Storage Capacity millions	Total Handlings (000)
1924-25	—	—	50,251
1929-30	1,048	35.4	85,447
1934-35	1,082	36.5	53,777
1939-40	1,093	38.1	117,357
1944-45	1,135	64.4	159,817
1949-50	1,163	63.2	122,918
1954-55	1,142	75.0	132,939
1959-60	1,146	84.6	145,835
1964-65	1,224	89.7	197,366
1969-70	1,226	98.4	178,980

**TABLE II**  
**SASKATCHEWAN WHEAT POOL**

Distribution Excess Charges Refunds to Members—1947 to 1970

Year	Commodity	Total Excess Charges c	Credited to Members		Repaid to Members in Cash c
			To Repurchase Equities c	Retained as Loan c	
1947-48	No Excess Charges Refund Declared.				
1948-49	All G.	1.2	1.2	—	—
1949-50	All G.	1.75	1.75	—	—
1950-51	All G.	2.75	1	.75	1
1951-52	All G.	3.25	.75	1.5	1
1952-53	All G.	3	.75	1.25	1
1953-54	All G.	2.44	1.25	.19	1
1954-55	All G.	2.5	1.25	—	1.25
1955-56	All G.	2.19	1.19	—	1
1956-57	All G.	2.33	1.1	.6	.5
1957-58	All G.	.3	1.1	1	1
1958-59	All G.	3.5	1.1	1.4	1
1959-60	All G.	2.6	1.2	.4	1
1960-61	All G.	3.1	1.1	.7	1.3
1961-62	All G.	2.25	1.6	—	.65
1962-63	All G.	3.5	1	1	1.5
1963-64	All G.	4.15	.75	3.4	—
1964-65	All G.	2.1	.6	1.5	—
1965-66	All G.	3.89	.6	3.29	—
1966-67	All G.	3.19	—	3.19	—
1967-68	All G.	.16	—	.16	—
1968-69	—	—	—	—	—
1969-70	—	—	—	—	—

In addition to the foregoing, provision was made to purchase out of working capital in 1969-70, members' equities in the amount of \$781,921

Abbreviations: All G.—All Grains;

**CANADIAN WHEAT BOARD PAYMENTS**

	Initial Adjustments	Final	Total
Wheat—(No. 1 Northern Basis Lakehead)			
1965-66	\$ 1.50	.497	\$ 1.997
1966-67	1.50	.487	1.987
1967-68	1.70	.114	1.814
1968-69	1.70	—	—
1969-70	1.50	—	—
Oats—(2 C.W. Basis Lakehead)			
1965-66	.60	.245	.845
1966-67	.60	.234	.834
1967-68	.60	.175	.825
1968-69	.65	—	—
1969-70	.93	—	—
Barley—(1 Feed Basis Lakehead)			
1965-66	.87	.329	1.199
1966-67	.87	.338	1.208
1967-68	.97	.038	1.008
1968-69	.97	—	—
1969-70	.60	—	—

Although there was no final payment on bread wheats, there was a special final payment of 26.3 cents on durum wheat.

**LIVESTOCK DIVISION HANDLINGS**  
**Saskatchewan Wheat Pool**

Year	Cattle & Calves	Hogs	Sheep
1960-61.....	348,714	142,522	21,077
1961-62.....	391,644	178,944	25,851
1962-63.....	388,140	95,491	24,146
1963-64.....	393,478	115,111	23,319
1964-65.....	500,353	104,443	21,336
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

**EXPORTS OF CANADIAN WHEAT**  
**TO MAJOR IMPORTERS 1967 to 1970**  
(millions of bushels)

	1969-70	1968-69	1967-68
U.S.S.R.....	47.3	1.7	49.0
China.....	65.1	83.1	52.0
Britain.....	54.2	58.0	65.0
Japan.....	39.0	43.3	40.8
E.E.C.....	41.7	45.8	43.6
Others.....	97.4	73.7	85.6
<b>Total.....</b>	<b>344.7</b>	<b>305.6</b>	<b>336.0</b>

E.E.C. Countries are Belgium, Germany, France, Italy, Luxemburg and the Netherlands.

Source: Board of Grain Commissioners, Exports of Canadian Grain and Wheat Flour, August, 1970.

**EXPORTS OF ALL GRAINS AND WHEAT FLOUR**  
(millions of bushels)

	1969-70	1968-69	1967-68
Wheat.....	317.7	280.5	310.7
Flour.....	27.9	23.7	24.4
Wheat and Flour.....	345.6	304.2	335.1
Oats.....	4.8	2.3	3.1
Barley.....	82.8	21.2	36.1
Rye.....	3.8	4.2	4.8
Flaxseed.....	18.6	13.4	12.6
Rapeseed.....	22.2	14.2	12.3
<b>Total.....</b>	<b>477.7</b>	<b>359.5</b>	<b>403.9</b>

Source: Board of Grain Commissioners for Canada, Exports of Canadian Grain and Wheat Flour.

## **BACK COVER**

This is what FERTILIZER can do!

The dark green colour outlined in the Pool Logo illustrates the results from using nitrogen fertilizer. Forty-five pounds per acre was applied on this stand of crested wheat grass on May 5, 1970. The results as shown were photographed six weeks later.

The project was carried out on a farm at Davidson.

Photography by GIBSON PHOTOS, Saskatoon  
also:

Alexander Photography, Regina, Pages 8, 10, Janish Portrait Studios Limited, Estevan, Page 21 (lower right), Peterborough Post Card Company, Peterborough, Ontario, Page 22, Wests, Regina, Page 20 (lower), Page 21 (lower left).

