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# Saskatchewan Wheat Pool

## THIRTY-EIGHTH ANNUAL REPORT



FOR THE YEAR ENDED 31st JULY

1962

Regina, Saskatchewan





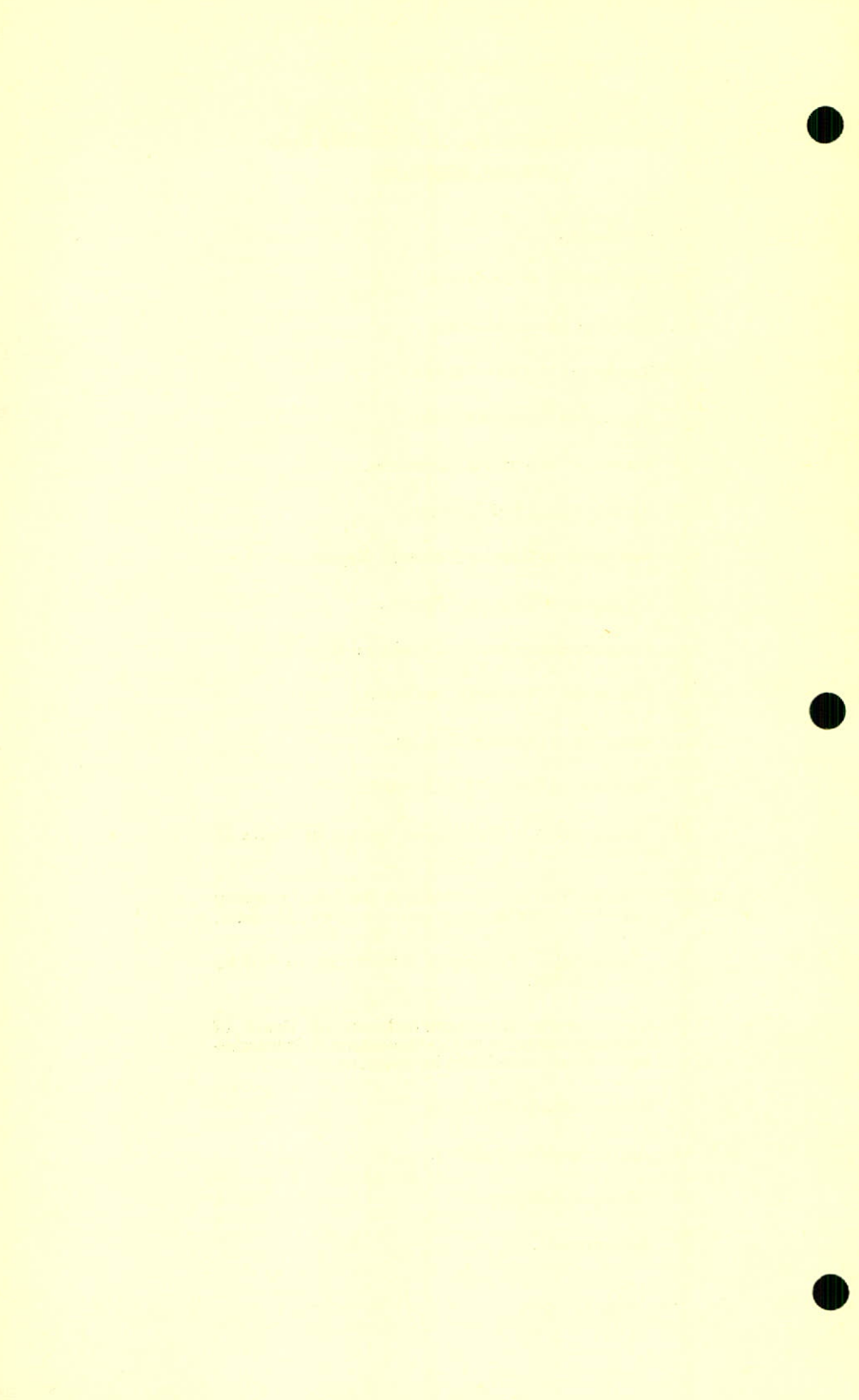


**PROPOSED AGENDA OF BUSINESS FOR  
ANNUAL MEETING**

1. Invocation.
2. Appointment of Chairman.
3. Notice of Annual Meeting.
4. Resolution to adopt Agenda.
5. Minutes of Previous Meeting.
6. Report of Resolutions Committee.
7. Report of Board of Directors.
8. Resolution to Receive Directors' Report.
9. Discussion of Directors' Report.
10. Financial Statements and Auditors' Report.
11. Discussion of Financial Statements.
12. Adoption of Directors' Report.
13. Adoption of Financial Statements.
14. Consideration of Resolutions set out in Notice of Meeting.
15. Consideration of other matters that may properly come before the meeting, introduced by Delegates.
16. Consideration of proposed Amendments to Articles of Association.
17. Consideration of recommendation of Board of Directors for grant to the University of Saskatchewan's experimental feed lot program.
18. Remuneration of Auditors.
19. Appointment of Auditors.
20. Fraternal Delegates.
21. Adjournment.

Res: Saskatchewan  
Wheat Pool  
Dec. 10/62







## DIRECTORS' REPORT

### IN MEMORIAM

Before entering upon a review of the various activities of your organization for the past year, your Board of Directors desires to place on record the great loss sustained by the organization and by the farmers' movement generally, in the death of a number of men who had given freely of their time and talents in building the Wheat Pool organization. It is with regret that your Board records the passing of some of these pioneers of the movement.

Mr. Clarence Clifford Cameron of Stoughton, Saskatchewan, served as a delegate for District 1, Sub-district 9, from 1952 until his resignation in 1961. Mr. Cameron was born at Hartney, Manitoba, in 1898 and came to the Stoughton district in 1906 as a boy. He later farmed south of Stoughton for forty-two years. During his lifetime Mr. Cameron was an active Wheat Pool member and prior to his election as a delegate, served as a member of the Wheat Pool Committee at Stoughton from 1948 to 1952. He served in a number of capacities in different organizations in the Stoughton district including, President, Stoughton Co-operative Association, Chairman of the Agricultural Improvement Board for District 7, and was a member of the Masonic Lodge. Funeral services were held at Stoughton on 23rd May in the United Church.

Mr. Oscar Wingrove served as Saskatchewan Wheat Pool delegate for District 13, Sub-district 2, from 1933 to 1942. He was born in Northumberland County, Ontario, 20th March 1881, and taught school in Ontario prior to coming West in 1905, where he homesteaded in the Zelma district. Besides his activity in the Saskatchewan Wheat Pool, Mr. Wingrove was active in all community activities and was one of the early pioneers who was influential in building the community rink where he was an ardent curler. For several years Mr. Wingrove served on the Farewell School Board, later serving as Trustee for the Zelma School District. Upon his retirement from farming in 1945, Mr. and Mrs. Wingrove moved to Saskatoon where he continued his interest in the activities of the Saskatchewan Wheat Pool until his death in December 1961.

Mr. Otto C. Luebke of Wild Rose, Saskatchewan, served as Wheat Pool delegate for District 15, Sub-district 8, from 1953 until the time of his death on 4th September 1962. Mr. Luebke had been ill for some time. He was 65 years of age. Mr. Luebke came to Saskatchewan from Nebraska and began farming at Wild Rose in 1910. He was an early member of the Wheat Pool and became Secretary of the Wheat Pool Committee in his district in 1949, continuing to serve until 1953 when he was elected as delegate. He served as School Trustee in his community from 1930 to 1942 and was a Municipal Councillor from 1938 to 1940.

Mr. R. E. Hale, formerly of Lemsford, Saskatchewan, served as delegate for District 4, Sub-district 9, from 1937 to 1941, was then out for one year and came back again to serve another term from 1942 to 1943. He retired some years ago and in later years lived in British Columbia. He is remembered as an energetic man and a strong supporter of the co-operative movement. He was a respected leader in his community. Mr. Hale died in September 1961.

Mr. Alex Collopy, a pioneer of the Monroe District, Frobisher, Saskatchewan, served as delegate for District 1,





sub-district 4, from 1928 to 1936. Mr. Collopy was born in Bruce County, Ontario, in 1873 and came West to Souris, Manitoba, in 1891. In the spring of 1892 he homesteaded four miles north of Frobisher, where he lived until 1948 when he retired from the farm to live in Estevan. Besides his service to the Saskatchewan Wheat Pool, Mr. Collopy served for years on the Alameda Rural Telephone Board and Monroe School Board. When the Local Improvement Districts were formed in the southern part of the province in 1904, he was elected as Councillor and served as Chairman of his district until the municipalities were formed. After the formation of the municipalities, Mr. Collopy was elected as Councillor for Division 1, Browning Municipality, and later became Reeve, an office he held for more than twenty years. For many years he served as President of the South-Eastern Saskatchewan Rural Municipalities Association. Besides serving as Wheat Pool delegate, he served as Secretary-Treasurer of the Frobisher Local of the Saskatchewan Grain Growers' Association and was President of the Farmers' Mutual Hail Insurance Company for twenty-eight years. He was a life member of the Alameda Agricultural Society. Mr. Collopy died in hospital at Estevan on 7th January 1962. Funeral services were held in St. Pauls United Church, Estevan.

Mr. John McCaig of Halvorgate, Saskatchewan, served as Wheat Pool delegate for District 5, Sub-district 9, for twenty-eight years, being one of the original delegates elected in 1924. He served from then until 1931 and then returned in 1938 and continued to serve as delegate until his retirement in 1961. Mr. McCaig homesteaded in 1910 near Aquadell, Saskatchewan, having come to Canada from Scotland. He was an active organizer of the co-operative associations and took a leading part in his district in the formation of the Wheat Pool. He was an active supporter of co-operative schools and other educational projects. He died at the age of 81 on 9th August 1962.

Mr. Joseph L. Watson of Frontier, Saskatchewan, served as delegate in District 3, Sub-district 8, from 1926 to 1928 and later, after redistribution of districts, he served as delegate for District 3, Sub-district 4, from 1928 to 1933. In the 1930's when the southern part of the province was hard hit by drought, he moved to White Fox in northern Saskatchewan, where he continued to reside. The recent death of Mr. Joseph L. Watson brought to a close a life of service to the farmers of Saskatchewan on whose behalf he was a tireless worker.

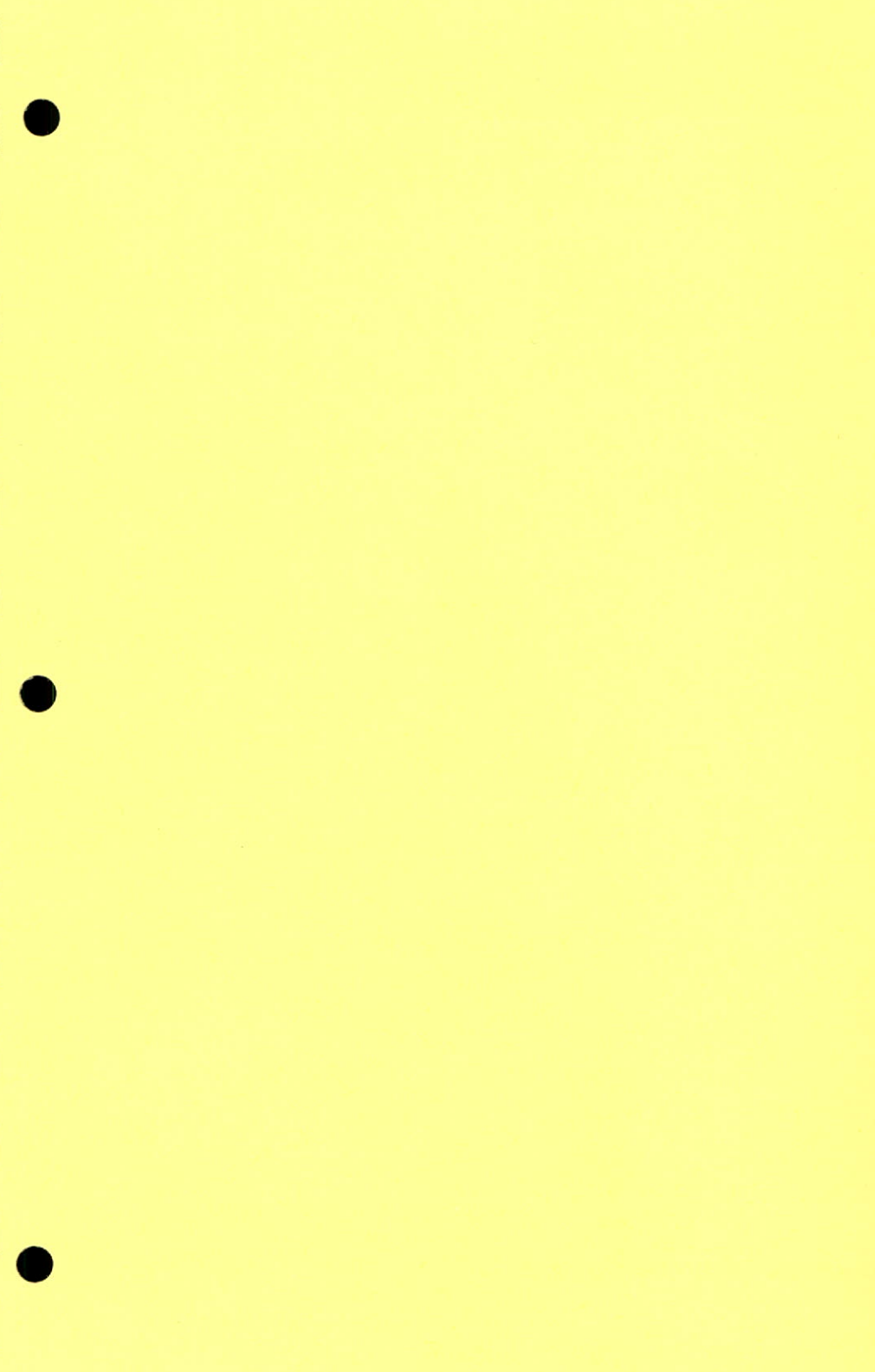
Mr. Albert F. Rodine of Hume, Saskatchewan, served as delegate for District 1, Sub-district 8, from 1933 to 1942. Mr. Rodine was born at Oaks, North Dakota and came to the Hume district about 1910. Besides his activity as a Wheat Pool delegate, he was an active member of the U.F.C., was a member of the Council of the Rural Municipality of Griffin, and for many years was a school trustee. He was active in community and Church work in the district. He retired from active farming in 1947 and moved to Weyburn, where he lived up to the date of his death in November 1961.

Mr. Jack Johnson of Livelong, Saskatchewan, served as Wheat Pool delegate for Sub-district 8 of District 16 from 1927 to 1930. Mr. Johnson was keenly interested in all co-operative activities in his district and he remained a strong supporter of the Pool organization until his death recently.

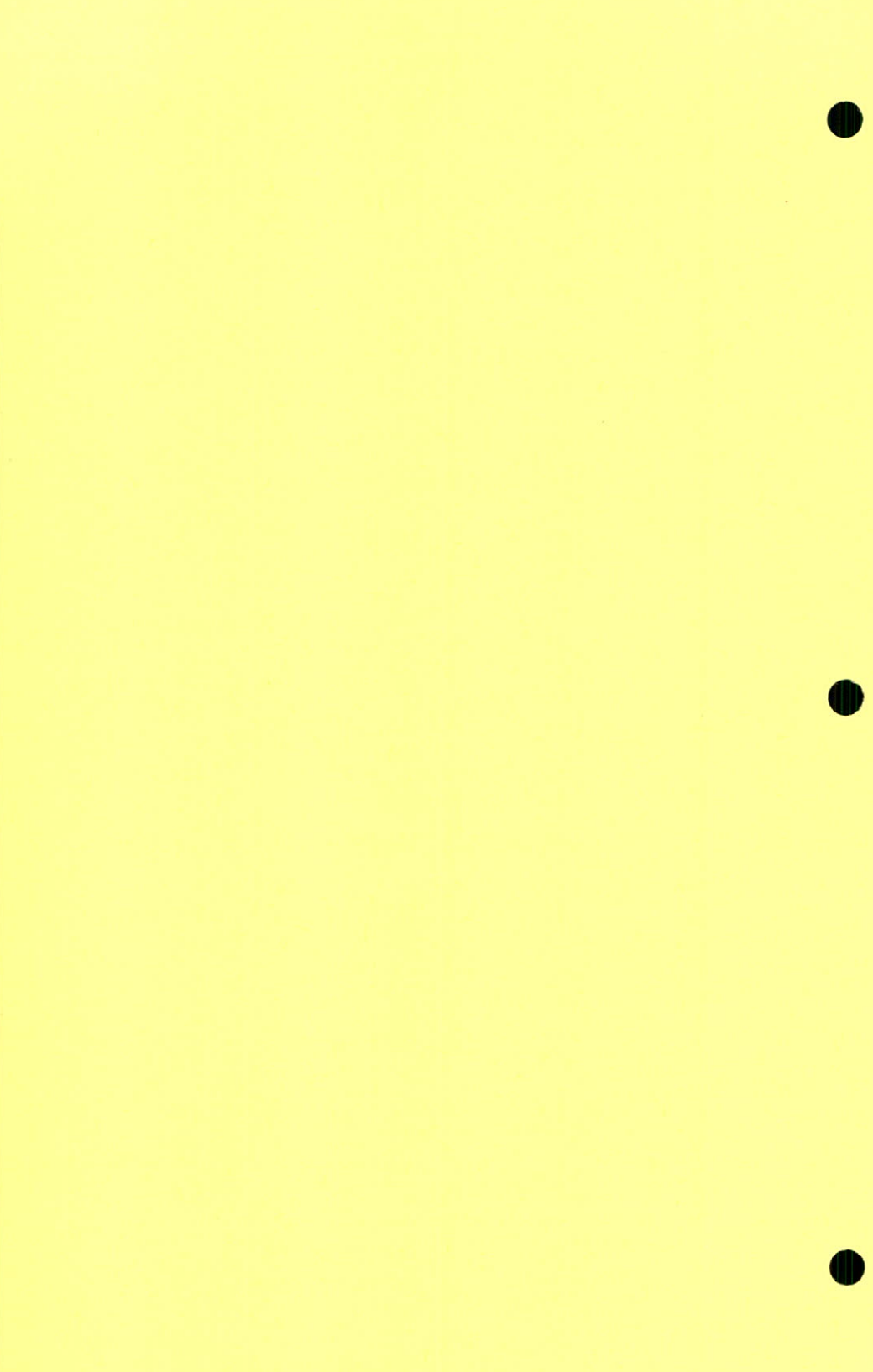
Each of these men in his own way turned in a splendid record of performance in the interests of organized agriculture and in the interests of their fellow members in the country. Theirs was a life of service, devoted to the advancement of the community and to the advancement of the agricultural industry of which they were a part.











Your Board of Directors is pleased to present the 38th Annual Report covering operations of all branches and Divisions of the Saskatchewan Wheat Pool for the year ended 31st July 1962. Following the practice of former years, the report presents a review of the widespread operations of all Divisions of the organization.

The reports of the Board of Directors of Canadian Co-operative Wheat Producers Limited; Canadian Pool Agencies Limited and Pool Insurance Company, the three interprovincial organizations owned jointly by the Manitoba, Saskatchewan and Alberta Pools, are also included.

### **Consolidated Balance Sheet**

A copy of the Consolidated Balance Sheet, approved by the Company's auditors, Messrs. Touche, Ross, Bailey & Smart, is attached to this report as Statement No. 1. This statement sets out the combined financial position of the Saskatchewan Wheat Pool and its subsidiary companies as at 31st July 1962. The usual explanatory notes on the principal items appearing in the Consolidated Balance Sheet are attached for the information of delegates.

As at 31st July 1962, total current assets of the entire Pool organization amounted to \$82,443,706.00 and total current liabilities amounted to \$73,319,424.00. The difference between these two items, namely, \$9,124,282.00 represents the current position of the Company at the end of the fiscal year, 31st July 1962.

### **Consolidated Schedule of Fixed Assets**

Schedule No. 1A attached to this report, sets out in detail the cost, the accumulated allowance for depreciation set up against each item, and the net value of all fixed assets as at 31st July 1962.

The total original cost of all fixed assets is shown as \$81,412,960.00. Over the years depreciation amounting to \$49,911,938.00 has been provided, leaving the net value of the fixed assets at \$31,501,022.00. This compares with a net valuation of \$32,944,802.00 for the previous year, which represents a decrease of \$1,443,780.00.

### **Consolidated Capital Statement**

Statement No. 2 attached to this report sets out in detail the current position of the Wheat Pool organization as at 31st July 1962. After providing for the unexpended portion of the approved program of capital expenditures, estimated at \$1,683,500.00, the working capital for the Season 1962-63 is shown as \$7,440,782.00, as compared with \$5,399,551.00 for the 1961-62 Season. This is an increase of \$2,041,231.00.

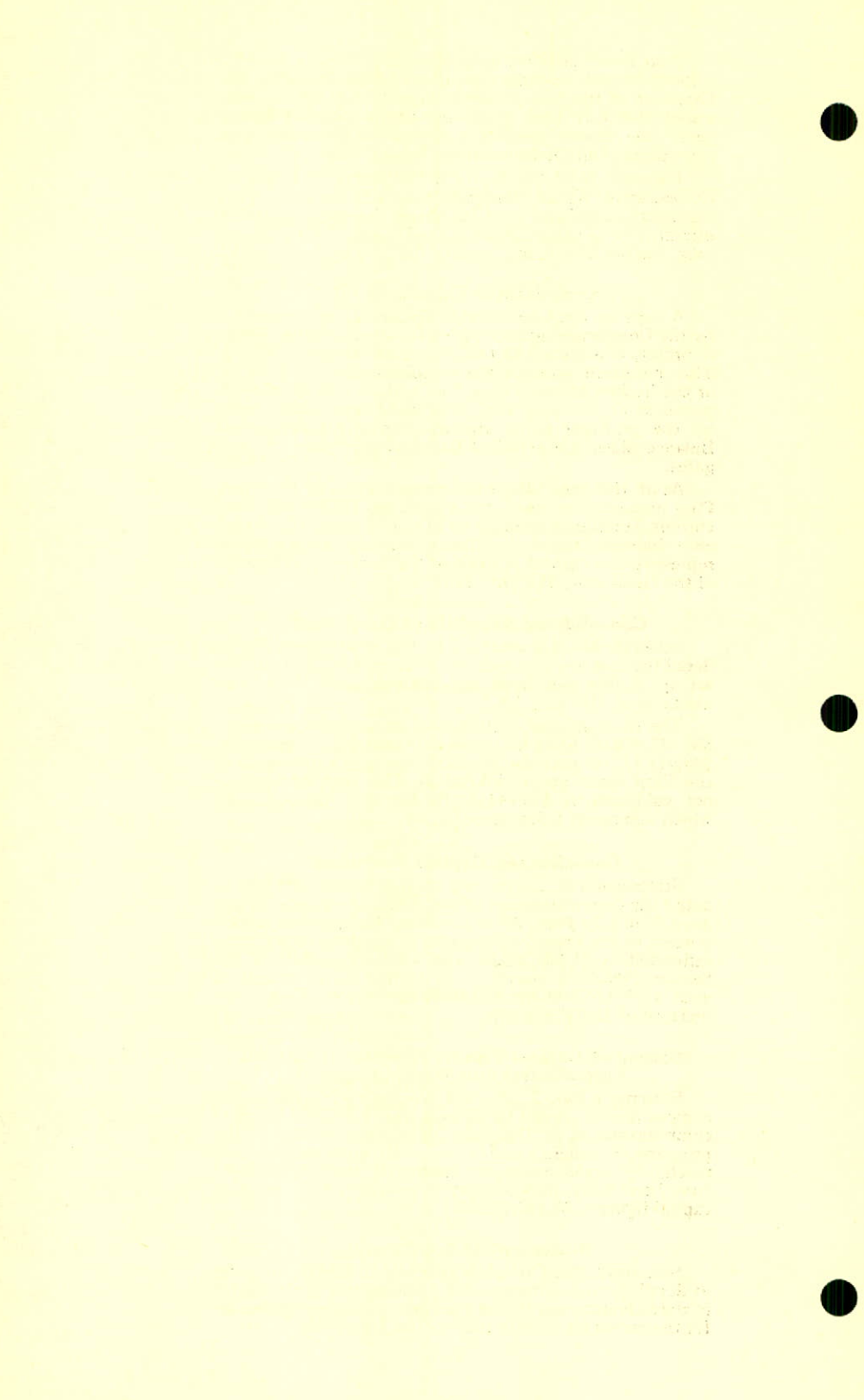
### **Source of Capital Funds, Analysis of Capital Expenditures and Working Capital**

Statement No. 3 attached to this report shows the composition of capital funds as at 31st July 1962. Capital commitments as at 31st July 1962 for completion of the program of building and work under construction, and machinery under purchase, estimated at \$1,683,500.00, have been taken into account in arriving at the working capital figure of \$7,440,782.00.

### **Statement of Net Earnings**

Statement No. 4 which is attached to this report gives in detail the disposition of net earnings and capital gains of the Saskatchewan Wheat Pool and subsidiary companies for the period 1st August 1925 to 31st July 1962.





### Statement of Grain Handled

Statement No. 5 attached to this report, shows the total amount of grain handled by the Pool organization during the period 1924 to 1962, inclusive. The statement shows that since the inception of the organization the country elevator system has handled 4,170,946,549 bushels. During the same period the Terminal Elevator Division has handled 2,906,893,379 bushels.

### Statement of Financial Position and Members' Equity as at 31st July 1962

The Consolidated Balance Sheet shows the financial position of the organization and the members' equity as at 31st July 1962. It is summarized as follows:

Total Current Assets.....	\$82,443,706.00	
Less Current Liabilities.....	73,319,424.00	
Working Capital—subject to Capital Commitments already referred to.....	\$ 9,124,282.00	
Other Assets.....	32,466,733.00	
	<u>\$41,591,015.00</u>	
Less: Reserve for Unearned Subscriptions, The Western Producer.....	\$10,000.00	10,000.00
Total Net Assets representing Members' Equity.....	<u>\$41,581,015.00</u>	
The Members' Equity is represented by:		
Capital (Membership Fees).....	\$ 141,227.00	
Commercial Reserve.....	10,759,062.00	
Elevator Deductions.....	19,965,923.00	
Livestock Excess Charges Credits.....	102,893.00	
Amount contributed by and allocated to Members.....	\$30,969,105.00	
Reserve (unallocated).....	10,611,910.00	
<b>Total.....</b>	<u><b>\$41,581,015.00</b></u>	

### Country Elevator Division

Details of the Earnings and Expenses of the Country Elevator Division are shown in the Financial Statements and Auditors' Reports submitted separately. The net earnings of the Division amounted to \$2,662,385.00, or a net earning per bushel of 2.17c, compared with an earning of \$4,791,189.00, or 2.90c per bushel in the previous season.

The following tabulation gives a comparison of Earnings and Expenses for the Country Elevator Division with those of the previous year:

	1961-62	1960-61	Increase (Decrease)
Earnings.....	\$18,967,953.00	\$23,512,967.00	\$ (4,545,014.00)
Expenses.....	16,305,568.00	18,721,778.00	(2,416,210.00)
<b>Surplus.....</b>	<u><b>\$ 2,662,385.00</b></u>	<u><b>\$ 4,791,189.00</b></u>	<u><b>\$ (2,128,804.00)</b></u>

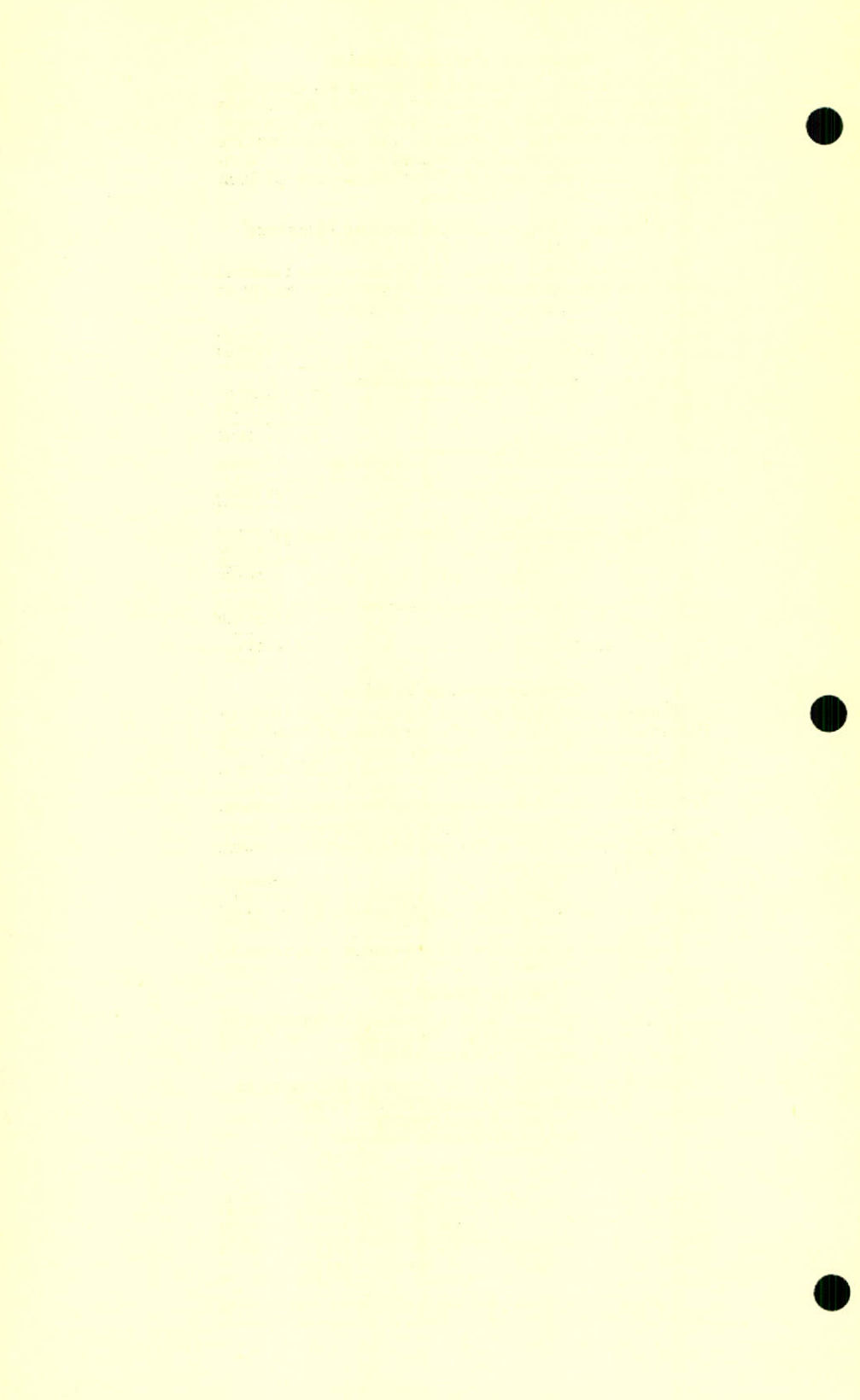
### Grain Handlings

The following tabulation provides a comparison of primary grain handlings in Saskatchewan for Season 1961-62 as compared with Season 1960-61.

### Total Primary Receipts at Country Elevators in Saskatchewan During Grain Years 1961-62 and 1960-61 (Platform Receipts not Included)

	All Elevs. (Bushels)	1961-62 Pool (Bushels)	1960-61 Pool %
Wheat.....	178,448,072	100,301,088	56.21
Durum.....	9,031,536	5,005,294	55.42
Oats.....	4,636,042	2,594,719	55.97
Barley.....	18,563,513	9,211,895	49.62
Flax.....	4,936,578	2,484,428	50.33
Rye.....	1,505,803	781,619	51.91
Rapeseed.....	5,186,131	2,457,886	47.39
<b>Total.....</b>	<u><b>222,307,675</b></u>	<u><b>122,836,929</b></u>	<u><b>55.26</b></u>





	All Elevs. (Bushels)	1960-61 Pool (Bushels)	Pool %
Wheat.....	237,359,281	124,415,325	52.42
Durum.....	19,544,554	9,352,135	47.85
Oats.....	13,885,492	7,547,690	54.36
Barley.....	36,623,075	14,605,707	39.88
Flax.....	8,398,685	3,974,828	47.33
Rye.....	2,977,697	1,422,454	47.77
Rapeseed.....	6,274,574	3,774,453	60.15
<b>Total.....</b>	<b>325,063,358</b>	<b>165,092,592</b>	<b>50.79</b>

	1961-62 (Bushels)	1960-61 (Bushels)
Pool Average Handling per Elevator	103,923	134,220
Platform Handlings.....	(1,182 Elevs.) 33,600	(1,230 Elevs.) 54,228

The above handling and percentage figures for Season 1961-62 are interim figures based on information available at the time the report was prepared and are subject to adjustment when the final report of the Board of Grain Commissioners for Canada becomes available. Figures for Season 1960-61 are final.

The following summary of receipts, by months, during the season just ended will indicate the flow of grain to Pool elevators:

#### 1961-62 Receipts, by Months, All Grains

	Receipts for Month	Monthly % of Total	Cumulative Total	Cumulative %
August, 1961.....	6,508,892	5.3	6,508,892	5.3
September.....	11,992,399	9.8	18,501,291	15.1
October.....	11,330,948	9.2	29,832,239	24.3
November.....	9,156,575	7.5	38,988,814	31.8
December.....	4,930,854	4.0	43,919,668	35.8
January, 1962.....	10,475,710	8.5	54,395,378	44.3
February.....	4,852,753	4.0	59,248,131	48.3
March.....	4,140,839	3.4	63,388,970	51.7
April.....	8,162,304	6.6	71,551,274	58.3
May.....	6,766,753	5.5	78,318,027	63.8
June.....	13,976,902	11.4	92,294,929	75.2
July.....	30,542,000	24.8	122,836,929	100.0
	<b>122,836,929</b>	<b>100.0</b>		

In addition to the handlings of grains as set out above, Pool country elevators handled 7,615 bushels of clover seed and 10,064 bushels of mustard seed during Season 1961-62.

Your Board desires to pay tribute to the exceptional job done in the country by Pool elevator agents, travellers and other personnel, in handling the increased percentage of grain during the season.

In contrast with the congestion that has prevailed in recent years, the 1961-62 Season brought a substantial reduction in grain stocks being carried in country facilities. The year began with stocks of 71,026,163 bushels of all grains. They declined steadily throughout the season, with a low of slightly more than 30,000,000 bushels being carried at the beginning of June 1962. The season ended with 48,585,113 bushels in store.

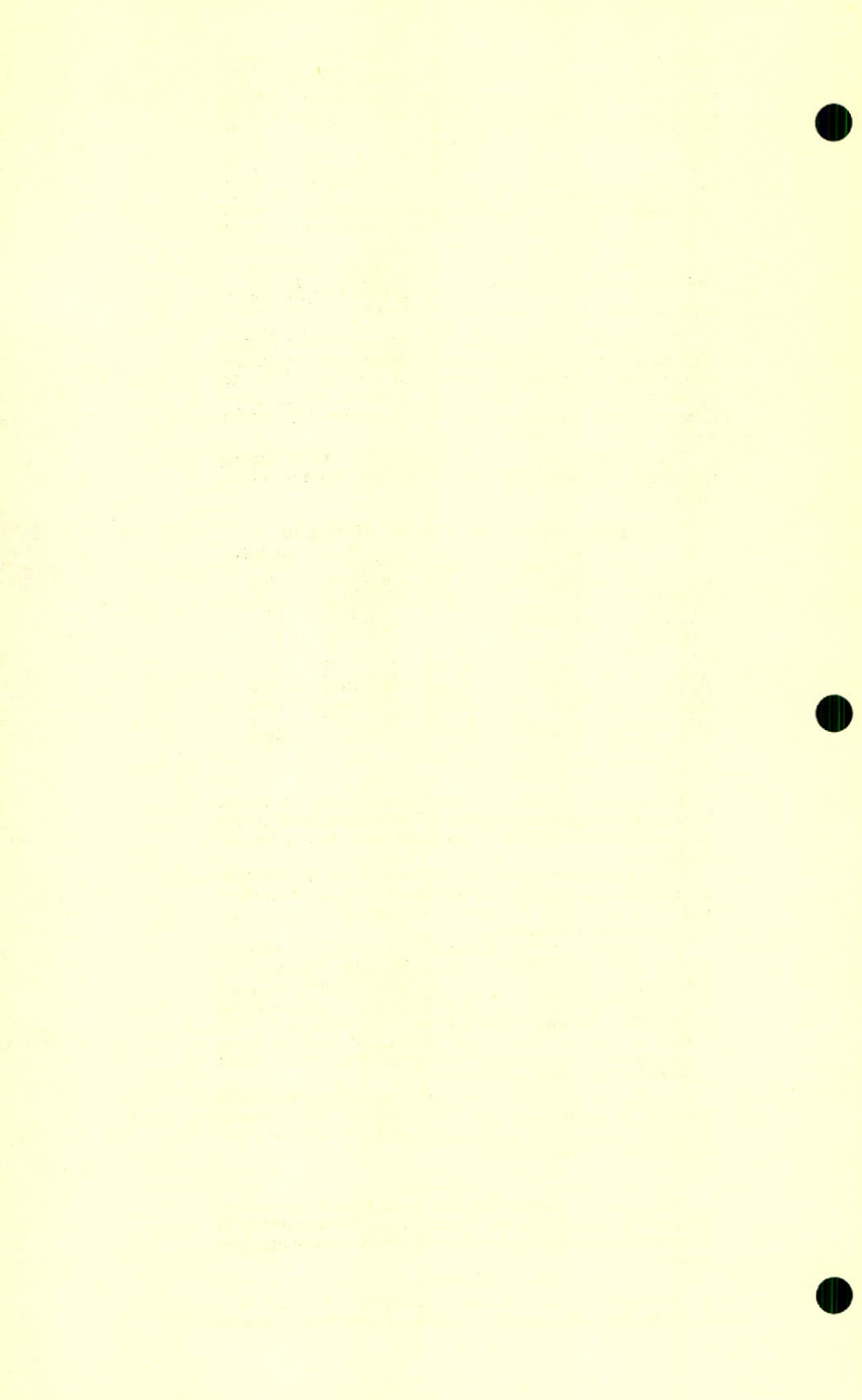
Throughout the grain year stocks averaged 50,375,409 bushels, including rapeseed. This compares with average stocks of 72,362,833 bushels, plus small amounts of rapeseed, in the previous season.

#### Grading Record

The grading record for the year, based on cut-off valuations, indicates a net credit in grades amounting to \$392,909.00, as compared with \$438,949.00 for the previous season.

#### Inspections

The records indicate that 210,470 cars of wheat were inspected at all primary inspection points in Canada



during the 1961-62 season, compared with 214,715 cars in the previous season. Of the cars inspected in 1961-62, 93% were contract grades, compared with 75% in the previous year, and .5% inspected tough or damp, compared with 4.5% in 1960-61.

#### *Weigh-Ups*

Greatly reduced stocks permitted the weighing up of the largest number of elevators in many years. A complete weigh-up of stocks was carried out at 936 elevators and estimated at 318 elevators. This compares with 245 houses weighed and 1,017 estimated in the previous season.

Of the 936 elevators which had weighed cut-offs during the year, 287 of them were for periods of five years or more. As at 31st July 1962, there were 12 estimated cut-offs where a weigh-up had not been secured for 12 seasons. Of the other 649 weigh-ups recorded, some ranged up to as high as five years.

#### *Malting Barley Premiums*

Premiums of 3c per bushel obtained on consigned shipments of malting barley for the account of growers in Season 1961-62 amounted to \$94,823.99, compared with \$122,134.90 in the preceding grain year. In addition, premiums amounting to \$7,350.11 were obtained on street shipments in the year just closed.

The above premiums were received on 3,160,800 bushels of consigned, and 245,004 bushels of street barley in 1961-62, compared with 4,071,163 bushels of premium consigned barley in 1960-61.

#### *Fire Losses*

Insurance coverage on country elevator buildings is maintained at 100% of replacement cost, less depreciation, and currently amounts to \$58,494,259.00. No major fire damage was experienced in the 1961-62 season. Claims for minor damage amounted to \$1,467.00, compared with total claims for losses on buildings and grain in the previous season of \$794,353.00.

Premiums paid on buildings and grain for Season 1961-62 amounted to \$730,547.00. As at 31st July 1962 the insurance carried on agents' dwellings amounted to \$4,148,251.00. Premiums for the year amounted to \$4,594.00 and claims were only \$293.00.

#### *Elevator Repairs*

In accordance with the Company's policy of maintaining and improving country handling facilities, an appropriation in the amount of \$810,109.00 was approved for this year to cover repairs, minor improvements, painting, etc.

Approval was also received for capital outlay in connection with country facilities as follows:

	Estimated
1.—Reconstruction of 6 Elevators.....	\$453,000.00
2.—Construction or reconstruction of 4 Annexes.....	112,000.00
3.—Capital improvements (repairs and alterations to Elevators and Annexes, wiring, etc.).....	187,564.00
4.—Purchase and installation of 16 Cleaners.....	96,000.00
5.—Transfer of 3 Cleaners from abandoned points.....	9,000.00
6.—Additional appropriation for reconstruction of 2 Elevators.....	165,000.00
7.—Additional appropriation for construction or reconstruction of 4 Annexes.....	108,000.00
<b>Total.....</b>	<b>\$1,130,564.00</b>

The following approval was received for the con-



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struction, purchase, renovation, and repair and painting of agents' dwellings in the 1962 program:

	Total	Capital	Expense
Repairs, renovations and capital improvements.....	\$120,000.00	\$ 90,000.00	\$ 30,000.00
Repainting exteriors.....	22,740.00	—	22,740.00
Construction or purchase of 10 Cottages.....	94,000.00	94,000.00	—
<b>Total.....</b>	<b>\$236,740.00</b>	<b>\$184,000.00</b>	<b>\$ 52,740.00</b>

During the 1961-62 season, 1 cottage was purchased, 14 constructed and 17 sold, leaving a total of 816 cottages owned by the Company at 31st July 1962.

### Rapeseed Pool

The third year of operation of the Rapeseed Pool closed 31st July 1962. Seed was purchased only from growers who had signed a pooling contract. The contract provided for an initial payment of 2c per pound or \$1.00 per bushel. 3,679 growers signed contracts covering 147,259 acres seeded to rapeseed.

Effective 1st August 1961 the initial payment was set at \$2.00 per bushel less Vancouver freight. The Pool was closed out on 30th June 1962 and a final payment made of 14½c per bushel on all grades, which increased the final price as follows:

Canada Rapeseed.....	\$2.14½	per bushel, in store Vancouver
2 Canada Rapeseed.....	\$1.99½	per bushel, in store Vancouver
3 Canada Rapeseed.....	\$1.79½	per bushel, in store Vancouver

During the year under review, the Central Selling Agency acted as the exclusive sales organization for the Rapeseed Pool, except for stocks sold to the Vegetable Oil Division of the Saskatchewan Wheat Pool.

During the year the Central Selling Agency sold 1,107,962 bushels, 406,401 bushels were sold to the Vegetable Oil Division, and 552,863.5 bushels were inventoried into the 1962-63 Pool.

Seeded acreage in Saskatchewan in 1961 was 448,000 acres. Rapeseed marketed in Saskatchewan in 1961-62 totalled 5,186,131 bushels. The Rapeseed Pool handled 1,902,183.8 bushels, or 36.7% of Saskatchewan deliveries.

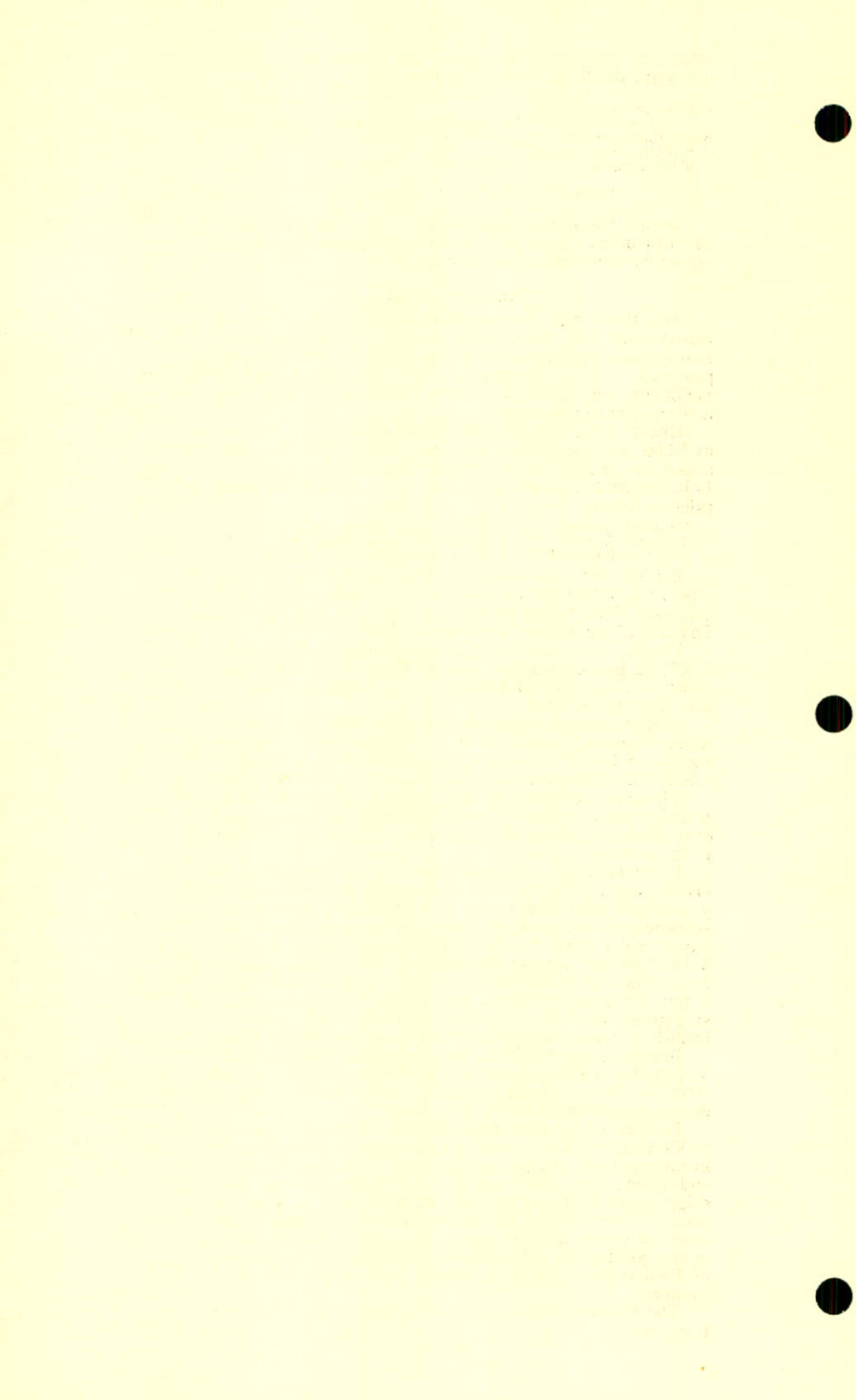
Threshing conditions in 1961 were good and very little trouble was experienced with high moisture grain. The crop graded high and oil content was slightly better than in the previous year.

Little difficulty was encountered in the handling of export sales during the year. In the early part of the grain year stocks sold readily and at a reasonably good price. As time went on, however, during the latter months of the winter, sales began to drag and dropped from a high of \$115.00 per ton to under \$100.00 per ton at the end of June. No stocks were sold when the price dropped below \$100.00 a ton, as it was believed that prices would eventually strengthen. As indicated earlier, more than half a million bushels of stocks were inventoried into the 1962-63 Pool.

Rapeseed was declared a grain insofar as The Canadian Wheat Board Act is concerned and beginning 1st August 1962, the Wheat Board exercised the authority to quota deliveries and shipments of this grain.

Because of large stocks available for lengthy periods at Vancouver it was necessary to arrange for storage space in Government interior terminals at Saskatoon, Calgary and Edmonton. This was a more costly process than shipping direct from country elevators, but it was felt necessary to move some stocks into these terminals in order to create space in our country elevators. Upwards of one-quarter of a million bushels of rapeseed were carried in Pool country elevators during the winter and early summer.

The following statements give details of operations for the year:



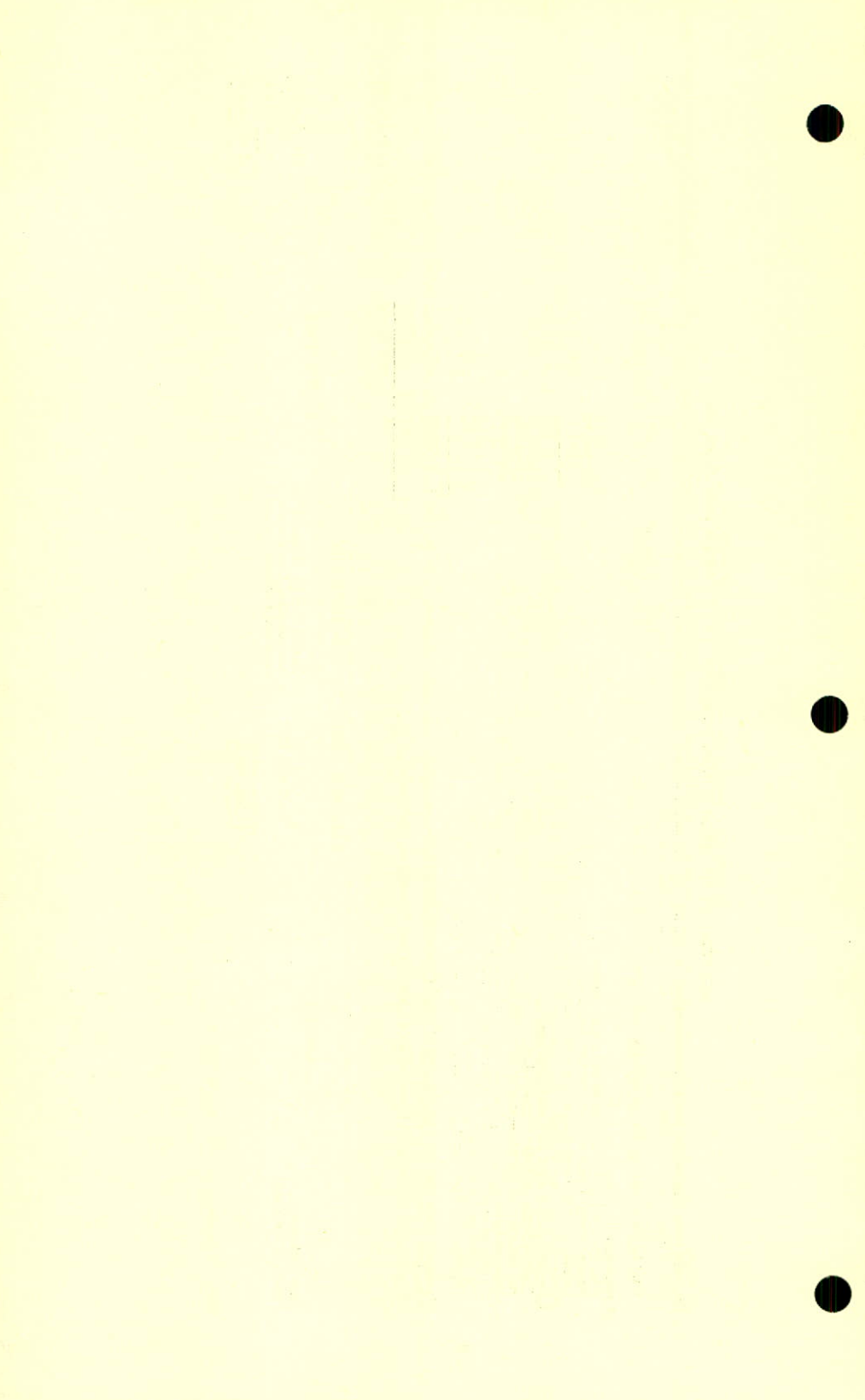
# STATEMENT OF OPERATIONS FOR THE YEAR ENDED 30th JUNE 1962

Proceeds from Sale of Rapeseed and Screenings.....			\$3,181,544.58	
Value of Stocks on hand 30th June 1962.....			<u>1,332,823.32</u>	<u>\$4,514,367.90</u>
Paid to Producers for Rapeseed delivered to Pool.....		\$3,789,599.22		
<b>Expenses:</b>				
Country Elevator Handling and Storage charges.....	\$170,790.16			
Inward Freight and Interior Terminal charges.....	328,492.99			
Outward Freight and Export charges.....	<u>107,094.55</u>	606,377.70		
<b>Administration and General Expense:</b>				
Central Selling Agency Commission.....	\$ 28,014.25			
Administration charges—Saskatchewan Wheat Pool.....	14,884.96			
Interest Paid.....	66,948.48			
Exchange and Commission on W. H. R. ....	5.71			
Miscellaneous Expenses.....	<u>540.83</u>			
Printing and Stationery.....	1,921.48	112,315.71		
Allowance for stationery and printing of Final Payment Cheques.....	\$ 1,100.00			
Allowance for Unexpired Transit .....	<u>1,825.27</u>			
Allowance for Shortages of Rapeseed ex Saskatoon and Edmonton Terminals.....	3,150.00	6,075.27		
		<u>\$4,514,367.90</u>		<u>\$4,514,367.90</u>

## BALANCE SHEET AT 30th JUNE 1962

ASSETS		LIABILITIES	
Bank Balance.....	\$ 543.45	Saskatchewan Wheat Pool.....	\$1,055,863.55
Stocks of Rapeseed.....	<u>1,332,823.32</u>	Outstanding Cheques.....	271,427.95
		Accrued Expense.....	<u>6,075.27</u>
	<u>\$1,333,366.77</u>		<u>\$1,333,366.77</u>

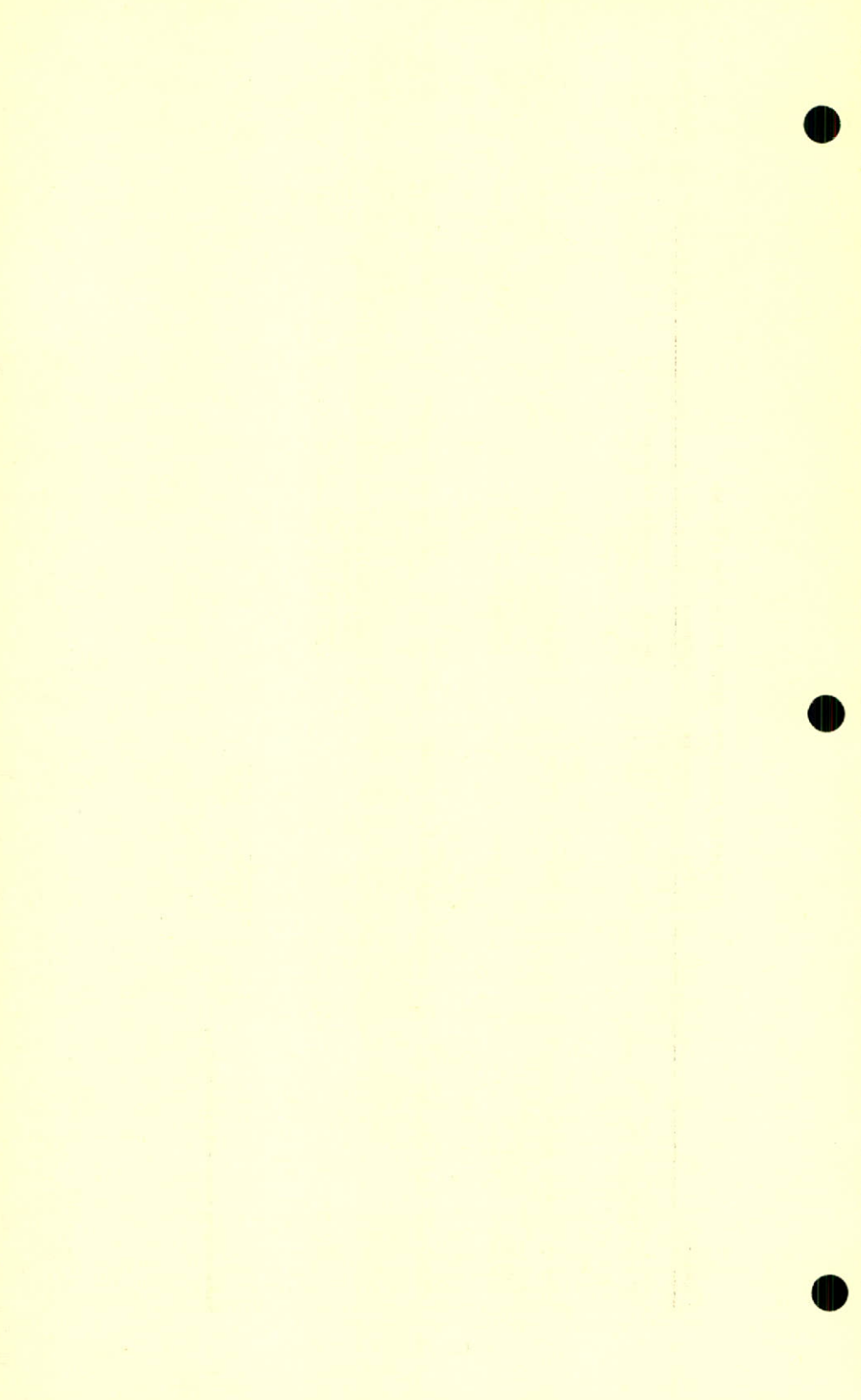




### SUMMARY RECEIPTS, SHIPMENTS AND STOCKS

<b>Receipts</b>	<b>Net</b>	<b>Dockage</b>	<b>Shipments</b>	<b>Net</b>	<b>Dockage</b>
	(Bushels)	(Bushels)		(Bushels)	(Bushels)
Country Elevator C. T. purchases and consigned shipments.....	1,819,560.5	150,806.3	<b>Unloaded at Interior Terminals:</b>		
Cash ticket purchases made by			Saskatoon Unloads.....	556,509.9	47,405.9
Vegetable Oil Division.....	70,411.	6,398.7	Edmonton Unloads.....	365,074.2	27,686.2
<b>Total per Growers' Cards</b> .....	1,889,971.5	157,205.	Calgary Unloads.....	41,826.2	4,822.2
Car No. 472814 ex Ridgedale, purchased as an outright basis Sample C. R. S.....	1,424.1	158.2		963,410.3	79,914.3
Local Sales.....	2.8	—	<b>Shipments direct to:</b>		
R.T.O.....	444.	—	Vancouver.....	429,418.	42,854.4
Inventory, 31st July 1961.....	10,341.4	1,488.6	Victoria.....	130,297.	9,075.4
			Fort William.....	45,333.9	3,459.7
			Pacific Terminal.....	2,093.	157.6
				607,141.9	55,547.1
			Local Sales and Claims.....	2.8	2.8
			Stocks in store country elevators, 30th June, 1962.....	248,372.4	15,737.2
				248,375.2	15,740.
			<b>Country Elevator Shipments to Vegetable Oil Division:</b>		
			Carlton Shipments.....	10,124.2	772.8
			Trucking from Country Elevators.....	2,721.2	492.
			Cash Ticket purchases retained by Vegetable Oil Division..	70,411.	—
				83,256.4	1,264.8
	1,902,183.8	158,851.8		1,902,183.8	152,466.2
<b>Sales of Screenings—45,815.8 Bushels</b>					

### Sales of Screenings—45,815.8 Bushels



### DOCKAGE STATEMENT

Gross Purchases at Country Elevators.....	1,922,303.2 bushels
Dockage.....	152,257.1 bushels
	7.92%
Gross Outturns at all Destinations.....	1,658,432. bushels
Dockage.....	136,435. bushels
	8.23%
Dockage Loss.....	(.31%)

### Export Department

During the year under review the operations of the Export Department showed a loss of \$922.19, compared with an earning of \$11,640.56 last season. A comparison of sales with those of the previous year is given below:

	1961-1962 (Bushels)	1960-1961 (Bushels)	Increase (Decrease) (Bushels)
Wheat.....	13,282,198	9,862,876	3,419,322
Oats.....	503,000	258,500	244,500
Barley.....	221,733	483,218	(261,485)
Flax.....	—	—	—
Rye.....	—	—	—
<b>Total</b> .....	<b>14,006,931</b>	<b>10,604,594</b>	<b>3,402,337</b>
Screenings (tons).....	1,720	585	1,135

Carlot shipments for the domestic market during Season 1961-62 were 126, compared with 85 for the previous year. A breakdown of these shipments by grains is shown below:

	1961-1962	1960-1961	Increase (Decrease)
Wheat.....	23	22	1
Oats.....	56	29	27
Barley.....	13	14	(1)
Screenings.....	34	20	14
<b>Total</b> .....	<b>126</b>	<b>85</b>	<b>41</b>

Export sales of wheat were made to the following destinations in the amounts stated below:

United Kingdom.....	112,000 bushels
China.....	11,028,650 bushels
Norway.....	998,667 bushels
<b>Total</b> .....	<b>12,139,317 bushels</b>

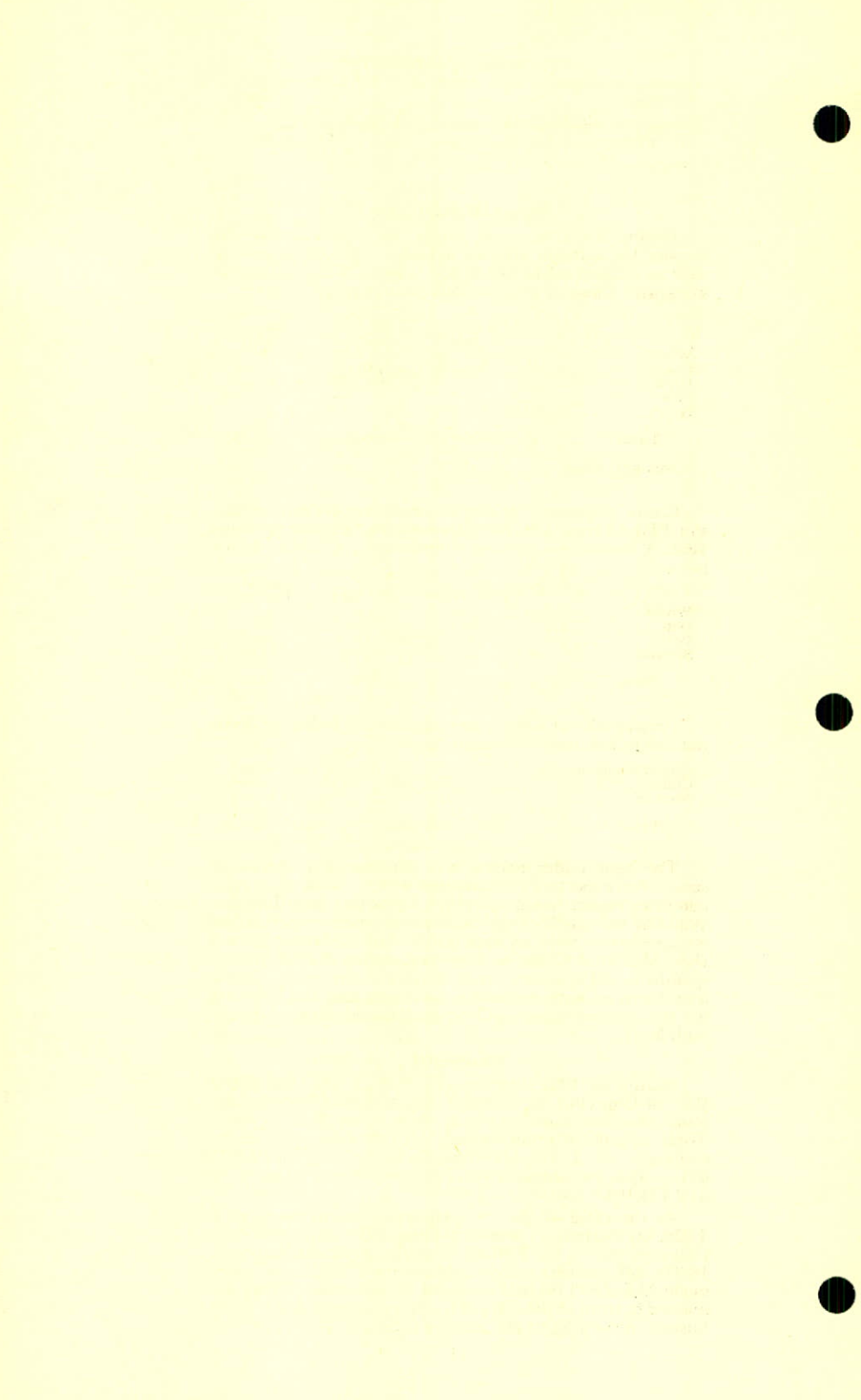
The year under review was considered a successful season for exporters of Canadian wheat. Some European countries expect to harvest larger crops this year than last year but the quality may be lower. France, in particular, is expected to have an exportable surplus. It is expected that Mainland China will be negotiating for additional quantities of Canadian wheat in the current season. There appears to be some reason for optimism that total exports for the current season will be maintained at a relatively high level.

### Churchill

During the 1962 shipping season 49 cargoes cleared the Port of Churchill for overseas destinations. This was one more than the number which cleared the Port in 1961. Total volume of grain moved, according to preliminary estimates, was 21,525,204.8 bushels, compared with 19,351,021 bushels the previous year. This represents an increase of 2,174,183.8 bushels.

At the close of the 1961 shipping season there were 4,828,503 bushels in store at Churchill. Shipments into Churchill during the 1961-62 shipping season amounted to 18,974,490 bushels, which together with stocks in store made 23,802,993 bushels available for shipment. There remained in store at the close of the shipping season 2,277,788 bushels, according to preliminary estimates.





The last vessel cleared the Port on 11th October 1962, the same date as the last vessel left the Port last year.

Of the total shipments into Churchill during the season, amounting to 18,974,490 bushels, Saskatchewan Pool elevators shipped 8,592,990 bushels, or 44.24% of all shipments, according to preliminary figures.

The Saskatchewan Wheat Pool, Export Department arranged the shipment of two cargoes, the first one clearing Port on 11th August 1962, destined for Norway, carrying 508,000 bushels; the second one clearing Port on 25th September, also destined for Norway, with 511,466.7 bushels, or 5.16% of total export clearances, according to the preliminary figures. Of the total bushels exported, 6,677,847 bushels were One Northern; 13,385,959.7 bushels were Two Northern; 1,373,966.2 bushels were Three Northern and the balance was divided between Four Northern and Rejected No. 2 Northern Mixed Heated.

### Seed Grain Sales

As was the case in former years, all orders received from growers for quality seed during the 1961-62 season were placed with the Saskatchewan Seed Grain Co-operative Limited at Moose Jaw on a commission basis, including, however, 2,768 bushels of Jubilee barley which was distributed on a non-commission basis for the University of Saskatchewan.

The following is a comparison of the seed grain sales handled by the Country Elevator Division in the last two seasons:

	1961-62 (Bushels)	1960-61 (Bushels)
Wheat.....	15,660	118,518
Oats.....	45,783	35,955
Barley.....	6,104	38,942
Flax.....	1,362	31,240
Rye.....	—	158
Rapeseed.....	510	3,398
<b>Total.....</b>	<b>69,419</b>	<b>228,211</b>
Value of Sales.....	\$134,315.00	\$556,711.00

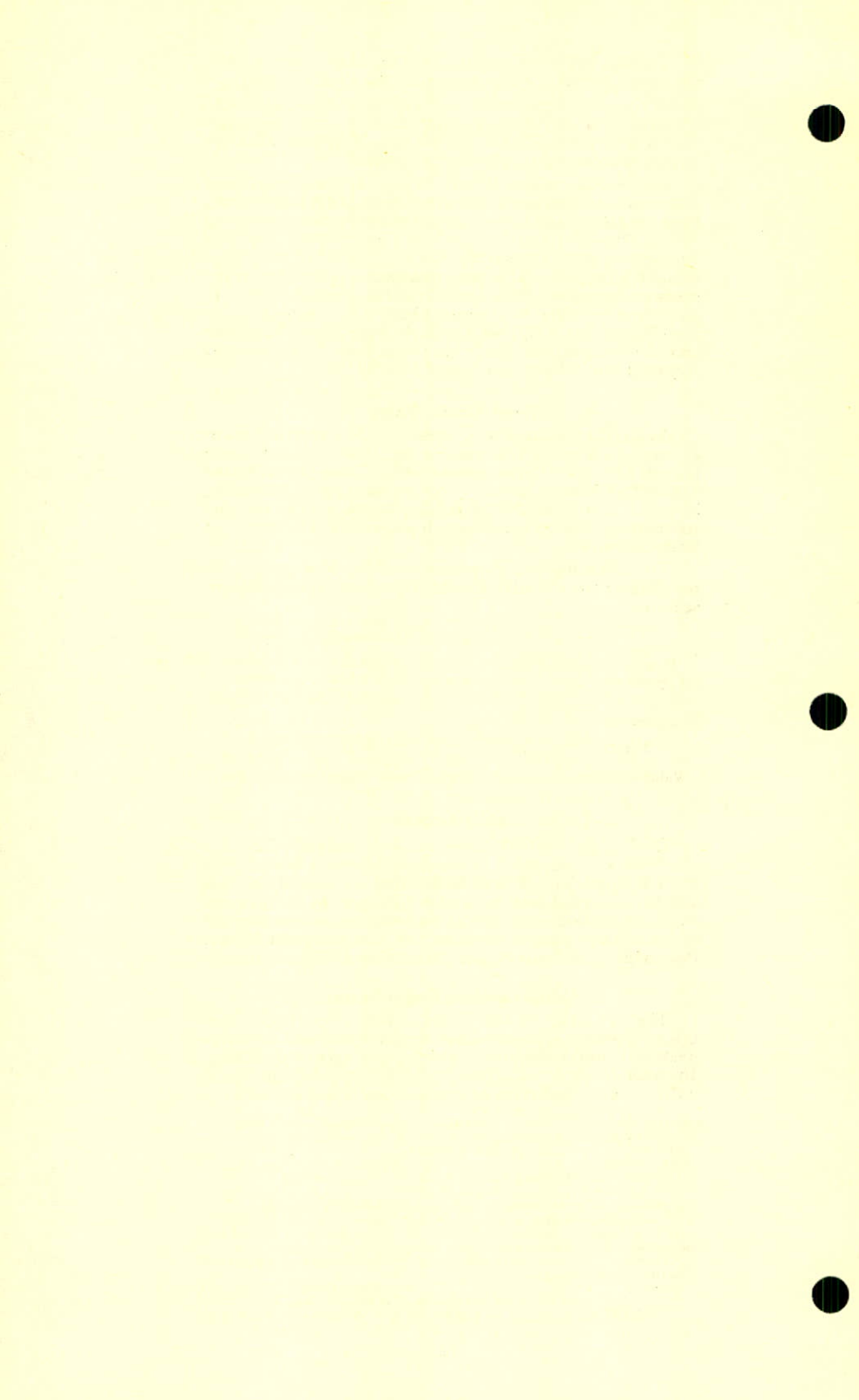
### Mill Orders

During the 1961-62 season, mill orders for 9,329 cars of wheat were allocated to the Saskatchewan Wheat Pool by The Canadian Wheat Board and forwarded to Pool agents, compared with orders for 7,103 cars in the previous season. Approximately 15% of the total mill orders received in the current season went to the Saskatchewan Wheat Pool Mill at Saskatoon, compared with 16% last year.

### Construction Department

The activities of the Construction Department embrace all phases of construction, maintenance and improvement of country elevators, annexes and agents' dwellings. In order to carry out these necessary works your Board authorized expenditures as shown in the following table:

Elevator Program:	Capital	Repair	Total
Construction or Reconstruction of 8 Elevators.....	\$ 618,000.00	—	\$ 618,000.00
(Fire loss nil)			
Construction or Reconstruction of 8 Annexes.....	220,000.00	—	220,000.00
Repairs and Improvements of Elevators, Annexes, Wiring, Door Openers, etc.	292,564.00	533,909.00	826,473.00
Repainting of Elevators and Annexes.....	—	146,200.00	146,200.00
Repairs to Temporary Annexes.....	—	130,000.00	130,000.00
<b>Total.....</b>	<b>\$1,130,564.00</b>	<b>\$ 810,109.00</b>	<b>\$1,940,673.00</b>



**Agents' Dwellings:**

Repairs, Renovations and Capital Improvements.....	\$ 90,000.00	\$ 30,000.00	\$ 120,000.00
Painting.....	—	22,740.00	22,740.00
Construction and Purchase of Dwellings.....	94,000.00	—	94,000.00
<b>Total.....</b>	<b>\$ 184,000.00</b>	<b>\$ 52,740.00</b>	<b>\$ 236,740.00</b>

Amounts expended as at 31st July 1962 under the above authority, are shown in the following statements:

<i>Elevator Program</i>	<i>Capital</i>	<i>Repair</i>	<i>Total</i>
Construction or Reconstruction of Elevators and Annexes.	\$275,442.17	\$ —	\$ 275,442.17
Repairs to Elevators, Annexes, Wiring and re-wiring.....	99,852.69	241,503.81	341,356.50
Repainting of Elevators.....	—	74,674.27	74,674.27
Repairs to Temporary Annexes.....	—	15,731.30	15,731.30
<b>Total.....</b>	<b>\$ 375,294.86</b>	<b>\$ 331,909.38</b>	<b>\$ 707,204.24</b>

**Agents' Dwelling Program:**

Construction of new Dwellings.....	\$ 12,834.10	\$ —	\$ 12,834.10
Repairs, Renovations, Electric Wiring, Painting etc.....	46,234.70	15,386.07	61,620.77
Purchase of Dwellings.....	—	—	—
Purchase of Property.....	830.00	—	830.00
Sundry Additions.....	207.22	—	207.22
<b>Total.....</b>	<b>\$ 60,106.02</b>	<b>\$ 15,386.07</b>	<b>\$ 75,492.09</b>

*Elevator Repairs and Improvements*

It will be noted that the volume of repairs and improvements to elevators and annexes which it was possible to complete before 31st July 1962 was approximately 42% of the authorized program.

One hundred and thirty-nine elevators and one hundred and ten annexes have been repainted (out of a total program of three hundred and fifteen elevators and two hundred and twenty annexes.)

At the end of the fiscal year work is continuing on the remainder of the program.

*Elevator Construction*

A total of eight construction projects was authorized of which seven were allocated and nearing completion at the date of this report. In general, the new elevators represent replacement of existing facilities. Details are as follows:

Balcarres "A".....	Elevator rebuilt to 95,000 bushel capacity, retaining 45,000 bushel Crib Annex and 22,000 bushel Temporary Annex—all electrically driven.
Leroy.....	Elevator rebuilt to 35,000 bushel capacity, retaining 35,000 bushel Frame Annex and 28,000 Frame Annex—all electrically driven.
Plato.....	Elevator rebuilt to 80,000 bushel capacity, retaining 35,000 bushel Frame Annex—all electrically driven.
Raymore.....	Elevator rebuilt to 50,000 bushel capacity, retaining 50,000 bushel Crib Annex—all electrically driven.
Star City "A".....	Elevator rebuilt to 65,000 bushel capacity, retaining 18,000 bushel Crib Annex—all electrically driven.
Turtleford.....	Elevator rebuilt to 80,000 bushel capacity, retaining 18,000 bushel Crib Annex—all electrically driven.
Waldeck.....	Elevator rebuilt to 65,000 bushel capacity, retaining 35,000 bushel Frame Annex—all electrically driven.

It is expected that all of the above plants will be completed by 24th November 1962.



1. The first part of the report is a general introduction to the subject of the study. It discusses the importance of the study and the objectives of the research.

2. The second part of the report is a detailed description of the methodology used in the study. It includes information about the sample size, the data collection methods, and the statistical analysis techniques.

3. The third part of the report is a discussion of the results of the study. It presents the findings of the research and discusses their implications for the field of study.

4. The fourth part of the report is a conclusion and a summary of the findings. It provides a final assessment of the study and its contributions to the field.

5. The fifth part of the report is a list of references. It includes all the sources of information used in the study, such as books, articles, and other documents.

6. The sixth part of the report is an appendix. It contains additional information that is not included in the main body of the report, such as raw data or detailed calculations.

7. The seventh part of the report is a glossary. It defines the key terms and concepts used in the study, ensuring that the reader has a clear understanding of the terminology.

8. The eighth part of the report is a bibliography. It lists all the sources of information used in the study, providing a comprehensive list of references for the reader.

### Cost of Elevators

(Electrically driven, including power line construction charges)

35,000 bushel type.....	\$60,000.00 (\$1.71 per bushel)
50,000 bushel type.....	73,000.00 (\$1.46 per bushel)
65,000 bushel type.....	81,000.00 (\$1.24 per bushel)
80,000 bushel type.....	88,000.00 (\$1.10 per bushel)
95,000 bushel type.....	97,500.00 (\$1.03 per bushel)
140,000 bushel type.....	126,000.00 (\$.90 per bushel)

The above prices exclude the installation of cleaners and are based on all new material. There is usually very little salvage of machinery from the demolition of an old elevator, with the possible exception of scales and truck hoists. About 30,000 board feet of old lumber is usually salvaged from a demolition job. In some cases the office building is retained. Construction charges paid to Saskatchewan Power Corporation vary from \$250.00 to \$1,100.00, while the operating service charge amounts to \$1.00 per month per connected horse power. The current used is metered and charged for on a sliding scale. Where an engine drive is required, there is an increase in cost of approximately \$1,600.00 over the above prices.

### New Annexes

During the year under review the Board approved a program designed to provide eight new annexes of which six were allocated. Many of these replaced temporary annexes. The entire program was built of cribbing. The allocations for the 1962 program are as follows—(only 6 appropriated):

Crib Annexes	Bushels	Crib Annexes	Bushels
Davidson "B".....	60,000	Maidstone "B".....	60,000
Drinkwater.....	50,000	Prince Albert "B".....	55,000
Lipton.....	45,000	Radville.....	60,000

It is expected that all of the above units will be completed by 24th November 1962.

### Cost of Annexes

40,000 bushel Crib.....	\$24,800.00 (64c per bushel)
45,000 bushel Crib.....	27,500.00 (61c per bushel)
50,000 bushel Crib.....	28,000.00 (56c per bushel)
55,000 bushel Crib.....	29,000.00 (53c per bushel)
60,000 bushel Crib.....	30,000.00 (50c per bushel)

### Elevator Capacity

The following tabulation shows the physical capacity of country elevators and permanent and temporary annexes as it will be on completion of the 1962 building program:

1,252 Country Elevators.....	44,144,000 bushels
397 Crib Annexes.....	13,342,000 bushels
446 Frame Annexes.....	16,176,000 bushels
599 Temporary Bins.....	12,524,000 bushels
<b>Total</b> .....	<b>86,186,000 bushels</b>

### Repairs and Improvements to Agents' Dwellings

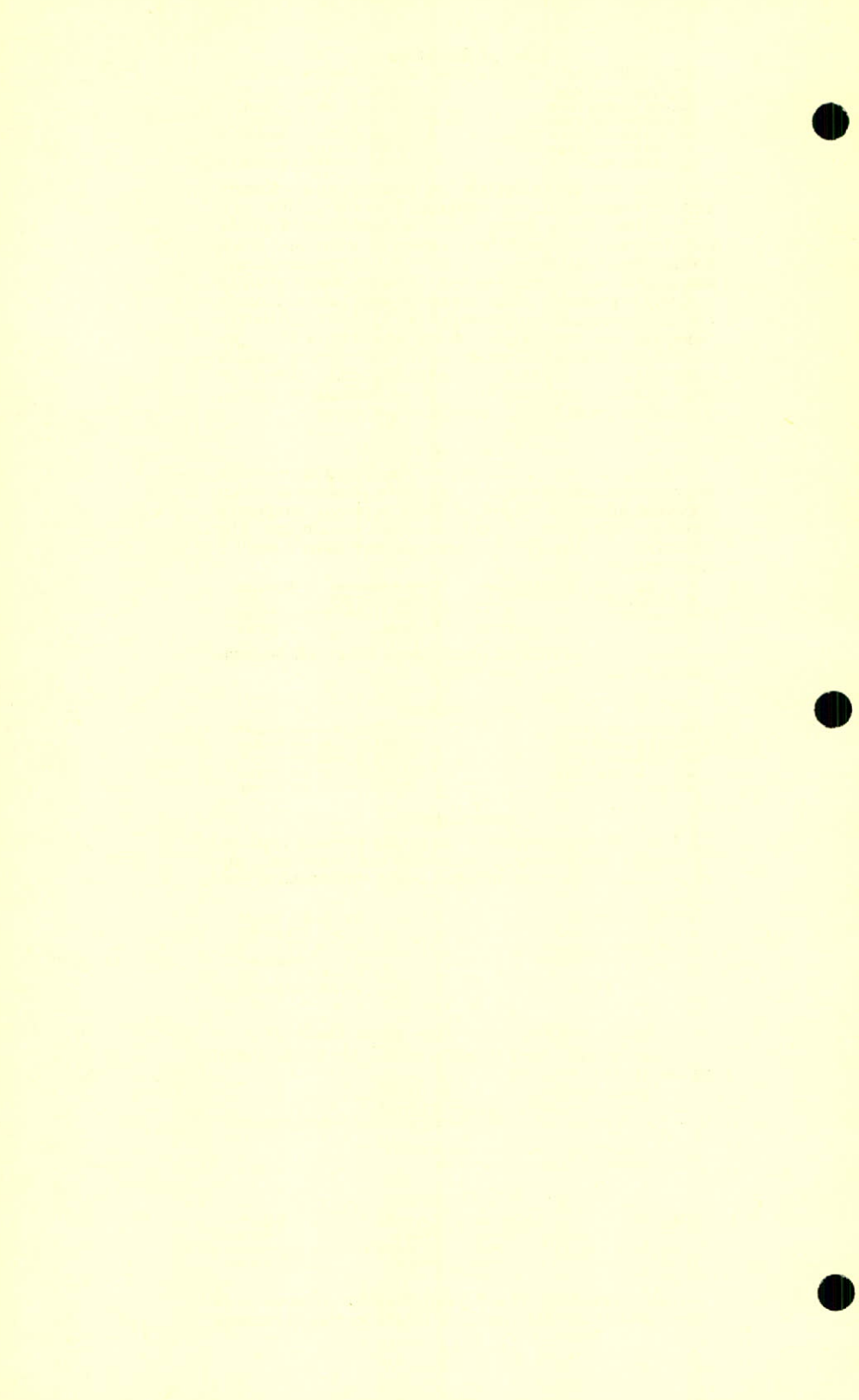
In general the work included under this heading may be described as follows:

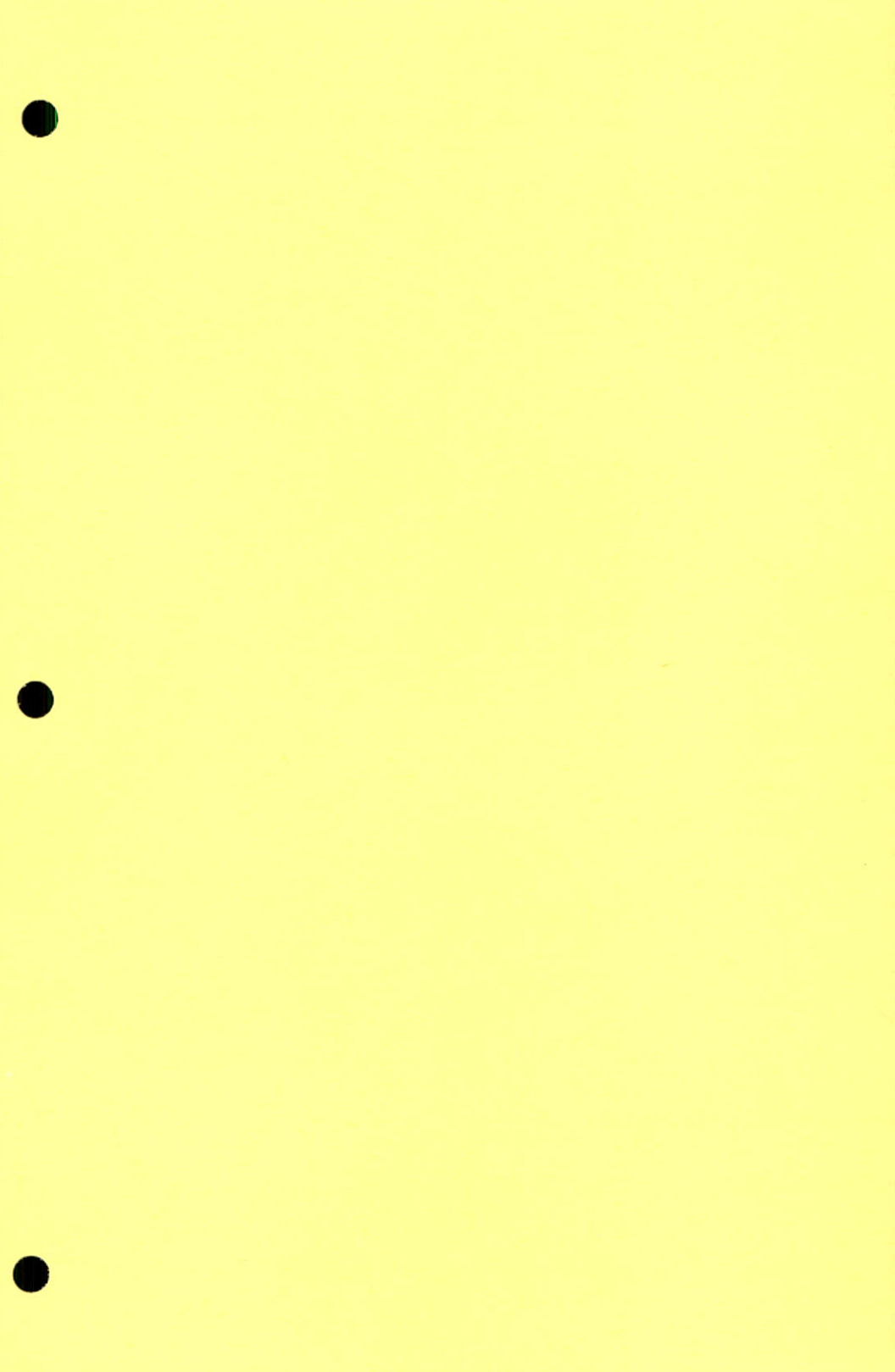
- Additional rooms
- Concrete basements, complete or partial
- Oil burners added to old furnaces, or complete new oil or gas furnaces
- General repairs, including painting
- Installation of plumbing systems.

### New Dwellings

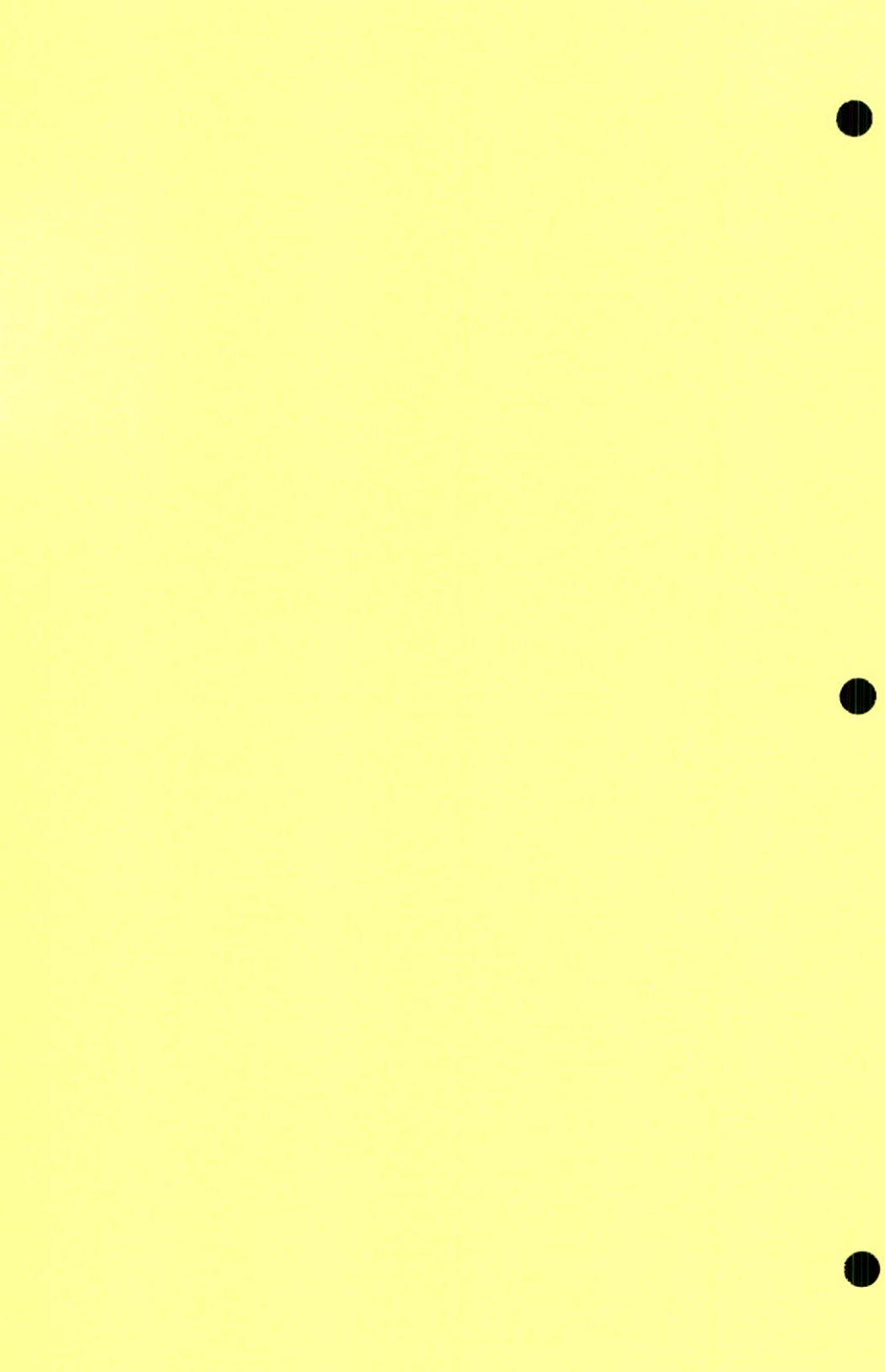
Cutknife.....	5-Room	Lestock.....	5-Room
Estevan.....	5-Room	Prince.....	5-Room
Foam Lake.....	5-Room	Theodore.....	5-Room
Gull Lake.....	5-Room	Wakaw.....	5-Room
Lashburn.....	5-Room		

The average cost of a 5-room dwelling (unmodern) is about \$9,600.00. This includes provision for oil-burning









furnace (or gas where available), electric lights, sink, pump and cistern. Where sewer and water connections are carried out the additional cost is approximately \$1,000.00.

#### *Long Distance Elevator Moves*

Over the past year the Country Elevator Division has conducted an extensive program of research and development in the field of long distance elevator moves. The research program involved studies and analysis of all known high tonnage structure moving procedures. A thorough analytical engineering study was conducted to assure that it was physically possible to move safely a structure of this magnitude and to establish safe working limits during a move.

The development portion of the program involved field tests, analyses of these tests, the rental of suitable gear for the move, the development of methods via mathematics and trial and the eventual development of economy of methods via staff training, the purchase and improvement of equipment and the improvements of methods.

As a result of this research and development program on heavy moving it can be reported that it is now physically and economically feasible to move 200 ton, 100 ft. high elevators, distances of up to fifty miles without structural damage. The moving equipment being used for this undertaking by the Country Elevator Division is capable of negotiating relatively narrow highways and municipal roads, over bridges, across ditches, through creeks, over cultivated lands, over loose non-compacted fill, around fairly difficult right angle turns, around super-elevated highway curves, over fairly low density, highly plastic soil with relatively high moisture content and through village and town streets.

Economically elevators and annexes are movable when their physical condition is such that the moving costs, foundation costs and re-equipping costs bear a proper relation to the depreciated value of the structure.

#### *Cost and Availability Survey*

A recent report contained in the Maclean Building Guide for August 1962, indicates that the building cost index has increased 1% over the past twelve months. Construction materials have been readily available.

#### **Laboratory Service**

During the year ended 31st July 1962, the Country Elevator Division continued to provide free moisture and germination testing service for Pool members. The following figures indicate the number of tests made in the laboratory at Head Office for the past three seasons:

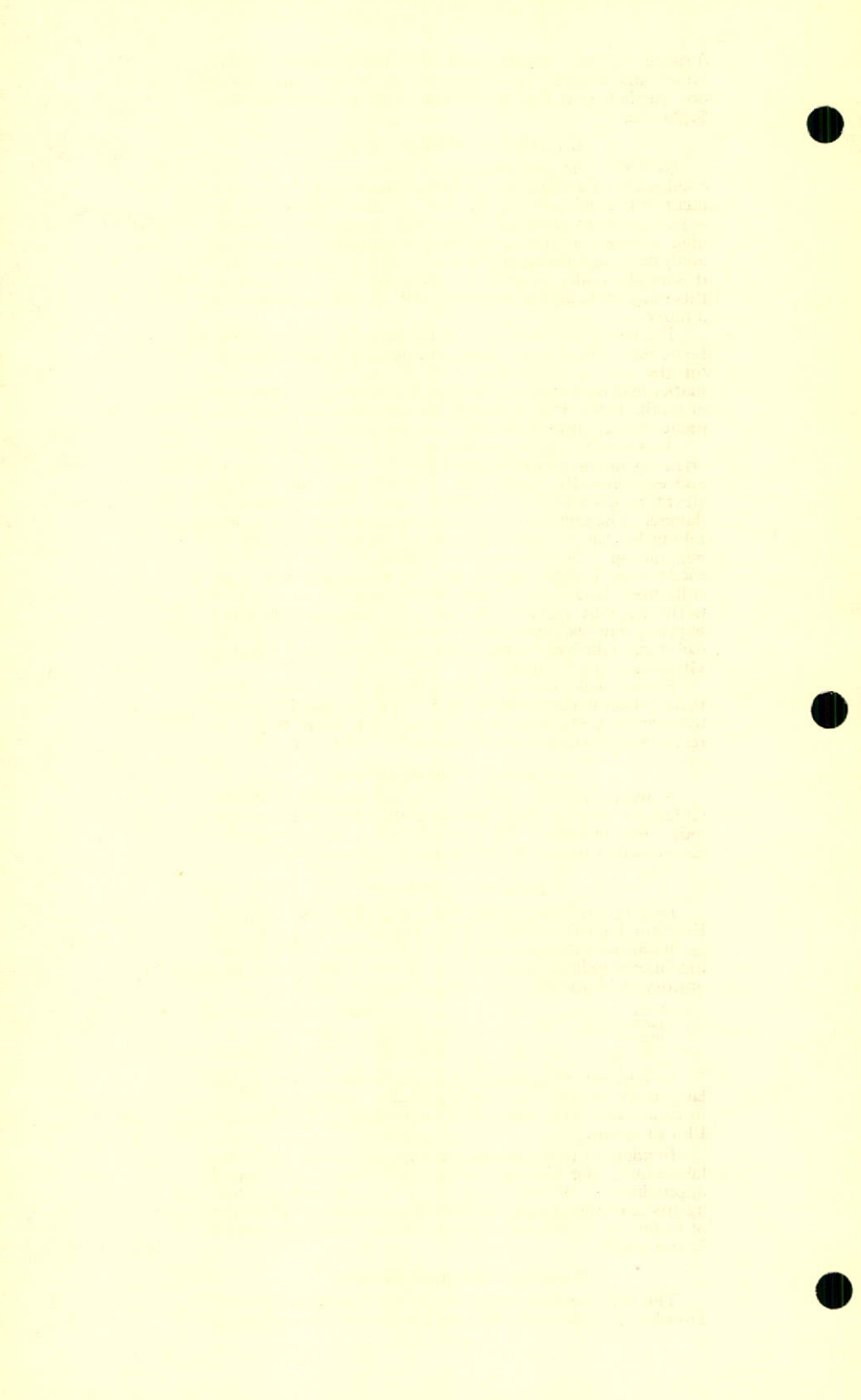
Year	Germination	Moisture
1961-62.....	10,300	391
1960-61.....	10,760	742
1959-60.....	17,168	1,573

In addition to conducting the tests shown above, the laboratory weighed and graded 1,250 samples of grain in connection with the Junior Co-operative Variety Test Plot program.

In addition to the germination testing conducted in the laboratory, the Country Elevator Division distributed approximately 15,000 "rag doll" type testers through agents to enable growers to make their own tests. This type of tester has continued to prove popular with the growers in the country.

#### **Terminal Elevator Division**

The statement of operations of the Terminal Elevator Division for the year ended 31st July 1962 appears as



Statement No. 6, Page No. 23 of the Auditors' Report submitted separately to delegates.

The Terminal Elevator Division showed total earnings for the year of \$7,291,279.00 and total expenses amounted to \$5,979,394.00, leaving an operating surplus for the year of \$1,311,885.00, representing an increase of \$45,798.00 as compared with the previous year.

A very important and interesting development was the greatly increased volume of grain which moved to elevators at the West Coast and from those elevators to overseas destinations. New records were established in the volume of grain handled through West Coast terminal elevators, with total receipts of 181,936,787 bushels, exclusive of rapeseed and mustard seed, and outward shipments of 182,652,142 bushels of all grains, exclusive of rapeseed and mustard seed. In addition, rapeseed receipts amounted to 7,472,235 bushels, and mustard seed receipts amounted to 349,362 bushels.

The following tabulation shows a comparison of the volume of grain handled by the different terminal units of the Division for the year under review, as compared with the previous year:

	1961-1962 (Bushels)	1960-1961 (Bushels)
Terminals No. 4A and 4B.....	27,613,871	30,551,020
Terminal No. 5.....	5,655,723	7,391,572
Terminal No. 6.....	16,341,887	22,507,707
Terminal No. 7.....	28,897,372	36,209,337
Terminal No. 8.....	4,770,618	9,385,842
<b>Total—Lakehead Terminals.....</b>	<b>83,279,471</b>	<b>106,045,478</b>
Vancouver.....	24,646,482	18,522,995
<b>Total.....</b>	<b>107,925,953</b>	<b>124,568,473</b>

As at 31st July 1962 the stocks in store at each of the Saskatchewan Pool Terminals were as follows:

	(Bushels)
Terminals No. 4A and 4B.....	6,960,117
Terminal No. 5.....	1,979,433
Terminal No. 6.....	5,709,715
Terminal No. 7.....	7,691,291
Terminal No. 8.....	2,305,929
<b>Total—Lakehead.....</b>	<b>24,646,485</b>
Vancouver.....	1,366,663
<b>Total.....</b>	<b>26,013,148</b>

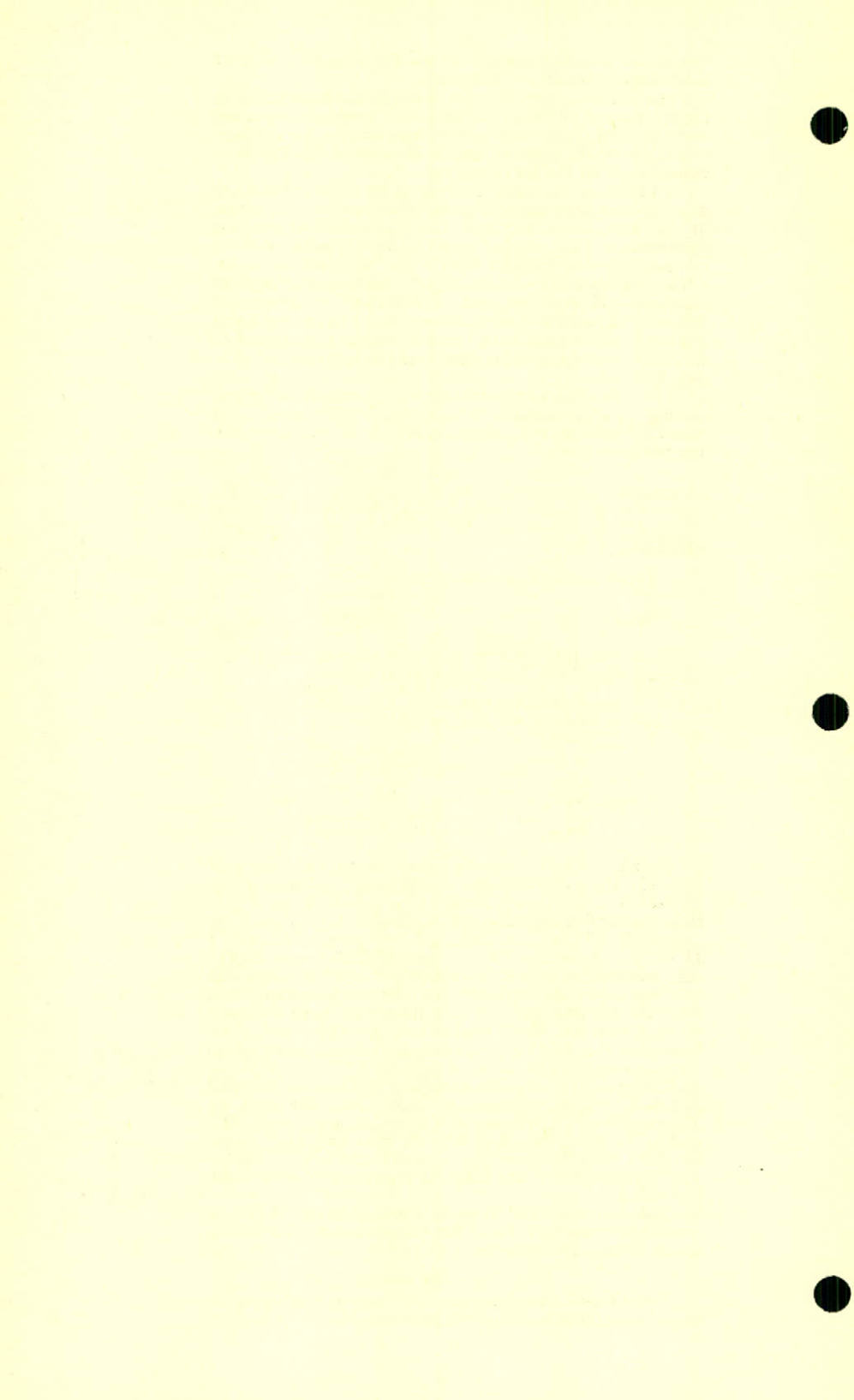
Board of Grain Commissioners' statistics show that 127,873 cars were unloaded at the Lakehead during the 1961-62 season. This represented a reduction of 36,697 from the number unloaded the previous year. Pool terminals unloaded 43,758 cars at Lakehead terminals, a decrease of 11,142 cars from the 1960-61 season. There were 84,115 cars unloaded at all other terminals at the Lakehead and this was a decrease of 25,555 from the previous year. Once again in the year under review more cars were unloaded at Pool Terminal No. 7 than at any other elevator at the Lakehead and the 15,288 cars unloaded at that plant represented 11.96% of all Lakehead unloads. At Terminal No. 4, 14,377 cars were unloaded, equalling 11.24%. At Terminal No. 6, 8,538 cars, representing 6.68%, were unloaded. At Terminal No. 5, 3,070 cars were unloaded, equalling 2.40% and at Terminal No. 8, 2,485 cars were unloaded, representing 1.94%. The leading competitive elevator unloaded 12,072 cars and this was 9.44% of the cars unloaded at the Lakehead.

Saskatchewan Pool Terminals unloaded 13,134 cars at Vancouver out of a total of 100,116 unloaded at all Pacific Coast plants. This represents 13.12%.

#### 1961 Crop High Quality

The 1961-62 Saskatchewan crop was of small proportions but of very high quality, probably one of the highest





recorded, and grain of high moisture content was almost non-existent. The average protein content for wheat was reported as being 14.4%. A very large percentage of the wheat handled by Saskatchewan Pool terminals graded One and Two Northern, the actual percentage for One Northern being 43.03 and for Two Northern 40.53. Only 9,769.6 bushels of damp grain were dried at Pool Terminal No. 7 and no drying was carried on at the other Lakehead terminals or at the Vancouver terminal.

#### *Special Selections—Barley*

Saskatchewan Pool terminals handled barley of malting quality on a special bin basis at Terminal No. 4 for two exporting firms. The quantity involved was 184,305 bushels. This was 383,544 bushels less than was special binned the previous year. The barley that was special binned represented over-quota deliveries to Pool country elevators by producers and it was handled in that manner for the exporting firms in efforts to encourage the exporters to supply premium bids for over-quota carlots. Pool terminals also handled on an identity preserved basis, 146,000 bushels of barley for the Country Elevator Division and 42,000 bushels for an exporting firm. During a fairly substantial part of the crop year little interest was shown in Canadian barley of malting quality by American processors and importers.

#### *Official Audits*

Official audits were carried out at Terminals Nos. 4, 5 and 6. There was no letup in the flow of grain to the West Coast and the Saskatchewan Wheat Pool terminal at that point was kept busy throughout the year. At no time did the stocks decline to proportions which would permit the carrying out of an official Government audit and for that reason no audit was made during the year.

#### *New Equipment and Replacements*

The established practice was continued of maintaining terminal elevators and the equipment in those elevators in a generally satisfactory condition with much of the repair and replacement work being done in the winter months at the Lakehead. The repair programs included relining and replacing spouting of various kinds where necessary, overhauling cleaners, screw conveyors, motors, starters and control equipment. Worn out leg and conveyor belting was replaced with new belting.

Fairly extensive concrete repairs and exterior painting were carried out at Terminals No. 5 and No. 8 and during the year the underpinning work in connection with Annex No. 3 of Pool Terminal No. 5 was completed.

The first part of a major project at Terminal No. 7, involving the stabilization of Annexes Nos. 1 and 2 was completed and plans and specifications for its second phase, a sheet pile revetment wall, are being prepared. The construction of this revetment wall will permit the slip to be dredged to a maximum of thirty feet at low water levels.

The installation of high shipping spouts at Terminals Nos. 4, 6 and 7 was not completed in sufficient time for the spouts to be utilized prior to the close of navigation. They were, however, available when navigation opened in the spring and proved very useful in loading ocean vessels and the larger lake freighters. The spouts have made it possible for both lake and ocean vessels to load some distance from the docks where the water is deeper and, in addition, their use has eliminated some of the trimming.









### *Power*

After having been unchanged for many years, the power rates at Port Arthur were increased approximately 17% on 1st July 1962. The cost of power used at our Lakehead plants amounted to \$210,880.29, a reduction of \$5,629.11 from the amount paid the previous season. The noticeably smaller volume of grain handled was the major reason for the decrease.

### *Taxes*

The Port Arthur tax rate was increased 1st January 1962 by 3 mills and there was a 4 mill increase the previous year. At Fort William the increase of 2.3 mills followed an increase the previous January of .2 mills. The increase in taxes paid in the crop year in connection with the Lakehead plants and properties amounted to \$25,606.84. Adjustments in the assessments and mill rate at Vancouver led to a reduction in taxes of \$563.43.

### *Staff*

The number of men employed at Lakehead plants ranged from a high of 480 in November to a low of 223 in the month of January. At Vancouver the largest number employed was 63 and the smallest number 56.

### *General*

During the crop year, 43 ocean vessels cleared the Lakehead for foreign destinations with 15,095,000 bushels of grain, compared with 16,240,714 bushels loaded on vessels of that type the previous year. Some of the ocean vessels made two or more trips. During the year Saskatchewan Pool terminals loaded 5,470,000 bushels of grain on ocean vessels, compared with 5,690,000 bushels in the previous crop year. There were 13 vessels of British registry which carried 7,157,000 bushels of grain in the coastal traffic from Lakehead terminals to other Canadian destinations. Pool terminals loaded 2,039,000 bushels of grain on 11 of those vessels and in the previous year loaded 3,645,000 bushels.

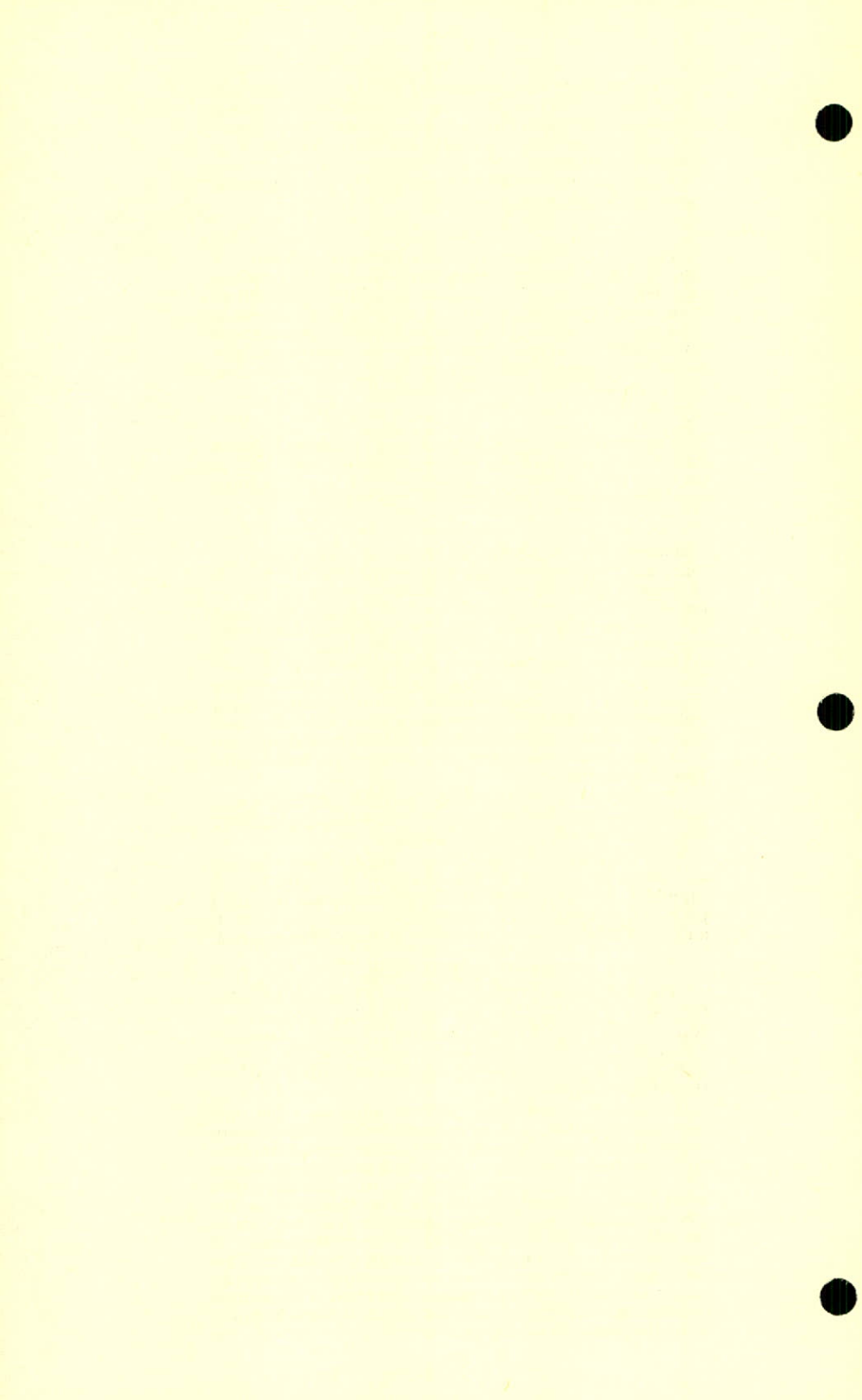
The record volume of grain handled at West Coast terminal elevators involved shipments averaging 15,221,012 bushels per month for the 12-month period.

The lease at the Saskatchewan Wheat Pool terminal at Vancouver, owned by the National Harbours Board, expired on 31st July 1962, and negotiations were instituted prior to the expiry date for renewal of the lease agreement, and satisfactory renewal arrangements have been reached.

### **Flour Mill Division**

The Statement of Operations of the Flour Mill Division for the year ended 31st July 1962 appears as Statement No. 7, Page No. 25 of the Auditors' Report. It will be noted that the Flour Mill had a surplus for the year of \$228,167.00 as compared with a surplus of \$141,386.00 for the previous season.

Operations at the Flour Mill continued on a full time basis throughout the past season and for the fifth consecutive year operations were in excess of the normal full time operating basis of 300 days. The actual time for the season was 331 days, 17¾ hours, compared with 308 days, 19½ hours during the previous season. The objective for the 1961-62 season was a 300-day operating year, but due to the heavy demand from some of the markets overseas, it was found to be impossible to curtail operations. This has meant that the problem of plant maintenance has been rather a difficult one but through a program of preventive maintenance during operating periods, and the scheduling of maintenance work during short shutdown periods, the



plant has been kept in a satisfactory operating condition. The loyal support and co-operation of those people responsible for the operation and maintenance of the plant is hereby acknowledged. Without this co-operation it would have been impossible to maintain the tight schedule of operations during the year.

According to the statistics available at the time of writing, Canadian mills operated at approximately 80.6 per cent of their potential capacity as against 83.9 per cent during the previous season. Commercial export sales during the period were approximately 1,600,000 cwt. below the previous year and sales under the various Government Aid Programs declined by approximately 1,300,000 cwt. This is a decline of approximately 20 per cent in export sales, and with the possibility of additional markets closing through industrialization abroad during the coming season, it would appear Canadian mills will face a further decline in export sales. This trend has been felt quite keenly by western mills as most of the industrialization has taken place in markets formerly serviced out of the Pacific Coast and mills in Western Canada have been operating well below capacity during the past twelve months.

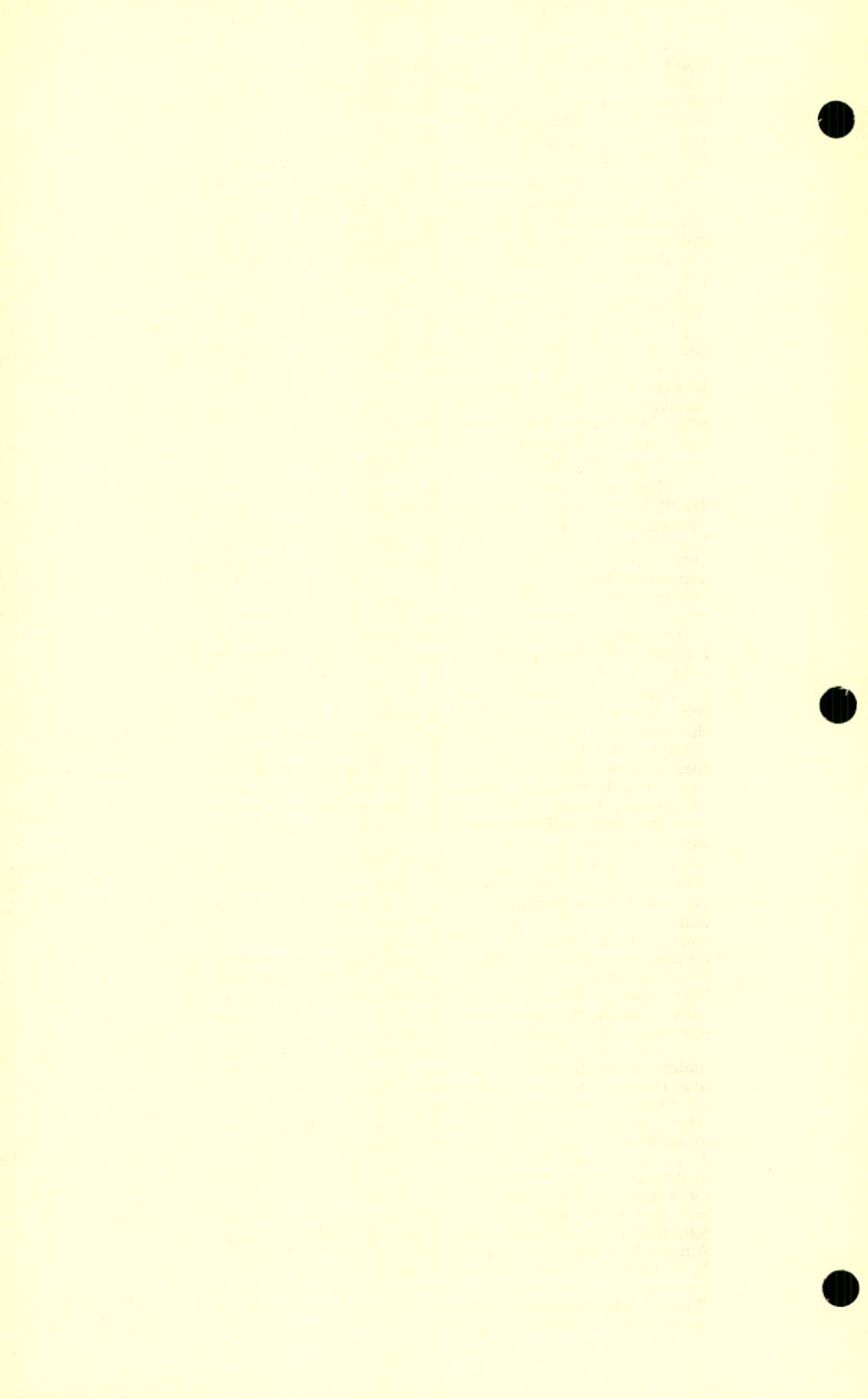
The quest for new markets abroad has continued throughout the year but the areas are limited. In most instances it is found that Canadian products are priced too high and the Pool Mill can not meet the competitive structure set by countries shipping flour either on a highly subsidized basis, or a product that is inferior in quality, but nevertheless acceptable to the importing country. In spite of this, however, it has been possible for the Pool to expand operations, particularly in African markets and as a result it has been possible to keep the Mill's production sold.

While it is very difficult to obtain accurate figures regarding the sales on the domestic market, it would appear domestic sales were also below those of the previous season. This may be due to the revised method of reporting domestic sales which was instituted early in the year, but from reports received, coupled with the Division's own experience, it appears likely that when the final figures are available they will indicate the domestic volume to be lower than the previous year.

There has been a greater degree of stability on the domestic market throughout the year than has been experienced for a number of years, with prices in most instances reflecting the increased cost of wheat. For a comparatively short period, flour prices lagged behind increased raw material costs, but this was due to long term bookings made by the larger bakers. Millfeed prices held firm through the season and this factor compensated in some measure for the lower return in the Bakers flour during the period when bookings were being completed.

An analysis of the manufacturing costs for the period under review indicates an increase of 42.2 cents per cwt. over the previous year. This increase in manufacturing costs can be directly attributed to an increased cost for wheat of 50.8 cents per cwt., less an increase of 9.7 cents per cwt. in millfeed returns, leaving a net wheat cost increase of 41.1 cents per cwt. In addition to this there was an increase of 2 cents per cwt. in bag costs, which was partially offset by a fractional decrease in all other costs of .9 cents per cwt. An interesting feature of the analysis is that, although administrative salaries were increased substantially in August 1961, and a 6 cent per hour increase, effective 1st May 1962, for hourly employees was granted, the actual wage cost per cwt. for the season indicated a decrease of .7 cents. This, of course, was due to the greater volume of flour produced during the season.





### Storage

The total wheat receipts for the season amounted to 3,137,368 bushels which, when compared with the previous season, is an increase of 278,785 bushels.

The street receipts for the season amounted to 265,319.2 bushels which, when compared with the previous year, is a decrease of 139,665 bushels. There were 160 permit holders delivering to the mill during the year as against 168 during the previous season.

The gristing receipts amounted to 74,215 bushels, compared with 112,007 bushels during the previous year. It is expected that, with more space available at country points, this downward trend in both street and gristing deliveries will continue during the 1962-63 season.

Cars unloaded at the Mill elevator during the year amounted to 1,461 cars as against 1,246 during the previous season. All deliveries were wheat for the Flour Mill account. The Mill elevator did not handle any products for the Vegetable Oil Division as in previous years. A summary of the wheat receipts by grade is as follows:

	Bushels		Percentage	
1 Northern.....	820,543.3		26.16	
2 Northern.....	1,669,968.9		52.23	
3 Northern.....	466,313.7		14.86	
4 Northern.....	167,245.4		5.33	
Tf. 3 Northern.....	7,549.6		.24	
Tf. 4 Northern.....	5,747.8		.18	
<b>Total.....</b>	<b>3,137,368.7</b>		<b>100.00%</b>	

	1961-1962 (Bushels)		1960-1961 (Bushels)	
Street Receipts.....	265,391.2	8.4%	504,956.	17.6%
Carlot Receipts.....	2,797,761.8	89.3%	2,241,620.	78.5%
Gristing.....	74,215.	2.3%	112,007.6	3.9%
<b>Total.....</b>	<b>3,137,368.</b>	<b>100.0%</b>	<b>2,858,583.6</b>	<b>100.0%</b>

### Flour Mill

Flour production at the Mill for the season amounted to 1,382,551.85 cwt. which, when compared with the previous year, is an increase of 80,218 cwt. The millfeed production for the period was 22,686 tons, which, when compared with the previous year, is an increase of 1,267 tons. The total amount of wheat ground during the season amounted to 3,031,963 bushels, which, when compared with the previous season, is an increase of 155,217 bushels.

### Sales

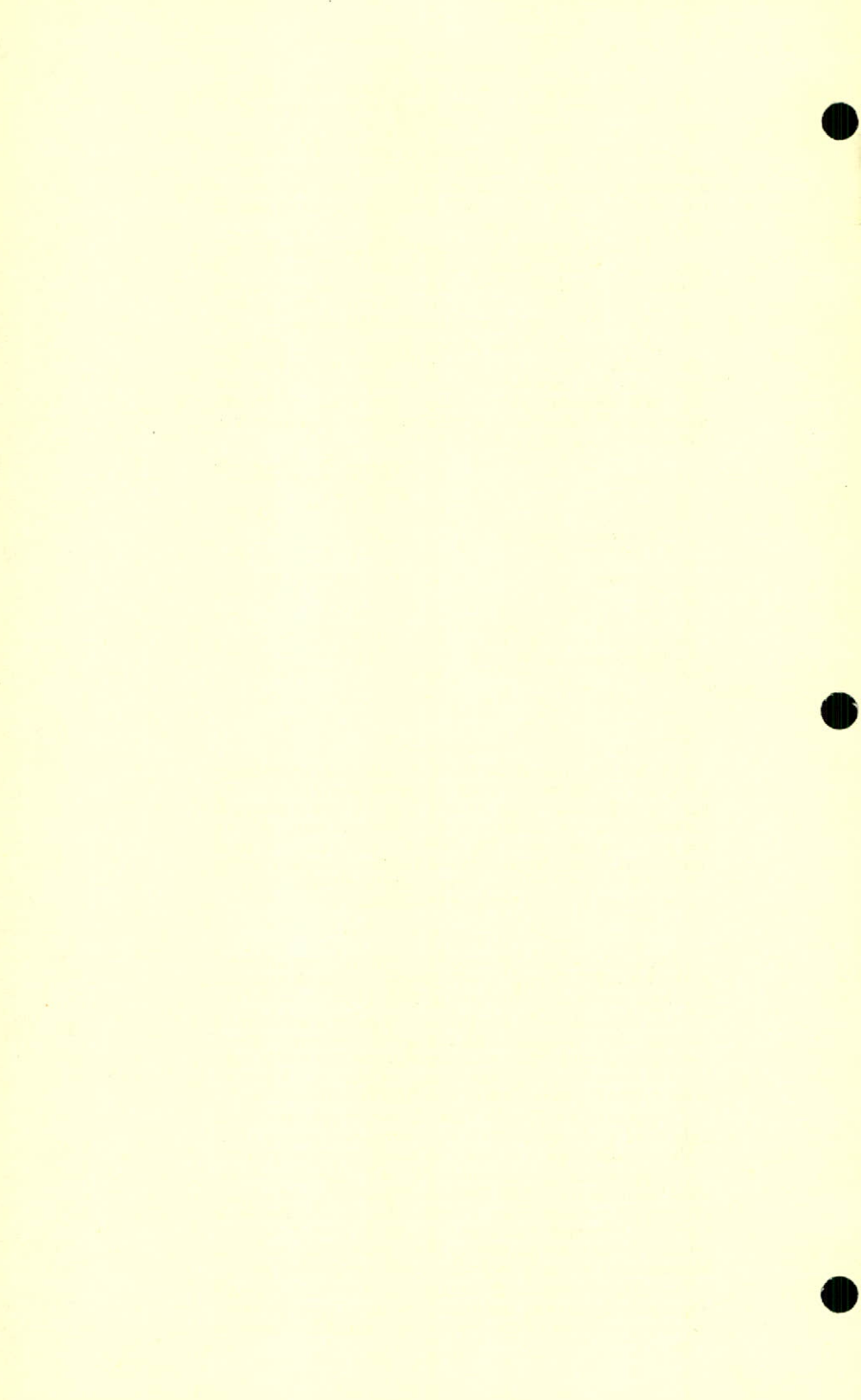
The total sales of all grades of flour for the year amounted to 1,416,977.75 cwt. which, when compared with the previous season, is an increase of 98,524 cwt.

The domestic sales for the year showed a substantial increase when compared with the previous season. Sales of Bakers flour and other secondary grades showed a substantial increase during the year, but this was offset to some extent by a decrease in the First Patent sales.

The sales of First Patent flour during the season showed a decrease when compared with the previous season. This is the one disappointing factor in the season's operations.

In summarizing operations for the year it may be stated that the Flour Mill Division had a successful season, in spite of reduced First Patent sales on the domestic market. Offsetting this factor to some extent was the substantial increase in Bakers flour sales which the Mill Management hopes to maintain during the coming year.

In spite of continued contraction of certain overseas markets occasioned by the industrialization program being sponsored by some of the developing countries, shipments









from the Pool Mill went to many countries of the world. These included—Antigua, Bermuda, Cambodia, Ceylon, Costa Rica, Congo, Cuba, El Salvador, Gambia, Ghana, Goa, Great Britain, Grenada, Honduras, Hong Kong, Indonesia, Jamaica, Japan, Lebanon, Macau, Malaya, Nicaragua, Nigeria, Nyasaland, Panama, Philippines, Portuguese Guinea, Sierra Leone, Singapore, St. Vincent and Thailand.

### Vegetable Oil Division

The Operating Statement of the Vegetable Oil Division for the year ended 31st July 1962 appears as Statement No. 8, Page No. 27, of the Auditors' Report. It will be noted that the Vegetable Oil Division had a loss of \$330,928.00 for the year under review, as compared with a surplus of \$166,163.00 for the previous year.

During the year under review the main development in connection with this Division, other than regular operations, has been the changeover at the end of August 1961 from the expeller method of extraction to the more modern method of solvent extraction. The changeover must be kept in mind in analysing the various statements of operations and making comparisons with previous seasons.

### Flax Operations

The processing plant operated 49 days on flax, compared with 45 days for the previous season. The 49 days of operation resulted in the processing of 6,400,178 pounds or 114,289 bushels, producing 2,261,117 pounds of linseed oil and 4,022,060 pounds (2,011 short tons) of linseed meal. All sales of linseed oil and meal were made on the domestic market. The following statement shows the types of oil sold and the distribution of sales of oil and meal by provinces for the past two seasons:

#### Types of Linseed Oil Sales

	1961-62 (Pounds)	1960-61 (Pounds)
Raw.....	848,929	1,046,371
Boiled.....	178,809	220,289
Bleached Raw.....	693,350	666,965
Alkali Refined.....	305,890	781,060
<b>Total.....</b>	<b>2,026,978</b>	<b>2,714,685</b>

#### Distribution of Linseed Oil Sales

	1961-62 (Pounds)	1960-61 (Pounds)
British Columbia.....	801,723	975,230
Alberta.....	210,024	178,072
Saskatchewan.....	207,448	307,261
Manitoba.....	170,676	409,985
Ontario.....	637,107	724,037
Quebec.....	—	120,100
<b>Total.....</b>	<b>2,026,978</b>	<b>2,714,685</b>

#### Distribution of Linseed Meal Sales

	1961-62	1960-61
British Columbia.....	495,960	662,000
Alberta.....	2,136,290	1,606,000
Saskatchewan.....	1,322,590	1,182,200
Manitoba.....	—	15,000
Ontario.....	6,070	—
Maritimes.....	—	—
<b>Total.....</b>	<b>3,960,910</b>	<b>3,465,200</b>

Stocks of linseed oil as at 31st July 1962 amounted to 261,754 pounds, as compared with 90,490 pounds as at 31st July 1961. Stocks of linseed meal as at 31st July 1962 amounted to 78,550 pounds as compared with 17,400 pounds at 31st July 1961. Linseed meal sold readily throughout the season at a price of \$70.00 per ton f.o.b. the plant, Saskatoon. Practically all linseed meal is sold in 100-pound jute bags.



Stocks of flax in store the elevator as at 31st July 1962 amounted to 1,818.7 bushels and outstanding storage tickets amounted to 24,624 bushels. Stocks as at 31st July 1961 amounted to 42,510 bushels with outstanding storage of 5,993 bushels.

#### *Rapeseed Operations*

The plant operated 190 days on rapeseed compared with 285 days for the previous season. The 190 days operation resulted in the processing of 26,602,450 pounds, or 532,049 bushels, producing 9,502,962 pounds of rapeseed oil and 16,699,410 pounds (8,350 tons) of rapeseed meal. Rapeseed oil was in fair demand throughout the season at depressed prices. The following statements show the types of oil sold and the distribution by provinces, as well as export, for the past two seasons.

#### *Types of Rapeseed Oil Sales*

	1961-62 (Pounds)	1960-61 (Pounds)
Degummed.....	4,555,373	8,100,911
Bleached Alkali Refined.....	1,458,552	1,321,663
Deodorized.....	2,159,446	1,957,840
<b>Total.....</b>	<b>8,173,371</b>	<b>11,380,414</b>

#### *Distribution of Rapeseed Oil Sales (Domestic and Export)*

	1961-62 (Pounds)	1960-61 (Pounds)
British Columbia.....	9	93
Alberta.....	46	—
Saskatchewan.....	204,269	122,495
Manitoba.....	601,290	240,219
Ontario.....	2,904,513	3,583,460
Quebec.....	3,846,184	6,833,708
Export (U.S.A.).....	617,060	600,439
<b>Total.....</b>	<b>8,173,371</b>	<b>11,380,414</b>

Total stocks of rapeseed oil on hand as at 31st July 1962 amounted to 1,473,670 pounds as compared with 746,900 pounds as at 31st July 1961. Price decline of oil in July was the main reason for the increased stocks at the year end.

There was a fair demand for rapeseed meal throughout the year with wide fluctuations in price caused by price cutting practices by competitors and a good demand for soybean meal which gave support to the rapeseed meal market.

The following statement shows the distribution of rapeseed meal by provinces for the last two seasons.

#### *Distribution of Rapeseed Meal Sales*

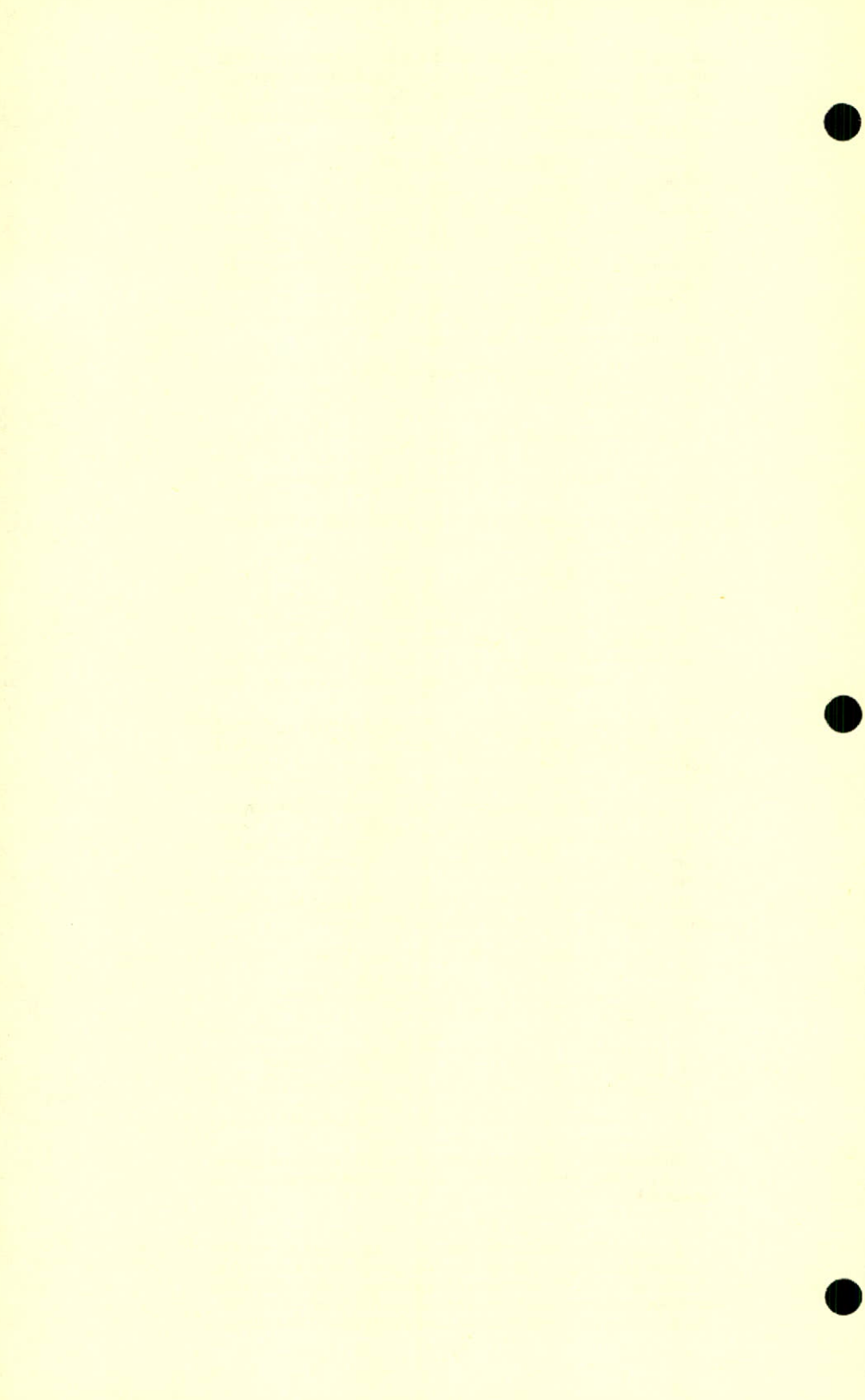
	1961-62 (Pounds)	1960-61 (Pounds)
British Columbia.....	1,284,030	1,019,000
Alberta.....	7,575,810	10,486,000
Saskatchewan.....	5,236,170	4,229,800
Manitoba.....	140,000	900,000
Ontario.....	60,000	830,000
Quebec.....	480,030	2,810,000
Maritimes.....	1,430,080	1,920,000
<b>Total.....</b>	<b>16,206,120</b>	<b>22,194,800</b>

Stocks of rapeseed meal as at 31st July 1962 amounted to 1,239,390 pounds as compared with 746,000 pounds as at 31st July 1961.

#### *Elevator*

Gross deliveries to the elevator amounted to 90,437 bushels of flax and 595,284 bushels of rapeseed for a total handling of 685,721 bushels. Flax deliveries were all street handling and rapeseed deliveries were made up of 133,590 bushels of street and 461,694 bushels of carlot handlings.





The same policy was followed as in previous seasons for street purchases of flax, namely,—15c per bushel over the regular street price for 1 C.W. and 2 C.W. flax and 5c over for tough grades, as well as free storage from date of delivery to 31st July 1962.

In order to accommodate the early rush of rapeseed deliveries and maintain a supply of seed for processing, space was leased from the Government Elevator for 250,000 bushels from 1st August 1961 to 31st July 1962. Due to inability to process anticipated quantities in the first six months the Vegetable Oil Division agreed to pay one-half the storage to the Rapeseed Pool on a further 250,000 bushels of space in the Government Elevator for the period 1st January 1962 to 31st March 1962.

#### *Sales Agency*

Interprovincial Co-operatives acted as our sales agency throughout the season on a commission basis.

#### *General*

The operating results of the Vegetable Oil Division for the year under review are very disappointing. There are three main features that caused the large operating loss, namely:

- (1) Starting up operations of the new solvent extraction plant.
- (2) Market conditions.
- (3) Devaluation of inventory of rapeseed and rapeseed oil at 31st July 1962.

The period from 1st September 1961 to 31st January 1962 can be considered as starting up time covering 5 months, or 153 days. In this period the Plant operated 60 days, leaving 93 days of idle time. For comparison in the period from 1st February to 31st July (6 months, or 181 days) the Plant operated 152 days, leaving only 29 days of idle time.

In reviewing market conditions insofar as rapeseed oil was concerned, the average price for degummed oil at Toronto for the first six months was 12½c per pound. During this period there was very little degummed oil for sale. For the last six months (February to July) the price declined from 12c to 10c per pound.

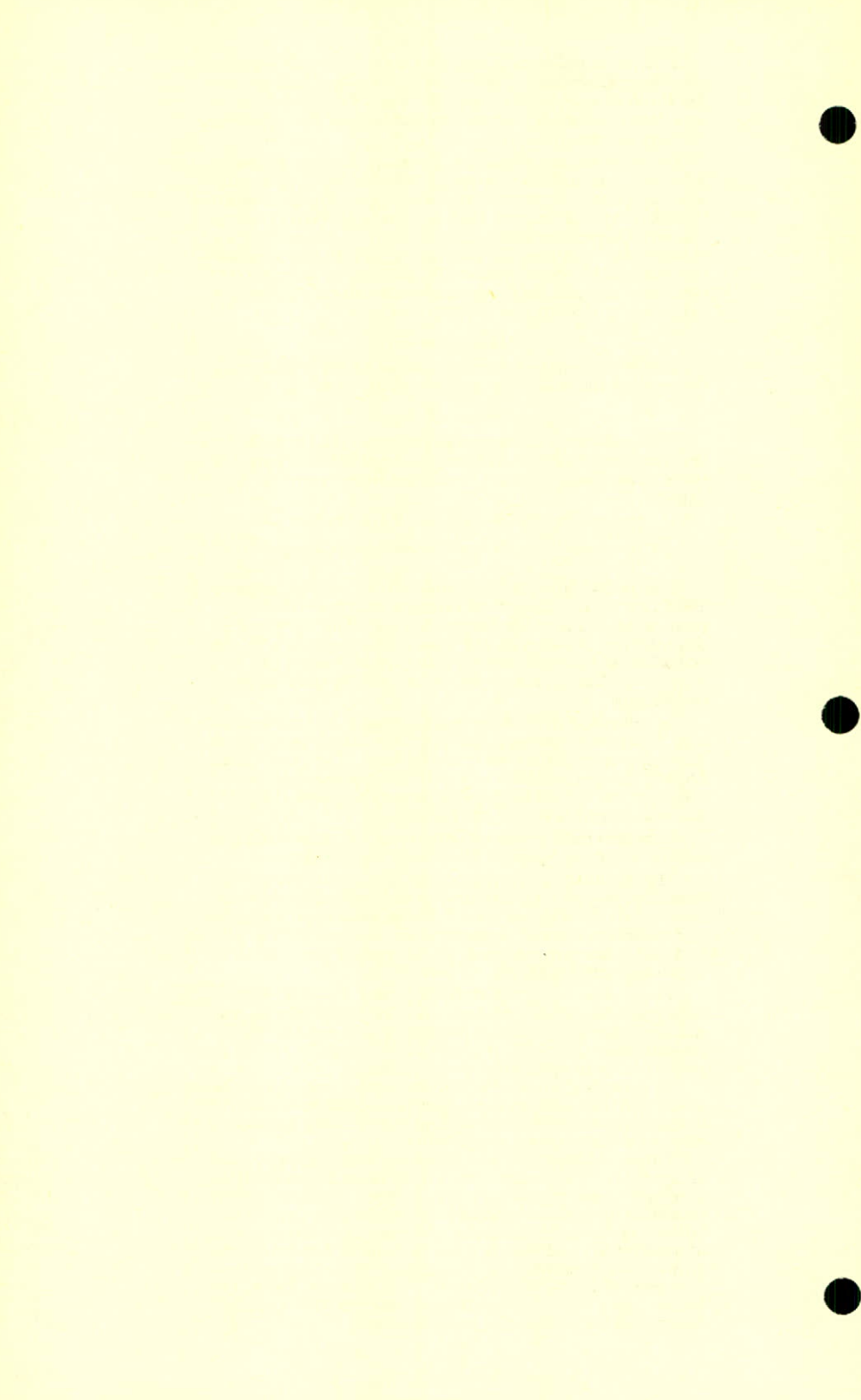
Rapeseed meal prices lacked strength and meal did not sell for its proper value in relation to soybean meal.

The devaluation of rapeseed and rapeseed oil inventories as at 31st July was due to a drop in the market for rapeseed oil from 10c to 9½c per pound. There were approximately one million pounds of degummed oil on hand at 31st July and the value was reduced ½c per pound, or a total of approximately \$5,000.00.

There was a carryover of rapeseed at 31st July of approximately 80,000 bushels and the value of this was reduced from the purchase price to a price relative to the current sale price of oil. In other words, there was a reduction in value of approximately \$17,600.00.

In summing up this set of circumstances, it can be concluded that without the starting up operations and with a slightly more stable market, future processing operations can be carried on with improved results.

This is the first year of operations since the application of the Crows Nest rates were effective on rapeseed. This reduction in the export rate has increased the price of seed processed by approximately 25c per bushel. On the 532,000 bushels processed this season, this has increased the cost of seed by \$133,000.00. It must be kept in mind that the grower has benefited by this freight reduction and on deliveries of 2,500,000 bushels to Pool facilities during the season, has received approximately \$625,000.00 more than he would have received in previous years.









### **Livestock Division**

Statement No. 9, Page No. 29, of the Auditors' Reports shows in detail the results of the year's operations of the Livestock Division and indicates the financial position for the year ended 31st July 1962. Surplus for the year amounted to \$139,214.00. This represents a decrease of \$553.00 from the surplus of \$139,767.00 for the previous year. The decrease in the surplus earnings for the current season was more than accounted for by the reduced share of earnings received from Canadian Livestock Co-operative (Western) Limited, as compared with the previous year. The earnings accruing to the Saskatchewan Wheat Pool, Livestock Division, from Canadian Livestock Co-operative (Western) Limited for the year amounted to \$44,493.00 as compared with \$50,525.00 the previous year, or a reduction of \$6,032.00.

### *Livestock Marketings*

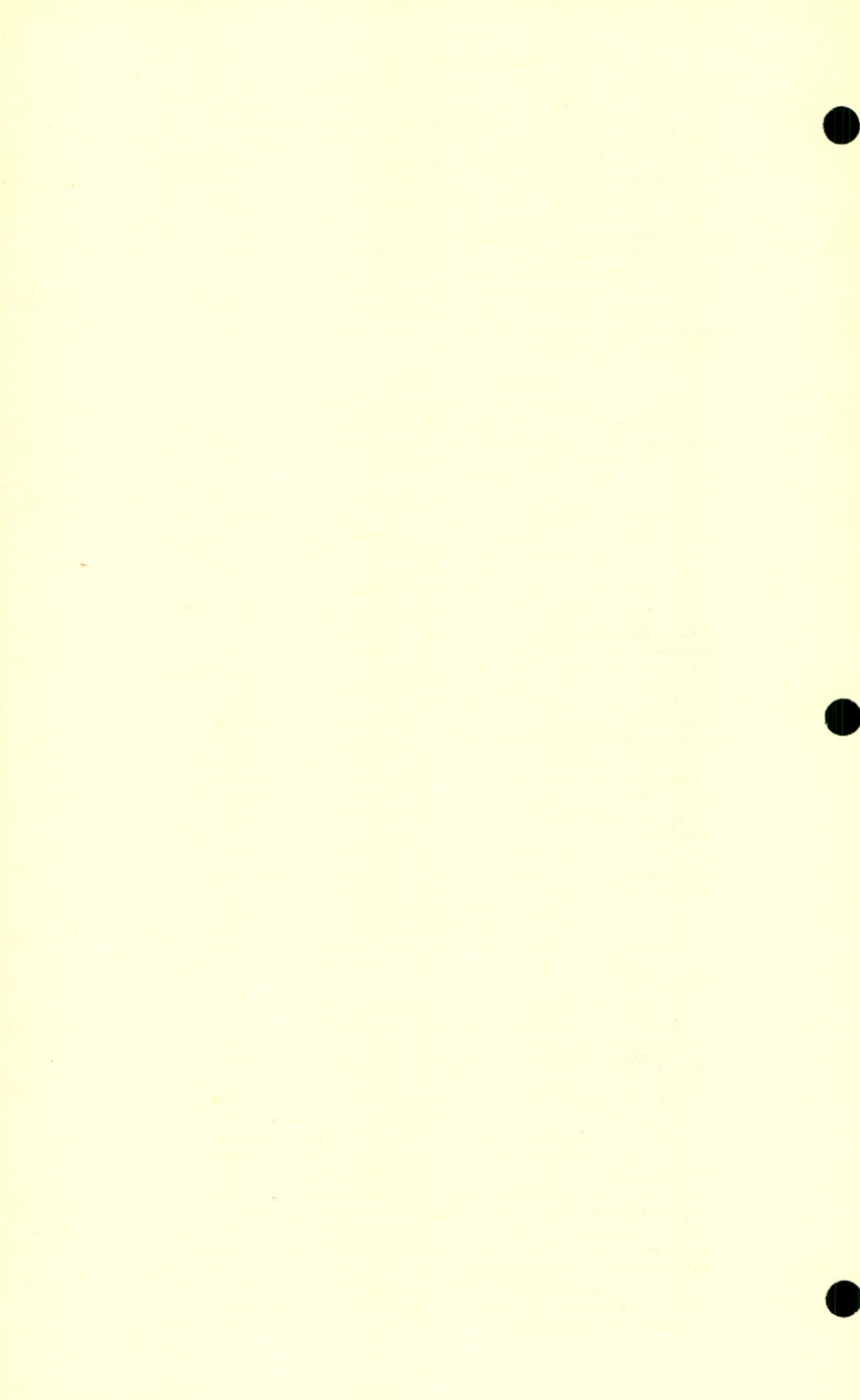
The operations of the Livestock Division in the past fiscal year may be considered as satisfactory from the viewpoint of service rendered, the volume handled and financial returns. Handlings in the period showed increases in all departments, due mainly to the increase in provincial marketings that occurred in the first half of the period under review. This sharp upturn in provincial marketings being caused to some degree by the drought situation, the seriousness of which became apparent in June 1961. At this time deliveries of cattle and calves increased sharply and marketings continued at record levels into December.

In the latter part of the calendar year 1961, the volume being moved taxed market and handling facilities to capacity. Due to the widespread publicity given the drought situation on the Prairies, normal trading was for a time disrupted, as stocker and feeder buyers, especially in Eastern Canada and the United States, visualized forced liquidation of cattle on the Prairies at sharply reduced rates. In view of this it appeared for a time that the trade, especially in the stocker and feeder division, might become demoralized. At this time the Livestock Division started a heavy purchase program at all centres where it operates, in order to stabilize prices and clear markets. While this is a high risk operation and did result in a fairly substantial loss, it had the desired result of stabilizing the trade and while deliveries remained at high levels they became more orderly. In August export demand improved and though marketings continued heavy, outlets on export account and to Eastern Canada were broad and all classes cleared readily at steady to firmer rates through the fall months. After the New Year marketings were sharply reduced.

In view of the decline in the numbers of cattle returned to farms in the West for feeding purposes early in the season, supplies of butcher cattle were on the short side in the West for the last quarter of the fiscal year under review. Due to the reduction in numbers, prices have advanced sharply in this period and at the time of writing were approximately \$5.00 per cwt. above last year.

As moisture came to the majority of the dry areas this spring and pasture conditions improved, deliveries of stocker and feeder cattle were reduced. The continued demand for these classes on export and Eastern account, together with an increase in the local demand as pasture conditions improved in many areas, resulted in a continuous increase in stocker and feeder cattle prices from early spring to the end of July.

Hog marketings in the last half of the year were approximately 11% above the same period a year ago. With an average of approximately 14,000 more hog carcasses



graded each week in this period, hog prices have held a fairly satisfactory levels. Average prices have shown an advance each month since 1st January and in June were \$3.00 per cwt. more than those of the previous year. Indications are that hog deliveries through the fall months will continue to be under those of a year ago and that prices will hold firm at profitable levels.

While sheep and lamb marketings showed some increase in the past year, volume was not large. With the exception of early marketings of spring lambs, sales were on the slow side with rather a poor demand at Western centres. When the late summer and early fall deliveries came on the market, prices dropped and remained at or close to the floor level through the fall and winter months.

Effective 1st July 1962 the Canada Department of Agriculture announced that the 1962-63 Support Program would be conducted on a deficiency payment basis. The support level was increased to \$18.80 per cwt. (National weighted average), for live lambs of good and choice quality dressing 36 to 56 pounds. Producers are advised to retain all carcass grading certificates in order to support their claims later for a deficiency payment if one is declared.

In the fiscal year under review, total cattle and calf handlings by the organization show an increase of 43,130 head, while the number of hogs handled co-operatively increased 36,422 head in this period.

Total provincial cattle and calf marketings for the year under review were 744,697 as compared with 658,820 head for the same period a year ago, an increase of 13.03%. The numbers marketed co-operatively were 391,644 head, or 52.59%.

Total provincial hog marketings increased in this period, being 647,520 head compared with 502,156 last year, an increase of 28.95% for the Province. There were 178,944 head marketed co-operatively, or 27.64% of the total provincial marketings.

Total sheep and lamb marketings for the province were 69,517 head, compared with 55,410 last year, an increase of 25.46%; 25,851 head were handled co-operatively or 37.18%.

Total numbers of all classes marketed co-operatively were 596,439 head, representing a gross value of \$60,739,-331.37.

Of total Pool handlings 42.99% were marketed through the four yards owned by the organization at North Battleford, Regina, Swift Current and Yorkton; 29.11% through the three agencies operated on yards owned by stockyard companies at Moose Jaw, Prince Albert and Saskatoon; 13.09% were delivered by the Pool Country Section Division to Canadian Livestock Co-operative (Western) Limited at St. Boniface. The remaining 14.81% were shipped to Canadian Livestock Co-operative by co-operative shippers and individuals.

After providing for full depreciation and the necessary expenditures to maintain yards, buildings and equipment in a good state of repair, the four yards owned by the organization show an operating surplus of \$159,791.84. The three agencies operated by the organization on yards owned by stockyard companies show a surplus of \$31,-443.07. The Country Section Division shipping to Canadian Livestock Co-operative (Western) Limited, St. Boniface, handled a total of 25,252 cattle and calves; 48,257 hogs and 4,582 sheep and lambs. After paying all operating costs, this division showed a surplus of \$8,076.31. The above figures do not allow a share of Head Office administrative expenses.





In order to maintain price levels as uniformly as possible at all Saskatchewan markets, Livestock branches purchased outright 32,683 cattle and calves, these being shipped on consignment for resale at Eastern and United States markets. While this action was effective in stabilizing prices on the classes concerned, the operation resulted in a loss of \$29,863.01.

The Livestock Division continued to handle cattle sales in conjunction with local agricultural organizations at the points of Meadow Lake, Tompkins, Climax, Consul and Piapot.

The Swift Current branch in the year under review handled a total of 13 country sales; 4 at Climax; 5 at Tompkins; 3 at Consul and 1 at Piapot. The number of cattle and calves sold through the 13 sales totalled 9,077 head. The total share of earnings turned over to the local organization at the points concerned, amounted to \$7,048.96, leaving a net surplus credited to the Swift Current branch of \$8,014.80. The North Battleford branch held 17 sales at Meadow Lake in the year under review. Cattle and calf handlings through the 17 sales totalled 4,203 head. After turning over \$4,039.90 to the Meadow Lake Agricultural Society as their share of earnings and paying all operating costs in connection with the handling of these sales, there was a surplus of \$2,466.43 credited to the North Battleford branch.

Construction work this year involved a sizeable addition to the Regina Yard. This addition will provide six unloading chutes which includes a separate chute for hogs and increased holding facilities for approximately 750 head of cattle. The new addition will speed up the handling of deliveries and should, to a large extent, eliminate congestion in the heavy volume period.

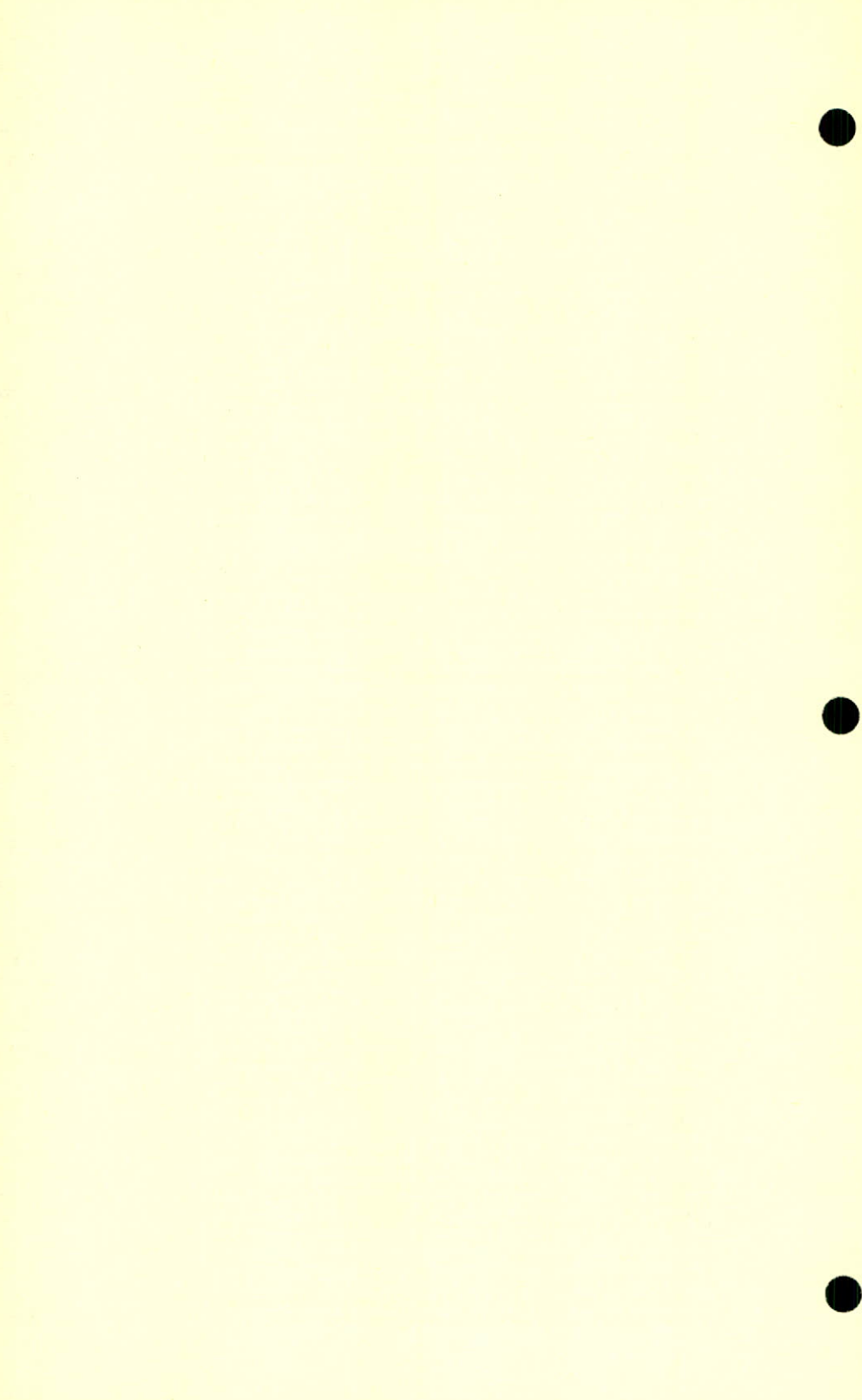
Plans for an addition to the North Battleford Yards were also approved this year but had to be delayed due to a recent revision in zoning regulations at North Battleford. The addition planned would have provided additional pen space, a separate unloading chute and scale for hogs at this yard. It was also intended to replace the present scale with a new dial type automatic with a readout in the auction ring. These additional facilities would have allowed faster handling in peak periods at North Battleford.

There were indications in the early fall that export and Eastern demand would again be fairly broad and prices in Canada would hold at or close to present levels, at least until the end of the calendar year. Should this demand materialize as anticipated, local buyers of stocker and feeder cattle would again face stiff competition from the U.S. and Eastern Canada. This, together with a limited supply of feed grain in some areas, and generally higher grain prices, could result in a further reduction in the numbers of cattle fed on farms in the West again this year. The devaluation of the Canadian dollar, together with the additional surcharge on imports of livestock and meat products, will also tend to hold prices in Canada above their normal level when compared with prices in the United States.

The outlook for hogs is one of progressively lower marketings to the end of the present calendar year. This, coupled with current and anticipated strong prices for beef, would indicate a strong hog market for the balance of 1962. Since the feed grain position has improved this fall, and with most factors pointing to a reasonably strong hog market in Canada, producers may again decide to increase their hog production in the West.

On 5th September 1962 the Livestock Division opened a sales agency at Lloydminster on the yards owned by the





Lloydminster Stockyard Company. This will provide a co-operative selling agency for Pool members and patrons in the extreme northwest section of the Province.

Attached to this report as Statement No. 15 will be found the comparative statement of handlings at the various branches of the Livestock Division. To complete the livestock statistical position the following information shows provincial deliveries handled co-operatively:

### Statement of Provincial Deliveries Handled Co-operatively

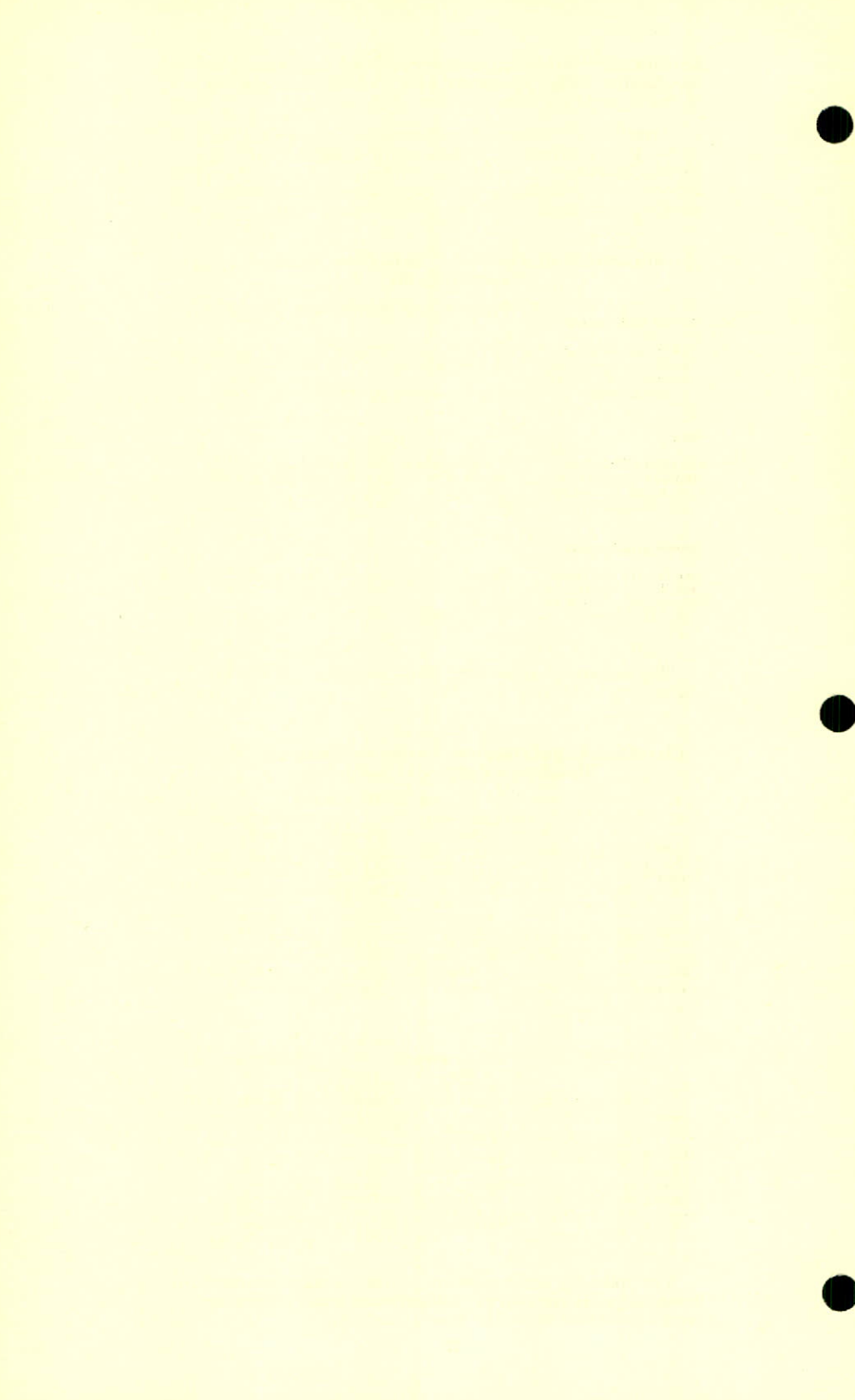
	1957-58	1958-59	1959-60	1960-61	1961-62
<b>Cattle and Calves:</b>					
Provincial Deliveries.....	727,139	684,436	623,668	658,820	744,697
Handled Co-operatively.....	328,795	305,680	312,755	348,514	391,644
Percentage of Co-operative Handlings.....	45.22%	44.66%	50.15%	52.90%	52.59%
<b>Hogs:</b>					
Provincial Deliveries.....	592,564	909,437	746,631	502,156	647,520
Handled Co-operatively.....	180,792	270,319	208,968	142,522	178,944
Percentage of Co-operative Handlings.....	30.51%	29.72%	27.99%	28.38%	27.64%
<b>Sheep and Lambs:</b>					
Provincial Deliveries.....	34,164	46,221	47,910	55,410	69,517
Handled Co-operatively.....	18,702	18,038	18,748	21,077	25,851
Percentage of Co-operative Handlings.....	54.75%	39.02%	39.13%	38.03%	37.18%

The following statements show livestock population (according to D.B.S.):

### Livestock Population on Farms as Supplied by Dominion Bureau of Statistics

SASKATCHEWAN			
	Cattle and Calves	Hogs	Sheep and Lambs
June 1/57.....	1,920,000	633,000	154,000
Dec. 1/57.....	1,705,000	630,000	106,000
June 1/58.....	1,860,000	890,000	175,000
Dec. 1/58.....	1,635,000	900,000	115,000
June 1/59.....	1,850,000	845,000	187,000
Dec. 1/59.....	1,678,000	732,000	126,000
June 1/60.....	1,933,000	585,000	217,000
Dec. 1/60.....	1,800,000	545,000	132,000
June 1/61.....	2,090,000	700,000	203,000
Dec. 1/61.....	1,756,000	620,000	120,000
June 1/62.....	2,080,000	429,000	174,000
CANADA			
	Cattle and Calves	Hogs	Sheep and Lambs
June 1/57.....	11,296,000	4,857,000	1,661,000
Dec. 1/57.....	10,293,000	5,160,000	1,112,000
June 1/58.....	11,001,000	6,164,000	1,696,000
Dec. 1/58.....	10,112,000	6,880,000	1,140,000
June 1/59.....	11,120,000	6,872,000	1,761,000
Dec. 1/59.....	10,489,000	6,417,000	1,188,000
June 1/60.....	11,501,000	5,483,000	1,773,000
Dec. 1/60.....	10,897,000	5,526,000	1,135,000
June 1/61.....	12,116,000	5,889,000	1,706,000
Dec. 1/61.....	11,111,000	5,674,000	1,071,000
June 1/62.....	12,075,000	4,973,000	1,433,000

The following statement shows the average monthly livestock prices per cwt. at Saskatchewan and Toronto for cattle (good steers) and for hogs (Grade A):



## Average Monthly Livestock Prices at Toronto and Saskatoon

	Average Price Good Steers		Total Marketings of Cattle in Canada
	Toronto	Saskatoon	
<b>1961</b>			
August.....	\$21.38	\$19.30	231,415
September.....	22.95	20.89	315,109
October.....	23.50	21.39	270,491
November.....	24.15	22.43	283,037
December.....	25.40	24.09	208,787

<b>1962</b>			
January.....	25.17	22.62	191,647
February.....	23.83	21.89	168,132
March.....	23.85	21.34	231,663
April.....	24.13	22.35	186,341
May.....	24.27	22.89	193,956
June.....	24.80	23.71	233,836
July.....	26.38	24.99	194,764

	Average Price Grade A Hogs		Total Marketings of Hogs in Canada
	Toronto	Saskatoon	
<b>1961</b>			
August.....	\$28.84	\$26.23	445,282
September.....	29.40	26.09	627,490
October.....	28.67	25.28	550,939
November.....	27.61	23.96	592,779
December.....	27.16	23.89	642,282

<b>1962</b>			
January.....	26.63	22.82	577,983
February.....	26.83	24.00	563,468
March.....	26.88	23.93	723,263
April.....	27.23	24.21	555,104
May.....	27.92	25.10	507,794
June.....	31.09	28.27	583,257
July.....	33.07	30.40	421,320

### *Feeding Co-operatives*

During the year there were 33 feeding co-operatives in the province, with approximately 660 members. Twenty-seven co-operatives were feeding cattle although activity was curtailed somewhat because of the poor crop in 1961. A total of 5,780 head were financed under the program during the crop year, and an estimated 3,500 head were on feed at 31st July. In the two years since the inception of the policy 9,690 head have been financed at a cost of \$1,215,357.00.

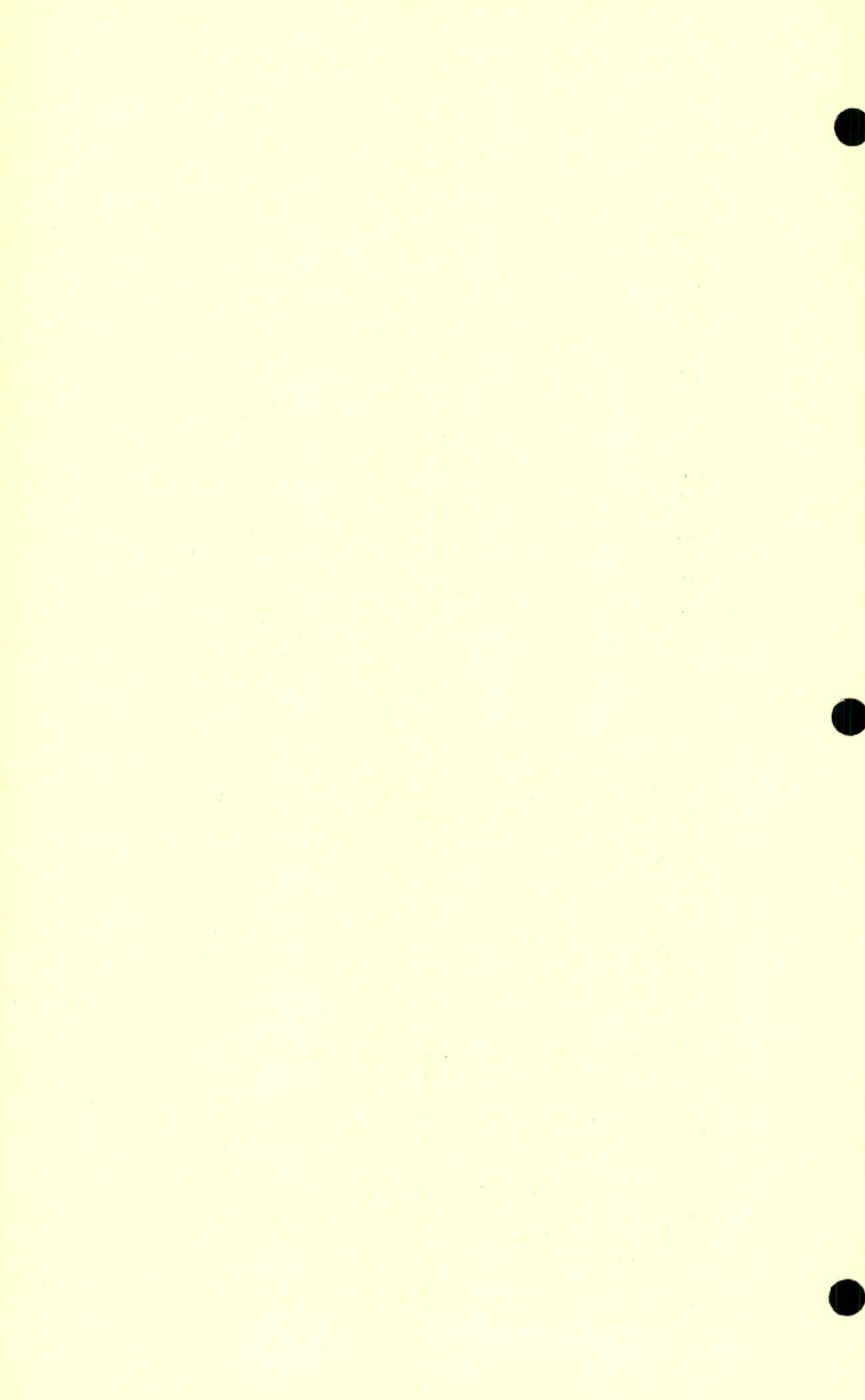
During the year a series of regional meetings was held providing an opportunity for members of feeding co-operatives to gain information regarding livestock feeding and management, marketing, and feeding co-operative policies.

### **Canadian Livestock Co-operative (Western) Limited**

The Balance Sheet of Canadian Livestock Co-operative (Western) Limited attached to this report as Statement No. 16, sets out the financial position of the Company as at 31st July 1962.

Total operating revenue for the year as shown by the operating statement, amounted to \$362,621.00, while operating expenses totalled \$258,420.00, leaving a net surplus for the period of \$104,201.00, after deducting \$172.00 for income tax.

Pursuant to the resolution passed at the Directors' meeting on 27th September 1962, allocation has been made on the following basis:





	Manitoba Pool Elevators	Saskatchewan Wheat Pool Livestock Division	Total
Percentage basis:			
Revenue contributed to the Sales Agency for the year.....	57.23%	42.77%	100.00%
Net Surplus allocated to Members.....	\$59,536.04	\$44,493.39	\$104,029.43
Paid on account.....	40,000.00	40,000.00	80,000.00
Balance payable.....	\$19,536.04	\$ 4,493.39	\$24,029.43

During the fiscal period of 1st August 1961 to 28th July 1962, Canadian Livestock Co-operative (Western) Limited handled the following livestock; the bracketed figures represent the comparative handlings for the previous fiscal year—cattle 156,249 (156,160); calves 50,464 (37,636); hogs 157,837 (131,960); and sheep and lambs 19,904 (18,531); for a total gross value of \$33,605,711.55 as compared with \$30,827,250.12 the previous year. The above figures include the Order Department, which for the fiscal year ended 28th July 1962, handled—21,078 cattle; 1,717 calves; 282 hogs, and 67 sheep and lambs, for a total value of \$3,024,586.21.

The above figures indicate a very slight increase in the number of cattle handled, an increase of 25.4% in calf handlings, an increase in hogs of 16.4%, and a 6.9% increase in sheep and lamb receipts. Comparing the total number of cattle and calves handled by Canadian Livestock Co-operative, it shows an increase of 6.2% over the previous year, whereas the numbers delivered to the St. Boniface Stockyards show a 4.3% increase. The percentage increase in handlings is not large, it is true, but the trend indicates that your agency continues to handle a larger percentage of the livestock being delivered to the St. Boniface Stockyards. This same increase is evident, although also small, in the number of hogs handled during the past fiscal year. This trend, even though perhaps more gradual than might be wished, seems the only sure answer to maintaining a sound financial position. This is important of course, but of even greater importance is the fact that the more livestock is channelled through the producer's own selling organization, the more control that producer maintains over his own product, and this can only result in more satisfactory returns to that producer-owner.

While livestock deliveries have increased during the past fiscal year, shipments of cattle directly to the packing plants are down somewhat.

Deliveries by truck as a percentage of the total stock received by Canadian Livestock Co-operative from the province of Saskatchewan, are as follows, with last year's percentages bracketed—cattle 48.3% (49.5%); calves 32.9% (26.3%); hogs 10.7% (9.98%); and sheep and lambs 23.9% (23.7%). A similar breakdown of Manitoba livestock deliveries via truck to this agency, is as follows—cattle 88.2% (86.8%); calves 80.9% (74.7%); hogs 62.9% (60.3%) and sheep and lambs 68.4% (60.8%). The tendency to truck deliveries as indicated by the above figures, has not shown nearly the increase in the past year as in previous years; but nevertheless, taken over a five-year period, there has been a marked swing from rail to trucked stock, particularly from Saskatchewan points. Once again stress should be placed on the importance of the producer-owner clearly designating to the trucking agent the exact destination of livestock shipped. If the owner himself can be encouraged to see to this, it would eliminate the opportunity for the transportation agent to influence the ultimate destination.









During the past fiscal period, Canadian Livestock Co-operative entered 193,206 cattle and calves for sale in the auction ring. Of these 6.6% were passed when first offered, to be re-entered for sale at a later time. This is an increase over the number entered the previous year, but last year 7.5% were passed. This is the result of a good active trade existing over most of the year under review, the bulk of the stock being sold on first offer, with fewer having to be passed because of unsatisfactory bids received. This active trade also resulted in only 39 cattle having to be pooled during the past fiscal year. These pooled cattle returned an additional 26c per hundred to the owners, over and above the prices bid when first offered. At the end of the fiscal year, there were 285 lambs in transit which had been pooled. Not only did this pooling action add an additional 6c a hundred to the strong basis on which the lambs were entered into the pool, but it had the effect of maintaining the price level on this market. There is no question whatever but that prices would have been lowered considerably had the Co-operative not taken the action it did in pooling and shipping these lambs.

### Printing and Publishing Division

The financial results of operations of the Printing and Publishing Division for the year ended 31st July 1962 are set out in the Financial Statements and Auditors' Reports submitted separately.

The Commercial Printing Department showed a surplus for the year of \$35,523.00 as compared with \$83,338.00 for the previous year. The loss sustained by The Western Producer was \$221,794.00 as compared with \$216,124.00 for the previous year. The net result when taking both Departments into account shows a loss of \$186,271.00 for the year as compared with \$132,786.00 for the previous year.

The following is a summary of revenue and expenses as compared with those of a year ago. Bracketed figures denote losses in the first two columns and decreases in the third column.

Commercial Printing Department		Increase (Decrease)	
	1961-1962	1960-1961	
Revenue.....	\$818,614.00	\$878,622.00	\$ (60,008.00)
Cost of Sales.....	653,817.00	673,004.00	(19,187.00)
<b>Gross Profit on Operations</b>	<b>\$164,797.00</b>	<b>\$205,618.00</b>	<b>\$ (40,821.00)</b>
Selling & Administrative Expenses.....	129,274.00	122,280.00	6,994.00
<b>Profit for the Year.....</b>	<b>\$ 35,523.00</b>	<b>\$ 83,338.00</b>	<b>\$ (47,815.00)</b>
<b>The Western Producer</b>			
Revenue.....	\$418,807.00	\$431,475.00	\$ (12,668.00)
Expenses.....	640,601.00	647,599.00	(6,998.00)
<b>Loss for the Year.....</b>	<b>\$ (221,794.00)</b>	<b>\$ (216,124.00)</b>	<b>\$ 5,670.00</b>

### SUMMARY

Commercial Printing Department			
Surplus.....	\$ 35,523.00	\$ 83,338.00	\$ (47,815.00)
The Western Producer			
Loss.....	(221,794.00)	(216,124.00)	5,670.00
<b>Loss for the Year.....</b>	<b>\$ (186,271.00)</b>	<b>\$ (132,786.00)</b>	<b>\$ 53,485.00</b>

### Commercial Printing Department

The revenue of this Department shows a decrease of \$60,008.00 when compared with results of the previous season. This is mainly due to a decrease in sales volume and, in some instances, it was necessary to reduce regular sale prices in order to meet competition.

Manufacturing costs for this season were \$653,800.00, as compared with \$648,402.00 a year ago. The increase of





\$5,398.00 is accounted for by variations in the following expense items:

	Increase (Decrease)
Cost of Stock used.....	\$ (5,952.00)
Salaries and Wages.....	6,200.00
Other Items.....	5,150.00
	<u>\$ 5,398.00</u>

### *The Western Producer*

Revenue shows a decrease of \$12,668.00 when compared with last year. The major portion of the decrease, amounting to \$10,199.00, is due to a reduction in the advertising revenue. Lineage sold during the year shows decrease of 36,886 lines in classified and 5,192 lines in display advertising.

Operations of all Departments of the Printing and Publishing Division during the fiscal year 1961-62 felt the impact of below-normal economic conditions resulting from the adverse crop situation of 1961. As a result, sales figures of all departments were below the previous year, total revenue of \$1,237,727.46 from all sources representing a decline of \$72,616.39 or 5.54%. Economies were effected in controllable expense items, but the increased level of operating and overhead costs prevented a reduction of expenses in relation to revenue declines. Net loss of the Division for the year's operations amounted to \$186,271.36, up \$53,485.46 from last year.

Commercial printing sales registered a substantial decline during the early months of the fiscal year. This was due to a large extent to a number of large orders processed early in the previous year which did not repeat in 1961. In addition, the usual mid-summer slack period extended beyond the normal date, but signs of improvement were noted in late fall. Revenue gains were recorded during several of the ensuing months, making it possible to recover some of the sales loss sustained earlier in the year. Increased production costs were recovered where possible by raising prices for our products and services by approximately 3%.

Commercial printing sales for 1961-62 were down 6.81% from the previous year. Net earnings of the department represented a return of 4.34% on sales.

Total revenue from *The Western Producer* for the year represented a decrease of 2.94% in comparison with the year 1960-61. Most of the decline was attributed to a drop in advertising sales. Economies effected in operating expenses made it possible to limit the increase in net loss to \$5,669.52, the total deficit for the year being \$221,793.78.

Advertising sales registered a moderate increase early in the fiscal year as a result of unscheduled lineage. However, this gain was lost later in the year as many national advertisers adopted a cautious approach to allocating space in farm papers pending definite indications as to crop prospects for 1962. All farm papers experienced a decline in display lineage during the period under review, but *Western Producer* lineage loss was considerably below that of all competing papers.

In looking to the future there is reason to anticipate improvement in the Printing and Publishing Division during the coming year. The improvement in the crop picture in the West will undoubtedly result in a larger share of the advertising dollar being allocated to farm papers. There has been evidence of an upward trend since the end of the year, and prospects for the immediate future appear encouraging. The *Western Producer* subscription and



insurance sales organization is now firmly established in Saskatchewan. Establishment of a similar sales program in Alberta scheduled for this fall should improve circulation in that province.

The commercial printing field will no doubt remain competitive and it will be necessary to utilize new techniques and improve production standards wherever possible. The additional space provided by the extension to the building has improved the work flow and reduced bindery operating costs on many of the larger jobs. Expenses associated with moving the department into its new location offset reduced production costs during the past fiscal year, but it is hoped that savings will be effected during the coming year which will improve the Division's position in meeting competition on orders where book-binding operations are a major factor.

An aggressive sales program, together with a policy of promoting creative printing, will be continued in an effort to improve the volume of work produced in the plant.

#### *Circulation*

Circulation remained fairly stable throughout 1961-62, rising slightly during the mid-year and levelling off to 143,641 at the end of July. This figure compares with 143,010 at the previous year end.

The subscription and insurance representative organization, now firmly established in Saskatchewan, produced satisfactory returns during the year. While the additional time required in making presentations on the accident insurance program reduced the number of calls possible by salesmen, an encouraging increase was noted in new subscription production. New subscriptions represented approximately 37% of the production of the sales force. It is believed that this type of sales organization will assist materially in maintaining and increasing the circulation of the paper. At the end of the year, one representative was assigned to each of the Wheat Pool districts with the exception of Nos. 3 and 4.

#### *Insurance*

Results of the operation of the insurance department during the year were encouraging. The new accident plan has been well received, but the original policy continues to be popular with readers. While policy-holders under the original plan have been encouraged to transfer to the new policy, renewals of original policies during the year numbered 8,297 or 70.7%. Policies issued under the new plan totalled 8,456, with an average premium value of \$16.21. Combined gross premiums of the two policies for the year amounted to \$178,064.50.

Policies in effect at the end of the year numbered 8,852 under the original plan and 8,456 under the new. Claims paid during the year of \$41,140.79 were about equally divided between the two plans.

#### *Personnel*

During the year under review the Division employed an average of 56 salaried personnel and 80 on an hourly basis. In addition, six were employed in the mailing room on a part-time basis. The decrease in commercial printing volume made it possible to reduce the number of temporary employees engaged during peak periods of the year.

One trade union contract was negotiated during the year, with the Amalgamated Lithographers of America. Other plant personnel are employed under the terms of two-year agreements negotiated in 1961.





## *Editorial*

In view of the low-revenue situation which became evident early in the year under review, every possible economy was studied and, wherever feasible, put into effect in the news and editorial departments. While personal coverage was arranged for events of outstanding importance, there was wide use made of correspondents who could be depended upon to provide accurate accounts of events at which no Western Producer representative was present.

### *General News Section*

While space limitations have sometimes interfered with the kind of comprehensive general news coverage which is the objective of the news editor, it is believed a fair cross section of news material has been carried. All possible space was devoted to such matters as Britain's negotiations with the European Common Market, and an attempt was made to occupy space available with items believed to be of direct interest to readers. The column "World Wide" continues to attract heavy readership. The development of other communications, rather than reducing the need for general news coverage by a weekly such as *The Western Producer*, seems to have stimulated the interest of a large proportion of the readers, who apparently regard the general news section as a means of confirmation of the week's listening and viewing.

### *Agricultural Section*

Perhaps more space proportionately than in the past several years was devoted to matters pertaining to livestock. It has been suggested that even greater emphasis than at present should be placed on commercial rather than purebred livestock, and attempts are now being made to follow these suggestions. Although the market page is not strictly speaking part of the agricultural section, it should be noted here that substantial improvements were made on this page through the addition of a brief resume of market conditions at most important points on the day before publication. These points include St. Boniface, Regina, Saskatoon, Moose Jaw, Calgary and Edmonton. Prince Albert is included when their report is received in time for publication. It is reported that this service, which is in addition to previous week's "Market Review" is finding favor with readers interested in market trends.

Coverage in the agricultural section included stories on many new developments in techniques, implements and materials including chemicals of various kinds. Material was carried on weed identification and control in season, and a special attempt was made to keep farmers in all three prairie provinces posted on insect control programs arranged by governments and municipalities.

Early in the fiscal year, and as long as they were available through the Saskatchewan Government agriculture department, lists of fodder available for sale were carried without cost to the government. There was assurance that the co-operation of *The Western Producer* in this campaign was an important factor in helping farmers to locate the fodder they required within reasonable distance of their farms.

Another new service started during the year was a column listing livestock sales in the prairie region. Judging by the use made of this column it appears that a useful service is being provided. In many cases breeders who submit announcements for this column follow up with some fairly substantial advertising of their sales.



### *Co-op and Farm Organizations Section*

Again an attempt was made to cover as comprehensively as possible the affairs of co-operatives and farm organizations. Here again all possible economies were effected, with personal coverage limited to the most important happenings. During the year under review, the old issue of co-ops and income tax was revived by the private grain trade and others, and largely in response to their attack, a ten-week series of articles was carried, replying to charges made. The articles were the result of considerable study on the part of our co-operatives editor, who worked closely with the Co-operative Union of Canada and other sources of advice and information. These will appear shortly in booklet form, and will be available for distribution to co-operatives on request.

In addition to these, numerous feature articles dealing with various phases of co-operative activity were carried.

Coverage of farm organizations was continued on as comprehensive a basis as space would permit. It should be noted in this connection that a very close watch was kept on the number of pages published in each issue. At times when limited advertising lineage was available, some fairly drastic reductions were made in the size of paper published. All sections were affected in this way, and on occasion readers were critical of condensed or limited coverage of some items.

### *Women's Section*

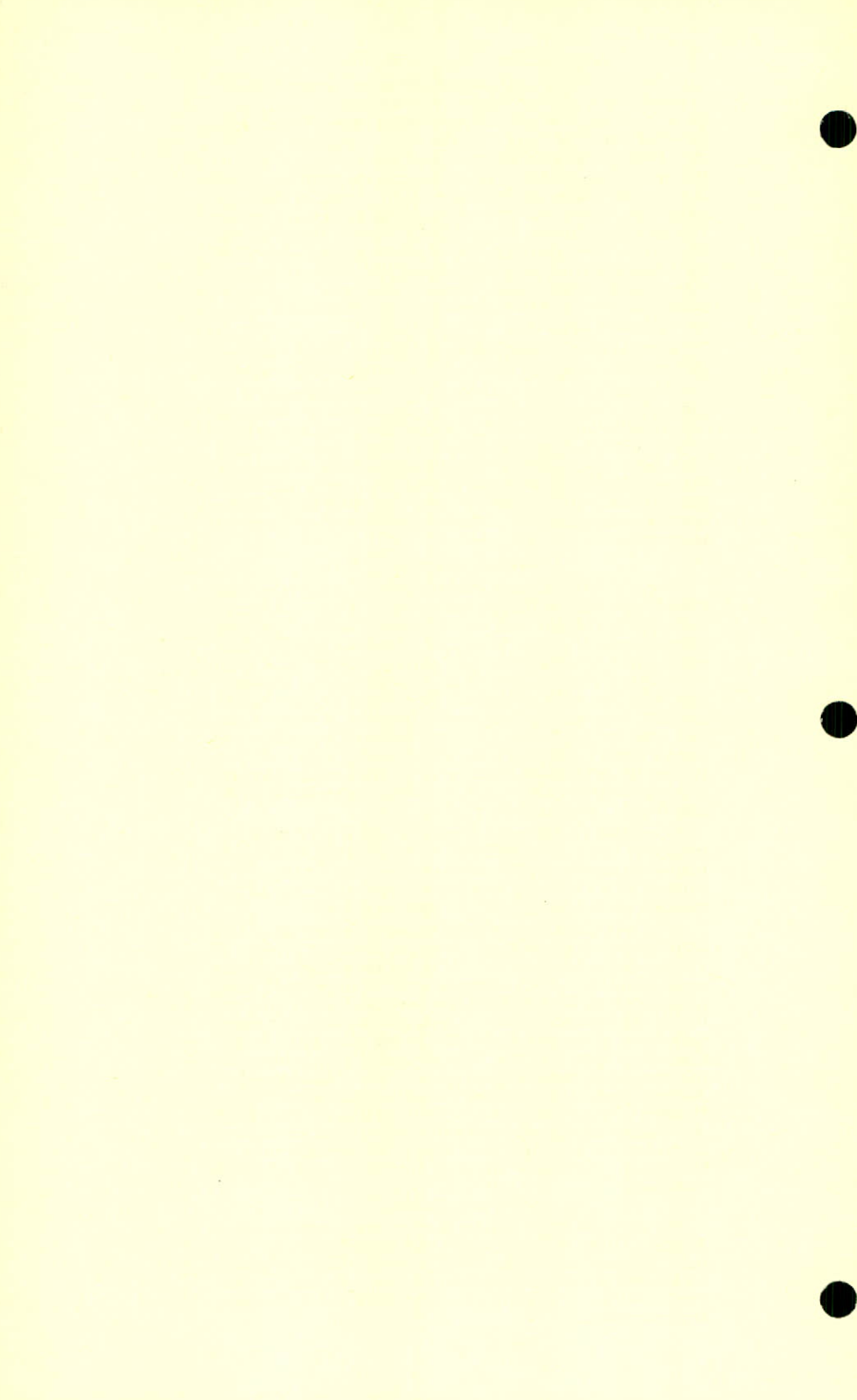
Every effort was made during the year to cover as wide a field as possible in the interests of rural women. Coverage included provincial and national club news. Two new columns were added to the section. One deals with practical sewing and fabric information and appears to have been very well received. The criterion here is the fact that pattern sales jumped this year to a total of more than 32,000, up 5,000 over the previous year. The other, a personal advice column, conducted by a well-known Canadian social service expert, draws a consistently heavy response. The type of letter received right from the start indicated there had been a real need for such a column, which is not available in any competing publication.

Over and above many letters to the Editor, this Department last year handled some 3,000 letters directed to various columns and departments of the section. The column "I'd Like to Know" continued to be one of the most successful homemaker features in Canada.

The 4-H Club Department, under the direction of this section, continues to grow in scope, handling reports of more and more clubs each year. In the beginning, problems were encountered in getting a steady flow of 4-H news from the clubs. The problem now is to be able to find space for all the material received. Women's section staff members have participated directly in the past year in 4-H Club activities, and the Young Co-ops Department remains as active as ever. In a two-month period, no less than 200 new members were enrolled. YC rallies were held at Brandon, Manitoba, and at Grand Prairie, Alberta. Both were highly successful. Some remarkably good writing was in evidence during the year among YC contributions to the pages, which were generally of an increasingly high standard.

### *Magazine Section*

As an economy measure, the section was reduced to 12 pages (from 16) early in the year. In spite of this, there have appeared some 140 stories, articles and photographs by Western Canadian contributors during the year, in addition to 60 major features produced by Western Producer staff members.









Some of the special magazine features during the year included the reproduction of the book "A White Passion"—the story of the building of a community hospital in a small Alberta town in the early part of the century; a Canadian history series; a Young Canada Book Week feature; a special water issue; coverage of the Resources for Tomorrow Conference; a "British Diary" series, covering the visit of a staff member to United Kingdom under the auspices of the UK Information Service.

The serial "In the Face of the Winds" is now in book form and is being well received. Also ready for release is Grant MacEwan's "Blazing the Old Cattle Trails" which ran as a serial in the magazine some time ago.

Book and record reviews by staff members continue to be featured with strong interest indicated on the part of readers. Nature and health columns in the magazine continue to enjoy the usual popularity.

#### *Staff and General*

While the expansion of other media, especially television, continues to pose a problem in the retention of news and editorial staff with print media, our own staff has not been affected in the past year. The result is that there have been substantial gains in competence among our writers and editors, who may now be considered a highly efficient group by any newspaper standard. Any report of the activities of this department would be incomplete without this word of commendation. It should be stressed here that an operation of the nature of The Western Producer requires of its writers and editors much greater responsibility and effort than would be the case on the average daily. This is due to a number of factors, including the lack of wire service, the large amount of rewrite and condensation required, and the scope covered by each section. All are required to function on occasion as reporter, editor and often photographer. All must develop familiarity with layout and other mechanical aspects of the production end of the business. The present staff may be regarded as an extremely able one in every respect.

#### **Statement of Combined Operations**

Statement No. 3, Page 17, of the Auditors' Report shows the financial result of the combined operations of all Divisions of the Company for the year ended 31st July 1962 as follows:

<b>Operating Surplus:</b>	
Country Elevator Division.....	\$2,662,385.00
Terminal Elevator Division.....	1,311,885.00
Flour Mill Division.....	228,167.00
Vegetable Oil Division.....	(330,928.00)
Livestock Division.....	139,214.00
Printing and Publishing Division:	
Commercial Printing Department \$	35,523.00
The Western Producer.....	(221,794.00)
	<u>(186,271.00)</u>
<b>Total Operating Surplus for the Year.....</b>	<b>\$3,824,452.00</b>
Less provision for 1962-1963 purchase of deductions.....	1,936,000.00
<b>Unallocated Surplus 1961-1962.....</b>	<b>\$1,888,452.00</b>

(Note: Bracketed figures denote loss)

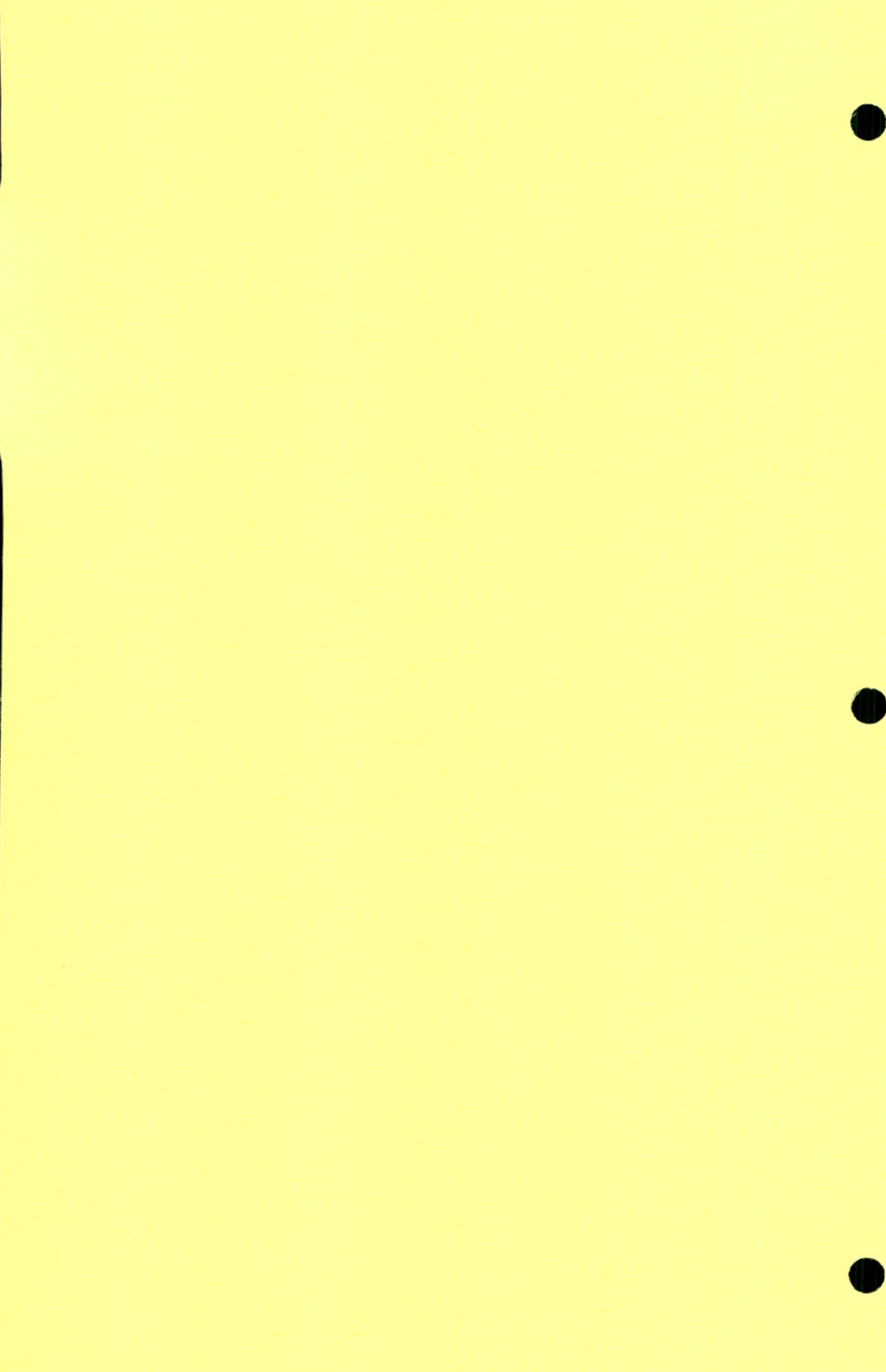
#### *Allocation of Surplus*

Your Board recommends that the surplus earnings of the organization for the year ended 31st July 1962, amounting to \$3,824,452.00, be allocated as follows:

Excess Charges Refund—Season 1961-62.....	\$2,844,500.00
Provision for Income Tax—estimated.....	520,000.00
Transfer to Reserve Account—estimated.....	459,952.00
<b>Total.....</b>	<b>\$3,824,452.00</b>









Your Board further recommends that the surplus earnings for the year ended 31st July 1962 allocated to Excess Charges Refund, Season 1961-62 and amounting to \$2,844,500.00, be distributed in relation to patronage on all grains (including rapeseed) and livestock delivered by members of the Company during the year ended 31st July 1962, on the following bases:

**Grain:**

- |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|
| (a) Cash patronage dividend at the rate of .65c per bushel, estimated.....                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | \$ 786,500.00 |
| (b) Patronage dividend at the rate of 1.6c per bushel, to be used for the purchase, at face value, of Elevator and Commercial Reserve Deductions of the Company, from members in eligible categories as previously determined by the Board of Directors, such Deductions to be credited to the persons entitled to the patronage dividend, provided that those members entitled to such dividend, whose Elevator and Commercial Reserve Deductions have heretofore been purchased by the Company, shall be paid their share of such amount in cash, estimated..... | 1,936,000.00  |

**Livestock:**

- |                                                                                                                                                                                                                                                                                                                                                                                                                                              |            |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| (c) Patronage dividend at the rate per head for cattle 36c; calves 15c; and hogs, sheep and lambs 9c; to be retained as a loan from the shareholders of the Company, in accordance with the Articles of Association, provided that those members entitled to such dividend, whose Elevator and Commercial Reserve Deductions have heretofore been purchased by the Company, shall be paid their share of such amount in cash, estimated..... | 122,000.00 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|

<b>Total.....</b>	<b>\$2,844,500.00</b>
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In connection with the patronage dividend on livestock deliveries, the Board also recommends that when the retained patronage dividend has accumulated to the sum of \$5.00 or over, the full amount of the dividend be paid out in cash.

### **Interprovincial Subsidiaries**

#### *Canadian Co-operative Wheat Producers Limited*

As in former years, the Annual Report of Canadian Co-operative Wheat Producers Limited contains a comprehensive summary of national and international developments in agriculture during the year under review.

#### *Canadian Pool Agencies Limited*

The report of the Directors of Canadian Pool Agencies Limited to its annual meeting of shareholders is also attached to this report for the information of delegates. The Balance Sheet for the year ended 31st July 1962, the Summary of Surplus Account and the Statement of Income and Expenses, are also attached as Statements Nos. 9, 10 and 11 of this report.

#### *Pool Insurance Company*

The fiscal year of Pool Insurance Company ends on 31st December. The report of operations of this Company for the year ended 31st December 1961, together with the Balance Sheet, the Summary of Shareholders' and Patrons' Equity Account, and the Statement of Income and Expenses, are attached as Statements Nos. 12, 13 and 14 of this report.

As in former years, the Manager of Pool Insurance Company, who also has charge of Canadian Pool Agencies Limited, will be in attendance at this meeting and will discuss with delegates the operations and activities of these companies during the current year.

### **Publicity**

During the latter part of the year under review, most Wheat Pool elevators had ample space to receive all the



grain farmers wished to deliver. Much of the department's advertising during this period was directed to encourage members to make the greatest possible use of available facilities. This was the major change in the advertising program during the year.

In its publicity, the department continued to direct attention to farm problems generally and, more specifically to those problems affecting Saskatchewan farmers. This continues to be one of the more important tasks of this department.

Regular publicity releases of news about the Saskatchewan Wheat Pool and its policies with respect to agricultural issues were sent to a list of approximately 40 newspapers, radio and television stations in Saskatchewan and other provinces. Special articles, pictures and background information were provided to specialized newspapers and magazines whenever the opportunity arose.

The department has noted an increasing number of inquiries from newspapers and radio stations within the province for information about the Wheat Pool and about agriculture generally. The department encourages inquiries of this kind and hopes they will continue to increase.

#### *Television*

No basic changes were made in the television advertising program carried out during the year under review. The weekly news program over five stations in the province was continued for a 26-week period during the year. The sixth station, CKBI, Prince Albert, carried the Talent program over both radio and television. One special program was organized during the year in which Mr. Gibbings outlined the purposes and negotiations of the International Wheat Agreement. In June and July a series of special television spot programs were arranged to encourage deliveries to Wheat Pool elevators.

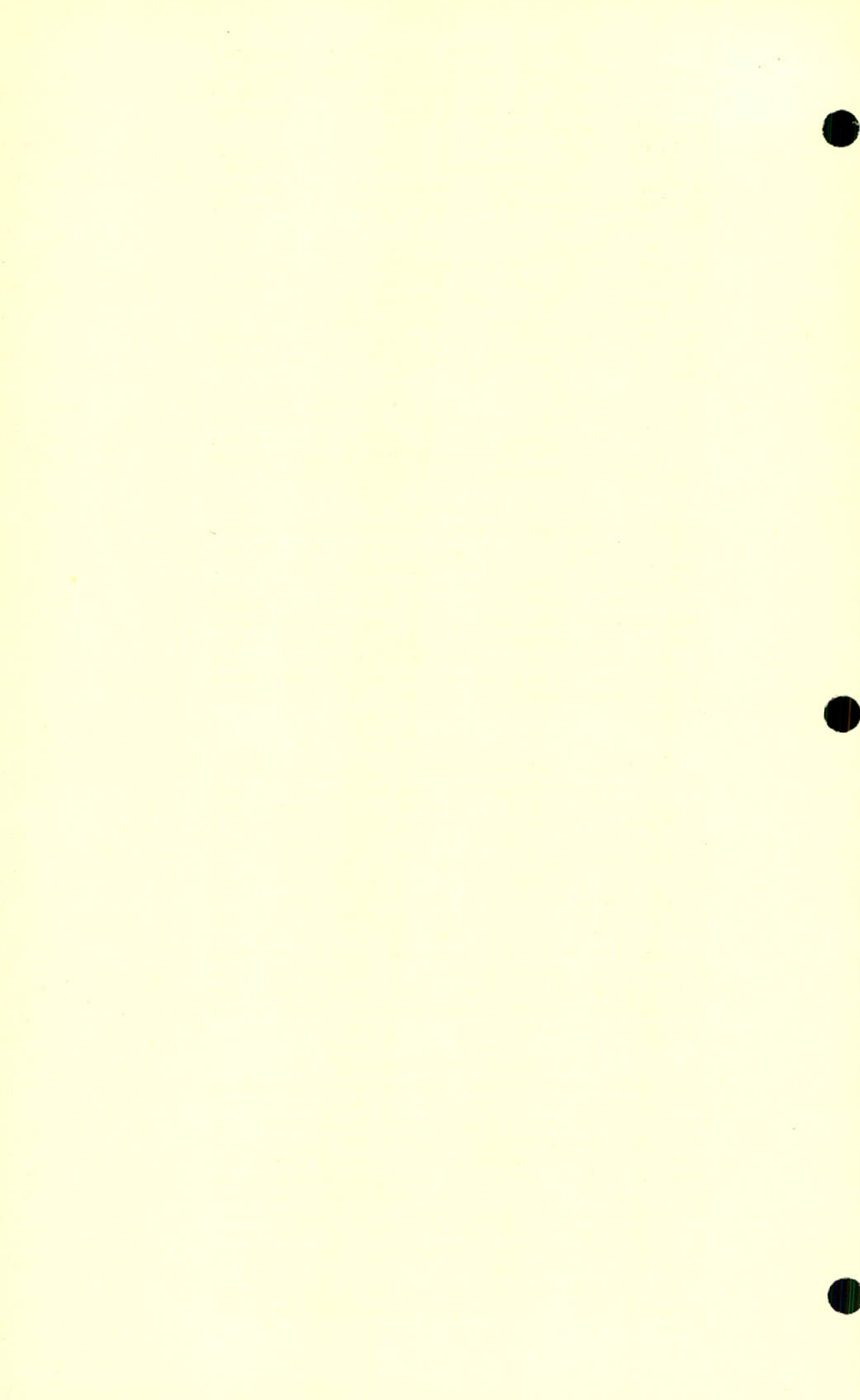
#### *Radio*

The Wheat Pool farm service program consisting of news, interviews and comment was broadcast twice a week for the 26-week period of the winter. Each program was 10 minutes in duration and was produced by our own staff in our own studio in Head Office. These programs were generally broadcast immediately after 1:00 o'clock on four leading stations in the province which have signals strong enough so that they may be received in all parts of the province. Morning broadcast spot on CKBI was continued throughout the year. The usual high school curling was not carried by the Wheat Pool in the spring of 1962. The decision not to carry the program was based on the need to reduce the budget of the department and because this particular program did not seem to have the following that it had three or four years ago.

#### *Newspapers and Periodicals*

The department reduced the amount of advertising carried in newspapers and periodicals to some extent during the year. Advertisements which have normally been placed in financial magazines printed outside the province were reduced. We have continued to rely largely on The Western Producer and the Saskatchewan weekly newspapers as media to reach the bulk of Saskatchewan Wheat Pool membership in the province. Advertising was continued in a selected list of publications printed in the province. Advertisements directed to young people were continued in high school year books.

While the problems facing agriculture generally were outlined in much of the advertising carried in newspapers





and periodicals, a much greater emphasis was placed upon the importance of delivering grain to Pool elevators. This was particularly true in the latter part of the year when space became readily available at most of the elevators in the province.

#### *Exhibitions and Special Events*

Exhibits formerly used at Class A and B fairs were refurbished and again put on display at all Class A and B fairs in the province. The effectiveness of this kind of advertising and public relations is being kept under review. A decline has been noted in these displays at many of the exhibitions which the Wheat Pool attends. There appears to be a waning interest on the part of the public.

There was a sharply increased demand from committees for floats in local parades. A large number of communities last year celebrated their 50th anniversaries and special floats were prepared to service these committees. Additional floats were also available and were sent out on request.

#### *Calendars*

Wheat Pool calendars were mailed to members and bulk quantities sent to agents for distribution in all parts of Saskatchewan. A continuing demand for these calendars from other organizations and individuals was noted and a large number of calendars were sent out from Head Office.

#### *Flour Advertising*

Pool Flour advertising was largely confined to spots on women's afternoon programs on television and to ads in The Western Producer. Pool Flour was also advertised regularly in some other Wheat Pool programs, particularly on radio. The availability of the service broadcast for Pool Flour advertising permitted us to withdraw direct Pool Flour advertising from other radio media during the year.

Advertising for Co-op Flour is placed by the co-operatives themselves and paid for by the mill up to a maximum agreed upon.

#### *Public Relations*

Many branches of the Wheat Pool organization are important in the development of public relations programs. Contacts with other organizations are maintained through the Publicity Department and through other parts of the Wheat Pool organization. The continuation of these efforts which tend to strengthen the position of the Wheat Pool as a community leader are of the greatest importance.

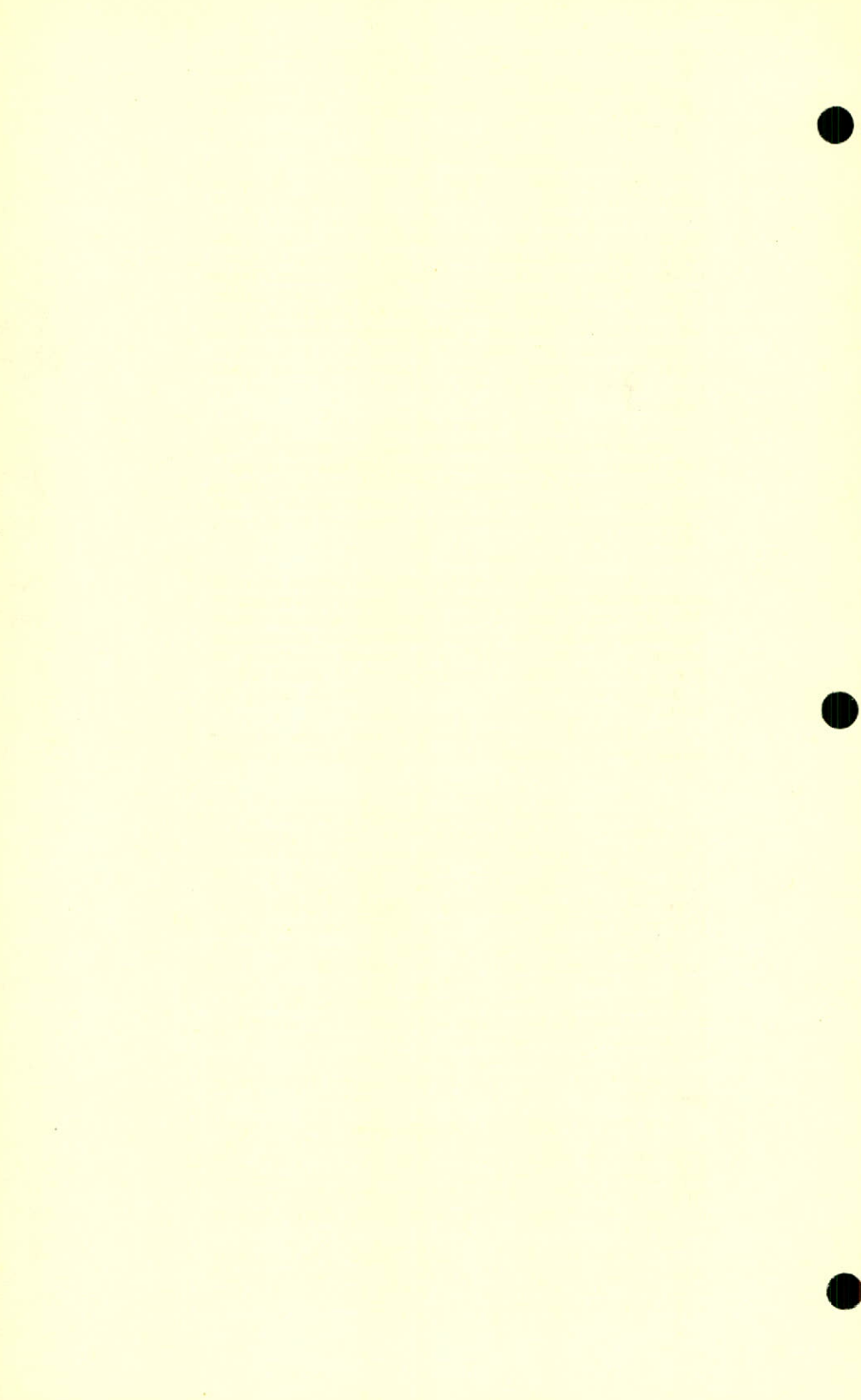
This department has continued to maintain good relations with press, radio and television in all parts of the province. The distribution of special maps and charts illustrating the condition figure as shown by the weekly crop report has been continued and has helped to strengthen our position with these media.

Weekly newspapers are of particular value to the department and have carried regularly stories released from this office.

The number of requests for information and for interviews coming from the mass media has illustrated again their growing familiarity with the services which this department can supply. It also reflects a greater awareness on the part of newspapers, radio and television stations of the place which agriculture plays in the Saskatchewan community.

The Wheat Pool has been called upon by The Canadian Wheat Board, Colombo Plan officials and other technical assistance administrations to assist in providing services and information to visitors from abroad.





### *Library*

The Wheat Pool Library showed a slight increase in patronage during the year. The number of books distributed rose from 7,529 in the previous year to 7,639 last year. Approximately 250 new books were added to the library during the year and a start was made on the publication of a new catalogue which should be in circulation by December.

Increasing attention is being paid to the Reference Section of the Library. Many new publications were added to this part of the library and we are now in a position to give substantially better service than in the past. This is an area of service to members which we have scarcely begun to meet. More attention will be paid to reference services and to plans for making these services available to members in the future.

A statistical report will be found in Statement No. 6

### *Crop Reporting*

The weekly Wheat Pool crop report has maintained its high standards throughout the year. Demands for it are continuing to increase. Summaries of the information compiled by the crop statistician have been released by the Publicity Department to many news media in Saskatchewan and in other provinces. Requests for the crop report are continuing to increase and are putting a severe strain on production facilities.

It is appropriate to note here that Mr. R. F. Haddrell completed 30 years of crop statistics reporting on October 16, 1962. Special mention should also be made to the faithfulness with which Pool elevator agents send in their crop estimates. Without these the comprehensiveness and the accuracy of the Wheat Pool's crop report would not be possible.

### **Research Committee**

The Research Committee set up by the Board of Directors had a number of projects under its direction during the year, including:

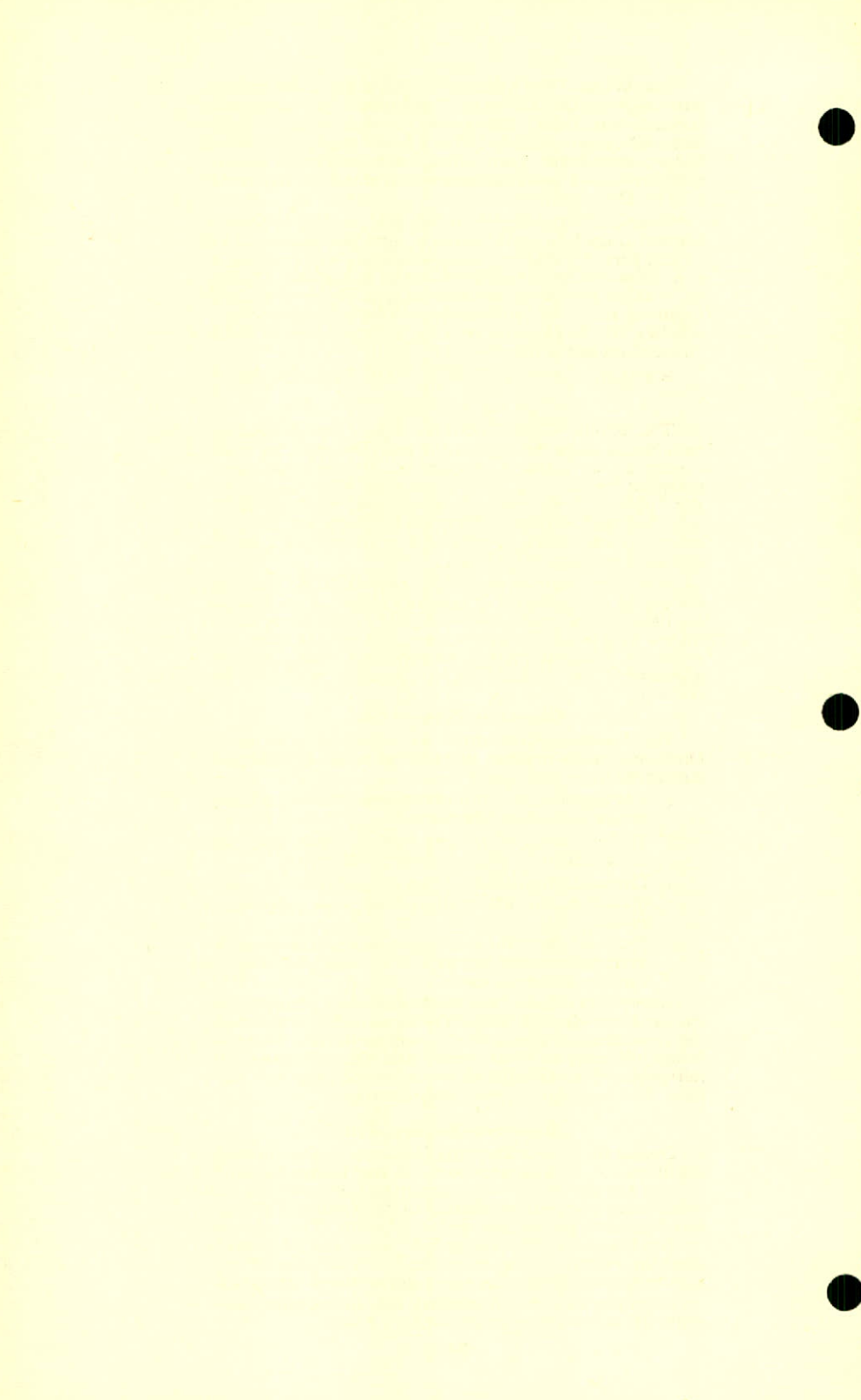
- (1) The financial structure of the organization, including future capital requirements.
- (2) The problems of railway line abandonment, and consolidation of country elevator facilities.
- (3) Consolidation of the country organization structure, including relocation of district and sub-district boundaries.
- (4) Study of the meat packing industry, including the investigation and appraisal of a killing plant offered for sale in the province.

These projects have been studied by the Committee, in co-operation with the related Divisions or Departments of the organization. Consisting of representatives from the Board of Directors, Management and Research, the Committee was able to study new problems and proposals both from the viewpoint of policy and operations.

### **Research Department**

During the year a Research Department was formally organized to co-ordinate work of the former research analyst and the variety test program and to undertake and direct study of questions relating to the economics of grain and livestock production and marketing. The research analyst became its director and the agrologist who supervises the variety testing program, joined the department. Future plans call for further expansion for the department.

A number of research projects were under supervision of the Research Department during the year:



### *Grain Disposal:*

A committee of three nationally-known economists is studying questions relating to the non-commercial disposal of Canadian wheat. The study, financed jointly by the three Wheat Pools, is to be completed in 1963. The committee was assigned to investigate the long-term quantity of Canadian wheat available for non-commercial disposal, the total costs of non-commercial distribution and the effects of non-commercial disposal on recipient countries.

### *Livestock Finishing:*

The agricultural economics department of the College of Agriculture at the University of Saskatchewan is conducting a study for the Saskatchewan Wheat Pool on trends and projections on both the supply and demand side of livestock, including animal population projections, on-farm finishing, slaughtering, and demand for both meats and by-products. The study was undertaken exclusively for the Pool and financed by a grant from the pool. Its report was to be available late in 1962.

### *Meat Processing:*

The first doctoral student in economics at the College of Arts at the University of Saskatchewan is studying the meat-packing industry in Saskatchewan, assisted by a grant to the University from the Pool. The Pool helped in defining the problem areas for study. When completed in 1963 or early 1964 the doctoral thesis will be made available to the Pool. This is the first time the Pool has become associated with a university research project at the doctoral level.

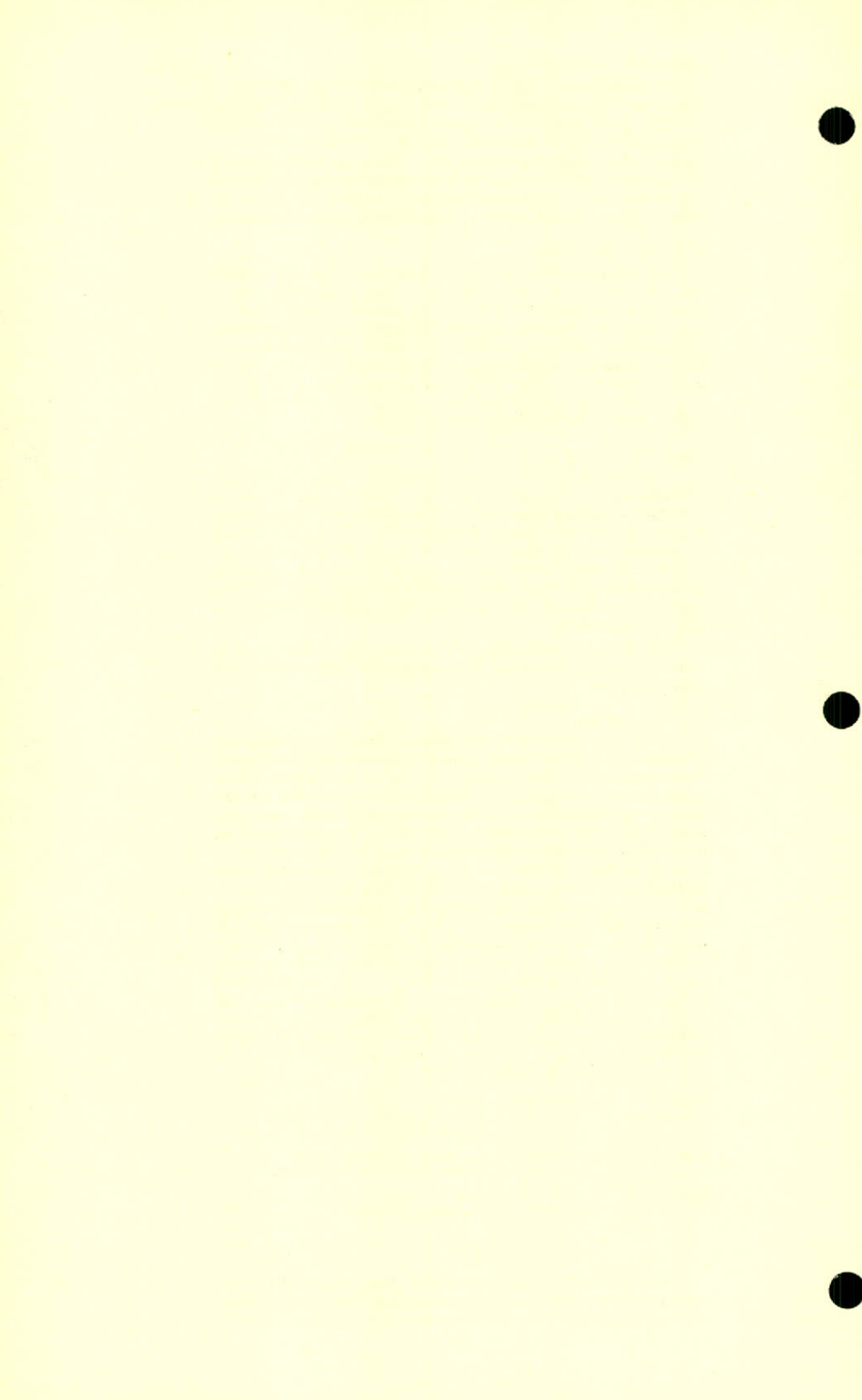
Internally, the Research Department was involved in studies relating to elevator consolidation and railway line abandonment.

### *Variety Testing:*

Each year since 1935 the Wheat Pool has carried on a program of testing cereal grains by comparing their performance under the various growing conditions which exist in the province. The program has provided a comparison of new varieties with the ones in common use, and in addition, the tests have served as useful demonstrations in the communities in which they were located. Advice in setting up the program and selection of varieties has been provided by the Crop Science Department of the University of Saskatchewan. An attempt is made to locate two tests in each sub-district for a total of approximately 330 tests in the province. Each test is supervised by a young farm man or woman selected by the Wheat Pool Delegate. Seed, supplies and instructions are prepared at the Head Office and mailed to supervisors. The tests are laid out in an approved statistical pattern, designed to give all varieties an equal opportunity in the same test. The table below indicates the number of tests conducted in 1962 and the varieties included in them:

<i>Project</i>	<i>No. of Tests</i>	<i>Varieties</i>
Wheat	124	Thatcher, Canthatch, Cypress, Rescue, Chinook, Pembina.
Barley	120	Parkland, Keystone, Betzes, Palliser, Compans, Hannchen.
Flax	67	Redwood, Norland, Cree, Arny, Marine.
	311	

Five varieties were included in each test. All wheat tests contained the first three varieties. Rescue and Chinook were included only in Wheat Pool Districts 2, 3, 4, 5,





10, 11 and 12. Selkirk and Pembina were included in the remaining Districts. All barley tests included the first four varieties. Compana was included only in Wheat Pool Districts 2, 3, 4, 5, 10, 11 and 12. It was replaced by Hannchen in the remainder of the province.

During the growing season each supervisor was asked to complete three progress reports comparing the varieties at different stages of growth. Each supervisor was given a rain gauge and asked to keep a record of rainfall for the four months from May to August.

In the fall each variety was harvested separately, dried, and shipped to the Wheat Pool Head Office for threshing and yield calculation. This yield data, together with other information supplied by the test supervisor, are used in the preparation of a report entitled Saskatchewan Wheat Pool Variety Tests, which is printed and distributed quite widely in the province and beyond.

Yield data from these tests is supplied to the Saskatchewan Advisory Council on Grain Crops, which meets annually to consider the results of tests conducted by the experimental farms, the University and the Wheat Pool, and to recommend the best grain varieties for use in the province.

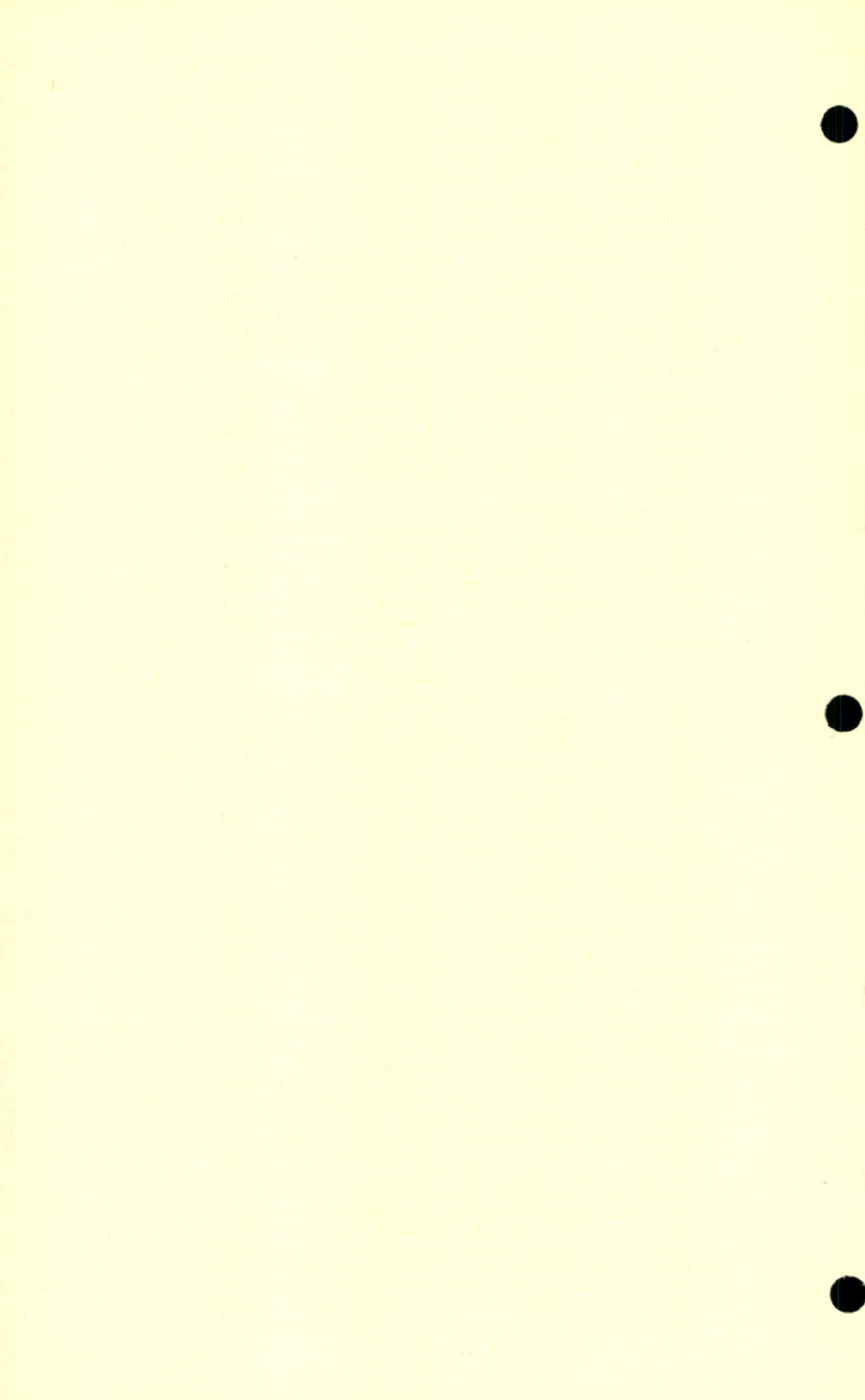
A project of this kind depends to a considerable extent on the voluntary efforts of the young people who conduct the tests. In recognition of this effort tours were arranged for the supervisors in many districts. These tours included visits to experimental farms, the University, or other points of agricultural interest. At most of these tours an opportunity was provided to discuss good harvesting methods.

### **Junior Activities**

Before entering upon a review of the junior activities sponsored by the University of Saskatchewan, your Board desires to pay tribute to the memory of the late Rupert D. Ramsay, who for many years was Head of the Extension Department of the University of Saskatchewan. His sudden death in August of this year removed from the direction of 4-H work in Saskatchewan, a man who has made a significant contribution to the advancement of junior club work among Saskatchewan's young people.

This year for the first time, a combined report on 4-H Club work in Saskatchewan is submitted. This report not only includes 4-H work, but also other youth work which comes under the supervision of the 4-H office. The 4-H office has as its personnel the following: Miss Thelma Howard, Miss Gwenna Moss, Herb. R. Clark, Robert E. Brack and Glen M. Farrell.

The Saskatchewan Wheat Pool assists with the 4-H program in Saskatchewan in a number of ways. First, with the \$10,000.00 annual grant to the Extension Department, University of Saskatchewan, for 4-H Club work. Second, the sponsorship of banquets for Girls' Club Week in May, Provincial 4-H Selection Week in July, Saskatchewan's delegation to National Club Week in November, and delegates to the annual meeting of the Saskatchewan 4-H Council in February. Third, leadership for 4-H is given by many representatives of the Pool, at the local level by agents and committee members, at the district level by delegates, directors and field representatives, at the provincial level by delegates, directors and Head Office personnel, and at the national level by being a member of the Canadian Council on 4-H Clubs. Fourth, the printing of record books for agricultural projects and awarding of prizes for these. Fifth, the assistance given in the form of banquets and identification badges for all Farm Boys'



and Girls' Camps in the province. Sixth, the printing and supplying of identification badges for 4-H rallies, tours and other activities. Seventh, the provision of two McPhail Scholarships, one each to the outstanding member at the Saskatoon and Regina Exhibition Farm Girls' Camps. Eighth, the awarding of plaques to club members for each club sponsored by a local Wheat Pool Committee.

In 1962 two hundred and seventy-six 4-H Clubs were sponsored by local Wheat Pool Committees. This is an increase of forty-seven over the 1961 figure.

The 4-H Grain Clubs grew twenty-one different varieties of grain this past year. Approximately two-thirds of the grain clubs grew wheat. An interesting feature is that several clubs grew the newer varieties recently released for distribution, varieties such as Glen and Russel oats, and for barley, Keystone, Betzes and Jubilee.

The LacVert Grain Club received the top award for their 1961 program and therefore were awarded the Wheat Pool Challenge Shield.

Successful 4-H leadership days were held throughout Saskatchewan last fall and the 4-H Leadership Camp at Wakonda during August was again an outstanding event. The Camp at Wakonda is sponsored by the Saskatchewan 4-H Council in co-operation with the Extension Department, University of Saskatchewan, and the Saskatchewan and Canada Departments of Agriculture.

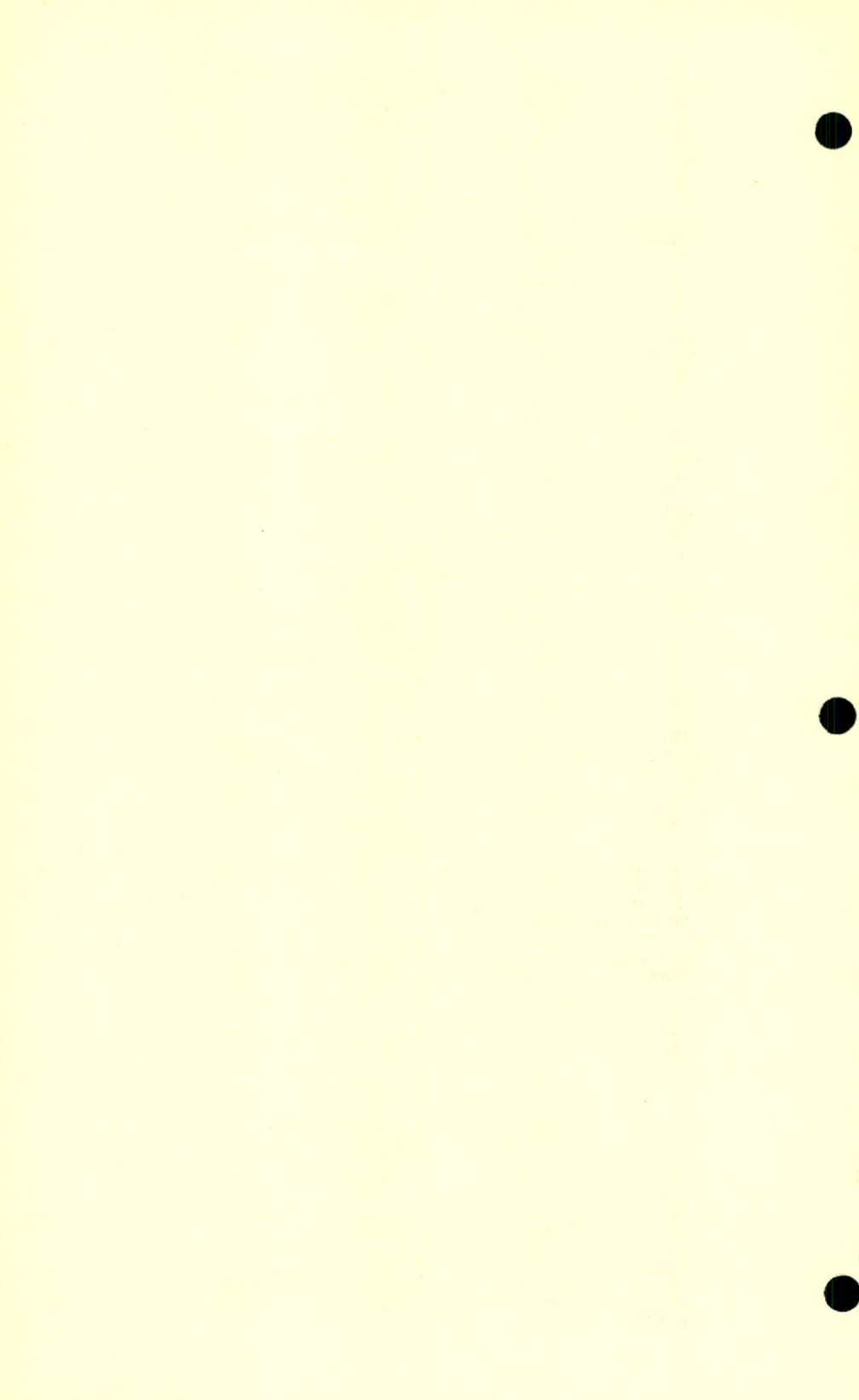
Award trips for two members to the Alberta Club Week and two members to the Chicago 4-H Congress were made this past year by the Saskatchewan 4-H Council. Fourteen members from Saskatchewan attended National 4-H Club Week in Toronto and Ottawa at the time of the Royal Winter Fair. One member from this province attended the National 4-H Conference in Washington in April. These trips were sponsored by the Canadian Council on 4-H Clubs.

During the past year two members visited Great Britain as guests of the Dalgliesh Shipping Lines. This trip is taken during the summer. A Canadian National Exhibition scholarship was also awarded this past year to a 4-H member from Saskatchewan.

The attendance at the Farm Boys' and Girls' Camps at the Class A and B Exhibitions in 1962 varied from the 1961 figures. In 1962 there were 667 boys and 793 girls in attendance, whereas for 1961 the figures were 776 boys and 720 girls.

Several new ideas and projects have been introduced into the 4-H program in Saskatchewan this past year. One has been the development of community or multiple project clubs. Here members undertake a variety of projects within one over-all club. This is in contrast to the single project clubs. Fifty-two multiple project clubs, enrolling 1,078 members, were formed this past year. These clubs have a club leader or supervisor and a number of project or assistant leaders. There is every indication that the number of clubs of this type will increase in 1963. They have much more to offer the member in the selection of projects and in the development of their interests. Local leadership can also be divided amongst a larger number of people because of the varied interests. These clubs also make it possible for members to take shorter term projects and different projects each year.

The following table indicates the variety of projects available to 4-H members and also the enrollment figures for each project. Project enrollment for 1962 was 10,970 and member enrollment 9,685. This is because a number of members undertake more than one project during the club year. The total number of clubs in 1962 was 681, compared with 728 in 1961.





<i>Project</i>	<i>No. of Boys</i>	<i>No. of Girls</i>
Grain.....	1,187	325
Garden.....	562	610
Light Horse.....	88	49
Sheep.....	50	21
Band.....	11	6
Conservation.....	66	57
Dog.....	12	9
Poultry.....	9	4
Tractor.....	102	3
Woodworking.....	149	3
Swine.....	51	19
Dairy.....	141	95
Entomology.....	12	—
Gun Safety.....	44	—
Art.....	4	3
Electric.....	5	—
Junior Leadership.....	26	50
<b>Beef</b>		
Fed Calf.....	2,711	1,355
Heifer Calf.....	656	359
<b>Homecraft:</b>		
Sewing.....	—	1,290
Baking.....	—	285
Etiques.....	—	270
Knitting.....	—	78
Home Decorating.....	—	83
Home Nursing.....	—	102
Electrical Living.....	—	8
<b>Total Project Enrollment</b>	<b>—10,970</b>	
<b>Total Member Enrollment</b>	<b>— 9,685</b>	
<b>Total Clubs</b>	<b>— 681</b>	

Another new venture in 1962 was in the method of selecting 4-H members for awards and trips. In previous years members to Provincial Inter-Club Competitions were selected on the basis of questionnaires for Agricultural Clubs and Achievement Day events for Homecraft Clubs. This year members made application through their club and District 4-H Council to attend the Provincial 4-H Selection Week. The applications were reviewed by a committee and this was followed by interviews for each Agricultural Representative District to make the final selection to the Provincial Competition. At the provincial level the members participated in various activities such as panels, discussions, debates, demonstrations, talks, etc. Oral interviews, general knowledge questionnaires and personality ratings were also used in selecting those members to win the various awards and trips.

This year in the 4-H program a great deal more emphasis is being placed on the development of the individual boy or girl than there has been in the past. This has in part been made possible by the addition of more, and also new, projects in the 4-H program—projects such as Career Exploration, Junior Leadership, Personal Development, and International Understanding.

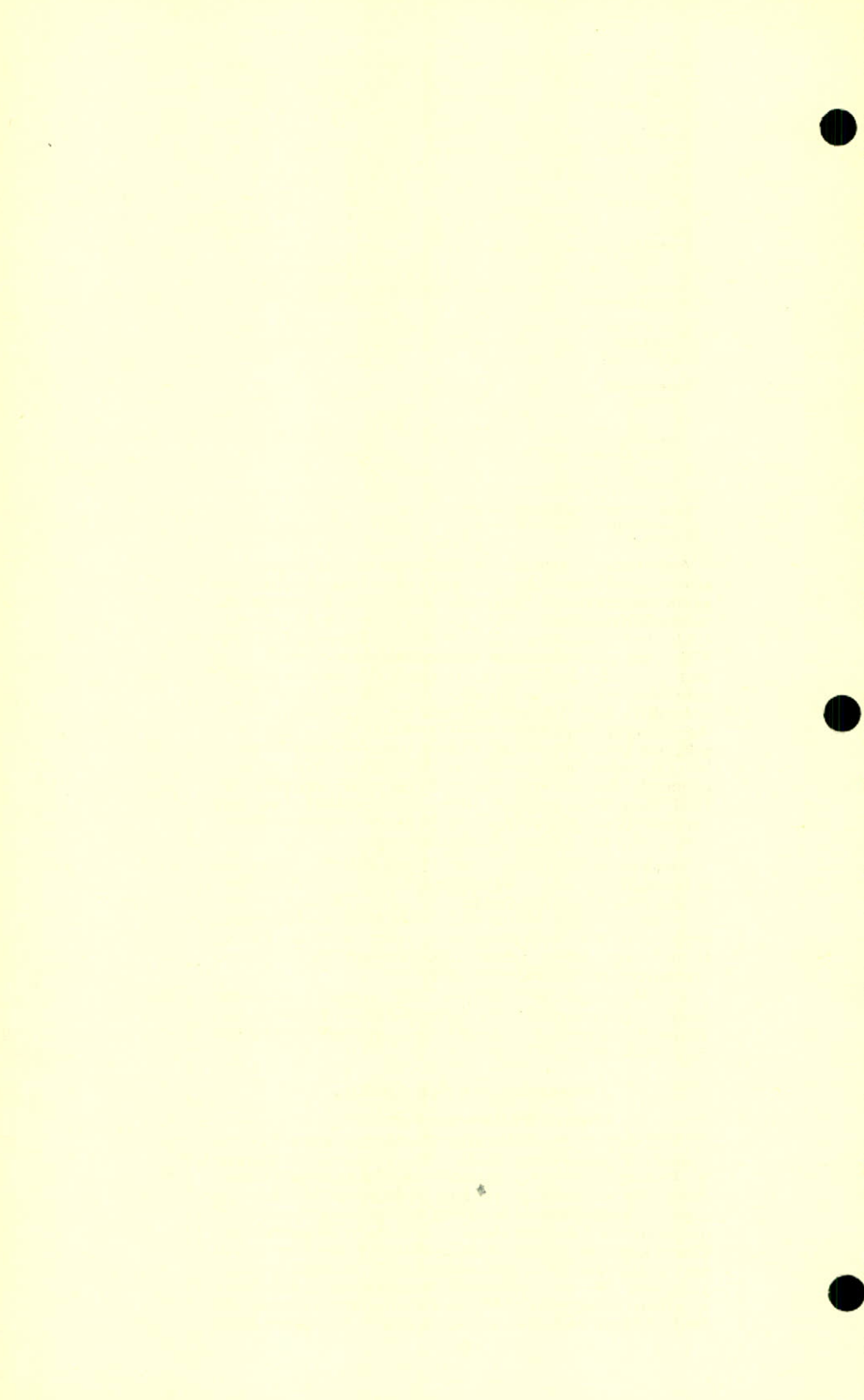
A new system of tabulating 4-H member enrollment has been put into use this year by the use of I.B.M. cards. This will now make it possible to study member enrollment in more detail.

### **Bursaries and Scholarships**

#### *George W. Robertson Scholarship*

The George W. Robertson Scholarship was set up by resolution of the delegates in 1958, in honour of George W. Robertson, first Secretary of the Saskatchewan Wheat Pool. The Scholarship is valued at \$1,200.00 and may be used for post-graduate study at an approved university, in one of the following fields—any branch of Agriculture, Cereal Chemistry, Economics, Political Science or Sociology. It is available to students normally resident in Saskatchewan. The first Scholarship was awarded in June 1961 to Albert Schepanski of Blaine Lake for study during the 1961-62 term. However, owing to illness, Mr. Schepanski





was unable to accept the Scholarship and it was subsequently awarded to Mr. Harold E. Bronson. The Scholarship holder for the current year is Mr. Paul Arthur Phillips of Saskatoon.

#### *McPhail Memorial Bursaries*

The McPhail Memorial Bursary Fund, set up in memory of the late A. J. McPhail, first President of the Saskatchewan Wheat Pool, provides for two bursaries valued at \$200.00 each. The bursaries are available to girls attending the Farm Girls' Camps at the Exhibitions at Regina and Saskatoon. They are awarded on the basis of the girls' standing at camp, their scholastic ability, character and leadership ability.

Bursaries were awarded during 1962 to Miss Helen Ledingham of Saskatoon and Miss Jean Harren of Penzance.

#### *Saskatchewan Wheat Pool Bursaries, School of Agriculture*

Sixteen bursaries, valued at \$250.00 each, are made available each year to students attending the School of Agriculture at the University of Saskatchewan. The bursaries are available to first-year students on the basis of one in each Wheat Pool district and are renewable for a second year. Selection is made by the Scholarship Committee of the School of Agriculture. The awards are made on the basis of merit and need. In making the awards the Scholarship Committee takes into account academic standing, community activity, 4-H Club work and general leadership qualities.

### **Country Organization**

#### *Wheat Pool Committees*

As at July 31st, 1962, there were 1,069 local Wheat Pool Committees functioning in the province. This compares with 1,083 at the same date last year, a decrease of 14. Statement No. 7 of this report shows a total number of committees by Wheat Pool Districts and Sub-districts. Statement No. 8 indicates that 1,054 of these committees were elected at local Shareholders Annual Meetings during the period 1st August 1961 to 31st July 1962, leaving 15 that had not reported their Annual Meetings. This compares with 7 of last year. There is a high percentage of active committees in all Wheat Pool Districts.

Over 10,000 Wheat Pool Shareholders are serving as members of committees.

#### *Committee Conferences*

A program of Sub-District Conferences for members of Wheat Pool Committees replaced the Committee Conventions. Though minor changes were introduced from time to time, the basic program had been carried out for many years. An effort was made to introduce a completely new program. Invitations were sent out to all Committee members and their wives. Growers who had joined the Wheat Pool during the previous calendar year and their wives were also invited and provided with meal tickets for one meal. The meetings were held during the afternoon or evening depending on the local preference. The agenda provided for reports, discussions and questions, the whole program to be completed in two hours and 20 minutes. 137 Conferences were held in March and April and 23 were held in June, a total of 160 meetings. 7,130 Committee members attended for a percentage of 69 per cent, compared with 4,520 and 43 per cent attendance in 1961. The total attendance was 16,200 compared with 9,260 and the cost amounted to \$25,590.75 against \$21,-



124.56 in the previous year. No transportation costs were paid to Committee members in 1962. Following discussion over 70 groups stated:

1. They expected the Saskatchewan Wheat Pool to be a farm organization to formulate policy and represent agriculture at all levels of government.
2. They expected the Wheat Pool to be a handling organization with adequate facilities and a competent staff, giving fair treatment to all patrons. 125 groups said that it is the responsibility of members to give full support to their organization and 80 per cent said that it is more important to build a strong and more diversified farm organization providing indirect benefits than to pay dividends. 88 groups felt that more information is needed and suggested how the Wheat Pool Committees and Elevator Agents could help to provide it to the membership.

The Country Organization Department is grateful to the Elevator Division for its wholehearted co-operation and assistance which made the successful operation of the new program possible.

#### *Committee Programs*

Resolutions passed at the 1961 Annual Meeting of Delegates were published in the form of a Committee Program immediately following the Annual Meeting.

"The Saskatchewan Wheat Pool and Its Future" was the basis of a committee program published in January, 1962. As in previous years, it was studied by Wheat Pool Committees at meetings held during the winter. Wheat Pool Delegates, Fieldmen and Staff of the Elevator Division acted as resource personnel at these meetings. The result was a clearer understanding of the changing conditions which affect the organization.

#### *Committee News Letters*

During the year, newsletters dealing with various topics were sent to the following: Chairmen and Secretaries of Wheat Pool Committees, Wheat Pool Delegates, Wheat Pool Fieldmen, Travelling Superintendents, all Elevator Agents, also the personnel of the various Divisions in Head Office and Co-operative Associations in the province. The topics were as follows:

1. Announcement that the National Film Board Film "Supermarkets and the Farmer" would be featured on the television program "Country Calendar."
2. Democracy in Farm Organization.
3. Requests to Wheat Pool Committees concerning the Farm Radio Forum Program.
4. Summary of Committee Program, No. 2.
5. The Report of the President dealing with the International Wheat Agreement Conference at Geneva, Switzerland.
6. Hog Marketing in Ontario.
7. Summary of Report on Redistribution of Districts and Sub-Districts.
8. Report on Committee Conferences.

These letters continue to be very well received by the Committees. Minutes of Committee Meetings indicate that the contents of the newsletter is discussed at most meetings.





### Visual Aids

During the year two films, "The Business of Farming" and "Supermarkets and the Farmer" were purchased from the National Film Board. "The Long Haul" describing Western grain farmers' struggle for orderly marketing was produced co-operatively by the three Pools. These films being of special interest to the farm people, provided us with a good program. It was shown at 455 meetings for a total attendance of 22,857.

Still projectors were purchased for the use of Fieldmen. A slide program was produced and used in giving the Annual Reports to Shareholders at the Annual Meetings.

### Co-operative Education

Co-operative education is a continuous program. To be successful it needs the co-operation of all branches of the movement. Saskatchewan continues to enjoy good co-ordination in the spirit of co-operation amongst the various organizations. It is believed that this friendly co-operation in the past has been responsible for the remarkable success of the movement in Saskatchewan.

### Co-operative Schools

The Co-operative School Program continues to be the best co-ordinated co-operative education program in the province. The Co-op School Staff Seminar was again held at Saskatchewan House in May of 1962 and was attended by representatives of all branches of the movement taking part in the schools. The Agenda was reviewed, techniques were studied and all returned home better prepared to carry out the program. Eight Co-operative Schools were held this year at the following centres: Weyburn, Swift Current, Fort Qu'Appelle, Yorkton, Prince Albert, North Battleford, and two at the University at Saskatoon, one for Wheat Pool Districts 10 and 11 and one for District 13.

The staff spent considerable time and effort interesting young people in this project. Their efforts resulted in the following attendance: 338 boys, 400 girls, for a total of 738 students. These were sponsored by Wheat Pool Committees, Co-operative Associations, Credit Unions and the Women's Co-operative Guild. The following is a breakdown by Districts:

District	Students	District	Students
1.....	27	9.....	64
2.....	46	10.....	57
3.....	30	11.....	36
4.....	21	12.....	37
5.....	42	13.....	105
6.....	20	14.....	67
7.....	28	15.....	75
8.....	51	16.....	32

Eight students were sponsored by the Northern Co-operatives, situated at Lac La Ronge and Cumberland.

All reports indicate the program was successful. The average age of the students was 16.5 and the average completed grade was Grade 10.5. It is always difficult to select students as applications are not received far enough in advance. It is suggested more effort be made to raise the average age in order to have a more mature group of students and thereby further improve the standard of the schools.

### Farm Radio Forums

A new approach was tried by the Department to promote participation by Wheat Pool Committee personnel in the Farm Radio Forum program. Two topics of special interest were selected, namely "Farm Management" on 15th January, and "Tariffs and Trade" on 5th March. Extra efforts were made by all country workers



to acquaint the committee with these programs and encourage them to call meetings to listen to the broadcast, discuss the topics and report to the office of the Farm Radio Forum in Saskatoon. The response was good in spite of unfavorable weather conditions. 285 Committees met on 15th January and 250 on 5th March and sent reports to the Farm Forum office and a copy to the Country Organization Department.

#### *Delegates' Training Course*

The Training Course for Wheat Pool Delegates was held at the Western Co-operative College in Saskatoon, 5th to 9th February. While the course was originally set for new Delegates, experienced Delegates are showing some genuine interest in attending this course. There were more experienced Delegates in attendance this year than in any previous year.

The Agenda consisted of Communications, Organization's Structure, Acts and By-Laws, Co-operative Philosophy, Financial Structure, Public Speaking, Planning a Year's Program in a Sub-District, Delegates' Relationship with Management, Delegates' Responsibility, Handling Questions, Role of the Delegate at Committee Meetings and an Evaluation of the Course. Delegates are finding this course a help in both planning and carrying out the work in their Sub-Districts.

#### *Staff Training Program*

Last year's report made mention of the approval by the Board of Directors of a Staff Training Program for Saskatchewan Wheat Pool employees. The Administrative Committee appointed for this purpose selected personnel to organize and conduct Training Programs for elevator agents and head office employees.

The Agents' Program covered the areas of:

1. Communications
2. Meeting members' needs.

In planning and preparing for the implementation of the Program, the Committee obtained assistance of the Western Co-operative College and through it, the help of Dr. Coburn of the University of Saskatchewan. The Program was carried out in the country by the Travelling Superintendents, assisted by the Fieldmen. It was enthusiastically received by the elevator agents and resulted in a valuable experience for all concerned.

To gain experience in training for office employees, an experimental Program was conducted in Head Office. It involved 75 employees, ranging from junior to senior ranks. It covered a period of 14 weeks and dealt with the structure, history and policy of Saskatchewan Wheat Pool, changing conditions, types of business and the co-operative movement, its various branches and its social and economic significance. An evaluation of the course by the participants indicates it was favorably received.

#### *New Members*

The policy of visiting new members introduced a year ago was continued during the year. Names and addresses were obtained from the Contract Department, forwarded to the Fieldmen, who during the course of their regular duties made as many calls as time permitted. The new members had an opportunity to discuss the aims and objectives of the Saskatchewan Wheat Pool and appreciated being welcomed in the organization. For the year under review, 2,210 applications for membership were received, compared with 3,430 during 1960-61.





### Meetings

During the year, Fieldmen attended 2,910 Committee, Shareholders and Public Meetings. The estimated attendance at these meetings was 98,538. Fieldmen gave information on the Wheat Pool, its operations and policies and answered many questions. Minutes of 5,536 meetings were received at Head Office. These were processed, resolutions sent to the various departments, requests were taken care of and acknowledgments by letter were made to the secretaries of the Wheat Pool Committees. The meetings per district were as follows:

District	No. of Meetings	District	No. of Meetings
1.....	336	9.....	345
2.....	320	10.....	300
3.....	220	11.....	428
4.....	221	12.....	367
5.....	357	13.....	417
6.....	407	14.....	447
7.....	316	15.....	336
8.....	337	16.....	382

Remuneration was paid to 999 Committees. There were 83 meetings of Delegates on a district basis.

### Co-operative Associations

A number of new co-operatives were organized in the province during the year. Some were dissolved and a number were amalgamated with other co-operatives. There was a net gain of four associations.

The total number of Co-operative Associations operating in Saskatchewan during the year was 1,532 made up as follows:

Under Co-operative Associations Act, Saskatchewan.....	1,187
Under Co-operative Associations Marketing Act, Saskatchewan.....	40
Under the Credit Union Act.....	284
Under other Saskatchewan Legislation.....	16
Under Dominion Legislation.....	5

### Enrolment of New Members

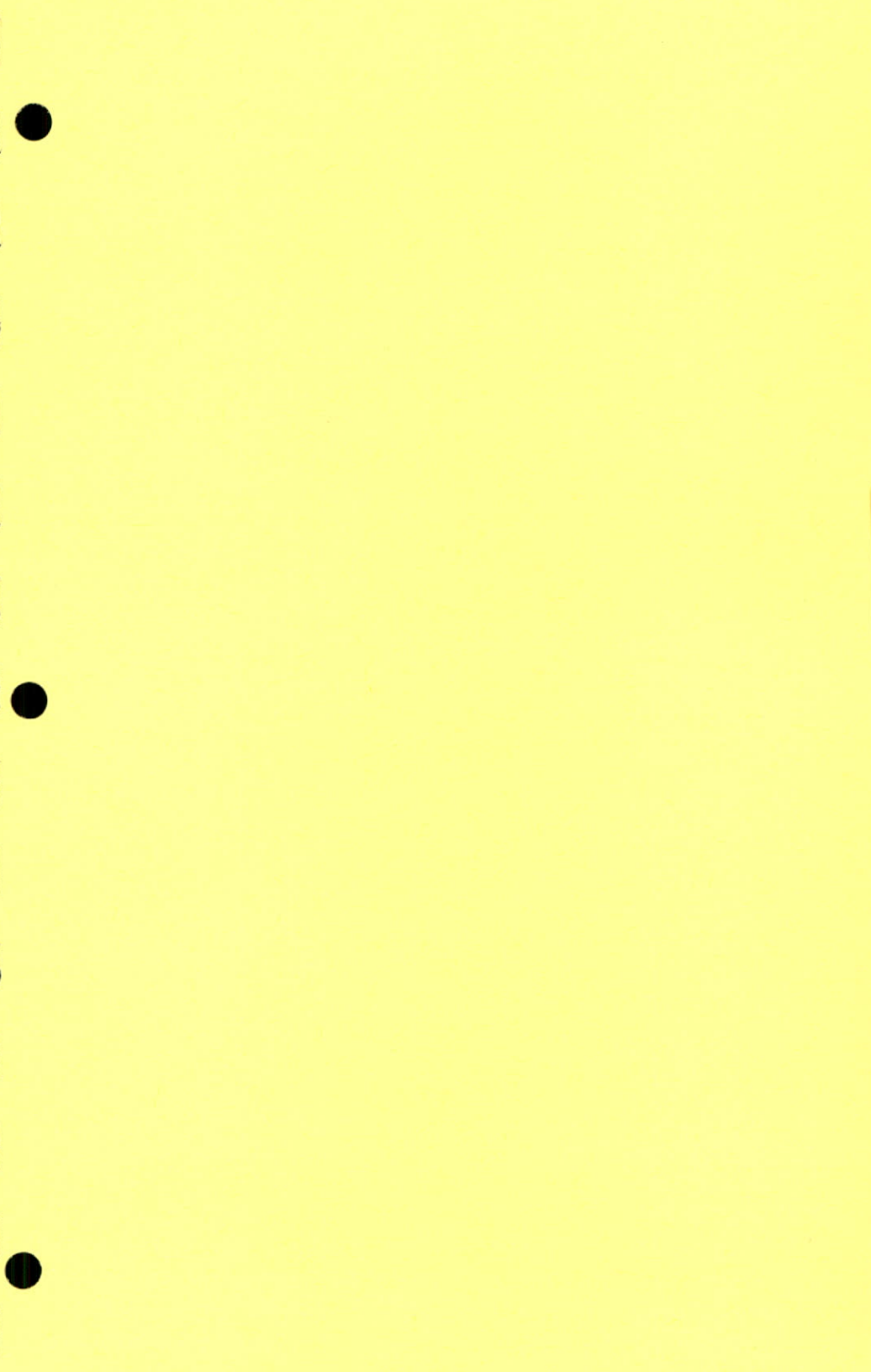
For the year under review, 2,240 applications for shares were received. There were 2,240 transfers in blank, no new shares were allotted. In addition, during July, 473 applications for shares were received. All were transferred in blank. No new shares were issued.

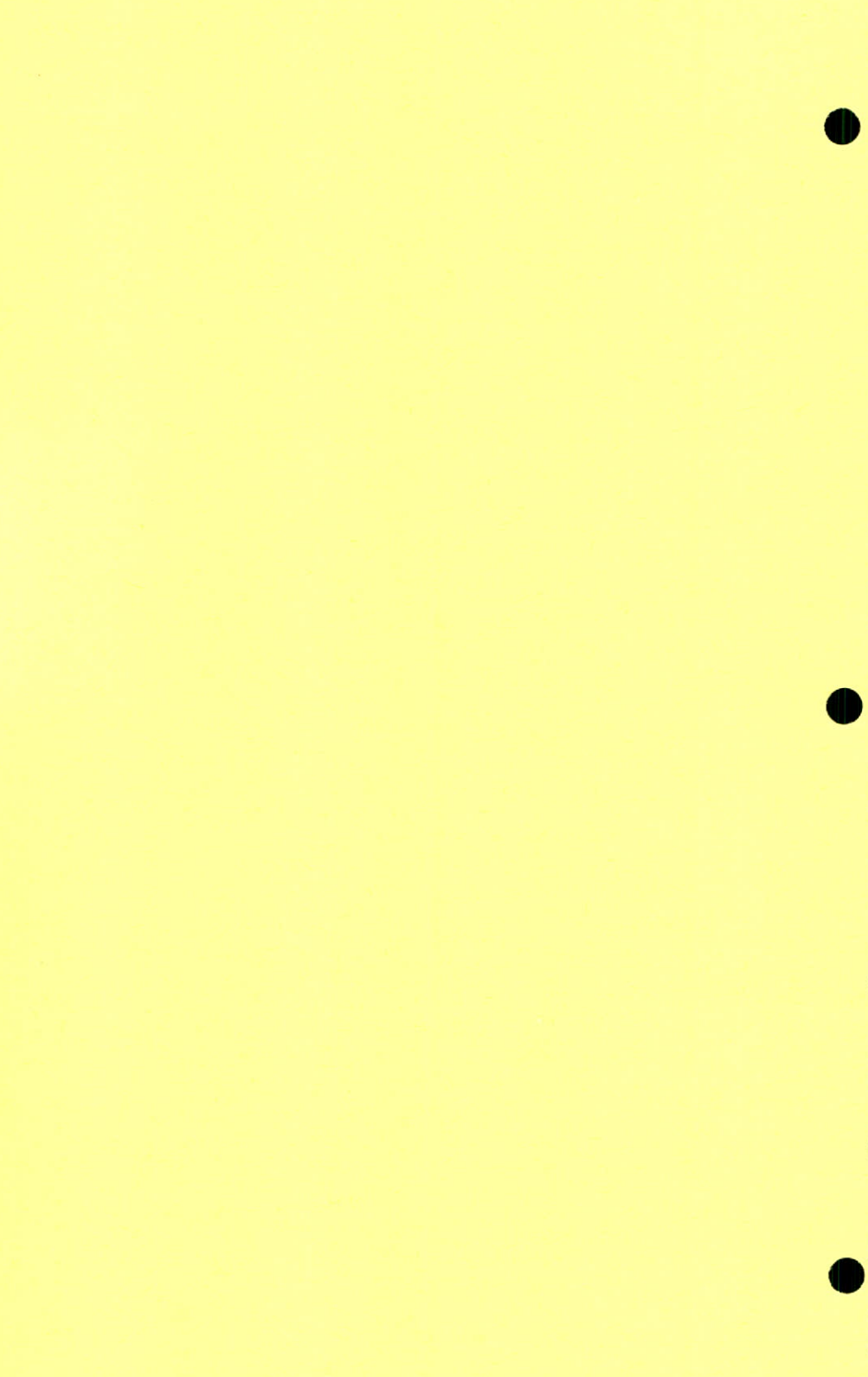
The following statement shows the number of applications received since February 1934, when the policy of accepting new members by way of applications for share was initiated:

Year Ended	Applications	Total Shares Issued
31st July 1934.....	515	104,354
31st July 1935.....	695	104,942
31st July 1936.....	869	105,717
31st July 1937.....	1,016	106,640
31st July 1938.....	370	106,889
31st July 1939.....	887	107,492
31st July 1940.....	3,477	110,715
31st July 1941.....	3,040	113,139
31st July 1942.....	5,616	117,935
31st July 1943.....	5,946	121,742
31st July 1944.....	7,704	127,058
31st July 1945.....	6,304	129,412
31st July 1946.....	5,484	129,412
31st July 1947.....	8,529	130,688
31st July 1948.....	6,609	133,298
31st July 1949.....	3,817	136,668
31st July 1950.....	3,322	138,167
31st July 1951.....	3,866	139,036
31st July 1952.....	5,746	139,036
31st July 1953.....	6,612	139,678
31st July 1954.....	6,108	141,227
31st July 1955.....	5,039	141,227
31st July 1956.....	4,573	141,227
31st July 1957.....	4,386	141,227
31st July 1958.....	3,653	141,227
31st July 1959.....	3,214	141,227
31st July 1960.....	3,236	141,227
31st July 1961.....	3,430	141,227
31st July 1962.....	2,240	141,227









### International Wheat Agreement

The third year of operation of the Fourth International Wheat Agreement concluded 31st July 1962. During that period total commercial purchases registered under the Agreement with the International Wheat Council amounted to 625,653,000 bushels. Canada's share of this quantity amounted to 231,752,000 bushels, or 37.1 per cent. The United States, which stood second from the standpoint of volume of shipments, had registrations totalling 158,477,000 bushels, or 25.4 per cent. As at the 31st July 1962, there were nine countries classified as exporting countries, but of these nine, two had not registered any sales. Countries registering sales were Canada, Australia, Argentina, France, Italy, Sweden and the United States of America. Those which failed to register any sales were Mexico and Spain.

The following table shows the sales registered by the seven exporting countries for the crop year ended 31st July 1962, with revisions to the 24th August 1962:

	Bushels	Percentage of Total Sales
Canada.....	231,752,000	37.1
Australia.....	103,864,000	16.7
Argentina.....	93,399,000	14.9
France.....	30,904,000	4.9
Italy.....	893,000	—
Sweden.....	6,364,000	1.0
U.S.A.....	158,477,000	25.4
<b>Total.....</b>	<b>625,653,000</b>	

### Prairie Grain Advance Payments

The fifth year of operation of the Prairie Grain Advance Payments Act closed on 31st July 1962. The following tabulation shows the comparison between statistics for the year under review, compared with those of the previous year:

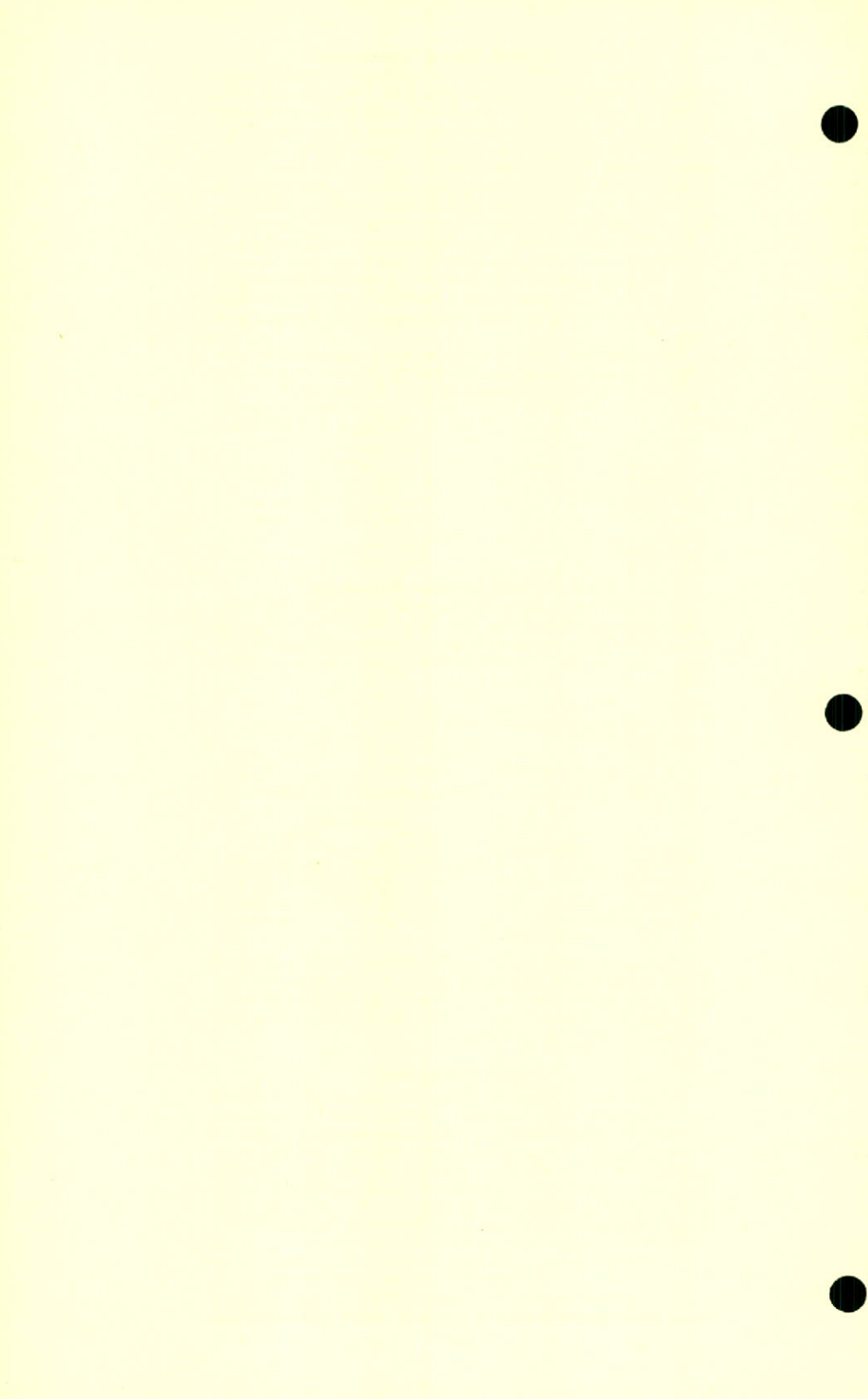
	Western Canada	
	1961-62	1960-61
Number of Applications.....	22,342	76,089
Amount Advanced.....	\$16,656,713.00	\$63,912,550.00
Amount Repaid.....	14,996,160.00	63,655,820.00
Average Advance.....	745.00	839.00
Percentage Repaid.....	90.0%	99.5%
Amount Outstanding.....	* 1,660,553.00	* 256,730.00
	Saskatchewan	
	1961-62	1960-61
Number of Applications.....	10,345	43,214
Amount Advanced.....	\$8,545,109.00	\$40,380,873.00
Amount Repaid.....	8,077,384.00	40,315,889.00
Average Advance.....	826.00	943.00
Percentage Repaid.....	94.5%	99.8%
Amount Outstanding.....	467,725.00	64,984.00
*As at 5th October 1962.		

For the current season to 5th October 1962, a total of 9,694 applications had been made in the three Prairie Provinces, and advances totalling \$9,001,039.00 had been paid out. For Saskatchewan alone, there were 6,329 applications, totalling \$6,301,151.00.

### Policy Statement

From time to time organizations should assess tenets on which they were founded, examine their effectiveness for the current situation, and make whatever amendments seem required. The Saskatchewan Wheat Pool has been established for nearly four decades, during which change has been varied and considerable in the land size cultivated by its members, the techniques they utilize and the world in which they trade. Your Directors believe in continuous self-examination to meet this challenge of change.

The founders organized the Pool in 1924 to market the wheat of its producer members on a co-operative basis and for the mutual benefit of the members as producers. Other aims and objectives were to promote, foster and encourage





the business of growing and marketing wheat co-operatively, to eliminate speculation in wheat, and to stabilize the wheat market. They also established, along with the Pools of the other two Prairie Provinces, a central selling agency, the objective of which was an extension of the aims of the single Pool. The central selling agency sought to improve methods and reduce costs of marketing grain; reduce speculation, manipulation and waste in all unnecessary marketing transactions; increase consumption, build up new markets and develop new uses for grain; market grain directly and with regularity and furnish it to its users economically, and to preserve for the growers and the public their proper profits and economies. Some of these objectives have been met and some require support even after nearly four decades of effort. The changing scene in the years between has created new needs, no less important than were the original objectives.

Problems in the Pool's early years were mainly to get the grain to market and to assure the farmer a fair price. Through building and buying, the Pool acquired a line of country elevators which through the years has attracted more than three-quarters of all Saskatchewan farmers and handled more than half of the total grain crops. The Pool has traditionally supported the car-order book system for distributing boxcars to elevators and sidings; it has supported a delivery quota system to provide for each farmer a measure of equity of opportunity; it promoted establishment of the Wheat Board system of orderly marketing and has supported The Canadian Wheat Board since its inception. The Pool was an early exponent of international commodity agreements and has advised and supported the Canadian Government on all International Wheat Agreement negotiations. The Pool long urged the elimination of futures trading in wheat and since futures trading was eliminated for wheat in 1943, has continued to press for the elimination of the futures market in Canada for all cereal grains.

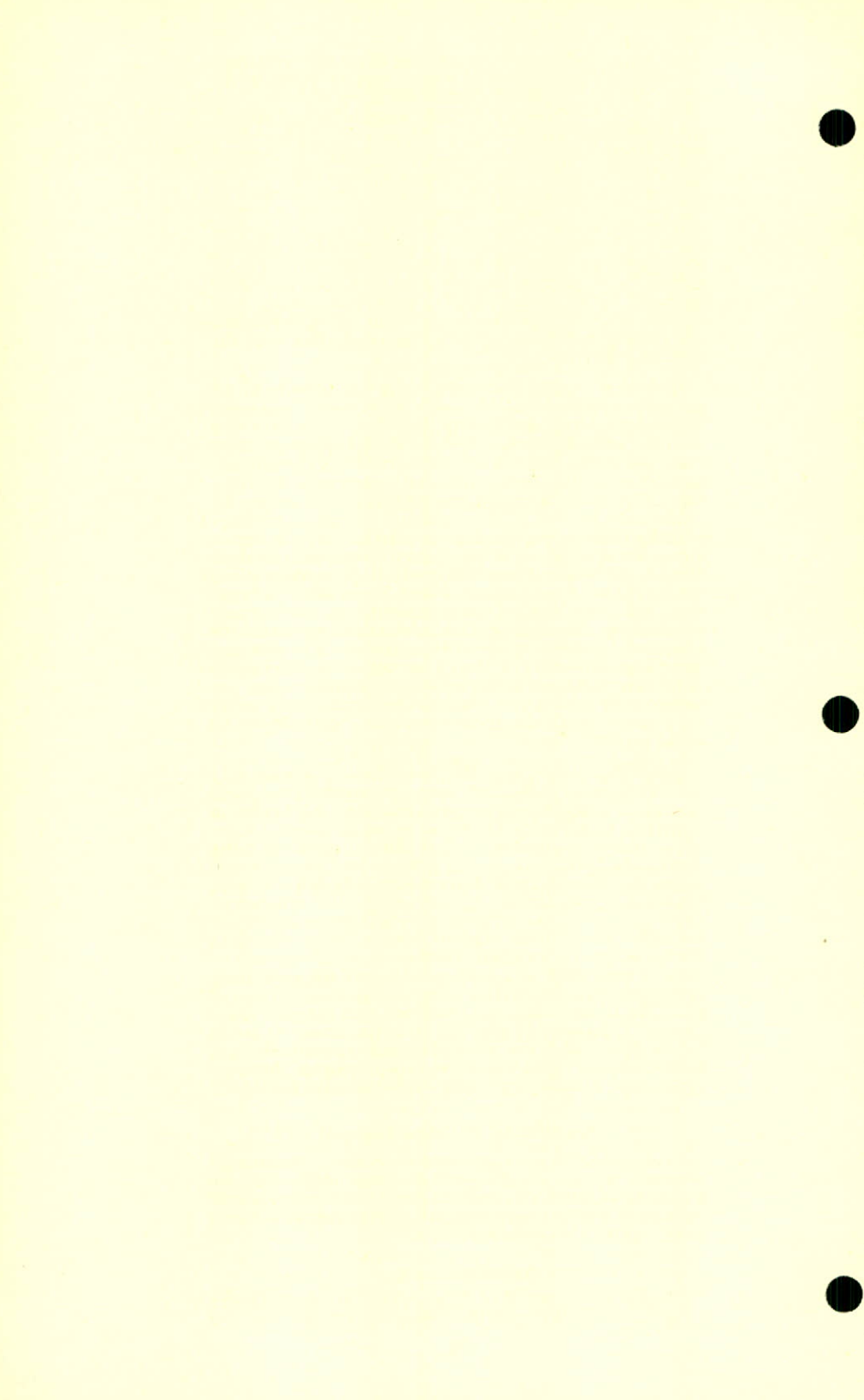
Your Board is aware that traditional positions may not be adequate to the changed environment in the world of today. Trading patterns are changing; the European Economic Community threatens to reduce some of Canada's traditional markets for agricultural produce; many developing nations are coming to know the uses for cereal grains and to seek them in increasing quantities without having any real ability to purchase on the commercial market; the world's first food sharing program has begun haltingly under United Nations' auspices with more than thirty countries committing themselves to gifts in cash or food of something like \$100 million over the next three years; the latest International Wheat Agreement attracted the U.S.S.R. as an exporting member, thus bringing virtually all of the wheat exporting countries under its terms for the first time. Some countries which traditionally have been Canadian grain customers now encourage domestic production; in some our grains are completely excluded.

#### **Traditional Position Assessed**

Your directors have reviewed a number of traditional positions relating to grain and livestock marketing, the supplying of farmers' needs and government policy. Some are simply worth restatement, others may require detailed study, with a view to amendment.

#### **Grain Marketing**

At the outset the Pool, in co-operation with its sister organizations and the central selling agency, got onto the



grain markets of the world to promote the sale of Canadian grain and to conduct the actual transaction as traders. The agency suffered severely in the market crash of 1929-30 and was never revived after The Canadian Wheat Board took over the marketing board function. In fact, since 1935 the Wheat Board and the Federal Government have promoted the sale of Canadian wheat and have actually handled bulk sales contracts while the international grain trade has managed most of the commercial transactions. In spite of all that has been done to promote sales of Canadian grain it would appear that the major problem still facing Canadian farmers today is the need for expanding markets for agricultural products, particularly grain. Your Board continues to support retention of The Canadian Wheat Board and to urge extension of its jurisdiction to cover all grains produced in the Prairie west. The Pools' future position in relation to the international grain market now is under study. Your Board also has under study the possible consolidation of the country elevator system and the effect on the system of the reduction in the number of country grain delivery points incidental to the proposed rationalization of the railway transportation system.

### **Livestock Marketing**

The Pool's entry into the livestock market followed its grain interest by some years and came about through amalgamation of the original Livestock Pool and the Wheat Pool. The Pool now operates agencies at eight livestock markets and through its facilities handles about 50 per cent of the cattle, 30 per cent of the hogs and 40 per cent of the sheep, and the Pool co-operates with the other two Prairie Provinces in a central livestock agency at Winnipeg. The Pool also has helped to organize cattle feeding in the province, both among individual farmers and among groups of farmers organized as co-operatives. Your Board has under active consideration the question of the Pool expanding its interest to include livestock killing and processing. The Pool has advocated for years, establishment of a Board of Livestock Commissioners for Canada, to operate in a manner somewhat similar to that of the Board of Grain Commissioners for Canada. However, your Board is aware that livestock and grain are somewhat dissimilar products and the operation of a Board of Livestock Commissioners may be considerably more difficult to establish than was the case with grain.

### **Pricing**

The Pool supports the maximum and minimum pricing structure of the International Wheat Agreement and believes that an agreement of this kind extending over a number of years, is the best way to assure adequate returns to producers and to guarantee equitable pricing for consumers of cereal grains. The Pool supports continuation of the Federal Government's initial payment with subsequent payments based on actual market experience. The Pool supports a two-price system for wheat, contending that the domestic price for Canadian wheat for human consumption should be more closely related to the domestic price structure of the country and not be determined by the export market. The Pool supports the Agricultural Stabilization Act and all similar legislation to provide a floor price structure for Canadian agricultural produce. Your Board continues to support in principle, and encourages establishment of producer marketing boards for agricultural produce and stands ready to assist any commodity group that takes the initiative in organizing for the orderly marketing of its products. The Pool's position on a hog producers'





marketing board, the board most often mooted to be established first, is to await direction of hog producers and to help promote their cause once they have agreed on a stand. In the meantime the Pool supports the open and public livestock market as providing the best possible safeguards for the livestock producer.

### **Resource Allocation**

For years the Pool has supported rational land settlement policies, adequate crop insurance schemes, soil conservation and regrassing programs for sub-marginal crop land. The Pool welcomed P.F.A.A. as a measure of protection in lieu of a comprehensive crop insurance scheme, and it has always supported P.F.R.A. as a soil and water conservation program. The Pool supports the new A.R.D.A. program in its attempt to reassess and relocate the natural resources now being used in agricultural production. Your Board recognizes that some Saskatchewan farmers must be encouraged and helped to acquire an economic operation. Farmers who can not, through their own efforts or the help of others, become economic operators, and who choose no longer to remain on the land, must be helped to establish themselves elsewhere. Your Board recognizes that the rationalization of agricultural resources requires active participation of governments, both provincial and federal and also recognizes that rationalization of Pool facilities can help the industry as a whole, and its members in particular.

### **Organized Farmers**

The Pool is first and foremost a farm organization, active on the farmer's behalf in all aspects of rural living, and farm operations. The Pool is also a farm co-operative, the aim of which is to help the farmer market co-operatively his grain and livestock and their products. The Pool was a founding member of the Federations of Agriculture at the provincial and national levels, and your Board strongly supports the Federations as the voice of organized farmers, and promotes active participation in the operation of the International Federation of Agricultural Producers.

### **1962 Accomplishments**

In the twelve months since the last Delegates' Meeting, your directors have considered a number of matters they feel should be reported upon before questions are advanced for policy decisions in the coming year.

*Elevator Consolidation:* Your Board has given considerable attention in the last two years to the consolidation of the country elevator system. Delivery points have been studied separately and in conjunction with other stations to determine on what basis some of them might be consolidated. During the year country elevators were closed permanently at five shipping points. Your Board plans continued study and planning for further consolidation, aimed at offsetting the ill effects of rail line abandonments.

*Drought Assistance:* Because of the low crop production in the 1961 season, the lowest since 1937, there was great concern at the last Annual Meeting about the cash position of farmers, and several suggestions were made concerning the appeal for special drought assistance from the government. Your directors initiated preparation of a special submission, gained support of the nine other Prairie farm organizations and presented it to the Federal Government prior to the election last June. No special drought assistance payment was made.





***Livestock Marketing:*** During the year the Livestock Division extended its service by adding one new agency at Lloydminster and by expanding facilities at some of the seven existing agencies. During the year provincial regulations were prepared for the inspection and regulation of auction markets under the jurisdiction of the Saskatchewan Government. Your directors continue to study the question of expanding livestock operations on the processing side but have yet made no firm decisions.

***Non-Commercial Grain Program:*** Your directors commend Canadian initiative in establishment of the World Food Program of the United Nations which got its initial pledges during the last season. While the Canadian pledge is small it is a beginning in the direction long advocated by the Pool. A study of non-commercial grain disposal undertaken by the three Pools to be completed in 1963, is expected to give some direction in planning for Canadian disposal of grains in areas which are not commercial markets.

***P.F.A.A. Extension:*** Your Board sought support for an increase in P.F.A.A. payments and made an approach directly to the Federal Agriculture Minister to have P.F.A.A. maximum benefits increased to \$1,000.00.

***Rapeseed:*** Proposals that the Rapeseed Pool be closed earlier, and the cutoff date be advanced for contract signers of the Rapeseed Pool both became operative during the year. Your directors are considering an appeal to have rapeseed meal qualify for the feed freight assistance on feed grains moving from the Prairie to Eastern Canada and British Columbia.

***Trade in Grain:*** Your President was adviser to the Canadian delegation to the International Wheat Agreement Conference in Geneva during the past winter and your Board has strongly supported the new Agreement which extends the number of exporting members to include all the major wheat exporters and which increases the minimum price from \$1.50 to \$1.62½ and maximum price from \$1.90 to \$2.02½ for the top quality wheat in store at the Canadian Lakehead. Your Board has attempted to keep abreast of developments in the EEC negotiations and debates surrounding the proposed entry of the United Kingdom. Spokesmen for the Pool have said publicly on many occasions during the year that Canada should support the idea of EEC on the grounds that this country will in the long run stand to benefit considerably from improved economies of Western Europe.

***Transportation Rationalization:*** Your Board has tried on a number of occasions to get from the Federal Government its decision about a number of questions arising from the report of the MacPherson Royal Commission on Transportation. Direct approach has been made to both major railway companies to determine their position in the rationalization of their plant in Western Canada and considerable study has been undertaken within the organization, aimed at adjusting country elevator plant requirements in keeping with the rationalization program of the railways.

### **Program for 1963**

The following is advanced as a program of action for the coming year:

***Expanding Markets:*** In the past year it has been demonstrated that Canada can find new markets for wheat by the extension of credit and there is reason to believe Canada could develop additional markets by promoting concessional



sales. Your Board commends the Government of Canada for its credit sales policy, commends the Canadian Wheat Board for its active sales campaign and urges the Wheat Board and the Canadian Department of Trade and Commerce to maintain and increase their efforts to expand Canadian cereal grain sales in established commercial markets. Your Board also urges the Government of Canada to bolster its sales of grain by continuing an aggressive sales policy through the extension of credit and by the promotion of concessional sales to countries which otherwise would not be in a position to purchase large quantities of Canadian grain. Your Board believes that it may be necessary for the Pools to develop an active export sales department to assist in expanding export sales of Canadian grain.

*World Food Program:* Your directors commend the Canadian Government for its initiative in helping to establish the World Food Program of the United Nations, and supports the Government's initial commitment of \$5 million in food and cash. The Canadian contribution to this program is regarded as only a beginning and your Board regards the level of commitment much too small from a country with the high agricultural production potential of Canada. Your Board has been instrumental in initiating a study, financed by the three Pools, which is expected to help indicate how much cereal grain Canada can commit over a long-term program to the assistance of developing nations.

*Grain Freight Rates:* Your Board supports retention of the Crow's Nest Pass rates for the movement of export grain from Prairie points to export positions and of the At-and-East rates for moving export grain from Bay Ports into terminal positions along the St. Lawrence and Atlantic ports. Retention of both of these rates is vital to the continued success of the Prairie grain industry and to the retention of grain as one of Canada's major traded commodities.

*Trading and Traders:* The Pool has always supported elimination of trade restrictions between all countries of the world and holds that Canada, one of the world's principal trading nations, must lead in the reduction of the barriers to trade. Your directors join those who commend the early success of the European Economic Community which promises to produce a political and economic grouping of nations of the first rank. Your Board has also watched with interest negotiations surrounding the entry of the United Kingdom to the EEC grouping. Although existence of the EEC and British entry into it may in the short run pose trading problems for the members of the Pools, the Pool believes in the longer run this kind of trade grouping will benefit the Western world, the Canadian economy and Saskatchewan farmers.

*P.F.A.A. and Crop Insurance:* Your Board continues its active support of the P.F.A.A. program, regarding it as an invaluable protection to grain producers against complete crop failure, even though there is general feeling that the benefits are inadequate. It is generally recognized that there are some areas in Western Canada where the protection afforded by P.F.A.A. will have to be maintained, even if other forms of protection are devised. Nevertheless, your Board believes there is need for a comprehensive plan of crop insurance to provide a greater degree of protection than is provided under P.F.A.A. and urges the federal and provincial governments to increase their participation in the present Federal-Provincial Crop Insurance scheme, with a view to developing a plan to provide more adequate





coverage at reasonable premiums in regions where practicable.

*Marketing Boards:* Your Board reaffirms its support for the principle of producer marketing boards for the handling of farm commodities. It has been suggested, however, that those who advocate producer marketing boards for any particular commodity in any particular place and time be assured that the producers themselves support the measure and are fully aware of the influence marketing board policies for one commodity may have on other commodities produced by the same farmers.

*Retraining Programs:* Your Board is aware that some farmers can not make an economic living on their farmsteads because their resources are limited as to land size or capital for machinery, equipment and supplies. If these people can not improve their position on the farm and choose to leave, your Board urges comprehensive government programs to retain these farm people for useful occupations off the farm. Your Board suggests retraining programs for farmers be devised on the same comprehensive basis as the post-war retraining programs for returning veterans and that these provide for fees and living expenses for a sufficient time to allow the farmer to complete a useful course of instruction in some off-farm occupation.

*Resource Use:* Your Board is aware that some Saskatchewan land now devoted to cereal grain production, should no longer be utilized for cultivation. Unless the federal and provincial governments undertake an active program to purchase this kind of land from farmers who can not make a living from it and redirect its use to other than cereal grain production, this kind of land will remain under cultivation. Proprietors of this sub-marginal land can not find cash buyers to buy out their equity and they can not afford to retire without converting their equity into cash. The A.R.D.A. program may provide for this kind of reallocation of land use. Your Board supports such projects, providing the interests of those occupying such land are adequately protected. If additional programs are required, your Board urges governments at both levels to undertake necessary programs.

*Rationalization of Grain Marketing Plant:* Your Board reaffirms its conviction that grain marketing facilities (country elevators, terminal elevators, railway lines and equipment and harbour operations) must remain adequate to the job of moving Canadian cereal grains into world markets. If this means abandonment of some railway lines, elimination of some country elevators, consolidation of some terminal and harbour facilities, the Pool and its members will support the change, providing they are found necessary after serious study of the entire requirements of the industry, rather than on a piece-meal, one-part-at-a-time basis.

*National Economy:* Your Board is aware that its farmer members fare best in a prosperous expanding economy with full employment, and urges the Canadian Government to undertake measures necessary to the attainment of this economic goal. Your directors are aware that industrial employment at high and increasing levels is as important to the total economy as it is to expanding domestic markets for farm produce.

### Conclusion

Your Board desires to place on record its grateful appreciation of the loyal and faithful service that has been



provided by members of the staff of all branches of the organization. This has been a year of many changes. Your Board authorized a firm of consultants to conduct a detailed survey of the office staffs involving three major areas,—(1) job evaluation and salary administration, (2) systems and procedures, (3) employee appraisal. As a result of the survey certain general staff reorganization was undertaken and preliminary steps were taken leading to the installation of an electronic computer, which will necessitate further changes in the future.

In spite of the disturbances incidental to the reorganization, the staff continued to maintain a high standard of performance and your Board takes this opportunity to publicly acknowledge the fine record of service.

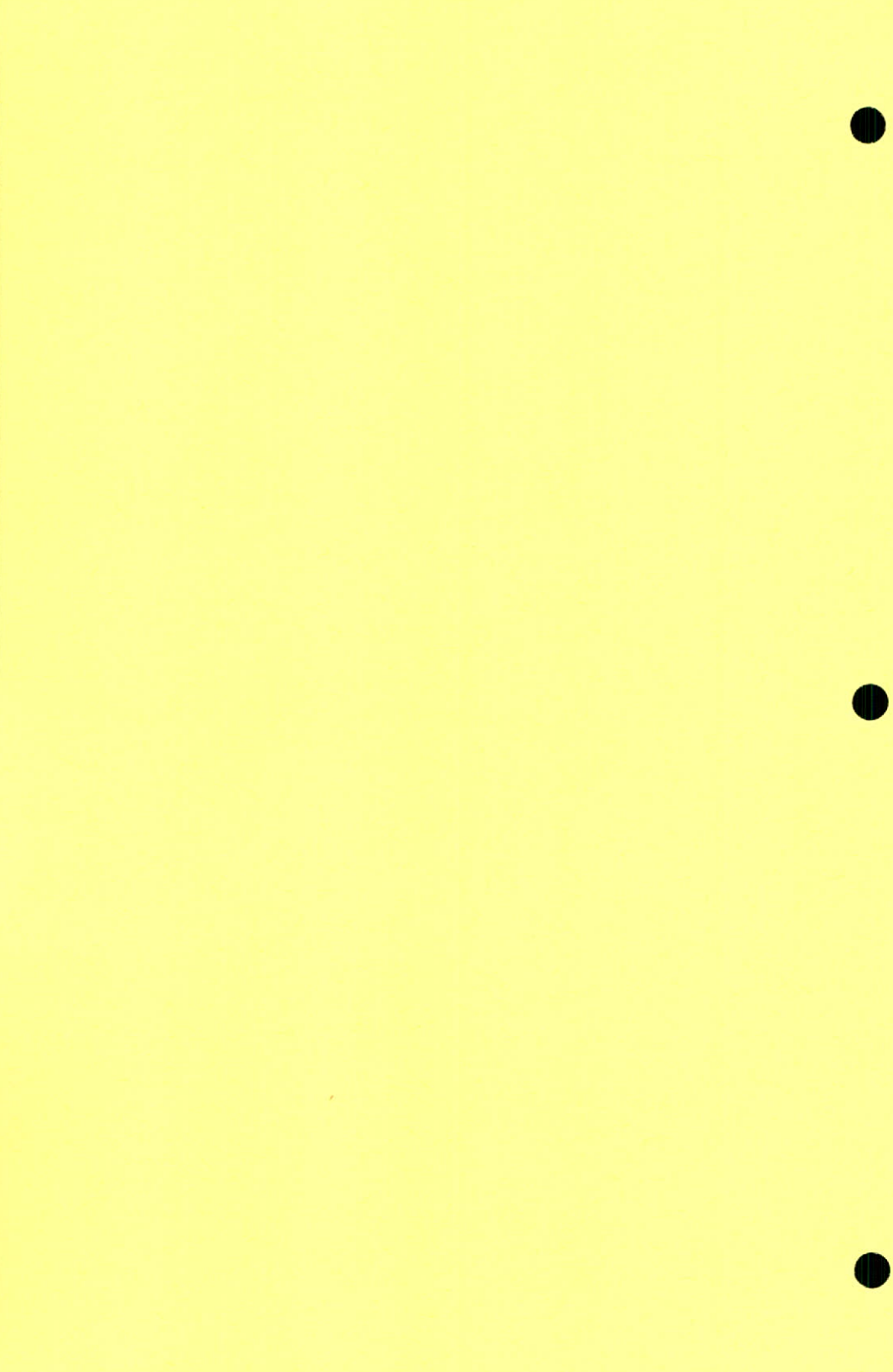
All of which is respectfully submitted:

A. G. PEDERSON	ALBERT GREENFIELD
CLARENCE McKEE	W. F. McLEOD
R. B. FULTON	CHAS. W. GIBBINGS
JAMES McCALLUM	E. A. BODEN
T. G. BOBIE	WILLIAM CUMMINS
J. R. STILBORN	W. McK. ROSS
J. H. HARRISON	L. A. BOILEAU
E. J. SJOLIE	E. K. TURNER









**SASKATCHEWAN WHEAT POOL AND SUBSIDIARY COMPANIES**  
**CONSOLIDATED BALANCE SHEET AT 31st JULY 1962**

**STATEMENT No. 1**

<b>ASSETS</b>	
Cash.....	\$ 3,686,592
Accounts Receivable.....	4,587,194
Prepayment on 1961-1962 Income Taxes.....	306,911
Stocks of Grain.....	71,931,032
Stock in Trade.....	1,339,110
Manufacturing Supplies.....	122,361
Prepaid Taxes, Insurance and Other Expenses.....	470,506
<b>Total Current Assets.....</b>	<b>\$ 82,443,706</b>
Accounts Receivable Deferred.....	147,682
Investments and Memberships at cost (Including amount paid on shares on which there is an uncalled balance of \$57,500).....	587,593
<b>Fixed Assets, at cost</b>	
Sites, Buildings, Machinery and Equipment.....	\$ 81,412,960
Less accumulated allowance for depreciation.....	49,911,938
	31,501,022
<b>Deferred Charges</b>	
Stocks of Repair Parts and Supplies.....	230,436
Approved on behalf of the Board: CHAS. W. GIBBINGS, <i>Director</i> THOS. G. BOBIER, <i>Director</i>	<u>\$114,910,439</u>

<b>LIABILITIES AND CAPITAL</b>	
Cheques and Orders Outstanding.....	\$ 24,487,888
Bank Loans.....	21,705,000
Notes Payable.....	10,729,000
Provision for 1962-1963 Purchase of Deductions.....	1,936,000
Unallocated Surplus 1961-1962.....	1,888,452
Accounts Payable.....	12,573,084
<b>Total Current Liabilities.....</b>	<b>\$ 73,319,424</b>
Reserve for Unearned Subscriptions.....	10,000
Elevator Deductions.....	19,965,923
Commercial Reserve.....	10,759,062
Livestock Excess Charges Credits.....	102,893
<b>Capital</b>	
Authorized—200,000 shares of \$1 each.....	\$200,000
Allotted and fully paid, 141,227 shares.....	141,227
<b>Reserve</b>	10,611,910
<b>Capital Commitment</b>	
In respect of buildings and work under construction and equipment under purchase	
Estimated.....	\$1,683,500
	<u>\$114,910,439</u>

**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 1962 and obtained all the information and explanations we required. For each company we have made a general review of the accounting procedures and such examination of accounting records and other supporting evidence as we considered necessary to the circumstances.

Under the Improved Retirement Plan there is a liability for past services as valued by actuaries requiring annual payments of \$137,000 to Saskatchewan Wheat Pool Retirement Fund for the next thirteen years. In addition there is a further liability for hourly employees' past services estimated to require annual payments of \$11,600 for approximately seven years.

In our opinion, and according to the best of our information and explanations given to us and as shown by the books of the various companies, the accompanying balance sheet is properly drawn up so as to exhibit in consolidated form a true and correct view of the state of the organization's affairs at 31st July 1962, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year. In our opinion, all the transactions of the companies that have come to our notice have been within the objects and powers of the companies.  
 Regina, 21st September 1962.

TOUCHE, ROSS, BAILEY & SMART, *Chartered Accountants.*



# **CONSOLIDATED BALANCE SHEET**

Detailed information and explanations of the various items appearing on the Balance Sheet follow:

## **Cash—\$3,686,592.00**

This includes the following items:

Cash in Banks.....	\$3,165,712.00
Cash Funds—Payors.....	520,880.00
	<u>\$3,686,592.00</u>

## **Accounts Receivable—\$4,587,194.00**

This is composed principally of accrued handling charges on grain in store in Country and Terminal Elevators, Trade Accounts, Sundry Loans, Sales of Grain, and Advances.

## **Prepayment on 1961-62 Income Taxes—\$306,911.00**

This amount is made up as follows:

Instalments paid on 1961-62 Corporation Taxes of Saskatchewan Wheat Pool.....	\$322,872.00
Less Estimated Taxes for 1961-62 for the following Subsidiary Companies:	
Saskatchewan Pool Elevators Limited.....	\$13,891.00
Saskatchewan Pool Terminals Limited.....	158.00
Saskatchewan Co-operative Livestock Producers Limited.....	1,912.00
	<u>15,961.00</u>
	<u>\$306,911.00</u>

## **Stocks of Grain—\$71,931,032.00**

This represents the value of grain on hand in various positions at 31st July 1962, less the liability for stored grain. All Board grains have been valued at The Canadian Wheat Board prices, and open Market grains at Winnipeg market cash closing prices at 31st July 1962, or open sale contracts where applicable. Agency stocks have been valued at cost. Allowance has been made for freight and other charges where necessary.

## **Stock in Trade—\$1,339,110.00**

This represents the value of job stock and newsprint on hand and work in process at The Printing and Publishing Division at Saskatoon; Stocks of grain, linseed and rapeseed oil and meal on hand at the Vegetable Oil Plant and Elevator at Saskatoon; stocks of grain, screenings, flour, feeds and rolled oats on hand at the Flour Mill at Saskatoon and on consignment, and livestock on hand at the various branches of the Livestock Division or in transit at 31st July 1962.

## **Manufacturing Supplies—\$122,361.00**

This amount represents the cost of offset films and chemicals, engraving supplies, news ink and mailing supplies on hand at the Printing and Publishing Division at Saskatoon; drums, containers, sacks, refining chemicals and solvent on hand at the Vegetable Oil Plant at Saskatoon; car lining paper, bags, improvers and other ingredients at the Flour Mill at Saskatoon, and bags, tags and hammers on hand at the Feed Mill at Terminal No. 8, at 31st July 1962.

## **Prepaid Taxes, Insurance and Other Expenses—\$470,506.00**

This amount represents prepayment of various items chargeable to the operations of the succeeding years.

## **Accounts Receivable Deferred—\$147,682.00**

This is composed of the following:

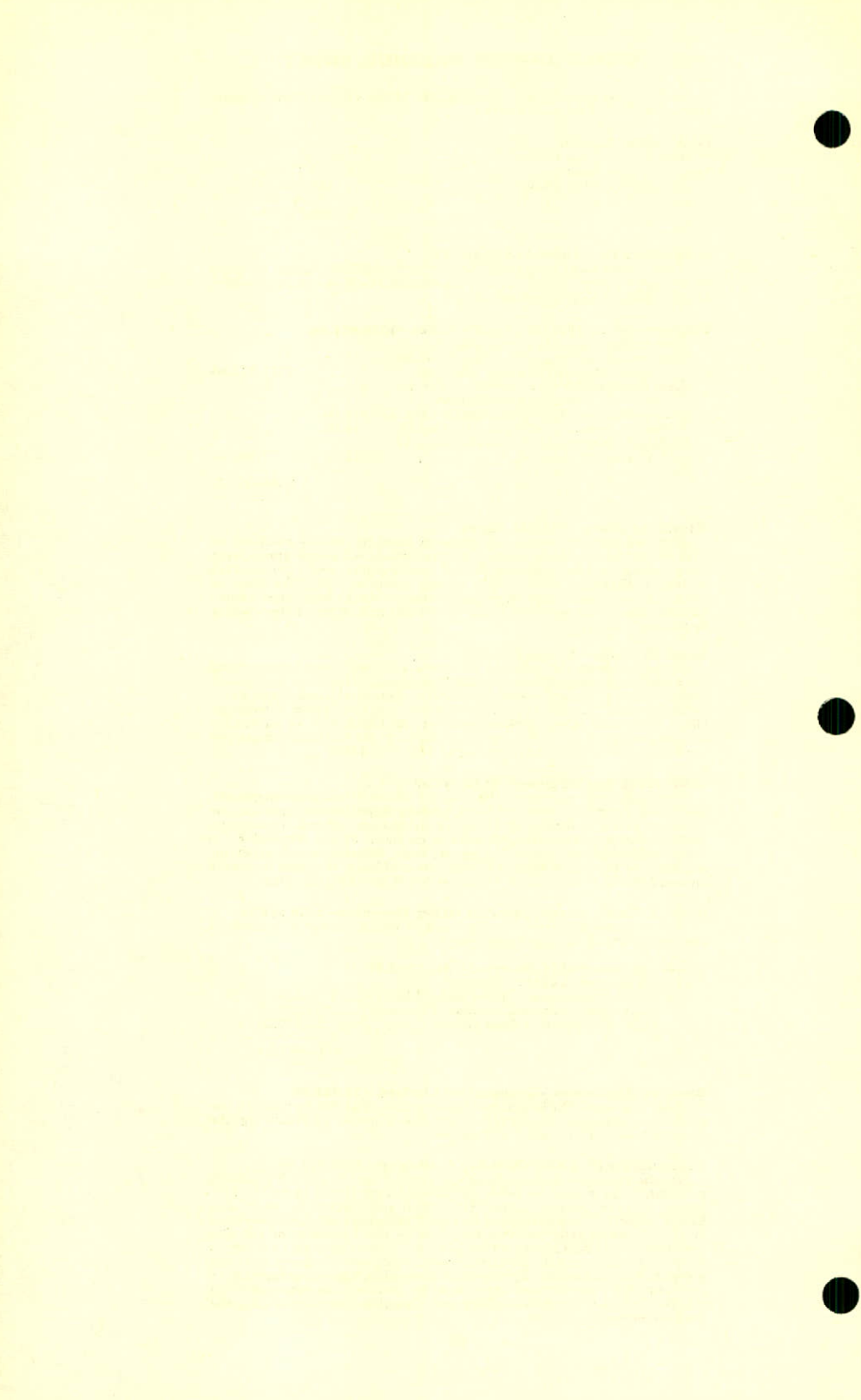
Brandon Consumer Co-operative Limited.....	\$ 1,624.00
Co-operative Fire and Casualty Company.....	135,029.00
Local Co-operative Associations.....	11,029.00
	<u>\$147,682.00</u>

## **Brandon Consumer Co-operative Limited—\$1,624.00**

This represents the balance owing on a loan of \$2,700.00 made to the Brandon Consumer Co-operative for the purpose of financing the construction of a flour shed at Brandon.

## **Co-operative Fire and Casualty Company—\$135,029.00**

Of the above sum, \$30,000.00 was contributed in 1951, \$30,000.00 paid under guarantee in 1953, \$25,000.00 contributed in 1956, \$25,000.00 in 1959, and a further \$25,000.00 contributed in 1960, and \$29,000 in 1962. These sums may be repaid out of accumulated surpluses at such times and in such instalments as the Directors of the Co-operative Fire and Casualty Company may from time to time determine, and until so repaid the Directors may pay interest thereon at such a rate as they may from time to time determine, but not exceeding six per cent (6%) per annum. Interest at the rate of five per cent (5%) was paid by the Co-operative Fire and Casualty Company during the year under review.





**Local Co-operative Associations—\$11,029.00**

This is composed of the following:

Local Co-operatives—Deferred Dividends.....\$ 301.00

Federated Co-operatives—Deferred Dividends 10,728.00

\$ 11,029.00

**Investments and Memberships—\$587,593.00**

This represents investments in shares and memberships at cost, details of which are as follows:

Canadian Co-operative Credit Society	
500 Shares (on which there is an uncalled balance of \$25,000.00).....	\$25,000.00
Canadian Livestock Co-operative (Western) Limited	
8 Memberships of \$1.00 each.....	8.00
Canadian Pool Agencies Limited	
667 Shares of \$10.00 each.....	6,670.00
Co-operative Trust Company Limited	
2,742 Shares of \$10.00 each.....	\$27,420.00
4½% Guaranteed Farm Credit Securities due 19th May, 1980.....	102,400.00
5-10 year Guaranteed Investment Certificates.....	5,900.00
	135,720.00
Federated Co-operatives Limited	
Share Capital.....	51,023.00
Lake Shippers' Clearance Association	
1 Membership.....	3,000.00
Local Co-operative Associations	
Sundry Shares.....	122,371.00
Pool Insurance Company	
1,250 Shares (on which there is an uncalled balance of \$32,500.00).....	170,000.00
Saskatchewan Co-operative Credit Society Limited	
2,950 Shares of \$10.00 each.....	29,500.00
Saskatoon Livestock Exchange	
3 Memberships.....	300.00
Vancouver Grain Exchange	
1 Membership.....	\$ 800.00
Vancouver Merchants' Exchange	
1 Share.....	1.00
Winnipeg Grain Exchange	
6 Memberships.....	30,950.00
Winnipeg Grain and Produce Exchange Clearing Association Limited	
10 Shares.....	12,250.00
	<u>\$587,593.00</u>

**Fixed Assets—\$31,501,022.00**

Schedule "IA" shows in detail the cost, accumulated allowance for depreciation, and net value of these fixed assets at 31st July 1962.

**Deferred Charges—\$230,436.00**

This amount represents the cost of stocks of repair parts and supplies on hand at 31st July 1962.

**LIABILITIES AND CAPITAL****Cheques and Orders Outstanding—\$24,487,888.00**

Details of these items are as follows:

Bank Cheques and Money Orders.....\$17,417,914.00

Cash Tickets..... 7,069,974.00

\$24,487,888.00

**Bank Loans—\$21,705,000.00**

This represents the amount of outstanding borrowings from the lending banks at 31st July 1962.

**Notes Payable—\$10,729,000.00**

This is the amount of outstanding short term borrowings from commercial organizations other than banks, as at 31st July 1962.

**Provision for 1962-63 Purchase of Deductions—\$1,936,000.00**

This is the amount provided from the 1961-62 surplus for the purchase of deductions.

**Unallocated Surplus—Season 1961-62—\$1,888,452.00**

This represents the amount of surplus for the year, after providing for the 1962-63 purchase of deductions, and is being carried as a current liability pending decision of the Delegates as to distribution.



**Accounts Payable—\$12,573,084.00**

This amount consists principally of accrued expenses, trade and loan accounts, plus the amount of the final principal payment due to the Ogilvie and Lake of the Woods Milling Companies in November, 1962, in connection with the purchase of their country and terminal elevator facilities.

**Reserve for Unearned Subscriptions—\$10,000.00**

This item represents a partial provision for unexpired subscriptions to The Western Producer at 31st July 1962.

**Elevator Deductions—\$19,965,923.00:****Commercial Reserve—\$10,759,062.00**

These are composed of the following:

	Elevator Deductions	Commercial Reserve	Total
Original Deductions Retained from proceeds of deliveries by members.....	\$12,188,060.00	\$ 6,567,851.00	\$18,755,911.00
Retained by way of loan from Excess Charges Refunds.....	7,777,863.00	4,191,211.00	11,969,074.00
	<u>\$19,965,923.00</u>	<u>\$10,759,062.00</u>	<u>\$30,724,985.00</u>

These Funds have been used for the following purposes:

Invested in Capital of Saskatchewan Pool Elevators Limited.....	\$12,835,950.00	\$ —	\$12,835,950.00
Invested in Fixed Assets, Loans, Investments, etc.....	7,129,973.00	10,759,062.00	17,889,035.00
	<u>\$19,965,923.00</u>	<u>\$10,759,062.00</u>	<u>\$30,724,985.00</u>

**Livestock Excess Charges Credits—\$102,893.00**

This sum, retained by way of loan from the earnings of the Company, represents a refund of excess charges on livestock deliveries through the Saskatchewan Wheat Pool—Livestock Division, and Canadian Livestock Co-operative (Western) Limited during seasons 1952-53 to 1960-61 inclusive, and is made up as follows:

Amount Retained from Excess Charges Refund.....		\$1,020,775.00
Less amounts refunded as follows:		
(A) Within eligible categories.....	\$ 17,608.00	
(B) Credits of \$5.00 and over.....	900,274.00	917,882.00
		<u>\$ 102,893.00</u>

**Capital—\$141,227.00**

This represents the allotted capital to 31st July 1962.

**Reserve—\$10,611,910.00**

This is the amount of the Reserve Account at 31st July 1962.

**SCHEDULE 1A**

**SASKATCHEWAN WHEAT POOL AND SUBSIDIARY COMPANIES  
CONSOLIDATED SCHEDULE OF FIXED ASSETS AT 31st JULY, 1962**

	Cost	Accumulated Allowance for Depreciation	Net Value
<b>SASKATCHEWAN WHEAT POOL</b>			
Building Equipment and Alterations.....	\$ 456,849	\$ 278,031	\$ 178,818
Furniture and Equipment.....	157,436	138,252	19,184
Automobiles and Truck.....	63,370	22,438	40,932
Motion Picture and Radio Equipment and Films.....	25,639	18,084	7,555
Site and Parking Lot—Regina.....	69,375	2,484	66,891
<b>Total—Saskatchewan Wheat Pool.....</b>	<b>\$ 772,669</b>	<b>\$ 459,289</b>	<b>\$ 313,380</b>
<b>SASKATCHEWAN POOL ELEVATORS LIMITED</b>			
<b>Country Elevators, etc.</b>			
Country Elevators and Coal Sheds.....	\$ 43,886,082	\$ 27,975,271	\$ 15,910,811
Temporary Bins.....	317,836	178,630	139,206
Agents' Residences.....	4,289,231	2,332,180	1,957,051
Wheat Pool Buildings—Winnipeg.....	315,541	128,637	186,904
Wheat Pool Building—Saskatoon.....	129,126	41,858	87,268
Sites—Cottages, etc.....	113,918	—	113,918
Warehouse—Regina.....	176,505	33,755	142,750
Furniture and Equipment.....	446,276	378,324	67,952
Automobiles, Trucks, Trailers and Equipment.....	375,037	209,897	165,140
	<b>\$ 50,049,552</b>	<b>\$ 31,278,552</b>	<b>\$ 18,771,000</b>

**Terminal Elevators**

No. 4 Building, Machinery and Equipment.....	\$ 8,383,861	\$ 6,542,459	\$ 1,841,402
No. 5 Building, Machinery and Equipment.....	1,442,949	898,981	543,968
No. 6 Building, Machinery and Equipment.....	4,586,304	1,744,105	2,842,199
No. 7 Buildings, Machinery and Equipment.....	6,272,413	4,879,026	1,393,387
No. 8 Building, Machinery and Equipment.....	1,832,542	343,264	1,489,278
Feed Mill Building, Machinery and Equipment.....	71,804	62,375	9,429
Warehouses—Port Arthur and Fort William.....	35,177	27,068	8,109
Sites.....	419,473	—	419,473
	<u>\$ 23,044,523</u>	<u>\$ 14,497,278</u>	<u>\$ 8,547,245</u>

**Flour Mill**

Buildings, Machinery and Equipment.....	\$ 3,089,940	\$ 1,693,565	\$ 1,396,375
Flour Sheds.....	57,422	16,176	41,246
Laboratory Equipment.....	16,686	12,174	4,512
Furniture and Equipment.....	29,402	20,692	8,710
Automobiles.....	24,404	5,140	19,264
Plant Tools and Equipment.....	16,698	13,595	3,103
	<u>\$ 3,234,552</u>	<u>\$ 1,761,342</u>	<u>\$ 1,473,210</u>

**Vegetable Oil Plant**

Buildings, Machinery and Equipment.....	\$ 1,464,316	\$ 562,223	\$ 902,093
Laboratory Equipment.....	9,428	6,925	2,503
Furniture and Equipment.....	13,555	11,144	2,411
Automobile.....	2,917	583	2,334
Plant Tools and Equipment.....	5,116	3,020	2,096
	<u>\$ 1,495,332</u>	<u>\$ 583,895</u>	<u>\$ 911,437</u>



**SCHEDULE 1A (Continued)**

**CONSOLIDATED SCHEDULE OF FIXED ASSETS AT 31st JULY, 1962**

**SASKATCHEWAN POOL ELEVATORS LIMITED (Continued)**

**Flour Mill and Vegetable Oil Plant Power Equipment and Sundry**

	Cost	Accumulated Allowance for Depreciation	Net Value
Boiler House and Substation Building and Equipment.....	\$ 236,841	\$ 164,772	\$ 72,069
Spur Tracks—Saskatoon.....	37,967	15,807	22,160
Site—Saskatoon.....	8,840	—	8,840
	<u>\$ 283,648</u>	<u>\$ 180,579</u>	<u>\$ 103,069</u>

**Work Under Construction**

Country Elevators and Agents' Residences.....	\$ 434,363	\$ —	\$ 434,363
Terminal Elevators.....	24,685	—	24,685
Flour Mill.....	2,766	—	2,766
Vegetable Oil.....	28,005	—	28,005
	<u>\$ 489,819</u>	<u>\$ —</u>	<u>\$ 489,819</u>

**Total—Saskatchewan Pool Elevators Limited.....** \$ 78,597,426 \$ 48,301,646 \$ 30,295,780

**SASKATCHEWAN CO-OPERATIVE LIVESTOCK PRODUCERS LIMITED**

Stockyards.....	\$ 385,578	\$ 208,091	\$ 177,487
Assembly Yards.....	8,154	4,175	3,979
Country Scales and Sheds.....	11,625	9,577	2,048
Furniture and Sundry Equipment.....	41,501	34,199	7,302
Automobiles, Trucks and Tractors.....	77,794	51,602	26,192
Sites.....	12,324	—	12,324
Work Under Construction.....	53,698	—	53,698

<b>Total—Saskatchewan Co-operative Livestock Producers Limited.....</b>	<b>\$ 590,674</b>	<b>\$ 307,644</b>	<b>\$ 283,030</b>
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**MODERN PRESS LIMITED**

Buildings, Machinery and Equipment.....	\$ 1,305,045	\$ 738,017	\$ 567,028
Furniture and Equipment.....	45,708	37,708	8,000
Site—Saskatoon.....	15,225	—	15,225

<b>Total—Modern Press Limited.....</b>	<b>\$ 1,365,978</b>	<b>\$ 775,725</b>	<b>\$ 590,253</b>
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**SASKATCHEWAN POOL TERMINALS LIMITED**

Furniture and Equipment.....	\$ 41,507	\$ 34,888	\$ 6,619
Automobile and Trucks.....	10,404	5,987	4,417
Miscellaneous Equipment.....	34,302	26,759	7,543

<b>Total—Saskatchewan Pool Terminals Limited.....</b>	<b>\$ 86,213</b>	<b>\$ 67,634</b>	<b>\$ 18,579</b>
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<b>TOTAL—ALL COMPANIES.....</b>	<b>\$ 81,412,960</b>	<b>\$ 49,911,938</b>	<b>\$ 31,501,022</b>
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## SASKATCHEWAN WHEAT POOL AND SUBSIDIARY COMPANIES

## CONSOLIDATED CAPITAL STATEMENT AT 31st JULY, 1962

## Capital Receipts

Capital.....	\$ 141,227
Commercial Reserve.....	10,759,062
Elevator Deductions.....	19,965,923
Livestock Excess Charges Credits.....	102,893
Reserve for Unearned Subscriptions.....	10,000
Reserve.....	10,611,910

## Capital Expenditures

## Fixed and Sundry Assets

Fixed Assets, less accumulated allowance for depreciation.....	\$31,501,022
Investments and Memberships.....	587,593

## Deferred Accounts

Accounts Receivable Deferred.....	147,682
Deferred Charges.....	230,436

## Approved Programme of Building and Work Under Construction and Machinery Under Purchase—Estimated

Head Office.....	\$ 86,297
Country Elevators & Annexes, etc.....	1,177,532
Agents' Dwellings.....	184,006
Office Equipment, etc.....	153,871
Flour Mill.....	43,286
Vegetable Oil Plant.....	78,331
Terminals.....	772,612
Saskatchewan Co-operative Livestock Producers Limited.....	129,341
Modern Press Limited.....	17,726
Saskatchewan Pool Terminals Limited.....	4,442

	\$2,647,444	
Less Paid on Account.....	963,944	1,683,500

## Balance Available as Working Capital for Season 1962-63.....

7,440,782

\$41,591,015\$41,591,015

## CURRENT POSITION PER CONSOLIDATED BALANCE SHEET

AT 31st JULY, 1962

Current Assets.....	\$82,443,706
Current Liabilities.....	73,319,424

Current Position per Balance Sheet.....\$ 9,124,282

Less: Estimated Capital Expenditure to Complete Programme of building and work under construction, and machinery under purchase.....1,683,500

Balance Available as working capital for season 1962-63.....\$ 7,440,782

## SASKATCHEWAN WHEAT POOL AND SUBSIDIARY COMPANIES

SOURCE OF CAPITAL FUNDS, ANALYSIS OF EXPENDITURES OF CAPITAL FUNDS, AND WORKING CAPITAL  
AT 31st JULY, 1962

	Capital	Commercial Reserve	Elevator Deductions	Reserve Account	Reserve for Unearned Subscriptions	Livestock Credits	Total
<b>SOURCE OF CAPITAL FUNDS</b>							
Stock Subscription.....	\$ 141,227	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 141,227
Deductions from Pool Payments.....	—	6,567,851	12,188,060	—	—	—	18,755,911
Retained by way of Loan from Excess Charges Refund.....	—	4,191,211	7,777,863	—	—	1,020,775	12,989,849
Retained from Operations.....	—	—	—	10,611,910	10,000	—	10,621,910
<b>TOTAL CAPITAL RECEIPTS</b> .....	<u>\$ 141,227</u>	<u>\$10,759,062</u>	<u>\$19,965,923</u>	<u>\$10,611,910</u>	<u>\$ 10,000</u>	<u>\$ 1,020,775</u>	<u>\$42,508,897</u>



# ANALYSIS OF EXPENDITURES OF CAPITAL FUNDS

Deferred Accounts Receivable.....	\$	—	\$ 147,682	\$	—	\$	—	\$	—	\$ 147,682
Investments.....	—	—	587,593	—	—	—	—	—	—	587,593
Fixed Assets—Net.....	141,227	9,793,351	19,965,923	1,590,521	10,000	—	—	—	—	31,501,022
Expenditures Approved for Completion of Programme of Buildings and Work Under Construction, and Equipment Under Purchase—Capital Commitments—Estimated	—	—	—	1,683,500	—	—	—	—	—	1,683,500
Deferred Charges—Stocks of Repair Parts and Supplies.....	—	230,436	—	—	—	—	—	—	—	230,436
Refunded from Working Capital.....	—	—	—	—	—	—	917,882	—	—	917,882
<b>BALANCE—WORKING CAPITAL</b> .....	\$ 141,227	\$10,759,062	\$19,965,923	\$ 3,274,021	\$ 10,000	\$ 917,882	\$35,068,115			
	—	—	—	7,337,889	—	102,893	7,440,782			
	<u>\$ 141,227</u>	<u>\$10,759,062</u>	<u>\$19,965,923</u>	<u>\$10,611,910</u>	<u>\$ 10,000</u>	<u>\$ 1,020,775</u>	<u>\$42,508,897</u>			

**TOTAL CURRENT ASSETS**—Per Consolidated Balance Sheet—Statement “1”.....\$82,443,706  
**TOTAL CURRENT LIABILITIES**—Per Consolidated Balance Sheet—Statement “1”.....73,319,424

**CURRENT POSITION**.....\$ 9,124,282  
Less Estimated Capital Expenditures to Complete Programme of Buildings and Work Under Construction, and Equipment Under Purchase.....1,683,500

**BALANCE—WORKING CAPITAL**.....\$ 7,440,782

**STATEMENT OF NET EARNINGS AND CAPITAL GAINS OF SASKATCHEWAN WHEAT POOL AND SUBSIDIARY COMPANIES  
SHOWING AMOUNTS PAID AND CREDITED TO AND PAID ON BEHALF OF MEMBERS FOR PERIOD  
1st AUGUST, 1925, TO 31st JULY, 1962**

	1925-1961	Allocation 1960-1961 Surplus	Sundry Adjustments	Season 1961-1962	Total 1925-1962
Net Earnings and Capital Gains After Adjusting for Income Taxes and All Company Losses.....	\$106,426,603	\$ —	\$ 59,203 A. (635,000) C.	\$ —	\$105,850,806
<b>Net Earnings for Season 1961-62</b>					
Saskatchewan Wheat Pool—Before Provision for Income Taxes.....	—	—	—	3,824,452	3,824,452
Saskatchewan Pool Elevators Limited—After Provision for Income Taxes.....	—	—	—	11,573	11,573
Saskatchewan Pool Terminals Limited—After Provision for Income Taxes.....	—	—	—	536	536
Saskatchewan Co-operative Livestock Producers Limited—After Provision for Income Taxes.....	—	—	—	—	—
Modern Press Limited.....	—	—	—	48	48
	<u>\$106,426,603</u>	<u>\$ —</u>	<u>\$ (575,797)</u>	<u>\$ 3,836,609</u>	<u>\$109,687,415</u>

# DISTRIBUTION

Excess Charges Refund Paid to Growers in Cash as Follows: Grain Deliveries.....	\$ 29,475,819	\$ 2,396,730	\$ —	\$ —	\$ 31,872,549
Livestock Deliveries.....	81,736	5,879	(15) B.	—	87,600
Paid for certificates Purchased in Settlement of Credits.....	24,215,881	1,632,713	—	1,936,000	27,784,594
Retained as a Loan and Credited to Members as Follows: Commercial Reserve.....	3,828,188	363,023	—	—	4,191,211
Elevator Deductions.....	7,104,182	673,681	—	—	7,777,863
Livestock Excess Charges Credits.....	907,296	113,479	—	—	1,020,775
Interest on Elevator Deductions.....	3,758,448	—	—	—	3,758,448
Interest on Commercial Reserve.....	742,977	—	—	—	742,977
Farm Storage Paid to Growers.....	306,457	—	—	—	306,457
Payments Re 1929-30 Pool Overpayment—Principal.....	11,247,533	—	—	—	11,247,533
—Interest and Sinking Fund Deficiency.....	8,397,046	—	—	—	8,397,046
Unallocated Surplus—Season 1960-61.....	6,371,806	(6,371,806)	—	—	—
Unallocated Surplus—Season 1961-62.....	—	—	—	1,888,452	1,888,452
Reserve.....	9,989,234	551,301	15 B.	12,157	10,611,910
Estimated 1960-61 Income Taxes.....	—	635,000	59,203 A. (635,000) C.	—	—
	<u>\$106,426,603</u>	<u>—</u>	<u>\$ (575,797)</u>	<u>\$ 3,836,609</u>	<u>\$109,687,415</u>

**Note:** Of the sum of \$1,020,775 shown on the above statement as "Livestock Excess Charges Credits Retained as a Loan and Credited to Members", the sum of \$917,882 has been refunded to members and charged to capital, leaving a balance of \$102,893 retained, as shown on the balance sheet of the Company.

Sundry adjustments as shown in the third column of this statement are composed of the following:

(A) Transfer of the following items to Reserve:	
Adjustment of prior seasons' terminal repair items now capitalized, in accordance with Income Tax Re-assessments.....	\$29,299
Adjustment of Prior seasons' Income Taxes as Re-assessed.....	29,552
Profit on disposal of Assets .....	352
	<u>\$59,203</u>
(B) Adjustment of prior seasons' Excess Charges Refund	
(C) Transfer of Estimated Income Taxes for Season 1960-61 to Accounts Payable.	

## SASKATCHEWAN WHEAT POOL STATEMENT OF GRAIN HANDLINGS AT 31st JULY, 1962

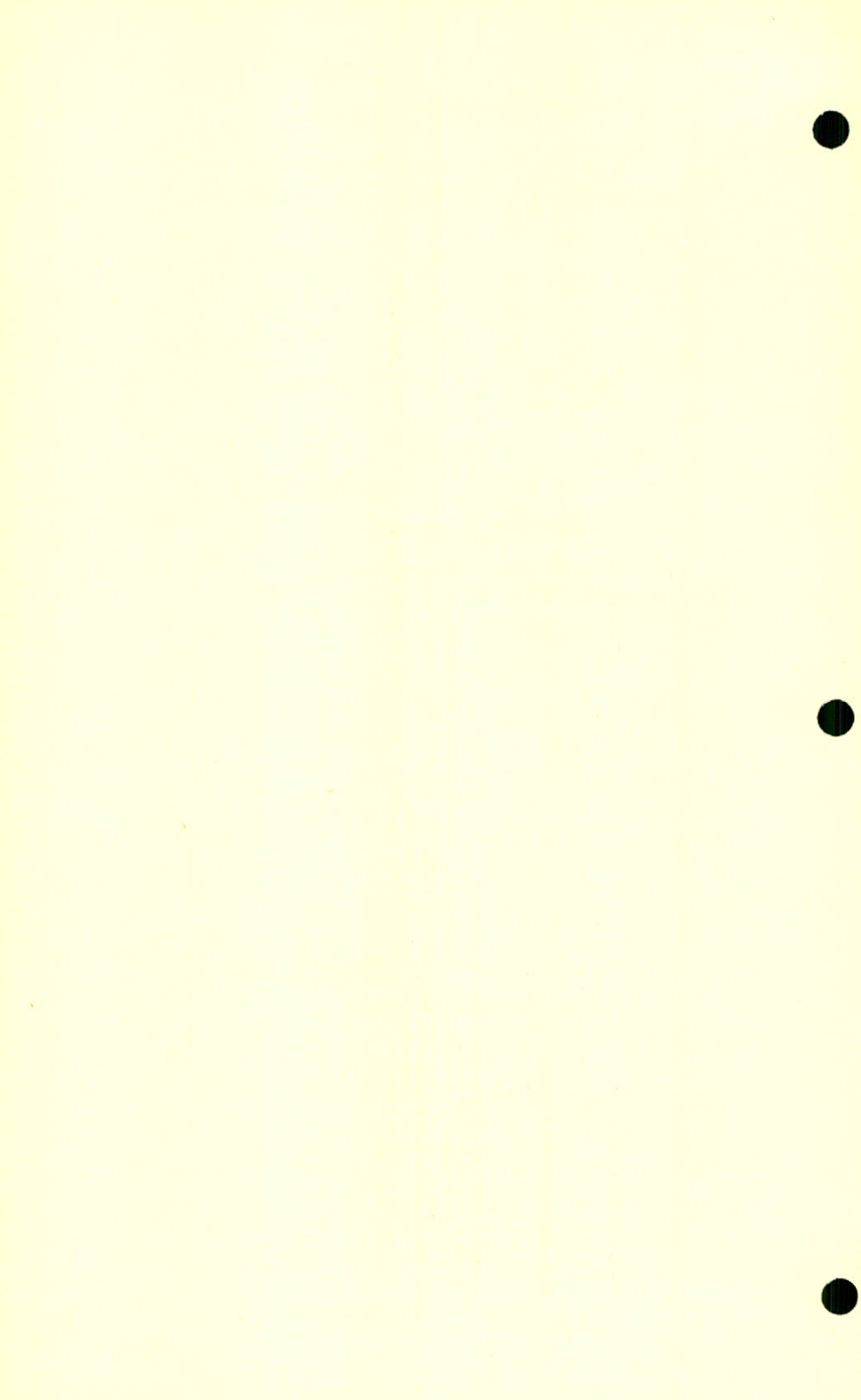
TOTAL HANDLED—ALL GRAINS		Bushels	Bushels	Bushels
		1924-1961	1961-1962	1924-1962
Country Elevator Division:	Elevators.....	3,987,984,887	122,836,929	4,110,821,816
	Platform.....	60,091,133	33,600	60,124,733
Total.....		4,048,076,020	122,870,529	4,170,946,549
Number of Elevators that Received Grain.....			1,182	
(a) Average Handlings per Elevator.....			103,923	
Terminal Elevator Division:	Terminal No. 4.....	847,679,661	27,613,871	875,293,532
(b)	Terminal No. 5 (Old).....	117,258,782	—	117,258,782
	Terminal No. 5 (New).....	103,411,064	5,655,723	109,066,787
(c)	Terminal No. 6 (Old).....	446,839,261	—	446,839,261
(d)	Terminal No. 6 (New).....	83,384,736	16,341,887	99,726,623
	Terminal No. 7.....	1,079,938,920	28,897,372	1,108,836,292
(e)	Terminal No. 8 (Old).....	28,240,761	—	28,240,761
	Terminal No. 8 (New).....	15,957,884	4,770,618	20,728,502
	Vancouver Terminal.....	76,256,357	24,646,482	100,902,839
Total.....		2,798,967,426	107,925,953	2,906,893,379
(f) Buffalo Terminal.....		103,949,687	—	103,949,687

<b>Flour Mill Division:</b>							
Street.....	5,055,690		265,391		5,321,081		
Carlot.....	25,005,239		2,797,762		27,803,001		
Gristing.....	357,390		74,216		431,606		
		30,418,319		3,137,369		33,555,688	
<b>Vegetable Oil Division:</b>							
Street.....	2,477,865		196,724		2,674,589		
Carlot.....	4,609,369		455,804		5,065,173		
		7,087,234		652,528		7,739,762	

**Rapeseed Handlings are included in the above figures.**

- (a) Platform Receipts not included.  
 (b) Partially destroyed by Explosion in 1945. The annexes remaining were integrated with Elevator "4B".  
 (c) Handlings to 1947-48—Lease with C.N.R. cancelled August 31st, 1948.  
 (d) Purchased from C.N.R. August 1st, 1957.  
 (e) Handlings to 1932-33—Lease with C.P.R. expired July 31st, 1933.  
 (f) Grain Handled from August 1st, 1927, to April 15th, 1933. Operated by Canadian Co-operative Producers Ltd. in 1926-27 and grain handled in that season was 27,981,088 Bushels.





**STATEMENT No. 6**

**LIBRARY RECORD FOR 1961-1962**

	Books Mailed	Books Returned	Requests		Postage
			Books	Catalogues	
<b>1961</b>					
August.....	595	595	45	10	\$47.06
September.....	498	485	40	12	42.67
October.....	641	608	45	15	41.99
November.....	665	618	33	19	53.16
December.....	560	531	21	8	48.37
<b>1962</b>					
January.....	868	808	34	20	67.39
February.....	704	709	20	19	55.00
March.....	793	779	15	5	60.76
April.....	605	633	9	7	54.43
May.....	627	654	5	4	46.38
June.....	507	536	3	4	38.76
July.....	576	573	5	3	39.05
	7,639	7,529	275	126	\$595.02

**STATEMENT No. 7**

**WHEAT POOL COMMITTEES  
1961-1962**

**TOTAL NUMBER OF COMMITTEES**

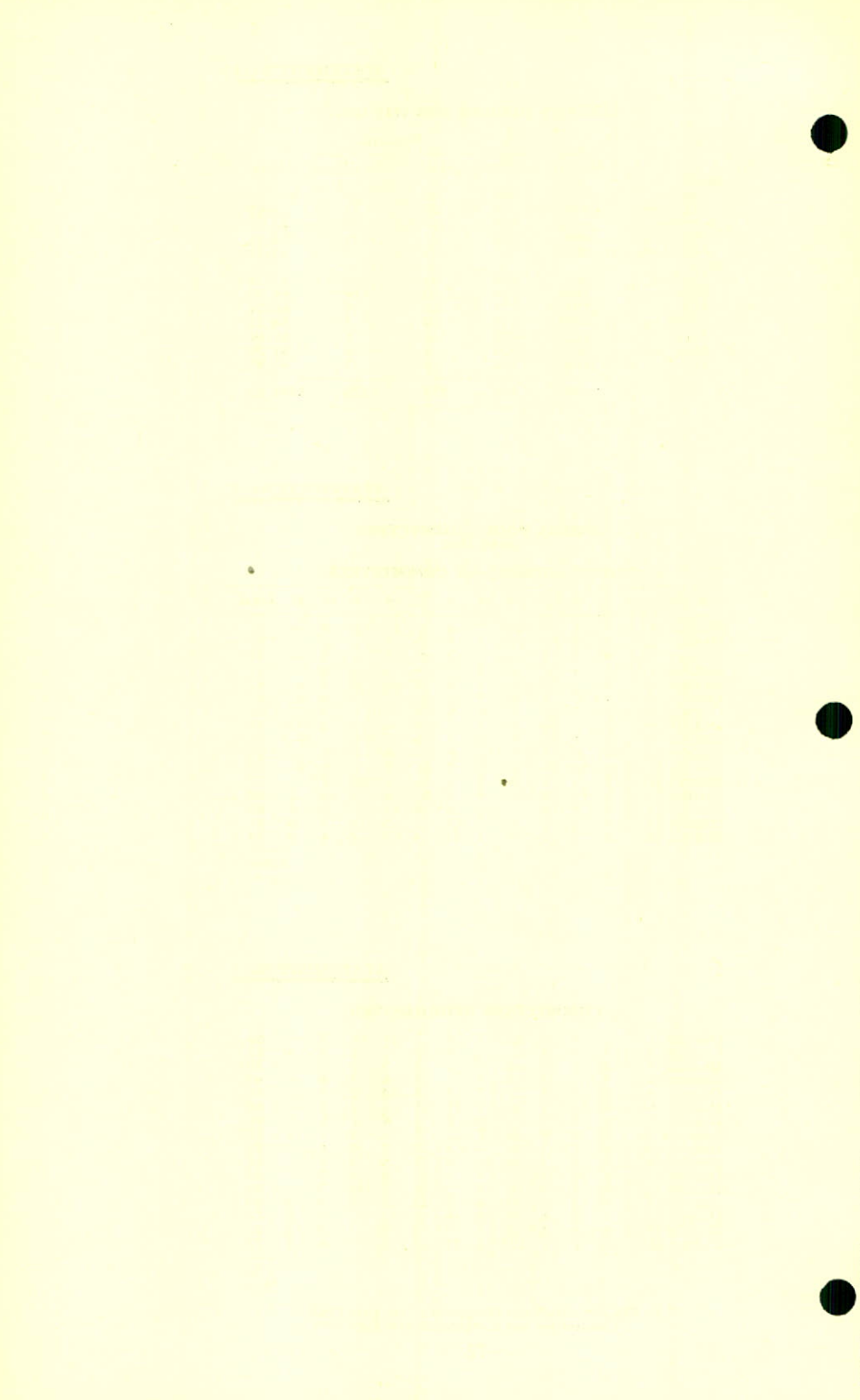
Sub-District	1	2	3	4	5	6	7	8	9	10	11	Total
District 1.....	3	4	5	10	7	6	7	11	6	8	—	67
District 2.....	5	4	5	7	2	5	9	7	7	5	5	61
District 3.....	4	3	3	4	5	2	3	5	3	7	—	39
District 4.....	3	4	7	4	5	—	4	6	3	6	—	42
District 5.....	9	7	5	7	7	3	6	10	8	5	—	67
District 6.....	9	10	7	6	9	12	12	7	7	8	—	87
District 7.....	7	5	5	3	6	6	5	5	7	5	7	61
District 8.....	8	7	10	8	7	7	5	4	4	2	3	65
District 9.....	6	7	5	6	4	8	6	5	6	6	—	59
District 10.....	6	6	3	6	14	8	3	6	4	8	—	64
District 11.....	8	10	11	6	5	7	11	6	9	9	—	82
District 12.....	9	5	9	6	5	6	6	7	10	7	—	70
District 13.....	8	11	4	10	8	7	11	6	9	9	7	90
District 14.....	5	8	6	8	3	6	9	12	7	9	7	80
District 15.....	8	5	7	8	5	5	2	5	7	3	6	61
District 16.....	6	7	7	7	4	11	4	7	7	6	8	74
												1,069

**STATEMENT No. 8**

**COMMITTEES REORGANIZED**

District 1.....	3	4	5	10	7	6	7	11	6	7	—	66
District 2.....	5	4	5	7	2	5	9	7	7	5	5	61
District 3.....	4	2	3	4	5	2	3	5	3	7	—	38
District 4.....	3	4	7	4	5	—	4	6	3	6	—	42
District 5.....	9	7	5	7	7	3	6	10	8	5	—	67
District 6.....	8	10	7	6	9	11	11	7	7	8	—	81
District 7.....	8	5	5	3	6	6	5	4	7	5	7	61
District 8.....	8	6	9	8	7	7	5	3	4	2	3	62
District 9.....	6	7	5	6	4	8	6	5	6	6	—	59
District 10.....	6	6	3	6	14	8	3	6	4	7	—	63
District 11.....	8	10	11	6	5	7	11	6	9	9	—	82
District 12.....	9	5	9	6	5	5	6	7	10	7	—	69
District 13.....	8	11	4	10	8	7	11	6	8	9	7	89
District 14.....	4	8	6	8	3	6	9	12	7	9	6	78
District 15.....	8	5	6	8	5	5	2	5	7	3	6	60
District 16.....	6	7	7	7	4	11	4	6	7	6	8	73
												1,054

15 Committees not reorganized 31st July 1962  
7 Committees not reorganized 31st July 1961



**CANADIAN POOL AGENCIES LIMITED**  
**Wheat Pool Building, Winnipeg, Manitoba**  
**BALANCE SHEET, as at July 31, 1962**

ASSETS		LIABILITIES	
<b>Agency Assets:</b>		<b>Agency Liabilities:</b>	
Cash in Agency bank accounts.....	\$ 5,166.62	Accounts payable.....	\$108,846.87
Accounts receivable.....	113,835.71	Due to General Funds—per contra.....	10,155.46
			\$119,002.33
<b>Shareholders' and Patrons' Assets:</b>		<b>Shareholders' Liabilities and Reserves:</b>	
<b>Cash:</b>		Miscellaneous accounts payable.....	\$ 1,086.13
In general bank account.....	2,884.27	Reserve for income tax.....	114.86
		Patronage dividend payable.....	109,635.38
			110,836.37
<b>Accounts Receivable:</b>		<b>General reserve for unearned income:</b>	
Due from Agency Funds—per contra.....	\$ 10,155.46	Allocated as follows:	
Pool Insurance Company.....	21,252.09	Alberta Wheat Pool.....	5,568.12
Saskatchewan Wheat Pool loan.....	112,603.19	Manitoba Pool Elevators.....	3,146.82
Miscellaneous.....	1,898.20	Saskatchewan Wheat Pool.....	11,285.06
	145,908.94		20,000.00
			130,836.37
<b>Furniture and fixtures:</b>		<b>Capital Stock:</b>	
Cost less depreciation.....	2,043.16	Authorized, issued and fully paid.....	20,000.00
	150,836.37	(2,000 shares at \$10.00 each)	
Signed on behalf of the Board:			
Chas. W. GIBBINGS, <i>Director</i>			
W. J. PARKER, <i>Director</i>			
	\$269,838.70		\$269,838.70

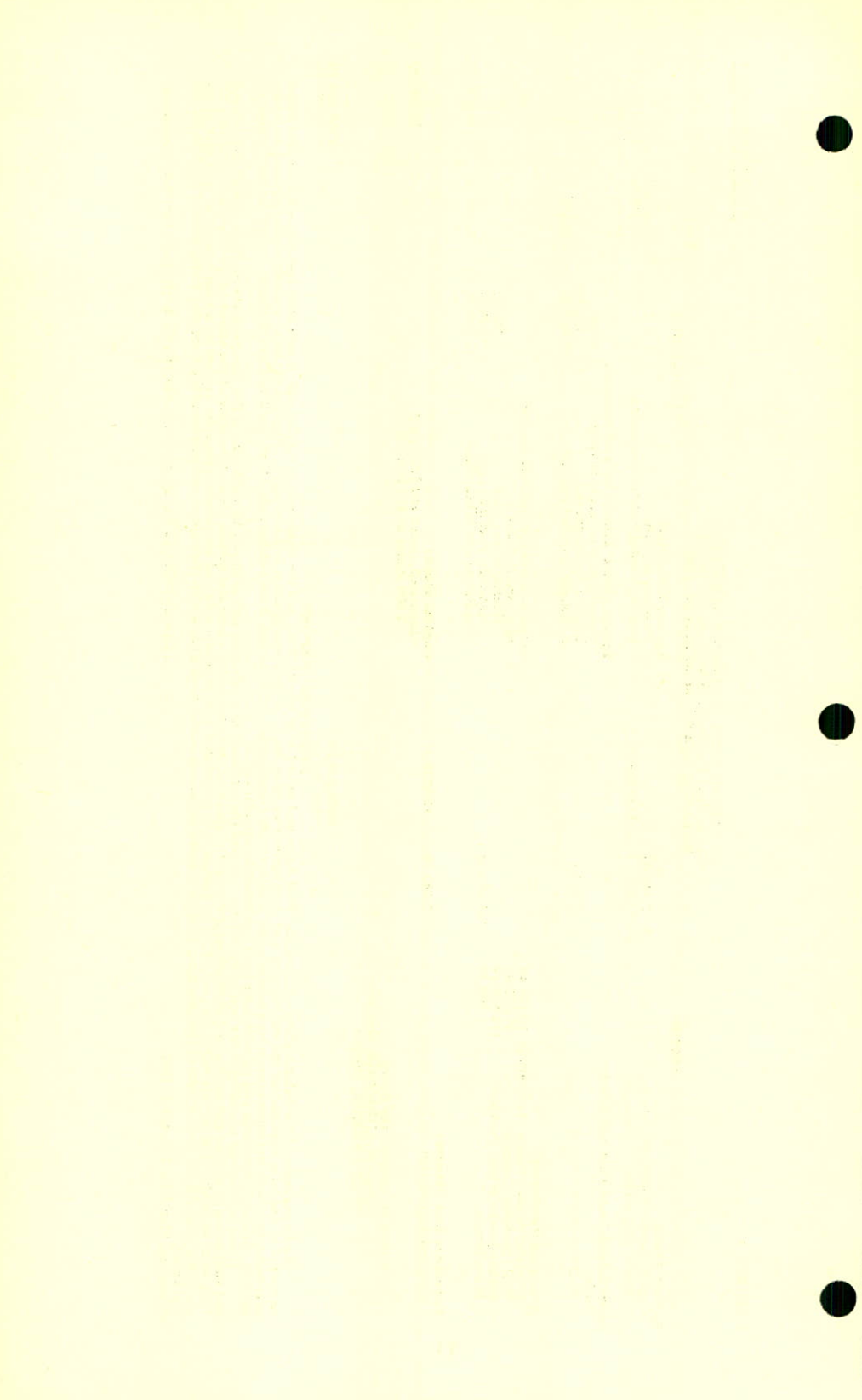
**AUDITORS' REPORT**

We have examined the balance sheet of Canadian Pool Agencies Limited as at July 31, 1962, and the statements of surplus and income and expenditure for the year ended on that date and have obtained all the information and explanations we have required. 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. Bank balances have been confirmed by certificate direct from the Company's bankers. Accounts receivable and payable have been confirmed by circularization.

In our opinion and according to the best of our information and the explanations given to us and as shown by the books of the Company the accompanying balance sheet and statements of surplus and income and expenditure are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Company as at July 31, 1962, and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year. All the transactions of the Company that have come within our notice have been within the objects and powers of the Company to the best of our information and belief.

Winnipeg, Manitoba, October 5, 1962.

(Signed) DELOITTE, PLENDER, HASKINS & SELLS, *Chartered Accountants.*





**CANADIAN POOL AGENCIES LIMITED**  
Wheat Pool Building, Winnipeg, Manitoba

**SUMMARY OF SURPLUS ACCOUNT**  
For the Year Ended July 31, 1962

	<i>Debit</i>	<i>Credit</i>
Surplus for the Year Ended July 31, 1962—Exhibit C.....		\$110,050.24
Reserve for Income Tax.....	\$ 414.86	
Patronage Dividend for the Year 1961-1962.....	109,635.38	
Allocated as follows:		
Alberta Wheat Pool.....	\$ 18,347.60	
Manitoba Pool		
Elevators.....	28,242.88	
Saskatchewan Wheat		
Pool.....	60,488.90	
Victoria Elevator		
Limited.....	2,556.00	
	<u>\$109,635.38</u>	
		<u>\$110,050.24</u>
	<u>\$110,050.24</u>	<u>\$110,050.24</u>

## EXHIBIT C

## STATEMENT No. 11

**CANADIAN POOL AGENCIES LIMITED**  
Wheat Pool Building, Winnipeg, Manitoba

**STATEMENT OF INCOME AND EXPENDITURE**  
For the Year Ended July 31, 1962

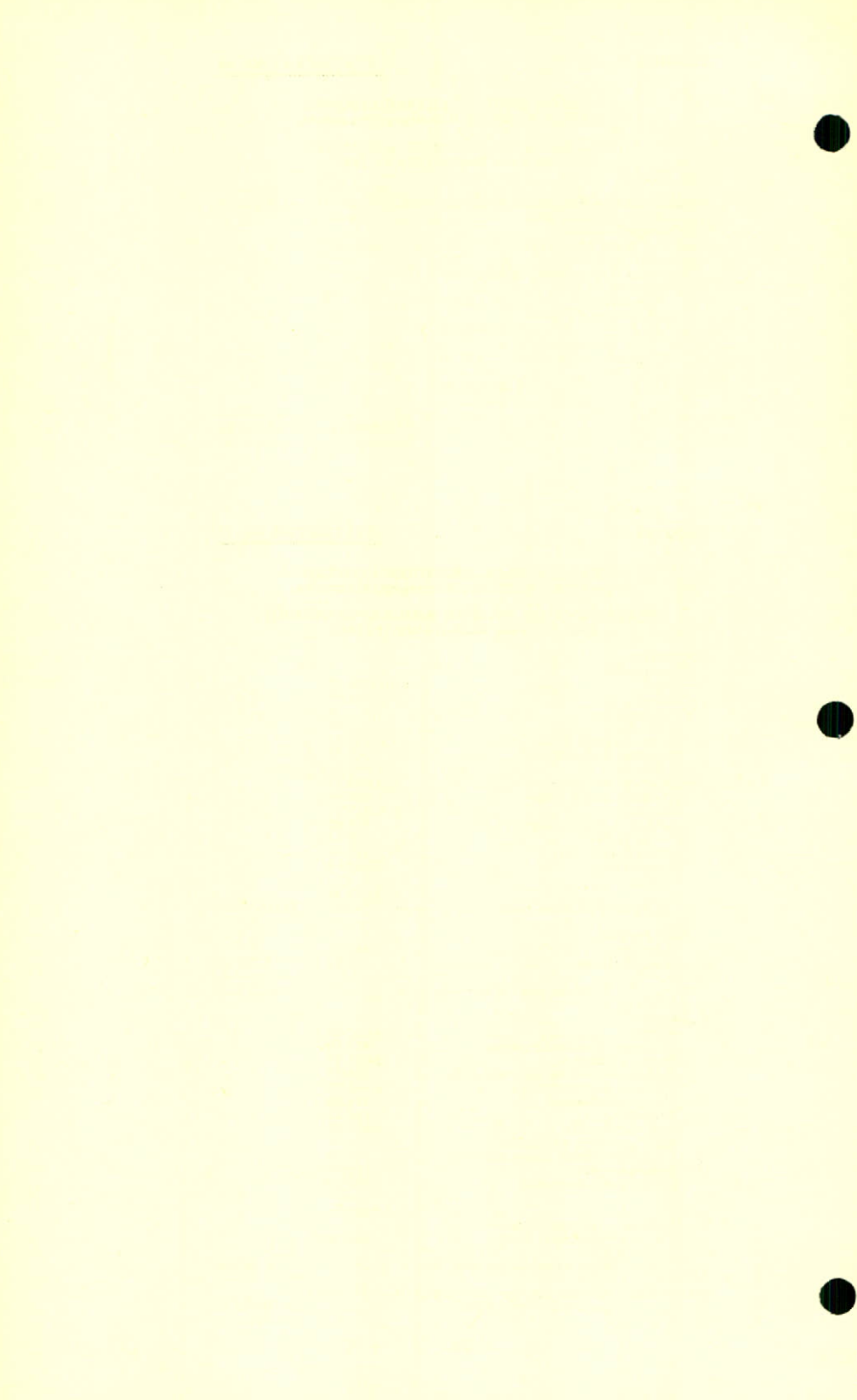
**INCOME:**

<i>Commissions:</i>		
Fire.....	\$ 67,054.47	
Bonds.....	19,908.08	
Automobile.....	7,053.75	
Lake Marine.....	422.05	
Ocean Marine.....	6,493.82	
Accident and sickness.....	699.18	
Liability.....	1,190.51	
Business interruption.....	3,861.75	
Robbery and burglary.....	408.89	
Floater.....	6,225.91	
Inland transportation.....	308.85	
Steam boiler.....	(20.03)	
Composite.....	2,322.17	
Contingent.....	17,783.94	
	<u>133,713.34</u>	
Deduct brokerage paid.....	240.32	\$133,473.02
<i>Other Income:</i>		
Interest.....	2,614.78	
Miscellaneous.....	127.50	2,742.28
Total income for the year.....		136,215.30

**Expenses:**

Salaries.....	19,020.00	
Directors' fees and expenses.....	428.50	
Rent and light.....	2,051.55	
Postage, telephone and telegraph.....	588.55	
Printing and stationery.....	1,346.15	
Taxes and licenses.....	319.98	
Travelling.....	148.72	
Legal and audit.....	800.00	
Staff pensions, group and unemployment insurance.....	749.94	
Depreciation.....	510.79	
Miscellaneous expense.....	500.88	
	<u>26,465.06</u>	
Deduct recovery from Interprovincial Pool.....	300.00	
Total expenses for the year.....		26,165.06

**BALANCE**—Surplus for the year ended July 31, 1962—  
carried to Exhibit B.....\$110,050.24



## EXHIBIT A

**POOL INSURANCE COMPANY**  
(Incorporated under Special Act of Parliament of Canada)  
**BALANCE SHEET as at 31st December 1961**

STATEMENT No. 12

ASSETS		
Cash in Bank.....	\$ 16,181.43	
Accounts Receivable:		
Canadian Pool Agencies Limited.....	\$187,452.13	
Saskatchewan Wheat Pool—demand loans.....	512,688.16	700,140.29
Investments:		
Government of Canada bonds—at cost.....	757,283.75	
Province of Manitoba bonds—at cost.....	25,000.00	782,283.75
Par value.....	\$792,500.00	
Department of insurance value.....	\$727,175.00	
Accrued interest thereon.....		8,644.80
Automobiles—cost less depreciation.....		6,860.91

Signed on behalf of the Board:

CHAS. W. GIBBINGS, *Director*W. J. PARKER, *Director*\$1,514,111.18**AUDITORS' REPORT**

To the Shareholders of Pool Insurance Company:

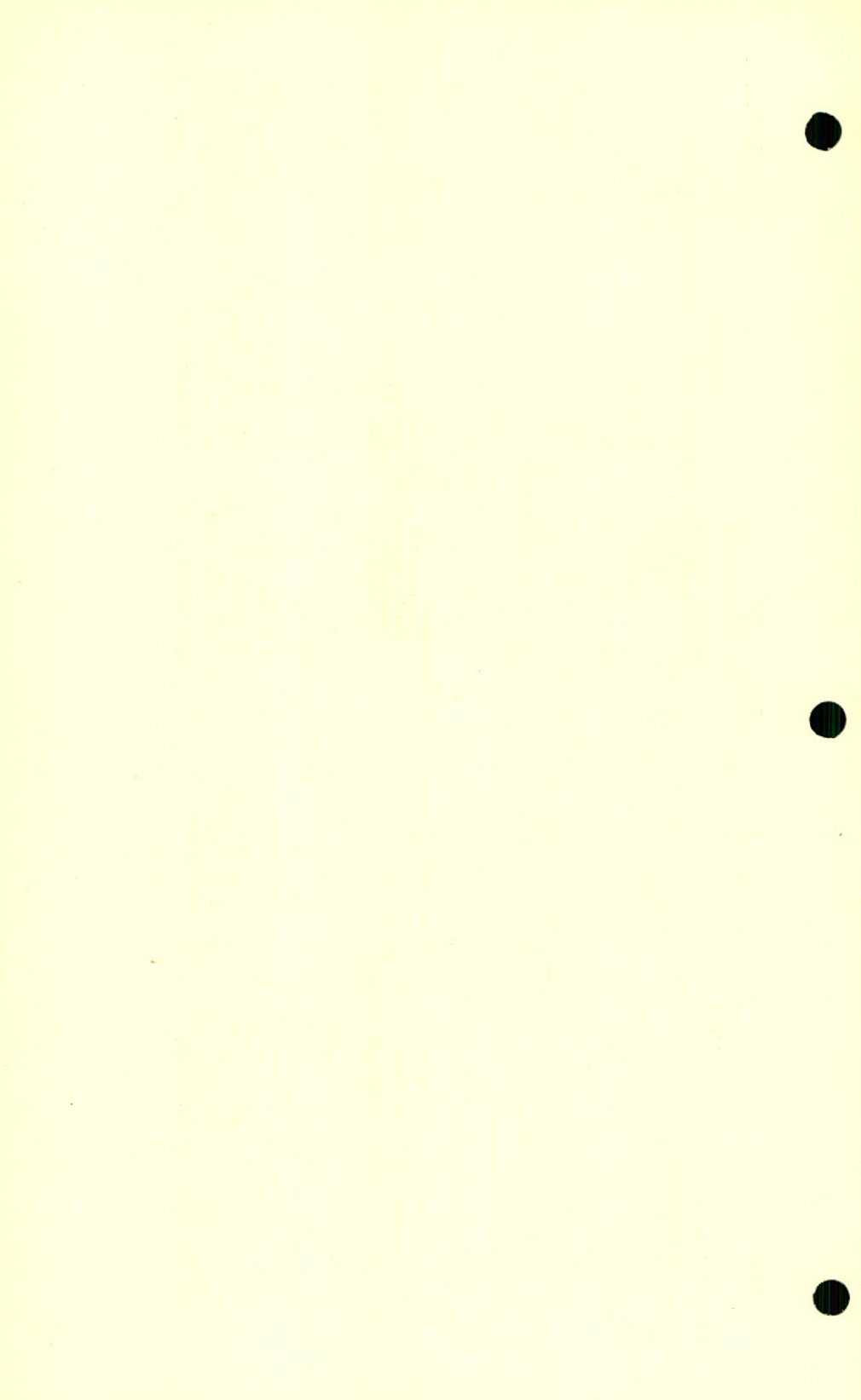
We have examined the balance sheet of Pool Insurance Company as at December 31, 1961 and the statement of income and expenditure and the summary of shareholders' and patrons' equity account for the year ended on that date and have obtained all the information and explanations we have required. Our examination 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 according to the best of our information and the explanations given to us and as shown by the books of the company the accompanying balance sheet and statement of income and expenditure and the summary of shareholders' and patrons' equity account are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the company as at December 31, 1961 and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Winnipeg, Manitoba, January 30, 1962.

LIABILITIES		
Current Liabilities:		
Miscellaneous accounts payable.....	\$ 3,320.00	
Reinsurance accounts payable.....	128,569.98	
Losses in process.....	748.80	
Taxes accrued.....	21,695.32	
Dividends payable as per Exhibit B.....	491,721.84	\$ 646,055.94
Reserve for Unearned Income:		
Unearned premiums.....	246,573.00	
Unearned reinsurance commission.....	77,797.30	324,370.30
Capital Stock and Surplus:		
Capital Stock:		
Authorized—5,000 shares at \$100.00.....	\$500,000.00	
Subscribed—2,500 shares at \$100.00.....	250,000.00	
Unpaid thereon.....	65,000.00	185,000.00
Surplus:		
Premium of 62% on capital stock.....	155,000.00	
Surplus realized on investments sold.....	18,184.94	
Transferred from Shareholders' and Patrons' Equity Account 1949-1961.....	185,500.00	358,684.94
		<u>\$1,514,111.18</u>

(Signed) DELOITTE, PLENDER, HASKINS & SELLS, *Chartered Accountants.*



## EXHIBIT B

## STATEMENT No. 13

**POOL INSURANCE COMPANY**  
**SUMMARY OF SHAREHOLDERS' AND PATRONS'**  
**EQUITY ACCOUNT**  
**As at 31st December 1961**

**Analysis of Equity Account:**

	Debit	Credit
Surplus for the year ended 31st December 1961—Exhibit C.....		\$525,276.23
Transferred to surplus.....	\$ 27,000.00	
Provision for income tax.....	6,554.39	
Balance carried down.....	491,721.84	
	<u>\$525,276.23</u>	<u>\$525,276.23</u>

**Balance Brought Down.....** \$491,721.84

Allocated as follows::

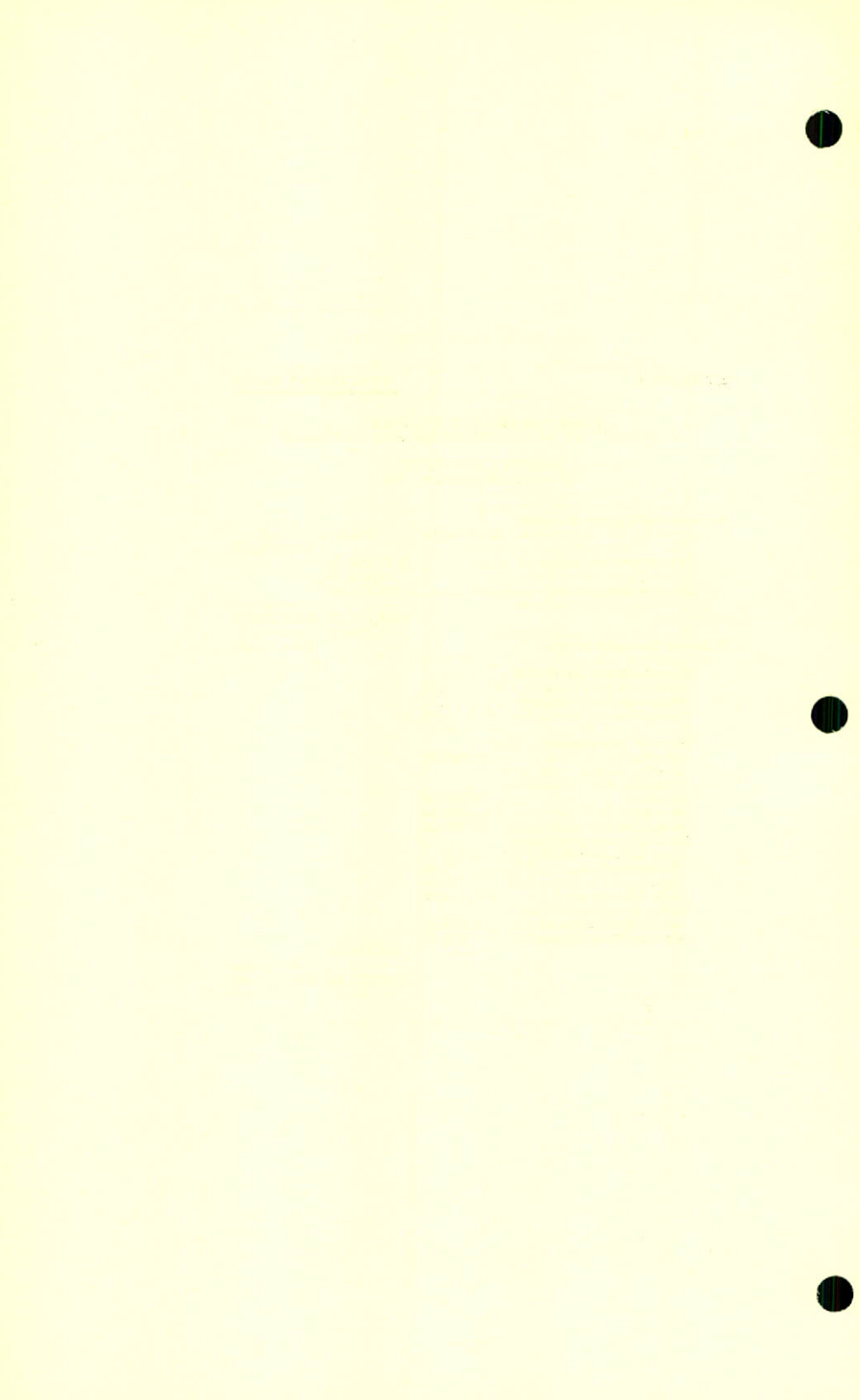
**Shareholders' dividend:**

Alberta Wheat Pool.....	\$ .55	
Manitoba Pool Elevators..	.37	
Saskatchewan Wheat Pool	.93	\$ 1.85

**Patrons' dividends:**

Alberta Wheat Pool.....	89,999.00	
Alberta Wheat Pool and Alberta Pool Elevators Limited.....	39,728.32	
Manitoba Pool Elevators..	101,487.64	
Sask. Pool Elevators Ltd..	87,188.20	
Saskatchewan Pool Elevators Ltd. and Sask. Pool Terminals Ltd.....	2.86	
Sask. Pool Terminals Ltd.	9.01	
Sask. Wheat Pool.....	171,144.12	
Sask. Co-operative Live- stock Producers Ltd.....	1,985.44	
Modern Press Limited.....	175.40	
	<u>491,719.99</u>	
	<u>\$491,721.84</u>	<u>\$491,721.84</u>





## POOL INSURANCE COMPANY

## STATEMENT OF INCOME AND EXPENDITURE

<b>For the year ended 31st December 1961</b>			
<b>Premiums on Business Written</b> .....	\$1,575,507.10		
Less ceded to other companies.....	679,035.98		\$896,471.12
<b>Deduct:</b>			
Increase in unearned premiums.....		53,660.50	
Premiums earned in 1961.....		842,810.62	
<b>Losses and Adjustment Expense</b> .....	915,185.85		
Less reinsurance recoveries.....	444,485.79		470,700.06
Net underwriting income.....		372,110.56	
<b>Reinsurance Commissions</b> .....		203,548.71	
<b>Balance, available for expenses and to shareholders and patrons</b> .....			575,659.27
<b>Expenses:</b>			
Taxes, licenses and association dues.....	32,215.97		
Inspection service:			
Salaries.....	\$23,850.00		
Automobile expense.....	7,905.01		
Other travelling expense.....	6,144.82		
Staff pensions, group and un-employment insurance.....	2,439.86		
Printing and stationery.....	886.23		
Postage, telegraph and telephone.....	284.27	41,510.19	
<b>Administration:</b>			
Salaries.....	18,652.50		
Rent and light.....	2,056.16		
Directors' fees and expenses.....	493.44		
Travelling expense.....	273.46		
Printing and stationery.....	204.91		
Postage, telegraph and telephone.....	560.46		
Audit.....	825.00		
Staff pensions, group and un-employment insurance.....	758.19		
Miscellaneous expense.....	822.75	24,646.87	98,373.03
Interest Earned.....	42,118.66		477,286.24
Other Revenue.....	5,871.33		47,989.99
<b>Balance, surplus for year 1961 carried to Exhibit B...</b>			<u>\$525,276.23</u>

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**SASKATCHEWAN WHEAT POOL**  
Livestock Division

**COMPARATIVE STATEMENT OF HANDLINGS**  
Seasons 1961-62 and 1960-1961

	Season 1961-1962	Season 1960-1961	Increase (Decrease)
<b>Moose Jaw Division:</b>			
Cattle.....	21,741	21,164	577
Calves.....	5,413	2,999	2,414
Hogs.....	6,331	4,668	1,663
Sheep.....	902	1,537	(635)
<b>North Battleford Division:</b>			
Cattle.....	35,818	31,498	4,320
Calves.....	5,057	2,470	2,587
Hogs.....	19,264	12,865	6,399
Sheep.....	2,377	1,802	575
<b>Prince Albert Division:</b>			
Cattle.....	21,519	17,238	4,281
Calves.....	2,968	1,446	1,522
Hogs.....	30,914	25,692	5,222
Sheep.....	2,406	2,211	195
<b>Regina Division:</b>			
Cattle.....	55,654	50,294	5,360
Calves.....	10,513	4,626	5,887
Hogs.....	14,139	8,515	5,624
Sheep.....	3,179	2,212	967
<b>Saskatoon Division:</b>			
Cattle.....	47,365	43,587	3,778
Calves.....	6,142	3,841	2,301
Hogs.....	25,235	24,174	1,061
Sheep.....	2,706	1,963	743
<b>St. Boniface Division:</b>			
Cattle.....	14,758	15,152	(394)
Calves.....	10,494	9,053	1,441
Hogs.....	48,257	39,497	8,760
Sheep.....	4,582	3,589	993
<b>Swift Current Division:</b>			
Cattle.....	50,277	48,016	2,261
Calves.....	18,540	9,331	9,209
Hogs.....	9,026	7,757	1,269
Sheep.....	1,064	868	196
<b>Yorkton Division:</b>			
Cattle.....	18,450	19,878	(1,428)
Calves.....	5,767	4,036	1,731
Hogs.....	4,737	2,783	1,954
Sheep.....	2,534	1,468	1,066
<b>TOTAL—All Divisions:</b>			
Cattle.....	265,582	246,827	18,755
Calves.....	64,894	37,802	27,092
Hogs.....	157,903	125,951	31,952
Sheep.....	19,750	15,650	4,100
<b>Saskatchewan Handlings at Winnipeg:</b> (Other than Saskatchewan Wheat Pool Livestock Division)			
Cattle.....	46,188	54,631	(8,443)
Calves.....	14,980	9,254	5,726
Hogs.....	21,041	16,571	4,470
Sheep.....	6,101	5,427	674
<b>TOTAL HANDLINGS:</b>			
Cattle.....	311,770	301,458	10,312
Calves.....	79,874	47,056	32,818
Hogs.....	178,944	142,522	36,422
Sheep.....	25,851	21,077	4,774

(Brackets Denote Decreases)

**TOTAL VALUE OF LIVESTOCK HANDLED:**

Through Saskatchewan Branches.....	*\$47,255,125
Through Winnipeg Country Section.....	4,854,264
	*\$52,109,389
Saskatchewan Livestock Direct to Canadian Livestock Co-operative Limited.....	8,629,942
<b>Total Value of Livestock Handled.....</b>	<b>*\$60,739,331</b>

\*Includes Value of Cattle Pooled.





**CANADIAN LIVESTOCK CO-OPERATIVE (WESTERN) LIMITED**  
(Incorporated under the Laws of Manitoba)

**BALANCE SHEET AS AT 28th JULY 1962**

**ASSETS****Current Assets:**

Cash in bank.....	\$ 28,870.98
Accounts receivable.....	1,089.31
Government of Canada bonds—at cost.....	19,750.00
(market value 1962 \$18,925.00,	
1961 \$19,800.00)	
Accrued interest receivable.....	9,455.79
Prepaid operating expenses.....	1,022.07
Due from trust account.....	11,733.70

Total current assets..... 71,921.85

**Trust Assets:**

Cash in bank.....	817,194.38
Sales accounts receivable.....	70,932.36
Inventory—at cost.....	10,899.13

Total trust assets..... 899,025.87

**Fixed Assets—at cost:**

Office furniture and equipment.....	21,011.77
Less accumulated depreciation.....	15,578.90

Net fixed assets..... 5,432.87

**Other Assets:**

Winnipeg Livestock Exchange memberships.....	255.00
----------------------------------------------	--------

**Total**..... \$976,635.59

**LIABILITIES****Current Liabilities:**

Accounts payable and accrued charges.....	\$ 2,048.10
Outstanding cheques.....	16,636.13
Due to local associations.....	4,084.69
Surplus payable—Exhibit C.....	24,029.43
Estimated income taxes.....	172.31

Total current liabilities..... 46,970.66

**Trust Liabilities:**

Outstanding cheques.....	885,719.06
Deposit on livestock on order.....	687.39
Exchange on outstanding cheques.....	885.72
Due to general account.....	11,733.70

Total trust liabilities..... 899,025.87

**General Reserve**

30,615.06

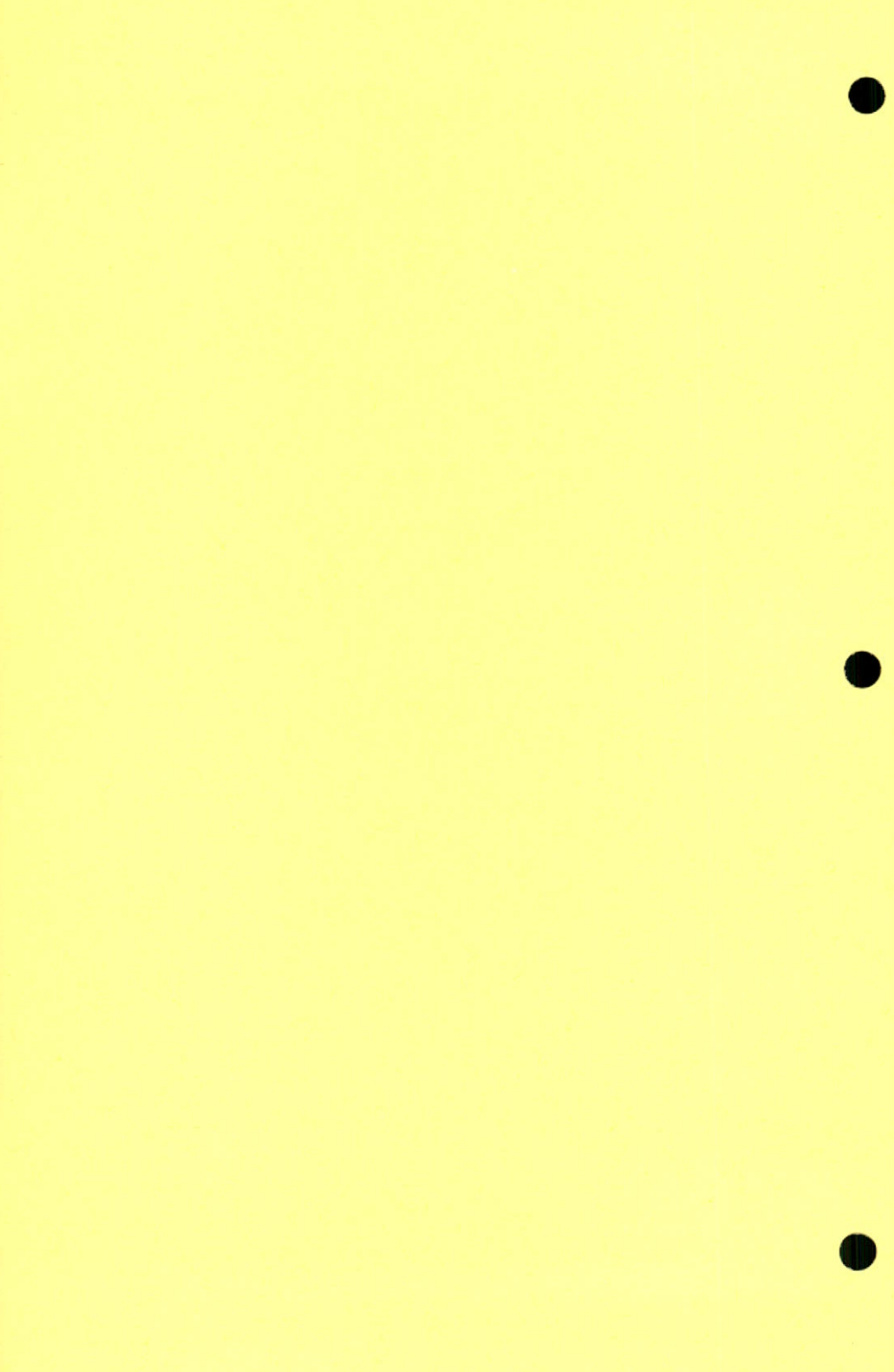
**Memberships Issued—(24)**

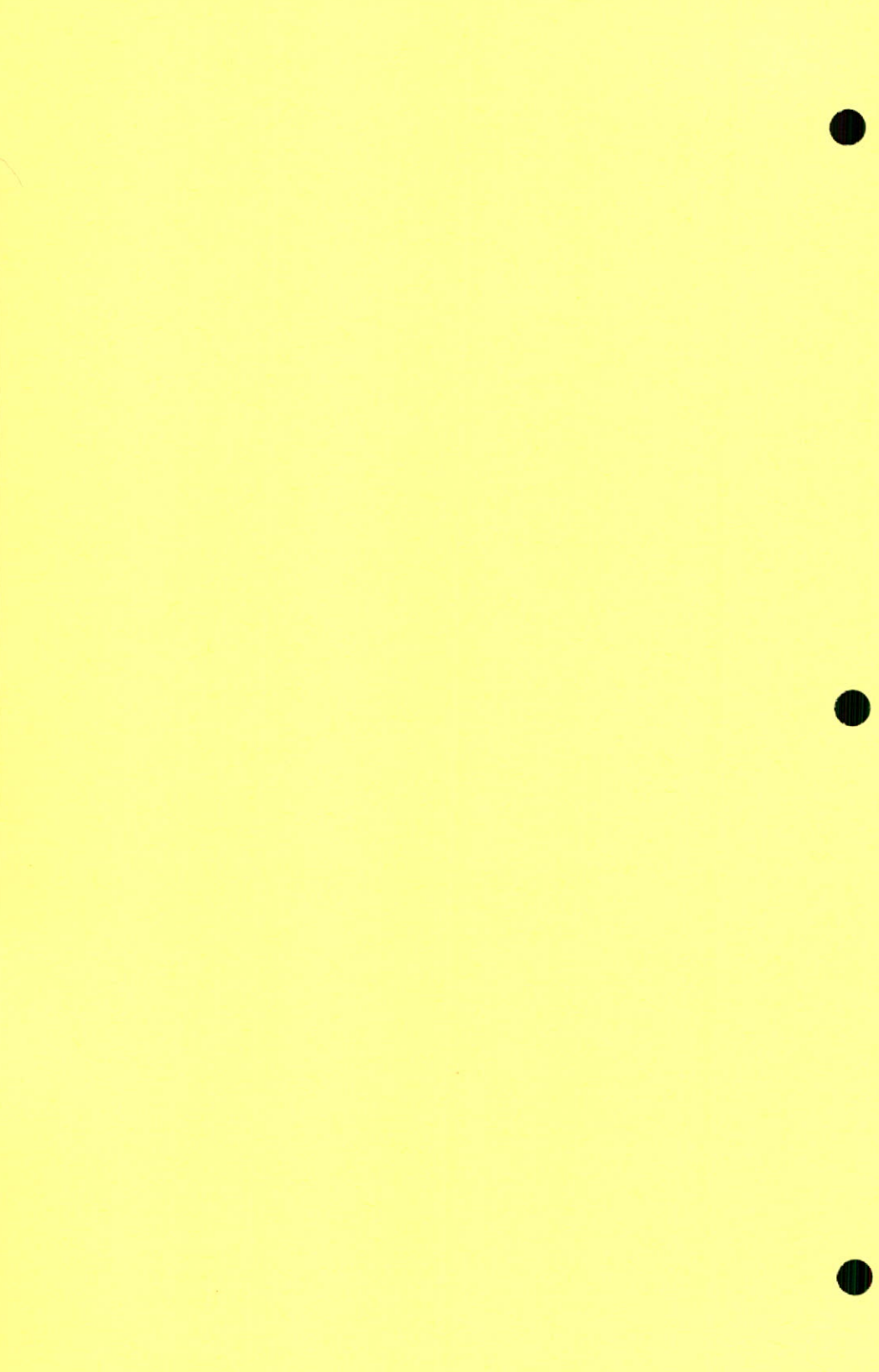
24.00

Signed on behalf of the Board:  
A. GREENFIELD, *Director*  
G. G. JAMIESON, *Director*

**Total**..... \$976,635.59







CANADIAN CO-OPERATIVE WHEAT PRODUCERS  
LIMITED

DIRECTORS' REPORT  
1961-62

4th October 1962.

To the Shareholders,  
Canadian Co-operative Wheat Producers Limited,  
Winnipeg, Manitoba.

Gentlemen:

The Directors of Canadian Co-operative Wheat Producers Limited submit their thirty-eighth annual report covering the crop year 1961-62. In keeping with an established precedent, our report refers to events of national importance which have occurred since we issued our last report, in addition to statistics covering the production and marketing of grain for the crop year ended 31st July 1962.

The pattern of production and marketing which prevailed during the year under review brought producers and their organizations face to face with numerous difficulties. The smaller volume of farmers' marketings, reflecting the short crop of 1961, has been translated into lower revenues for Wheat Pool organizations. Higher prices resulted from a stronger demand for wheat, while the lower production and larger sales reduced the carryover of Canadian grains: wheat by 212 million bushels, oats by 36.2 million bushels, and barley by 54.3 million bushels.

Farmers were able to make delivery of all grains after 12th April 1962, on an open quota, the first time since 1952 that open quotas have been in effect. Stocks of grain on farms were greatly reduced. The Wheat Pools handled 51 per cent of all grain marketed, significantly the largest percentage in any year's operations.

The net income of Canada's farm operators in 1961 was 22 per cent below that of 1960, due largely to the drastic reduction in the production of grain crops in the prairie provinces.

The generous and timely rains during the growing season just passed dissipated fears that the 1962 crop would be a light one due to lack of moisture in the soil. The production of over 500 million bushels of wheat in Western Canada will improve the producers' income and give a boost to the nation's economy.

Canada's Gross National Product is given at \$36,844 million in 1961, an increase of 2.5 per cent over the previous year. The poor grain crop in Western Canada has been estimated at \$400 million below the value of the 1960 crop and this figure represents a loss of about one per cent of the Gross National Product base of \$36.8 billion.

Your Board is of the opinion that the policy of the Federal Government in fixing the value of the Canadian dollar at 92.5 cents in relation to the United States dollar holds some advantages for the prairie grain producers.

**Central Board**

We report there were no changes made during the year under review in the Board of Directors of Canadian Co-operative Wheat Producers Limited. Each of the prairie Wheat Pools nominated the same Directors to the Board of Directors and we in turn elected the same executive officers, namely Chas. W. Gibbings, President, W. J. Parker, Vice-President, and G. L. Harrold as the third member. These elected officers also serve in the same capacity on the directorate of Canadian Pool Agencies Limited





and Pool Insurance Company. These same three persons are also members of the Advisory Committee to the Canadian Wheat Board.

At their regular meetings the Directors dealt with many matters which are of universal concern to the farmer members of the three Wheat Pools. It is through this agency that the policy and programs of the pooling organizations are harmonized; the actual programs in most cases being implemented by each Wheat Pool in its respective Province.

Matters of major concern throughout the year were those related to drouth assistance and acreage payments by the Federal Government; to the Federal Government's program implementing the findings of the Royal Commission on Transportation, particularly as this program relates to the abandonment of low density lines; and to secure a plan of abandonment which would be co-ordinated and comprehensive so that producers, elevator companies and other interests in the affected areas might plan their future operations.

We sought a renewal of the International Wheat Agreement on terms which we believed would be acceptable to the producers we represent. In keeping with a deeply rooted conviction we again urged the Federal Government to make the Canadian Wheat Board Act permanent legislation.

A year ago we established an African Students Foundation bursary. Under this bursary a native of Nyasaland is taking his studies at the University of Manitoba. It is our belief that a man with such training can offer leadership in his own country as its commerce and industry develop.

We sought and were granted membership in the Great Lakes Waterways Development Association. Canadian Co-operative Wheat Producers Limited was accepted as a member of the Private Planning Association of Canada. Our President, Chas. W. Gibbings, is a member of the Board of Governors of the Canadian Trade Committee, which is sponsored by the Planning Association.

The Wheat Pools were represented at the Canadian Barley and Oil Seeds Conference by technical members of the staff; we supported this Conference financially.

Acting jointly the three Wheat Pools produced a film depicting the evolution of grain marketing in Western Canada. The film was released on the 25th anniversary of the Canadian Wheat Board. Your Board of Directors endorsed this production believing as we do that the merits of centralized marketing need to be constantly illustrated.

We reported last year that we had instigated a study on food utilization on the broadest scale. The inquiry, we believe, will indicate the ability of Canada to provide a steady flow of food of different kinds to help under-nourished peoples in various countries. The study is being conducted by the University of British Columbia under the direction of economists of national repute. It is anticipated that a preliminary report will be released in the current year.

### **Interprovincial Pool Meetings**

During the year the full Boards of Directors of the three provincial Wheat Pools met on two occasions—on 17th and 18th January in Calgary, and 27th and 28th July in Winnipeg.

These meetings provide an opportunity for Directors to discuss quite freely matters which are of vital concern to the Pooling organizations and which affect the livelihood of grain producers.



At the meeting in January Directors and officials of the three Wheat Pools agreed that a larger premium on barley selected for malting purposes was justified and they named a committee that would interview maltsters, exporters and other handlers of barley, seeking support for an increased premium.

Recognizing the great changes which are taking place in agricultural practices and the fact that the members of the Pools are each year increasing their purchases of farm supplies, particularly fertilizer, prepared feeds and chemicals, the Directors considered how their organization could actively participate in providing farm supplies on a co-operative basis. Consideration was given to the merits of extending services of the Wheat Pools to cover the acquisition and distribution of essential farm production requirements, or as an alternative, whether the Wheat Pools should join with other organizations and businesses so that all co-operative agencies in the field of farm supply would unify their strength and volume.

Concern was expressed over the fact that rapeseed and other grains marketed through facilities not licensed by the Board of Grain Commissioners were not assessed the Prairie Farm Assistance Act levy while the acreage involved might qualify for benefits. The meeting urged the Board of Grain Commissioners to bring all non-paying grains and rapeseed under the PFAA.

Representatives of the Canadian Wheat Board attended the July meeting. This is in keeping with an established practice, one that is deeply appreciated by the Directors since they have an opportunity of inquiring about many subjects. The discussion centred on sales and prices, quotas, deliveries to feed mills, and the importation of feed grains from the United States.

The meeting reviewed the statistics covering the volume of grain delivered to feed mills in each of the three prairie provinces and the instructions covering these operations issued by the Canadian Wheat Board.

Again this year the Saskatchewan Wheat Pool and Manitoba Pool Elevators presented a submission to the Board of Grain Commissioners in which they asked for an increase in grain handling tariffs in both country and terminal elevators. In the two submissions it was recommended that no change be made in the storage rate. The Alberta Wheat Pool recognized the great variation in the pattern of crop production on the prairies and that the over-all reduced volume of grain deliveries in 1961-62, combined with the continued rise in operating costs, resulted in lower net revenue for elevator companies. But since the province of Alberta had experienced an average crop in 1961-62, the Alberta Wheat Pool's financial position had not been jeopardized, no increase in handling charges was requested by that organization.

### **Western Agricultural Conference**

Representatives of farm organizations which comprise the Federation of Agriculture in each of the three prairie provinces meet each year in the Western Agricultural Conference. The 1962 Conference was held in the Banff School of Fine Arts, Banff, Alberta, on 19th and 20th January. This Conference was attended by 19 official delegates and 49 visitors. The directorate of the three Wheat Pools was well represented, 30 Wheat Pool Directors being in attendance, four as official delegates and 26 as visitors.

The Western Agricultural Conference is held immediately prior to the annual meeting of the Canadian Federation of Agriculture and its chief function is to review policy matters which will come before the Canadian Federation of Agri-





culture and to deal with subjects which are characterized by their application to Western Canadian conditions rather than being national in scope.

Numerous matters of immediate concern to grain producers were debated by the Conference. The request that the prairie research fund would be established by the deduction of one-tenth of one per cent of the final realized price of all grains handled by the Canadian Wheat Board, was repeated. This decision was taken after the meeting had received a report of a special committee which had been named two years ago.

The Conference, in support of the National Agricultural Research Council, adopted the following resolutions:

RESOLVED that we continue our efforts in the long term to convince the senior governments and the public of the need for an endowment type research program and that as a first step we recommend that the farm organizations and Provincial and Federal Governments agree to raise \$150,000 annually for a period of five years to get the program under way, looking toward its establishment on a permanent basis as an endowment plan.

The Conference also agreed that farm organizations should be invited to make financial contributions to the National Agricultural Research Council.

The changing pattern of trade in the world's markets was recognized by the Conference when it dealt with several resolutions dealing with trade policy and tariffs. The meeting decided to recommend to the Government of Canada that it seek every opportunity for negotiations with the United Kingdom, the Western European countries and the United States for the purpose of systematically lowering trade barriers between these countries and for the eventual establishment of an Atlantic free trade area.

The meeting commended the Federal Government for its participation in establishing a world food program which has been supported by both the United Nations and the Food and Agriculture Organization and more particularly expressed appreciation of the government's action in agreeing to provide \$5 million in food and money to initiate the program.

In all, 60 resolutions were submitted to the Conference by the resolutions committee.

T. G. Bobier, First Vice-President of the Saskatchewan Wheat Pool, was re-elected President of the Western Agricultural Conference; J. M. Bentley was re-elected Vice-President, representing Alberta, and D. A. McNabb as Vice-President for Manitoba. Mrs. Thelma Connaughty, of Saskatchewan, was elected Western Women's Representative to the Canadian Federation of Agriculture.

### **Canadian Federation of Agriculture**

Support to the Canadian Federation of Agriculture by the three Wheat Pools has been consistent and generous since that organization was established over a quarter of a century ago. The need for and justification for an organization in which all phases of agriculture can harmonize their policies has been demonstrated by many examples. Frequently policies enunciated in the Canadian Federation of Agriculture have ultimately become acceptable national programs.

The 26th annual meeting of the CFA was held at Banff Alberta, 22nd to 25th January 1962, with a full slate of delegates. The delegates are elected by the Federations of Agriculture in various provinces and by associated organizations. Nine directors of the Wheat Pools attended in official capacities—three as directors of the CFA and six as delegates. Practically all of the remaining directors of the Wheat Pools attended as visitors.



W. J. Parker, G. L. Harrold and T. G. Bobier were re-elected to the Board of Directors and also to the executive committee of the CFA. H. H. Hannam was re-elected President, J. M. Bentley of Alberta was elected 1st Vice-President and J. B. Lemoine of Quebec was elected 2nd Vice-President. Later, Mr. Lemoine resigned and Lionel Sorel, of Montreal, Quebec, was elected to fill the vacancy.

The meeting dealt with 88 resolutions and a number of reports from its special committees. It is proper, we think, to report that no one issue dominated the meeting. Full discussion developed on numerous matters which affect producers of various agricultural commodities in their respective areas. The meeting approved resolutions offered by the Dairy Farmers of Canada, giving strong support to the request for a consumer subsidy of 14 cents a pound on butter. The meeting sought renewal of the International Wheat Agreement and of the Canadian Wheat Board Act. The Federal Government was commended for its policies in financing grain transactions and the meeting endorsed the Canadian Wheat Board action in its efforts to develop further new markets. Trade and tariffs; transportation and freight rates; rural development and land use; and social welfare, were subjects dealt with by the delegates. The meeting resolved to take steps to bring agricultural producers in Canada under one united strong organization.

An outstanding feature of the annual meeting of the Canadian Federation of Agriculture has always been the formal address by the President. In his address, Dr. Hannam took the opportunity to place before the meeting in summary form the activities in which the organization had been engaged during the year and to illustrate the position taken by Canadian agriculture on patterns of world trade which are developing. The matters dealt with by Dr. Hannam, which we believe are of vital importance to grain producers in Canada, were a world food program; international commodity agreements; and the European Common Market.

In speaking about the world food program the President emphasized the fact that an idea born in 1946 has become a reality in 1962. We cite the following pertinent paragraph:

"The Canadian Federation of Agriculture and the Canadian people generally have reason to be gratified about progress already made toward having a World Food Bank program become a reality. The first step is often the most difficult and this is now fairly well assured. It is a program which the Canadian Federation of Agriculture has persistently supported and promoted at home, in IFAP conferences and in FAO conferences ever since 1946 when Lord Boyd Orr made the original proposal for a World Food Board."

He stated that the Director-General of the Food and Agriculture Organization has been authorized to put the program into action right away. The United States of America had contributed \$50 million to the program, Canada had promised \$5 million and Denmark \$2 million.

In his address the President dwelt at some length on the changing pattern of world trade and its probable effect on Canadian agricultural policy. He submitted details of the progress made by the European Economic Community, the fact that the United Kingdom had applied for membership in this Community, and the probable effect of the acceptance of Britain's application and her participation in the Common Market on Canadian agricultural exports. The position taken by the executive of the Canadian Federation of Agriculture at the time of the Federal-Provincial meeting was reported by Dr. Hannam:

"We would like first of all to say that the emergence of the Common Market, and in particular the possibility of Britain's entry into it, most assuredly creates grave dangers, especially in the short run, to some of our export markets for agricultural products.





A policy of increased European agricultural protection and self-sufficiency, in a common market which includes Britain, could make very severe inroads into our markets. Also, increased tariff barriers could have definite adverse price effects on the product which we did export. We make this point at the outset to emphasize the great importance of effective account being taken in the Common Market negotiations of the legitimate interests of Canadian farmers.

"The Canadian Federation of Agriculture has always looked upon the development of the European Common Market as being, in principle, a policy of statesmanship and wisdom. It has recognized the dangers of the agricultural policies of the Six taking a protectionist turn that could jeopardize our markets in some commodities. But it has believed that the only right answer to these problems lies in fully acknowledging the rightness of the Common Market concept, and bending our energies through consultation, agreement, and enlightened trade policy on our part, toward turning to our benefit the trade potential which should be opened up by an economically united, prosperous and expanding Europe."

Dr. Hannam spoke about the need for and the achievement of farm organizations and stressed the importance of farmers being vocal and making themselves heard in the right places. We quote the pertinent section of Dr. Hannam's address dealing with this matter:

"Organized farmers can and should co-ordinate their activities, and from time to time co-operate with other groups and sectors of our society. But they will have greater independence, greater self-reliance, and more power to decide their own destiny if they keep free of entangling alliances that would tie them up in integrated harness with others whose economic interest differs from that of the primary producer.

"Of paramount importance is the fact that farmers should be articulate as farmers with one voice and that they should have organized, united strength back of that voice.

"Organized agriculture is accepted and recognized in Canada. It speaks with authority on behalf of the farmers of Canada. More and more we are being asked for our views by governments and government agencies, by commissions of inquiry and leaders in industry and labor. During the past few years we have been invited to participate in the work of national committees and national advisory bodies to such an extent that it adds substantially to our responsibilities. Yet this is a responsibility which farmers must assume; it is greatly in their interests to do so."

The meeting recognized the impact the short grain crop harvested in 1961 would have on many producers of both grain and livestock. It urged the Federal Government to provide special drought assistance by making graduated payments to producers who had a yield of less than twelve bushels per acre of wheat and its equivalent in other crops and asked that this payment be recognized as a payment over and above PFAA payments.

The CFA offered support to the Agricultural Economic Research Council and is presently attempting to raise \$20,000 per annum for five years, the funds to be subscribed by member-bodies and made available to the Research Council.

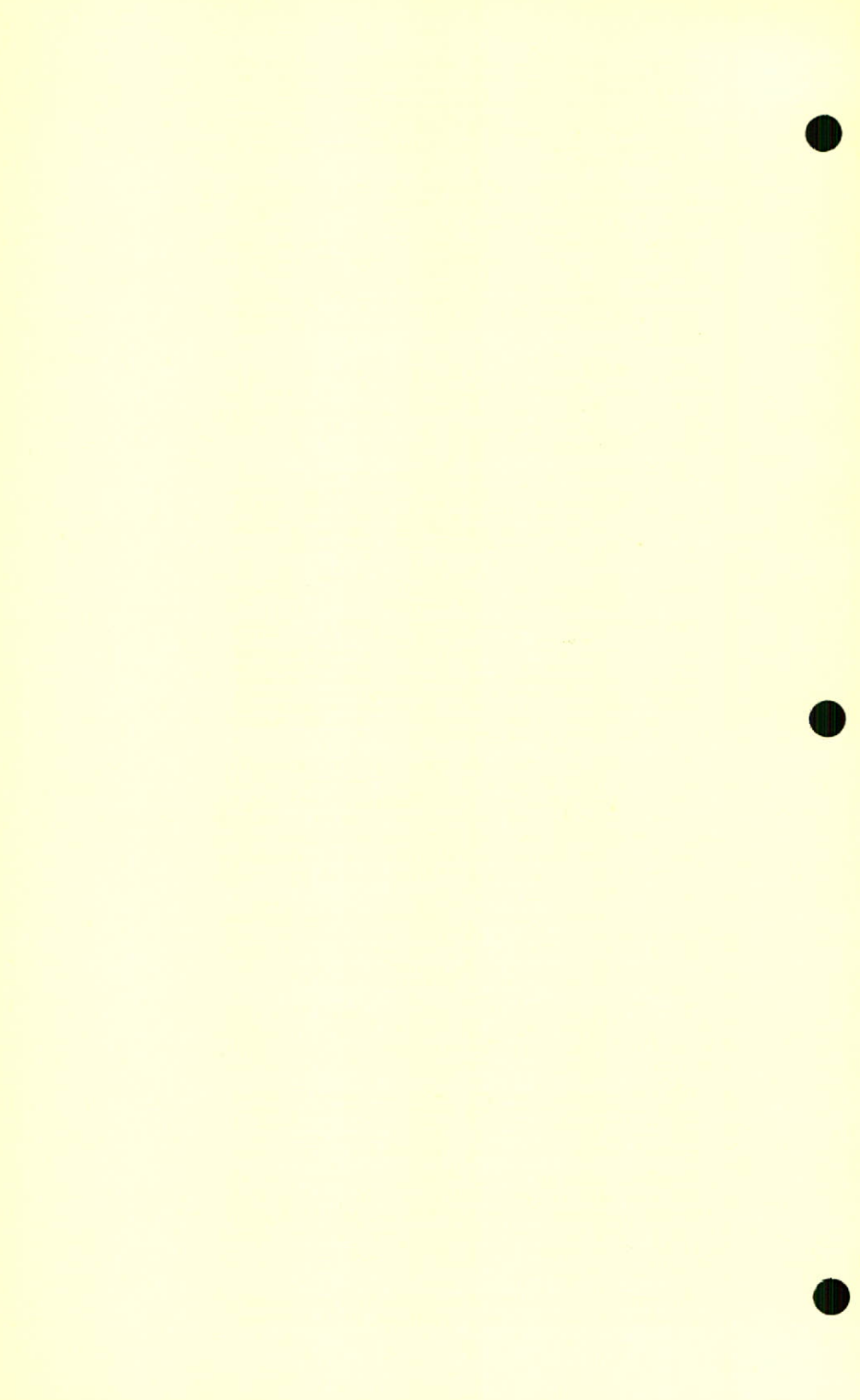
The CFA approached the Prime Minister in May 1962, and the Executive met the Minister of Transport on 14th August 1962, regarding policy on railway line abandonment, seeking to implement a resolution which reads as follows:

THAT the Federal Government take steps to restrain the Board of Transport Commissioners from hearing applications for abandonment of branch lines until government policy is established on implementation of the report of the Royal Commission on Transportation, so that unplanned abandonment will not take place.

A special meeting of the executive committee of the CFA dealt with feed grain problems at the request of the Maritime members. A situation had developed in Eastern Canada due to short supplies of oats, barley and feed wheat and Maritime feeders sought feed freight assistance on other classes of grain.

A formal brief was submitted to the Federal-Provincial Agricultural Conference held in Ottawa, 20-21-22 Novem-





ber 1961. The CFA was represented on this occasion by sixteen delegates.

The CFA, on behalf of Canadian agriculture generally, presented submissions to the Tariff Board; to the Royal Commission on Health Services; to the Senate of Canada in support of the Finance Charges bill; to the Committee of Inquiry into the Unemployment Insurance Act; and its president participated in the Canadian Conference on Education.

The Prime Minister and his Cabinet extended a courtesy to the CFA when he received a delegation on 7th February 1962. Nine members of the Federal Cabinet were in attendance and 20 directors and officials of the CFA, of whom three were members of our own board, comprised the delegation.

Due to illness, the Hon. Alvin Hamilton, Minister of Agriculture, was unable to attend. The regrets of the delegation over this unfortunate circumstance was conveyed to Mr. Hamilton by Dr. Hannam, the leader of the delegation.

A prepared submission was presented to the Prime Minister. The presentation dealt with many matters which had been considered by the annual meeting recently held. Your Board is impressed by the high tone of the brief and particularly with the forward looking statement made by the CFA when dealing with trade and monetary policy, because undoubtedly these policies make an impact on the well being of the farmers who hold membership in the Wheat Pools. Evidence indicates that the CFA is in close touch with current events. This is shown by the following statement which was issued eight months ago:

There is no doubt whatever that the present time is one for careful and basic reassessment of the direction of Canada's foreign trade policy. There are several reasons why this is so. One is that the rapid advance of modern technology, especially in the techniques of mass production and automation, has strengthened the case of national industrial specialization and hence for conditions of freer trading with other nations. Another is the possibility that the United States will move toward a policy of progressive lowering of trade barriers on a reciprocal basis. Such a policy, if the GATT principles of multilateral trading are to be followed, will inevitably face Canada with urgent decisions as to what course it will follow. A third reason is that the growth of prosperity in western Europe, the rise of new trading and industrial nations, and the formation of the Common Market all mean intensified competition for Canadian exporters and Canadian domestic industry. Whether to follow a policy of protection or freeing of trade barriers will for these reasons be a continuing and pressing policy issue in Canada.

The next annual meeting of the Canadian Federation of Agriculture will be held in Windsor, Ontario, on 22-23-24 January 1963.

#### **International Federation of Agricultural Producers**

We reported a year ago on the last general conference of the International Federation of Agricultural Producers which was held in May 1961, and said that the next general conference would be held in November 1962, in Accra, Ghana. Now, a year later, we find that a final decision on the place of the next conference has been made: it will be in May 1963, in Dublin, Ireland.

During the year under review the IFAP European Committee met in Edinburgh, Scotland, in May 1962, and the North American members of the IFAP met in Washington, D.C., on 9-10 May 1962. Canadian farmers were represented at this meeting by ten delegates of the Canadian Federation of Agriculture, in which the executive officers of our own organization were included. It is reported that the meeting dealt with a World Food Program, and gave its major attention to a paper prepared by the secretariat on "The Common Market and North American Agriculture."



These regional meetings are held during the period intervening between general conferences.

The European Committee of the IFAP is meeting in Paris, France, later this month: on 29-30-31 October.

This Committee invited the Canadian Federation of Agriculture to send a representative to the meeting. We are happy that Louis A. Boileau, one of our Directors, has been selected. In attending as an observer, Mr. Boileau will have an opportunity of assessing the plans now being formulated under which agricultural products will enter those countries which are members of the European Economic Community.

The next meeting of the North American Committee will be held in the spring of 1964.

### **Government Policy for Agriculture**

Your Board is conscious of the fact that governments are participating in all phases of our nation's economy to a greater extent as each year passes. We recognize, too, that this progressive involvement is due to pressures brought to bear by the electorate rather than to any planned design by parliamentarians. We believe that government action is essential in providing balanced relationship between the different business segments in Canada. We refer in this report in a concise form to legislative and administrative action of the Federal Government on matters pertaining to agriculture.

#### *Canadian Wheat Board Act*

The Canadian Wheat Board Act was amended on 27th March 1962. Under these amendments the Board's control over deliveries and its regulation over interprovincial and export trade in wheat was extended until 1st August 1967. Also under the amendments rapeseed was defined as grain.

#### *The Canada Grain Act*

The Canada Grain Act was amended on 12th April 1962, when statutory grades for mustard seed and rapeseed were defined.

#### *International Wheat Agreement*

The text of the 1962 International Wheat Agreement, as adopted at the final plenary session held at Geneva on 10th March 1962, was tabled in the House of Commons on 10th April 1962. Some of the terms of the Agreement are: That it shall remain in force until and including 31st July 1965; the basic minimum price shall be \$1.62½, and the basic maximum price shall be \$2.02½ per bushel, calculated at the parity for the Canadian dollar, determined for the purposes of the International Monetary Fund as at 1st March 1949, for No. 1 Manitoba Northern wheat in bulk in store Fort William/Port Arthur.

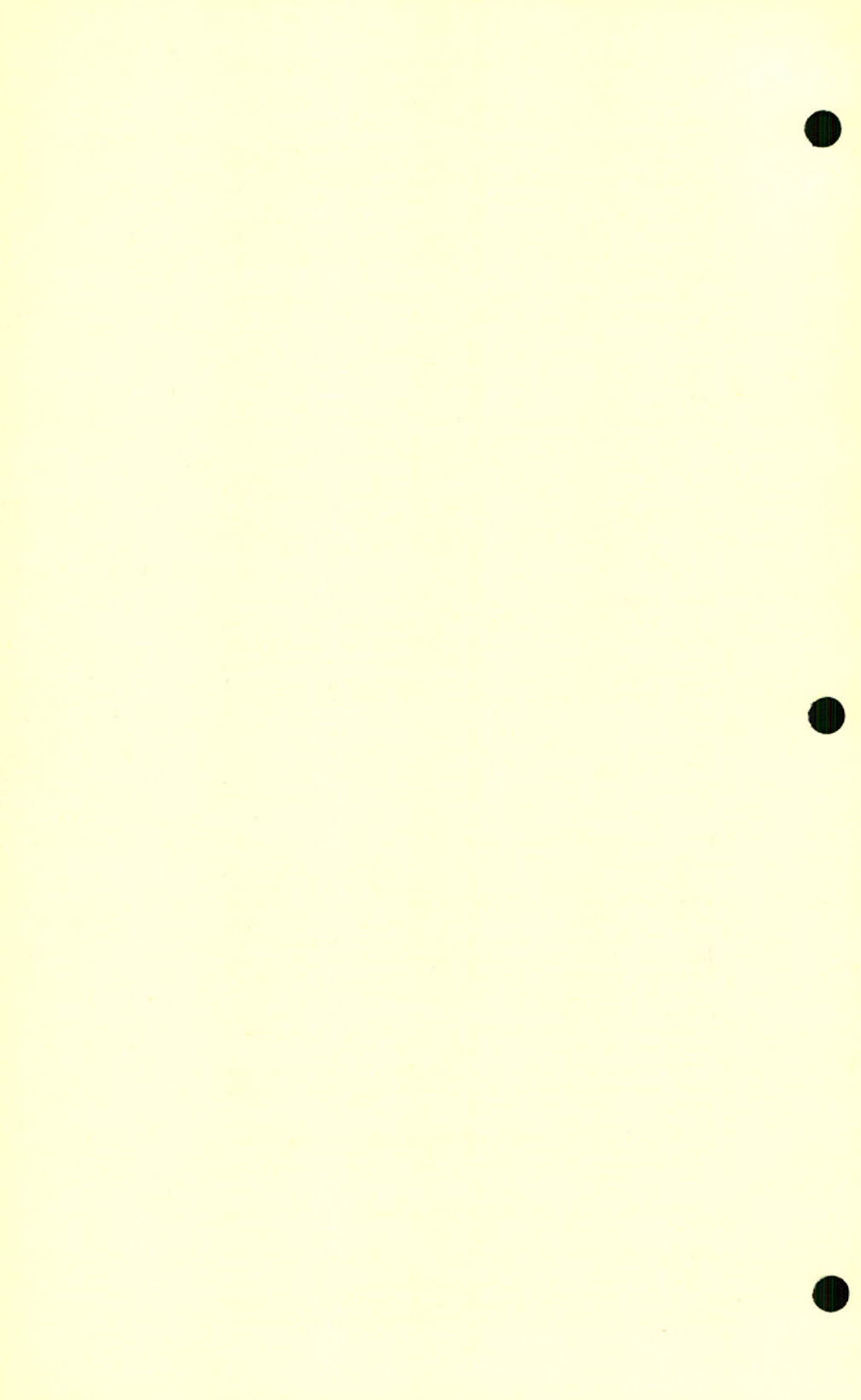
The House of Commons adopted the following motion which was moved by the Minister of Agriculture on 17th April:

THAT it is expedient that the Houses of Parliament do approve the International Wheat Agreement to be opened for signature at Washington, D.C., on 19th April 1962, and that this House do approve the same.

The Agreement was signed by Canada on 11th May 1962.

#### *The Agricultural Rehabilitation and Development Act*

The Minister of Agriculture announced on 8th November 1961, that Alexander Thomas Davidson had been appointed by the Civil Service Commission as Director





of the Agricultural Rehabilitation and Development Act. Previously Mr. Davidson was with the Department of Northern Affairs and National Resources. Since the Act was passed in May 1961, a fact on which we reported a year ago, much has been said about the application of the provisions of this legislation. We think these should be reiterated. The Act calls for federal-provincial agreements for the joint undertaking of: (1) alternative uses of land classified as marginal or of low productivity; (2) development of income and employment opportunities for rural agricultural areas; and (3) development and conservation of the water and soil resources of Canada.

It was announced on 2nd May 1962, that the Federal Government had given approval to a three year, \$50 million expenditure for improved land use, rural development and soil and water conservation, to be spent under ARDA. We anticipate that this positive action will result in definite programs getting under way.

#### *Prairie Farm Assistance Act*

The Federal Cabinet made two important amendments to the regulations covering the Prairie Farm Assistance Act when on 6th November 1961, they deleted from the regulations a provision which excluded a complete farm unit from benefits of the Act if it contained more than 50 acres of irrigated land which produced a crop averaging more than 12 bushels per acre.

The other amendment concerned father-son farm operations. Under the new amendment the son who rented land from a parent would be eligible if his parents did not operate a farm.

#### *St. Lawrence Seaway*

By order-in-council passed on 18th July 1962, tolls on the Welland Ship Canal were suspended. This action is acceptable and in keeping with the submission we placed before the Minister of Transport at Ottawa on 1st March 1960, when we voiced our opposition to tolls on the Welland Canal.

#### *Acreage Payments*

The House of Commons on 30th January 1962, authorized the making of acreage payments on the same basis as was done in 1958 and 1960. Sitting as a committee of supply, the following resolution which had been submitted by the Acting Minister of Agriculture, received assent of the House.

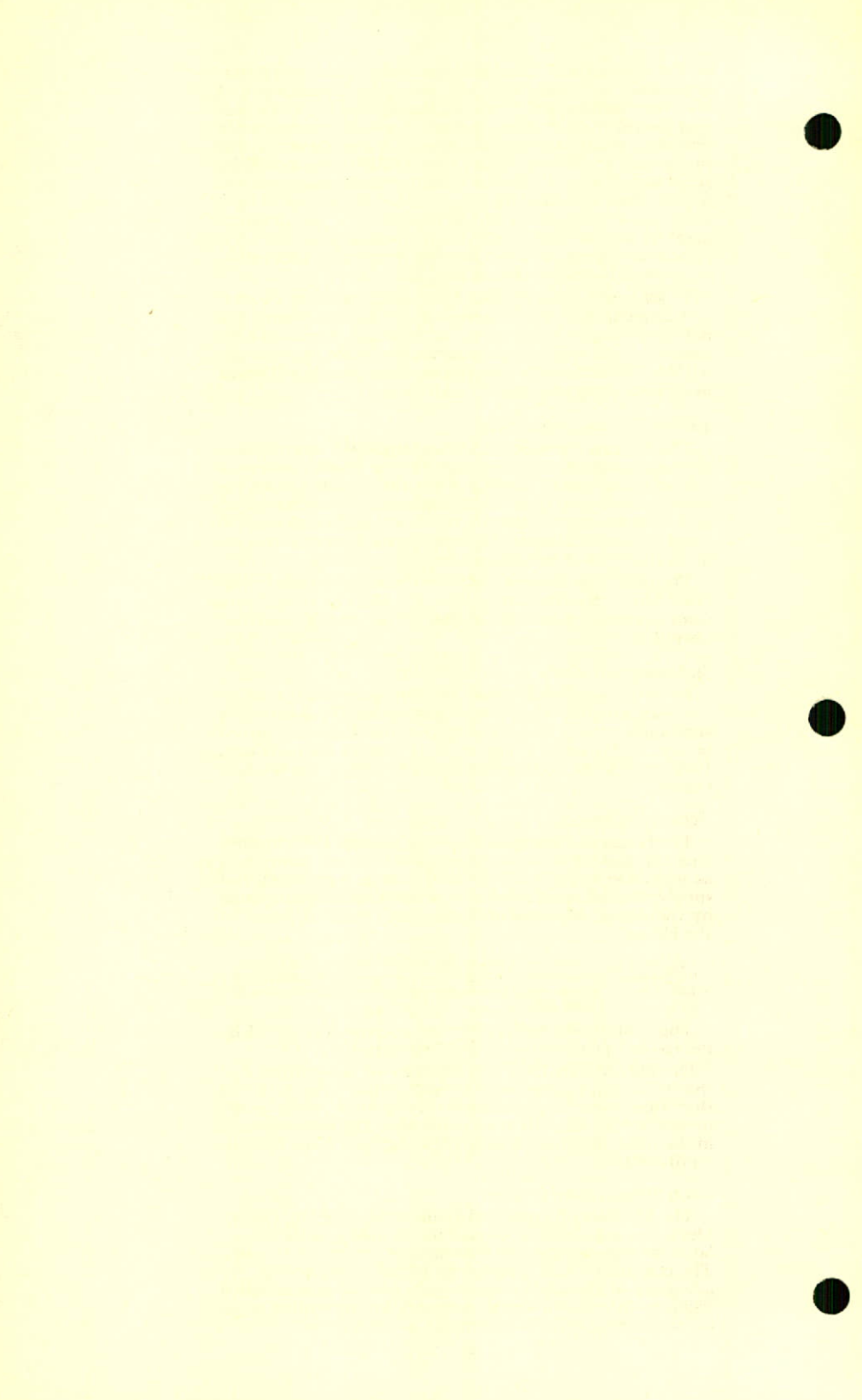
Payments to western grain producers to be distributed on the following basis, namely, \$1 per cultivated acre up to a maximum of 200 acres per farm in accordance with regulations of the Governor-in-Council, \$42,000,000.

The sum of \$42 million for this purpose was voted by the House of Commons on 2nd February 1962.

On 30th March 1962, the Minister of Agriculture said that an amount exceeding \$39 million had been paid and that there were approximately 500 permit books under review at that time. It is reported that 222,348 payments in the total amount of \$39,975,210 had been made by 26th April 1962.

#### *Grain Storage and Handling*

The Minister of Trade and Commerce, the Hon. George Hees, has appointed a committee to study problems related to the storage and handling of grains in Canada. The committee will "prepare an initial assessment of the adequacy of Canada's present grain storage and handling facilities in relation to current and future requirements for the storage and movement of Canada's grain."



The Committee will also study the impact of the St. Lawrence Seaway on the pattern of grain movement and also the handling of American grains through Canadian ports. The committee includes representatives from the Federal Departments of Agriculture, Finance, Trade and Commerce, and Transport, as well as the Dominion Bureau of Statistics, the Board of Grain Commissioners and the National Harbours Board.

#### *Farm Improvement Loans Act*

An Act to amend the Farm Improvement Loans Act was passed by the House of Commons on 7th March 1962. The amendment projected the legislation until 30th June 1965, and established \$400 million as the limit of guaranteed loans.

The Act was first passed in 1944, at which time the figure of \$250 million was set as the amount of guaranteed farm improvement loans.

#### *Crop Insurance*

There is a growing interest and larger participation in crop insurance plans sponsored by the federal and provincial governments. The Crop Insurance Act was passed in July 1959, and authorized the Federal Government to enter into an agreement with any province that establishes a crop insurance scheme. Three provinces have now entered into an agreement with the Federal Government under this legislation, namely, Manitoba, Saskatchewan and Prince Edward Island.

In 1961, 3,675 farmers in Manitoba paid \$450,000 in premiums covering \$6,700,000 of insurance. Claims were paid to 2,088 farmers in a total amount of \$1,588,000. In the same year, 194 farmers in Saskatchewan participated in a limited test plan, paying \$26,000 in premiums for a coverage of \$305,000. Claims in the amount of \$130,000 were paid.

#### *Royal Commission on Banking and Finance*

The Prime Minister announced on 18th October 1961, that a Royal Commission had been named to survey and report on Canada's fiscal and monetary policy. Chief Justice Dana Porter, of Ontario, heads the Commission. G. L. Harrold, President of the Alberta Wheat Pool, is a member of the Commission. Your Board is gratified that the interests of agriculture will be served during the hearings by one of our own Directors.

After due consideration we decided against making a presentation to this Royal Commission but, instead, to render what assistance we could to either or both the Canadian Federation of Agriculture and the Co-operative Union of Canada since these organizations were prepared to make a submission.

#### *Royal Commission on Transportation*

The second volume of the report of the Royal Commission on Transportation was issued in December 1961 and tabled in the House of Commons on 23rd January 1962. This volume analyzes in detail numerous transportation problems which had been dealt with in the first volume released in March 1961.

The Commission stated:

"Our area of responsibility to be confined, first, to recommending guides to action in developing a national transportation policy which is concerned with the effectiveness of transport itself, and second, to pertinent observations respecting the effects upon it of national policies making use of transportation to achieve their particular objectives. This dual focus of our responsibilities distinguishing clearly between national transportation policy and national policy furnishes the structure for this second volume of our report.





"The essence of the position we have taken with respect to national transportation policy is that it is no longer possible, as it was in the monopolistic era of transportation, to treat a particular mode of transport in relative isolation from all others. It is, to us, manifest that in the present situation of competitive co-existence the attainment of an efficient and balanced transport system will require that careful attention be paid to the effects of policies relating to one carrier upon all those other carriers which have become an integral part of the system. The transportation structure, in other words, must be looked at *in toto*. Only a national transportation policy which adopts such an approach would, we believe, be properly equipped in the new competitive environment to meet the present needs and difficulties of Canada's increasingly complex transport system and thereby enable the system to fulfil national policy objectives and at the same time to develop along commercial and market-oriented lines."

The Commission pointed out that:

"In conformity with the objectives of national transportation policy to work towards the optimum allocation of resources in transportation it is essential that regulation of railways should not inhibit the competitive ability of that mode of transportation."

The report cited examples of transportation as an instrument of national policy. Reference was made to three case studies. These covered the Maritime Freight Rates Act, the "Bridge" subsidy, and feed freight assistance.

The recommendations of the Commission with respect to feed freight assistance are set out as follows:

1. "The subsidy should not be restricted to rail and water carriage.
2. "The assistance rate should not be higher than the freight rate available from the least-cost carrier, no matter which mode of transport nor which routing is actually used.
3. "The assistance rates on shipments to British Columbia should be based on the same formula as that used for Eastern Canada.
4. "The Federal Government should make a detailed reassessment of the feed freight assistance policy in order to determine whether or not in its present form it is still benefiting Canadian agriculture to the greatest possible extent, or whether assistance could be more effectively applied to, for example, additional storage capacity in the feeding areas or some other form of aid."

The Commission reported that the "Bridge" subsidy had adversely affected competing carriers, that evidence submitted indicated that competition would be more effective in reducing rates than the subsidy has been, it had been a difficult policy to administer in view of the discrimination and unfairness inherent in its application. In the light of these considerations, the Commission recommended that the "Bridge" subsidy be abolished.

In reference to the Maritime Freight Rates Act, the Commission reiterated what it had said in its first volume:

"When transportation assistance is introduced as a policy designed to assist a region or an industry it should be implemented so that there is no distortion introduced into the transportation industry itself . . . . Placing upon one mode of transport a benefit because of regional or industry transport policy is to give it an advantage over its competitors not dictated by efficiency, with consequent over-expansion of the favoured mode, and constraint upon the others."

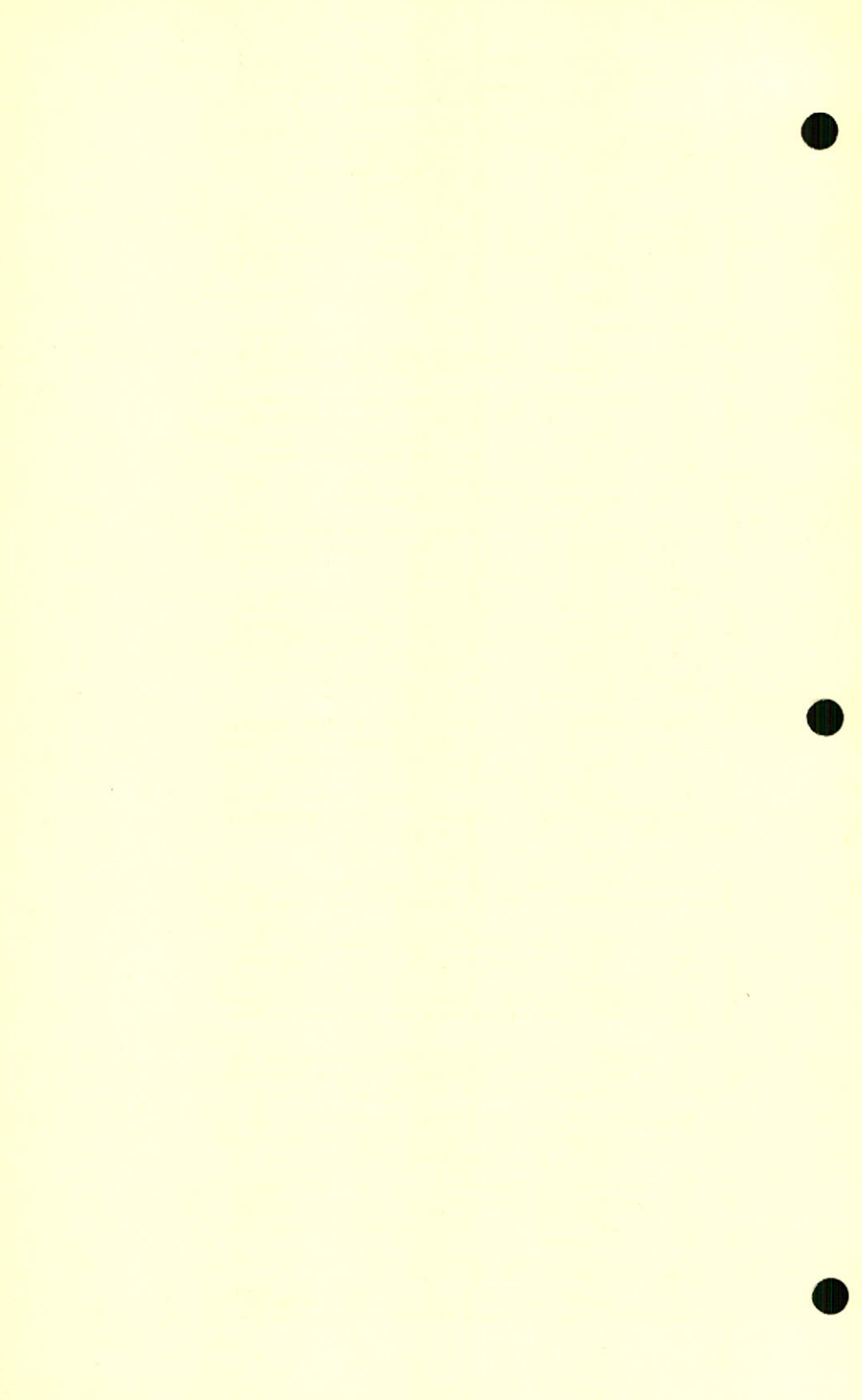
The second volume of the Commission's report contained no direct reference to statutory rates on grain, but said burdens placed on railways by law must be lifted.

Emphasis throughout the report is placed on the merits of competition between all modes of transportation, with the shipper making the choice. The Commission said:

"The conspectus of our conclusions is that most of the ills which beset transportation in Canada, particularly railway transportation—and the allegations of inequities which result—are caused by the failure of public and private attitudes to adjust to the realities of competition."

"It is our unanimous conclusion that no amount of flexibility and adaptability on the part of labour and management, and no amount of technological innovation and new capital investment can be effective in providing rail services as a rational part of the total transportation industry so long as public policy is inequitable. The





need for rectification is immediate and continuing. To enable commercial principles to operate where competition is possible, the burdens imposed upon railways by law and public policy attuned to a monopolistic period must be lifted."

Of particular concern to the Wheat Pool organizations is that section of Volume II dealing with the rationalizing of railway plant, in which the Commissioners envisage adaptive changes to meet new conditions as they arise.

The problem of uneconomic branch lines had been dealt with in the first volume of the report while the second volume suggests plans for implementing the recommendations. The report offers suggestions as a guide to releasing the railways from the burden of uneconomic lines and the adjustment of railway plant in accordance with traffic demands.

"Where it is evident that substantial abandonment must take place the over-all timing and progress of rationalization should be made known to those affected. As a general condition such substantial abandonment should not occur less than five years from the date of application. Exceptions may occur when it can be shown that shipping and investment tied to rail have already been abandoned. Where a number of lines in a district are candidates for abandonment they should be thinned out in stages to give opportunity for reassessment of the remaining lines at each stage.

"A Branch Lines Rationalization Fund shall be set up, from which the Board of Transport Commissioners will be authorized to pay annually losses actually incurred on uneconomic branch lines. The subsidies paid in any one year shall not exceed \$13 million which will be the annual allotment to the Fund from the consolidated revenues of Canada.

"The Fund will be established for a period of fifteen years. As the two systems get nearer and nearer to operating only paying portions of lines the total subsidy will tend to disappear.

"Holding the total to a specified sum will help to keep the speed of abandonment reasonable, make the railways choose their worse lines first and allow the National Treasury to budget with some accuracy. The Board will authorize payment from the Fund annually and pro-rate it up to the permissive rate of abandonment upon annual proof of loss."

So far the Federal Government has taken no definite steps to implement the recommendations of the Commission either in whole or part. A year ago we reported on the fact that an interim payment of \$50 million had been authorized by the Federal Government and that this amount was to be related to the recommendations of the Commission. No further action has been taken.

#### *Economics Research Council*

We can report that progress has been made to bring the Agricultural Economics Research Council into operation. The provisional board of governors met in Ottawa on 16th July 1962, when executive officers were elected and financial arrangements agreed upon. The board of governors are appointed by the federal and provincial governments, by farm organizations, co-operatives and business organizations. R. M. Putnam, Deputy Minister of Agriculture for Alberta, represents Alberta and British Columbia, while Lorne Hurd, Editor of the Country Guide, Winnipeg, represents Saskatchewan and Manitoba on the board of governors. Lorne Hurd was elected President.

Plans have been made to bring the research program under the direction of a directorate consisting of nine scientists who will be named by the board of governors. This directorate will also engage the director of research. The financial goal in the first five years is \$150,000 annually to be contributed one-third by the Federal Government, one-third by ten provincial governments, and one-third by other groups, including farm organizations.

#### *Royal Commission on Taxation*

The Prime Minister announced on 27th August 1962, that a Royal Commission on Taxation had been appointed



under the chairmanship of Kenneth Carter, a chartered accountant of Toronto.

Additional appointments to the Commission and the terms of reference were approved by order-in-council on 25th September and announced publicly by the Prime Minister on the following day. The Commissioners, in addition to the Chairman, are: Mrs. S. M. Milne, Winnipeg, Chas. E. S. Walls, Victoria, Donald K. Grant, Halifax, J. Harvey Perry, Toronto and A. Emile Beauvais, Quebec City.

The Commission is authorized by the government to make a full inquiry into the incidence and effect of taxation imposed by Parliament; the effects of taxation on the operation of the national economy; the conduct of business, the organization of industry and the taxable position of individuals. The Commission is to make recommendations for improvement in the taxation laws and their administration that may be consistent with the maintenance of a sufficient flow of revenue. The Commission will be assisted by government departments and agencies and will hold hearings in various parts of Canada.

It can be readily recognized that this inquiry will be broad in scope, covering not only the sources from which governments acquire their revenue but also the financial assistance given by governments to many segments of Canada's economy. Taxes being an instrument providing essential government services for the encouragement of economic growth, your Board is impressed with the importance of this inquiry and will keenly await the recommendations of the Commission. We anticipate that the controversial issue of the taxation of co-operatives will be a prominent feature of the Commission's study.

#### *Organization for Economic Co-operation and Development*

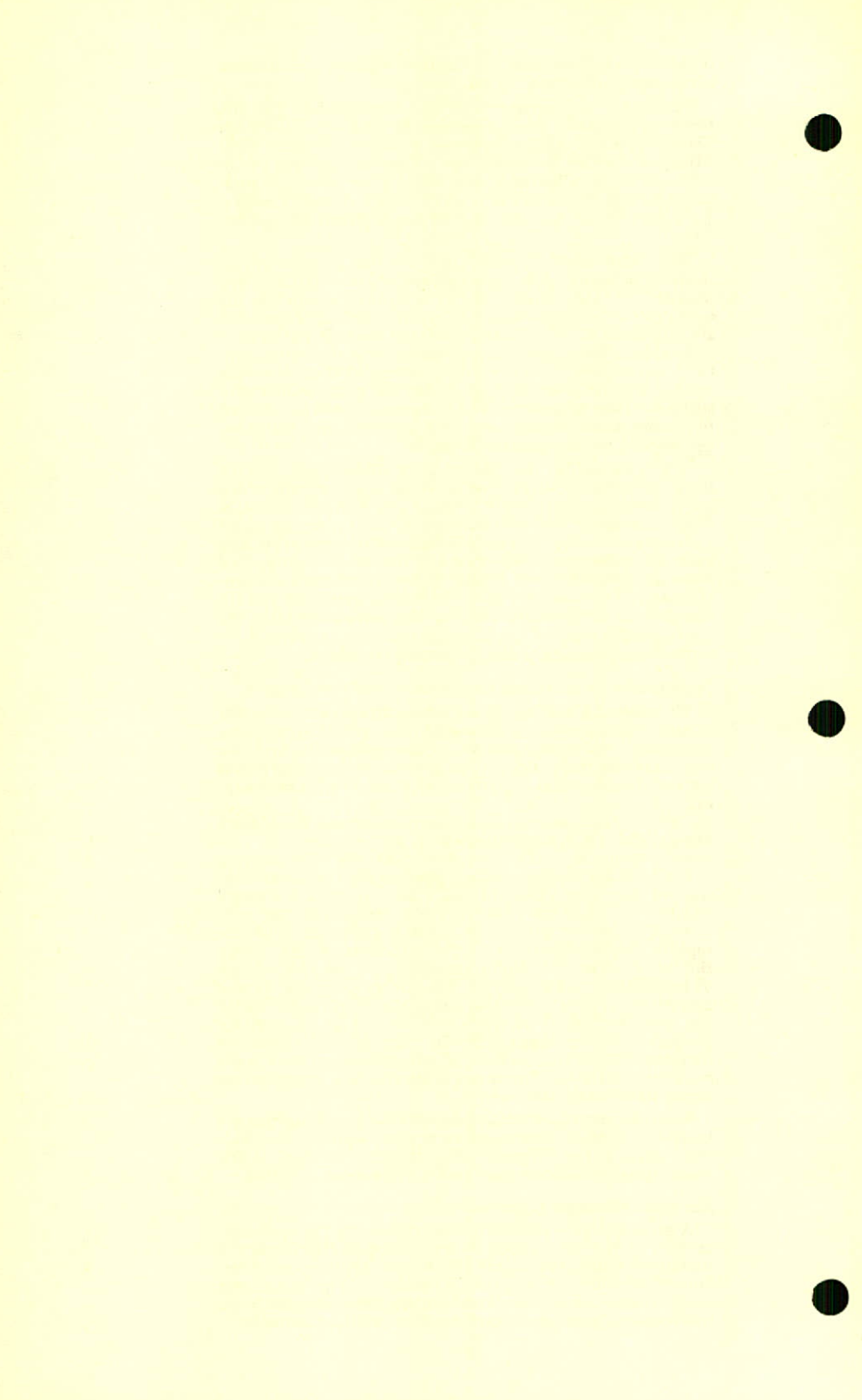
We referred a year ago in our report to the establishment of the Organization for Economic Co-operation and Development and stated that we were in sympathy with the objects of this body: namely, to provide a continuing forum for the consideration of patterns of trade which are emerging.

Today 20 nations are full members—Canada, the United States and 18 European nations are members of this organization. On 16-17 November 1961, the first meeting of the Ministerial Council took place under the Chairmanship of the Hon. Donald M. Fleming, then Canada's Minister of Finance. The meeting considered the substantial economic growth in member-countries and the rapidly changing pattern of the world's economy during the last decade. The Ministers agreed on the desirability of establishing a firm target for further progress. It was agreed to set as a collective target the attainment during the period 1960-70 of a growth in real gross national product of 50 per cent for the 20 member-countries taken together. Other than setting a growth target there have been few major developments since the new organization began its official existence.

Your Board recognizes that OECD is a consultative body and if these consultations are carried out on a wide front among the foremost industrialized nations of the world the organization may prove to be most effective.

#### *European Economic Community*

A good deal of publicity has been given to the economic growth of the six nations which comprise the European Economic Community and also to the application of the United Kingdom to join the Community. This is a highly controversial issue, one which raises the question as to the future of trade between Commonwealth countries.





Canada is vitally concerned with this development. Three years ago in referring to the six nations which comprise the European Economic Community we pointed out that "It is among these nations that Canada finds the largest markets for her agricultural products." Canada has obtained assurances with respect to its rights of access to the EEC covering nearly \$250 million of Canadian trade. This agreement is the result of the negotiations at the Geneva Tariff Conference which concluded on 16th July 1962. The negotiations on wheat, the largest single export from Canada to the EEC, resulted in two interim agreements covering so-called "quality" wheat and ordinary wheat. The assurances given cover Canada's access to EEC, pending the working out of a common agricultural policy of the European Economic Community.

### **International Wheat Agreement**

The International Wheat Agreement was revised and extended following a conference in Geneva held early in 1962. The executive directors of our organization attended the meeting as members of the Advisory Committee to the Canadian Wheat Board. Your Board is happy to report that the terms and price range of the new Agreement have been accepted by the majority of wheat producers in Western Canada as being very satisfactory.

Ten exporting countries ratified the Agreement. The signatories included the nine exporting nations who had participated in previous Wheat Agreements and the Union of Soviet Socialist Republics (USSR). In commenting on the Soviet Union's participation Broomhall said in March:

"Provided that the Soviet Union joins the IWA export coverage will be almost complete. We understand that, in anticipation of a possible wider participation of exporters in the Agreement, importers have undertaken to increase their percentage purchases."

The commercial purchases recorded with the International Wheat Council for the crop year 1961-62 reached a total of 577,822,000 bushels and were made by 38 nations and territories. Canada's sales amounted to 220,935,000 bushels, representing 38.24% of the total. United States sales accounted for 26.71%, Australia 18.22%, Argentina 10.35%. France, Italy and Sweden exported small amounts, while Mexico and Spain reported no sales.

### **Credit Sales of Grain**

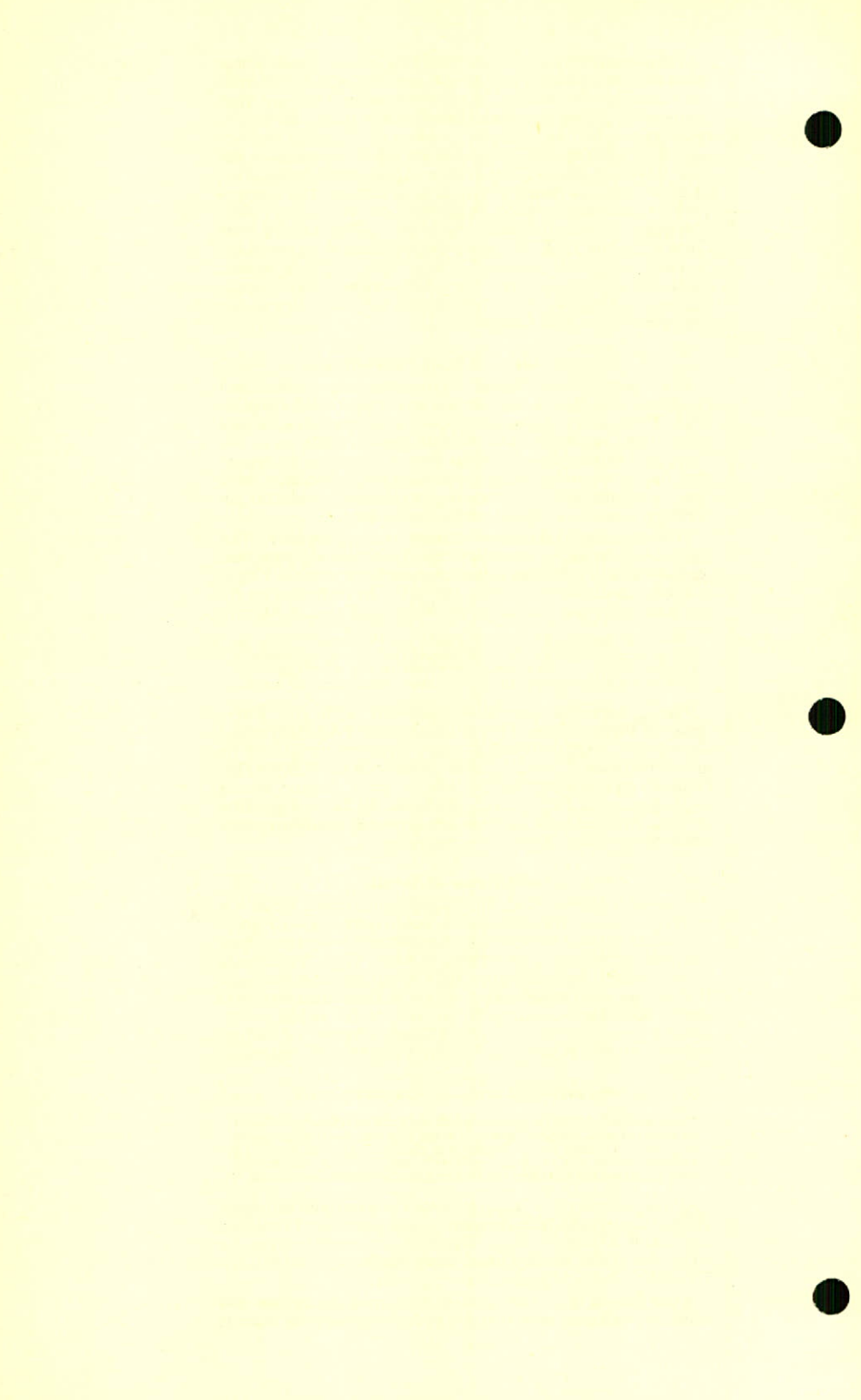
The sale of grain made by Canada on a credit basis is a matter of great interest and concern not only to grain producers but to people in government and business circles. The sale agreement entered into in May, 1961, by Canada and China was reported upon fully in our report a year ago. It gives us great satisfaction to know that sales and payments have been made without default by either party. During the crop year 1961-62, Canada shipped 72 million bushels of wheat and 19.3 million bushels of barley to China.

In comment on credit sales our President said:

"It is increasingly evident that credit sales are an important aspect of international trade in wheat. Credit is a competitive necessity in today's trading world. Without it Canada's exports would be reduced to 250 million or 275 million bushels per year, an undesirable situation for not only the farmer but the country as a whole."

In the current crop year a contract was entered into with Poland under which that country will purchase 11 million bushels of wheat or more. The contract provides also for an option under which Poland may purchase an additional 7.3 million bushels during the crop year.

Your Board is of the opinion that grain producers will endorse programs under which every prospect for sales is



being developed by the Canadian Wheat Board and the Federal Department of Agriculture.

### **World Food Program**

For a number of years your Board has shared the anxiety which has been generally expressed with regard to the supplies of wheat on the North American continent being in excess of demand that carrying this surplus has created major problems of storage and financing. Your Board echoes the response voiced by many Canadians who have given support to remedies which have been sought through numerous plans for surplus disposal. Embodied in these plans have been devices for making surplus wheat available to under-nourished people. We believe that the generous support given these programs is the recognition that these plans combine business and humaneness.

During the period under review concrete steps have been taken to bring a world food program into operation. We are happy to report on this development. Without question Canadian farmers, through their various organizations, have urged that a plan be devised under which food in abundance could be made available to the millions of under-nourished people throughout the world. These producers will respond warmly to the statement made by the Canadian Minister of Agriculture, Hon. Alvin Hamilton, at the FAO Conference in Rome ten months ago when he spoke of the good fortune of some countries being able to produce in abundance when other countries were in sore need of food. He said:

"The Canadian Government and the Canadian people endorse without reservation the proposition that international action be taken on a multilateral basis to provide food, which is in actual or potential abundance in some parts of the world, to needy and hungry people in other lands."

The Food and Agriculture Conference on 24th November 1961, adopted a resolution which had been proposed by Canada and the United States. The basic concept of a world food program as set out in the resolution is recorded in the following salient paragraphs:

- (1) An initial experimental program for three years of approximately \$100 million with contributions on a voluntary basis be undertaken jointly by the FAO and the UN, in co-operation with other UN agencies, and appropriate intergovernmental bodies;
- (2) Contributions to the program, to be known as the World Food Program, may be pledged by countries in the form of appropriate commodities, acceptable services, and cash, aiming in the aggregate at a cash component of at least one-third of the total contributions, and countries should give due regard to the importance of achieving this over-all objective, when determining the cash element in their contribution;
- (3) An Intergovernmental Committee of 20 nations which are members of FAO or the UN be established to provide guidance on policy.

Following the adoption of this resolution by the Food and Agriculture Organization of the United Nations, the General Assembly of the United Nations on 14th December 1961, voted 72 to nil in accepting the World Food Program.

At a pledging conference held on 5th September 1962, at the United Nations in New York, Canada pledged \$5 million, one-third to be in cash, the balance in commodities, and the United States pledged \$50 million—\$40 million to be in farm products and \$10 million in cash in support of this three-year program. Grants from other countries brought the total pledge to nearly \$100 million.

### **World Supplies and Exports**

Your Board of Directors for a number of years have included in their annual report pertinent statistical information relating to world trade and to the production





and disposal of Canadian-grown cereals. The information which we incorporate in this report has been extracted from releases issued by the Board of Grain Commissioners, the Dominion Bureau of Statistics and other recognized authorities.

#### *Supplies*

At the end of the crop year under review the wheat surplus remaining in the four major exporting countries showed a decline of 19% below the volume available a year ago. The changed emphasis from over-supply to greater production was emphasized in Canada when the Federal Minister of Agriculture urged farmers to increase their wheat production. However, in the United States the wheat allotment plan was renewed for one year following a favorable vote recorded by producers.

It is estimated that supplies of wheat in the four major wheat exporting countries at 1st August 1962, stood at 2,184.5 million bushels. The estimate a year earlier was given at 2,705.4 million bushels.

The Dominion Bureau of Statistics estimates the carry-over of wheat in Canada at 31st July 1962, to be 395.7 million bushels, compared with 607.8 million bushels a year earlier.

The carryover at 1st August 1962, in the United States stood at 1,726.4 million bushels, which is 230 million bushels below the level of the previous year. The 1962 United States crop, estimated at 1,063 million bushels, is included in the figures showing available supplies.

It is estimated that the Australian wheat supply at 31st July 1962, stood at 48.7 million bushels, compared with 98.2 million a year earlier. The carryover of wheat in Argentina at 31st July 1962, was estimated to be 13.7 million bushels, compared with 42.9 million bushels at the same date in the previous year.

#### *Exports*

Exports of wheat in the 1961-62 crop year reached record proportions for the second consecutive year. The DBS reports that "This situation is largely due to reduced crops in Western Europe and North Africa as well as the continued high level of import requirements in Asia."

Shipments from the four major exporters exceeded the volume of 1960-61 by 95 million bushels. The amount of wheat and flour exported reached 1,386.3 million bushels, 7% greater than the volume exported in 1960-61, and 59% higher than the ten-year average, which stands at 872.6 million bushels.

During their crop year ended 30th June 1962, exports of wheat and flour from the United States reached a new record of 712.8 million bushels, a figure which includes all shipments made under relief programs.

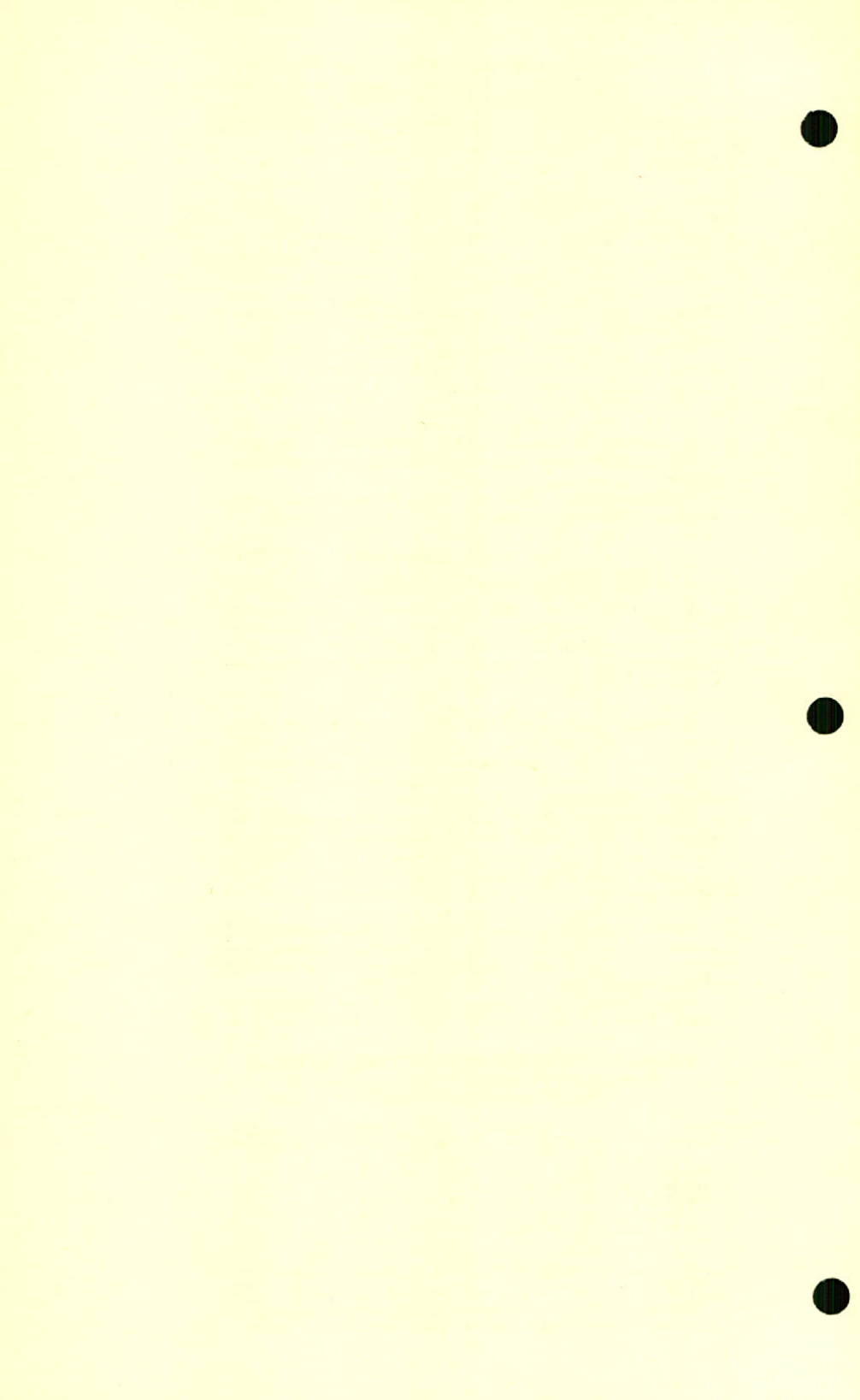
Canadian exports of wheat and flour were 1% above those of the previous year and the third largest total on record.

#### **Exports of Wheat and Flour in Terms of Wheat From Four Principal Exporting Nations** (Dominion Bureau of Statistics)

Crop Year	Total	Argentina —in million bushels—	Australia	United States	Canada	Canada's % of Total
1952-53.....	854.0	38.9	107.0	322.6	385.5	45%
1953-54.....	640.2	110.3	63.4	211.4	255.1	40%
1954-55.....	761.1	134.5	94.3	280.4	251.9	33%
1955-56.....	887.8	108.6	107.5	359.4	312.3	35%
1956-57.....	1,024.7	100.6	120.2	539.5	264.4	26%
1957-58.....	856.2	77.6	61.9	396.4	320.3	37%
1958-59.....	939.0	106.2	82.7	455.6	294.5	31%
1959-60.....	984.7	76.5	117.8	513.1	277.3	28%
1960-61.....	1,291.6	62.9	198.0	677.5	353.2	27%
1961-62.....	1,386.3	95.8	219.8	712.8	*357.9	26%

\*The figure given above for Canadian exports includes bagged seed wheat not shown in the Board of Grain Commissioners' report.





## Canadian Grain Production

The latest estimate of the Dominion Bureau of Statistics covering the production of grain in the crop year 1961-62 recognizes the data secured by the 1961 census. The figures now produced vary substantially from the preliminary estimate issued a year ago.

### Grain Production 1961

(Dominion Bureau of Statistics Latest Estimate)

	Canada		Prairie Provinces	
	Acres	Bushels	Acres	Bushels
	—in millions—			
Wheat.....	25.3	283.4	24.6	260.0
Oats.....	8.5	284.0	5.1	129.0
Barley.....	5.5	112.6	5.4	106.0
Rye.....	.56	6.5	.49	4.8
Flaxseed.....	2.1	14.3	2.05	13.9
Total.....	<u>41.96</u>	<u>700.8</u>	<u>37.64</u>	<u>513.7</u>

In submitting the preliminary estimate of production in the 1962-63 crop year, the wheat crop is forecast at 551 million bushels, some 97% above last year's crop of 283 million. This forecast is based on conditions as they existed on 15th September.

### Grain Production 1962

(Dominion Bureau of Statistics Preliminary Estimate)

	Canada		Prairie Provinces	
	Acres	Bushels	Acres	Bushels
	—in millions—			
Wheat.....	26.9	551.4	26.3	532.0
Oats.....	10.5	484.4	7.1	312.0
Barley.....	5.3	163.8	5.1	156.0
Rye.....	.66	12.6	.59	11.0
Flaxseed.....	1.4	15.3	1.39	14.9
Total.....	<u>44.76</u>	<u>1,227.5</u>	<u>40.48</u>	<u>1,025.9</u>

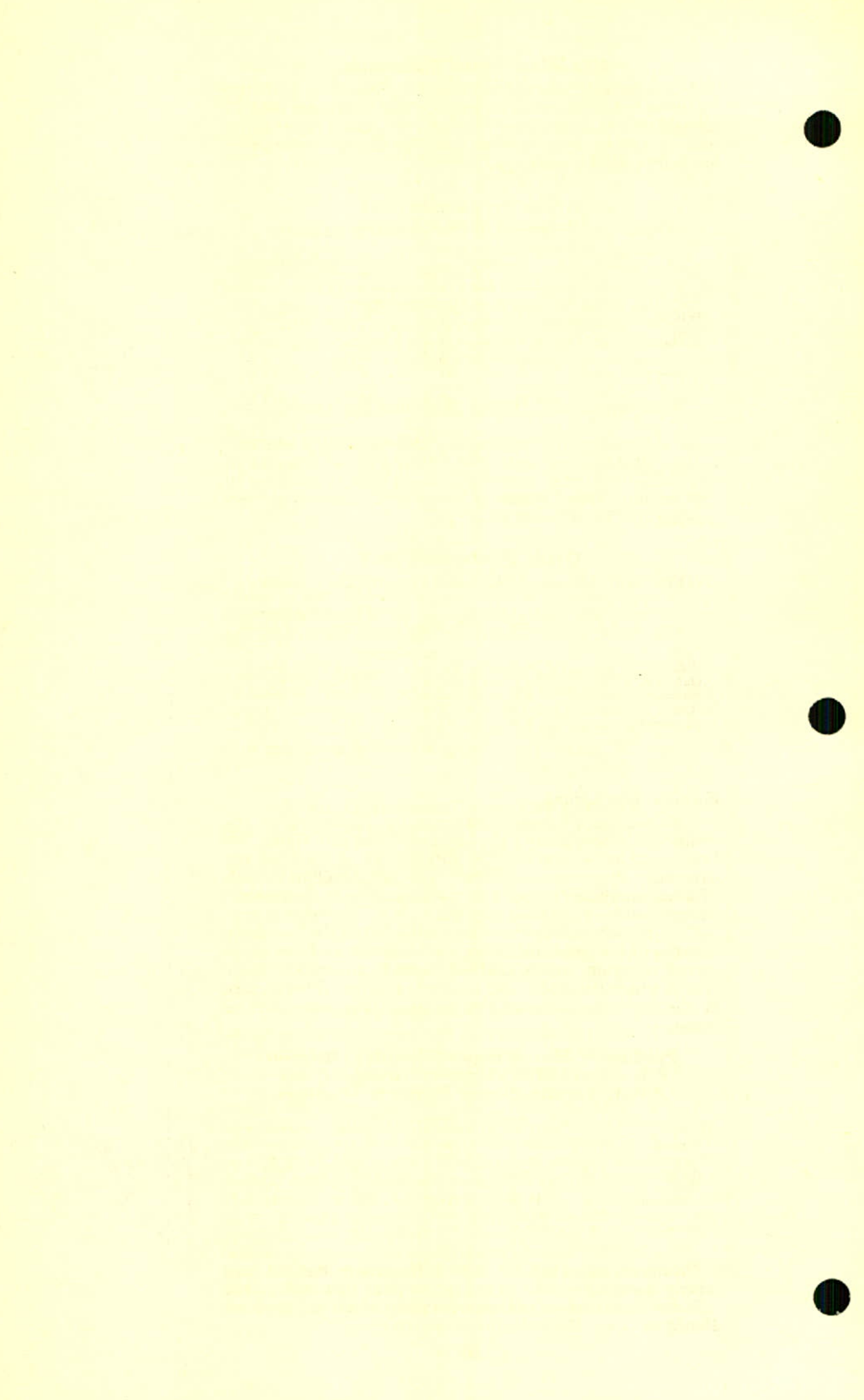
### Farmers' Marketings

The volume of grain marketed by producers in the prairie provinces during the last crop year was higher, we believe, than was generally anticipated in view of the extremely short crop harvested. The 305.5 million bushels of wheat marketed through licensed facilities exceeded total production by 45 million bushels. It is worthy of note that 37% of the wheat marketed was delivered in the last three months of the year, reflecting open quotas and free shipments of grain which enabled farmers to market large stocks which had been held in store on farms. This picture is illustrated in the statistics showing farm carryover of grain.

### Producers' Marketings at Country, Interior Private and Mill Elevators, Interior Semi- Public Terminals and Platform Loadings

	1961-62	—in million bushels—		1958-59
		1960-61	1959-60	
Wheat.....	305.5	396.2	378.5	367.7
Oats.....	28.5	37.6	24.3	39.3
Barley.....	59.4	87.9	95.6	122.8
Rye.....	3.5	5.8	4.3	4.7
Flaxseed.....	12.0	18.1	14.0	17.5
Total.....	<u>408.9</u>	<u>545.6</u>	<u>516.7</u>	<u>552.0</u>

Producers exported 3.2 million bushels of bagged seed wheat during the year. This figure is in addition to the volume indicated in the above table, which is based on Board of Grain Commissioners' statistics.



The Canadian Wheat Board, which regulates the delivery of grain to feed mills, reports that over 10 million bushels of wheat, oats and barley were marketed through this outlet. It is pointed out that this figure is only tentative. The Canadian Wheat Board on 27th July 1962, extended their regulation authorizing deliveries to feed mills until 31st July 1963.

### Canadian Grain Exports

The Board of Grain Commissioners, in the preliminary review covering the 1961-62 crop season estimated that the total grain exports of the five principal grains reached a total of 410.3 million bushels, only slightly larger than the volume exported in the previous year. This close relationship in figures showing the volume of grain exported relates to each of the principal grains.

### Total Grain and Milled Products Exported

	1961-62	1960-61 —in million bushels—	30-year Average 1931-32 to 1960-61
Wheat (and flour)...	354.6	346.9	254.7
Oats.....	2.7	1.9	24.9
Barley.....	36.6	41.5	34.3
Rye.....	4.4	2.6	5.7
Flaxseed.....	12.0	13.6	4.7
Total.....	<u>410.3</u>	<u>406.5</u>	<u>324.3</u>

The overseas clearances of 321.3 million bushels of wheat in bulk were the second highest on record, exceeded only in 1928, when 344.4 million bushels were exported in this form.

The impact made on the export market by China's purchases is dramatically illustrated in the following table, in that China's purchase of 91.3 million bushels of wheat and barley places her in second position among the buyers of Canadian grain. The United Kingdom holds the lead with 99.7 million bushels.

### Leading Buyers of Canadian Grain

Sales of Wheat and Wheat Flour, Oats, Barley, Rye and Flaxseed

	1961-62	1960-61 —in million bushels—	1959-60	1958-59
United Kingdom.....	99.7	108.5	130.3	152.6
China.....	91.3	55.1	—	—
Japan.....	52.3	58.8	49.6	50.3
Germany.....	47.8	33.5	32.1	37.9
Belgium and Netherlands...	18.1	19.6	24.1	22.3
United States.....	13.7	18.3	22.3	18.7

### Carryover of Canadian Grain

The revised figures showing the carryover stocks of the five major grains in all North American positions have been revised by the Dominion Bureau of Statistics. The intercensal revision shows the stocks of the five grains as at 31st July 1961, at 850.5 million bushels, while the figure used a year ago was 738.7 million, a revision upward of 111 million bushels. Stocks of wheat held on farms in the three prairie provinces were shown a year ago at 87 million bushels, while the revised figure shows 168 million bushels in this position. The total carryover stocks of the five principal grains at 31st July 1962, were estimated to be 36% below last year's revised total. Wheat was estimated at 395.7 million bushels, compared with last year's revised estimate of 607.8 million. The DBS points out that the previous record stocks were held on 31st July 1957, when 733.5 million bushels of Canadian grain were held in North America.





### Canadian Carryover as at 31st July

	1962	1961 —in million bushels—	1960	Average 1953-62
Wheat.....	395.7	607.8	537.6	569.1
Oats.....	79.0	115.1	92.8	125.1
Barley.....	58.3	112.6	121.5	115.1
Rye.....	3.8	7.4	6.8	12.6
Flaxseed.....	5.4	7.6	4.9	5.1
Total—5 grains.....	542.2	850.5	763.5	825.0
On Farms.....	144.7	328.2	221.3	308.0
Commercial.....	397.5	522.3	542.2	517.0

Of great interest to our members will be the estimate showing stocks of grain held on farms and the comparison with the statistic used in previous years.

### Farm Carryover in Canada

	1962	1961 —in million bushels—	1960
Wheat.....	59.2	170.4	81.7
Oats.....	56.9	93.7	72.0
Barley.....	26.3	60.1	63.0
Rye.....	1.2	2.6	3.8
Flaxseed.....	1.3	1.4	.8
Total.....	144.9	328.2	221.3

### Farm Carryover in the Prairie Provinces

A year ago the DBS estimated that 198.8 million bushels of the five principal grains were held on farms in Western Canada. This figure has been revised upwards to 304.8 million bushels and compares with the greatly reduced volume of 118.4 million, the estimate for the year ending 31st July 1962. The volume of farm stocks of grain has decreased by 61% from the year-end 1961.

	Sask- Manitoba	atchewan	Alberta	Total
	—in million bushels—			
Wheat.....	2.0	39.0	15.0	56.0
Oats.....	5.0	12.0	19.0	36.0
Barley.....	2.0	8.0	14.0	24.0
Rye.....	.05	.5	.6	1.15
Flaxseed.....	.2	.8	.3	1.3
Total.....	9.25	60.3	48.9	118.45

### Farm Income

The income position of farmers is frequently illustrated by citing figures covering cash income. Unfortunately this figure gives a wrong impression of the financial situation in the agricultural industry and fails to illustrate the farmer's true position. We believe the farmer's position is more accurately depicted by the use of figures indicating the total farm net income. Net income takes into account changes in farm inventories of grains and livestock, and for 1961 is estimated at \$1,033.6 million, nearly 22 per cent below the estimate of \$1,319.6 million for 1960. While increased farm operating expenses and depreciation charges contributed to this decline most of the reduction can be attributed to the drastic reduction in the production of prairie grain crops in 1961, and the consequent drop in year-end inventories of grain on farms. Decreases in total farm net income were recorded for each of the Maritime Provinces and for Manitoba and Saskatchewan; little change was noted in the figure of farm net income for Alberta, Ontario and Quebec.

The Dominion Bureau of Statistics estimates the total farm cash income in the year 1961 at \$2,958 million, compared with the revised figure of \$2,781 million in 1960. This estimate is 6.4 per cent higher than that given for the previous year and 3.5 per cent above the previous record high of \$2,859.1 million established in 1952. In addition to the cash income cited above farmers in Western Canada re-



ceived supplementary payments totalling \$35.8 million, as against \$77.2 million a year earlier. The DBS reports that these payments consisted almost entirely of disbursements under the Prairie Farm Assistance Act.

### **Preliminary Estimate of Farm Cash Income from the Sale of Cereal Grains and Flaxseed in the Three Prairie Provinces**

—Dominion Bureau of Statistics—

	1961	1960	1959
	—in thousand dollars—		
Wheat.....	\$466,333	426,372	424,181
Wheat, CWB Payments.....	122,330	70,640	72,662
Oats.....	15,623	16,424	15,261
Oats, CWB Payments.....	8,928	3,153	2,072
Barley.....	61,170	68,308	85,468
Barley, CWB Payments.....	2,022	5,335	6,121
Rye.....	4,721	4,139	4,955
Flaxseed.....	48,634	42,205	49,273
Total.....	\$729,781	636,576	659,993

Net farm income in 1961 for Canada's farmers is calculated by the Dominion Bureau of Statistics to be \$1,033.6 million, a decline of \$300 million.

### **Total Net Farm Income**

	3 Prairie Provinces	6 Other Provinces	Canada
		—in million dollars—	
1951....	\$1,126.4	\$810.5	\$1,936.9
1952....	1,118.9	800.5	1,919.4
1953....	918.8	725.5	1,644.3
1954....	410.9	614.3	1,025.2
1955....	634.8	655.1	1,289.9
1956....	843.6	614.4	1,458.1
1957....	443.7	614.5	1,058.2
1958....	645.3	692.2	1,337.5
1959....	591.4	607.9	1,199.3
1960....	686.3	633.3	1,319.6
1961....	409.3	624.3	1,033.6

The total farm operating expenses and depreciation charges continue their steady rise. The Dominion Bureau of Statistics estimates that the increase for these items in 1961 was approximately five per cent over these costs in the previous year. The estimates of the DBS for the five previous years are reported for the purpose of illustrating these steadily rising costs.

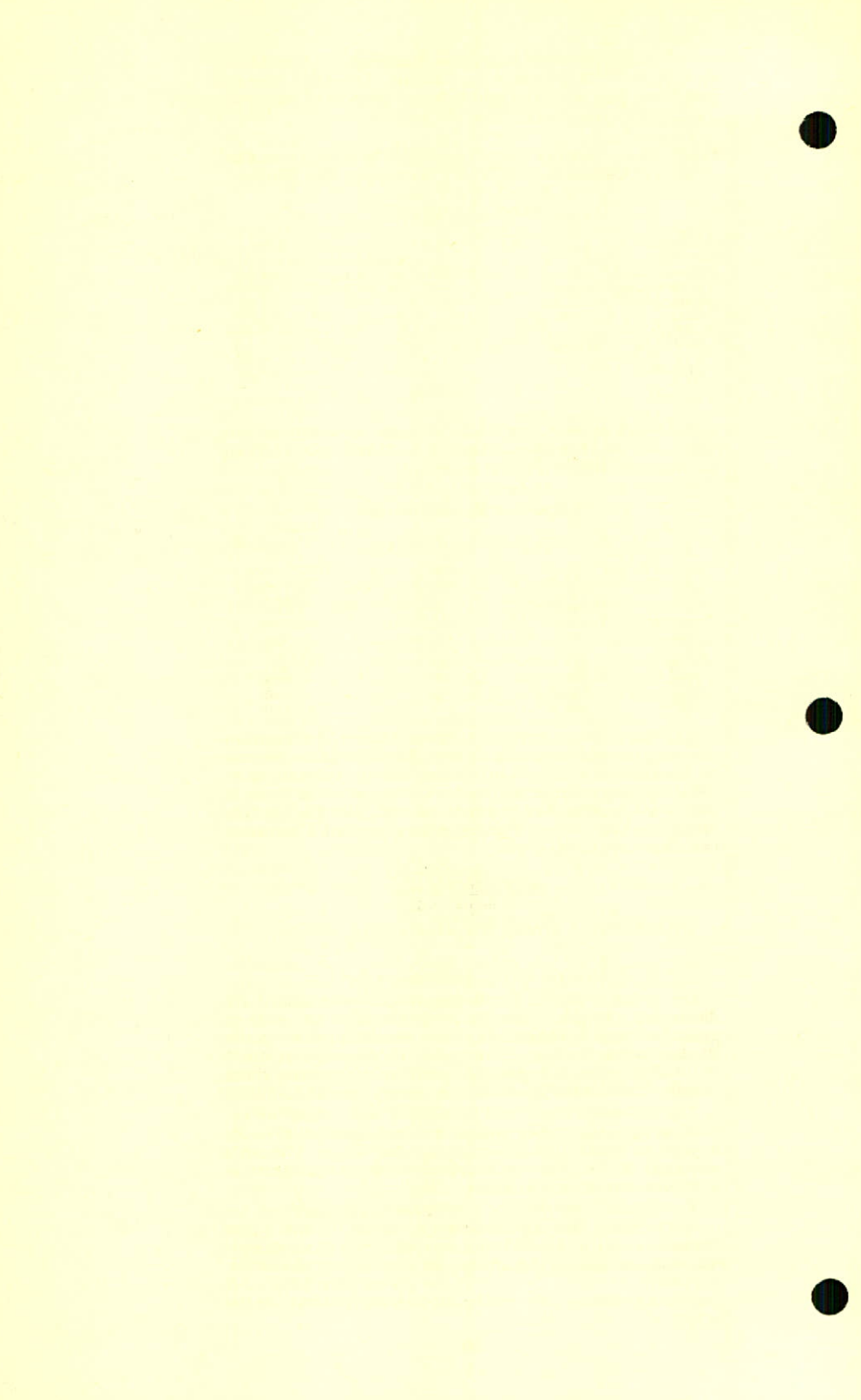
\$2,006.8 million in 1961  
 \$1,907.7 million in 1960  
 \$1,884.5 million in 1959  
 \$1,793.1 million in 1958  
 \$1,706.4 million in 1957

### **Prairie Farm Assistance Act**

The value of Prairie Farm Assistance was dramatically illustrated last year when nearly \$54 million was paid to grain producers in the prairie provinces who qualified under the legislation because of low yields. Payments were made to 146,282 producers and amounted to over seven times the sum collected by levy. Total levies reached \$6.8 million.

The payments made in 1961-62 were the largest on record, exceeding by \$20 million the sum paid in 1954-55, a year in which 154,791 awards were made. The levy collected in 1952-53 was the largest sum contributed in any year, amounting to \$10.9 million.

Your Board, together with other farm organizations, are recommending that the provisions of the Prairie Farm Assistance Act be applied to grains marketed through outlets not licensed by the Board of Grain Commissioners. The acres on which these crops are grown may qualify for payment in cases of low yields but do not contribute to the levy.





### 1961-62 Crop Year

	1% Levy	Awards	Payments
Manitoba.....	\$ 795,916.15	26,831	\$ 7,413,753.00
Saskatchewan.....	4,055,847.98	89,619	36,962,645.35
Alberta and Peace River Block.....	1,987,734.44	29,832	9,612,307.50
Total.....	\$ 6,839,498.57	146,282	\$ 53,988,705.85

### 1939-40 to 1961-62

Manitoba.....	\$ 19,728,511.37	138,512	\$ 25,135,753.27
Saskatchewan.....	76,610,644.76	791,647	209,734,592.53
Alberta and Peace River Block.....	37,733,405.68	361,217	78,529,349.55
British Columbia.....	—	7,399	1,429,978.25
Unallocated.....	20,145.26	—	—
Total.....	\$134,092,707.07	1,298,775	\$314,829,673.60

### Conclusion

During the past year the problems of agriculture have moved prominently into the picture of world affairs. Canadian agriculture has been forced into the forefront of economic affairs by the short crop on the prairies and the increased export sales of wheat; a condition which switched the emphasis from food surpluses to increased production.

The short crop and the resultant lower net income for our members was met with fortitude; the prairie farmer depending largely on his own resourcefulness. The smaller volume of grain delivered by producers brought the farmer-members of the three Wheat Pools to a realization that the maintenance of the efficiency of their co-operative business enterprises would be possible only if adequate revenue was available and that they may be required to contribute additional revenue at the time of delivery.

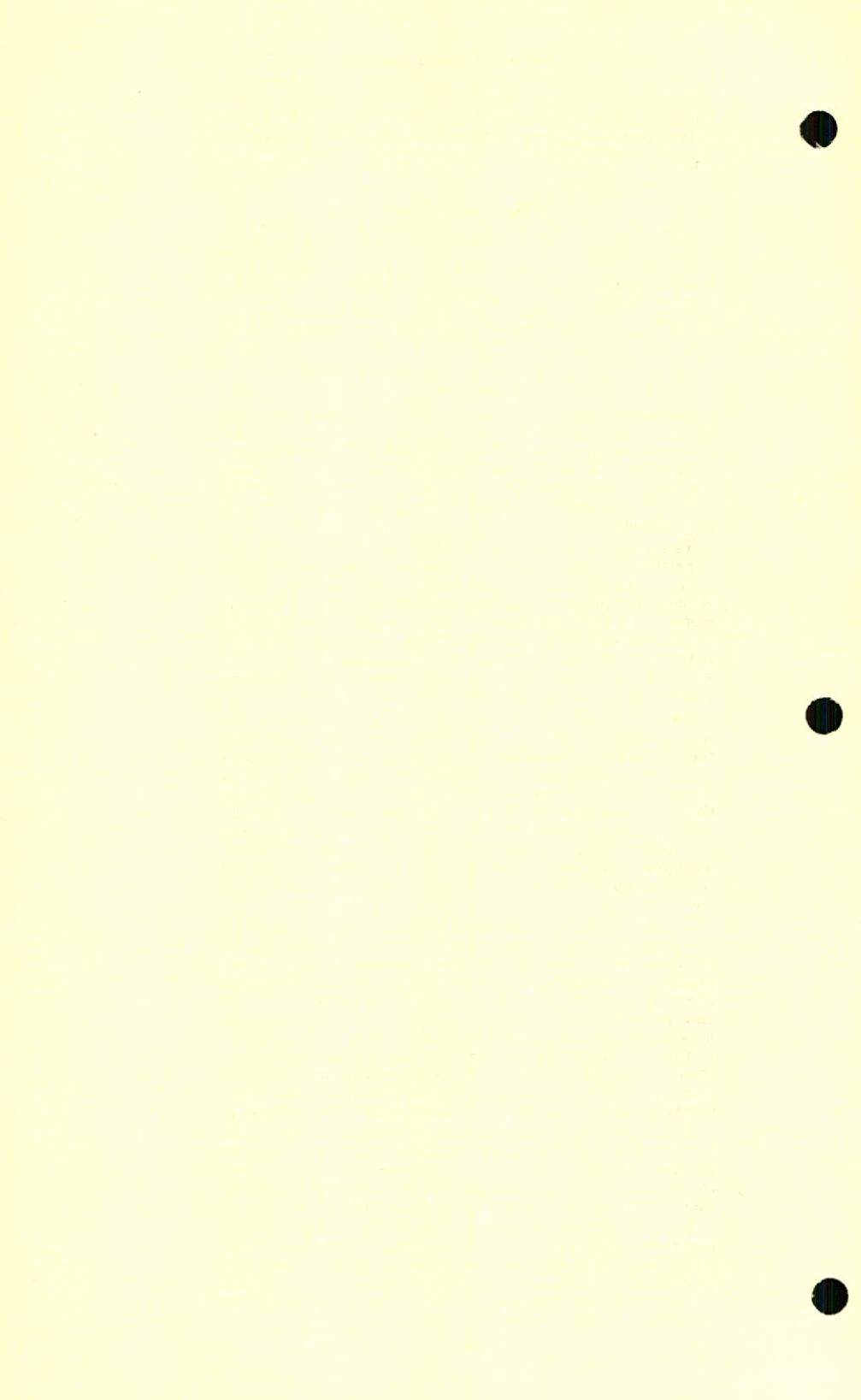
The discontinuance of freight service by the two railway companies on certain of their lines will necessitate the relocation of numerous country elevators, causing grave inconvenience to many producers. In spite of this, your Board believes that in the interest of economy and efficiency there is justification for the abandonment of certain branch railway lines, provided those people of the areas are alerted and are given ample opportunity to make adjustment to their road systems, to their institutional services and to the re-establishment of businesses serving the area.

Of particular and wide-spread concern is the search by the members of the European Economic Community for an agreement on acceptable terms governing agricultural products imported into that area. Reaching such an agreement is basic to the fulfillment of the purposes of the European Common Market and will influence in large measure the determination of the United Kingdom to join in this "New Europe". Indirectly, the economic relationship of Canada with the UK and other Commonwealth countries will be affected by the ability of the European Common Market countries to reach such an agreement.

This dramatic development is of prime concern to the Canadian Wheat Pools, serving as they do more than 50 per cent of the grain producers of Western Canada, who traditionally find a market for a large amount of the wheat they export in the member-countries of the ECM.

Your Board has endeavored to assess the effect that these changes in world economic affairs may have upon the grain producers of Canada's prairies. Using what information is available, we are of the opinion that Canada's wheat producers will not be adversely affected by the agreement finally reached.

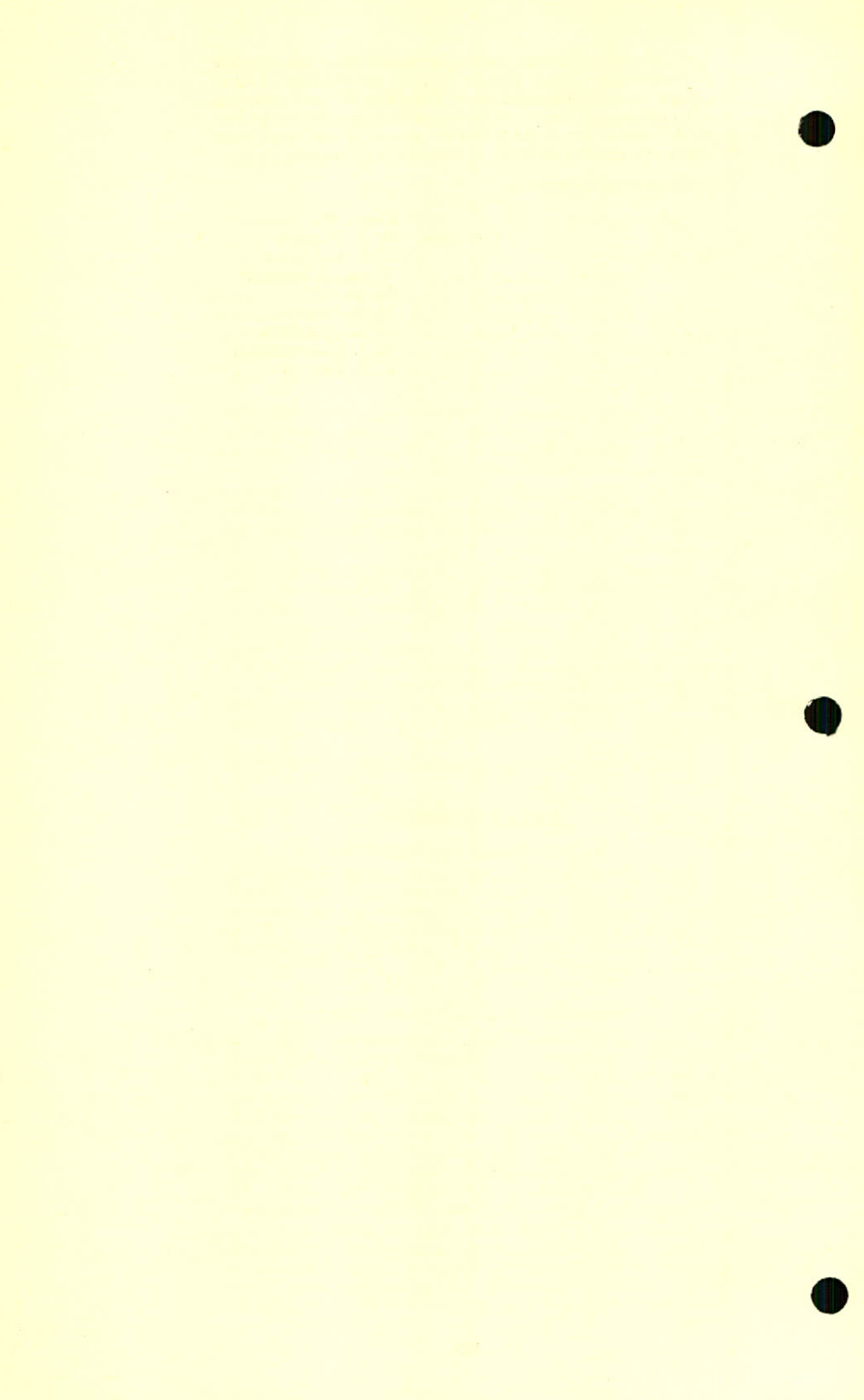




We continue the task which this organization has pursued for thirty-eight years, that of keeping the position of agriculture before other sections of Canadian life and pointing out persistently the contribution which agriculture makes to the nation by its performance as one of the important wealth-producing sections of our nation's business.

Respectfully submitted,

<i>Executive</i>	{	CHAS. W. GIBBINGS
		W. J. PARKER
		G. L. HARROLD
		THOS. G. BOBIER
		N. MALM
		H. B. SNEATH
		G. G. JAMIESON
A. J. MACPHERSON		
L. A. BOILEAU		



CANADIAN POOL AGENCIES LIMITED  
DIRECTORS' REPORT  
1961-62

5th October 1962

To the Shareholders,  
Canadian Pool Agencies Limited,  
Wheat Pool Building, Winnipeg, Manitoba.

Gentlemen:

The earnings of your Company vary greatly from year to year due to some insurance only coming up every three years. In addition we are particularly dependent upon the price and volume of grain stored at the Terminals. 1961-62 has been one of our better years, and we present herewith for your approval the Annual Report and Financial Statements for the year ended July 31, 1962.

The surplus produced was \$110,050.24 out of which the sum of \$414.86 was provided for income tax, leaving \$109,635.38 available for payment of patronage dividends. This compares with \$89,854.10 last year.

Our income is provided from commission on business placed with the various insurance companies and in addition we receive contingent commission, based on the profit the companies make on our business.

We can handle all types of business except life. The greatest income is derived from fire and explosion insurance, followed by fidelity bonds and automobile insurance. Fourteen types of insurance were handled this year.

The patrons' equities, in accordance with the usual practice, will be paid out within the next fiscal year as a patronage dividend to the member-patrons based on the amount of business contributed. Each member-patron will receive the dividends as shown on the Surplus Account, Exhibit B.

The following notes to financial statements may be of interest:

### **BALANCE SHEET**

#### **Agency Assets and Liabilities**

You will observe that the assets included under this heading represent premiums collected, or to be collected, and are offset by the amounts payable to the insurance companies for premiums on business written, and by an amount payable by the Agency Trust Funds to the General Funds of the Company.

#### **Shareholders' and Patrons' Assets**

*Accounts Receivable:* The amount shown as "Due from Agency Funds" consists of the sum previously referred to as payable to General Funds out of Agency Trust Funds.

*Pool Insurance Company Account:* This Agency and Pool Insurance Company are operated by the same management and staff, and the salaries of the office employees are split between both organizations, as are other items of expense that are not definitely applicable to either organization. The amount of \$21,252.09 is the balance due Canadian Pool Agencies Limited on the inter-office account.

*Saskatchewan Wheat Pool—loan:* In order to obtain a more favorable interest earning on temporary surplus funds, these have been deposited as available with Saskatchewan Wheat Pool on a demand loan basis. The total shown consists of principal and accrued interest as at July 31, 1962.

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### Shareholders' Liabilities and Reserves

**Accounts Payable:** This amount represents miscellaneous accounts included in this year's expenses, but which had not actually been paid prior to the year end.

**General Reserve:** This sum was built up over a period of years to provide for the possibility of unusual cancellations, and any other contingencies that may arise. The reserve has remained the same for some years as it is deemed sufficient to take care of our requirements. The amount is allocated to the various shareholders according to their contribution to the reserve.

**Capital Stock:** The ownership of the Capital Stock of the Company is held as follows:

	No. of Shares	
Alberta Wheat Pool.....	663	\$ 6,630.00
Manitoba Pool Elevators.....	663	6,630.00
Saskatchewan Wheat Pool.....	664	6,640.00
Victoria Elevator Limited.....	1	10.00
Directors' qualifying shares.....	9	90.00
	2,000	\$20,000.00

### INCOME AND EXPENDITURE STATEMENT

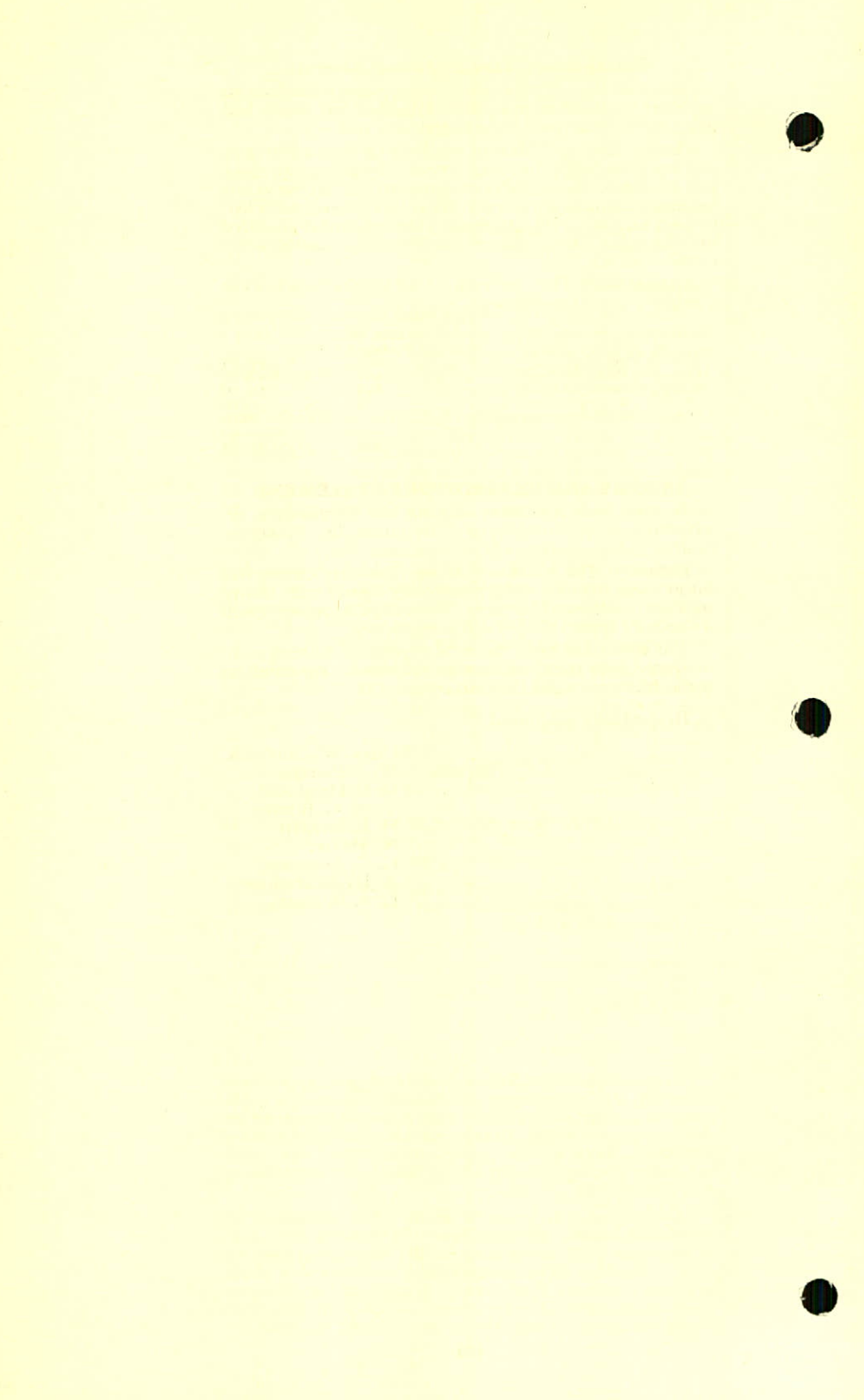
**Income:** This statement sets out the commissions received on the different types of insurance, less brokerage paid.

**Expenses:** The various expense items are clearly set out in the statement and represent net figures after charging Pool Insurance Company 50% of the expenses which are equally applicable to both companies.

The deduction from the total expense of \$300.00 is an allowance from the three Provincial Pools for the handling of the Interprovincial Pool Account.

Respectfully submitted,

Executive	{	CHAS. W. GIBBINGS
		W. J. PARKER
		G. L. HARROLD
		THOS. G. BOBIER
		H. B. SNEATH
		N. MALM
		G. G. JAMIESON
A. J. MACPHERSON		
L. A. BOILEAU		



POOL INSURANCE COMPANY  
DIRECTORS' REPORT  
1961-62

February 27, 1962.

To the Shareholders,  
Pool Insurance Company,  
Winnipeg, Manitoba.

Gentlemen:

The year 1961, the twenty-third of your Company's business activities, was a year of heavy losses. We show a surplus of \$525,276.23 as compared with \$748,385.66 last year. The loss ratio this year was 55.85% as compared with 50.15% the previous year.

\$27,000.00 was transferred to Capital Surplus Account and we set up the usual capital stock dividend as required by the Company's Charter together with an amount for income tax of \$6,554.39. These deductions from the surplus left a balance of \$491,719.99 for allocation to the policyholders on the basis of their contribution to the surplus.

The total premium income amounted to \$1,575,507.10 as compared with \$1,533,307.40 last year. After reinsuring all our risks with the exception of dwellings, the net earned premium income was \$842,810.62 reflecting an increase of \$78,461.69 from the year 1960. As of August 1, 1961 our net retention was increased from 50% to 60%.

The losses and adjustment expenses amounted to \$915,185.85; the Company's share being \$470,700.06. Seven country elevators and their contents were totally destroyed at the following locations:

In Alberta	—Beaver River
In Manitoba	—Waskada 'A', Portage la Prairie 'B' and Seville
In Saskatchewan	—Sturgis, Candiack and Hudson Bay

In addition to these elevator losses there were eleven partial losses in elevators, three partial losses in dwellings and fourteen small wind-storm losses.

The value of the property insured increased approximately thirty million dollars over last year and we list the figures as hereunder:

Country elevators.....	\$102,741,866.00
Grain.....	178,353,000.00
Dwellings.....	8,901,875.00
Miscellaneous.....	4,705,280.00
	<hr/>
	\$294,702,021.00

The total underwriting revenue shown on the statement of income and expenditure is made up of the earned premiums on our percentage of the risks plus commission on the reinsurance, less losses. Interest earned on investments and temporary loans to the parent organizations and other revenue from inspections made on behalf of others amounted to \$47,989.99.

The increase in value of grain, while providing increased premiums, results in heavy losses if the fires occur at locations with heavy stocks. 1961 was a bad year for fires at country elevators generally, probably due to the dry year and more than average activity at the elevators. Alertness as regards fire prevention at heavy shipping times by all the agents is essential to avert losses. We have five

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CITY OF BOSTON

FROM THE FIRST SETTLEMENT  
TO THE PRESENT TIME

BY NATHANIEL BENTLEY

IN TWO VOLUMES.  
THE FIRST VOLUME.

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SETTLEMENT TO THE PRESENT TIME.  
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permanently employed inspectors who inspect the elevators at least twice a year and the co-operation between all concerned helps to keep losses to a minimum. The cost of the inspection service is our largest item of expense.

The management and staff are employed jointly by this Company and Canadian Pool Agencies Limited and the salaries, rent, telephone and other indirect expenses are split between the two Companies.

The following comments relative to the Balance Sheet are submitted for your information:

## **ASSETS**

### **Accounts Receivable**

Under this heading is an amount due from Canadian Pool Agencies Limited in respect to business placed with the Company through the agency less a balance on the inter-office account; also temporary surplus cash taken up by the Saskatchewan Wheat Pool.

### **Investments**

Our investment portfolio consists entirely of Government of Canada Bonds, and a small amount of Province of Manitoba Savings Bonds. There will be fluctuations in values over the years, but we hope to be in the position of being able to hold bonds until maturity when they will be redeemable at par value. Our additional surplus funds are loaned to the parent organizations on a demand basis.

### **Automobiles**

Three new automobiles were purchased during the year and after allowing depreciation on this account of \$2,940.39, the asset covering five automobiles is shown as \$6,860.91. These automobiles are used by the fire inspectors.

## **LIABILITIES**

### **Current Liabilities**

Premiums due the reinsurance companies are shown. The item covering taxes accrued represents premium tax, income tax and fire prevention taxes due to the Federal and Provincial Governments.

### **Reserve for Unearned Income**

These reserves are calculated on the basis of one hundred percent of the unearned premiums on our own retention and one hundred percent of the unearned portion of the reinsurance commissions as at December 31, 1961.

### **Capital Stock**

The ownership of the capital stock of Pool Insurance Company is held by the three provincial pool organizations as follows:

	Shares	Subscribed	Paid Up	Premiums Paid
Alberta Wheat Pool....	750	\$ 75,000.00	\$ 55,500.00	\$ 46,500.00
Manitoba Pool Elevators.....	500	50,000.00	37,000.00	31,000.00
Saskatchewan Wheat Pool.....	1,250	125,000.00	92,500.00	77,500.00
	<u>2,500</u>	<u>\$250,000.00</u>	<u>\$185,000.00</u>	<u>\$155,000.00</u>





Out of the above shares three Directors of each organization hold twenty-five shares each, in trust.

Once again we wish to express the thanks of the Directors for the support and co-operation given to the Company by the parent organizations, managements and staffs.

Respectfully submitted,

THOS. G. BOBIER  
L. A. BOILEAU  
CHAS. W. GIBBINGS  
G. L. HARROLD  
G. G. JAMIESON  
A. J. MACPHERSON  
N. MALM  
W. J. PARKER  
H. B. SNEATH

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