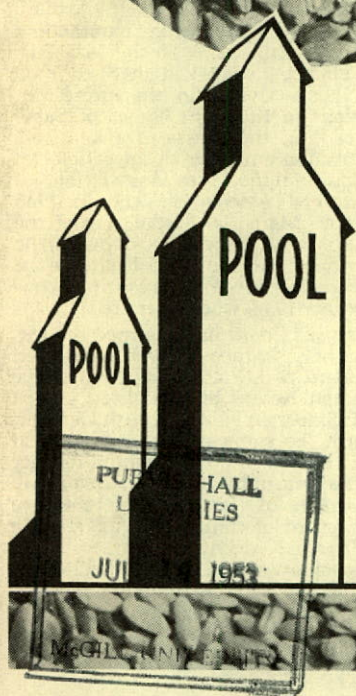


C
stack

SASKATCHEWAN
CO-OPERATIVE PRODUCERS
LIMITED

TWENTY-EIGHTTH

Annual Report



**REGINA
Saskatchewan
1952**

**SASKATCHEWAN CO-OPERATIVE
PRODUCERS LIMITED**

Directors' Report

Regina, Saskatchewan,
4th November 1952.

IN MEMORIAM

Before entering upon a review of the business activities of your organization for the past year, your Board of Directors desires to place on record the great loss sustained by your organization and by the farmers' movement generally, in the death of a number of men who had given freely of their time and effort to building the Wheat Pool organization.

The late Mr. Sam Thrasher of Wiseton, who passed away at Little Rock, Arkansas, on New Year's Day, had served as a Wheat Pool delegate continuously for twenty-one years. Mr. Thrasher was first elected in November of 1930 and retired in November 1951 for reasons of health.

The late Mr. Alfred Spencer, Southfork, was first elected delegate for Sub-district 7 of District 3 in November 1947. He served continuously until the time of his death on 21st May 1952.

The late Mr. D. C. Gray of Ceylon was another pioneer farmer of Saskatchewan who played an important part in the development of the Pool organization. Mr. Gray first settled in the Weyburn district in 1906 and moved to Ceylon some three years later. He participated actively at all times in the community life of Ceylon, acting as Reeve of the Municipality, a member of the Ceylon Council and of the School Board. He was first elected a delegate for District 2 in 1931 and continued in office until 1943.

Another active pioneer who rendered outstanding service to Saskatchewan agriculture, was the late Mr. George S. Canfield of Holbein, who died in Shellbrook hospital on 29th May. His activities in the interest of improving living conditions in the farm homes of Saskatchewan were widespread. In the course of a long and useful life he rendered valuable service as an official of the Saskatchewan Agricultural Societies Association, of the Canadian Seed Growers' Association who in 1945 awarded him the Robertson Memorial Medal, and of the Saskatchewan Field Husbandry Association of which he was at one time President. He was elected delegate of the Saskatchewan Wheat Pool in November 1944 and continued to act until November 1948, when he retired.

In the last few weeks your Board has mourned the loss of another pioneer farmer of Saskatchewan who had served as a member of your Board of Directors for twenty-five years. The late Mr. Marsh Adams of Stoughton passed away in the hospital at Fillmore on Monday, 13th October. Born on an Ontario farm, he came to Saskatchewan in 1902, fifty years ago. He settled in the Stoughton district and resided there until the time of his death. Like so many of the other pioneer farmers of this province, the late Mr. Adams had a long record of community service. He was keenly interested in rural education and served on his local School Board for many years. He also held office in other community organizations in the Stoughton district.

Mr. Adams was first elected as a Pool delegate at the inception of the organization in 1924 and was one of the

small number of original delegates who had maintained an unbroken record of continuous service to the organization. In 1927 he was elected a director of the Wheat Pool organization for District 1 and would have completed twenty-five years of continuous service this month.

All of these men had a splendid record of public service. Each in his own way had made an important contribution, first to the community in which he lived and then in the wider sphere of national agriculture through service with the Pool organization. Their epitaph may well be recorded in the lines:

*"To look up and not down,
To look forward and not back,
To look out and not in, and
To lend a hand."*

* * *

As in previous years, there has been included in this report a survey of the operations of the various companies which have hitherto constituted the Saskatchewan Wheat Pool organization, for the year ended 31st July 1952, and also reports of the Directors of Canadian Co-operative Wheat Producers Limited, Canadian Pool Agencies Limited and Pool Insurance Company.

Consolidated Balance Sheet

A copy of the Consolidated Balance Sheet appears as Statement No. 1 attached to this report. This statement sets out the financial position of Saskatchewan Co-operative Producers Limited, Saskatchewan Pool Elevators Limited, Saskatchewan Pool Terminals Limited, Modern Press Limited and Saskatchewan Co-operative Livestock Producers Limited as at 31st July 1952. The usual explanatory notes on the principal items of the Balance Sheet are also attached hereto for the information of delegates.

As at 31st July 1952, total current assets for the entire Pool organization amounted to \$66,382,107.94. Total current liabilities amounted to \$60,810,905.94. The difference between these two items, namely \$5,571,202.00, represents the current position of the organization at the end of the last fiscal year.

It will be noted that provision has been made in the Consolidated Balance Sheet for an item of capital commitments in respect of buildings and work under construction and machinery under purchase, estimated at \$961,000.00. After making provision for this item, the balance of \$4,610,202.00 remains available for working capital for the season 1952-1953. This compares with \$4,036,513.29 at 31st July 1951 and \$4,286,726.55 at 31st July 1950.

Fixed Assets

Statement No. 1A attached to this report reviews in detail the cost, the depreciation reserve set up against each item and the net value of all Pool fixed assets as at 31st July 1952.

The total original cost of all fixed assets is shown as \$43,838,558.89. Over the years depreciation has been provided to the extent of \$24,804,225.28, leaving the net value of fixed assets of the Company at the end of the last fiscal year at \$19,034,333.61. This compares with a net value of \$17,760,218.20 at the end of the previous year, an increase during the year of \$1,274,115.41.

Consolidated Capital Statement

Statement No. 2 attached hereto sets out in detail the current financial position of the organization at 31st July 1952. After providing for the completion of the program

of buildings and work under construction and machinery under purchase, amounting to \$961,000.00, as already indicated the surplus available for working capital for the season 1952-1953 is \$4,610,202.00, as compared with \$4,036,513.29 at the end of the previous year. The increase of \$573,688.71 is accounted for as follows:

ADDITIONS

Surplus Earnings

Saskatchewan Co-operative Livestock Producers Limited, Transferred to Reserve Account.....	\$ 4,201.28	
Saskatchewan Pool Elevators Limited, Transferred to Reserve Account.....	116,025.32	\$ 120,226.60
Increase in Elevator Deductions.....		647,884.79
Increase in Commercial Reserves.....		349,121.80

Liquidation of Capital

Depreciation on Fixed Assets.....	\$1,981,279.86	
Decrease in Stocks of Repair Parts and Supplies.....	39,849.59	
Deferred Accounts Receivable.....	285,097.62	
		2,306,227.07
		<u>\$3,423,460.26</u>

DEDUCTIONS

Capital Expenditures on Fixed Assets.....	\$3,387,313.60	
Less: Mortgage Outstanding.....	743,750.00	
	<u>\$2,643,563.60</u>	
Capital Commitments at 31st July 1952.....	\$961,000.00	
Less: Capital Commitments at 31st July 1951.....	753,000.00	
	<u>208,000.00</u>	
	<u>\$2,851,563.60</u>	
Less: Gross Amount of Disposals.....	\$399,481.75	
Less: Depreciation Reserve on Disposals.....	267,563.42	
	<u>131,918.33</u>	
Net Capital Expenditures.....	<u>\$2,719,645.27</u>	
Increase in Investments.....	2,082.76	
Decrease in Deferred Credit to Reserve.....	978.35	
Reduction in Reserve Accounts.....	<u>127,065.17</u>	
		2,849,771.55
Increase in Working Capital.....		<u><u>\$ 573,688.71</u></u>

All capital expenditures approved to 31st July 1952 are provided for in the above statement, including the program of country elevator and cottage construction and capital replacements for Saskatchewan Pool Elevators Limited and sundry capital purchases of machinery and equipment for the Flour Mill, Saskatchewan Co-operative Producers Limited, Modern Press Limited and Terminals. Also included is provision for the capital payment of \$106,250.00 due 1st October 1952 on the purchase price of Pool Terminal No. 5 at Fort William.

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

This statement has been prepared to show in detail the composition of surplus capital at 31st July 1952. The various items of this statement are largely self-explanatory. It will be noted that the commercial reserve fund is in liquid form to the extent of \$2,042,611.81, an increase of \$417,929.30 over the previous year. Details of the items responsible for this increase are as follows:

Additional Reserves Retained from 1950-1951 Excess Charges Refund.....	\$349,121.80	
Liquidation of Accounts Receivable Deferred.....	3,151.22	
Liquidation of Fixed Assets, Including Approved Program....	65,688.86	
		\$417,961.88
Less: Increase in Investments.....		32.58
		<u><u>\$417,929.30</u></u>

The reserve accounts are in liquid form to the extent of \$2,567,590.19, which sum belongs to the Elevator Company. The reserve of the Livestock Company has been applied on fixed assets with the exception of \$13,903.88 which has been applied on funds retained by Canadian Livestock Co-operative (Western) Limited in their members' equity and loan accounts instead of being distributed to us in cash.

The elevator deductions and capital receipts are non-liquid.

Statement of Assets and Growers' Equity As at 31st July 1952

As included in the Consolidated Balance Sheet, the financial position may be summarized as follows:

Total Current Assets.....	\$66,382,107.94
Total Current Liabilities.....	60,810,905.94
Working Capital: Subject to Capital Commitments	
Already Referred to.....	\$ 5,571,202.00
Other Assets.....	19,522,292.58
	<u>\$25,093,494.58</u>
Less:	
Reserve for Unearned Subscriptions, Modern Press Limited.....	\$ 10,000.00
Mortgage Payable.....	743,750.00
	<u>753,750.00</u>
Total Net Assets Representing Members' Equity.....	<u>\$24,339,744.58</u>

The Members' Equity is represented by:

Capital (Membership Fees).....	\$ 139,036.00
Elevator Deductions.....	12,835,944.86
Commercial Reserves.....	6,916,972.97
	<u>\$19,891,953.83</u>
Reserves.....	4,447,790.75
	<u>\$24,339,744.58</u>

Total Grain Handled

Statement No. 4 attached to this report shows the total volume of grain handled by Saskatchewan Pool Elevators Limited and Saskatchewan Pool Terminals Limited for the period 1924 to 1952, inclusive.

Distribution of Net Earnings

Statement No. 5 attached hereto sets out the accumulated total of net earnings of Saskatchewan Pool Elevators Limited and Saskatchewan Pool Terminals Limited from 1st August 1925 to 31st July 1952 and also the distribution of such earnings.

It will be noted that a total of \$14,475,054.32 has been returned to growers during this period, in cash as patronage dividends, while an additional sum of \$10,124,121.32 has been used to purchase deductions for credit to growers on a patronage basis.

These two items alone, representing the amount of patronage dividends declared, either as cash or credit, are approximately five and three-quarter million dollars in excess of the total amount of the original elevator and commercial reserve deductions contributed by growers.

In addition to this, there is available for distribution from the operations of the organization for the year under review, an additional amount of over \$5,508,750.00.

Saskatchewan Co-operative Producers Limited

A complete copy of the Financial Statements of Saskatchewan Co-operative Producers Limited, together

with the Auditors' Report covering last year's operations, has been submitted separately to the delegates.

Balance Sheet

The Balance Sheet for the year ended 31st July 1952 appears as Statement No. 1 on page ten of the Auditors' Report. Explanations of most of the items appearing on the Balance Sheet have already been submitted in the report covering the Consolidated Balance Sheet.

Income and Expenses

Details of income and expenses for the year ended 31st July 1952 appear in Statements No. 2 and 2A, pages eleven, twelve and thirteen of the Auditors' Report. Ordinary income of the Company during the past season amounted to \$629,505.77, while operating expenses totalled \$643,174.42, showing an operating loss of \$13,668.65, less a profit on realization of assets of \$8,040.70, leaving a net loss of \$5,627.95.

In addition to ordinary income, the Company received from Saskatchewan Pool Elevators Limited the sum of \$105,731.76 representing a share of earnings to provide the sum of \$100,103.81 to meet the loss on operations of Modern Press Limited over and above the sum already charged to that Company's reserve account and also to provide the sum of \$5,627.95 to meet the deficit on ordinary operations of the Company, as indicated above.

General

In line with the decision of the last Annual Meeting of delegates, a patronage dividend of three-quarter cents per bushel, amounting to \$997,006.59 was paid by Saskatchewan Pool Elevators Limited to the parent company last year. This was credited to members on the basis of their deliveries to the Elevator Company as shown below:

35.017% to Commercial Reserves.....	\$349,121.80
64.983% to Elevator Deductions.....	647,884.79
	<u>\$997,006.59</u>

The amount represented by Elevator Deductions has been invested in the capital stock of Saskatchewan Pool Elevators Limited, bringing the capital investment in the Elevator Company to \$12,835,950.00, made up of 1,283,595 fully paid shares at \$10.00 each.

Saskatchewan Pool Elevators Limited

Financial Statements

The Financial Statements and Auditors' Report of Saskatchewan Pool Elevators Limited submitted separately to delegates, show in detail the results of operations of the past season and also the financial position of the Company as at 31st July 1952.

The Balance Sheet shows total current assets of \$64,743,093.07 and current liabilities of \$61,138,239.63. The difference between these two items, namely \$3,604,853.44, represents the current position of the Company. Provision has been made in the Balance Sheet for capital commitments in respect of buildings and work under construction and machinery under purchase estimated at \$943,000.00.

Details of elevator earnings are shown in Statement No. 2, Page 41 of the Auditor's Report, while Statement No. 2A, page 42, sets out the details of expenses. These statements show a total operating revenue of \$15,936,922.77, while operating expenses amounted to \$10,580,-

640.06. The difference between these two items, namely \$5,356,282.71, represents operating earnings for the year under review.

After deducting depreciation amounting to \$814,049.72, the operating earnings of Saskatchewan Pool Elevators Limited are shown as \$4,542,232.99.



Elevator Capacity

Delegates will recall that the end of the financial year comes at a time when the construction of new facilities is in progress. The following figures show the number of elevators, annexes, etc., and capacities as at 31st July 1952:

	<i>Capacity (Bushels)</i>
1,155 country elevators.....	38,561,000
145 cribbed annexes.....	3,525,000
67 permanent frame annexes.....	2,227,000
151 semi-permanent frame annexes.....	5,653,000
Total permanent capacity as at 31st July 1952.....	49,966,000
767 temporary annexes.....	17,110,000
Total country elevator capacity all elevators and annexes.....	67,076,000

It should be noted that when the projected construction program has been completed in December, the total country elevator storage capacity will be approximately 70,482,000 bushels.

Grain Handlings

The following statement shows the volume of grain handled through Pool country elevators and over the

loading platform for the season, as compared with the preceding season:

	1951-1952 (Bushels)	1950-1951 (Bushels)
Grain handled through Elevators.....	179,285,737	145,598,040
Grain shipped over Platform.....	338,173	174,821
Total Handlings.....	179,623,910	145,772,861
Average handled per Elevator.....	154,291	125,192
Percentage handled of Total Deliveries in Saskatchewan.....	45.41%	48.09%

In addition to grain handled through Pool country elevators and over the loading platform, there was delivered directly to the Mill elevator at Saskatoon a total of 623,598 bushels of wheat, an increase of 442,100 bushels over the previous year when street wheat deliveries at the Mill totalled 181,498 bushels.

It is again of interest to note that throughout the whole of the season from 350 to 550 of our elevators were badly congested and unable to receive all grain offered. The cumulative percentage of receipts, because of congestions, remained below 50% throughout the whole season. At 30th November the percentage was indicated to be 44.45%. It showed slight improvement in succeeding months, to finish the season with 45.41%.

The following preliminary figures provide a comparison of primary grain marketings in Saskatchewan for season 1951-1952 with those of season 1950-1951:

**Total Primary Receipts at Country Elevators in Saskatchewan
During Grain Years 1951-1952 and 1950-1951**

	1951-1952 (Bushels)	1950-1951 (Bushels)
Wheat.....	275,502,000	222,333,000
Coarse Grains.....	119,292,000	80,450,000
Total.....	394,794,000	302,783,000

Handled by Saskatchewan Pool Elevators Limited

	1951-1952 (Bushels)	1950-1951 (Bushels)
Wheat.....	127,096,000	107,070,000
Coarse Grains.....	52,189,000	38,528,000
Total.....	179,285,000	145,598,000
Percentage to Pool Elevators.....	45.41%	48.09%

Grading Statements

The grading record for the year, including certain adjustments in grades of stocks in elevators at the year end, indicates a net credit in grades amounting to \$299,383.86, or \$3.48 per car on 86,057 cars inspected, as compared with a credit of \$64,023.00 or \$1.05 per car in the previous year.

Severe frost in early September, coupled with some of the most inclement weather on record in the harvest period, affected the quality of the 1951 crop. Nothing similar had been experienced since 1927-1928. Substantial grade losses were incurred in the earlier part of the season, but as the season progressed the grade record was reversed, partially due to the blending of damp with lower moisture content grain.

Over-all inspections of wheat shipments from the Prairie Provinces at all primary inspection points show that 32% were contract grade and 47% tough and damp, compared with 48% and 20%, respectively, in the previous year, and 88% and 2% in crop year 1949-1950. Of the three provinces Saskatchewan crops suffered most severely from

the early frost and inclement weather. Heavy rains delayed harvesting and much of the crop threshed contained above normal moisture.

The bulk of the Saskatchewan crop passes inspection at Winnipeg. Reports indicate that of 153,602 cars of wheat inspected there in 1951-1952, only 26% were 1 Northern to No. 4; 20% were No. 5, No. 6 and Feed, and 48% were tough and damp. 6% were Durum, Garnet or Winter Wheat.

Weigh-ups

Due to heavy stocks in country elevators and annexes throughout the entire season, a complete weigh-up of stocks was completed at slightly less than 50% of our country elevators.

Insurance and Fire Losses

As prices for materials used in construction were only slightly higher than in the previous year, insurance on country elevators and annexes did not show the same rate of increase as has been the case in many seasons since 1940. Since 1941 insurance on country properties has increased by slightly more than 100% of the 1940 coverage.

Total claims for loss of buildings and grain amounted to \$132,344.60 compared with \$132,052.52 in the previous year. The over-all loss ratio on buildings and grain worked out at 26.25% of the premiums paid, an improvement of 2.03% over the previous year when the loss ratio was 28.28%.

Shipping and Export Department

During the period under review total sales of grain in all positions amounted to 13,450,404 bushels, compared with 8,021,192 bushels in the preceding year. Quantities of each kind of grain sold, with comparative figures for the preceding year, are as follows:

	1951-1952 (Bushels)	1950-1951 (Bushels)
Wheat.....	7,837,557	5,998,727
Oats.....	3,785,363	1,325,689
Barley.....	1,827,484	399,275
Flax.....	-	1,414
Rye.....	-	296,087
Total.....	13,450,404	8,021,192
Screenings (tons).....	6,821	3,701

Net earnings for the Department amounted to \$5,907.07, compared with \$14,795.75 for the preceding year, a reduction of \$8,888.68.

Churchill

At the beginning of the 1952 shipping season stocks of wheat in store at Churchill amounted to 1,995,254 bushels. During the season there was shipped to the northern part an estimated total of 7,963,257 bushels. Of this amount Saskatchewan Pool Elevators Limited shipped 3,470,095 bushels, representing 43.576% of the total shipments. Total stocks available for shipment during the 1952 season amounted to 9,958,511 bushels, compared with a total of 9,281,468 bushels in the 1951 season.

The total amount of wheat actually exported from Churchill during the 1952 season was 8,585,089 bushels. Of this total the amount allocated to our Export Department was 2,297,207 bushels, or 26.758% of the total. Altogether 26 cargoes were shipped from Churchill in the 1952 season as compared with 21 in the previous year.

This is the largest number of grain vessels loaded at Churchill in the history of the port.

The balance of wheat left in store at the end of the shipping season is estimated at 1,373,422 bushels.

The following statement shows the vessel clearances from Churchill for the 1952 shipping season:

Vessel	Date Cleared	Destination	Cargo (Bushels)
"Warkworth".....	Aug. 2, 1952	U.K. for orders.....	342,000
"Eagle".....	Aug. 2, 1952	U.K. for orders.....	373,400
"North Anglia".....	Aug. 5, 1952	—	355,000
"La Pampa".....	Aug. 6, 1952	—	289,400
"Fernhurst".....	Aug. 7, 1952	—	358,400
"Stanhope".....	Aug. 9, 1952	U.K. for orders.....	362,200
"Huntsfield".....	Aug. 11, 1952	U.K. for orders.....	322,973
"Avondene".....	Aug. 16, 1952	U.K. for orders.....	311,466
"Italsole".....	Aug. 16, 1952	—	349,081
"Grifone".....	Aug. 21, 1952	—	349,081
"Poseidon".....	Sept. 3, 1952	—	361,000
"Henriette Schulte".....	Sept. 8, 1952	—	354,666
"Kolonius".....	Sept. 13, 1952	—	285,600
"Brureshausen".....	Sept. 16, 1952	—	172,200
"Romondie".....	Sept. 17, 1952	—	381,800
"La Cordellera".....	Sept. 17, 1952	—	332,320
"Irish Cedar".....	Sept. 19, 1952	Off Queenstown for orders.....	298,666
"La Pampa".....	Sept. 19, 1952	Off Queenstown for orders.....	286,500
"Laguna".....	Sept. 22, 1952	—	367,600
"Warkworth".....	Sept. 23, 1952	—	346,065
"Montan".....	Sept. 26, 1952	—	347,500
"North Anglia".....	Sept. 28, 1952	—	354,666
"Huntsfield".....	Sept. 29, 1952	—	319,200
"Themisto".....	Oct. 1, 1952	—	299,000
"Ramilies".....	Oct. 4, 1952	—	359,167
"Gluckauf".....	Oct. 8, 1952	—	306,133
Total.....			8,585,089

The last vessel cleared on 8th October 1952—five days later than the last vessel left Churchill the previous season.

Seed Grain Sales

Our arrangement with Saskatchewan Seed Grain Co-operative Limited of Moose Jaw, for filling orders for high quality seed grain was continued during the crop year 1951-1952. As orders are secured they are passed on to the Seed Grain Co-operative. Shipment is made directly from their stocks and invoiced to us. The amount of the various seed grains handled for the year under review as compared with the previous season, is as follows:

	1951-1952 (Bushels)	1950-1951 (Bushels)
Wheat.....	53,612	76,157
Oats.....	17,097	28,032
Barley.....	7,302	8,861
Flax.....	1,896	2,244
Total.....	79,907	115,294

The value of the seed grain sold in the past two seasons was as follows:

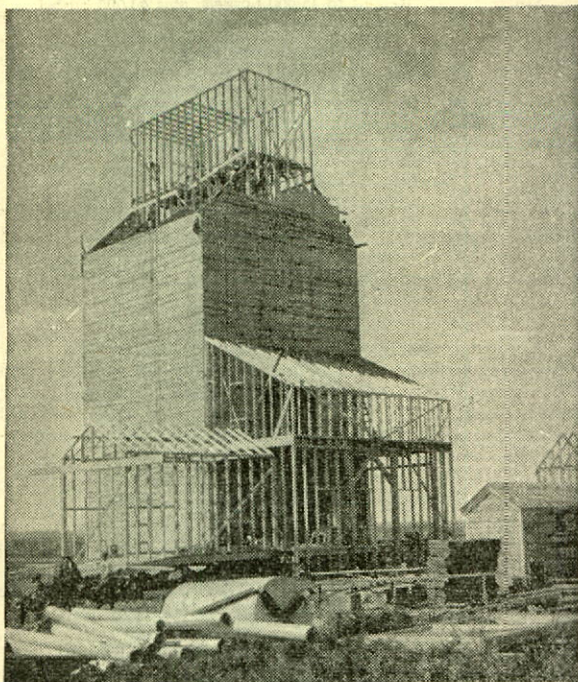
	1951-1952	1950-1951
Seed Orders.....	\$211,015.95	\$288,227.31
Prepaid Freight.....	4,452.16	4,647.86
Total.....	\$215,468.11	\$292,875.17

Saskatchewan Wheat Pool Construction Company Limited

Activities of this Company for the season 1952 included the following:

Elevator Repairs

A program of repairs and improvements to elevators and annexes (both permanent and temporary) was author-



ized early in the year in the amount of \$803,193.00. This figure was adjusted upward at intervals during the season as supplementary repairs became necessary, bringing the total estimated cost of approved repairs to \$881,046.00. Of this total about 65%, or \$577,260.92, had been spent as at 31st July 1952. This sum was divided as follows:

Elevators and Permanent Annexes.....	\$525,920.14
Repainting of Elevators and Annexes.....	33,361.71
Temporary Annex Repairs.....	17,979.07
Total.....	\$577,260.92

Major replacements of machinery and equipment completed at 31st July 1952 included:

Scale Conversions.....	26	Engines Installed.....	21
Scales Transferred.....	8	Engines Transferred.....	9
Scale Beams raised to 15 ton.....	18	Air Dumps Installed.....	3
Cleaners Transferred.....	2	Engine Houses Rebuilt.....	7
Boot Tanks Installed.....	10	Engine Houses Remodelled....	6

One hundred and sixty-eight elevators and sixty-seven annexes were repainted.

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

Demolition and Reconstruction of Elevators

A total of ten projects was authorized at the following points—of these, eight were completed in time for the new crop and the remaining two were completed by 1st October:

<i>Browning</i>	A 35,000 bushel elevator was built adjacent to the existing elevator, which now serves as an annex.
<i>Paswegin</i>	A 35,000 bushel elevator was built adjacent to the existing elevator, which now serves as an annex.
<i>Maryfield</i>	Rebuilt to 35,000 bushels, retaining 40,000 bushel permanent frame annex.
<i>Colonsay</i>	Rebuilt to 35,000 bushels, retaining 45,000 bushel permanent crib annex.
<i>Wawota</i>	Rebuilt to 35,000 bushels, plus 40,000 bushel permanent frame annex.

<i>Senlac</i>	Rebuilt to 35,000 bushels, plus 40,000 bushel semi-permanent frame annex.
<i>Avonlea</i>	Rebuilt to 75,000 bushels, retaining 30,000 bushel permanent frame annex.
<i>Ituna</i>	Rebuilt to 75,000 bushels, plus rebuild of 25,000 bushel temporary annex.
<i>Southey "B"</i>	Rebuilt to 75,000 bushels.
<i>Cabri "B"</i>	A 75,000 bushel elevator was built adjacent to existing elevator, which now serves as an annex.

Replacement of Burned Elevators

Complete losses of plant were suffered at Luseland "B" (30,000 bushels) and Hatton (30,000 bushels). At Luseland a 75,000 bushel elevator was constructed but no replacement has yet been authorized for Hatton.

New Elevators

Approval was given for the construction of two new elevators at new points, or alternatively, to build second elevators at existing points. One new 75,000 bushel elevator has been built at White Fox, while the other—35,000 bushel capacity with a 45,000 bushel permanent annex—is under construction at Quill Lake.

Cost of Elevators

Building costs are approximately 5% to 8% higher than one year ago. Thus a 35,000 bushel elevator now costs \$37,000.00 (no cleaner) a 75,000 bushel elevator now costs \$58,000.00 (no cleaner). No 100,000 bushel units have been built this season.

Expenditures on Expansion and Maintenance of Elevator System

During the year your Board approved expenditures totalling \$2,713,975.00 for the expansion and maintenance of the Pool country elevator system as follows:

Elevators and Annexes.....	\$1,931,809.00
Agents' Cottages.....	100,000.00
Total Capital Expenditures Authorized.....	\$2,031,809.00
Repairs and Maintenance.....	682,166.00
Total.....	\$2,713,975.00

A portion of the above capital amount was spent and capitalized prior to 31st July 1952. The remainder will eventually find its way into capital account for the year under review as elevators and annexes are completed.

New Annexes

During the year under review the Board approved a construction program for new annexes as follows:

May	1951: Forty annexes (mostly built in 1951).
November	1951: Thirty annexes (for 1952 construction season).
April	1952: Forty-five annexes (for 1952 construction season, twenty-five of these were held as dependent upon crop conditions as at 31st July and were re-approved at the July meeting).

As at 31st July 1952 a total of 57 units had been completed. The balance of 58 units should be completed by 15th December 1952. In addition to the foregoing the Department has moved into position 14 second elevators which now constitute permanent cribbed annexes. One additional operation has been deferred to be carried out next winter.

Annexes have been allocated to the following stations:

<i>Permanent Frame</i>		<i>(bushels)</i>	
Wawota.....			40,000
(added to new elevator, not included in annex program)			
<i>Permanent Crib</i>		<i>Bushels</i>	
Canwood.....	50,000	Indian Head.....	40,000
Fillmore.....	40,000	Langenburg.....	50,000

<i>Semi-Permanent Frame</i>	<i>Bushels</i>	<i>Semi-Permanent Frame</i>	<i>Bushels</i>
Adanac (1951).....	35,000	Laird.....	40,000
Antler.....	35,000	Laura.....	45,000
Armley.....	35,000	Lestock.....	35,000
Belle Plain.....	35,000	McMahon.....	40,000
Birch Hills.....	40,000	Marquis.....	35,000
Brancepeth.....	35,000	Meacham.....	45,000
Bresaylor.....	35,000	Meadow Lake "B".....	50,000
Cactus Lake.....	40,000	Midale.....	35,000
Carrot River "A".....	40,000	Milestone "B".....	50,000
Carruthers.....	35,000	Naicam "A".....	35,000
Catherwood.....	40,000	Neidpath.....	35,000
Cavalier.....	35,000	Paradise Hill.....	40,000
Condie.....	35,000	Prelate.....	35,000
Corinne.....	35,000	Qu'Appelle.....	35,000
Crane Valley (1951).....	35,000	Richard.....	40,000
Cupar "B".....	40,000	Riverhurst.....	35,000
Davin.....	35,000	Robsart.....	35,000
Duck Lake.....	35,000	Rockhaven "B" (1950).....	45,000
Earl Grey.....	40,000	Rouleau "B".....	50,000
Elbow (1951).....	35,000	St. Walburg.....	35,000
Elcott.....	40,000	Senlac (added to new elevator).....	40,000
Elfros.....	40,000	Shaunavon "A".....	35,000
Esterhazy.....	40,000	Sinnett.....	35,000
Fenwood.....	35,000	Strasbourg.....	50,000
Forget.....	35,000	Tallman.....	35,000
Glen Bain.....	35,000	Tiger Hills.....	35,000
Grenfell.....	50,000	Tilney.....	35,000
Hanley "A".....	35,000	Tiny.....	35,000
Hazenmore.....	35,000	Veregin.....	40,000
Hendon.....	40,000	Vogel (1951).....	35,000
Heward.....	35,000	Wadena.....	40,000
Hillmond.....	35,000	Waldeck.....	35,000
Horizon.....	35,000	White Star (1951).....	35,000
Kandahar.....	35,000	Wilbert (1951).....	35,000
Kayville.....	35,000	Wolseley.....	35,000
Keatley.....	35,000	Yorkton.....	35,000
Kelliher.....	35,000		
Kincaid.....	40,000		

It is anticipated that the average costs will be as follows:

	<i>Bushels</i>	
Permanent Crib.....	40,000.....	\$16,500.00
Permanent Crib.....	50,000.....	18,000.00
Semi-Permanent Frame.....	35,000.....	9,800.00 (four bin)
Semi-Permanent Frame.....	40,000.....	11,000.00 (four bin)

Repairs to Agents' Dwellings

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

- (a) Additional rooms.
- (b) Concrete basements, complete or partial.
- (c) General repairs, including painting.

Expenditures in this connection amount to approximately \$68,000.00 (appropriation was \$80,000.00).

New Dwellings

Authorization was granted to build new dwellings at:

Domremy.....	six-room dwelling
Springwater.....	four-room dwelling

Costs are expected to average \$6,800.00 for a 4-room dwelling and \$7,600.00 for a 6-room dwelling, including furnace and electric wiring.

General

Over-all costs of construction show an increase over those obtaining in 1951. The Dominion Bureau of Statistics shows approximately 3% rise between July 1951 and July 1952, but in the main we find that in our particular field the over-all increase would be approximately 10%.

Lumber has been fairly easy to obtain and there has been a slight softening in price despite the increase in freight rates. Actually, prices have remained at about 6% under the average of the previous crop year. Cement (Canadian) has remained fairly stable in price but difficult to obtain in the quantities desired. It was found necessary

to buy several carloads of American cement as well as some British and Swedish at prices which approximate 10% above Canadian prices in carload lots.

As regards machinery, engines remained around the 1950-1951 price level but scales and boot tanks increased approximately 10%. It is reported that a further 10% increase may be expected on all future orders.

Labour wage rates have increased from 10c to 20c per hour compared with the rates in force as at July 1950. The average increase over the period would appear to be 18%. However, it is interesting to note that the total labour costs of similar operations in the two crop years show only a very slight increase which would seem to prove that a large number of our men are increasing in efficiency. The average number of hourly wage workers employed in all branches of work during the period 1st March to 30th September was 280.

Laboratory Service

During the year under review Saskatchewan Pool Elevators Limited continued to provide moisture and germination tests for seed grain as an additional service to Pool members. The following figures show the number of tests made in the laboratory at Head Office in the past three years:

<i>Year</i>	<i>Germination</i>	<i>Moisture</i>
1951-1952.....	55,682	11,677
1950-1951.....	60,530	8,079
1949-1950.....	35,724	1,863

In addition to these tests the laboratory cleaned, weighed and graded over one thousand samples of grain for the Junior Co-operative Variety tests.

Smut Tests

The service available to Pool members to have seed grain tested for smut by the Associated Laboratory Services at Saskatoon was continued during the past year. During the season 9,803 samples were submitted and tests made for Pool members. This compares with 12,632 samples submitted the previous year. Arrangements are being made to continue this service during the current year.

Industrial Division

Vegetable Oil Plant

After providing for depreciation in the amount of \$43,584.20 the operations of the Vegetable Oil Plant for the year ended 31st July 1952 showed an operating loss of \$185,092.30. Included in the expenses of the plant is an item of \$22,748.29 representing rent payable to the Elevator Company. This rental is based on an assessment of 5% of the net value of the main plant assets.

During season 1951-1952 the plant operated 35 days on flax and 43 days on rapeseed, a total of 78 days' operations this year as compared with 135 2/3 days' operations last year.

The amount of flaxseed processed last season was 3,764,205 lbs. as compared with 10,884,881 lbs. in season 1950-1951. In addition to the flax processed the plant operated 43 days on rapeseed, as referred to above.

The operations on rapeseed were on a customs basis. A total of 4,658,895 lbs. of rapeseed was crushed, which resulted in a recovery of 1,606,588 lbs. of rapeseed oil and 2,692,310 lbs. of rapeseed meal.

Sales of linseed oil to the domestic market totalled 1,443,562 lbs. as compared with 2,746,998 lbs. in the

previous year. Export sales were 59,865 lbs. as compared with 368,964 lbs. in the previous year.

Throughout the entire season there was little or no demand for export. The total amount of oil exported from Canada during the past season was only 2,700 short tons, the export being carried on largely by Eastern crushers who, at the present time, enjoy substantial price advantage on account of the increased freight rates on this product.

Reference was made in this report a year ago to certain research work having been undertaken in connection with the production of safflower, in an effort to secure varieties which might be expected to mature within the growing period available in central Saskatchewan. A number of varieties of this oil-bearing seed were under test at the University of Saskatchewan trial plots and one or two of these have shown definite promise. Further information as to the result of this year's test of this oil-bearing seed may be available at the time of the Annual Meeting.

Flour Mill

After providing for depreciation of \$167,075.12 and charging rental amounting to \$127,829.24, payable to the Elevator Company, the operations of the Mill showed a loss of \$186,718.40. The rental of \$127,829.24 was based on an assessment of 5% on the net value of the main plant assets and appears in the earnings of Saskatchewan Pool Elevators Limited.

The following statement summarizes the operations of the Flour Mill for season 1951-1952 as compared with season 1950-1951:

	Season 1951-1952	Season 1950-1951	Increase* or Decrease†
Number of days operated.....	267 days 8 hours	295 days 9 hours	28 days 1 hour†
Percentage of possible operating time based on 300 day operating year..	89.1%	98.3%	9.2%†
Total Production.....	349,037 bbls.	365,593 bbls.	16,556 bbls.†
Average Daily Production.....	1,307 bbls.	1,239 bbls.	68 bbls.*
Sales			
Total Domestic Sales.....	87,032 bbls.	125,129 bbls.	38,097 bbls.†
Total Export Sales.....	263,112 bbls.	236,805 bbls.	26,307 bbls.*
Total all Sales.....	350,144 bbls.	361,934 bbls.	11,790 bbls.†
Percentage of Domestic Sales.....	24.86%	34.57%	
Percentage of Export Sales.....	75.14%	65.43%	

Flour Sales

As the above statement indicates, there was a sharp decline in our domestic sales during the year under review. A summary of domestic sales for the year ended 31st July 1952 is as follows:

	Barrels
Red Label.....	48,265
Pool.....	18,180
Domestic Bakers.....	15,490
Whole Wheat and Graham.....	2,808
Wheatlets and Granules.....	927
Low Grade.....	1,362
Total.....	87,032

The demand for export flour was very irregular throughout most of the year and unsettled conditions existed at all

established markets. In consequence it was necessary to make every effort to establish new markets. A quantity of low grade flour manufactured from No. 5 wheat was shipped to Hong Kong, Singapore, Greece and Egypt. The Canadian Trade Commissioners in various countries have provided excellent co-operation in our efforts to establish new agencies. As a result of their co-operation new agencies have been established and sales made to the following countries: Belgian Congo, British West Indies, Colombia, Ecuador, British Guiana, Macau, Indonesia and Nicaragua.

These agents report that their clients were well satisfied with the initial shipments and while progress on these markets will undoubtedly be slow until our product is better known, a steady increase in volume can be anticipated.

The Philippines continues to be our best export market and in spite of the unsettled conditions that existed from time to time during the past year, the volume of sales was increased by 59,142 barrels. The total sales to this country for the year amounted to 145,343 barrels and at the present time the Pool Flour Mill is one of the leading Canadian exporters to this market.

The market at Costa Rica ranks second in export volume and sales were increased from 17,346 barrels last year to 39,374 barrels during the past season and we are satisfied that our agent in this country has done an excellent job of promoting our product.

A summary of export sales of flour from the Mill for the year under review is as follows:

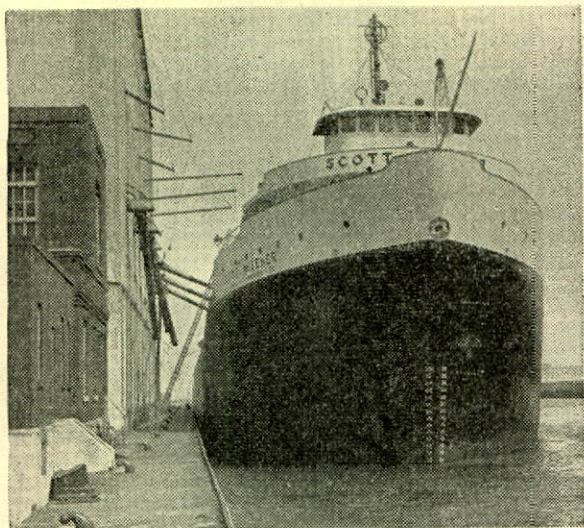
	<i>Barrels</i>
Belgian Congo.....	127 1/2
British West Indies.....	2,040 5/8
Colombia.....	306 1/8
Costa Rica.....	39,374 5/8
Cuba.....	18,234 1/2
Ecuador.....	510 1/4
Egypt.....	2,142 5/8
United Kingdom.....	3,600
Greece.....	4,000
British Guiana.....	765 1/4
Guatemala.....	4,234 5/8
Hong Kong.....	19,699 5/8
Indonesia.....	2,551
Japan.....	9,714 1/4
Macau.....	10,903
Nicaragua.....	1,530 5/8
Philippines.....	145,343 1/4
Venezuela.....	33,966 5/8
Singapore.....	1,275 1/2
<i>Total.....</i>	<u>300,320</u>

37,207 1/4 bbls booked but not shipped as at 31st July 1952.

As indicated at the last Annual Meeting of delegates, steps were taken during the year to increase the productive capacity of the Mill. All units of the new installation are now in operation and the work of completing the change-over is proceeding as rapidly as possible. The heavy demand for export flour during the last two months of the last fiscal year made it practically impossible to take time out for change-over purposes and consequently the whole program has been somewhat delayed. It is anticipated that production will be increased by 200 barrels per day early in October and that this will be gradually stepped up until the maximum figure of 2,000 barrels per day has been reached.

Saskatchewan Pool Terminals Limited

Your Board regrets to report that a disastrous explosion occurred at Pool Terminal No. 4A on 24th September.



As a result of the explosion, four men were killed, two are missing and must be presumed dead, and fourteen others were injured and removed to the hospital.

The explosion occurred shortly after 12 noon, when most of the members of the crew had left work for the lunch hour, otherwise the number of casualties would probably have been substantially greater. Of the four men killed, three were regular employees of the Terminal, the fourth being a member of the crew of the S.S. "Bayton", which was loading screenings alongside the elevator when the explosion occurred. The two missing men were also regular employees at Terminal No. 4A.

Your Board very much regrets this heavy loss of human life and has expressed heartfelt sympathy to the wives and families of the men who lost their lives.

It will be recalled that a similar explosion occurred at Pool Terminal No. 5 on 7th August 1945, when the casualties were much heavier. Your Board has authorized appropriate steps to be taken to assist the families of the men who died. The injured men have received the best possible medical and hospital treatment and have made good progress towards recovery.

Your Board would like to pay tribute to the men on the staff at Terminals 4A and 4B, most of whom spent long hours searching through the wreckage for men who were missing. They would also like to acknowledge the very valuable assistance of individuals, clubs and groups who rendered important service. The St. John's Ambulance Corps of Port Arthur and Fort William and the Fourth (Army) Field Ambulance stationed at Fort William, all sent men and equipment to the scene of the accident. The Red Cross Society at Port Arthur distributed sandwiches and coffee to the workers, and several of the other grain companies offered help, particularly the Searle Grain Company, who sent a crew of first-aid and rigger men to the scene of the accident. The Fire Departments at the Lakehead worked long hours to control the fire which broke out. Valuable assistance was also rendered by nurses from the General Hospital at Port Arthur and from the McKellar Hospital at Fort William. In addition to offers of assistance from our sister Pool organizations, a message was received

from the North-West Line Elevators Association expressing sympathy and offering to send technical and any other assistance which might be required in meeting the problems with which we were faced as a result of the explosion.

For all these expressions of sympathy and help your Board is grateful.

At the same time tribute should be paid to Mr. C. R. Lindeman, General Superintendent, who directed the work of rescue; and also to the splendid spirit and devotion to duty displayed by many other members and officials of the Lakehead staff.

The grain explosion hazard at terminal elevators has been the subject of grave concern to your Board. Following the explosion at Pool Terminal No. 5 in 1945 an intensive program of installing dust control systems was undertaken to meet the requirements of the Grain Elevator Code of the Ontario Department of Labour. Actually the installation of dust control equipment had been started in Terminal No. 4A as early as 1941 in an effort to improve working conditions at the elevator. In this connection your Board has been advised that the dust control installation at Terminal No. 4A was probably the most complete of any plant at the Lakehead.

While the dust control equipment now installed has undoubtedly great merit in reducing the hazard, it is obvious that in itself it is not enough. Immediately following the explosion at Terminal No. 4A your Board gave some preliminary consideration to the possibilities of arranging for a scientific study of the cause of such explosions, with a view to working out practical preventative measures.

While at Port Arthur your representatives met with the President of the National Research Council, accompanied by a strong team of his senior experts who had been asked by the Minister of Trade and Commerce to come to Port Arthur to review the situation. The National Research Council is probably the best equipped body in Canada to conduct independent scientific research and we are now advised that the Council is mapping out a program of intensive study of ways and means of preventing the grain explosion hazard. Your Board has advised the Council that they can expect the fullest possible co-operation from this organization in this connection.

At the same time this report was prepared the property damage has not been fully determined. A preliminary estimate of the damage to Pool Terminal No. 4A, based on the appraisal of the property at 1st August 1952, is \$1,660,000.00. This figure, of course, is very approximate, as it will be impossible to make a complete survey of the structure and equipment until the debris has been removed.

From the preliminary examinations which it has been possible to make, it would appear that the structural damage is not as serious as was the case in 1945 following the explosion at Pool Terminal No. 5. The foundations of the workhouse and annexes appear to be intact. Annexes Nos. 1, 2 and 3 are designed to provide 6½ million bushels of storage. Over 5 million bushels of grain were in store in these annexes at the time of the explosion. These will have to be unloaded to enable the necessary repair work to be carried out. It is anticipated that the grain in these annexes can be routed through the workhouse of Terminal No. 4B.

Providing no further serious structural damage is disclosed as a result of the survey which is being undertaken at the earliest possible moment, it is hoped to get the storage annexes back into operation in about six months and the workhouse in about twelve months.

Balance Sheet

The Balance Sheet of Saskatchewan Pool Terminals Limited appears as Statement No. 1, Page 54 of the Auditors' Report. The Statement of Earnings and Expenses of this subsidiary for the year ended 31st July 1952 appears as Statements No. 2 and 2A, Pages 55 and 56 of the Auditors' Report.

Total operating revenue amounted to \$6,694,154.99 and operating expenses to \$3,510,832.47, leaving operating earnings of \$3,183,322.52 before providing for depreciation. After deducting depreciation on buildings and equipment, amounting to \$849,738.16, and proportion of Pool expenses, amounting to \$1,323.49, the net earnings of Saskatchewan Pool Terminals Limited are shown as \$2,332,260.87, as compared with \$1,585,732.47 a year ago.

The increase in net operating earnings is due in a very large measure to the additional handling of over 36 million bushels of grain through Pool Terminals as compared with the previous year.

Terminal Elevator Handlings

The total volume of grain handled through Pool Terminals at Port Arthur for the year ended 31st July 1952 amounted to 113,711,293 bushels, as compared with 76,950,407 bushels in the previous season. The following figures show a comparison of the volume handled by Saskatchewan Pool Terminals Limited for the year under review and for the previous year:

	1951-1952 (Bushels)	1950-1951 (Bushels)
Terminals Nos. 4A and 4B.....	49,942,827	38,659,482
Terminal No. 5 (operated for ten mons.).....	12,840,524	—
Terminal No. 7.....	50,927,942	38,290,925
Total.....	113,711,293	76,950,407

Stocks of grain in store in Pool Terminals at 31st July 1952 amounted to 7,509,001 bushels made up as follows:

Terminals Nos. 4A and 4B.....	2,700,021 bus.
Terminal No. 5.....	1,214,752 "
Terminal No. 7.....	3,594,228 "
Total.....	7,509,001 bus.

It may be of interest to note that as at 31st July 1951 the stocks in store in Terminals 4A and 4B and Terminal No. 7 amounted to 12,475,828 bushels.

Statistics issued by the Board of Grain Commissioners for Canada showed that 244,028 cars of grain were shipped from Western Canada and unloaded during the 1951-1952 crop season. During the previous crop season 178,112 cars were unloaded at the Lakehead. During the year under review Pool Terminals unloaded 61,622 cars, representing 25.2% of the total number of cars unloaded at the Lakehead. This is an increase of 18,260 cars from the number unloaded at Pool plants during the previous season. A total of 27,335 cars were unloaded at Terminals 4A and 4B, representing 11.2% of all Lakehead unloads. 26,964 cars were unloaded at Pool Terminal No. 7, representing 11.05% of the total unloads. 7,363 cars, equal to 3.02% of the total, were unloaded at Pool Terminal No. 5. As indicated, Pool Terminal No. 5 operated for only ten months of the year, having been acquired 1st October 1951.

Total outward shipments from Pool Terminals during the year under review, of 119,635,132 bushels, represented an increase of 48,180,966 bushels from the quantity shipped during the previous year. Shipments by boat amounted to 108,385,475 bushels, or 90.6% of the total, while outward shipments by rail totalled 11,249,657 bushels or 9.4% of the total.

Maintenance

Every effort is made to continue the policy of maintaining Pool Terminals in the best possible operating condition. Maintenance work was continuous with special efforts being made to carry out the maximum amount of repairs and replacements during the winter months.

Pool Terminal Number Five

During the past season our consulting engineers were asked to arrange for a survey to determine the condition of the piling under storage annexes at Terminal No. 5. This survey has now been completed and during the present season a contract has been awarded to the Foundation Company of Canada to carry out the necessary work of renewing the underpinning, and other work, which the survey showed would be required.

Summary of Earnings and Expenses Saskatchewan Pool Elevators Limited and Saskatchewan Pool Terminals Limited Grain Division

Statement No. 5, page forty-seven of the Auditors' Report contains a summary of earnings of Saskatchewan Pool Elevators Limited and Saskatchewan Pool Terminals Limited. The combined operating revenue for the year under review amounted to \$22,631,077.76. Operating expenses for the year totalled \$14,091,472.53. The operating earnings, before providing for depreciation, amounted to \$8,539,605.23. After deducting depreciation amounting to \$1,663,787.88, the net operating earnings for the year are shown at \$6,875,817.35. This compares with net operating earnings for the previous season of \$5,209,363.25. The following summary shows the earning position for the year ended July 31st 1952:

Grain Division

Operating Earnings after charging Depreciation.....	\$6,875,817.35
Prior Season's Adjustment.....	193,859.67
	<hr/>
	\$7,069,677.02

Deduct:

Loss on Realization of Assets.....	\$ 4,539.41
Proportion of Pool Expenses.....	246,669.60
1929-1930 Pool Overpayment Expense.....	126,924.82
	<hr/>
	378,133.83
	<hr/>
	\$6,691,543.19

Industrial Division

Loss on Vegetable Oil Plant Operations.....	\$184,317.71
Loss on Flour Mill Operations.....	186,718.40
	<hr/>
	371,036.11

<i>Surplus for the Year</i>	<hr/> <hr/>
	\$6,320,507.08

Allocation of Earnings

Your Board recommends that the surplus for the year ended 31st July 1952, amounting to \$6,320,507.08, be allocated as follows:

Share of Earnings to Saskatchewan Co-operative

Producers Limited.....	\$ 105,731.76
Excess Charges Refund—Season 1951-1952.....	5,508,750.00
Provision for Income Tax (Estimated).....	590,000.00
Transferred to Reserve Account.....	116,025.32
	<hr/>
Total	<hr/> <hr/>
	\$6,320,507.08

Your Board further recommends that the share of surplus earnings for the year ended 31st July 1952, amounting to \$5,508,750.00, allocated to Excess Charges Refund, season 1951-1952, be distributed as follows:

(a)	At the rate of 1c per bushel, to be paid in cash.....	\$1,695,000.00
(b)	At the rate of $\frac{1}{4}$ c per bushel, to be used for the purchase at face value, of Elevator and Commercial Reserve Deductions of Saskatchewan Co-operative Producers Limited from estates of deceased members of that Company, and from other members included in the eligible categories approved by the Board, such Deductions to be transferred on the books of Saskatchewan Co-operative Producers Limited to the credit of the members entitled thereto.....	1,271,250.00
(c)	At the rate of $1\frac{1}{4}$ c per bushel to be paid to Saskatchewan Co-operative Producers Limited on behalf of its member patrons, on condition that it is credited by Saskatchewan Co-operative Producers Limited to such member patrons.....	2,542,500.00
Total		<u><u>\$5,508,750.00</u></u>

Modern Press Limited

Details of the financial results of the operations of Modern Press Limited for the year ended 31st July 1952 are shown in the Financial Statements and Auditors' Report submitted separately to the delegates.

After providing for depreciation on fixed assets of \$53,613.44 and charging interest amounting to \$36,654.81 on the net capital cost of these fixed assets, at the rate of 5% per annum, the operations of the Company result in a loss for the year of \$103,313.06. After certain adjustments the net loss for the year amounts to \$101,082.16. This compares with a loss of \$158,309.68 a year ago.

A comparison of the operations for the year with those of the previous season, is shown in the following statement:

	1951-1952	1950-1951	Increase (Decrease)
Commercial Printing Department			
Revenue from Job Sales.....	\$ 465,203.49	\$ 310,235.05	\$154,968.44
Cost of Stock.....	\$ 140,142.43	\$ 94,608.61	\$ 45,533.82
Operating Expenses.....	276,865.43	208,621.05	68,244.38
	<u>\$ 417,007.86</u>	<u>\$ 303,229.66</u>	<u>\$113,778.20</u>
Less: Work in Process 31st July.....	11,329.32	8,884.11	2,445.21
	<u>\$ 405,678.54</u>	<u>\$ 294,345.55</u>	<u>\$111,332.99</u>
Operating Position before Depreciation and Interest on Capital Advances			
	\$ 59,524.95	\$ 15,889.50	\$ 43,635.45
Depreciation.....	23,414.13	19,910.94	3,503.19
Interest on Capital Advances	16,900.61	16,072.23	828.38
Operating Position for the Year			
	\$ 19,210.21	\$ (20,093.67)	\$ 39,303.88
Proportion of Pool Expenses..	1,456.62	1,405.88	50.74
Realization of Assets.....	14.50	(874.31)	888.81
Prior Season's Adjustments..	65.98	37.17	28.81
Position for the Year	<u>\$ 17,834.07</u>	<u>\$ (22,336.69)</u>	<u>\$ 40,170.76</u>
Western Producer Department			
Revenue from:			
Advertising.....	\$ 355,952.88	\$ 305,371.52	\$ 50,581.36
Subscriptions.....	39,339.61	36,902.99	2,436.62
Miscellaneous.....	4,007.66	4,292.45	(284.79)
Total Revenue	<u>\$ 399,300.15</u>	<u>\$ 346,566.96</u>	<u>\$ 52,733.19</u>
Cost of Newsprint.....	\$ 161,123.93	\$ 151,606.29	\$ 9,517.64
Operating Expenses.....	310,745.98	277,782.48	32,963.50
Total Expenses	<u>\$ 471,869.91</u>	<u>\$ 429,388.77</u>	<u>\$ 42,481.14</u>
Operating Loss before Depreciation and Interest on Capital Advances.....	\$ (72,569.76)	\$ (82,821.81)	\$ 10,252.05
Depreciation.....	30,199.31	29,843.16	356.15
Interest on Capital Advances	19,754.20	20,585.95	(831.75)
Operating Loss for Year	<u>\$(122,523.27)</u>	<u>\$(133,250.92)</u>	<u>\$ 10,727.65</u>
Proportion of Pool Expenses..	2,913.26	2,811.76	101.50
Prior Season's Adjustments..	6,520.30	89.69	6,430.61
Deficit for the Year	<u>\$(118,916.23)</u>	<u>\$(135,972.99)</u>	<u>\$ 17,056.76</u>

Summary

Commercial Printing Department.....	\$ 17,834.07	\$ (22,336.69)	\$ 40,170.76
Western Producer Department.....	(118,916.23)	(135,972.99)	17,056.76
Total Deficit for Year	\$ (101,082.16)	\$ (158,309.68)	\$ 57,227.52

(Note: bracketed figures in first two columns denote losses).

Circulation

Total net paid circulation of The Western Producer as at 31st July 1952 was 146,108. Distribution of circulation by provinces for the year under review, as compared with the previous year, is as follows:

	1951-1952	1950-1951	Gain or (Loss)
Saskatchewan.....	77,977	81,404	(3,427)
Alberta.....	34,818	35,326	(508)
Manitoba.....	20,017	23,039	(3,022)
British Columbia.....	10,914	12,287	(1,373)
Miscellaneous.....	2,382	1,536	846
Total	146,108	153,592	(7,484)

These figures show a decrease in circulation of 7,484 over 1950-1951. In this connection it may be noted that during the year under review the newsprint supply was such that no all out effort could be made to increase circulation. For the first half of the year the situation was such that the whole newsprint allotment was no more than sufficient to take care of current subscriptions. Towards the end of the year there were indications that the newsprint situation was easing slightly and it is hoped to add gradually to the present circulation from month to month.

Advertising

During the year under review The Western Producer advertising rate was increased from 80c to \$1.00 per line, effective October 1951. A comparison of advertising lineage for the year under review, with the previous year, is as follows:

	1951-1952	1950-1951
Classified Lineage.....	246,165	221,445
Display Lineage.....	381,525	383,494
Total Lineage	627,690	604,939

Editorial

The restricted supply of newsprint, which acted as a brake on efforts to increase circulation, has also tended to limit the space allotted to all editorial departments of The Western Producer. Despite this situation the news continues to be well covered and the readers' response to and interest in the paper appears to have been well maintained.

In the course of the year a start was made on establishing a department exclusively devoted to the co-operative movement. While this has not developed very far as yet, the objective will be to organize this department along lines which will enable it to do for the co-operative movement what the agricultural department now does for agriculture in general.

Agricultural Department

The agricultural features of The Western Producer have continued to appeal to farm readers. The contact established over the years with the chief agricultural news sources has been well maintained and developed. These news sources include the departments of agriculture, the

universities, breeders and producer livestock organizations, agricultural engineers, field crop authorities, etc. There has been sustained response to the "Diseases of Livestock" column conducted by Dr. Norman Wright.

Magazine Section

During the 1951-1952 year the magazine section appeared in all issues of *The Western Producer*. Continued efforts were made to publish material of general interest to the reader from several different angles. Some of the headings under which magazine stories could be classed are: agriculture, travel, fiction, humour, history, science, biography. Another attempt was made to divide stories about Western Canada between the four western provinces and this year out of twenty-two stories which could be definitely classed under this regional section, eight were devoted to Saskatchewan, seven to Manitoba, five to Alberta and four to British Columbia.

On the 10th July 1952 a new full-page "comic," "Robin Hood," was started in place of two half-page "comics" previously carried. The story is the ever-popular one and the art and appearance of the new "comic" is excellent. This choice of "comic" is a great improvement over many of the others appearing elsewhere.

The creative works of twenty-three Canadian writers were published in the Magazine Section during the year. Some of these were smaller pieces but many of them were page one features.

Staff writers of *The Western Producer* wrote fifty-one of the pieces that appeared in the magazine, while writers not on the staff contributed twenty-five. This year slightly more manuscripts were purchased from outside than the year before. This trend will probably continue as coverage is broadened and as staff writers spend somewhat more time digging for feature stories of a deeper, more comprehensive nature.

Six features were devoted to the co-operative movement as such and a number of others touched on co-operation as a secondary theme. Twenty-six articles were definitely agricultural in nature, eleven were devoted to the "improve the farm home" theme, fifteen to travel, seven to biography, six to history, six to humour, five to fiction and twenty-five came under the "general" heading.

Among notable inclusions were: the publishing of Nellie McClung's "Clearing in the West" in serial form, which caused much favorable comment; a full page series of photos covering the Royal Tour across Canada, which appeared in six successive issues; "The Princess at the Pool," a photo story on Princess Elizabeth's visit to Pool Terminal No. 7. Pool Terminal activities were covered in two features appearing 29th May and 26th June.

Women's Section

The Women's Section of *The Western Producer* has attempted to keep in touch with the interests of rural women, and these are ever-widening. Much of the material published is of interest to both men and women. In keeping with the title "Mainly for Women," which has headed the section for so many years, quite a few of both readers and contributors are men.

The "I'd Like to Know" page, which appears in the magazine section, has continued in popularity. The questions coming to Mrs. Oddie, home economist and farm housewife, cover a wide variety of topics. Particularly has information been sought by people building or re-

modelling homes, who want to know about new materials, new fabrics, kitchen equipment, color schemes, etc.

In addition, the women's editor has answered hundreds of letters. All these enquiries help to indicate the kind of information women like in their section.

Activities of organized women's groups, the Homemakers and the Women's Institutes of three provinces; women in the Farm Unions, the Women's Co-operative Guilds, the Canadian Association of Consumers and the 4-H Homecraft Clubs, have been covered in story and photographs.

A new series of articles dealing with the duties and election of club officers, motions and amendments, and program planning, was attempted and requests have been received for another series dealing with other phases of club work.

Attention has been given to developments in the fields of health and mental work and to help special handicapped groups: the blind, shut-ins, and those suffering from cerebral palsy.

Articles and pictures dealing with such events as Education Week in Melfort, a craft course at Wilkie, handicraft festivals at Hafford and Canora, handicraft exhibits at fairs and conventions, have indicated something of cultural activities in Western Canada.

Mrs. V. McNaughton's column "Jottings by the Way," has appeared almost weekly, sometimes telling in friendly fashion something of women's activities she has observed overseas, sometimes recalling to mind interesting facts about the part women played in the growth of the farm movement. She has also drawn attention to the development of "friendship groups" and other attempts to help people have a happier old age.

In the garden page an attempt has been made to give publicity to horticultural events, both before and after, and to indicate to the gardener research being done. A certain amount of space has been provided for gardeners to exchange experiences and practical observations on growing fruit, flowers, vegetables and houseplants. Interest indicates that were more space available garden columns could be greatly expanded.

Youth Section

Each year contributions from members many times exceed the space allotted to the club and 1951-1952 was no exception. A variety of exchanges and affiliated groups, however, absorbed the enthusiastic response of youngsters who would otherwise have been disappointed. Newcomers continued to join at a rapid rate, while ex-members, now adults, contributed on occasion and continued to follow the pages with interest.

Two rallies were reported, one at Winnipeg and one at Saskatoon. In Saskatoon Y.C.'s attending the exhibition were met at The Western Producer booth by "Sister Ann" and "Bluebird," toured points of interest in the city and finished with a tour of the Modern Press plant where they learned how their own pages were edited and published. Throughout the year, members singly, were similarly greeted whenever they were in the city. This year the Y.C.C. party line was revised for the purpose of informing readers of members' activities, particularly of older members. A drawing contest and story contest proved popular, but creating far more interest was a coloring contest, which, though open to Juniors only, attracted a record 2,510 entries. Prizes and a grand prize were awarded.

Juniors and teen-agers followed more closely than ever the national and international fields. Several letters appear-

ed on the Royal Visit the Kurt Carlsen incident, the death of King George in February. Already contributions are arriving for the Coronation issue in 1953. Members corresponded personally with boys and girls in Germany, Holland, Denmark, Sweden, France, Italy, Spain, Australia, New Zealand, England, Scotland, Ireland, Mexico, New York and Washington, U.S.A., Africa, Brazil, India, Ceylon, Greece, Fiji and Trinidad.

More attention was given to dress make-up suitable for the magazine. A new masthead appeared and an effort was made to make attractive special issues for Thanksgiving, Hallowe'en, Remembrance Day, Christmas, New Year's, St. Valentine's, St. Patrick's, Easter, Mother's Day, Father's Day and Dominion Day. Seasons were spotlighted with suitable letters, poems and sketches for harvest, winter sports, school days, exhibitions, fairs and summer camps.

In the last month came the task of assembling letters from men and women who have contributed to the pages for the last twenty-five years, and preparing to celebrate the Silver Anniversary of the Young Co-operators' Club with a special five-page anniversary issue. Letters were arriving from New York, Illinois, North Carolina, Vancouver, Montreal, and, of course, from farms and towns on the prairies. They showed the writers still held dear their motto, "We Co-operate," knowing what practising that motto can mean to the world of today.

Reader Services

Orders received for patterns of various kinds and for fashion books totalled 59,195. This represents a decrease of 6,239 from the 1950-1951 total. The demand for patterns has continued to drop during the last three years. This year the decrease was in the purchase of dress patterns. Orders for household arts patterns (designs for embroidery, crocheting, knitting, quilts, rugs and other handicraft) increased.

The carpentry pattern service begun in May 1951 was continued, and 2,772 patterns were ordered. Eight hundred and forty copies of pamphlets reprinted from The Western Producer magazine on various phases of farm and home engineering were ordered.

The following statement shows the number of orders received during the year under review:

Household Arts.....	28,878
Dress Patterns.....	29,750
Needlework Books.....	567
Carpentry Patterns.....	2,772
Engineering Pamphlets.....	840
Total.....	<u>62,807</u>

Saskatchewan Co-operative Livestock Producers Limited

Financial Statements

The Auditors' Report and Financial Statements submitted separately to the delegates will show in detail the results of the year's operations and the financial position of the livestock subsidiary at the end of the fiscal year.

From the Statement of Earnings and Expenses it will be noted that after providing for depreciation on fixed assets amounting to \$22,972.03, operations of the Company for the year ended 31st July 1952 result in a surplus of \$9,201.28 before provision for income tax. This compares with a surplus of \$38,620.24 in the previous year.

After setting aside a sum of \$5,000.00 as provision for income tax, the balance of \$4,201.28 has been transferred to reserve account.

Included in the earnings of the Livestock Company is a share of the earnings of Canadian Livestock Co-operative (Western) Limited amounting to \$21,820.07 and a surplus from the operations of the Transit Compensation Fund amounting to \$12,118.14.

Livestock Operations

During the first five months of the year under review the cattle trade in Canada remained in a favorable position. The volume of cattle marketings was not heavy and the outlet to the United States was absorbing all surplus of both live cattle and dressed beef. Feed supplies were abundant and prices ruled firm.

In the latter part of 1951 and early in January 1952, price declines took place on all cattle classes in the United States. Due to the light supplies being marketed in Canada, Canadian prices did not immediately reflect the U.S. decline. The result was that higher cattle prices prevailed in Canada at this particular period than were being received for the same classes at marketing centres in the United States. This condition was only temporary. When prices levelled out the U.S. markets regained some of their price loss, while Canadian prices dropped from \$4.00 to \$6.00 per hundred, or to a level which allowed a sufficient price differential for export to be undertaken.

On 25th February it was officially announced that foot-and-mouth disease had broken out amongst herds in the Regina district. Almost immediately embargoes and restrictions were placed against the movement of livestock and meats from Canada to the U.S.A. and from Saskatchewan into the regular trade channels of Eastern and Western Canada.

The Regina and Moose Jaw yards were placed under total quarantine. A quarantine area and buffer zone were set up which restricted the movement of livestock or processed meats outside of these areas. While no federal restrictions were placed on the movement of livestock for immediate slaughter from other Saskatchewan markets, the restrictions imposed by other provinces limited the movement of livestock and dressed meats within the boundaries of Saskatchewan.

Under these conditions the Livestock Pool yards at Swift Current, North Battleford and Yorkton, while well outside of the buffer zone, were not in a position to operate, as deliveries could not be disposed of. The branches at Saskatoon and Prince Albert continued to operate on a restricted basis, providing local packers with suitable classes to supply the domestic trade in Saskatchewan outside of the quarantine and buffer zone areas.

In this critical situation, your livestock organization, as the only provincial-wide organization in the business of assembling and marketing livestock in Saskatchewan, was asked to assist the Government in carrying out the only practical policy at that time, of holding back livestock on the farms in an effort to avoid chaotic conditions and drastic price declines.

Due to the very fine co-operation received from producers in all parts of the province, this policy was very effective and definitely averted what might well have been an extremely dangerous situation.

As a heavy run of hogs was under way at this time, the immediate problem was the handling of surplus pork supplies. The Government of Canada undertook to extend the previously announced floor price of twenty-six cents

per pound basis Grade A at Toronto while the Prices Support Board purchased the surplus above current consumption in the form of canned pork, which was the only form in which space for storage was available. These measures took care of the situation fairly well until increased deliveries of cattle began to threaten a collapse of cattle prices.

On 22nd April the government announced a floor price of twenty-five cents per pound basis good steers at Toronto and Montreal and also developed a three-way plan under which Canadian beef could be shipped to Great Britain in place of beef purchased by the United Kingdom from New Zealand, the New Zealand beef being shipped to the United States and sold in that country for what it would bring on the open market.

With the establishment of the floor prices in Saskatchewan early in June, all markets in the province outside of the quarantine and buffer zone were able to resume operations.

From an operating standpoint the policy of controlling deliveries to our markets meant restricted volume, loss of revenue and consequently, a comparatively small operating surplus for the year under review. In the opinion of your Board, however, the part played by your livestock marketing organization in helping to maintain a measure of price stability during this difficult period was of much greater value to our members and to the livestock industry, than the larger surplus which might have been shown had deliveries not been restricted.

Total provincial cattle and calf marketings for the year under review were 312,527 head, as compared with 428,332 head for the same period a year ago, a decline of 27%. The number marketed co-operatively was 139,690 head, or 44.7% of the provincial marketings, as compared with 45% the previous year.

Hog marketings showed an increase from 272,502 head a year ago to 419,704 head during the year under review, an increase of 44% for the province. Of the total marketings 145,959 head were marketed co-operatively, representing 34.8% of the total number marketed.

Sheep and lamb marketings showed a further decline in this period, a total of 41,302 head as compared with 47,282 in the previous year. Of this total 14,854, representing 36% were handled through co-operative channels.

Total numbers of all classes of livestock marketed by your organization were 300,503 head, representing a gross value of \$27,600,000.00. Statement No. 15 attached to this report shows the handlings of livestock for the past two seasons, by divisions.

The following figures show the supply position of meat in Canada as at 1st August 1952, as compared with the same figures a year ago:

Canadian Meat Supply Position

	Cured		(Pounds) Storage		Fresh	
	Aug. 1/52	Aug. 1/51	Aug. 1/52	Aug. 1/51	Aug. 1/52	Aug. 1/51
Pork—						
16,425,000	14,416,000	34,164,000	16,307,000	4,632,000	4,268,000	
Beef—						
539,000	281,000	13,622,000	7,283,000	7,672,000	8,187,000	
Veal—						
—	—	2,982,000	3,364,000	796,000	1,003,000	
Mutton—						
—	—	683,000	517,000	136,000	137,000	
Total—						
16,964,000	14,697,000	51,451,000	27,471,000	13,236,000	13,595,000	
Total—All Meats—1st August 1951—55,763,000 Pounds						
1st August 1952—81,651,000 Pounds						

This report does not include stocks of canned meats. Stocks of these products at 1st August 1952, the latest available date, were 48,722,000 pounds of which 42,980,000 pounds were canned pork products, 2,829,000 pounds canned beef and 2,913,000 pounds other canned meat products.

The following statement shows the exports of livestock and dressed meats to the United States for the fiscal year 1950-1951 and from 1st August 1951 until the embargo was imposed on 25th February 1952.

Exports to the United States

(Live Animals)
(Number of Head)

	1951-1952	1950-1951
Cattle		
For immediate slaughter and feeding purposes	62,390	262,680
Dairy and Breeding Stock.....	25,734	61,761
	<hr/>	<hr/>
Calves.....	88,124	324,441
Sheep and Lambs.....	3,644	11,903
	5,912	33,501

Dressed Meats
(Pounds)

Beef and Veal.....	31,695,506	96,352,256
Mutton and Lamb.....	2,619,474	2,594,247

The following statement shows the volume and percentage of provincial deliveries handled through co-operative channels for the past four seasons:

	1948-1949	1949-1950	1950-1951	1951-1952
Cattle and Calves				
Provincial Deliveries....	555,960	541,559	428,332	312,527
Handled				
Co-operatively.....	222,737	220,448	192,537	139,690
Percentage of Co-operative Handlings.....	40.01%	40.7%	44.95%	44.7%
Hogs				
Provincial Deliveries....	239,343	316,443	272,502	419,704
Handled				
Co-operatively.....	86,892	117,451	101,163	145,959
Percentage of Co-operative Handlings.....	36.3%	37.1%	37.12%	34.8%
Sheep and Lambs				
Provincial Deliveries....	70,595	54,066	47,282	41,302
Handled				
Co-operatively.....	24,776	20,876	16,206	14,854
Percentage of Co-operative Handlings.....	35.1%	38.6%	34.27%	36%

To round out the statistical position, the following statement prepared by the Dominion Bureau of Statistics, shows the livestock population on farms in the past three years:

SASKATCHEWAN

	Cattle and Calves	Hogs	Sheep and Lambs
June 1 1949.....	1,254,100	458,600	234,100
December 1 1949.....	1,113,300	422,400	142,300
June 1 1950.....	1,214,000	433,700	237,000
December 1 1950.....	1,092,000	441,000	149,000
June 1 1951.....	1,237,000	607,000	236,200
December 1 1951.....	1,176,000	599,000	307,000
June 1 1952.....	1,382,000	646,000	155,000

CANADA

	Cattle and Calves	Hogs	Sheep and Lambs
June 1 1949.....	9,081,300	5,162,900	2,075,400
December 1 1949.....	8,243,300	5,412,900	1,235,100
June 1 1950.....	8,992,300	5,247,100	2,015,000
December 1 1950.....	8,292,100	5,419,300	1,268,000
June 1 1951.....	9,333,300	5,875,000	1,968,100
December 1 1951.....	8,962,000	6,498,000	1,302,000
June 1 1952.....	9,173,000	5,741,000	1,582,000

Canadian Livestock Co-operative (Western) Limited

Canadian Livestock Co-operative (Western) Limited is the interprovincial co-operative livestock selling agency

operating at St. Boniface, Manitoba, owned by the three provincial co-operative livestock organizations.

Financial Statements

The Balance Sheet of this organization, Statement No. 16 attached to this report, shows the financial position as at 31st July 1952. Total operating revenue for the year under review amounted to \$163,660.06, while operating expenses for the same period totalled \$125,413.60, leaving an operating surplus before providing for income tax, of \$38,246.46. This compares with an operating surplus the previous year of \$37,327.71. After provision for income tax, amounting to \$339.38, there is a net surplus for the year amounting to \$37,907.08.

In accordance with a resolution passed at a meeting of the Directors of Canadian Livestock Co-operative (Western) Limited on 21st June 1952, the surplus has been allocated on the following basis:

(a) Retained as non-interest bearing loans.....			\$ 3,567.63
Alberta Livestock Co-operative Limited.....	.086%	\$	3.07
Manitoba Pool Elevators.....	42.352%		1,510.96
Saskatchewan Co-operative Livestock Producers Limited..	57.562%		2,053.60
	100.000%	\$	3,567.63
(b) Available for distribution on the basis of revenue contributed to the Sales Agency during the period.....			34,339.45
Alberta Livestock Co-operative Limited.....	.086%	\$	29.53
Manitoba Pool Elevators.....	42.352%		14,543.45
Saskatchewan Co-operative Livestock Producers Limited.....	57.562%		19,766.47
	100.000%	\$	34,339.45
			<u>\$37,907.08</u>

During the year under review Canadian Livestock Co-operative (Western) Limited handled 5,006.6 cars of livestock as compared with 5,480.8 cars the previous year. The following figures show the distribution of these cars by provinces:

	No. of Cars	Percentage of Total
Alberta Livestock Co-operative Limited.....	3.6	.05%
Manitoba Pool Elevators.....	2,056.3	41.60%
Saskatchewan Co-operative Livestock Producers Limited.....	2,946.7	58.35%
Total	<u>5,006.6</u>	<u>100.00%</u>

On the basis of 5,007 cars of livestock handled (see above) for the period under review, the net operating surplus per car amounted to \$7.571.

Comparative operating figures on a per car basis for the past three fiscal years are as follows:

Year ended:	Number of cars	Operating Revenue	Operating Expenditure	Surplus for Year
29th July 1950	6,747	\$26.285	\$18.494	\$7.791
28th July 1951	5,481	30.061	23.309	6.752
2nd Aug. 1952	5,007	32.687	25.116	7.571

The above figures are computed on the basis of twenty-five head of cattle, eighty hogs or one hundred sheep per car.

In the past fiscal year this Company handled 70,836 cattle, 21,621 calves, 128,536 hogs and 18,486 sheep and lambs. The aggregate values amounted to \$22,932,652.49.

Canadian Co-operative Wheat Producers Limited

As in former years, the annual report of Canadian Co-operative Wheat Producers Limited as presented to its shareholders, is included in and forms part of this report. The report presents a comprehensive survey of both national and international developments in the field of agriculture during the past year.

Canadian Pool Agencies Limited

The report of the directors of Canadian Pool Agencies Limited to its annual meeting of shareholders is also attached hereto for the information of delegates. The Balance Sheet for the year ended 31st July 1952 and the Statement of Patrons' Equity and Income and Expenses are also attached as Statements No. 9, 10, and 11.

Pool Insurance Company

As has been pointed out on previous occasions, the fiscal year of the Pool Insurance Company ends on 31st December. The report of the operations of this inter-provincial organization for the year 1951, together with the Balance Sheet and Statement of Income and Expenditures are included in and form part of this report.

The Manager of Pool Insurance Company, who is also Manager of Canadian Pool Agencies Limited, will be in attendance at this meeting and will be in a position to submit information of the progress being made during the current year.

Publicity

The activities of the Publicity Department were directed towards keeping the public informed concerning the activities of the Saskatchewan Wheat Pool organization.

As in former years, an effort was made to keep the membership familiar with the functioning of the democratic machinery by which ideas, originating at the grass roots, work up through the various channels for final decision by the delegates in annual meeting.

The activities of the Department for the year under review are set out below under major headings:

Radio

As in former years, radio was used extensively as a means of keeping in touch with Pool membership and as a means of keeping the general public informed on matters of Pool and agricultural policy. Programs included:

- (a) Hockey Broadcasts
- (b) Pool Talks
- (c) Variety Programs
- (d) The Sunday News
- (e) The Art of Homemaking
- (f) Spot Broadcasts.

Because of waning interest in senior hockey, hockey broadcasting was considerably curtailed and was carried only on one station, CKRM Regina. The decision to carry hockey was based on the desire to maintain continuity in this form of broadcasting, and to preserve our broadcasting rights for the future in the event that there is a revival in both the interest in and the quality of this sport.

Because of the limited schedule of hockey broadcasting, a supplementary program of Pool talks was carried on a three-station network: CKRM Regina, CFQC Saskatoon, and CKBI Prince Albert. These talks were carried once a week on Friday nights throughout the winter.

The variety program, aimed at reaching out to the normal audience which each station has, was carried on

CKCK Regina, CHAB Moose Jaw, CFQC Saskatoon, CJGX Yorkton, and CJNB North Battleford. These programs were recorded and released each week and contained a short message concerning some phase of Pool or agricultural activity.

The Sunday newscast over CKCK Regina was continued throughout the year on the same basis as former years.

The Art of Homemaking, which was started in the fall of 1950, was continued for a second period of twenty-six weeks during the year under review, and was sponsored by the Wheat Pool Flour Mill. The program was carried on seven stations in the province: CKRM and CKCK Regina, CHAB Moose Jaw, CFQC Saskatoon, CJGX Yorkton, CKBI Prince Albert and CJNB North Battleford. This program was carried on Class "C" radio time and was specifically designed to appeal to housewives.

Advertising

General advertising was carried in The Western Producer and the weekly papers published in Saskatchewan. Advertising carried in The Western Producer has the greatest concentration in Saskatchewan but covers a substantial circulation outside the province, particularly in the adjoining provinces of Manitoba, Alberta and British Columbia.

The weekly papers are used for advertising more institutional in nature and are particularly suited to this form of advertising as they reach into Saskatchewan farm homes, many of which are probably not receiving any other paper carrying Pool advertising.

A selected group of non-English weeklies, published in Saskatchewan or with substantial circulation in Saskatchewan, are also used for the release of Pool advertising. Through this medium we are able to maintain a Pool contact with all the major language groups.

Advertising is also placed in a selected list of publications all across Canada from the Maritimes in the east to British Columbia in the west.

Effort is still directed towards maintaining good public relations with other organizations both inside and outside Saskatchewan. In this connection harmonious relationships have been fostered with the Saskatchewan Division of the Canadian Weekly Newspapers Association, the Saskatchewan Association of Rural Municipalities, the Rural Municipal Secretary-Treasurers' Association, the Saskatchewan Postmasters' Association, the Canadian Broadcasting Corporation, the private radio stations, the various agricultural exhibition associations, the "A," "B," and "C" fairs, the Extension Department of the University of Saskatchewan, the National Research Council, the agricultural press both in and outside Saskatchewan, the Saskatchewan Farmers' Union, the local agricultural societies, the Agricultural Institute of Canada and other farm organizations across Canada.

Flour Advertising

Flour advertising has been carried in newspapers all across Canada from the Maritimes to British Columbia in all areas where products of the Mill are sold or where there is a potential market.

The policy, started in 1950, of underwriting 50% of the cost of flour advertising placed by local co-operatives has been extended and now applies in all areas of Canada where "Co-op" flour is sold. The policy also applies to advertising placed by regional co-operative wholesales.

The same principle applies in Saskatchewan to "Pool" flour advertising placed by local merchants who devote part of their advertising space to "Pool" flour.

Flour salesmen operating in Saskatchewan, who take orders from private merchants, carry flour advertising material with them. They are authorized to place such advertising in local papers with the names of merchants added. In this manner it has been possible to relate the release of advertising in a district to the exact time at which merchants commence handling the product. It is too early to appraise the value of this method of advertising but the first reaction to it has been good. If subsequent results justify such action it is likely this type of advertising will be expanded.

Calendars

There is still a strong demand for Pool calendars. Individually wrapped calendars are mailed to members of the organization by direct mail. A supply is also sent to each elevator agent and to all the major offices of the organization at Winnipeg, Port Arthur, Saskatoon, etc. Calendars are also mailed to a large number of business firms, both in Saskatchewan and in other provinces, which do business with various branches of the organization. The calendars are still in strong demand from companies operating solely in Saskatchewan, many of which use the map and back index for organizational purposes. The calendar was produced by Modern Press Limited.

Exhibitions

The Pool had exhibits at all the fairs on the Class "A" and Class "B" circuits and participated in a number of Class "C" fairs. Paper hats advertising "Pool" flour were distributed at "A" and "B" fairs and hats advertising "Co-op" flour were made available for distribution through Saskatchewan Federated Co-operatives Limited.

The Saskatchewan Wheat Pool participated in the celebration commemorating the Fiftieth Anniversary of the founding of the town of Indian Head. With assistance from the Publicity Department a number of Wheat Pool Committees in the area adjacent to Indian Head entered a series of floats in the parade symbolizing "Half a Century of Progress for Organized Farmers." The floats featured a number of early historical events in the district, including the Sintaluta Trial, the organization of the Territorial Grain Growers, the organization of the Saskatchewan Wheat Pool, progress in farm methods, and the organization of the International Federation of Agricultural Producers.

Research

Research work was conducted in the Department in connection with all major activities of the organization, with particular reference to freight rates, livestock prices, irrigation and conservation, farm income, the International Wheat Agreement, price indices and agricultural policies.

Library

For the year ended 31st July 1952, 6,259 books were mailed out from the library to regular borrowers. This figure does not include a number of mailings to students and others not classified as regular borrowers, nor does it include the large number of people who used the reference section of the library at Head Office.

The number of books mailed out for the year dropped by approximately 1,600 compared with mailings for the

previous year. This drop can be partially accounted for by improved library facilities throughout the province.

Attached to this report is a table covering operations of the library for the year under review, Statement No. 6.

Crop Reporting

The Saskatchewan Wheat Pool's crop report continues to be regarded as one of the most authentic reports on crop conditions in this province. When combined with the reports from Manitoba and Alberta, as published each week in *The Western Producer*, the summary represents the most complete progress report on the prairie grain crops available anywhere in Canada.

A summary of the report is prepared each week and released to the daily papers, the *Canadian Press*, the *British United Press*, the private radio stations and to a large list of private firms and individuals.

The publication of the three Pools' reports puts *The Western Producer* definitely in the lead position for crop reporting when compared with any other newspaper in Canada.



Junior Activities

Variety Testing

Wheat Pool variety tests were conducted on 320 farms in all parts of Saskatchewan in 1952. The following table shows the varieties used, and the number of tests in each of the three projects:

Project	No. of Tests	Varities
Wheat.....	167	Thatcher, CT-181, Stewart, Nugget, Chinook, Lee (1)
Barley.....	111	Vantage, Nx1-11, Harlan, Titan, Montcalm, UM-1020 (2)
Flax.....	42	Royal, Marine, Redwing, Redwood, Rocket

- (1) Only five of the six wheat varieties listed were used in each test. Chinook, a sawfly resistant variety, was used in tests throughout the south, central and western zones of the Province but was replaced by Lee in the eastern and northern zones.
- (2) Vantage and Nx1-11 were used in all tests. Titan and Harlan were used only in the south, central and western zones. They were replaced by Montcalm and UM-1020 (malting varieties) in the northern and eastern zones.

Three of the varieties in the wheat project had not been tested previously. These were CT-181, Chinook and

Nugget, CT-181 and Chinook are important bread wheat varieties because of their special characteristics. CT-181 is among the first varieties developed with resistance to race 15B of stem rust. It was identified by the code number W-555 in Wheat Pool tests during the past season. Chinook is a new sawfly resistant variety with better milling and baking qualities than Rescue. To date Rescue has been the only sawfly resistant bread wheat in commercial production. Nugget is a new early maturing durum variety. It is much higher in macaroni quality than Pelissier and is expected to be earlier in maturing than Pelissier or Stewart. It is doubtful, however, if it will yield as well as either of these varieties under Saskatchewan conditions.

Three new barley varieties were included in the 1952 tests. These are Harlan, Nx1-11 and UM-1020. Harlan is a six-rowed feed variety which has given good results under irrigation conditions in southern Alberta. Nx1-11, a six-rowed feed variety introduced by the University of Saskatchewan, was outstanding in tests conducted by the Wheat Pool and the University in 1951, and its results in the 1952 project will be studied with interest. UM-1020 is a new six-rowed malting variety originated at the University of Manitoba. The tests during the past year have provided an opportunity to compare this variety with Montcalm, the best malting variety in use in Saskatchewan at present. UM-1020 was grown in the 1952 tests under the code number B-130.

The flax tests included two new brown-seeded varieties originated in the northern United States. Redwood has already been licensed for commercial production in Canada and the tests this year will provide information regarding its suitability under Saskatchewan conditions. Marine, the other new variety, is expected to prove earlier in ripening than most of the standard varieties now in commercial production. A comparison being made between this variety and Redwing, the earliest flax variety grown in Saskatchewan at present, will provide useful information for farmers in areas where early maturity is desired. Both Redwood and Marine are immune to the present races of flax rust,—an important feature because of the heavy infestations of rust which have occurred recently on some of the varieties previously considered resistant.

As in previous years, the wheat tests were widely distributed and every effort was made to have at least one project in each sub-district. Barley tests were included in all Wheat Pool districts but in smaller numbers than the wheat projects. The flax tests were confined to a more limited area and were included only in cereal variety zones in the eastern part of the province.

Full co-operation was received again during the past year from Dr. J. B. Harrington, Professor of Field Husbandry, and his co-workers at the University of Saskatchewan, in planning the projects and providing technical advice.

The variety test supervisors were young farm men and women selected for this work by the Wheat Pool delegate in each sub-district. Duties of the supervisors included seeding and supervising the test, completing detailed progress reports and monthly rainfall reports during the growing season and harvesting the test in the fall. As in the past, each variety test supervisor was supplied with seed and equipment for the project, a metal sign to mark the test, a supervisor's badge and a rain gauge. The returns from each test were shipped to Head Office where threshing, weighing and grading of the samples was carried out.

A complete report of the results of the tests will be published again this year for distribution to farmers and

plant breeders in Western Canada and the United States. In addition, a preliminary report will be prepared for use by the Saskatchewan Cereal Variety Committee which holds its annual meeting at Saskatoon in December. The Cereal Variety Committee is composed of plant breeders and agricultural specialists who meet annually to review the results of testing work in the province and make recommendations regarding the best varieties for future use in each zone. During the past two years a representative of your organization has been a member of this committee and for many years past the Wheat Pool testing projects have been an important source of information for the committee.

Excellent growing conditions during the past season resulted in a high proportion of successful tests and this naturally was very encouraging for the test supervisors. In a number of sub-districts special Wheat Pool committee meetings were arranged by delegates and staff members for the purpose of inspecting the tests and this added greatly to the interest of the supervisors. There is no doubt that the attention and publicity given to the tests in each community by the delegate, elevator agent and Wheat Pool committee members often determines the degree of enthusiasm shown by the young people who take care of these tests. Experience in past years has shown that efforts to promote and maintain the interest of farm people in their local testing projects are well worthwhile.

Wheat Pool variety tests cover a field of experimental work not duplicated by any other organization. The tests are very important, therefore, in supplementing varietal research at the University and experimental farm level. Much of the value of the projects is due to the efforts of Wheat Pool delegates and committees who arrange to have tests conducted in areas of the province where no other projects of this nature are carried out.

The young people who conduct these tests deserve a great deal of credit for the high standards of accuracy and judgment which they maintain. For most of them this work provides the first direct association they have had with the Saskatchewan Wheat Pool. A number of the test supervisors of earlier years are now taking an active part in the affairs of the organization and some have reached positions of responsibility. Many of those who conducted tests during the past season have indicated by their excellent work that with continued encouragement and training they will be well fitted to provide leadership in the years to come.

4-H Clubs

During the early part of 1952 the Canadian Council on Boys and Girls Club Work adopted a change in name and is now known as the Canadian Council on 4-H Clubs. Somewhat later during the current year, Saskatchewan Junior Clubs officially took the title of 4-H also.

While there will be no great change in the project work it is hoped that as a result of membership in an international 4-H organization, club work in rural areas may come to mean even more than it does now.

The 4-H pledge, from which the name of the clubs is drawn, is adopted by all club members and reads as follows: "I pledge my head to greater thinking, my heart to greater loyalty, my hands to larger service, my health to better living, for my club, my community and my country."

As in former years, support of the junior club movement under the direction of the Extension Department of

the University of Saskatchewan, continued to be an important project and received widespread support from Pool delegates and members of the staff in all parts of the province. Close co-operation was maintained with the Extension Department of the University in the organization and operation of these clubs, as well as in other activities referred to in the Country Organization Report.

The grant of \$10,000.00 approved at the last Annual Meeting of Delegates, was made to the University of Saskatchewan to assist in developing junior club activities and this assistance has been gratefully acknowledged by the University authorities. It may be noted that largely as a result of this contribution the 4-H Club program is the largest single extension activity being carried on by the University's Department of Extension.

The following summary sets out in some detail the activities of the 4-H Clubs in 1952 as compared with similar activities in 1951:

Summary of 4-H Club Projects

	Number of Clubs		Members		Produce (approx.) 1952
	1951	1952	1951	1952	
Grain.....	126	144	2,002	2,183	134,250 bushels
Beef.....	184	194	2,953	3,032	No shows, on account of foot-and-mouth disease.
Dairy.....	11	12	171	170	No shows.
Poultry.....	5	5	62	50	3,000 chickens.
Swine.....	11	13	168	178	356 pigs.
Tractor.....	5	8	92	141	—
Potato.....	8	9	96	121	1,875 bushels.

4-H Grain Clubs

Variety Grown		No. of Clubs	No. of Members	No. of Acres	Approximate Yield (Bushels)
Wheat	Thatcher.....	97	1,378	2,756	
	Redman.....	3	42	84	
	Total.....	100	1,420	2,840	70,000
Oats	Fortune.....	17	349	698	
	Exeter.....	3	52	104	
	Ajax.....	1	15	30	
	Victory.....	1	14	28	
	Total.....	22	430	860	37,840
Barley	Montcalm.....	10	150	450	
	Hannchen.....	2	28	56	
	Vantage.....	7	112	224	
	Total.....	19	290	730	25,550
Flax	Royal.....	2	30	60	
	Rocket.....	1	13	26	
	Total.....	3	43	86	860
Potatoes	Early Ohio.....	4	60		
	Netted Gem..	1	12		
	Columbia				
	Russet.....	1	14		
	Warba.....	3	35		
	Total.....	9	121	15	1,875
TOTALS.....		153	2,304	4,531	136,125

It will be noted that the enrolment in the various 4-H Club projects shows a definite increase in 1952 as compared with the 1951 figures. The largest enrolment in the history of the beef project is recorded for this year. The cancellation of 4-H Beef and Dairy Club Achievement Days on account of the outbreak of foot-and-mouth disease in Saskatchewan, was responsible for many changes in their regular program. Approximately 986 4-H Club members participated in 4-H interclub competitions this year, again the largest number on record.

In recent years the Extension Department has arranged for the presentation of leadership certificates to 4-H Club leaders for five or more consecutive years of outstanding

service. A total of 139 have been presented to date. The Extension Department believes that good leadership is the keynote in the great voluntary organization of 4-H Clubs and recognition of leaders can never receive too much emphasis.

The sponsorship of 4-H Clubs by Wheat Pool Committees is encouraging. In 1952 Wheat Pool committees sponsored 137 4-H Clubs, a record number. A number of Wheat Pool agents also continue to act as very capable leaders.

A summary of 4-H Club work would not be complete this year without reference to possibly the greatest friend the junior club movement in this province has had, the late Professor John G. Rayner, who at the time of his death was Director of Extension. The late Professor Rayner's contribution to junior club work may be summarized in the words of one of his colleagues at the time of his death, when he said, "He gave his all to help others to help themselves."

4-H Homecraft Clubs

4-H Homecraft Clubs registered at the Extension Department, with their projects, as at 30th September 1952, are as follows:

<i>Project</i>	<i>No. of Clubs</i>	<i>No. of Members</i>
Clothing.....	50	496
Food.....	11	110
Garden.....	4	46
Others.....	10	81
Total.....	75	733

District Homecraft Conferences were held at six centres during the fall of 1951. These brought together representatives from twenty-one clubs with an attendance of 208 members and leaders. In addition, forty-five local achievement days were undertaken. These latter proved to be successful community projects with some 2,088 in attendance. The annual International Exchange of 4-H Clubs was held this year at Eastend, with an attendance of 265.

There will be distributed separately to delegates a memorandum outlining in some detail the close co-operation in educational work between the University Extension Services and Pool educational activities. The concluding paragraph of this report, prepared by Professor Margaret Pattillo, Acting Director of Women's Services at the Extension Department, has this to say: "Women's Service has carried on many and varied projects throughout Saskatchewan in an effort to assist young women to discover a satisfying life for themselves and their families. In this the financial assistance and active interest of the Wheat Pool is acknowledged with sincere appreciation."

Country Organization

Wheat Pool Committees

At 31st July 1952 there were 1,137 local Wheat Pool committees functioning in the province, which compares with 1,147 at the same date last year, a decrease of ten committees. Statement No. 7 of this year's report shows the total number of committees by Wheat Pool districts and sub-districts. Statement No. 8 indicates that 1,066 of these committees were elected during the twelve-month period 1st August 1951 to 31st July 1952, leaving seventy-one that have not reported. This compares with ninety last year and indicates a high percentage of active committees in all Wheat Pool districts. A number of the seventy-one that have not reported have actually been elected but

the minutes of the annual meetings have not been received at Head Office.

It is of interest to note that 10,241 Wheat Pool shareholders are serving as members of local committees, an average of nine Pool members per committee.

Committee Conventions

The annual program of committee conventions was carried through in May, June, and July. Attendance was higher than the previous year. The increase may be explained by the fact that the early spring and continued dry weather permitted seeding to proceed normally and at the same time it was possible for farmers to harvest almost one hundred million bushels of last year's crop and still have their farming operations in shape to attend committee conventions.

The reports of committee work during the year, presented by the secretary of each committee, together with a discussion of these reports, led by the Wheat Pool delegate, was the key item on the agenda at all conventions. The "discussion groups" which were introduced last year and which were so enthusiastically received, were continued. Reports indicate a marked improvement in "discussion groups" this year with satisfactory participation on the part of committee men.

In addition to the foregoing each convention gave some time to junior co-operative activities, Women's Co-operative Guilds, co-operative education and general organization work in the sub-district.

Agents of Saskatchewan Pool Elevators Limited attended the conventions in all cases where the business of the elevator permitted them to do so and made a valuable contribution when the business of Pool Elevators was under discussion. Seven hundred and ninety-four agents were present, a satisfactory increase of ninety over the previous year. Travelling superintendents led discussions and answered numerous questions affecting the handling of grain. Co-operative Livestock shippers gave information and reported on the year's operations in their department. There was good team work on the part of all employees.

The director, in his report to the convention, dealt with the operating policy of the organization in all departments. He outlined the progress made in connection with the renewal of the International Wheat Agreement which received strong support in every district. The operations of The Canadian Wheat Board were explained and the Board was approved as the sole marketing agency for all grains. Other features included in the director's report were the Industrial Division, including operation of the Flour Mill and the Vegetable Oil Plant. Marketing of livestock was also discussed, with special reference to problems created by the outbreak of foot-and-mouth disease. The policy of the organization was endorsed by all conventions.

During the year under review 128 committee conventions were held, as compared with 127 for the previous year. Of these, ninety-two were single sub-district conventions, thirty-four were joint meetings of two sub-districts, while two included committees from three sub-districts. Total attendance was 7,879, with an average of sixty-one. This compares with an attendance of 7,368 last year, with an average of fifty-eight. Of the total attendance 4,924 were Wheat Pool committee members, 794 were elevator agents and 2,037 were visitors. Six hundred and sixty-four of the visitors were ladies. The minutes of committee conventions continue to come in in good form,

they are interesting and informative documents which are preserved from year to year.

Committee Programs

In order to reach the individual membership educational work must be carried on in many ways. The most effective way of reaching the membership is through the Wheat Pool committee. To assist these front-line workers, Committee Programs are issued periodically and mailed to all committee men. Copies are also sent to delegates, agents and travelling superintendents. These programs provide factual information on the policy and operation of the Company and on other matters affecting agriculture and the co-operative movement.

During the past year about 80,000 programs were distributed. The following is a list of the titles: The Car Order Book; Highlights of the Twenty-seventh Annual Meeting; Something about Ourselves; A Lot on His Mind; Box Cars for the New Crop; Highlights of the Committee Conventions, 1952; I.F.A.P, What it Is, What it Does.

Handbook No. 1, containing the Act of Incorporation, Articles of Association, by-laws covering powers and duties of delegates, by-laws covering Wheat Pool committees and local general meetings and by-laws covering election of delegates, was revised and mailed to all delegates, chairmen and secretaries of Wheat Pool committees and to Pool Elevator agents.

Visual Education

The new film, "The Farmers' Flour Mill," which was reported in production last year, was completed and released in March of this year. It is a film in color and sound with a running time of fifteen minutes. It tells the story of achievement of the western farmers, who for many years had planned to own their own mill and to process their high-quality wheat into high-quality flour. The film was not designed for entertainment purposes, it is essentially an educational picture. Because of the release late in the winter it has not yet been widely shown, but reports so far indicate that it is being well received.

Films on co-operative subjects are in short supply. "The Farmers' Flour Mill" has a definite co-operative message and helps to balance our program. Every effort is made to keep the programs on a pleasing as well as an educational basis. During the period under review 101 new films were purchased, in addition to our own production. The picture show type of meeting is popular and very often the Wheat Pool show is one of the outstanding community gatherings of the year.

Meetings

During the year under review district representatives attended 2,446 meetings of all kinds, with an estimated attendance of 116,126. Motion pictures were shown at 723 of these meetings. In all cases current information in connection with the organization was given, marketing problems were explained and the policy of the Wheat Pool was outlined.

In addition to the foregoing there were personal visits to 7,221 farmers, 3,292 business men were interviewed and there were 4,174 visits to Pool elevators.

Co-operative Schools, Citizenship Days and Rallies

A program of Co-operative Schools, Citizenship Days and Rallies was continued during the year. The plan for

these events varied from district to district, depending on the need of the area and the personnel available to give lectures. Canadian citizenship and the principles of co-operation were the themes of these meetings. The department continued to enjoy the active co-operation of the University of Saskatchewan, the Department of Education, the Department of Agriculture and the Saskatchewan Co-operative Union. Seventy-one of these events were held during the year with a satisfactory attendance.

The annual series of regional Co-operative Schools was carried through during the year. Six schools were operated during the week 7th July to 12th July, inclusive, at North Battleford, Prince Albert, Saskatoon, Swift Current, Fort Qu'Appelle, and Sturgis, with a combined attendance of 376 students. The program was generally similar to that of other years, with the same sponsoring organizations, namely, the Extension Department of the University of Saskatchewan, Saskatchewan Federated Co-operatives Limited, Women's Co-operative Guilds, Co-operative Union of Saskatchewan, the Department of Co-operation, the Experimental Station at Swift Current and the Saskatchewan Wheat Pool. The Co-operative Canteen, which has been a successful feature for many years, continues to grow in popularity and is one of the effective and practical lessons of the school.

The Swift Current school is a Wheat Pool project serving the youth of Districts 3, 4, and 5. It is operated by a special committee appointed by the delegates of these districts, consisting of one delegate from each district and the three fieldmen concerned. Students are financed by contributions from local Wheat Pool committees. Wheat Pool fieldmen continue to take a leading part in the organizing and promoting of these schools.

Dominion-Provincial Youth Training

The Country Organization Department worked closely with the University of Saskatchewan in organizing regional agricultural short courses under the Dominion-Provincial Youth Training Plan. These were residential schools of six weeks' duration, held at Kenosee Lake Chalet, North Battleford, Prince Albert, and Moose Jaw.

Flour

The department has continued its active work in introducing "Pool" and "Co-op" flour to Saskatchewan consumers and plans are underway to step up the education and promotion program for the coming year.

Livestock Marketing

During the year under review the department has given assistance to local Wheat Pool committees and livestock shippers in organizing and assembling co-operative shipments to all provincial markets operated by the Livestock Pool and to Canadian Livestock Co-operative (Western) Limited at St. Boniface.

Co-ordination

The Co-ordination Agreement under which Wheat Pool fieldmen carry on promotion and education work for Saskatchewan Federated Co-operatives Limited and Canadian Co-operative Implements Limited was continued during the year.

General

In addition to the activities outlined above a general program of organization and education was carried on

in all districts, working always in close co-ordination with Wheat Pool directors, delegates, committees and employees.

Local committees continue to be the strongest link in the Wheat Pool organization. It is most important, therefore, that every effort should be made to see to it that the men and women who serve on these committees are kept up-to-date on all information affecting the organization and that they receive full support in the performance of their important duties.

Co-operative Associations

During the year ending 31st July 1952 there was a net increase of ten in the number of Co-operative Associations of all types carrying on business in Saskatchewan.

The number of Co-operative Associations of all types operating at the date of this report was 1,340, made up as follows:

Under the Co-operative Associations Act.....	1,023
Under the Co-operative Marketing Associations Act.....	35
Under the Credit Union Act.....	260
Under Special Saskatchewan Legislation.....	17
Under Dominion Legislation.....	5
Total.....	1,340

Membership

For the year under review, 5,746 applications for shares were received as compared with 3,866 applications in the previous year. In addition, during July 1,728 applications were received as compared with 1,151 applications in July last year.

The following statement shows the number of applications received since February 1934, when the policy of accepting new members by way of application 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

As has been pointed out in former annual meetings, as the membership of the organization increases the problem of keeping an accurate record of addresses of Pool members becomes more acute. As indicating the extent of this problem it may be noted that the department in charge of the membership register made 11,850 changes of address during the year under review. Throughout the year advice was received of the death of 1,583 members.

Reorganization

At the last Annual Meeting the delegates unanimously approved a recommendation of the Board that the existing Pool organization should be reorganized and authorized the Board to take the necessary steps to complete the reorganization, effective 1st August 1952.

This has now been completed and as from the beginning of the present year, Saskatchewan Co-operative Producers

Limited is the sole operating company for all of the activities of the organization. Under the plan of operation now in effect the various subsidiary companies, including Saskatchewan Pool Elevators Limited, Saskatchewan Pool Terminals Limited, Modern Press Limited and Saskatchewan Co-operative Livestock Producers Limited, have each entered into an agreement under which they lease all of their physical assets to the parent company.

Under the agreements Saskatchewan Co-operative Producers Limited undertakes to keep the physical assets in good repair and agrees to pay all operating and maintenance expenses, taxes, insurance premiums, rentals and interest which may be payable by the Company concerned. It also agrees to pay annually such sums as may be mutually agreed upon for depreciation of the plants. Under the new arrangements Saskatchewan Co-operative Producers Limited is the sole operating company for all of the activities of the organization. For all practical purposes the subsidiaries may now be regarded as holding companies.

Amendments to Act of Incorporation

When the steps to be taken to complete reorganization were under consideration, a proposal that the name of the organization should be changed from "Saskatchewan Co-operative Producers Limited" to "Saskatchewan Wheat Pool" was considered. Your Board is of the opinion that the name "Saskatchewan Wheat Pool" is popularly accepted and is much better known than the legal name of "Saskatchewan Co-operative Producers Limited."

If the change in name is approved by the delegates it will be necessary to amend the Act of Incorporation of the organization and the Board should be authorized to make application for the necessary amendment. If the word "Limited" is to be retained after the name "Saskatchewan Wheat Pool," there can be no objection, but our legal advisers have stated that no liability is imposed upon anyone if the word "Limited" is removed from the name. If the word "Limited" is eliminated then Section 5 of the Act of Incorporation, which reads, "The liability of the members is limited," should also be removed.

With regard to the use of the word "Limited," it will be recalled that this implies that the liability of a member in respect to any share held by him is limited to the unpaid portion of the share to which he has subscribed. It will also be recalled that the Articles of Association provide that not more than one share of the capital stock of the Company can be held at any time. The par value of a share is \$1.00 and this is paid for at the time the application is signed.

International Wheat Agreement

The third year's operations under the International Wheat Agreement were completed on 31st July 1952. It will be recalled that during the first year of its operations the total guaranteed purchases of the importers and the total guaranteed sales of the exporters amounted to 436,283,000 bushels. At that time thirty-seven importing countries and four exporting countries had signed the Agreement.

In the second year's operations the number of importing countries participating had increased from thirty-seven to forty-one, and the guaranteed quantities had increased from 436,283,000 bushels to 562,500,000 bushels.

In the third year of its existence, forty-two importing countries participated, with combined guaranteed quantities totalling 580,917,000 bushels of grain.

The exporting countries remain at four and include Canada, Australia, France and the United States.

The countries participating in the Agreement, with the guaranteed quantities for which each of these countries is responsible, are as follows:

**Countries Signatory to the International Wheat Agreement
as at 1st August 1952**

<i>Importing Countries</i>	<i>Guaranteed Quantities (bushels)</i>	<i>Importing Countries</i>	<i>Guaranteed Quantities (bushels)</i>
Austria.....	11,023,000	Japan.....	18,372,000
Belgium.....	20,209,000	Lebanon.....	2,388,000
Bolivia.....	2,756,000	Liberia.....	37,000
Brazil.....	13,228,000	Mexico.....	12,860,000
Ceylon.....	6,614,000	Netherlands.....	24,802,000
Costa Rica.....	1,213,000	New Zealand.....	4,593,000
Cuba.....	7,422,000	Nicaragua.....	331,000
Denmark.....	1,617,000	Norway.....	7,716,000
Dominican Republic.....	876,000	Panama.....	625,000
Ecuador.....	1,286,000	Peru.....	5,512,000
Egypt.....	14,697,000	Philippines.....	7,202,000
El Salvador.....	404,000	Portugal.....	5,626,000
Germany.....	66,139,000	Saudi Arabia.....	1,837,000
Greece.....	15,726,000	Spain.....	4,373,000
Guatemala.....	919,000	Sweden.....	2,756,000
Haiti.....	1,029,000	Switzerland.....	6,430,000
Honduras Republic.....	367,000	Union of So. Africa.....	11,023,000
Iceland.....	404,000	United Kingdom.....	177,068,000
India.....	55,116,000	Venezuela.....	6,246,000
Indonesia.....	3,674,000		
Ireland.....	10,104,000		
Israel.....	5,879,000		
Italy.....	40,418,000		
		Total.....	580,917,000

<i>Exporting Countries</i>	<i>Guaranteed Quantities (bushels)</i>
Canada.....	238,490,000
Australia.....	72,000,000
France.....	4,089,000
U.S.A.....	255,149,000
Total.....	569,728,000

It will be noted from the foregoing figures that there is a difference of 11.2 million bushels between the guaranteed quantities of importing countries and exporting countries. In this connection it should be pointed out that at a special session of the International Wheat Council held in April 1952, the Council decided that because of widespread crop failure in Australia, that country should be relieved of a portion of her guaranteed sales for the crop year 1951-1952 to the extent of some 16.7 million bushels.

At the same time the International Wheat Council authorized the Executive Committee to invite the other exporting countries to increase their guaranteed exports as much as possible to offset the Australian shortage. This action was taken under authority of Article 10 of the Agreement.

Under the existing conditions Canada agreed to increase its quota by 5.5 million bushels but the other exporting countries were unable to offer any increase in their guaranteed quantities. The increase of 5.5 million bushels by Canada had the effect of reducing the Australian net shortage to 11.2 million bushels, which is the difference indicated above.

In connection with the increase in quota accepted by Canada it should be pointed out that the extra wheat provided was No. 5 wheat and that the I.W.A. price on this particular grade was the same as the Class Two price.

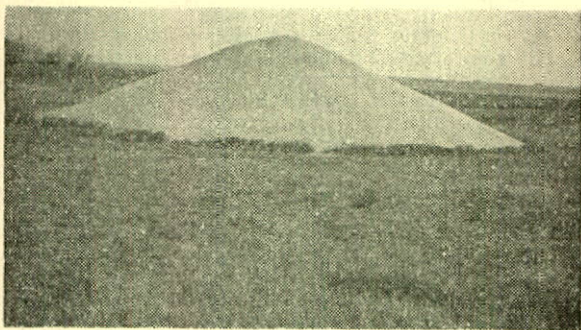
As anticipated at the time of the last Annual Meeting of Delegates, the International Wheat Council convened a meeting which was held in London, England, in April and May of the present year. This meeting was called

primarily in an effort to carry out the terms of Article 22 of the Agreement which requires the Council to communicate recommendations regarding the renewal of the Agreement not later than 31st July 1952. Practically all of the countries participating in the Agreement were in attendance. In the course of the Conference practically every country taking part expressed full approval of the principles underlying the International Wheat Agreement.

In its last annual report your Board suggested that certain changes in terms could be anticipated, in the light of the experience gained in the past three seasons. It was also suggested that it might be possible to work out a method of automatic renewal satisfactory to the participating countries, and further, that provision should also be made for a greater degree of flexibility in price ranges. This meant that in the event of increased production costs, price ranges could be adjusted upwards and in the event of decreasing costs a downward adjustment might be made.

All of these matters received lengthy and careful consideration during the Conference but no definite decisions were arrived at. A Continuing Committee was set up to deal with the technical questions which had been raised and it was agreed that a further Conference would be held towards the end of the year. Since that time this Conference has been called to meet in Washington early in January.

Your Board is satisfied that satisfactory answers will be forthcoming in connection with the various technical problems which were raised. The chief difficulty will be to determine whether a price range satisfactory to both importers and exporters can be agreed upon. This will be the primary topic for consideration at the Conference in January.



General

In view of the record-breaking volume of Western Canada's 1952 wheat crop, now estimated at 656 million bushels, it may be advisable to review briefly some of the conditions which have prevailed in the past.

The Bureau of Agricultural Economics of the United States' Department of Agriculture has recently pointed out that on 1st July 1943 stocks of wheat in the four principal exporting countries, namely, the United States, Canada, Australia, and Argentina, had reached an all-time record of 1,737 million bushels, almost four times the 1935-1939 average of 458 million bushels. By July 1945, however, these stocks were reduced to 818 million bushels

and by July 1946 they had been further reduced to 387 million bushels.

This greatly increased disappearance was caused by wartime depletion of food supplies in importing countries and by poor crops in many areas. The stocks in the four principal exporting countries on 1st July 1946 were at the lowest since 1938 and about 16% less than the 1935-1939 average. By July 1951 these stocks had increased to 816 million bushels. However, on 1st July 1952 they had again been reduced to 639 million bushels.

In this connection the Bureau points out that Canada was the only country of the four which showed an increase in stocks in the past year.

The Dominion Bureau of Statistics has also compiled certain figures showing the supply and distribution of Canadian wheat in previous years, as compared with the estimated supply for 1952-1953. These figures show that the average carryover at the beginning of the crop year for the ten-year period 1941-1942 to 1951-1952, inclusive, was 256.5 million bushels. The average annual production for the same ten years was 386.6 million bushels, making a total average annual supply of 643.3 million bushels. Of this amount an average of 260.3 million bushels were exported, while domestic disappearance accounted for 155.6 million bushels, showing an average carryover at the end of the crop year for the ten-year period of 227.4 million bushels.

It should be noted that this ten-year period includes the years 1942-1943 when the carryover was in the neighborhood of 600 million bushels.

For the crop year 1951-1952 (the year under review) the carryover at the beginning of the season amounted to 189.2 million bushels. Production was estimated at 552.7 million bushels, making a total supply for the year of 741.9 million bushels. Exports reached a record total of 356.1 million bushels, while domestic disappearance accounted for 172.8 million bushels, leaving a carryover at the end of the crop year estimated at 213 million bushels.

For the current year, 1952-1953, starting with a carryover at 1st August of 213 million bushels and adding this year's estimated production of 656 million bushels, our total supply reaches a figure of 869 million bushels.

The last issue of "The Wheat Review," published by the Dominion Bureau of Statistics, sets out the current Canadian wheat supply position as follows:

Canadian Wheat Supplies

	1952-1953 (bushels)	1951-1952 (bushels)
Carryover in North America at 31st July 1952.....	213,000,000	189,200,000
New Crop (all Canada).....	675,100,000	552,700,000
Total Estimated Supplies.....	888,100,000	741,900,000
Less: Estimated domestic requirements for crop year.....	160,000,000	172,500,000
Available for export and carryover.....	728,100,000	569,400,000

For the month of August 1952 total exports of wheat and flour in terms of wheat, amounted to thirty-two million bushels, as compared with 21.7 million bushels the previous year. This leaves a balance on 1st September 1952 for export and carryover, amounting to 696,100,000 bushels, as compared with 547,700,000 bushels at the same time last year.

In view of the foregoing figures, which are well known to all of the importing countries, the fact that Canada

has an assured market under I.W.A. for 235 million bushels of wheat in the course of season 1952-1953, will be a source of considerable satisfaction to western wheat growers.

At the same time they point up the difficulty likely to be encountered in arriving at a price range under a renewed Wheat Agreement which will be satisfactory to both importers and exporters.

Domestic Price for Wheat

In the last annual report reference was made to a resolution passed by the Canadian Federation of Agriculture in January 1951 and later submitted to the Dominion Cabinet, recommending that the domestic price for wheat should be based on \$2.00 per bushel basis One Northern, Fort William, at January 1951 and that the price of wheat sold for domestic consumption should be adjusted from time to time in accordance with changes in the domestic economy.

In January 1951 the Dominion Bureau of Statistics price index on commodities and services used by farmers and farm living costs in Western Canada stood at 201 (basis 1935-1939 = 100). In August 1952 this index had risen to 227.4, a percentage increase of 12.8%.

A domestic wheat price of \$2.00 per bushel at January 1951 adjusted to the increase in farm costs since that period to August 1952 would work out at \$2.256 per bushel.

The Value of the Canadian Dollar

A matter which has given your Board serious concern in recent months has been the spectacular rise in the value of the Canadian dollar to a premium position in relation to other world currencies.

While the popular view is limited largely to the discount on the U.S. dollar in terms of Canadian currency, it is obvious that since world prices are established largely in terms of U.S. dollars, the purchasing power of the currency of every other country with which Canada does business (including the United Kingdom) has also been affected.

This matter is one of vital concern to the Canadian wheat growers whose product must find a market overseas. It will be recalled that the basic prices under the International Wheat Agreement are established in terms of Canadian currency at the parity for the Canadian dollar determined for the purposes of the International Monetary Fund as at 1st March 1949. At that time the Canadian dollar was officially at par with the U.S. When Canadian currency is at a premium it is obvious that the basic price is less per bushel by the amount of such premium.

On 20th September 1949 the Government of Canada devalued the Canadian dollar with the result that the Canadian dollar was at a discount in relation to its parity of the International Monetary Fund. As a result of that action the maximum price of Canadian wheat under I.W.A. became \$1.98 per bushel as expressed in Canadian currency. Today, with the Canadian dollar at a premium of around 4%, the basic maximum price under I.W.A. becomes in the neighborhood of \$1.73 per bushel.

The economic well being of Canada depends largely on our ability to maintain a widespread, stable market for our primary productions. In the opinion of your Board, Canada can not afford the luxury of having the highest

priced money in the world. We believe that the Government of Canada should again take action to re-establish the value of the Canadian dollar and thus remedy a situation which is now bearing heavily on the Canadian wheat grower.

Future Policy

For the coming year your Board recommends that the policy of the organization should be directed to:

- (1) The renewal of the International Wheat Agreement with such amendments as experience has shown are necessary.
- (2) In view of the consistent increase in farm production and living costs since the inception of the International Wheat Agreement in 1949, the present floor and ceiling prices should be substantially increased.
- (3) Full support of The Canadian Wheat Board in a program for the orderly marketing of all Western grown grains and the elimination of the use of the speculative market in connection therewith.
- (4) That the personnel of The Canadian Wheat Board should be increased from three to five members, as provided for in a recent amendment to the Wheat Board Act.

Your Board believes that this increase is necessary, not only because of the increased duties and responsibilities which the Wheat Board has been called upon to assume, but also to insure continuity both in personnel and policy of the Board. In this connection your Board would reiterate the opinion expressed last year that the present members of The Canadian Wheat Board enjoy the full confidence of Western grain growers and in the appointment of additional members to the Board, the Government should continue to select those who are familiar with the marketing objectives of organized agriculture and at the same time are able and willing to assist in working out grain marketing policies in line with these objectives.

- (5) That the provisions of Sections 27 and 28 of the Wheat Board Act under which The Canadian Wheat Board is authorized to act as the sole marketing agency for Canadian wheat, should be renewed.

At the present time the Act provides for the repeal of these powers on and after 1st August 1953. Your Board is of the opinion that no date for the repeal of these powers should be included in the Act, but that they should be continued until changed by Parliament.

- (6) That we urge upon The Canadian Wheat Board that in periods of heavy crop production, delivery quotas should be applied at all points in order to provide a more equitable division of elevator space and give all growers the opportunity to deliver some grain in the heavy delivery period.

The maintenance of the quota system is of vital importance in view of the heavy crop production this year. The situation calls for the greatest possible degree of co-operation between The Canadian Wheat Board and the farmers of Western Canada. As a merchandizing agency the Wheat Board must at all times have stocks available in proper selling position. At the same time producers must accept some responsibility for holding wheat on the farm when proper storage accommodation is not available elsewhere.

- (7) That a domestic price for wheat should be established which would be subject to adjustment from time to time in accordance with changes in the domestic economy, as shown by the D.B.S. indices covering commodities and services used by farmers and also farm living costs.
- (8) That Section 6 (1) of the Wheat Board Act should be amended to provide that membership on the Advisory Committee to The Canadian Wheat Board should be limited to representatives of farm organizations.

- (9) Through The Canadian Federation of Agriculture to continue to support the principle of international commodity agreements for the orderly marketing of farm commodities in the interests of both producer and consumer.
- (10) While approving the principle underlying the policy being followed in maintaining floor prices for livestock and in holding surpluses of meat products off the market during periods of congestion, we recommend to the Government of Canada that in addition to the steps already taken, every effort must be made to develop additional markets for surplus meat products, as a further means of supporting farm prices for livestock.
- (11) That we urge upon the Government of Canada that they endeavour to negotiate long-term contracts for the sale of bacon and other meat products to the United Kingdom and to other importing countries as an effective means of establishing price stability at production levels for these commodities.
- (12) That we endorse the principle of compulsory grading of hogs, subject to the right of the producer to choose between rail and live grading.
- (13) That we continue to urge the establishment of a Board of Livestock Commissioners to administer the Livestock and Livestock Products Act.
- (14) That we again urge upon the Federal Government the adoption of a national agricultural policy which would provide for:
 - (a) An adequate scheme of crop insurance, the cost to be borne jointly by the Dominion and Provincial Governments and the producers;
 - (b) A greater use of the Agricultural Prices Support Act as a means of maintaining adequate floor prices of those farm commodities to which the Act applies;
 - (c) Increased co-ordination of the Dominion and Provincial Government programs for a better use of our soil and water resources;

to the end that producers may be assured adequate returns to enable them to improve their farms, diversify their production, plan their crops and rotations on a long-term basis and engage in community action to the extent necessary to maintain maximum production.

All of which is respectfully submitted.

A. F. SPROULE
J. W. ORR
JAMES McCALLUM
T. G. BOBIER
WARDEN BURGESS
J. H. HARRISON
W. J. BALL
A. GREENFIELD

W. F. McLEOD
CHAS. W. GIBBINGS
E. A. BODEN
WILLIAM CUMMINS
W. McK. ROSS
A. W. FRIESEN
J. H. WESSON

GEORGE A. TOUCHE & CO.

Chartered Accountants

356 Main Street
WINNIPEG

2nd October 1952.

To the Shareholders,
Saskatchewan Co-operative Producers Limited,
Regina, Saskatchewan.

We have examined the books and accounts of Saskatchewan Co-operative Producers Limited, Modern Press Limited, Saskatchewan Co-operative Livestock Producers Limited, Saskatchewan Pool Elevators Limited, and Saskatchewan Pool Terminals Limited for the year ended 31st July 1952, and have reported in statutory form on the Balance Sheets of these companies.

Under the terms of the Retirement Annuity Plan as amended, there is a liability of undetermined amount in respect of employees engaged prior to 1st August 1939, and in respect of all participant employees for the period prior to 1st August 1949 as a result of the increased benefits effective at that date; in the past year the eighth payment was made to the Government of Canada Annuities Branch in respect of the estimated total liability amortized over ten years.

We have obtained all the information and explanations we have required and, in our opinion, the appended Balance Sheet is properly drawn up so as to present in consolidated form a true and correct view of the state of the organization's affairs as at 31st July 1952, according to the best of our information and the explanations given, and as shown by the books of the various companies; and, 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.

GEORGE A. TOUCHE & CO.,
Chartered Accountants,
Auditors.

SASKATCHEWAN CO-OPERATIVE PRODUCERS LIMITED
 MODERN PRESS LIMITED
 SASKATCHEWAN CO-OPERATIVE LIVESTOCK PRODUCERS LIMITED
 SASKATCHEWAN POOL ELEVATORS LIMITED
 and
 SASKATCHEWAN POOL TERMINALS LIMITED

STATEMENT No. 1

CONSOLIDATED BALANCE SHEET AT 31st JULY 1952

ASSETS

Cash and Securities.....	\$ 4,176,050.81
Accounts Receivable Current.....	1,738,066.28
Stocks of Grain (as certified by responsible officials)	59,285,675.91
Stock in Trade (as certified by responsible officials).....	754,189.80
Manufacturing Supplies (as certified by responsible officials).....	137,273.69
Prepaid Taxes, Insurance and Other Expenses.....	290,851.45
Total Current Assets.....	\$66,382,107.94

LIABILITIES AND CAPITAL

Cheques, Orders and Certificates Outstanding.....	\$20,782,193.70
Accounts Payable Current	
Bank Loans.....	\$29,070,000.00
Western Grain Company Limited.....	136,354.17
Excess Charges Refund, Season 1951-1952.....	5,508,750.00
Reserve for Income Taxes.....	495,748.83
Excess Charges Refund Season 1950-1951, in Abeyance.....	41,031.83
Sundry.....	4,776,827.41
Total Current Liabilities.....	40,028,712.24
	\$60,810,905.94

Accounts Receivable Deferred

Growers' Accounts.....	\$ 8,172.94	
Canadian Livestock Co-operative (Western) Limited..	21,482.06	29,655.00

Investments and Memberships, at cost less Reserve
 (Including Amount paid on Pool Insurance Company
 Shares, on which there is an uncalled Balance of
 \$32,500.00).....

199,319.26

Fixed Assets, at Cost Less depreciation

Land, Buildings, Machinery and Equipment.....	\$43,838,558.89	
Less Reserves for Depreciation.....	24,804,225.28	19,034,333.61

Deferred Charges

Stocks of Repair Parts and Supplies.....	258,984.71	
	<u>\$85,904,400.52</u>	

Mortgage Payable

Western Grain Company Limited re Terminal No. 5....	743,750.00
Reserve for Unearned Subscriptions	10,000.00
Elevator Deductions	12,835,944.86
Commercial Reserve	6,916,972.97

Capital

Authorized	
200,000 Shares of \$1.00 each.....	<u>\$200,000.00</u>
Issued and Fully Paid, 139,036 Shares.....	139,036.00

Reserves

Saskatchewan Co-operative Livestock Producers Limited.....	\$ 131,602.70
Saskatchewan Pool Elevators Limited.....	<u>4,316,188.05</u>
	4,447,790.75

Capital Commitments

In respect of Buildings and Work under Construction and Machinery under Purchase, Estimated.....	<u>\$961,000.00</u>
--	---------------------

\$85,904,400.52

Approved on behalf of the Board:

J. H. WESSON, *Director*
 A. F. SPROULE, *Director*

This is the Balance Sheet referred to in our report of 2nd October 1952.
 GEORGE A. TOUCHE & CO., Chartered Accountants, Auditors.

**SASKATCHEWAN CO-OPERATIVE PRODUCERS LIMITED
MODERN PRESS LIMITED
SASKATCHEWAN CO-OPERATIVE LIVESTOCK PRODUCERS LIMITED
SASKATCHEWAN POOL ELEVATORS LIMITED
and
SASKATCHEWAN POOL TERMINALS LIMITED**

STATEMENT 1A

FIXED ASSETS AT 31st JULY 1952

SASKATCHEWAN CO-OPERATIVE PRODUCERS LIMITED

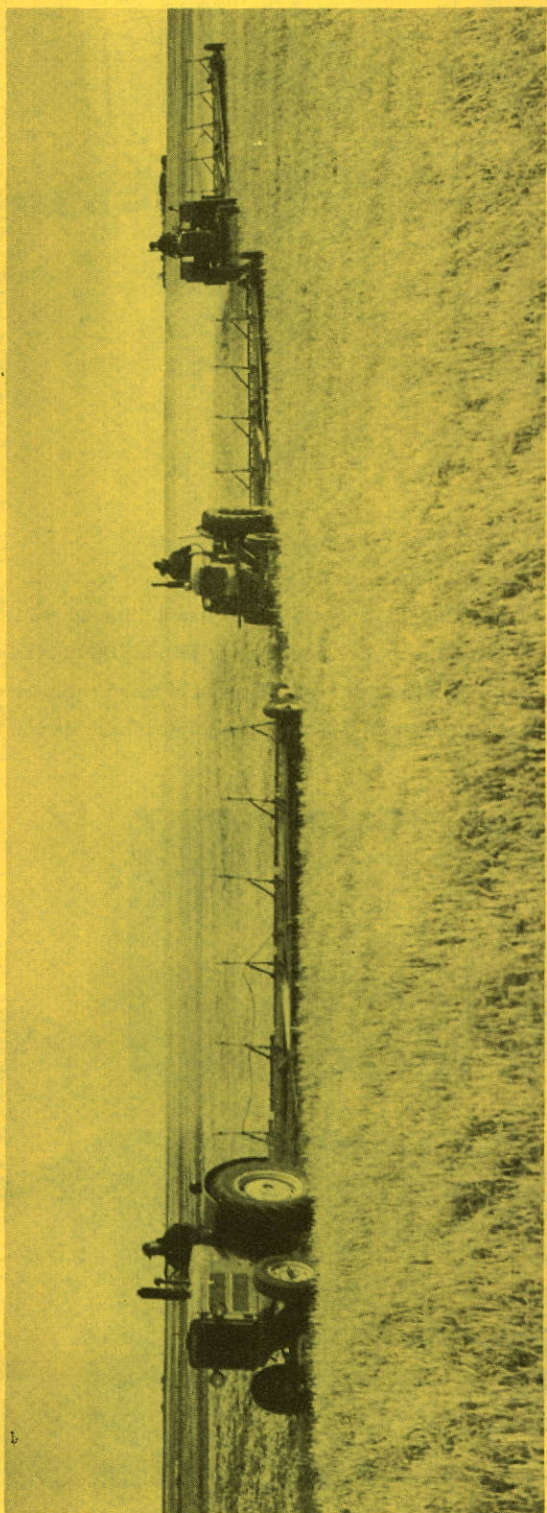
	Cost	Depreciation Reserve	Net Value
Building, Equipment and Alterations.....	\$ 337,509.87	\$ 191,655.76	\$ 145,854.11
Office Furniture and Equipment.....	166,580.18	155,904.42	10,675.76
Automobiles.....	57,805.53	19,991.05	37,814.48
Motion Picture Equipment.....	22,004.81	19,705.18	2,299.63
Motion Picture Films.....	3,914.92	3,089.54	825.38
Radio Equipment.....	759.09	522.83	236.26
Work Under Construction.....	10,257.18	—	10,257.18
Site: Regina.....	25,397.75	—	25,397.75
Total.....	\$ 624,229.33	\$ 390,868.78	\$ 233,360.55

MODERN PRESS LIMITED

Building, Machinery and Equipment.....	\$ 870,606.98	\$ 224,820.64	\$ 645,786.34
Office Furniture and Equipment.....	33,282.59	12,551.53	20,731.06
Site: Saskatoon.....	12,725.00	—	12,725.00
Total.....	\$ 916,614.57	\$ 237,372.17	\$ 679,242.40

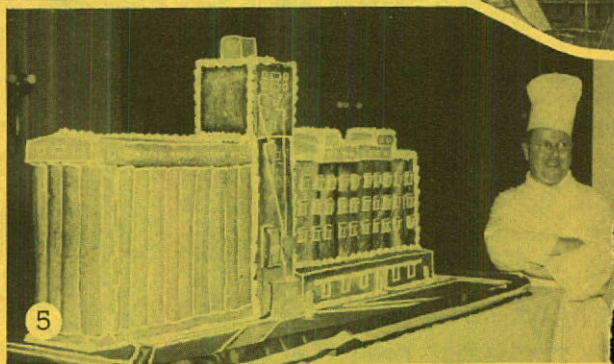
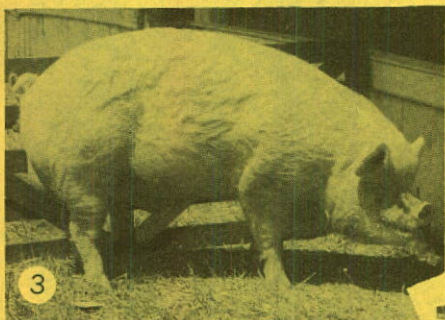
SASKATCHEWAN CO-OPERATIVE LIVESTOCK PRODUCERS LIMITED

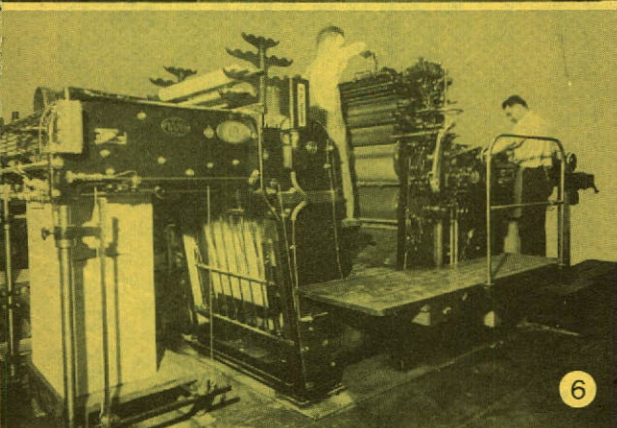
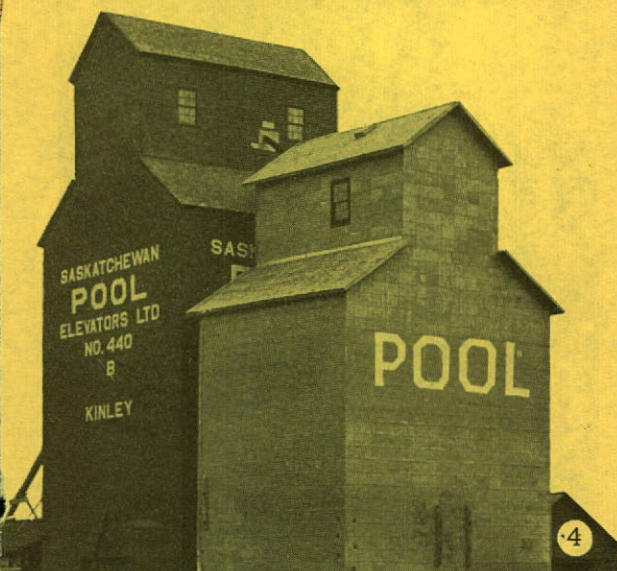
Stock Yards.....	\$ 188,795.43	\$ 61,521.92	\$ 127,273.51
Assembly Yards.....	1,195.19	531.04	664.15
Country Scales and Sheds.....	6,650.56	4,381.59	2,268.97
Tattoo Equipment.....	7,602.81	6,615.01	987.80
Sundry Equipment.....	623.76	396.05	227.71

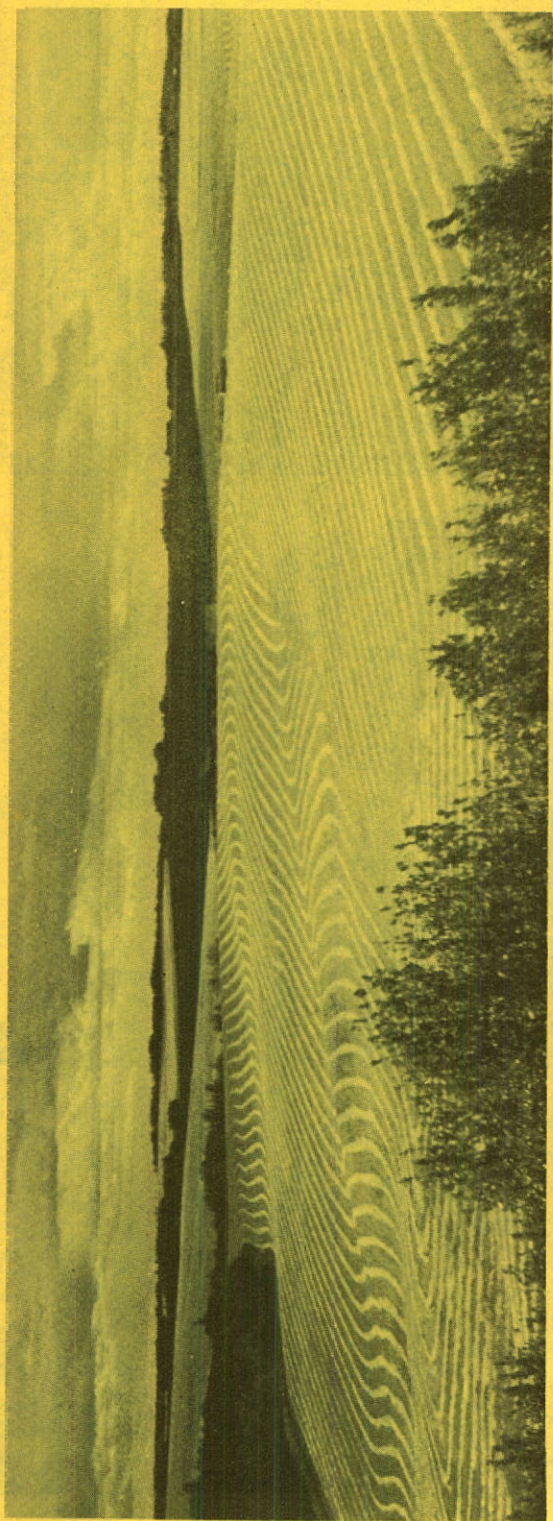




1. Livestock Pool Yards provide service at cost.
2. The 1952 harvest set an all-time record.
3. Close to 150,000 hogs were marketed during the year.
4. Grain marketings reached nearly 180,000,000 bushels.
5. Model of the Wheat Pool Mill made of bread and pastry.
6. Mann offset press, latest addition to Modern Press plant.







Office Furniture and Equipment.....	20,575.47	13,279.45	7,296.02
Automobiles, Trucks and Tractors.....	35,348.41	21,204.63	14,143.78
Site: Yorkton.....	300.00	—	300.00
Total.....	\$ 261,091.63	\$ 107,929.69	\$ 153,161.94

SASKATCHEWAN POOL ELEVATORS LIMITED

Grain Division

Terminal Elevators			
No. 4A—Building.....	\$ 2,086,294.56	\$ 1,327,362.27	\$ 758,932.29
No. 4A—Machinery and Equipment.....	1,504,198.60	1,107,966.81	396,231.79
No. 4B—Building.....	1,622,696.33	242,825.33	1,379,871.00
No. 4B—Machinery and Equipment.....	2,018,736.47	1,023,087.79	995,648.68
No. 5 —Building.....	587,746.39	29,387.32	558,359.07
No. 5 —Machinery and Equipment.....	471,341.87	94,268.38	377,073.49
No. 7 —Building.....	2,458,495.95	1,450,986.42	1,007,509.53
No. 7 —Machinery and Equipment.....	2,043,088.30	1,502,096.70	540,991.60
No. 7 —Storage Annex Building.....	919,114.34	144,879.35	774,234.99
No. 7 —Storage Annex Machinery and Equipment.....	170,177.75	84,571.53	85,606.22
Feed Mill—Building.....	27,515.00	7,456.57	20,058.43
Feed Mill—Machinery and Equipment.....	44,288.65	21,612.85	22,675.80
	\$13,953,694.21	\$ 7,036,501.32	\$ 6,917,192.89
Country Elevators and Coal Sheds.....	20,506,849.89	14,982,906.10	5,523,943.79
Temporary Bins.....	94,906.09	14,527.86	80,378.23
Agents' Residences.....	1,701,709.80	885,006.15	816,703.65
Work Under Construction.....	936,811.45	—	936,811.45
Wheat Pool Building and Restaurant Equipment, Winnipeg, 48%.....	224,876.39	38,443.22	186,433.17
Sites: Terminal Elevators, etc.....	328,846.88	—	328,846.88
Warehouses: Regina, Port Arthur and Fort William.....	41,992.43	14,126.92	27,865.51
Office Furniture and Equipment.....	264,644.71	194,488.94	70,155.77
Automobiles and Trailers.....	217,707.87	102,062.18	115,645.69
Payors' Safes.....	16,662.95	14,077.26	2,585.69
Total Grain Division.....	\$38,288,702.67	\$23,282,139.95	\$15,006,562.72

FIXED ASSETS AT 31st JULY 1952

INDUSTRIAL DIVISION

Vegetable Oil Plant

	Cost	Depreciation Reserve	Net Value
Building.....	\$ 112,265.22	\$ 12,536.04	\$ 99,729.18
Machinery and Equipment.....	211,031.23	114,679.34	96,351.89
Refinery Building.....	32,357.72	2,157.17	30,200.55
Refinery Machinery and Equipment.....	90,966.24	30,230.86	60,735.38
Storage Tank Building.....	23,377.43	1,657.47	21,719.96
Storage Tank Machinery and Equipment.....	19,700.61	7,350.40	12,350.21
Laboratory Equipment.....	3,144.90	1,476.46	1,668.44
Office Furniture and Equipment.....	3,947.79	1,703.64	2,244.15
Automobile.....	2,327.74	1,431.56	896.18
Total.....	\$ 499,118.88	\$ 173,222.94	\$ 325,895.94

INDUSTRIAL DIVISION

Flour Mill

Mill Building.....	\$ 866,596.72	\$ 59,101.29	\$ 807,495.43
Mill Machinery and Equipment.....	751,855.97	255,753.36	496,102.61
Grain Elevator Building.....	747,094.10	50,918.38	696,175.72
Grain Elevator Machinery and Equipment.....	423,104.48	144,377.42	278,727.06
Boiler House and Substation Building.....	80,043.71	5,645.05	74,398.66
Boiler House Equipment.....	79,968.07	28,094.56	51,873.51
Substation Equipment.....	70,850.16	24,213.15	46,637.01
Flour Shed.....	1,579.30	157.93	1,421.37
Laboratory Equipment.....	5,491.56	1,920.95	3,570.61
Office Furniture and Equipment.....	14,658.34	3,217.92	11,440.42
Automobiles.....	15,765.45	3,941.36	11,824.09

Plant Tools and Equipment.....	9,510.41	3,042.75	6,467.66
Machinery under Purchase.....	98,633.64	—	98,633.64
Total	\$ 3,165,151.91	\$ 580,384.12	\$ 2,584,767.79
Site: Saskatoon.....	\$ 6,291.00	—	\$ 6,291.00
Spur Tracks.....	34,369.25	5,686.46	28,682.79
Total Industrial Division	\$ 3,704,931.04	\$ 759,293.52	\$ 2,945,637.52
Total, Saskatchewan Pool Elevators Limited	\$41,993,633.71	\$24,041,433.47	\$17,952,200.24
SASKATCHEWAN POOL TERMINALS LIMITED			
Office Furniture and Equipment.....	\$ 20,597.09	\$ 15,885.92	\$ 4,711.17
Automobiles.....	6,612.99	3,563.83	3,049.16
Miscellaneous Equipment.....	15,779.57	7,171.42	8,608.15
Total	\$ 42,989.65	\$ 26,621.17	\$ 16,368.48
GRAND TOTAL (All Companies)	\$43,838,558.89	\$24,804,225.28	\$19,034,333.61

CONSOLIDATED BALANCE SHEET

The following detailed information and explanations may be of value in considering these statements:

Cash and Securities

This includes the following items:

Cash in Banks.....	\$3,053,752.72
Cash Funds—Payors.....	1,097,298.09
Province of Saskatchewan Bonds, at Cost.....	25,000.00
	<u>\$4,176,050.81</u>

Accounts Receivable Current—\$1,738,066.28: This item is comprised principally of accrued handling charges on grain in store in Country and Terminal Elevators, Trade Accounts, Sundry Loans, Advances, Sales of Grain, etc.

Stocks of Grain, Less Stored Grain—\$59,285,875.91: This amount represents the value of grain on hand in various positions at 31st July 1952, less the liability for stored grain. Values of open market grain have been based upon Winnipeg Market Cash closing prices at 31st July 1952, or upon open sales contracts where applicable, after allowance for freight and other charges where necessary.

Values of grains deliverable to The Canadian Wheat Board have been based upon Wheat Board prices, less freight, where necessary.

Stock in Trade—\$754,189.80: This item includes the value of Job Stock and Newsprint on hand, and work in process at Modern Press Limited, Saskatoon; Flax, Screenings, Oil and Meal on hand at the Vegetable Oil Plant, Saskatoon; and stocks of Wheat, Coarse Grains, Screenings, Flour, Feeds, etc., on hand at the Flour Mill at Saskatoon, and on consignment at 31st July 1952.

Manufacturing Supplies—\$137,273.09: This amount represents the cost of stocks of Zinc Plates, Offset Films and Chemicals, and news ink on hand at the Modern Press Limited, Saskatoon; Drums and containers, sacks, refining chemicals, filter canvas and sewing twine on hand at the Vegetable Oil Plant, Saskatoon; Bags and improvers on hand at the Flour Mill, Saskatoon; together with bags on hand at the grinding mills at the Terminals at 31st July 1952.

Prepaid Taxes, Insurance and Other Expenses—\$290,851.45: This amount represents prepayment of various items chargeable to the operations of the succeeding year.

ACCOUNTS RECEIVABLE DEFERRED

Growers' Accounts—\$8,172.94: Items comprising this amount are as follows:

Advances against Reserves.....	\$ 966.75
Seed Grain Advances against Reserves.....	7,206.19
	<u>\$8,172.94</u>

Canadian Livestock Co-operative (Western) Limited—\$21,482.00: This represents Saskatchewan Co-operative Livestock Producers Limited portion of undistributed surplus earnings of Canadian Livestock Co-operative (Western) Limited, set aside in members' Equity and Loan Accounts during seasons 1941-1942 to 1951-1952 inclusive.

Investments and Memberships—\$109,319.26: This amount represents investments in shares and memberships at cost, less a Reserve of \$50,000.00 which was set aside from surplus income of Saskatchewan Co-operative Producers Limited in season 1936-1937 to provide against loss on the Company's investment in Canadian Co-operative Wheat Producers Limited. Details of investments and memberships are as follows:

Canadian Co-operative Wheat Producers Limited, 500 shares of \$100.00 each.....	\$50,000.00
Canadian Pool Agencies Limited 667 shares of \$10.00 each.....	6,670.00
Pool Insurance Company 1,250 shares of \$100.00 each.....	\$125,000.00
Premium of \$12.00 per share.....	15,000.00
	<u>\$140,000.00</u>
Less: Unpaid Thereon.....	<u>32,500.00</u>
	107,500.00
Canadian Livestock Co-operative (Western) Limited, 8 memberships of \$1.00 each.....	8.00
Saskatchewan Co-operative Credit Society Limited, 2,950 shares of \$10.00 each.....	29,500.00
Saskatchewan Federated Co-operatives Limited.....	1,997.91
Local Co-operative Associations: Sundry Shares.....	5,686.35
Rural Telephone Companies: Sundry Shares.....	1,757.00
Winnipeg Grain and Produce Exchange Clearing Association Limited, 10 shares.....	12,250.00
Lake Shippers' Clearance Association: 1 membership.....	3,000.00
Winnipeg Grain Exchange: 6 Memberships.....	30,950.00
	<u>\$249,319.26</u>
Less: Reserve.....	<u>50,000.00</u>
	<u>\$199,319.26</u>

Fixed Assets, Net—\$19,034,333.61: Statement "1A" shows in detail the cost, depreciation reserve and the net value of the Fixed Assets at 31st July 1952.

LIABILITIES

Cheques, Orders and Certificates Outstanding—\$20,782,193.70: This includes the following:

Cheques and Money Orders.....	\$ 9,258,939.27
Grain Drafts and Expense Vouchers.....	11,518,064.83
Growers' Certificates.....	5,189.60
	<u>\$20,782,193.70</u>

Growers' Certificates—\$5,189.60: This represents the amount due on Growers' Certificates covering deliveries to the various seasons' wheat and coarse grains pools, which have not been presented to Head Office for payment.

ACCOUNTS PAYABLE CURRENT

Bank Loans—\$29,070,000.00: This represents the amount of borrowings from the lending banks at 31st July 1952.

Western Grain Company Limited—\$136,354.17: This sum represents the amount of the principal payment of \$106,250.00 due on the 1st October 1952, in connection with the purchase of Terminal No. 5, plus accrued interest to July 31st 1952, on the total outstanding indebtedness. Total purchase price of this Terminal was \$1,100,000.00, against which a payment of \$250,000.00 was made in September 1951, leaving a balance of \$850,000.00 outstanding. This amount is payable in eight annual payments of \$106,250.00 each, due on the 1st October each year for the years 1952 to 1959 inclusive, with interest at the rate of 4½% per annum.

Excess Charges Refund, Season 1951-1952—\$5,508,750.00: This amount has been allocated from the past season's surplus earnings of the Elevator Company in accordance with a resolution of the Board of Directors dated September 27th 1952.

Reserve for Income Taxes—\$495,748.83: This represents provision for Income Taxes for Seasons 1949-1950, 1950-1951 and 1951-1952, less payments made to 31st July 1952.

Excess Charges Refund, Season 1950-1951 in Abeyance—\$41,031.83: This is the unexpended portion of the sum allocated as Excess Charges Refund last season after distribution of payments.

Sundry—\$4,776,827.41: This amount consists principally of accrued expenses, trade accounts, loan accounts, 1951-1952 salary adjustments and payments due to Receiver General of Canada re Employees' Income Taxes and Group Annuities.

MORTGAGE PAYABLE

Western Grain Company Limited re Terminal No. 5—\$743,750.00: This sum represents the balance outstanding on the purchase of Terminal No. 5 after making provision for the principal payment due and payable 1st October 1952. This outstanding balance is payable in seven annual instalments due 1st October 1953 to 1959 inclusive, with interest at the rate of 4¼% per annum.

Reserve for Unearned Subscriptions—\$10,000.00: This item represents a partial provision for unexpired subscriptions to The Western Producer at 31st July 1952.

CAPITAL, RESERVES, ETC.

Elevator Deductions—\$12,835,944.86, Commercial Reserves—\$6,916,972.97: Funds in respect of Elevator Deductions are invested in Saskatchewan Pool Elevators Limited, and in respect of Commercial Reserves in the remaining investments, loans, fixed assets, etc.

Capital—\$139,036.00: This represents the total subscribed capital as at 31st July 1952.

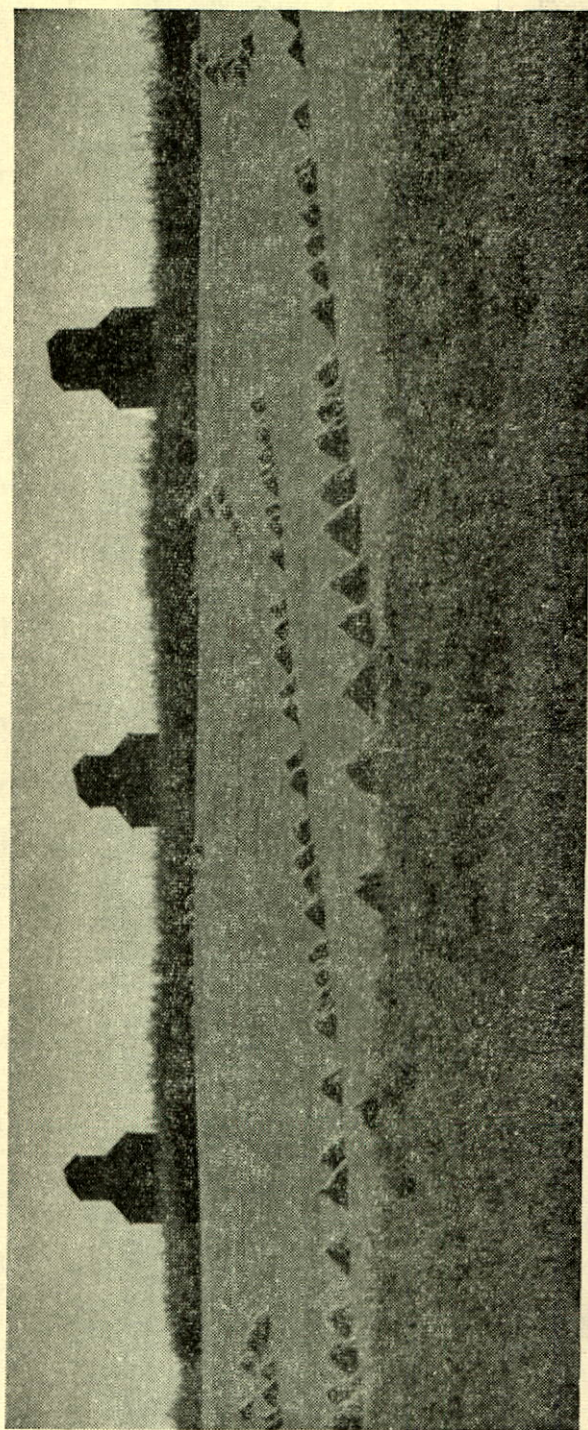
RESERVE ACCOUNTS

Saskatchewan Co-operative Livestock Producers Limited—\$131,602.70: The following is a summary of this account:

Balance at 31st July 1951.....	\$127,401.42
Transferred from Surplus Earnings, 31st July 1952.....	4,201.18
	<u>\$131,602.70</u>

Saskatchewan Pool Elevators Limited—\$4,316,188.05: The following is a summary of this account:

Balance at 31st July 1951.....	\$4,327,227.90
Adjustment of Prior Year's Income Taxes.....	175,738.65
	<u>\$4,151,489.25</u>
Unexpended Prior Season's Excess Charges	
Refund: Net.....	7,826.93
1950-1951 Interest on Elevator Deduction	
Cheques under 20c.....	1,815.07
Capital Gains on Disposal of Assets.....	39,031.48
Transferred from Surplus Earnings.....	116,025.32
	<u>\$4,316,188.05</u>



SASKATCHEWAN CO-OPERATIVE PRODUCERS LIMITED
 MODERN PRESS LIMITED
 SASKATCHEWAN CO-OPERATIVE LIVESTOCK PRODUCERS LIMITED
 SASKATCHEWAN POOL ELEVATORS LIMITED
 and
 SASKATCHEWAN POOL TERMINALS LIMITED

CONSOLIDATED CAPITAL STATEMENT AT 31st JULY 1952

Capital Receipts

Capital.....	\$ 139,036.00
Commercial Reserve.....	6,916,972.97
Elevator Deductions.....	12,835,944.86
Reserve Accounts: Subsidiary Companies.....	4,457,790.75
Deferred Mortgage Outstanding.....	743,750.00
	<hr/>
	\$25,093,494.58

**Approved Programme of Building and
 Work Under Construction and
 Machinery Under Purchase,
 Estimated
 Country Elevators and Agents'**

Dwellings.....	\$1,649,088.60
Terminals.....	201,722.85
Flour Mill.....	127,633.64
Head Office Building.....	21,257.18
Modern Press Limited.....	7,000.00

\$2,006,702.27

Less: Paid on Account..... 1,045,702.27

961,000.00

Balance—Available as Working Capital
 for Season 1952-1953.....

4,610,202.00

\$25,093,494.58 \$25,093,494.58

Capital Expenditure

Fixed and Sundry Assets

Fixed Assets, Less Reserve for Depreciation.....	\$19,034,333.61
Investments and Memberships, Less Reserve.....	199,319.26

Deferred Accounts

Accounts Receivable Deferred.....	29,655.00
Deferred Charges.....	258,984.71

CURRENT POSITION PER CONSOLIDATED BALANCE SHEET AT 31st JULY 1952

Current Assets.....	\$66,382,107.94
Current Liabilities.....	60,810,905.94
Current Position per Balance Sheet.....	<u>\$ 5,571,202.00</u>

Less:

Estimated Capital Expenditures to Complete Programme of Building and Work Under Construction and Machinery Under Purchase.....	961,000.00
--	------------

Balance—Available as Working Capital for Season 1952-1953	<u><u>\$ 4,610,202.00</u></u>
---	-------------------------------

SASKATCHEWAN CO-OPERATIVE PRODUCERS LIMITED
 MODERN PRESS LIMITED
 SASKATCHEWAN CO-OPERATIVE LIVESTOCK PRODUCERS LIMITED
 SASKATCHEWAN POOL ELEVATORS LIMITED
 and
 SASKATCHEWAN POOL TERMINALS LIMITED

SOURCE OF CAPITAL FUNDS, ANALYSIS OF EXPENDITURES OF CAPITAL FUNDS, AND WORKING CAPITAL

At 31st July 1952

SOURCE OF CAPITAL FUNDS	Capital	Commercial Reserve	Elevator Deductions	Reserve Accounts	Reserve for Unearned Subscriptions	Mortgage Outstanding	Total
Stock Subscriptions.....	\$139,036.00	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 139,036.00
Deductions from Pool Payments.....	—	6,567,851.17	12,188,060.07	—	—	—	18,755,911.24
Retained by Way of Loan from Excess Charges Refund.....	—	349,121.80	647,884.79	—	—	—	997,006.59
Retained from Operations.....	—	—	—	4,447,790.75	10,000.00	—	4,457,790.75
Western Grain Company Limited: Mortgage.....	—	—	—	—	—	743,750.00	743,750.00
TOTAL CAPITAL RECEIPTS.....	\$139,036.00	\$6,916,972.97	\$12,835,944.86	\$4,447,790.75	\$10,000.00	\$743,750.00	\$25,093,494.58

ANALYSIS OF EXPENDITURES OF CAPITAL FUNDS

Deferred Accounts Receivable

Growers' Accounts.....	\$ —	\$ 8,172.94	\$ —	\$ —	\$ —	\$ —	\$ 8,172.94
Canadian Livestock Co-operative (Western) Limited.....	—	7,578.18	—	13,903.88	—	—	21,482.06
Investments.....	—	29,814.83	169,504.43	—	—	—	199,319.26
Fixed Assets: Net.....	139,036.00	4,810,795.21	11,464,455.72	1,866,296.68	10,000.00	743,750.00	19,034,333.61
Expenditures Approved for Completion of Programme of Building, and Work under Construction, and Machinery under Purchase—Capital Commitments.....	—	18,000.00	943,000.00	—	—	—	961,000.00

Deferred Charges

Stocks of Repair Parts and Supplies.....	—	—	258,984.71	—	—	—	258,984.71
--	---	---	------------	---	---	---	------------

TOTAL CAPITAL EXPENDITURES	<u>\$139,036.00</u>	<u>\$4,874,361.16</u>	<u>\$12,835,944.86</u>	<u>\$1,880,200.56</u>	<u>\$10,000.00</u>	<u>\$743,750.00</u>	<u>\$20,483,292.58</u>
BALANCE—WORKING CAPITAL		<u>\$2,042,611.81</u>		<u>\$2,567,590.19</u>			<u>\$ 4,610,202.00</u>

TOTAL CURRENT ASSETS—per Consolidated Balance Sheet, Statement "I".....\$66,382,107.94

TOTAL CURRENT LIABILITIES—per Consolidated Balance Sheet, Statement "I".....60,810,905.94

CURRENT POSITION.....\$ 5,571,202.00

Less: Estimated Capital Expenditures to Complete Programme of Building and Work under Construction and Machinery under Purchase.....961,000.00

BALANCE—WORKING CAPITAL.....\$ 4,610,202.00

SASKATCHEWAN POOL ELEVATORS LIMITED and SASKATCHEWAN POOL TERMINALS LIMITED

STATEMENT OF GRAIN HANDLINGS

At 31st July 1952

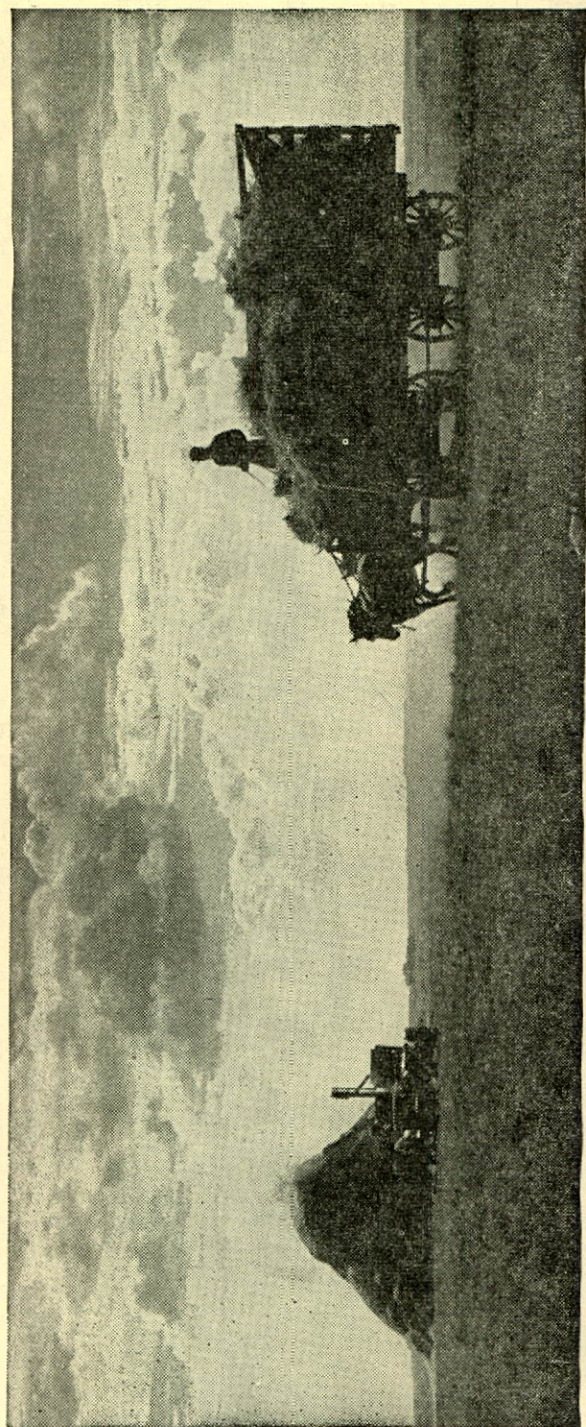
TOTAL HANDLED—ALL GRAINS

SASKATCHEWAN POOL ELEVATORS LIMITED

	<i>Bushels</i> 1924-1951	<i>Bushels</i> 1951-1952	<i>Bushels</i> 1924-1952
Country Elevators.....	2,384,598,862	179,285,737	2,563,884,599
Platform.....	58,671,978	338,173	59,010,151
Total.....	2,443,270,840	179,623,910	2,622,894,750
Number of Elevators Operated.....		1,162	
Average Handling per Elevator.....		154,291	

SASKATCHEWAN POOL TERMINALS LIMITED

Terminal No. 4.....	511,458,784	49,942,827	561,401,611
Terminal No. 5 (Old).....	117,258,782	—	117,258,782
Terminal No. 5 (New).....	—	12,840,524	12,840,524
Terminal No. 6.....	446,839,261	—	446,839,261
Terminal No. 7.....	670,866,586	50,927,942	721,794,528
Terminal No. 8.....	28,240,761	—	28,240,761
Total.....	1,774,664,174	113,711,293	1,888,375,467



SASKATCHEWAN POOL ELEVATORS LIMITED

STATEMENT OF EARNINGS

1st AUGUST 1925 to 31st JULY 1952

	Total 1925-1951	Sundry Adjustments	Season 1951-1952	Total 1925-1952
Net Earnings after Adjusting for Income Taxes and Industrial Division Losses.....	\$56,841,524.02	\$ (136,707.17) A	\$6,475,137.61	\$63,179,954.46
Less: Industrial Division—Vegetable Oil Plant Loss, Season 1951-1952.....	\$184,317.71			
—Flour Mill Loss, Season 1951-1952.....	186,718.40		371,036.11	371,036.11
	<u>\$56,841,524.02</u>	<u>\$ (136,707.17)</u>	<u>\$6,104,101.50</u>	<u>\$62,808,918.35</u>

DISTRIBUTION OF EARNINGS

Excess Charges Refund

Paid to Growers.....	\$13,041,986.37	\$1,433,008.61 D		
		59.34 B	—	14,475,054.32
Credits to Growers' Overpayment Accounts.....	2,559,217.44	—	—	2,559,217.44
Amount Paid for Reserve Certificates Purchased in Settlement of Credits.....	8,786,418.35	1,337,702.97 D	—	10,124,121.32
Amount Retained as a Loan and Credited to Members as Follows:				
Commercial Reserve.....	—	349,121.80 D	—	349,121.80
Elevator Deductions.....	—	647,884.79 D	—	647,884.79
Allocated for Distribution on Deliveries: Season 1949-1950.....	7,886.27	(7,886.27) B	—	—
Allocated for Distribution on Deliveries: Season 1950-1951.....	3,808,750.00	(3,767,718.17) D	—	41,031.83
Allocated for Distribution on Deliveries: Season 1951-1952.....	—	—	5,508,750.00	5,508,750.00
Total Excess Charges Refund.....	\$28,204,258.43	\$ (7,826.93)	\$5,508,750.00	\$33,705,181.50

Farm Storage Paid to Growers.....	306,456.74	—	—	306,456.74
Share of Pool Expenses.....	2,453,034.02	—	246,669.60	2,699,703.62
Interest on Elevator Deductions.....	3,744,339.60	(1,815.07) C	—	3,742,524.53
Share of Earnings to Pool re Principal Payments on 1929-1930 Pool Overpayments, etc.....	9,518,287.70	—	105,731.76	9,624,019.46
Interest and Sinking Fund Deficiency Paid on 1929-1930 Pool Overpayment Liability.....	8,280,594.00	—	18,217.05	8,298,811.05
Administration Expenses: Sinking Fund, Province of Saskatchewan.....	7,325.63	—	1,269.38	8,595.01
U.S. Premiums and Bank Charges on Sinking Fund Debentures.....	—	—	107,438.39	107,438.39
Reserve Account.....	4,327,227.90	(136,707.17) A	116,025.32	4,316,118.05
		7,826.93 B		
		1,815.07 C		
Total.....	\$56,841,524.02	\$ (136,707.17)	\$6,104,101.50	\$62,808,918.35

67 Net Earnings as Above.....	\$62,808,918.35
Depreciation Reserve at 31st July 1952.....	24,041,433.47
Interest on Mortgages Paid to Province of Saskatchewan and Liquidator for Saskatchewan Co-operative Elevator Company from 1st August 1926 to 31st August 1933, in Respect of the Purchase of the Assets of the Latter Company.....	2,150,331.29
TOTAL OPERATING EARNINGS—1st August 1925 to 31st July 1952.....	\$89,000,683.11

Note: Sundry Adjustments shown in the Second Column Comprise the Following:

- (A) Transfer from Reserve Account to cover additional 1950-1951 Income Taxes amounting to \$175,738.65, less Capital Gains of \$39,031.48 on Disposals of Assets.
- (B) Transfer to Reserve Account of the Unexpended portion of Excess Charges Refund for Season 1949-1950 amounting to \$7,886.27, less Adjustments of \$59.34 for Seasons 1948-1949 and 1949-1950.
- (C) Transfer to Reserve Account Total of 1951 Interest on Elevator Deduction Payments under twenty cents each.
- (D) Distribution of 1950-1951 Excess Charges Refund.

LIBRARY RECORD FOR 1951-1952

1951	Books Mailed	Books Returned	Books	Requests Catalogues	Postage
August.....	415	416	10	2	\$ 45.13
September.....	384	387	16	8	35.59
October.....	437	446	28	23	32.09
November.....	444	439	48	35	34.54
December.....	501	490	48	48	39.44

1952

January.....	650	610	104	38	54.07
February.....	730	626	131	54	70.68
March.....	823	815	136	33	64.73
April.....	549	552	34	4	62.12
May.....	476	527	21	3	41.62
June.....	467	527	22	4	30.67
July.....	383	419	17	3	34.23
Totals.....	6,259	6,254	615	255	\$544.91

STATEMENT No. 7

**WHEAT POOL COMMITTEES
1951-1952
TOTAL NUMBER OF COMMITTEES**

Sub-district	1	2	3	4	5	6	7	8	9	10	11	Total
District 1.....	3	4	7	10	7	6	8	12	6	8		71
District 2.....	6	4	5	8	3	5	9	8	12	5		65
District 3.....	3	4	3	4	5	3	3	5	3	7		40
District 4.....	4	4	9	4	5	2	4	6	3	6		47
District 5.....	9	7	5	8	7	3	6	10	8	5		68
District 6.....	9	10	7	7	9	12	11	7	7	8		87
District 7.....	8	5	5	5	6	8	6	5	7	4	7	66
District 8.....	8	9	10	8	7	7	6	7	4	3	4	73
District 9.....	6	7	5	7	3	8	6	7	6	6		61
District 10.....	6	5	3	6	14	8	4	8	4	9		67
District 11.....	9	11	12	5	5	7	12	7	10	9		87
District 12.....	10	7	9	7	5	6	7	8	11	8		78
District 13.....	8	12	4	10	8	7	11	6	9	9	7	91
District 14.....	6	8	6	14	3	7	9	12	7	9	6	87
District 15.....	9	6	7	8	6	7	3	4	7	5	6	68
District 16.....	7	7	9	7	4	11	5	8	7	7	9	81
												<u>1,137</u>

STATEMENT No. 8

COMMITTEES REORGANIZED

Sub-district	1	2	3	4	5	6	7	8	9	10	11	Total
District 1.....	3	4	6	10	7	6	8	12	6	6		68
District 2.....	6	4	3	7	3	5	9	7	12	5		61
District 3.....	3	3	3	4	4	3	3	5	3	7		35
District 4.....	4	4	9	4	4	2	4	6	3	5		45
District 5.....	8	7	5	7	6	3	6	10	7	5		64
District 6.....	8	10	7	7	8	10	11	7	7	8		83
District 7.....	8	5	5	5	6	8	6	4	6	4	7	64
District 8.....	8	9	10	8	7	7	5	6	4	2	2	68
District 9.....	6	7	5	5	3	8	6	6	6	5		57
District 10.....	6	5	2	6	14	8	4	8	4	7		64
District 11.....	8	6	10	5	5	6	12	4	8	6		70
District 12.....	10	4	9	7	5	5	6	8	9	8		71
District 13.....	8	10	4	10	8	6	10	6	9	9	7	87
District 14.....	6	7	6	11	3	6	9	11	7	9	5	80
District 15.....	9	6	7	8	6	6	2	4	7	5	6	66
District 16.....	7	7	9	7	4	11	5	8	6	7	9	80
												<u>1,066</u>

Seventy-one Committees not reorganized 31st July 1952.
Ninety Committees not reorganized 31st July 1951.

CANADIAN POOL AGENCIES LIMITED
Wheat Pool Building, Winnipeg, Manitoba

BALANCE SHEET
AS AT 31st JULY 1952

ASSETS

Agency Assets		\$ 92,221.81
Cash in Agency Bank Accounts.....	\$ 4,660.09	
Accounts Receivable.....	87,561.72	
	<u>\$92,221.81</u>	
Shareholders' and Patrons' Assets		81,218.66
Cash	\$ 8,950.24	
In General Bank Accounts.....	\$ 8,880.24	
On Hand.....	70.00	
	<u>\$ 8,950.24</u>	
Accounts Receivable		36,581.64
Commissions: per Contra.....	\$10,286.79	
Loan Accounts: Secured.....	21,748.03	
Pool Insurance Company.....	1,494.40	
Miscellaneous.....	3,052.42	
	<u>\$36,581.64</u>	

LIABILITIES

Agency Liabilities		\$ 92,221.81
Accounts Payable.....	\$81,935.02	
Commissions: per Contra.....	10,286.79	
	<u>\$92,221.81</u>	
Shareholders' Liabilities and Reserves		61,218.66
Miscellaneous Accounts Payable.....	\$ 651.31	
Reserve for Income Tax Payable.....	232.09	
Patronage Dividend Payable: Exhibit B.....	40,335.26	
General Reserve Against Unearned Income and Investments.....	20,000.00	
Allocated as Follows:		
Alberta Wheat Pool.....	\$ 5,568.12	
Manitoba Pool Elevators.....	3,146.82	
Saskatchewan Co-operative Producers Limited.....	11,285.06	
	<u>\$20,000.00</u>	
		<u>\$61,218.66</u>

Investments at Cost	35,086.78	
\$35,000.00 Dominion of Canada Bonds 3½%, Maturing June 1 1966.....	<u>\$35,086.78</u>	
(Quoted Value 31st July 1952, \$33,862.50)		
Membership Deposit	100.00	
Insurance Agents' Association.....	<u>100.00</u>	
Furniture and Fixtures	500.00	
Cost.....	\$ 7,987.79	
Less: Depreciation Reserve.....	<u>7,487.79</u>	
	<u>\$ 500.00</u>	
	<u>\$81,218.66</u>	
		<u>\$173,440.47</u>

Capital Stock		20,000.00
Authorized.....	<u>\$20,000.00</u>	
Issued and Fully Paid.....	<u>\$20,000.00</u>	
(2,000 Shares of \$10.00 each)		
Signed on Behalf of the Board:		
JOHN H. WESSON, <i>Director</i>		
W. J. PARKER, <i>Director</i>		
		<u>\$173,440.47</u>

AUDITORS' REPORT

We have audited the accounts of Canadian Pool Agencies Limited for the year ended 31st July 1952 and have received all the information and explanations we have required. Bank balances have been confirmed by certificate direct from the Company's bankers. Accounts receivable and payable have been confirmed by circularization. Dominion of Canada Bonds held for investment were produced for examination.

We certify that, in our opinion, the above Balance Sheet and related statements are properly drawn up so as to exhibit, respectively, a true and correct view of the financial position of Canadian Pool Agencies Limited as at 31st July 1952, and the results of operating for the year ended that date, according to the best of our information, the explanations given to us, and as shown by the records of the Company. All transactions coming under our notice have been within the powers and objects of the Company to the best of our information and belief.

Winnipeg, Manitoba, 19th September 1952

(Signed) MILLAR, MacDONALD & CO., *Chartered Accountants.*

EXHIBIT B**STATEMENT No. 10****CANADIAN POOL AGENCIES LIMITED**
Wheat Pool Building, Winnipeg, Manitoba**SUMMARY OF SURPLUS ACCOUNT**
For the Year Ended 31st July 1952

	<i>Debit</i>	<i>Credit</i>
Surplus for Year Ended 31st July 1952:		
Exhibit C.....		\$41,434.90
Reserve for Income Tax.....	\$ 1,099.64	
Patronage Dividend for Year 1951-1952:		
Exhibit A.....	40,335.26	
Allocated as Follows:		
Alberta Wheat Pool.....	\$ 8,229.36	
Manitoba Pool Elevators.....	8,866.09	
Saskatchewan Pool Elevators Limited.....	17,307.46	
Saskatchewan Pool Terminals Limited.....	4,634.88	
Saskatchewan Co-operative Producers Limited.....	123.21	
Saskatchewan Co-operative Livestock Producers Limited....	492.45	
Modern Press Limited.....	681.81	
	<u>\$40,335.26</u>	
	<u>\$41,434.90</u>	<u>\$41,434.90</u>

CANADIAN POOL AGENCIES LIMITED
Wheat Pool Building, Winnipeg, Manitoba

STATEMENT OF INCOME AND EXPENDITURE
For the Year Ended 31st July 1952

Income

Commissions.....		\$58,758.05
Fire.....	\$23,130.59	
Bonds.....	19,143.47	
Lake Marine.....	1,397.21	
Ocean Marine.....	731.14	
Automobile.....	3,865.47	
Accident and Sickness.....	198.26	
Liability.....	2,056.19	
Use and Occupancy.....	1,407.27	
Robbery and Burglary.....	382.38	
Inland Marine.....	558.68	
Inland Transportation.....	57.83	
Sprinkler Leakage.....	1.02	
Steam Boiler.....	213.30	
Plate Glass.....	80.81	
Forgery and Alteration.....	11.70	
Hail.....	7.65	
Contingent.....	5,833.85	
	\$59,076.82	
Less: Brokerage Paid.....	318.77	
	<u>\$58,758.05</u>	

Other Income

Interest.....	2,146.81
---------------	----------

Total Income for Year..... \$60,904.86

Expenses..... 19,469.96

Salaries.....	\$13,868.10
Directors' Fees and Expenses.....	250.52
Rent and Light.....	1,619.91
Telephone and Telegraph.....	302.69
Printing and Stationery.....	1,036.47
Postage and Excise.....	190.08
Taxes and Licenses.....	213.16
Travelling Expenses.....	107.73
Legal and Audit.....	631.99
Depreciation.....	832.18
Insurance.....	10.24
Annuities, Group and Unemployment Insurance.....	367.56
Miscellaneous.....	339.33

\$19,769.96

Deduct: Recovery from Interprovincial Pool..... 300.00

\$19,469.96

Balance—Surplus for Year Ended 31st July 1952, Carried to Exhibit B..... \$41,434.90

POOL INSURANCE COMPANY

Wheat Pool Building, Winnipeg, Manitoba

BALANCE SHEET AS AT 31st DECEMBER 1951

ASSETS

74	Cash in Bank.....	\$537,271.85
	In Bank of Montreal: Current Account.....	\$186,629.08
	Savings Account.....	350,642.77
		<u>\$537,271.85</u>
	Accounts Receivable.....	56,886.28
	Canadian Pool Agencies Limited.....	\$ 56,763.26
	Advances to Inspection Staff.....	123.02
		<u>\$ 56,886.28</u>

LIABILITIES

Current Liabilities.....		\$472,527.37
Miscellaneous Accounts Payable.....	\$ 838.00	
Reinsurance Accounts Payable.....	128,941.56	
Fire Losses in Process (Net of Reinsurance).....	40,551.75	
Taxes Accrued.....	14,506.15	
Dividends Payable as per Exhibit B.....	287,689.91	
	<u>\$472,527.37</u>	
Reserve for Unearned Income.....		126,121.29
Unexpired Portion of Premiums Income.....	\$ 76,444.19	
Unexpired Portion of Reinsurance		
Commissions.....	55,717.52	
	<u>\$132,161.71</u>	
Less: Commissions Paid on Business not yet		
Taken into Income.....	6,040.42	
	<u>\$126,121.29</u>	

Investments at Cost	252,681.25
Dominion of Canada Bonds: <i>Par Value</i>	
Sixth Victory Loan: 3% due 1960.....	\$107,500.00
Eighth Victory Loan: 3% due 1963.....	87,500.00
Ninth Victory Loan: 3% due 1966.....	55,000.00
	<u>\$250,000.00</u>
 Market Value.....	 <u>\$245,525.00</u>
 Interest Accrued Thereon.....	 1,475.00
 Automobiles.....	 4,266.29
	<u>\$852,580.67</u>

Capital Stock	185,000.00
Authorized: 5,000 Shares at \$100.00.....	\$500,000.00
Subscribed: 2,500 Shares at \$100.00.....	<u>\$250,000.00</u>
 Paid up Thereon.....	 <u>\$185,000.00</u>
 Capital Surplus	 68,932.01
Premium at 12% on Capital Stock.....	\$ 30,000.00
Surplus Realized on Investments Sold	8,932.01
Transferred from Shareholders' and Patrons' Equity	
Account: 1949-1951.....	30,000.00
	<u>\$ 68,932.01</u>
	<u>\$852,580.67</u>

Approved on Behalf of the Board,
 JOHN H. WESSON, *Director*
 W. J. PARKER, *Director*

AUDITORS' CERTIFICATE

In our opinion the Balance Sheet of Pool Insurance Company as at 31st December 1951 is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information, the explanations given to us, and as shown by the books of the Company. All transactions coming within our notice were in our opinion, within the powers and objects of the Company.

Winnipeg, Manitoba, 20th February 1952.

(Signed) MILLAR, MacDONALD & CO., *Chartered Accountants.*

POOL INSURANCE COMPANY
Wheat Pool Building, Winnipeg, Manitoba

SUMMARY OF SHAREHOLDERS' AND PATRONS'
EQUITY ACCOUNT

For the Year Ended 31st December 1951

	Debit	Credit
Balance at Credit 31st December 1950.....		\$175,481.06
Distributed during 1951.....	\$175,481.06	
Shareholders' Dividend Year 1950:		
Alberta Wheat Pool.....\$.55	
Manitoba Pool Elevators.....	.37	
Saskatchewan Pool Elevators Limited.....	.93	
Patrons' Dividend 1950:		
Alberta Wheat Pool.....	28,902.18	
Alberta Pool Elevators Limited.....	24,380.87	
Alberta Wheat Pool and Alberta Pool Elevators Limited.....	170.86	
Manitoba Pool Elevators.....	27,946.67	
Saskatchewan Pool Elevators Limited.....	93,190.14	
Saskatchewan Pool Elevators Limited and Saskatchewan Pool Terminals Limited.....	6.57	
Saskatchewan Co-operative Producers Limited.....	32.86	
Saskatchewan Co-operative Livestock Producers Limited.....	792.54	
Modern Press Limited.....	56.52	
	<u>\$175,481.06</u>	
	175,481.06	175,481.06
Surplus for Year 1951 - Exhibit C.....		301,928.23
Transferred to Capital Surplus.....	10,000.00	
Reserve for Income Tax.....	4,238.32	
Balance Carried Down.....	287,689.91	
	<u>\$477,409.29</u>	<u>\$477,409.29</u>
Balance Brought Down.....		\$287,689.91
Allocated as Follows:		
Shareholders' Dividend.....	\$	1.85
Alberta Wheat Pool.....\$.55	
Manitoba Pool Elevators.....	.37	
Saskatchewan Pool Elevators Limited.....	.93	
	<u>\$</u>	<u>1.85</u>
Patrons' Dividend.....		287,688.06
Alberta Wheat Pool.....\$	40,144.91	
Alberta Pool Elevators Limited..	32,424.98	
Alberta Wheat Pool and Alberta Pool Elevators Limited.....	314.89	
Manitoba Pool Elevators.....	44,987.64	
Saskatchewan Pool Elevators Limited.....	168,698.28	
Saskatchewan Pool Elevators Limited and Saskatchewan Pool Terminals Limited.....	7.62	
Saskatchewan Co-operative Producers Limited.....	45.71	
Saskatchewan Co-operative Livestock Producers Limited..	966.26	
Modern Press Limited.....	97.77	
	<u>\$287,688.06</u>	
	<u>\$287,689.91</u>	<u>\$287,689.91</u>

EXHIBIT C

STATEMENT No. 14

POOL INSURANCE COMPANY
Wheat Pool Building, Winnipeg, Manitoba

STATEMENT OF INCOME AND EXPENDITURE
For the Year Ended 31st December 1951

Premiums on Business Written.....	\$897,966.58	
Less: Ceded to Other Companies.....	658,272.14	
		\$239,694.44
Deduct: Increase in Unearned Premium Reserve.....		13,119.40
Premiums Earned in 1951.....		226,575.04
Deduct: Losses and Adjustment Expense.....	\$331,815.95	
Less: Reinsurance Recoveries.....	243,363.05	
		88,452.90
Net Underwriting Income.....		138,122.14
Add: Commissions on Reinsurance Placed with Other Companies (earned portion only)		205,914.96
Special Allowance by Unlicensed Companies in Lieu of Taxes.....		19,460.72
Total Income before Commissions Paid.....		363,497.82
Deduct: Commissions Paid (on earned premiums only).....		3,893.09
Balance Available for Expenses and to Shareholders and Patrons.....		359,604.73
Deduct: Expenses		
Taxes, Licenses and Association Dues.....	\$ 22,064.44	
Inspection Service:		
Salaries.....	\$14,116.00	
Board and Lodging.....	3,639.45	
Transportation.....	5,187.70	
Annuities, Group and Unemployment Insurance....	980.78	
Pension.....	585.96	
Insurance.....	423.32	
Printing, Postage and Miscellaneous.....	1,021.00	
		25,954.21
Administration:		
Salaries.....	\$13,250.60	
Rent and Light.....	1,691.87	
Directors' Fees and Expenses..	477.80	
Travelling Expense.....	335.09	
Printing, Postage and Stationery.....	302.74	
Telephone and Telegraph.....	273.79	
Legal and Audit.....	750.26	
Annuities, Group and Unemployment Insurance....	361.37	
Miscellaneous.....	357.10	
		17,800.62
		65,819.27
Add: Interest Earned.....		293,785.46
		8,142.77
Balance—Surplus for the Year 1951 Carried to Exhibit B.....		\$301,928.23

SASKATCHEWAN CO-OPERATIVE LIVESTOCK PRODUCERS LIMITED

COMPARATIVE STATEMENT OF HANDLINGS

Seasons 1950-1951 and 1951-1952

	Season 1950-1951	Season 1951-1952	Increase (Decrease)
Moose Jaw Division:			
Cattle.....	14,864	9,526	(5,338)
Calves.....	2,943	1,369	(1,574)
Hogs.....	2,740	3,497	757
Sheep.....	1,123	1,216	93
North Battleford Division:			
Cattle.....	19,116	13,551	(5,565)
Calves.....	1,577	1,013	(564)
Hogs.....	9,278	12,245	2,967
Sheep.....	1,351	1,537	186
Prince Albert Division:			
Cattle.....	15,571	9,074	(6,497)
Calves.....	2,026	1,187	(839)
Hogs.....	12,735	19,038	6,303
Sheep.....	2,353	1,304	(1,049)
Regina Division:			
Cattle.....	21,265	12,184	(9,081)
Calves.....	2,433	1,385	(1,048)
Hogs.....	6,137	4,822	(1,315)
Sheep.....	1,111	966	(145)
Saskatoon Division:			
Cattle.....	19,679	16,191	(3,488)
Calves.....	2,816	2,149	(677)
Hogs.....	10,016	20,522	10,506
Sheep.....	959	1,139	180
St. Boniface Division:			
Cattle.....	20,919	15,111	(5,808)
Calves.....	10,557	6,575	(3,982)
Hogs.....	36,471	46,908	10,437
Sheep.....	3,659	2,987	(672)
Swift Current Division:			
Cattle.....	7,685	10,015	2,330
Calves.....	977	790	(187)
Hogs.....	1,211	5,329	4,118
Sheep.....	239	349	110
Yorkton Division:			
Cattle.....	11,159	9,656	(1,503)
Calves.....	4,605	3,139	(1,466)
Hogs.....	4,182	5,811	1,629
Sheep.....	1,335	1,220	(115)
Total Divisions:			
Cattle.....	130,258	95,308	(34,950)
Calves.....	27,934	17,607	(10,327)
Hogs.....	82,770	118,172	35,402
Sheep.....	12,130	10,718	(1,412)
Saskatchewan Handlings at Winnipeg (Other than Saskatchewan Co-operative Livestock Producers Limited)			
Cattle.....	28,334	22,255	(6,079)
Calves.....	6,011	4,520	(1,491)
Hogs.....	18,393	27,787	9,394
Sheep.....	4,076	4,136	60
Total Handlings:			
Cattle.....	158,592	117,563	(41,029)
Calves.....	33,945	22,127	(11,818)
Hogs.....	101,163	145,959	44,796
Sheep.....	16,206	14,854	(1,352)

Note: Brackets denote figures in red.

CANADIAN LIVESTOCK CO-OPERATIVE (WESTERN) LIMITED

BALANCE SHEET

As at 2nd August 1952

ASSETS

Current Assets

Cash in The Royal Bank of Canada.....	\$27,758.93
Accounts Receivable: Schedule 1.....	\$3,109.29
Less: Reserve for Doubtful Accounts.....	810.93
	2,298.36
Government of Canada Bonds: at Cost.....	20,000.00
(Market Value \$18,800.00)	
Accrued Interest Receivable.....	391.97
Due from Trust Account.....	12,324.44

\$62,773.70

79 Trust Assets

Cash in The Royal Bank of Canada.....	\$ 2,419.56
Sales Accounts Receivable.....	23,428.89
Inventory of Feed: at Cost.....	1,272.10

27,120.55

Other Assets

Winnipeg Livestock Exchange Memberships (5).....	250.00
Office Furniture and Equipment.....	\$ 8,561.98
Less: Reserve for Depreciation.....	6,832.21
	1,729.77
Automobile.....	\$ 2,735.35
Less: Reserve for Depreciation.....	1,910.00

825.35

778.90

\$93,478.27

LIABILITIES

Current Liabilities

Accounts Payable.....	\$ 2,042.21
Accrued Salaries.....	4,249.61
Surplus Payable.....	16,939.45
Provision for Income Taxes.....	339.38

\$23,570.65

Trust Liabilities

Due to Local Associations.....	\$ 5,151.82
Producers' Livestock Pooling Fund.....	2,695.10
Transit Compensation Fund.....	6,136.28
Exchange on Outstanding Cheques.....	812.91
Due to General Account.....	12,324.44

27,120.55

General Reserve.....

4,238.13

Loans from Members.....

9,250.08

Members' Equity.....

29,274.86

Memberships Issued (24).....

24.00

Approved on behalf of the Board:

(Signed) W. CROSSLEY, Director

(Signed) A. GREENFIELD, Director

\$93,478.27

This is the Balance Sheet referred to in our report of this date attached hereto.

Winnipeg, Manitoba

21st August 1952

(Signed) MILLAR, MacDONALD & CO.

Chartered Accountants

CANADIAN CO-OPERATIVE WHEAT PRODUCERS LIMITED

DIRECTORS' REPORT 1951-1952

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

Gentlemen:

The crop year ended on 31st July 1952 was outstanding in the history of Canadian farming. Persistently rising costs and falling prices increased problems of production. Bad harvest weather, big volumes of tough, damp and low grade grain, together with overloaded storage and transport facilities, multiplied handling and marketing difficulties. The combined efforts of primary and secondary producers made it a year of achievement, in the face of tremendous difficulty.

Central Board

Your Central Board is the instrument through which the opinions, needs and decisions of the producers who make up our three Canadian Wheat Pools, are brought into final focus—for united action in their common interests.

A salient issue facing the farmers of our Canadian West is the International Wheat Agreement. The decision of farmers—expressed at hundreds of Pool meetings held during the past year in neighborhoods all over the West—was that the Agreement should be renewed, with practical amendments to make it more useful to both producers and consumers. This decision was carried, through your Central Board, into the councils of our Canadian nation; and, finally, to the International Wheat Council.

Your Central Board gave attention also to other matters of common concern to the members of our three Pools, such as: tests on feed grains, the Manitoba plebiscite on coarse grains, public information and rust research.

Interprovincial Pool Meetings

The full boards of our three Canadian Wheat Pools assembled in Interprovincial meetings twice during the past crop year: on 16th January and 17th July 1952.

These meetings affirmed the support of Pool members for renewal of the International Wheat Agreement, with necessary amendments. It was urged that "the need is for a long-term Agreement, with some practical automatic formula for relating selling prices to the indices reflecting levels of production costs and the economic status of the buying countries."

The extraordinary problems of handling and conditioning the 1951-52 crop were discussed with the Transport Controller, the Wheat Board and the Board of Grain Commissioners. Total co-operation was offered through all Pool facilities.

Resolutions urged: that grain dryers be admitted into Canada duty free; that adequate rust research be undertaken; that quotas be equitably enforced; and that the domestic price of wheat be adjusted on parity with production and living costs.

Close contact was maintained with the Canadian Wheat Board. Resolutions were directed to the Government of Canada urging: that the Wheat Board be the sole mar-

keting agency for all western-grown grains; that the Board members be increased to five; that the Advisory Committee to the Board be representative of organized producers; and that, when the powers of the Wheat Board expire on 31st July 1953, these powers be renewed and made permanent.

The movement of Western feed grains to Eastern feeders was thoroughly discussed; and full co-operation pledged to farm organizations in Eastern Canada in establishing a central agency for the efficient handling of feed grain supplies.

At the Interprovincial meeting in July, also, the respective Pool boards agreed upon the recommendations each would make to the Board of Grain Commissioners re elevator tariffs.

Western Agricultural Conference

Delegates representing the Federations of Agriculture of British Columbia, Alberta, Saskatchewan and Manitoba met in the Western Agricultural Conference in Winnipeg on 17th-18th January 1952.

More than fifty resolutions forwarded from local and provincial farm organizations were considered by the Conference. The meeting endorsed resolutions calling for more realistic prices and more practical grading of hogs by providing for optional rail or live grading. A national live-stock policy which shall stimulate production; comprehensive crop insurance; and better use of basic resources through land-and-water conservation were also recommended.

The Conference also resolved that the International Wheat Agreement should be renewed—with higher floor and ceiling prices; and with provisions for maintaining prices in balance with production costs and world economic levels.

Compensation was urged for Western farmers who delivered wheat to the 1945-49 pool—and bonused Canadian consumers to the extent of 48 million dollars, through low, government-fixed prices. Further resolutions called for flax and rye to be marketed by the Canadian Wheat Board; and for domestic wheat prices based upon farm costs.

Roy C. Marler (Alberta) was re-elected president of the Conference; with W. J. Ball (Saskatchewan), G. F. Habing (Manitoba), and C. E. S. Walls (British Columbia) as vice-presidents. Mrs. F. Harkness (Manitoba) was elected women's representative to the Canadian Federation of Agriculture.

The Conference called meetings in the spring of 1952 of representatives of its interested member bodies, to discuss renewal of the International Wheat Agreement. The expressed thinking of Western farmers was registered in a resolution reaffirming the stand taken by the Conference in January.

Canadian Federation of Agriculture

The 16th annual meeting of the Canadian Federation of Agriculture assembled on 21st-25th of January 1952, in Montreal. Representatives of organized farm people, from sea to sea, debated the problems of the neighborhoods and regions which, together, make up our Canadian nation; and decided on action which must be taken so that our lands and waters shall produce abundance for consumers and fair returns to producers. Pursuant to these decisions,

C.F.A. directors recommended to the Canadian Cabinet on 6th March 1952:

1. That due to the crisis created by the foot-and-mouth outbreak, beef and lamb prices be stabilized.
2. That inspection and disinfection of all livestock facilities be rigidly enforced.
3. That agriculture be proclaimed an essential industry—to ensure the full productive capacity vital to defence.
4. That inflation be curbed by sound monetary policies; and, if price control is needed, such controls be on all profits, prices and wages.
5. That the International Wheat Agreement be renewed—with higher price ranges; and prices kept in line with general price levels.
6. That the Government give adequate consideration to the problem of moving Western grains to eastern feeders.
7. That freight assistance on feed grains be made permanent.
8. That legislation be enacted to protect the dairy industry.
9. That the support price for hogs be established at \$28.00 per one hundred pounds, dressed, Grade B1, basis Winnipeg.
10. That the Government of Canada provide leadership in F.A.O. to establish a commodity program to meet famine, build reserve food stocks and manage surpluses.
11. That a national conservation act provide for federal and provincial co-operation to develop and safeguard the vital land and water resources of our nation.
12. That the fertilizer industry be investigated.
13. That more adequate loans be made available under the Veterans' Land Act and the Farm Loan Act.
14. That in the year ahead every effort be made to safeguard agriculture and maintain a proper balance between the major components of the nation—as a prerequisite for national prosperity and harmony.

In August 1952, the C.F.A. proposed that the Government of Canada use 10 percent of the 5 billion dollars already voted for defence to: build stock piles of food; make loans to dollar-hungry peoples so they can buy Canadian food products; and make gifts of food to needy countries.

International Federation of Agricultural Producers

It was decided that no IFAP conference should be called in 1952; and that the next conference should be held in Rome, at FAO headquarters, in May 1953. The IFAP executive met in Paris in May 1952; and scheduled a further meeting for October 1952, in Washington. The executive reviewed progress on commodity reports and recommendations dealing with production, trade and price stabilization necessary to expand output and meet consumer needs.

During the year, IFAP committees worked on the problems of improving the processing and distribution of food through co-operatives; interchange of technicians and information; irrigation; and expanded food production. These various IFAP committees worked in close co-operation with such agencies as the Organization for European Economic Co-operation, the International Labor Office, UNESCO, the Council of Europe, the Mutual Security Agency, la Confederation Europeenne de l'Agriculture, the International Co-operative Alliance, and the Horace Plunkett Foundation.

Members of our three Canadian Wheat Pools will be interested in the considered views of European farmers, as set forth by IFAP's Committee on European Economic Recovery in the following seven points:

1. Adequate farm prices are, for farm people, the equivalent of security of employment and minimum wages for the urban population.
2. Governments should promote continuous development of agricultural efficiency and production.

3. It is the duty of governments to see that the development of better techniques and production is not hampered by excessive price fluctuations.
4. Governments must recognize the different levels of technical efficiency; avoid discouraging efficient producers; and aim to minimize these differences.
5. The objective should be an economically self-supporting Europe—with expanded trade and world-wide economic equilibrium.
6. An European community must establish institutions to organize orderly marketing and facilitate necessary adjustments in food production.
7. The long-term best interests of European farmers lies in increased general purchasing power and effective demand for food at prices fair to consumers.

Food and Agriculture Organization

The 1951 conference of FAO met during November in Rome. Argentina, Japan, Nepal and Laos were admitted; while China and all eastern European countries have withdrawn. Sixty-eight countries are now active members of this United Nations' agency.

The conference elected Josue de Castro, of Brazil, as Council chairman, succeeding Lord Bruce, of Australia; and reappointed N. E. Dodd as director-general.

The conference reiterated the need for more positive results. Member nations have only in small degree fulfilled the obligations they accepted in signing the constitution; and have not put into full operation the recommendations they have repeatedly made.

All member nations were urged to develop work during the next five years to increase food, farm and forest production; make better use of water resources; expand research and education; make technical skills more widely available; and to reduce waste in production and distribution.

The keynote of the conference was: "the two most important economic issues facing the world are food supplies and the development of under-developed countries. In the last decade world population has grown more rapidly than food production, so that the malnutrition which affected one-half the world's population before the war has become more severe."

Humanitarian, as well as political and security considerations, decree that the enormous gap between the incomes of people in highly developed and under-developed countries must be narrowed by assisting under-developed countries to increase production and raise living standards.

FAO has a major role in this vital work, since 70 percent of people in under-developed countries depend directly on agriculture. FAO experts, enlisted from 38 countries, are working to help the people of 51 other countries, principally on land-and-water development, crop improvement, animal disease control, farm economics, and management of forests and fisheries.

FAO has called an international meeting in Rome during September 1952, to take action to end the current outbreak of foot-and-mouth disease, which has robbed the farmers of Western Europe of 400 million dollars in livestock. Plans to handle future outbreaks will provide "mutual insurance" to protect world agriculture against this disastrous disease.

FAO is setting up machinery to report the approach of famine in any part of the world; and to create food reserves to meet such emergencies. The governments of all nations are urged to contribute information as a first step in dealing effectively with starvation.

The FAO conference emphasized that mankind must look to the farmers for any substantial increase in world

food production. Three inter-related factors are of overriding importance: security of tenure; usable farm credit; and stabilized prices and markets.

The production program must be accelerated. The present rate of progress is not enough to guarantee the welfare of the world's rapidly increasing population. Increased production is the most effective defence against civil upheaval and war. Adequate food supply is the foundation upon which a world of peace must be built.

International Wheat Agreement

31st July 1952, marked the completion of I.W.A.'s third year; and entry upon the final year of its four-year term. Member nations and volume of wheat moved under the Agreement have increased. A high percentage of quotas has been fulfilled. Wheat prices have been stabilized, compared with prices of most other commodities entering into world trade.

The Agreement, negotiated early in 1949, covered movement of 456 million bushels from five exporting, to 37 importing, nations. In the second year quotas were increased to 525 million bushels. During the third year of the Agreement, beginning 31st July 1951, four exporting and 42 importing nations guaranteed to trade 581 million bushels—with allotments of 88.7 million from Australia; 4.1 million from France; 255 million from the United States; and 232,979,115 bushels from Canada.

Late in the crop year, the International Wheat Council appealed to the exporting nations to take up part of Australia's quota, which was unfulfilled due to short supplies in that country. Canada assumed an additional 8.6 million bushels. Sales made pursuant to this undertaking were entirely of No. 5 wheat or flour milled from No. 5 wheat. Prices were at the Class II level, since Class II and I.W.A. prices on feeding grades of wheat were identical throughout the crop year. The final total of sales registered by Canada against 1951-52 I.W.A. quotas was 241,616,275 bushels—including 44.4 million bushels as wheat flour.

During the 1951-52 crop year, 29 of the 42 importing countries purchased their entire quotas; 10 more nearly so; and, of the remaining three, Iceland took 94%, Italy 90% and Spain 49% of their respective quotas.

Our 1951-52 Canadian crop made available a much smaller percentage than usual of high-grade wheat. Nevertheless, 37 of the 42 importing member nations bought wheat from Canada under the Agreement. U.K. bought the biggest volume: 124 million bushels—representing 70.4% of her Agreement purchases. Other nations which bought most of their Agreement wheat from Canada were: Bolivia, 72.3%; Ireland, 69.5%; Liberia, 69%; Venezuela, 68%; Switzerland, 67.2%; Costa Rica, 62%; Nicaragua, 58.9%; Dominican Republic, 56.4%; Belgium, 56.3%; Peru, 56.1%; Union of South Africa, 55.4%; and the Philippines, 54.1%.

The International Wheat Agreement is administered by the International Wheat Council. The Agreement provides that the Council submit to member governments, before 31st July 1952, recommendations regarding its renewal. Pursuant to that provision, the Council called a meeting in London, in April 1952. Practically all member nations were represented. The Presidents of our three Pools were included as advisor to the official Canadian delegates.

Discussions lasted three weeks. Every country registered approval of the basic principles of I.W.A. The

meeting discussed suggested amendments to the Agreement, including carrying charges, moving the basing point from the Lakehead to the Atlantic, working back from ultimate destination in calculating freight and other costs, and the right of importing members to resell Agreement wheat. A committee was established to work out a formula for maintaining Agreement prices on effective parity with other world prices and costs.

No agreement was reached on the vital problem of a price range satisfactory to both exporters and importers in a renewed Agreement. The Council undertook to keep working on these problems; and to call a meeting in January 1953, at which solutions may be negotiated.

The stand which has been taken consistently by our Co-operatives regarding the I.W.A. is enunciated in the resolution passed unanimously at the Interprovincial meeting of our three Pool boards on 17th July 1952 in Winnipeg, as follows:

Resolved that we reiterate our support of the policy approved by the last annual meeting of the Canadian Federation of Agriculture; and later, reaffirmed by the Western Agricultural Conference, with respect to the International Wheat Agreement as follows:

"We recommend the renewal of the International Wheat Agreement (as the most practical type of commodity agreement yet proposed for the marketing of wheat) with such amendments as experience has shown are necessary; and we further recommend that, in view of the consistent increase in farm production and living costs since the inception of the Agreement in 1949, the present floor and ceiling prices should be substantially increased."

Canadian Wheat Board

The 1951-52 crop year demonstrated once again, and more conclusively than ever before, the vital value to producers of organized marketing. Following a year of extreme difficulties in 1950-51, the Canadian Wheat Board faced a conglomeration of colossal tasks in engineering the movement and marketing of the 1951-52 crop in the best interests of Western producers. On top of a big carry-over, producers poured deliveries of 718 million bushels, including unprecedented quantities of tough and damp grain. Without organized marketing this situation would have led to chaos—with returns to producers that would have meant catastrophe.

With marketing organized under the Wheat Board, 672 million bushels of grain were moved out of country elevators during the crop year. Similar volumes were moved forward through successive storage positions. Record quantities were dried. A total of 650 million bushels of grain was marketed within the crop year. Of this total, 141 million were used in Canada and 509 million bushels were exported.

The co-operation of all interested parties was co-ordinated to achieve outstanding success in the physical handling of the crop. Equally outstanding was the success of the Board in merchandising wheat, oats and barley to old and new customers.

Finally, with organized marketing by the Canadian Wheat Board prices were stabilized under circumstances which would have dictated disaster to the producers under the chaotic competition of an open market.

Late in 1951, the Wheat Board distributed some 129.8 million dollars in final payment on the 1950-51 crop. The amount of final payments and total payments per bushel, basis in terminal store, were as follows:

	<i>Final Payment per Bushel</i>	<i>Total Payment per Bushel</i>
Wheat, 1 Northern.....	25.498c	\$1.855498
Oats, 1 C.W.....	9.710	0.84710
Barley, 1 C.W.....	20.882	1.33882

Initial payments for 1951-52, announced on 4th May 1951, were: Wheat, \$1.40 per bushel, basis No. 1 Northern, in Lakehead or Pacific store; oats, 65c per bushel, basis 2 C.W. in Lakehead store; barley, 96c per bushel, basis 3 C.W. Lakehead store. Initial delivery quotas were set at 6 bushels per seeded acre.

On 1st February 1952, the initial payment on wheat was increased by 20 cents, from \$1.40 to \$1.60 per bushel—with adjustment payments to producers on deliveries already made in this crop year. Similarly, the initial payment on barley was raised by 20 cents, effective 1st March 1952, increasing initial payments on 3 C.W. from 96 cents to \$1.16 and No. 1 Feed from 87 cents to \$1.07—with adjustment payments on deliveries already made.

The legislation under which the Wheat Board presently operates, terminates the powers of the Board as at 31st July 1953. Our three Canadian Wheat Pools, together with other farm organizations, are urging that these powers be renewed and made permanent.

Exports

During the 1951-52 crop year, 356 million bushels of wheat (and flour in terms of wheat) were exported to 86 countries, colonies and territories on six continents. This volume was the second highest in history—it was exceeded only by the 407 millions exported in 1928-29. Exports of wheat flour were some 8 percent below 1950-51; but exports of wheat as grain were higher by 65 percent.

Canada's wheat was widely distributed. Some 45.4% of 1951-52 exports went to 23 Commonwealth areas; and 54.6% to foreign lands. Of our total exports, 3.5% went to 17 countries in Africa; 14% to 17 countries in Asia; and 63% to 20 countries in Europe. Countries in North America took 14% of the total; while 4.8% went to 9 South American lands; and small amounts were exported to three countries in Oceania.

The United Kingdom continued to be the leading buyer of Canadian wheat, taking 127.6 million bushels, or about 36% of total 1951-52 exports. This compares with 42% in 1950-51; and 58% of 1949-50 exports. Seven other countries each bought more than 10 million bushels. India took 18.1 million; Japan, 16.5 million; Germany, 15.8 million; Belgium, 15.5 million; Netherlands, 11.9 million; Italy, 11 million; and the United States 38.7 million bushels (including 7.3 million for milling in bond and most of the balance for livestock feed).

Exports of oats, barley, rye and flaxseed in 1951-52 totalled 149.2 million bushels—more than double the 71.3 million exported in 1950-51.

Barley exports reached 69.9 million bushels, three times the total for the preceding year; and an all-time record. Formerly some 80% of our barley exports went to the United States. However, 1951-52 saw great increases in sales notably to Belgium and Japan. Leading buyers were: Belgium, 18.1 million bushels; Japan, 15.1 million; U.S., 10.2 million; U.K., 7.7 million; Germany, 5.8 million; Denmark, 3.3 million; Netherlands, 2.8 million; and Norway, 2.4 million bushels.

Exports of oats totalled 69.6 million bushels, more than double the 1950-51 volume. Exports went to 10 countries and colonies; with another 1.1 million bushels, as oatmeal and rolled oats, going to 26 countries. Principal buyers were: United States, 58.6 million bushels; Belgium, 8.3 million; and Netherlands, 1.8 million bushels.

Some 6.8 million bushels of rye were exported to 10 countries; with United States taking 2.3 million. Six

countries bought 2.9 million bushels of Canadian flaxseed—2.4 million going to Belgium.

Exports of these five principal grains totalled 505.3 million bushels—the highest in Canadian history.

Canadian Government Policy

To help meet emergencies arising from bad harvest weather, the Prairie Grain Producers Interim Financing Act was passed on 15th December 1951. This provided short-term loans of up to \$1,000 at 5½ percent to farmers who were unable to complete harvesting or deliver grain.

In July 1952, the Supreme Court of Canada handed down a unanimous judgment which reversed a decision of a lower court and established the fact that:

1. The Federal Marketing Act of 1949 (Bill 82) is within the jurisdiction of the Canadian Parliament.
2. Under that Act, the Government of Canada has full legal authority to delegate its powers in the interprovincial and export fields to provincial marketing boards set up under provincial marketing acts.

This is an outstanding victory for the organized farmers of Canada. For nearly twenty years they have fought for the right to organize the marketing of their own products in their own province—and then, in interprovincial and international trade. With this judgment that right is established in full, through the operation of Bill 82. Canadian farm people now have the opportunity to organize the marketing of their own products on a basis which may serve the best interests of agriculture and the economy of our nation.

Prairie Farm Assistance

Assessments, awards and payments under P.F.A.A. for the 1951-52 crop year were as follows:

	One Percent Assessment	Number of Awards	Payments
Manitoba.....	\$1,331,548.73	1,724	\$ 192,237.00
Saskatchewan.....	5,075,404.05	10,041	2,096,543.75
Alberta.....	2,560,006.74	9,211	1,623,855.50
British Columbia.....		7	1,400.00
Unallocated.....	116.72		
Totals.....	\$8,967,076.24	20,983	\$3,914,036.25

For the thirteen crop years since 1939-40, assessments, awards and payments have been made as follows:

	One Percent Assessment	Number of Awards	Payments
Manitoba.....	\$10,479,941.45	27,417	\$ 3,200,152.77
Saskatchewan.....	35,232,118.75	446,853	102,933,250.33
Alberta.....	18,634,959.16	183,008	34,876,714.55
British Columbia.....		1,391	219,752.00
Unallocated.....	9,469.35		
Totals.....	\$64,356,488.71	658,669	\$141,229,869.65

Freight Assistance

Shipments of wheat from Alberta, Saskatchewan and Manitoba to British Columbia and Eastern Canada under the freight assistance program during the first eleven months of the 1951-52 crop year totalled 15.2 million bushels. This is 20% more than the 12.7 million shipped during the same period in 1950-51.

During the first eleven months of the 1951-52 crop year, shipments of oats were 35.2 million bushels, about

13.3% above the same period of the preceding year; and barley shipments reached 20.6 million bushels, 29.7% more than in the first eleven months of 1950-51.

Combined shipments of wheat, oats and barley under the freight assistance legislation are estimated at 71 million bushels, during the eleven months ending 30th June 1952. This total is 19% higher than shipments during the same period in the 1950-51 crop year.

Freight assisted shipments of millfeeds totalled 479,397 tons. This is 30% below the volume of the previous year. Shipments of screenings are estimated at nearly 63,000 tons—a drop of 5% from the year preceding.

Shipments of all feeds under this program from October 1941, to 30th August 1952, have totalled 29.9 million tons. Of this volume, some 78% was shipped to Ontario and Quebec. The cost of the program has totalled 177.3 million dollars—an average of \$5.92 per ton shipped.

Canadian Market for Feed Grains

The movement of Western-grown feed grains to British Columbia and Eastern Canada has multiplied in recent years. Efficient organization of this trade has been recognized by both Western grain growers and feeders of the Pacific coast and Eastern Canada as a major problem—which they must solve.

The combined volume of feed wheat, oats and barley supplied by Alberta, Saskatchewan and Manitoba producers to Eastern feeders increased from a yearly average of 12.3 million bushels in the 10 years 1930-40, to 97.2 million bushels since 1947. Eastern feeders, relying more and more upon Western feed grains, have shifted acreage from grain-growing to other uses. Extreme price fluctuations and uncertainty of supplies of these Western grains, particularly in winter, interfere with their production programs.

The Canadian Federation of Agriculture called a meeting of the interested parties on 29th July 1952 in Ottawa. This meeting was attended by representatives of Western producer co-operatives, embracing our three Canadian Wheat Pools and United Grain Growers, as well as representatives of Eastern farm organizations, including the big distributing co-operatives of the Maritimes, Quebec and Ontario. Included were experts in management and grain merchandising.

The meeting reviewed the problems presented by the apparent clash of interest between buyers and sellers of Western-grown feed grains. From frank and vigorous debate emerged the fundamental fact that both groups are vitally interested in the orderly, organized movement of supplies.

The Western representatives submitted a proposal for joint action, subject to confirmation by the boards of their co-operatives. The Eastern representatives undertook to submit this proposal to their principles for consideration. The proposal was that the three Eastern co-operatives set up a central agency, competently staffed with experienced men, to buy the Western grains needed by Eastern feeders. The Western co-operatives were to meet half of any initial losses up to a total of \$100,000.00.

Subsequently, this proposal was confirmed by the boards of each of the four Western co-operatives. It is a matter for regret that the proposal was not approved by the boards of the Eastern organizations.

Farm Prices and Costs

During 1951 the defence program, which has stimulated the heart-beat of our Canadian economy, passed from the preparatory stage into the stage of production.

Output, prices, profits and wages have continued their persistent upward trends in industry, commerce and services. In agriculture, production has climbed; costs have increased; but prices of farm products have fallen.

With big production, however—and despite difficulties in harvesting and marketing the 1951 crop—Western farmers have continued to cut down their indebtedness. The Dominion Mortgage and Investment Association reports that, during 1951, the total owing to member companies by Western farmers was reduced by 3.1 million dollars—or 8.78 percent. Association companies held 56,745 mortgages on Western farms in 1937, for a total of 179.8 million dollars. In 1942, 49,773 mortgages registered debts totalling 161.2 million dollars. Western farmers steadily reduced these debts until, in 1951, mortgages numbered 13,862 for a total of 31.6 million dollars. The net position, including new mortgages, is that Western producers owe to member companies of the Association only 19.6 percent of the total owing in 1942. That is, over the last ten years, this debt has been cut by 80.4 percent.

The cost of farm production has risen persistently. The price of occupied farm lands in Canada, which averaged \$24.00 per acre for the five years 1935-39, rose to \$30.00 in 1945; \$43.00 in 1950; and \$47.00 in 1951. During the same time, the average price per acre of occupied farm lands in the West climbed from \$16.00 during the 1935-39 period, to \$19.66 in 1945; \$33.33 in 1950; and \$35.66 in 1951.

Farm wages, while not keeping pace with industrial salaries have climbed steadily. In the last two years, average daily wages paid on Western farms rose by 16.4 percent and average monthly wages increased 21.6 percent.

The cost of equipment essential to a modern productive farm plant has soared. The overall value of machinery on Canadian farms has risen 224 percent, from 596 million dollars in 1941 to 1,933 million dollars in 1951; and is 18 times the 1901 total of 108 million dollars. In the West, the total value of farm machinery has increased 361 percent in the last ten years—from 317 million dollars in 1941 to 1,147 million dollars in 1951. In 1951, Western farmers invested nearly 160 million dollars in new implements and parts.

In the last decade the number of tractors on Canadian farms has increased from 159,000 to 399,000; trucks from 77,000 to 196,000; and combines by 376 percent. In the same ten years, the number of farm autos has risen less than 5 percent.

Persistently rising costs present great difficulties to young farmers getting established in agriculture; and difficulties are multiplied by the downward trend in prices of farm products.

The general index of wholesale prices (based on 1935-39 = 100) fell from 241.9 in May 1951, to 224.8 in May 1952. In contrast, the index price of commodities and services used by farmers, including living costs, rose from 219.2 in April 1951, to 229.8 in April 1952. At the same time, the index of farm prices (based on prices for about 50 products which earn 90 percent of total cash income received by farmers for farm output) fell 67 points in the West—from 295.8 in June 1951 to 228.8 in June 1952.

To meet the changing situation resulting from rising costs and falling prices—and to maintain production at

the high level required—farmers are making increasing use of financing under the Farm Improvement Loans Act. During the seven years that bank loans have been available under this legislation farmers across Canada have taken 248,625 loans for a total of 255.3 million dollars. About 58 percent of this total was borrowed in 1950 and 1951. About 79 percent of the total borrowed was by Western producers.

Borrowings by Canadian farmers under this Act during 1951 climbed to a peak of 85.3 million dollars. This was 27 percent above the total for 1950. Loans for purchase of implements accounted for about 92 percent of the 1951 total. It is estimated that 45 percent of new tractors and 60 percent of new combines bought by Canadian farmers in 1951 were financed under the Act.

Producers have repaid on their loan contracts some 152.7 million dollars, 60 percent of the 255.3 million dollars borrowed. Claims by banks for delinquencies represent only .01 percent of the total.

Farm Income

Canada's farm families earned record income in 1951. Gross income reached an all-time high, due to returns from the sale of increased volume of farm products; big spring grain deliveries; and an accumulation of participation and final payments. Gross farm income for the last three years is set out in the following table:

	1949	1950	1951
<i>In Millions of Dollars</i>			
Canada.....	\$2,802.5	\$2,733.8	\$3,608.6
The West.....	1,313.1	1,194.0	1,772.6

Net income is arrived at by subtracting from gross income, operating and depreciation costs—including taxes, rents, hired labor, interest, feed, seed, tractors, trucks, farm autos, machinery, repairs, fertilizers, supplies and depreciation on buildings and equipment.

With gross income 32 percent higher in 1951 than in 1950, and operating and depreciation costs advancing 8 percent, net income earned by Canadian farm operators reached a new peak—53 percent above 1950; and 32 percent over the previous high in 1948. Net farm income for 1949, 1950 and 1951 is recorded as follows:

	1949	1950	1951
<i>In Millions of Dollars</i>			
Canada.....	\$1,640.5	\$1,451.7	\$2,221.2
The West.....	809.7	627.9	1,157.9

The foregoing figures show the situation as at the end of 1951. The record net farm income for 1951 resulted from abnormally high production and heavy marketings of grain and livestock at price levels which, since that time, have fallen drastically.

The 1951-52 Crop Year

Following the difficult 1950-51 crop year, another big crop in 1951-52 brought unprecedented problems—and outstanding achievements—in harvesting, handling, transportation and marketing.

Carryover of wheat into the 1951-52 crop year, together with production, exports, domestic use and year-end carryover, are set out in the following table:

	1951-1952	Ten-Year Average (1941-1950)
	<i>In Million Bushels</i>	
Carryover at Start of Crop Year.....	189.2	256.5
Production.....	552.7	386.6
Total Supply.....	741.9	643.1
Exports.....	356.1	260.3
Domestic Use.....	172.8	155.6
Carryover at End of Crop Year.....	213.0	227.2

Production of wheat, oats, barley, rye and flaxseed in 1951-52 totalled 1,335.8 million bushels. This is 24.7 percent above the 1,071 million produced in 1950-51; and 46 percent higher than the average of 914.5 million bushels produced in the five years 1946-50.

The Western harvest was delayed by persistent rains in September, followed by snow in October. Combining resumed in late November; but some 25 percent of the crop lay, unthreshed, under the snow until spring. Fine weather in the spring of 1952 let producers salvage this grain in remarkably good condition.

The bad fall weather damaged both yield and quality of the grain harvested. Much of the crop was threshed in tough or damp condition. The outturn graded unusually low. Of all carloads of wheat inspected from 1st August to 31st December 1951, only 23 percent graded 1, 2 or 3 Northern—compared with 38 percent in 1950; and 85 percent in 1949, a more normal year. In this five-month period over 45 percent of all carloads inspected went "tough" or "damp."

During the crop year, 110,480 carloads of oats, barley, rye and flaxseed were inspected—36 percent more than in 1950-51. Of the oats, 42.7 percent graded tough or damp—compared with a 5-year average of 18.6 percent. Some 47 percent of the barley went tough or damp. The 5-year average is 23.8 percent. Over 38 percent of the rye graded tough and damp—compared with the average of 14.3 percent. Flax suffered the most, with 60.7 percent of all inspected carloads grading tough and damp, whereas the average from 1946 to 1950 was 17.4 percent.

On 22nd November 1951, Permit 100 was invoked to give damp grain priority in the movement to terminals. Terminal driers worked at full capacity. During the crop year more than 70 million bushels of tough and damp grain were dried at the Lakehead; 26 million at Pacific terminals; over 9 million at interior terminals; and another 15.4 million bushels were shipped to U.S. terminals to be dried in bond. Altogether, a total of 106.6 million bushels of tough and damp grain were dried within the crop year in Western Canadian terminal elevators.

Exports within the 1951-52 crop year were heavy. Wheat exports exceeded the previous year by 37 percent. Exports of oats were double 1950-51. Barley exports reached an all-time peak.

All this, however, left available feed grain supplies grossing 20.3 million tons. This was 33 percent above 1950-51; and averaged just over one ton per grain-consuming animal unit.

Carryover of the five principal grains as at 31st July 1952—compared with the previous year and the 10-year

average—is set out in the following tabulation, in millions of bushels:

	31st July 1952	31st July 1951	Ten-Year Average 1941-1950
Wheat.....	213.0	189.2	256.5
Oats.....	104.9	95.2	72.6
Barley.....	76.9	53.5	30.6
Rye.....	7.7	3.3	5.2
Flaxseed.....	2.4	1.2	3.3
Totals.....	404.9	342.4	368.2

Wheat carryover climbed 12 percent during the 1951-52 crop year; but is still 16 percent below the 10-year average. The carryover of oats is the biggest since 1943. Barley records an all-time high.

Of the total carryover of approximately 405 million bushels of the five grains, 24 percent was on farms; 35 percent in country elevators; and the balance in terminals and other positions.

Carryover of wheat in the four major exporting countries of the world is estimated as follows, in millions of bushels:

	1st July 1952	1st July 1951
Canada.....	288.2	221.2
United States.....	253.9	396.2
Australia.....	49.7	63.8
Argentina.....	3.5	38.9
Totals.....	595.3	720.1

Estimated grain stocks in these four exporting countries, as at 1st July 1952, were below the high level of the last three years; but still significantly above the average. Total stocks of wheat, oats, barley, rye and corn are estimated at 61 million tons, compared with about 73.5 million tons for the past three years; and an average of 53.5 million tons for the five years 1945-49.

Transportation

Movement of the big, low-grade 1951-52 crop broke all Canadian records in grain transportation.

At Western country elevators, 357,634 boxcars were loaded with 670 million bushels of grain. The total in 1950-51 was 263,154 cars, loaded with 480 million bushels. Thus, in 1951-52, 39 percent more grain was loaded into 35 percent more cars.

Despite all difficulties imposed by bad weather, vast volumes of out-of-condition grain and the demands of other vital freight, this increased movement was maintained all along the line. Lakehead terminals handled receipts of 452 million bushels, 42 percent more than in 1950-51; and, while working full time to dry tough and damp grain, shipped out by lake and rail a total of 471 million bushels—66 percent more than the preceding year. Receipts at Pacific terminals were above 124 million bushels in 1951-52, just about double 1950-51; and shipments of 118 million bushels, were 73 percent higher than the year preceding.

These achievements in the physical handling of the crop resulted from close co-operation of all interested parties.

To promote efficient co-ordination and use of transport facilities; and meet the demands of the vital defence program and the equally vital crop movement, the Government of Canada on 29th August 1951, appointed a Transport Controller, with wide powers over rail and lake movement of bulk commodities. The Transport Controller,

in consultation with the Canadian Wheat Board and the Board of Grain Commissioners, on 4th December 1951, suspended the use of the car order book. Effective 15th July 1952, the railways were ordered to re-open car order books in accordance with the provisions of the Canada Grain Act.

The success of co-operating parties in meeting difficulties presented by the 1951-52 crop, was achieved to the accompaniment of reiterated demands by the railways for higher freight rates. After increases in freight rates of 21 percent in 1948, 20 percent in 1950, 12 percent in 1951, and 4.5 percent in 1952—which represent a cumulative total increase of 70 percent and an estimated additional annual cost of 300 million dollars to Western shippers—the railways applied to the Board of Transport Commissioners on 14th July 1952, for further increases which would bring freight rates 100 percent above the March 1948 level; and demand another 80 million dollars annually from Canadian shippers.

To meet the need for more adequate freight capacity, the railways added substantial numbers of boxcars to their rolling stock during the year; and began to replace older locomotives with diesel power.

In the matter of freight rates, the only immediate protection for Western producers is in maintenance of the Crow's Nest Agreement. The only hope for the future seems to be the possibility that expansion of highway traffic, together with full development of the Seaway to the Lakehead, may stimulate the railways to find ways, and means of providing adequate freight service to the West at fair rates—as in Eastern Canada, where the competition of other carriers must be met.

World Farm Production

As scientific progress brings us all closer together in time and space, so it increases our interdependence. The producers who make up our three Canadian Wheat Pools are intimately affected by world farm production.

The demand for farm products increases steadily; but defence demands on manpower and materials limit resources for production. However, despite world-wide disturbances, the shift of resources to armament manufacture and bad weather in Australia, Argentina and India—FAO reports 1951-52 world production of foodstuffs and agricultural raw materials 2 percent above 1950-51; and 10 percent more than in the immediate pre-war years.

The small overall increase in world production was distributed unevenly among commodities and regions. In general, prices have favored non-food crops; and, while production of commodities like rubber, cotton and jute increased between 10 percent and 60 percent in the last two years, eight major food crops increased only 2 percent in the same time.

The world wheat crop for 1951 is estimated at a record 6,500 million bushels. This is 2.8 percent above 1950; 5 percent more than 1949; and 7 percent higher than the average for the five pre-war years 1935-39. North America produced 1,564 million bushels; Europe, 1,580 million; Asia, 1,610 million; Africa, 158 million; South America, 165 million; and Oceania, 169 million bushels.

World corn production in 1951-52 is estimated at 5,300 million bushels, 3.4 percent above 1950-51.

During 1951 the world saw production increases in fats and oils, coffee, tea, tobacco, cocoa, fibres and jute. Cotton and wool crops were bigger, but world carryover

was low. Sugar production reached a record 24.5 million metric tons.

Dairy, lumber and pulpwood production in 1951 maintained the level for the previous year. Coarse grains and meat production was lower; and rice crops were short.

The rice-eating people of the world face severe shortages. World rice acreage for 1951-52 was 10 percent above pre-war; but production increased by a bare 1 percent—because much of the added acreage was marginal land, while much good rice land was damaged by war. For instance, war has changed Korea from a rice exporter to an importer. FAO estimates that 9 million tons of rice are needed by importing countries in 1952. Only 4 million tons are likely to be available. Pre-war exports averaged 8 million tons annually. Burma and Siam, chief rice exporting nations, have sold their rice government-to-government, in recent years. This year, part is being sold through private traders. The price of rice so sold has risen 40 percent above last year; at least 800 percent over pre-war; and is far more expensive than wheat.

Rice acreage has declined in India and Pakistan, while wheat area has remained unchanged and jute acreage has expanded 40 percent. In Indonesia, rice production has increased 7 percent, while rubber has climbed 16 percent.

In the near East, bigger acreages produced 6 percent less cotton. Grain production rose 6 percent, with a record crop in Turkey offsetting poor harvests in Jordan and Syria.

In Australia and New Zealand, rising prices have maintained wool production—while the output of foodstuffs has been cut 13 percent by reduced acreage and drought. One of the worst droughts in history has so decimated livestock in North Australia that authorities estimate it may take 15 years to re-stock.

Cereal crops in Africa were up 2 percent in 1951-52, and oil-bearing crops, 25 percent.

Food production declined 4 percent in Latin America during the crop year under review, while non-food crops increased 2 percent. In Argentina, bad weather, labor and machinery shortages and discouraging prices contributed, to reduced output of livestock, linseed and grain. Usually an exporter, this year Argentina is importing wheat to meet the needs of her people. Official estimates place the Argentine 1951-52 wheat crop at 75.3 million bushels. This is only 35 percent of the 213 million bushels produced in 1950-51; and 33.5 percent of the pre-war average of 221.8 million bushels.

North America's volume of farm production increased 2 percent in the United States; and 15 percent in Canada.

Western Europe produced 2 percent bigger harvests. Crops and livestock output were better in Yugoslavia and Hungary. In Russia, farm production has been increasing, although apparently less rapidly than was planned.

To summarize: the world need for adequate food production has not yet begun to be met. The mass of mankind lives in under-developed regions, where nutrition is still below the inadequate pre-war levels. The situation is most acute in southeast Asia, where war and upheaval disrupt economic life. Greater efforts are needed to increase world farm production. Prices and distribution must be greatly improved—to give producers confidence and to maintain prices.

Co-operation

During the crop year ending 31st July 1951, co-operatives in Canada recorded the first decrease since 1946 in dollar volume of business. Nevertheless, while business fell 2.3 percent below the preceding year to total 1,016 million dollars, membership increased by 5.5 percent.

Some 38.7 percent of Canada's buying, selling, fishermen's and service co-operatives are in Alberta, Saskatchewan and Manitoba. These embrace 56.3 percent of the 1,416,429 members who make up the nation's co-operative organizations. Western members did 51.8 percent of all Canada's co-operative business in the year under review.

Over 84 percent of co-operatives in Canada are buying and selling associations. The growth of this group during the last 10 years is indicated in the following table, together with current totals for Canada and percentages for the West:

	Percentage of Increase 1942-1951	Totals for Year Ending 31st July 1951	Percentage of Total for the West
Number of Co-operatives.....	36.3	2,348	36.5
Number of Members.....	110.0	1,184,235	66.4
Total Business Volume.....	280.0	\$988,459,000	52.9
Total Assets.....	139.0	\$306,834,165	55.4
Value of Plant.....	165.4	\$ 99,790,191	47.9
Members' Equity.....	154.0	\$147,476,563	55.0

Significant developments include: degree courses in co-operation at the University of Ottawa and the University of Saskatchewan; and steady expansion in Western farm and machinery co-operatives, which offer opportunity to young farmers with limited capital, and may help solve problems of labor, specialization and isolation. Significant, too, is the fact that over the last 20 years, while marketing co-operatives increased their business 471 percent, buying co-operatives have expanded 1,869 percent.

With all this, the growth of co-operative business is slow. The International Co-operative Alliance reports the total membership of allied co-operatives as 106 million, in 32 countries. This total includes nearly 25 million members of 119,000 farm co-operatives. I.C.A. membership, in percentages of continental population, is reported as follows:

	1948 Percent	1949 Percent	1950 Percent
Europe.....	14.93	15.47	16.04
North and South America.....	1.24	1.34	1.24
Asia.....	2.99	3.58	4.79
Africa.....	.03	.03	.02
New Zealand and Australia.....	4.59	4.51	4.76
World.....	8.04	8.49	8.52

Conservation

With all its excitement of upheaval and disaster of war and starvation, the history of this generation will record as the great contribution of our times to the progress of mankind, the development of a concept of conservation as: "the use of all our resources of land and water for the greatest good of the greatest number of people over the longest time."

The foundation of this concept is a recognition that the wellbeing of each and every nation depends on peace and goodwill among all men. This must be founded upon the use of land-and-water resources to produce abundantly the materials which can be built into living standards that satisfy human requirements for food, clothing and shelter—with equality of opportunity, dignity and creative scope.

Our Canadian people have not yet taken a position of leadership in the development for fuller use of our vast potential of resources. Nevertheless, substantial progress is being made in bringing the resources of under-developed regions into wider use—both through United Nations organizations in the international field and through native agencies in Canada.

In our Canadian West, the Rocky Mountain Conservation Authority and the P.F.R.A. continue to carry on their essential operations on a steadily expanding basis. At the same time, the boldness of projects launched for private profit, like the gigantic power-and-aluminum plants at Kitimat, contrasts sharply with the cautious hesitation to undertake projects for the public benefit—such as harnessing the waters of the South Saskatchewan. Progress in conservation may be recorded as steady, rather than spectacular.

Conclusion

The swift current of events is carrying Canadian farm people (together with all the peoples of the earth) through times of historic change.

Exploiters are inciting political changes; and disrupting economies. More fundamental than changes in governmental forms are changes in choice of foods. Millions of people are turning from their traditional foods, to eat the cereals we grow best.

In Canada, other industries are multiplying their production, population and power—leaving agriculture a relatively smaller (though no less vital) component of our national life.

The farm people of our Canadian West face the necessity of organizing their strength more completely and more effectively than ever before—to achieve more abundant production; to command freer, wider distribution; and to help fulfill the vital role of agriculture in the nation and in the world.

Western farmers can serve the best interests of their families, their community and their nation—and can best carry out the purposes of defence, prosperity and peace—by building up the services and strength of their own Pools, as basic units in a growing, practical and militant co-operative economy.

Respectfully submitted,

JOHN H. WESSON	} <i>Executive</i>
W. J. PARKER	
BEN S. PLUMER	
WATSON CROSSLEY	
A. T. BAKER	
THOS. G. BOBIER	
GEO. N. McCONNELL	
W. J. BLAIR	
W. J. BALL	

CANADIAN POOL AGENCIES LIMITED

DIRECTORS' REPORT

1951-1952

10th October 1952.

To the Shareholders,

Canadian Pool Agencies Limited,
Wheat Pool Building, Winnipeg, Manitoba.

Gentlemen:

We submit herewith for your approval, the Twenty-fourth Annual Report and Financial Statements of your Company for the fiscal year ended 31st July 1952, resulting in a surplus of \$41,434.90. After setting up \$1,099.64 for income taxes, \$40,335.26 is available for dividends, as compared with \$55,753.27 last year.

Although it is important that the maximum commissions are secured, the value of your Agency is not measured entirely by the surpluses produced. The service provided does not show up in the financial statements. Where standard rates for insurance are not set the companies compete and bid for the business which results in securing of the lowest possible rates commensurate with security; and in this regard some reductions in rates on a few types of insurance were secured this year.

Sixteen types of insurance were handled during the year. By far the greatest income is derived from fire insurance, followed by fidelity bonds, then automobile and liability insurance.

The following comments relative to the Balance Sheet and Operating Accounts may be of interest.

BALANCE SHEET

Agency Assets and Liabilities

You will observe that the Assets included under this heading represent Trust Funds collected, or to be collected, and are offset by the amount due to the insurance companies for business written, and to Canadian Pool Agencies Limited for commissions earned.

Shareholders' and Patrons' Assets

Accounts Receivable: Under this heading is an item of "Commissions Receivable," previously referred to as being due by the Agency Trust Funds.

Loan Accounts: Nineteen new loans were made during the year and twelve were repaid, leaving the total number now outstanding at twenty-five. Nine loans were made to finance the purchase of automobiles, and the balance were made to employees of one of the Parent organizations and are fully guaranteed. Interest is thus earned on a part of our surplus funds without tying them up for any lengthy period. The Agency secures insurance on automobiles and property financed thereby, and insurance once obtained in this manner is usually renewed.

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. This item is the balance due from Pool Insurance Company on the inter-office account.

Investments: The amount shown under this heading represents the cost price of purchases of \$35,000.00 of Dominion of Canada Bonds, 3½% redeemable June 1966. The market value of these bonds as at the date of the Balance Sheet represented an amount of \$33,862.50 which is slightly less than the cost price of the bonds. While there may be some fluctuations in the value of these bonds, it is our belief that they offer the best medium of obtaining an earning without risk of loss. We are in the satisfactory position of being able to invest considerably more than our capital and reserve the year round, and operate the Agency on current income.

Membership Deposit: This represents a deposit which we are required to make to the Insurance Agents' Association as a guarantee that we will comply with their rules and regulations, and is returnable in cash should we withdraw from membership.

Furniture and Equipment: We continue to carry this asset at the nominal sum of \$500.00 by adding to the depreciation reserve the sum of \$832.18 being the net cost of new purchases this year.

Shareholders' Liabilities and Reserve

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.

Patronage Dividends: The item of \$40,335.26 represents the excess of income over expenses for the year ended 31st July 1952, after provision for income tax. This amount is available for payment as dividends. On the basis of patronage each Pool will receive the dividends as shown on Surplus Account, Exhibit "B".

Reserve: This sum has been built up over a period of years to provide for the possibility of unusual cancellations; for investment losses, and any other contingencies that may arise. This 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 by the Provincial Pool Organizations as follows:

	Number of Shares	Values
Alberta Wheat Pool.....	664	\$ 6,640.00
Manitoba Pool Elevators.....	663	6,630.00
Saskatchewan Co-operative Producers Limited.....	1	10.00
Saskatchewan Pool Elevators Limited.....	660	6,600.00
Saskatchewan Pool Terminals Limited.....	1	10.00
Saskatchewan Co-operative Livestock Producers Limited.....	1	10.00
Modern Press Limited.....	1	10.00
Directors Qualifying Shares.....	9	90.00
	<u>2,000</u>	<u>\$20,000.00</u>

INCOME AND EXPENDITURE STATEMENT

Income: This statement sets out the original sources of commission earnings in the belief that this information may be of interest.

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 expenses of \$300.00 is an allowance from the three Provincial Pools for the handling of the Inter-Provincial Pool Account.

Respectfully submitted,

JOHN H. WESSON	} <i>Executive</i>
W. J. PARKER	
BEN S. PLUMER	
THOS. G. BOBIER	
WATSON CROSSLEY	
GEO. N. McCONNELL	
W. J. BALL	
A. T. BAKER	
W. J. BLAIR	



POOL INSURANCE COMPANY
DIRECTORS' REPORT
1951-1952

Winnipeg, Manitoba,
26th February 1952.

To the Shareholders,
Pool Insurance Company,
Winnipeg, Manitoba.

Gentlemen:

Before dealing with the financial affairs of the Company we regret to record the death on 8th January 1952, of one of our Directors, Mr. J. W. Baldwin, of Reston, Manitoba. Mr. Baldwin was an original member of the Board of Directors of this Company and gave unstintingly of his time and energy to the Company's development.

Your Company now has completed thirteen years of service to the parent organizations, and we have pleasure in submitting herewith for your approval the Annual Report and Financial Statements covering operations for the year ended 31st December 1951.

The result for the year shows Excess of Income over Expenditure of \$301,928.23 as compared with \$187,145.60 last year. After transferring a further \$10,000.00 to Capital Surplus Account, setting up the usual Capital Stock Dividend as required by the Company's Charter and a reserve of \$4,238.32 for income tax, the balance of \$287,688.06 has been allocated to the policyholders on the basis of their contribution to the surplus.

The total premium income amounted to \$897,966.58 as compared with \$637,628.88 last year.

After placing reinsurance on all risks with the exception of dwelling risks, the net earned premium income was \$226,575.04 as compared with \$133,512.41 last year. The net losses and adjustment expenses of \$88,452.90 produced a loss ratio of 39.04% as compared with 26.04% last year.

The increase in the net premium income is partly due to the increase in business written but is more directly due to your Company having increased its own retention from 15% to 25% as of 1st August 1950, and this is the first full year we have operated on the new basis.

Four total losses were reported, being average, and they occurred when substantial grain stocks were in store. The elevators were located as follows:

In Alberta, Ponoka and McNab.

In Saskatchewan, Openshaw and Luseland "B."

In addition to these total losses, twenty-one small losses were sustained at elevators: five by fires and sixteen by windstorms. Two dwellings were totally destroyed and four suffered partial damage.

The inspection of all Pool property insured by the Company for the purpose of detecting and removing fire hazards is, we consider, a most important feature of our operations, and in this regard we have pleasure in expressing our appreciation of the co-operation of the agents, superintendents and managements in carrying out the recommendations and suggestions made by our inspectors. We do depend to a large extent on the year round alertness of the elevator agents, in detecting and removing fire hazards, and we cannot stress too often that continued vigilance is essential if we are to improve the present favorable loss experience. Extra precautions against fire

hazards at the time of continued operation of the elevator is important, particularly in regard to checking of the machinery, and a close watch should be kept upon starting operations when the machinery has been idle for some time.

The property insured by your Company has reached an all time high and you may be interested in the figures which we list hereunder. Building values change from time to time and the values shown are as at 31st December 1951. The value of the grain is the daily average for the year:

Country Elevator.....	\$ 57,724,272.00
Grain.....	85,557,376.94
Dwellings.....	4,471,011.00
Miscellaneous.....	2,014,000.00
	<u>\$149,766,659.94</u>

The records of your Company are examined by the Federal Government's Insurance Department and this provides added assurance to the policyholders that the operations are carried on in accordance with Government regulations and good practice.

The total revenue shown in the Statement of Income and Expenditure is largely made up of the earned premiums on our percentage of the risks, plus commission earned on the reinsurance, less losses and earned commission paid to Canadian Pool Agencies Limited. In addition, the item of \$19,460.72 is the amount paid to us by the unlicensed Reinsurers in lieu of taxes and Underwriters' Association expenses.

The volume of income derived from country elevators in British Columbia has increased and arrangements were made to handle this business in our own Company.

By far the greatest expense is in connection with the operation of the Inspection Service. This service provides inspection of each elevator approximately twice a year.

As the management and staff are employed jointly by this Company and Canadian Pool Agencies Limited, the salaries, rent, telephone and other indirect expenses are split between the two companies.

The following comments relative to the Balance Sheet may be of interest:

ASSETS

Cash on Hand and in Bank

Under this heading the Current and Savings Bank Accounts are shown.

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 due to the Agency on inter-office account.

Investments

You will notice the market value of the Company's investments is less than the ledger value by \$7,156.25. Our investment portfolio consists entirely of Government of Canada Bonds. While there will be fluctuations over the years we expect to be able to hold all bonds until maturity when they will be redeemable at par value.

Automobiles

Two new automobiles were purchased during the year, and after allowing depreciation on this account of \$1,828.40 at standard rates, the asset covering four automobiles is shown as \$4,266.29. These automobiles are used by our Fire Inspectors.

LIABILITIES

Current Liabilities

Premiums due the reinsurance companies are shown. Losses in process consist of the Company's estimated net share of losses for which adjuster's reports have not been received. The item covering Taxes Accrued represents Premium Tax, Income Tax and Fire Prevention Taxes due respectively 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 31st December 1951.

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	Premium Paid
Alberta Wheat Pool.....	750	\$ 75,000.00	\$ 55,500.00	\$ 9,000.00
Manitoba Pool Elevators..	500	50,000.00	37,000.00	6,000.00
Saskatchewan Pool Elevators Limited.....	1,250	125,000.00	92,500.00	15,000.00
	<u>2,500</u>	<u>\$250,000.00</u>	<u>\$185,000.00</u>	<u>\$30,000.00</u>

Out of the above shares three Directors of each organization hold twenty-five shares each, in trust.

The \$30,000.00 premium on Capital Stock referred to above, was originally provided to create a surplus required by the Superintendent of Insurance. According to the Insurance Act, we are required to retain a surplus at least equal to our unearned premiums before refunds of excess charges are made. A further \$10,000.00 of this year's net earning has been transferred to the Capital Surplus to meet the larger Surplus requirement brought about by the Company's increased retention of insurance written. Composition of the Capital Surplus Account is set forth on the Balance Sheet.

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,

J. H. WESSON
W. J. PARKER
G. N. McCONNELL
WATSON CROSSLEY
A. T. BAKER
BEN S. PLUMER
THOS. G. BOBIER
W. J. BLAIR
W. J. BALL

INDEX

	Page
Canadian Co-operative Wheat Producers Limited.....	30 and 80
Canadian Livestock Co-operative (Western) Limited.....	28
Canadian Pool Agencies Limited	30 and 97
Churchill	9
Country Organization Department	37
Distribution of Net Earnings.....	5
Domestic Price for Wheat.....	46
Financial Statements:	
Consolidated Balance Sheet.....	3
Fixed Assets	3
Consolidated Capital Statement.....	3
Capital Funds	4
Assets and Growers' Equity.....	5
Future Policy.....	47
General	44
Industrial Division:	
Flour Mill.....	15
Vegetable Oil Plant.....	14
In Memoriam.....	2
International Wheat Agreement.....	42 and 84
Junior Co-operative Activities.....	33
Laboratory Service.....	14
Membership	41
Modern Press Limited.....	21
Pool Insurance Company.....	30 and 100
Publicity	30
Reorganization	41
Saskatchewan Co-operative Livestock Producers Limited.....	25
Saskatchewan Co-operative Producers Limited	5
Saskatchewan Pool Elevators Limited.....	6
Saskatchewan Pool Terminals Limited.....	16
Saskatchewan Wheat Pool Construction Company Limited.....	10
Summary of Earnings and Expenses—Saskatchewan Pool Elevators Limited and Saskatchewan Pool Terminals Limited	20
The Western Producer.....	22
Total Grain Handled.....	5
Value of the Canadian Dollar.....	46

STATEMENTS

	Page
1.—Consolidated Balance Sheet.....	50
1A.—Fixed Assets	52
2.—Consolidated Capital Statement.....	60
3.—Source of Capital Funds, etc.....	62
4.—Grain Handlings	64
5.—Statement of Earnings.....	66
6.—Library Record.....	68
7.—Wheat Pool Committees—Total Number of Committees....	69
8.—Wheat Pool Committees—Committees Reorganized.....	69
9.—Canadian Pool Agencies Limited—Balance Sheet.....	70
10.—Canadian Pool Agencies Limited—Summary of surplus Account	72
11.—Canadian Pool Agencies Limited—Income and Expenditure	73
12.—Pool Insurance Company—Balance Sheet.....	74
13.—Pool Insurance Company—Patrons' Equity Account.....	76
14.—Pool Insurance Company—Income and Expenditure.....	77
15.—Saskatchewan Co-operative Livestock Producers Limited —Livestock Handlings	78
16.—Canadian Livestock Co-operative (Western) Limited— Balance Sheet	79

Use Pool Flour...
it will meet the test

Your mill makes
it...and it's the best



POOL FLOUR

Produced by Saskatchewan
Farmers in Their Own Wheat
Pool Mill at Saskatoon



FLOUR MILL DIVISION
Saskatchewan Co-operative
Producers Limited

