

SASKATCHEWAN
CO-OPERATIVE WHEAT
PRODUCERS
LIMITED

Sixth
ANNUAL
REPORT



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REGINA, SASKATCHEWAN
1930

McGILL UNIVERSITY

Proposed Agenda of Business for Annual Meeting

- 1.—Appointment of Chairman.
- 2.—Notice Calling Meeting.
- 3.—Resolution to Adopt Agenda.
- 4.—Minutes.
- 5.—Report of Board of Directors.
- 6.—Resolution to Receive Directors' Report.
- 7.—Discussion of Directors' Report.
- 8.—Financial Statement and Auditors' Report.
- 9.—Discussion of Financial Statement.
- 10.—Adoption of Directors' Report.
- 11.—Adoption of Financial Statement.
- 12.—Remuneration of Auditors.
- 13.—Appointment of Auditors.
- 14.—Consideration of Amendments to Articles of Association.
- 15.—Resolutions Tabled at Last Extraordinary General Meeting.
- 16.—Discussion of Pool Matters Introduced by Delegates.
- 17.—Adjournment.

SASKATCHEWAN CO-OPERATIVE WHEAT PRODUCERS LIMITED

Directors' Report

REGINA, Saskatchewan,
November 11th, 1930.

The present period through which we are passing represents probably the most difficult in the history of grain marketing since Canada became an important factor in the World's Grain Trade.

In presenting this, the Sixth Annual Report of the operations of the Saskatchewan Wheat Pool, your Board of Directors has endeavoured, as in former years, to lay before the delegates in attendance at this meeting a complete survey of the business of the Organization covering the 1929-30 crop year. While it is important that Wheat Pool delegates should have at all times a full knowledge of the workings of the Organization, it is even more important during the present critical period through which we are passing.

DELIVERIES TO 1929-30 POOL

Wheat

During the 1929-30 crop year there was delivered to the Pool a total of 76,555,208 bushels of wheat. When compared with the record volume handled for the previous year, which totalled 158,422,622 bushels of wheat, it will be noted that the past year's handling represents only 48.3% of the previous year's business. During the past six years a total of 662,017,867 bushels of wheat has been marketed through the Saskatchewan Wheat Pool, made up as follows:—

1924-25.....	50,251,181 bushels
1925-26.....	129,708,034 bushels
1926-27.....	119,488,976 bushels
1927-28.....	127,591,846 bushels
1928-29.....	158,422,622 bushels
1929-30.....	76,555,208 bushels
Total.....	662,017,867 bushels

For the crop year, 1929-30, according to Government statistics, there was marketed in the Province of Saskatchewan a total of 135,436,355 bushels of wheat. On this basis deliveries to the Saskatchewan Wheat Pool represent 56.5% of the total crop marketed in Saskatchewan. This compares with 55.4% for the crop year 1928-29 and 56% in 1927-28.

The following statement indicates the number of bushels delivered each month at country elevator points during the past year, as compared with the two previous years:—

	1929-30 Bushels	1928-29 Bushels	1927-28 Bushels
September.....	24,164,405	19,595,978	4,709,000
October.....	32,016,160	48,507,886	26,019,137
November.....	10,533,088	41,657,698	39,933,885
December.....	3,656,991	25,931,254	24,077,828
January.....	1,102,060	8,386,886	13,917,124
February.....	889,748	2,570,348	7,725,290
March.....	1,301,366	3,097,939	3,248,129
April.....	565,249	3,295,966	1,526,968
May.....	937,261	1,641,942	1,821,683
June.....	690,554	2,307,030	2,257,719
July.....	698,326	1,429,695	2,355,083
Total.....	76,555,208	158,422,622	127,591,846

While the total volume of the crop was very much reduced, the quality was exceedingly high. This is

evident from the following analysis of the different grades of wheat delivered to the Pool during the last crop year as compared with the two previous years:—

	1929-30 Bushels	1928-29 Bushels	1927-28 Bushels
1 Hard.....	1,283,320		
1 Northern.....	33,658,163	3,931,204	3,135,911
2 Northern.....	30,435,615	25,363,306	13,726,899
3 Northern.....	7,245,753	33,366,480	38,273,690
No. 4.....	672,189	30,900,666	19,655,664
No. 5.....	119,278	26,871,883	5,976,257
No. 6.....	37,263	23,980,898	2,380,625
Feed.....	7,337	7,505,556	1,004,761
Tf. 1 Northern.....	236,920	8,625	177,961
Tf. 2 Northern.....	359,157	167,524	3,330,698
Tf. 3 Northern.....	185,380	367,836	21,987,648
Tf. No. 4.....	26,013	536,262	10,704,372
Tf. No. 5.....		582,709	2,733,868
Tf. No. 6.....		537,605	1,027,219
Tf. Feed.....		270,402	331,541
1 Durum.....		20,256	4,164
2 Durum.....		175,607	92,208
3 Durum.....		757,158	396,765
4 Durum.....		1,213,057	40,834
(All Durums).....	1,222,781		
Other Grades.....	1,066,039	1,865,588	2,610,941
Total.....	76,555,208	158,422,622	127,591,846

In addition to higher grades, the average protein content of the crop was almost one per cent. higher than in the previous year.

The following statement shows the volume of Pool wheat handled through Pool Elevators; also by Line Elevator Companies, together with the percentage of the total deliveries handled through Pool Elevators, as compared with the percentage of the total deliveries handled through Pool Elevators for the crop year 1928-29:—

	Through Pool Elev's	By Pool Elev's over Platform	Total Pool Elev. Handling
1928-29.....	111,695,553	6,490,203	118,185,756
1929-30.....	65,403,768	1,326,607	66,730,375

	Line Elevator Handling	Total Pool Grain	% Under Direct Pool Elev. Control
1928-29.....	40,236,864	158,422,620	74.6%
1929-30.....	9,824,833	76,555,208	87.17%

Coarse Grains

Oats

Deliveries to the Pool for the crop year 1929-30 as compared with the two previous seasons, are as follows:—

1927-28.....	4,506,766 bushels
1928-29.....	8,575,089 bushels
1929-30.....	3,068,180 bushels
Total.....	16,150,035 bushels

During the last crop year a total of 10,513,836 bushels of Oats was marketed in the Province of Saskatchewan. This indicates that 29.18% of all Oats delivered was marketed through the Pool.

The following figures show the volume of Pool oats handled through Pool Elevators and also by Line Elevators, together with the percentage of the total deliveries handled through Pool Elevators as compared with last year:—

	Through Pool Elev's	By Pool Elev's over Platform	Total Pool Elev. Handling
1928-29.....	6,777,894	359,113	7,137,007
1929-30.....	2,732,693	39,442	2,772,135

	Line Elevator Handling	Total Pool Grain	% Under Direct Pool Elev. Control
1928-29.....	1,438,082	8,575,089	83.2%
1929-30.....	296,045	3,068,180	90.35%

Barley

Deliveries to the Pool for the crop year 1929-30, as compared with the two previous seasons, are as follows:—

1927-28.....	1,883,056 bushels
1928-29.....	6,375,192 bushels
1929-30.....	3,432,847 bushels
Total.....	11,691,095 bushels

During the last crop year a total of 9,946,819 bushels of barley was marketed in the Province of Saskatchewan. This indicates that 34.5% of all barley delivered was marketed through the Pool.

The following figures show the volume of Pool barley handled through Pool Elevators; also by Line Elevators, together with the percentage of the total deliveries handled through Pool Elevators, as compared with last year:—

	Through Pool Elev's	By Pool Elev's over Platform	Total Pool Elev. Handling
1928-29.....	5,041,914	279,040	5,320,954
1929-30.....	2,944,646	54,966	2,999,612

	Line Elevator Handling	Total Pool Grain	% Under Direct Pool Elev. Control
1928-29.....	1,054,158	6,375,112	83.3%
1929-30.....	433,235	3,432,847	87.38%

Flax

Deliveries to the Pool for the crop year 1929-30, as compared with the two previous seasons, are as follows:—

1927-28.....	1,144,631 bushels
1928-29.....	1,019,710 bushels
1929-30.....	529,411 bushels
Total.....	2,693,752 bushels

During the last crop year a total of 1,449,066 bushels of flax was marketed in the Province of Saskatchewan. This indicates that 36.5% of all flax delivered was marketed through the Pool.

The following figures show the volume of Pool flax handled through Pool Elevators; also by Line Elevators, together with the percentage of the total deliveries handled through Pool Elevators, as compared with last year:—

	Through Pool Elev's	By Pool Elev's over Platform	Total Pool Elev. Handling
1928-29.....	691,359	27,925	719,284
1929-30.....	461,138	1,548	462,686

	Line Elevator Handling	Total Pool Grain	% Under Direct Pool Elev. Control
1928-29.....	300,427	1,019,711	70.6%
1929-30.....	66,725	529,411	87.39%

Rye

Deliveries to the Pool for the crop year 1929-30, as compared with the two previous seasons, are as follows:—

1927-28.....	2,391,310 bushels
1928-29.....	2,364,532 bushels
1929-30.....	1,862,414 bushels
Total.....	6,618,256 bushels

During the last crop year a total of 4,577,067 bushels of Rye was marketed in the Province of Saskatchewan. This indicates that 40.6% of all Rye delivered was marketed through the Pool.

The following figures show the volume of Pool rye handled through Pool Elevators, also by Line Elevators, together with the percentage of the total deliveries handled through Pool Elevators, as compared with last year:—

	Through Pool Elev's	By Pool Elev's over Platform	Total Pool Elev. Handling
1928-29.....	1,874,992	67,854	1,942,846
1929-30.....	1,547,593	16,687	1,564,280

	Line Elevator Handling	Total Pool Grain	% Under Direct Pool Elev. Control
1928-29.....	421,686	2,364,532	82.2%
1929-30.....	298,134	1,862,414	83.99%

During the 1929-30 crop season a total of 26,-486,788 bushels of all coarse grains was marketed in Saskatchewan. This indicates that 34.3% of all coarse grains delivered during the past year was marketed through the Pool as compared with 34.5% for the crop season 1928-29 and 25.8% for the previous year.

CONTRACTS AND ACREAGE

Wheat

As at October 31st, 1930, there was on record a total of 82,893 operative contracts covering nett acreage in force amounting to 9,571,238 acres of wheat. This compares with 80,267 wheat contracts at the date of the last Annual Report, or a nett increase during the year of 2,626 contracts.

The number of contracts received each month since December 1929, as compared with the previous year, is as follows:—

	1928-29	1929-30
January.....	342	162
February.....	225	293
March.....	180	468
April.....	146	220
May.....	80	132
June.....	197	122
July.....	217	82
August.....	290	89
September.....	626	253
October.....	709	389

Coarse Grains

As at October 31st, 1930, there was recorded in the Office a total of 44,587 coarse grains contracts covering a total of 2,795,550 acres of coarse grains made up as follows:—

Oats.....	1,778,637 acres
Barley.....	609,996 acres
Flax.....	164,985 acres
Rye.....	241,932 acres
Total.....	2,795,550 acres

This compares with a total of 42,418 coarse grains contracts covering a total of 2,699,430 acres of all coarse grains reported at the time of the last Annual Meeting.

The following statement indicates the number of coarse grains contracts received each month since December last, as compared with contracts received for the same period a year ago:—

	1929-30	1928-29
January.....	221	221
February.....	447	161
March.....	439	178
April.....	195	89
May.....	116	62
June.....	86	144
July.....	49	158
August.....	32	139
September.....	103	237
October.....	168	294

FINANCIAL STATEMENTS

A complete copy of the Financial Statement of the Company, together with Auditors' Report covering last year's business as prepared by Geo. A. Touche & Company, Auditors, has been submitted separately to the delegates. Attached to this report will be found a Consolidated Balance Sheet showing the standing at the end of the financial year of the whole Pool Organization, including Pool, Pool Elevators and Pool Terminals, together with explanatory notes of the principal items.

POOL OPERATING COSTS

Administration Costs

The total nett cost of operating both the Wheat and Coarse Grains Pools amounted to \$723,171.83 as compared with \$782,296.18 the previous year. On the basis of the number of bushels handled, the administrative costs per bushel average .846 of a cent as compared with .444 of a cent for the past year.

Economies were effected in practically every department of the Organization. The Pool administrative costs are contingent to a very great extent on the volume of grain delivered each year to the Organization. The cost of operating certain departments of the Organization, of course, can be reduced to some extent when volume of deliveries has fallen off. Other departments of the Organization, not particularly connected with the handling of grain, must be maintained if they are to continue to render the services for which they were created.

The following figures indicate the total comparative cost of operation for the past two years and also the cost per bushel:—

Nett Operating Cost 1928-29.....	\$782,296.18	
Nett Operating Cost 1929-30.....	723,171.83	
	1928-29	1929-30
Nett Operating Expense per bushel.....	.444	.846
Carrying Charges, etc., per bushel.....	.756	2.706
Total Cost per bushel.....	1.200c	3.552c

Carrying Charges

It will be noted that there is a very substantial increase in the amount of carrying charges as compared with last year. A total of \$2,311,633.12 was paid by way of carrying charges on grain delivered to the 1929-30 Pool. This compares with a total of \$1,337,531.48 for the 1928-29 Pool, an increase of \$974,101.64. This was occasioned by the slow movement in the sale of last year's crop when it became necessary to carry large quantities of grain in country elevators on account of lack of terminal space. Out of the total of over \$2,300,000.00 paid for carrying charges, the sum of approximately \$2,185,000.00 was paid to Pool Elevators.

Further particulars of the economies which it has been found possible to effect will be explained by the Treasurer.

POOL PAYMENTS

Wheat—1928-29 Pool

At the date of this report there is still a comparatively small quantity of the 1928-29 crop unsold. Full particulars as to the unsold amount will be submitted by representatives of the Selling Agency. There is also a small surplus due to Growers from the proceeds of the sale of this crop. The final disposition of this

surplus will be determined when this meeting of delegates has given consideration to the situation which has developed as a result of probable overpayments in the 1929-30 Pool.

Pool delegates are aware that when it became necessary to ask the Provincial Government to guarantee any ultimate loss as a result of the present year's marketing operations, the guarantee given by the Government covered not only the 1929-30 crop but also the unsold balance of the 1928-29 crop.

1929-30 Pool

While it will be impossible to determine the exact position in connection with the 1929-30 Pool until the unsold balance of this crop has been more nearly disposed of, it is apparent that, as a result of marketing conditions during the past year (particulars of which were submitted to the Semi-Annual Meeting held last June), an overpayment has been made in practically all grades of grain delivered to the Pool. So far as our share of this overpayment is concerned, any ultimate loss to the Banks arising from the marketing of the crop as a result of an overpayment has been guaranteed by the Government of the Province of Saskatchewan. The Saskatchewan Pool, however, has definitely undertaken to indemnify the Government against any loss as a result of the guarantee, either by paying for such loss as and when determined, or by giving satisfactory security to the Government for any payments they may be called upon to make to the Banks.

Full particulars of the present financial situation, together with particulars of unsold stocks of the 1929-30 Pool will be submitted to the meeting.

While the amount of the ultimate overpayment, as noted above, will not be determined for some time, your Board has already been in negotiation with the Government, and also with the Banks, with a view to deciding upon a plan of repayment when such loss has been determined. Full particulars of these proposals, together with recommendations, will be submitted separately for your consideration and approval.

1930-31

A tentative initial payment for the 1930-31 crop, of 70c per bushel basis One Northern was authorized effective July 16th, 1930. Marketing conditions, however, necessitated the fixing of the initial payment at 60c per bushel for the present crop year. As a result of a continually declining market and the necessity of maintaining a safe margin between the amounts advanced by the Banks and the amount of the initial payment, your Board deemed it advisable that a further reduction of 5c per bushel should be made and the present initial payment of 55c per bushel basis One Northern, Fort William, became effective October 14th.

Your Board believes that, if the Pool is to continue to render service to Western Canada, every possible step must be taken to prevent a recurrence of the position which developed last year, and which, as indicated above, has resulted in an over-payment on practically all grades of grain. Your Board realizes the almost impossible position in which many Pool members have been placed, particularly where the grade of their grain has been lowered as a result of early storms, and can assure this meeting that as soon as marketing conditions warrant an increase in the initial payment, such increase will be made.

Coarse Grains—Oats

The initial payment for the 1929-30 Pool was fixed at 50c per bushel basis 2 C.W. Fort William. On account of market conditions, it was found necessary to reduce the initial payment on March 12th, 1930, to 40c per bushel. As in the case of wheat, it has not been found possible to make any further payments on oats from the proceeds of last year's Pool.

Barley

The initial payment on Barley was fixed at 50c per bushel basis 3 C.W. Fort William. With the declining market this initial payment was lowered effective March 12th, 1930, to 40c per bushel. Before the end of the season it was found necessary to make a further reduction in the initial payment on barley delivered to last year's Pool, and effective June 25th, 1930, the initial payment on 3 C.W. barley was lowered to 30c per bushel.

Flax

For the 1929-30 Pool the initial payment on flax was fixed at \$1.75 per bushel basis 1 N.W. Fort William. This initial payment remained in effect throughout the crop season.

Rye

The initial payment on rye was fixed at 80c per bushel basis 1 C.W. Fort William. In view of the very limited export market available for rye last season prices rapidly declined and on March 12th it became necessary to lower the initial payment to 45c per bushel basis 1 C.W. Fort William. Effective June 25th a second reduction became necessary and the initial payment at that time was reduced to 40c per bushel.

GENERAL

As in the case of wheat it is apparent that an overpayment has been made in practically all grades of coarse grains delivered to the 1929-30 Pool. The Government guarantee covers any ultimate loss arising from the marketing of these coarse grains in addition to wheat.

In considering possible methods of meeting overpayments, coarse grains must be taken into consideration as well as wheat.

Full particulars of the present position of the various Coarse Grains Pools will be submitted separately to the meeting.

CENTRAL SELLING AGENCY REPORT

In order that the complete picture of last year's operations may be considered together, your Board is incorporating herewith the Annual Report of the Directors of Canadian Co-operative Wheat Producers, Limited, as submitted to the Interprovincial Meeting of the Boards of Directors of the three Provincial Pools, held in Calgary last month. The Report is as follows:—

Crop Conditions in 1929

Wheat production in Western Canada in 1929 fell far below the record crop of 1928, amounting to 281,664,000 bushels as compared to 544,598,000 bushels in the previous year. A total of 236,967,251 bushels of wheat was actually delivered in the 1929-1930 crop year, of which amount the Pools received 121,655,509 bushels or 51.3 per cent. The fall weather being favorable, the crop was harvested and threshed under ideal conditions. Due to the use of combines and motor trucks, harvesting operations were carried on with much less labor; the harvest period was considerably

shortened, and the deliveries of grain were accelerated to such a degree that elevators, terminals and railroads were taxed to their utmost capacity to provide the necessary storage facilities.

While small in volume the 1929 crop graded exceptionally high as evidenced by the following statement of Pool handlings by grades:

Grade	Bushels
1 Hard.....	3,281,048-25
1 Northern.....	51,203,370-35
2 Northern.....	44,054,477-45
3 Northern.....	11,675,618-10
No. 4.....	1,711,225-20
No. 5.....	371,529-05
No. 6.....	126,251-50
Feed.....	43,353-50
Tf. 1 Northern.....	272,089-20
Tf. 2 Northern.....	438,825-05
Tf. 3 Northern.....	407,959-30
Tf. No. 4.....	134,332-10
Tf. No. 5.....	33,047-50
Tf. No. 6.....	9,526-40
Tf. Feed.....	2,627-
Sm. 1 Northern.....	271,965-50
Sm. 2 Northern.....	387,289-50
1 Amber Durum.....	974,520-05
2 Amber Durum.....	1,994,157-30
3 Amber Durum.....	895,575-05
Sm. 2 Durum.....	296,692-35
Sm. 3 Durum.....	248,442-40
1 White Spring.....	242,232-20
2 White Spring.....	233,422-10
Other Grades.....	2,432,298-23
	<u>121,741,879-03</u>

N.B.—Including Local Purchases, etc

The quality of the crop was excellent, showing an average protein content of 13.3% as compared with 12.4% in 1928.

World Wheat Production

The chief wheat exporting countries showed a considerable decline in production in 1929 as compared to 1928, as shown by the following figures:—

	1929	1928
Canada..... (bushels)	302,000,000	566,726,000 *
United States.....	807,000,000	930,000,000
Australia.....	125,000,000	160,000,000
Argentina.....	170,000,000	342,000,000

*Dominion Government final estimate.

World wheat production, exclusive of Russia and China is shown as follows:—

1928-1929.....	3,945,000,000 bushels **
1929-1930.....	3,420,000,000 bushels

a decrease in the latter year of 525,000,000 bushels.

**The annual report for 1928-29 shows world crop of 3,898,000,000 bushels: final estimates of the 1928 crop show an increase of 47,000,000 bushels or a total production of 3,945,000,000 bushels.

It is important to note that, allowing for natural increase in population, normal market conditions and the shrinkage in the world's supply there was every reason to believe—and it was the general opinion—that the demand for the season 1929-1930 would, in due course, be normal with prices at satisfactory levels. No one anticipated nor was there any indication of the changes in world economic conditions which prevailed subsequent to that time.

Deliveries 1929-1930 (Wheat)

The total deliveries by the Provincial Pools to this organization during the period under review were 119,463,031-38 bushels, distributed as follows:—

	<i>East</i>	<i>West</i>	<i>Total</i>
Alberta Pool.....	2,810,627-25	30,470,217-05	33,280,844-30
Sask. Pool.....	76,510,561-30	10,334-40	76,520,896-10
Manitoba Pool.....	9,661,290-58		9,661,290-58
Total Deliveries....	88,982,479-53	30,480,551-45	119,463,031-38
Local Purchases....	1,833,800-35	445,046-50	2,278,847-25
Direct Purchases—			
194,222-35			
Terminal Suspense—			
817,251-10			
Switch Purchases—			
355,373-40			
Deliveries through			
Clearing House—			
912,000-			
<u>2,278,847-25</u>			

Total Handlings....	<u>90,816,280-28</u>	<u>30,925,598-35</u>	<u>121,741,879-03</u>
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Note: The above handlings will be increased by approximately 2,500,000 bushels when the balance of the country stocks has been delivered by the Provincial Pools.

Deliveries by the growers to their Provincial organizations in each of the months of the crop year were as follows:—

as follows:—				
	Manitoba Pool	Sask. Pool	Alberta Pool	Total Bushels
1929				
Aug-Sept)	4,848,262-45	24,164,406-	6,092,747-55	35,105,416-40
Oct.	2,219,375-21	32,017,028-	11,216,378-45	45,452,782-06
Nov.....	1,082,794-50	10,532,219-	8,792,963-05	20,407,976-55
Dec.....	706,209-23	3,656,991-	2,636,918-	7,000,208-23
1930				
Jan.....	172,014-20	1,102,060-	2,530,761-05	3,804,835-25
Feb.....	131,135-35	889,748-	1,246,613-20	2,267,496-55
Mar.....	160,906-45	1,301,366-	1,176,823-45	2,639,096-30
Apr.....	78,314-50	565,250-	654,552-35	1,298,117-25
May.....	69,441-55	937,260-	361,512-	1,368,213-55
June....	135,953-05	690,554-	371,546-15	1,198,053-20
July....	141,755-28	698,325-	530,525-55	1,370,606-23
	9,746,254-17	76,555,207-	35,611,342-40	121,912,803-57

Initial Payment (Wheat)

The initial payment for the 1929 wheat crop was authorized on July 11th at \$1.00 per bushel, basis No. 1 Northern, Fort William, which was reduced on June 25th, 1930, to 85 cents per bushel. A tentative initial price for the 1930 crop was authorized effective on July 16th, 1930, of 70 cents per bushel.

Sales (Wheat)

This has been the most difficult year in the history of the Pool, indeed it may be added in the history of the grain trade. Sales of the two crops in each month during the year were as follows:—

during the year were as follows:—			
	<i>Season</i>	<i>Season</i>	<i>Total</i>
	1928-1929	1929-1930	<i>Bushels</i>
1929			
September.....	5,413,000	3,150,000	8,563,000
October.....	8,450,000	183,000	8,633,000
November.....	6,052,000	5,702,000	11,754,000
December.....	932,000	5,998,000	6,930,000
1930			
January.....	1,222,000	1,466,000	2,688,000
February.....	828,000	52,000	880,000
March.....	568,000	8,058,000	8,626,000
April.....	5,410,000	6,792,000	12,202,000
May.....	8,697,000	12,767,000	21,464,000
June.....	1,489,000	8,097,000	9,586,000
July.....	1,810,000	13,250,000	15,060,000
August.....	4,820,000	18,746,000	23,566,000
	45,691,000	84,261,000	129,952,000

Note: Net unsold stocks for the 1928 Pool are 3,290,000 bushels, and for the 1929 Pool 39,981,000, using estimated country stock figures.

The season commenced with favorable prospects but prices have steadily declined from \$1.73½ per bushel, No. 1 Northern, at the beginning of August, 1929, to 83½ cents per bushel on August 29th, 1930.

The problem facing your salesmen, particularly during the fall and winter months, was to find buyers; importers, however, were not interested, and there was practically no demand. Despite the reports to the contrary, no holding policy was adopted by this organization, and we have taken advantage of every opportunity to sell our wheat, even at prices which did not appear attractive.

As shown in last year's report, we entered this season with a carryover of 48,358,585 bushels, most of which was of lower grades. An increasing business with China and Japan for this class of grain was anticipated, but internal strife in China and the decline of the silver market prohibited purchases by those countries. From this it will be seen that we commenced the present crop year of 1930 with portions of two crops on our hands, and another being delivered. The factors that affected the sale of the 1929 wheat and other grains, are dealt with in a subsequent section.

Prior to the 1929 harvest contracts for future sales for October delivery had been made to the fullest extent that conditions warranted at that time, and it was considered that any further sales in this respect would involve an undue element of risk, since the weather during harvest and threshing would affect the volume of wheat in the contract grades deliverable on the option.

The distribution and volume of exports is shown in the following table:—

	<i>Eastern</i>	<i>Western</i>	<i>Total Bushels</i>
United Kingdom....	12,860,622-30	10,119,039-20	22,979,661-50
China.....	—	787,200—	787,200—
Germany.....	3,019,075-20	2,402,443-20	5,421,518-40
Holland.....	2,618,502-50	2,382,924-30	5,001,427-20
Japan.....	1,766,049-20	1,731,592—	3,497,641-20
Belgium.....	5,445,113—	1,237,204-40	6,682,317-40
Italy.....	3,806,384—	564,480—	4,370,864—
Sicily.....	47,158-20	—	47,158-20
Africa.....	7,840—	—	7,840—
Greece.....	2,182,297-50	—	2,182,297-50
Sweden.....	652,371—	75,973-20	728,344-20
Russia.....	—	254,213—	254,213—
Norway.....	692,784-20	—	692,784-20
Denmark.....	233,908—	86,613-20	320,521-20
France.....	2,905,351-30	—	2,905,351-30
Gibraltar.....	996,222—	—	996,222—
Columbia.....	—	2,250—	2,250—
	<u>37,233,680—</u>	<u>19,643,933-30</u>	<u>56,877,613-30</u>

World Wheat Situation 1929-1930

When we entered the new crop year the prospects indicated a good demand and a fair level of prices, on account of a decrease in world wheat production; subsequently, however, changes took place which practically eliminated four important markets. In a report of this nature only brief reference can be made to the many factors that altered the picture and created the problem.

Argentina—

Argentina, at the end of July, 1929, still had 120 million bushels of wheat, a large part of which they marketed before the new crop was harvested late in the year. In the last five months of 1929 they shipped practically all of this grain on consignment selling at, or near, a port of destination. This created on the Continent and more especially at Liverpool a "buyer's market," since their wheat became virtually "dis-

tressed" grain; a situation of which European buyers did not fail to take advantage. For the period from August first to December thirty-first, Argentine Rosafe Wheat sold at a spread of from 38 to 14 cents per bushel under our No. 3 Northern.

Germany—

In July, 1929, Germany raised the duty on Wheat from 32 cents to 42 cents per bushel; on January 20th, 1930, it was increased to 62 cents; on March 27th to 78 cents; and on April 25th to 97 cents. In July of 1929 Germany also required that millers use 30% of home-grown Wheat in their grind. This was later raised to 40 and then to 60 per cent.

Note: Germany increased its duty applicable to Canadian wheat in September, 1930, to \$1.20 per bushel and decreed that millers must use 80 per cent. of home-grown wheat.

France—

France increased the duty on imported wheat in May, 1929, from 37 cents to 53 cents per bushel; in June, 1930, this was further increased to 84 cents. In December, 1929, the French Government decreed that only 3% of foreign wheat should be used in the manufacture of flour. This year, faced with a short crop of low quality wheat, milling restrictions were slightly relaxed and now the millers are allowed to use 10% of foreign wheat in the grind.

Italy—

Italy increased the import duty on wheat in May, 1929, from 58 to 73½ cents per bushel; on June 5th, 1930, the duty was again increased to 86 cents per bushel.

Thus in a little over one year's time countries that have been looked upon as markets for substantial quantities of imported wheat have become highly restricted through governmental action.

France and Germany also provided through legislation for the export of a certain amount of grain under an export bounty plan. Subsidized exports from these two countries reached the British market last winter and had an unfavorable influence upon Liverpool prices. Wheat prices in three aforementioned countries, compared with the Winnipeg market as at August 29th, 1930, are as follows:—

	<i>Domestic Wheat</i>	<i>No. 1 Wheat</i>
Italy.....	\$1.82 ½ per bushel	\$1.99 ½ per bushel
France.....	1.75 ½ per bushel	1.93 per bushel
Germany.....	1.65 per bushel	2.05 per bushel
Liverpool.....	\$1.04 ½ basis No. 1 Northern	
Winnipeg.....	.86 ½ basis No. 1 Northern	

The Orient provides an important outlet for our low grade grain, but those countries use silver as their standard of exchange values, and as previously stated, the purchasing power of Chinese money was depreciated to such an extent that our export business with the Orient declined 90 per cent.

The European crop of wheat and coarse grains in 1929 was above the average and what is more important, was harvested under ideal and unusual weather conditions. Generally there is much rain at harvest time in Europe and the grain is so damaged that about 20% of it is unfit for milling purposes, and is fed to livestock. Together with this, the yields of potatoes, turnips, beets and other root crops were so large that they provided a cheap substitute for bread in some countries, and cheaper feed for livestock than the ordinary feed grains. Potatoes were sold in Europe for

10 to 15 cents per bushel, and other vegetables at similarly low prices.

In 1929 speculation was rife in every stock and grain market in the world and reached its peak in the latter part of the year when the reaction occurred. Failures and shrinkage in values on the stock exchanges of London, New York and elsewhere involved the loss of billions of dollars. Farmers and townspeople played the grain option markets; losses followed and nearly every community or town in Western Canada was depleted by sums aggregating millions of dollars. Restriction of credit, unemployment, and price declines have followed in the wake, and we are now in a period of low prices and general depression.

Coarse Grains Pools, 1929-1930

The development of a coarse grains Pool in Alberta last year extended the field of our activities in coarse grains.

The deliveries from the three provinces and sales during the season were as follows:—

<i>Oats</i>	<i>Barley</i>	<i>Flax</i>	<i>Rye</i>
Alberta—			
1,537,715-24	274,260-08	4,240-26	113,475-10
Saskatchewan—			
2,481,445-13	3,263,776-33	518,013-43	1,847,518-19
Manitoba—			
492,540-18	6,743,419-35	55,414-36	325,686-42
Local Purchases, etc.—			
1928 Pool Stocks—			
714,301-28	871,335-25	—	524,415-22
Local Purchases—			
376,642-19	344,678-24	3,487-35	12,865-36
Deliveries through Clearing House—			
1,420,000—	699,000—	345,000—	195,000—
Total Deliveries—			
7,022,646—	12,196,470-29	926,156-28	3,018,961-17
Country Stocks Estimated—			
415,828—	435,178—	1,587—	24,155—
Estimated Handlings—			
7,438,474—	12,631,648-29	927,743-28	3,043,116-17
Sales for Year—			
6,113,453-13	7,968,347-29	661,100-18	2,067,457-50
Unsold Stocks—including estimated country stocks—			
1,325,020-21	4,663,301—	266,643-10	975,658-23

Initial Payments (Coarse Grains)

The initial payments established for the 1929 crop were as follows:—

Oats.....Basis No. 2 C.W. Fort William.....	\$.50
Barley.....Basis No. 3 C.W. Fort William.....	.50
Flax.....Basis No. 1 N.W. Fort William.....	1.75
Rye.....Basis No. 2 C.W. Fort William.....	.80

Following the serious decline in prices these payments were reduced on March 12th in respect of Oats, to 40 cents, Barley to 40 cents, and Rye to 45 cents. On June 25th Barley was further reduced to 30 cents, and Rye to 40 cents.

Sales (Coarse Grains)

The market for coarse grains was considerably limited due to the fact that domestic prices for coarse grains in Europe reached abnormally low levels during the past season. For instance, in February, 1930, large supplies of rye were offered in Hamburg at 39 cents per bushel. During the same month the Winnipeg cash price for 2 C.W. Rye averaged 72 cents per bushel. This price situation was typical of other coarse grains, and it will readily be seen that under such conditions

it was impossible for Canada to compete with domestic supplies in continental countries. In general, throughout the past season our market prices for coarse grains have varied from 4 cents to 30 cents per bushel above world parity.

An Interprovincial Coarse Grains Committee was appointed, composed of three Directors from this Board representing each of the Provincial Pools, to co-operate with the Coarse Grains Sales Manager with a view to further extending domestic markets for feed grains. A report of their activities to date follows:

Domestic—

Four experienced men were appointed as Pool representatives and as feed grain salesmen to work in Eastern Canada, and to co-operate with the various Agricultural Co-operative organizations, Agricultural Colleges and Departments of Agriculture, both Federal and Provincial.

In addition to making direct sales to feed consumers they are giving publicity to the feeding value of Western grain and stressing the desirability of the closest relationship between the producer and consumer.

During the year 1929 corn was imported into Canada for feeding purposes to the extent of approximately 13½ million bushels. Already there is a noticeable decline in the use of corn on account of high prices, and our representatives report that as a result of a constructive interest in the feeding value of our Western grains, prospects are promising for an increased demand in this respect.

The MacDonald Agricultural College, Quebec, and the Ontario Agricultural College, are carrying out feeding experiments on our behalf, showing the comparative values of barley and corn, and this service has been of great value.

Increased import duties into foreign countries having restricted our market for oat scalps (wild oats) we are making efforts to extend the domestic use of this class of grain. Hulled wild oats are high in feeding value and in order to make them saleable in Canada, arrangements have been made to install four oat hullers in Pool terminals at Port Arthur, and the Board of Grain Commissioners have been asked to give consideration to the installation of similar equipment in the Interior Government terminals at Saskatoon and Moose Jaw.

Cleaning Malting Barley—

A similar request has also been made to the Board of Grain Commissioners to consider the installation in the Government Terminal at Fort William of modern malting barley cleaning equipment to determine the value of more careful preparation of this barley for export.

Export—

Our export sales during the past year have been disappointing: 294,000 bushels of barley were exported, approximately 50% being for feed and 50% for distilling. Excessive hulling, due partly to the dry harvest and consequent brittleness, affected the value of this barley for distilling, and there is little prospect of working up a good export demand until we are able to clean and transport it with less hulling. World economic depression, phenomenally good domestic crops in Europe, and import duties have reacted against our export business in coarse grains.

The present import duties in foreign countries as

supplied by the Department of Trade and Commerce, Ottawa, are as follows:—

	<i>Oats</i>	<i>Barley</i>	<i>Rye</i>
United States.. (per bushel)	16 cents	20 cents	15 cents
France	18.2	12.8	20.8
Greece.....	20.8	29.4	42.9
Sweden.....	Free	21.5	25.1
Italy.....	9.7	16.7	22.1
Belgium.....	2.54	Free	Free
Germany.....	44.1	—	90.5
Other Barley.....		31.1	
Feed Barley.....		77.7	

Great Britain and Denmark—All grains are on Free List.

Our export markets will be restricted as long as these duties are in force.

Finance

The question of the Company's finances has been one of grave concern during the past year, and your Directors have been faced with a series of exceedingly difficult situations as a result of the acute financial crisis which has prevailed throughout the world during that time, and which even now international bankers and financial experts are vainly seeking to remedy.

This condition has not applied to this Company only but has been the experience prevailing in practically every industry, and has affected the largest and wealthiest organizations in the country, with disastrous results in many cases. Our own position has been extremely critical since the beginning of the present calendar year due to the rapidly declining values of grain, and to the marketing situation in general.

Our organization has always been financed by loans obtained from the Canadian banks upon the security of our grain documents. These loans have been advanced upon the condition that we must at all times maintain a margin of at least fifteen per cent. between the amount of our loans and the market value of the documents held by the banks as collateral security. During the period under review our position in this respect was complicated by the fact that we were carrying a considerable quantity of wheat from the 1928 Pool, upon which payments had been made aggregating \$1.18½ per bushel, basis Fort William, and in the early part of this year the market had continued its decline to a point where we were unable to maintain the required margin with the banks. Anticipating the requirements which would have had to be met, negotiations were opened by your Board with the Premiers of the three Prairie Provinces, with a view to obtaining some relief from the existing situation. This decision was necessitated as the only alternative to dumping large quantities of our wheat on a declining market, with results which would have been disastrous, not only to the Pool but to the country at large.

As a result of our negotiations, the Provincial Governments entered into an agreement whereby they guarantee the Lending Banks against any ultimate loss as a result of the financing of our grain stocks, and under the terms of the guarantees obtained we were able to continue marketing our grain through the regular channels without embarrassment, although subsequent to that period we were not always able to maintain the margin required under the terms of our Loan Agreement with the banks.

The action of the Provincial Governments in this respect and the manner in which they demonstrated their faith in the integrity of the farmers of Western Canada, and in co-operative marketing, was a remarkable tribute to our organization; and places a solemn

obligation upon us to demonstrate that their faith in us was justified.

General Administration

As in previous years some re-arrangements have taken place in the personnel of our major officers. Mr. R. C. Steele was appointed to the position of Coarse Grains Sales Manager, and Mr. W. C. Folliott took over the duties of Assistant Wheat Sales Manager. Another recent appointee was Mr. R. C. Findlay, as Treasurer and Office Manager, for which position he was released on leave of absence from the Saskatchewan Pool.

In view of the critical period under review your officials and staff have been called upon to handle a great deal of extra work in addition to the usual office routine, and we have much pleasure in recording our appreciation of the loyal service rendered by them during the past year.

Canadian Pool Agencies Limited

This subsidiary company was formed in September, 1928, to act as Agents for the Insurance Companies for the placing of all Pool Insurance business such as Fire, Marine, Bonds, Automobile and Liability, and to give technical service in order to avoid legal disputes caused through defects in contracts. In addition they co-ordinate the various insurances of the Pools to avoid overlapping and to handle the business at the lowest cost compatible with security; to make our Insurance business self-contained and to conserve commissions hitherto absorbed by Brokers.

This Company has consolidated the various Insurances and a considerable saving in premiums to the Pools has resulted, while no legal disputes have developed in effecting loss settlements. The various Insurances have been kept in our own organization through the establishment of branches in New York, Regina, Calgary and Vancouver, with Head Office in Winnipeg. For Balance Sheet, see Schedule "C," page 46.

Publicity Department

The unsettled conditions of world wheat markets and the accompanying depressed price levels provided an excuse for many attacks from unfriendly interests upon the Canadian Wheat Pools the past year. There was almost a continuous campaign of unscrupulous attacks against our Pools by public speakers, and by articles which appeared in publications hostile to the co-operative marketing movement; not only in Canada, but in Great Britain, in some European countries, Australia and the United States. This made the task of the Publicity Department, in distributing reliable information, rather a heavy one the past twelve months.

It was very gratifying to your Publicity Department that the leading newspapers of Canada, the agricultural journals, and country weeklies, were exceedingly fair in their references to our organization, both in their news columns and editorial pages. Many of the leading newspapers of Canada came out strongly in defence of the Pool against unfair and biased criticisms.

During the past year, the Department distributed more educational and informative material than in any previous year, and has co-operated with the Provincial Pools in publishing useful material on good seed, barley production, the Canada Grain Act, etc., and shared in the cost of a number of publications distributed by the Provincial organizations.

Growing interest in the Wheat Pool organization was evidenced by an unusually large number of visitors who called at the Publicity Department offices during the year.

Statistical Department

The Statistical Department has continued during the past year to develop in a systematic way its sources of information both at home and abroad. The department has enjoyed the fullest co-operation of Elevator Agents and Secretaries of Wheat Pool Locals throughout the three provinces in providing regular and reliable data on crop conditions and crop development in the West.

The experience of the past year has demonstrated the importance of developing more comprehensive and more authentic information in regard to not only crop conditions but also general economic developments in our ultimate markets. The department has, therefore, placed very great importance upon the extension of sources of information, especially in Europe. This work will be energetically continued.

Research Laboratory

During the past year a great deal of the work in the Cereal Laboratory of the Canadian Wheat Pool consisted in making a rather comprehensive protein survey of the wheat crop grown during 1929 in the three prairie provinces. For this work samples were procured in three different ways—first, as the crop was ripening, by our crop inspectors who secured samples from representative fields and sent them to the laboratory where they were threshed and tested; second, from the Inspection Departments of the Saskatchewan and Manitoba Pools, and later on in the fall from the Pool Elevator agents who sent us samples of averages kept by them of the grain delivered at their elevators. This work involved making over six thousand protein tests and a corresponding number of moisture tests.

Milling and baking tests were made on the standards and averages at the different inspection points and of the average receipts at the Pool terminals at Fort William during the different parts of the crop year.

A study of foreign wheats is being made, and over two hundred samples of wheats grown outside of Canada have been milled and baked during the past year.

Averages were procured of wheat grown in different crop districts and the milling and baking quality of the top grades compared according to the part of the country in which they were grown. Samples of the more commonly grown wheat varieties were procured from different districts throughout the three provinces of Alberta, Saskatchewan and Manitoba, and a study is under way to determine the milling and baking qualities of these varieties when kept separate and when blended with other wheats.

Another project which dovetails into the last is a research being carried on in conjunction with the Manitoba Agricultural College on the samples of wheat grown by the Junior Co-operators during the years of 1928 and 1929. Protein tests have been made on all the samples obtained (about 2,500 protein tests) and milling and baking tests are being made on averages of the districts. In addition, occasional requests were received from Pool members for tests on promising varieties and the laboratory has also run moisture tests for the Inspection Department of the Manitoba Pool.

In the early summer, equipment was installed for the testing of fat and fibre content in feeds and since that time complete analyses of coarse grains samples have been made for the Coarse Grains Department. The department is also equipped to run germination tests, and thirty of such tests were made during the late winter and early spring.

Canada Grain Act

In the Canada Grain Act of 1930 are embodied many changes from the Act of 1912 with amendments, chief of which are the following:—

Assistant Commissioners

Assistant Commissioners have been appointed for each of the provinces of Alberta, Saskatchewan, Manitoba and Ontario for the purpose of assisting the Board in the administration of the Act, particularly with reference to investigating complaints made by farmers as to abuses under the Act.

Grades

New barley grades have been made statutory to segregate malting grades from the feeding barleys. Number Four Wheat has been made a statutory instead of a commercial grade, and many of the old grades of grain have been eliminated and embodied in new, such as Mixed Wheats, one to six inclusive, and Mixed Grains, one to three inclusive, this being of assistance in the binning and sale of these off-grades.

Export Standards

The export standards on spring wheat have been appreciably raised, thereby insuring the marketing overseas of a better quality grain by grades more in line with the average quality delivered from the farm.

Mixing in Terminal Elevators

Mixing of the four top grades of wheat from 1 Manitoba Hard to 3 Manitoba Northern, inclusive, in terminal elevators, has been prohibited, and by a new system of licensing terminal elevators, more control has been given the Board, resulting in greater protection for the farmer in shipping to these terminals.

Designation of Terminal

Provision has been made whereby a farmer has definite rights and protection in shipping his grain to any terminal which he cares to designate.

Car Order Book

Provision has been made to further protect the interests of grain producers in the securing of railway cars for shipment of grain from country points.

General

The powers of the Board have been extended and penalties for infraction of the Act made more severe, ensuring greater protection for the grain producers in the proper administration of the Act.

General

At the request of the British Government, conferences were arranged with the Right Hon. J. H. Thomas, Lord Privy Seal in the British Cabinet, and representatives of the Wheat Pools on September 2nd and 3rd, 1929, at Winnipeg.

Discussions took place on the possibilities of facilitating the interchange of commodities between Canada and the United Kingdom, having regard in particular to the desirability of ensuring an even flow of outward and return cargoes between Canada and the United Kingdom.

At the first conference with Wheat Pool officials, it was evident that Mr. Thomas was under the impression that the Canadian Wheat Pools had been refusing to sell wheat at prevailing prices. The situation was fully explained to him and Mr. Thomas expressed himself as quite satisfied that the Canadian Wheat Pools were anxious to dispose of their wheat, and were freely offering it to consumers at prevailing prices. When quoted some months later as criticizing the policy of the Pools, Mr. Thomas, in an official interview, sent to the Canadian Press by the British High Commissioner, made the following statement:—

"My attention has been drawn to comment in Canada upon a statement made by me in the House of Commons on the first of April. The suggestion that the statement was based upon any feeling that the Pool had been attempting to hold up wheat is wholly baseless. My statement was made in reply to an opposition supplementary question and was based on assurances given me, by you, at Winnipeg in September, that the Pool had been anxious to sell at prices substantially lower than those prevailing. I fully accepted these assurances, and welcomed them as evidence of a friendly attitude towards my plans for encouraging more regular interchange of goods between Canada and Great Britain. I trust you will give full publicity to this explanation. As you know, I fully appreciate the difficulties with which the Pool has been confronted, and I earnestly hope the situation may soon rectify itself to the advantage of both countries."

Before returning to England, Mr. Thomas made an urgent request that representatives of the Pool should continue the conferences with himself and other representatives of the British Cabinet, and Messrs. A. J. McPhail, D. R. McIntyre and W. A. MacLeod held several conferences with the Lord Privy Seal and other members of the British Government in London early in February. A proposal was made by Mr. Thomas which the Pool representatives were prepared to recommend to the serious consideration of the Pool Boards, but the negotiations which Mr. Thomas had been carrying on for the sale of British coal in Canada on a large scale broke down, and the plan had to be abandoned for the time at least.

Your Committee felt satisfied that there was a very real desire not only on the part of the Government but by the great Consumers' Co-operative and by leading business interests for a larger volume of trade between Canada and the Old Country, and a genuine friendly feeling towards Canada and Canadian products.

In addition to private conferences with the heads of the Consumers' Co-operatives in the Old Country, and the leading millers, the Pool delegates met representatives of all the leading Continental millers, as well as all Pool agents.

As exact knowledge of conditions is of the utmost importance to your Central Board, your Pool statistician, Mr. Andrew Cairns, was sent over to Europe this summer for the purpose of making a careful survey of crop and market conditions in France, Germany and Italy, and expects to pay a brief visit to Southern Russia.

Representatives of the Pool were invited to attend the International Co-operative Conference at Vienna, and Mr. Cairns was appointed official representative of the Canadian Wheat Pools on the occasion of this organization joining the Alliance. The International Co-operative Alliance represents over two hundred million consumers and the Canadian Wheat Pool is the first important producers' co-operative organization to become a member of this great co-operative family.

The world-wide depression has fallen disastrously upon agriculture in every country. In Great Britain legislation has been introduced (The Agricultural Marketing Bill) to assist the farmer, and all parties recognize the urgency of the situation. In the United States the Farm Relief Bill is in operation; in France, Italy and Germany tariff measures have been adopted; in Russia the state collectivization plan is being carried out, and in many other countries remedial legislation has been adopted, all recognizing the needs of agriculture. Western Canada is outstanding in that not only have we established the greatest single commodity co-operative marketing organization in the history of agriculture, but the organized producers are themselves controlling and directing the marketing of their products.

It is appropriate that at this time your Board should express their very sincere appreciation of the assistance extended to the Pools by the three Provincial Governments of Manitoba, Saskatchewan and Alberta, during the early part of the present year. The manner in which they responded to our request for support enabled us to meet a very serious situation, and we feel sure we are expressing the sentiment of our membership as a whole in our acknowledgment of the valuable service which they rendered.

During the past year grain prices have slumped to one-half the values of a year ago or lower, making the past twelve months one of the most discouraging, if not the worst, year in the history of Western agriculture. There could be no higher tribute to the character of the Western farmer than the fact that in the face of keen disappointments, with crops below the cost of production, with pressure of debts adding to their anxiety, and all the efforts made to weaken their loyalty, the morale of our members has never been better, and the contract has been lived up to with only negligible exceptions. This is proved beyond all question by the fact that the percentage of Pool grain deliveries of the 1930 crop are as high at this time as in any other year.

The experience of the past year has again impressed upon your Board the need of strong reserves in liquid form. It is vital to the future of this organization and that of the Provincial Pools, of which your Central Selling Agency is a subsidiary, that reserves to provide against any contingencies should be established and built up year by year as circumstances will permit.

While our organization is passing through the difficulties to which we have alluded, it is of more than ordinary interest to note the tendency in other countries towards the organization of agricultural marketing in the direct interest of the producers. The trend is towards centralized control, and the day of individualism is rapidly passing away. It seems probable that in Great Britain some control of grain and food imports will be established in the not distant future. Buying and selling through centralized bodies will make it possible to bargain on the basis of a fair price to consumer and producer alike.

We hope for improved conditions, and the recent lowering of interest rates and the easing of credit gives some assurance that the economic situation is more hopeful.

In organization is our only salvation; we must help ourselves. Democracy is being continuously extended into the economic field. The people must accept responsibility, exercise control through co-operation; that is the only way to social and economic justice.

SASKATCHEWAN POOL ELEVATORS LIMITED

During the year under review Saskatchewan Pool Elevators, Limited, operated a maximum of 1046 country elevators.

During the season Pool Elevators handled a total of 80,433,256 bushels, as compared with a total of 138,714,883 bushels last year.

Comparative figures for the two years are as follows:—

	1928-29	1929-30
Wheat.....	121,201,170 bushels	70,574,518 bushels
Oats.....	7,942,818 bushels	3,491,209 bushels
Barley.....	6,378,095 bushels	3,802,358 bushels
Flax.....	892,509 bushels	625,278 bushels
Rye.....	2,300,291 bushels	1,939,893 bushels
Total.....	138,714,883 bushels	80,433,256 bushels

In addition to the above, Pool Elevators handled a total of 1,439,248 bushels of grain loaded over the platform, as compared with 7,224,133 bushels during the previous year. This makes a total handling of all grain by the Pool Elevator system for the current year, of 81,872,504 bushels, as compared with 138,714,883 bushels last year.

According to a report issued by the Department of Trade and Commerce the total receipts of all grain at all country elevators in Saskatchewan for the past year amounted to 164,450,776 bushels. On the basis of these figures the Pool Elevator system, operating 1046 elevators, handled 81,872,504, while the remaining country elevators, operated by Line Elevator Companies to the number of 2144, handled 82,578,272 bushels.

On the basis of 1046 Pool country elevators in operation, and including platform shipments, the average handlings per elevator during the past season amounted to 78,300 bushels, as against an average handling of 38,502 bushels through the 2144 line elevators operated in the Province.

During the year Saskatchewan Pool Elevators handled 53.28% of all the wheat and 33.85% of all of the coarse grains delivered in the Province. 49.803% of all of the grain delivered to country elevators in the Province of Saskatchewan was delivered to Saskatchewan Pool Elevators.

The following figures indicate the development which has taken place in the handling of Pool grain through Pool country elevators, since the inception of the Organization:—

1925-26.....	89 elevators	15,878,715 bushels
1926-27.....	586 elevators	80,110,048 bushels
1927-28.....	727 elevators	100,210,581 bushels
1928-29.....	970 elevators	138,714,883 bushels
1929-30.....	1046 elevators	81,872,504 bushels

For the crop year 1929-30, 87.22% of all Pool grain was handled through Pool Elevators as compared with 75.5% last year.

Overages

Overages arising from the operation of the country elevator system amounted to 443,962 bushels, and shortages to 4,996 bushels, making a nett overage for the entire system of 438,966 bushels made up as follows:

	Overage	Shortage
Wheat.....	308,549 bushels	
Oats.....	79,008 bushels	
Barley.....	48,808 bushels	
Flax.....		4,996 bushels
Rye.....	7,597 bushels	
Total.....	443,962 bushels	4,996 bushels

While the overage on wheat appears a substantial amount, this represents only .43 of 1% of the total volume of wheat handled. With a shrinkage allowance of one-half of 1% on dry grain and 1% on tough and damp grain, these figures indicate that growers delivering grain to Pool Elevators are receiving correct weights for their grain, as nearly as it is possible to weigh it.

Gains in Grades

Contrary to our experience ever since the inception of the Elevator Company, the cut-off at the end of the season showed a total gain in grades in country elevators during the past season amounting to approximately \$165,000.00. This compares with a loss in grades for the previous year of \$356,000.00.

As in previous years, every effort was made to have Pool Elevator Agents place the correct grade on grain which they graded. Where gains in grades showed up during the season steps were immediately taken to have any undergrading checked.

Grain was delivered in very heavy volume early in the season, and as stocks were held in country elevators much of this gain in grade must have occurred before it became evident that the grain being shipped forward would be graded consistently higher by the Inspection Department, than the grade placed on this grain by our agents. In this connection we are advised by our own Inspectors that the Inspection Department graded very consistently throughout the entire season.

Inspection Department

The Inspection Staff during the past year consisted of 7 men, of whom 5 were located at Winnipeg, one at Moose Jaw and one at Saskatoon for part of the season.

That this service to Pool members has been thoroughly justified is shown by the following statement of results secured:—

Grades raised at Winnipeg on Street and Consigned Cars.....	\$ 88,802.67
Platform Cars.....	2,676.15
Grades raised at Moose Jaw on Street and Consigned Cars.....	29,767.36
Grades raised at Saskatoon on Street and Consigned Cars.....	12,378.97
Grades raised at Calgary on Street and Consigned Cars.....	54.38
Total for Season.....	\$133,679.53

Claims Department

During the past year a total of 4,643 claims was submitted to the Railway Companies, with the following results:—

Claims outstanding at July 31st, 1929.....	47	\$ 1,312.91
Claims filed during the season.....	4596	91,667.23
	4643	\$92,980.14
Claims paid.....	4277	\$63,893.55
Claims withdrawn, etc.....	357	28,733.11
Claims outstanding at July 31st, 1930.....	9	353.48
	4643	\$92,980.14

Non-Pool Grain

Each year Pool Elevators handle a substantial volume of Non-Pool grain. As Pool delegates are aware, all Pool country elevators are operated under a public license and must warehouse all grain, whether Pool or Non-Pool, when offered.

During the season under review Pool Elevators handled a total of 7,061,008 bushels of Non-Pool grain, as compared with 10,850,393 bushels in the previous season.

At the last Annual Meeting the question of organizing a subsidiary to handle Non-Pool grain was considered and a Committee appointed to bring in a report at the Semi-Annual Meeting last June. This report was submitted, and after full discussion, the delegates decided against any steps being taken to enter the business of handling Non-Pool grain along the lines of the methods employed by the regular Grain Trade. Since the Semi-Annual Meeting in June this matter has received further discussion amongst Pool delegates, and the Board has again been requested to submit the question of the establishment of a Cash Grain Department in Saskatchewan Pool Elevators, which would not only handle the Non-Pool grain now being delivered to Pool Elevators, and which is turned over for sale to a Commission Company, but would also make every effort to increase this business and handle the sale of the grain without reference to an outside Commission Company.

The Board has considered this matter at different times during the past few months and will appreciate further expression of opinion from the delegates in connection with this matter.

Inter-Station Shipments

During the past year a total of 1150 carload shipments of feed and other grains were shipped within the Province, principally to the dried-out areas of the Province where a shortage of feed prevailed. This is made up of 730 cars of oats, 417 cars of barley and 3 cars of rye. Taking an average of 2000 bushels per car for oats, 1500 bushels per car for barley, and 1050 bushels per car for rye, there was disposed of in this way approximately 1,460,000 bushels of oats, 625,500 bushels of barley and 3,150 bushels of rye, making a total for all grains of 2,088,650 bushels.

Financial Statements

Full information in connection with the financial operations of the Company has been submitted separately to the delegates, together with the Auditors' Report for the year's operations.

In view of the large reduction in the volume of grain handled through the system, as compared with the previous year, your Board believes that the financial results of the operations of the Company this year can be regarded as exceedingly satisfactory. The balance sheet will show a stronger position this year as compared to the previous year's statement. Liabilities are reduced to the extent of \$1,300,000.00 (the amount of the capital payments to the Liquidators of The Saskatchewan Co-operative Elevator Company Limited and also to the Provincial Government). Depreciation reserve has been increased by a similar amount, while the operating reserve has been increased by \$600,000.00. The liquid position of the Company has also been materially improved.

Saskatchewan Co-operative Elevator Purchase

As no deferred payments were made on account of the 1929 crop, no elevator deductions were available. It was found possible, however, to take care of the capital commitments to the Liquidators of Saskatchewan Co-operative Elevator Company Limited, and also to the Government of the Province of Saskatchewan amounting to approximately \$1,300,000.00, out of funds available from reserves.

The balance due on the purchase price of the assets of the Saskatchewan Co-operative Elevator Company Limited is now as follows:—

Due to Liquidators.....	\$2,817,745.42
Due to the Government of the Province of Saskatchewan.....	896,385.05
Total.....	\$3,714,130.47

This balance is payable to the Liquidators at the rate of \$1,000,000.00 annually. The balance due to the Province of Saskatchewan is repayable in three equal annual instalments.

Nett Earnings

The total nett earnings of the country and terminal elevator system amounted to \$2,290,971.44, made up as follows:—

Country Elevator Department.....	\$1,059,236.35
Realization of Assets.....	4,364.56
Terminal Elevator Surplus—	
Saskatchewan Pool Terminals Ltd.....	1,177,370.52
Buffalo Terminal.....	50,000.00
	<hr/>
	\$2,290,971.44

The sum of \$731,712.00 was required to pay the 6% dividend on Elevator Deductions. A sum of \$90,882.72 was paid to the Pool, representing the Company's proportion of Pool expenses, leaving an amount of \$1,468,436.72 available for the purpose of paying Income Tax, setting up the necessary reserve, and also for the payment of Patronage Dividend.

Patronage Dividend

On last year's business the Board has approved the payment of a Patronage Dividend on the basis of 1c per bushel on all Pool grain handled through Pool Elevators, and $\frac{3}{4}$ c per bushel on Pool grain loaded over the platform or loaded through line elevators and billed to Pool Terminals. A decision as to whether a cash distribution of this Patronage Dividend will be made, is involved in the decisions which will be arrived at with respect to the matter of financing the overpayment on the 1929 Pool. The amount required to pay this Dividend would be \$746,118.10.

Reserve Account

The balance of the nett operating surplus amounting to \$600,719.02 has been transferred to Reserve Account. This operating reserve now stands at \$2,051,323.84 from which will be provided Income Tax amounting to \$121,599.60.

Distribution of Earnings

The following figures indicate the distribution of the earnings of the Company for the past year, as com-

pared with the previous year:—

	1928-29	1929-30
Nett earnings after providing for depreciation.....	\$2,181,773.34	\$2,200,148.72
Less Patronage Dividend.....	985,990.37	746,118.10
	<hr/>	<hr/>
Less Provision for Income Tax....	\$1,195,782.97	\$1,454,030.62
	103,830.90	121,599.60
	<hr/>	<hr/>
	\$1,091,952.07	\$1,332,431.02
Less 6% Dividend payable to Sask. Wheat Pool.....	533,592.00	731,712.00
	<hr/>	<hr/>
	\$ 558,360.07	\$ 600,719.02

Under the legislation passed at the last session of the Parliament of Canada, exempting Co-operative Organizations from the payment of Income Tax, an application has been made for a refund of Income Tax paid during the current year. Should this application be allowed this amount will be added to the operating reserve.

SASKATCHEWAN POOL TERMINALS LIMITED

Handlings

During the crop year from August 1st, 1929, to July 31st, 1930, Pool Terminals handled a total of 61,577,679 bushels of all grain, as compared with 113,111,267 bushels for the previous season, or a decrease of 51,533,588 bushels. This heavy decrease in volume passing through Pool Terminals can be accounted for by the very slow movement of grain from the Terminals during the fall months.

The total volume of grain handled by each of the Terminal Elevators during the past season, as compared with the previous year, is as follows:—

	1928-29 Bushels	1929-30 Bushels
Terminal No. 4.....	34,284,711	12,677,665
Terminal No. 5.....	15,538,486	7,354,096
Terminal No. 6.....	32,327,807	14,972,119
Terminal No. 7.....	18,571,535	22,762,101
Terminal No. 8.....	12,388,728	3,811,698
Total.....	<hr/> 113,111,267	<hr/> 61,577,679

As at July 31st, 1930, there was in store in all Saskatchewan Pool Terminals at the Head of the Lakes, 16,202,333 bushels, as compared with 18,695,674 bushels.

The following figures indicate the volume of grain in each of the Terminals at the end of the season as compared with the previous year:—

	1928-29 Bushels	1929-30 Bushels
Terminal No. 4.....	3,814,668	4,425,018
Terminal No. 5.....	2,073,288	243,980
Terminal No. 6.....	4,777,260	4,466,939
Terminal No. 7.....	5,974,756	5,587,716
Terminal No. 8.....	2,055,702	1,478,680
Total.....	<hr/> 18,695,674	<hr/> 16,202,333

During the year a total of 494,376 bushels of grain belonging to the Manitoba Pool was unloaded in Saskatchewan Pool Terminals, as follows:—

Terminal No. 4.....	193,127 bushels
Terminal No. 5.....	5,460 bushels
Terminal No. 6.....	199,073 bushels
Terminal No. 7.....	89,997 bushels
Terminal No. 8.....	6,709 bushels
Total.....	<hr/> 494,376 bushels

A total of 130,961 bushels of grain was also unloaded in Saskatchewan Pool Terminals from the Alberta Pool, as follows:—

Terminal No. 4.....	42,222 bushels
Terminal No. 5.....	2,698 bushels
Terminal No. 6.....	62,012 bushels
Terminal No. 7.....	24,029 bushels
Terminal No. 8.....	—
Total.....	130,961 bushels

Buffalo Terminal

During the past season the Buffalo Terminal handled a total of 9,764,105 bushels of grain, as compared with 24,252,619 bushels of all grain for the crop season 1928-29.

Financial Statements

Full information in connection with the financial results of the year's operations of Saskatchewan Pool Terminals Limited is submitted separately to the delegates, along with the other financial statements of the Organization.

Licenses

For the present season all Pool Terminals at the Head of the Lakes are being operated under semi-public licenses.

Additional Equipment

In order to co-operate more closely with the Coarse Grains Sales Organization, two oat hullers are being installed in Pool Terminal No. 7 with a capacity of 100 bushels per hour per machine.

SASKATCHEWAN WHEAT POOL CONSTRUCTION COMPANY

The building programme of Saskatchewan Pool Elevators was not nearly so extensive as in former years. The Company experienced a larger number of losses by fire than at any time in the past. Fourteen elevators were destroyed by fire and have been rebuilt, while eighteen new elevators on new branch lines have been approved.

Nine cottages for the use of elevator operators have also been approved.

The appropriation for new construction was limited during the past year, to \$250,000.00. Elevators have been approved for construction on new branch lines as follows:—

	<i>Capacity</i>	<i>Est. Cost</i>
Aberdeen-Melfort		
Claggett Siding No. 2.....	35,000	\$12,200
Smuts Siding No. 11.....	45,000	13,800
Lanigan-Prince Albert		
Burton Lake Siding No. 5.....	35,000	12,200
Middle Lake Siding No. 8.....	45,000	13,800
Crystal Springs Siding No. 12.....	35,000	12,200
Tiger Hills Siding No. 14.....	35,000	12,200
Hagen Siding No. 15.....	35,000	12,200
Nipawin North Westerly		
White Fox Siding No. 1.....	35,000	12,200
Lake Alma Extension		
Minton.....	45,000	13,800
Mawer Branch		
Siding No. 3.....	35,000	12,200
Siding No. 4.....	35,000	12,200
Siding No. 5.....	35,000	12,200
Siding No. 6.....	35,000	12,200
Coderre Extension		
Old Wives.....	35,000	12,200
Hamlin-Glenbush		
Siding No. 1.....	35,000	12,200
Siding No. 2.....	35,000	12,200
Siding No. 3.....	35,000	12,200
Unity-Extension		
Reward.....	45,000	13,800

ONE HUNDRED PER CENT. POOL BY LEGISLATION

Following up the decision of the delegates at the Semi-Annual Meeting held in June, the Board approved arrangements for the taking of a referendum of all Pool contract signers on the question of One Hundred Per Cent. Pool by Legislation. The question submitted to the contract signers read as follows:—

“Are you in favour of your Directors asking the Government to pass a Grain Marketing Act to provide that all grain grown in Saskatchewan must be marketed through one Pool, provided,

- (a) That before the proposed Act should come into force it must receive a two-third majority vote in a special referendum of all grain growers in the Province, to be conducted by the Government;
- (b) That the Grain Pool to be provided for must be entirely under the control of the growers delivering grain, and further that all producers of grain (whether Pool or Non-Pool) must have an equal voice in the control of the organization.”

All ballots were mailed and in the hands of the growers by the end of July.

The result of the referendum was as follows:—

Number of ballots mailed to growers.....	82,876
Number of ballots returned.....	48,545
Percentage of ballots returned.....	58.6%
Ballots returned in favor of proposal.....	34,621
Ballots returned against proposal.....	13,845
Spoiled ballots.....	79
Total ballots returned.....	48,545
Percentage in favor of proposal.....	71.4%
Percentage against proposal.....	28.6%

Attached to this report will be found a complete analysis by district of the result of this referendum.

In accordance with the policy laid down by the delegates at the Semi-Annual Meeting a request was submitted to the Government of the Province of Saskatchewan on September 24th, that they arrange to submit a Grain Marketing Act to the next session of the Legislature, such Act to provide:—

- 1.—That all grain grown in the Province of Saskatchewan should be marketed through one Pool;
- 2.—That the Grain Pool to be provided for must be entirely under the control of the growers delivering grain;
- 3.—That all producers of grain must have an equal voice in the control of the organization;
- 4.—That before the proposed Act would come into force it must receive a two-third majority of those voting in a special referendum of all grain growers in the Province, to be conducted by the Government.

In submitting this request for legislation your Board at the same time offered to co-operate with the proper officials of the Government in the drafting of such legislation. Your Board will welcome further discussion on this subject, with a view to clarifying some of the details in the proposed legislation.

At its August meeting your Board passed a resolution that in view of the serious economic condition in the Province, and in view of the possibility of still lower grain prices as a result of the inevitable hedging pressure when Non-Pool grain reached the market in any volume, the Government of the Province should be approached and a suggestion submitted that they should take whatever steps were necessary to enact legislation which would provide that all grain grown in the Province should be marketed through the Saskatchewan Wheat Pool. At that time we were faced with rapidly declining markets and your Board was of the opinion (which has since been justified) that the hedging pressure as the result of the marketing of Non-Pool grain, would materially contribute to an even more serious depression.

This resolution was presented to the Government by a Committee of the Board, when the whole economic situation was thoroughly canvassed. The government undertook to secure the views of its supporters in the Legislature, and communicated with Government members by wire. At a later date the Government held a meeting of its supporters and a final decision was arrived at that no action would be taken at the present time. Following the meeting, the Government issued a statement that it realized that there was a demand for such a proposal and that it was prepared to introduce legislation at the next session of the Legislature to provide for a special referendum of all the grain growers in the Province to be conducted by the Government with a view to ascertaining what percentage of all wheat producers is in favour of the compulsory marketing of grain.

PUBLICITY

The Western Producer

No change in the cordial relationship existing between the Pool and The Western Producer occurred during the year 1929-30. Approximately two and a half pages of space weekly were devoted to the purposes of the Pool. It is unfortunate, however, that owing to the general economic depression, the circulation of The Western Producer has fallen off somewhat since our last report, and at the present time the number of Pool members who are subscribers to this paper is less than forty per cent. of our total membership.

Country Weekly Newspapers

Due to the very unusual degree of interest aroused generally in the wheat situation during the last year, the amount of space devoted to the Pool and its affairs by the weekly newspapers of Saskatchewan has at times been very large. These papers have continued to render valuable aid to the Pool during this period, and it is gratifying to note that there has been no noticeable change in the generous amount of whole-hearted support which they have accorded to the co-operative endeavours of Saskatchewan grain producers.

Daily Press

The daily press likewise has continued its friendly attitude toward the Pool organization and has evidenced at all times a willingness to carry news items or other items of importance to persons interested in the co-operative movement. This is true of many well-known eastern daily papers as well as those circulating in Western Canada, but unfortunately the same cannot

be said of some of the eastern journals, especially those of a financial character. During the past year, in particular, it has been characteristic of some of these papers that they have appeared to emphasize in their columns, opinions derogatory to the Wheat Pools.

Non-English Publicity

As in the past, the most disappointing aspect of the educational work of the Pool has been in connection with the support received from the non-English press. A substantial amount of publicity has, of course, been received and some of the non-English papers have been very generous, but the difficulty of providing accurately translated material is an important one. Our membership contains at least 15,000 persons of the French, German, Ukrainian, Hungarian and Roumanian languages, in addition to other nationalities less strongly represented. The practice of supplying periodical circulars to members speaking the above languages has been continued during the past year in an effort to give them first-hand knowledge of the Pool, but even this has not been in all respects satisfactory and there is little direct evidence that the information contained in these circulars is assimilated.

The practice of advertising important information in a carefully selected list of non-English papers has likewise been continued in an effort to reach as many of these members as possible.

Radio CJBR

As intimated in our last annual report, the plan of radio broadcasts was changed somewhat last year from that followed in previous years and there is reason to believe that it was, on the whole, more satisfactory to the bulk of our members. It was, however, somewhat more costly and with this in mind the program of radio broadcasts for the current season has been modified so as to cost the organization substantially less.

During the winter months of 1930 some attention was devoted to entertaining the children and this feature of our program is again receiving definite attention this year.

Exhibitions

On grounds of economy the Wheat Pool exhibit was withdrawn from the "B" class fairs during 1930 and the exhibit provided only for the Provincial Exhibitions at Regina and Saskatoon. Portions of the exhibit material were again loaned to various organizations during the year and used to good advantage.

Literature

Handbook No. 1 containing the articles of association and the by-laws of the organization was re-issued in revised form during the year, and Pamphlets Nos. 6, 7 and 8 distributed. The Pool calendar has now become more or less of an institution in the Province and it is gratifying to note that it has been possible to issue the calendar for the current season at a substantial reduction in cost as compared with previous years.

An important service instituted during the past year is that known as "Field Notes" which are supplied, as the material for them accumulates, to key men of the organization. It would appear that they are fulfilling the purpose for which they were instituted, and it is regrettable that circumstances do not permit of them being more widely distributed. It is also interesting to note that the same idea has since been adopted by other co-operative organizations.

Co-operative School

It was hoped that a second co-operative school could be arranged at the University of Saskatchewan during the summer of 1930 and tentative arrangements were actually made early in 1930 with this in mind. As the year progressed, however, it was realized that few farmers could afford even the cost of transportation and the idea was therefore abandoned for the time being.

The Library

The Pool Library was made available to Pool members in January, 1930, owing to the fact that a substantial number of books were added late in 1929; and the response on the part of Pool members has been very pleasing. Though our Library contains only some 1,200 volumes of all descriptions, a total of 2,868 books were loaned between January 15th and July 31st, to more than 800 borrowers. Books may only be loaned to Pool members or employees, and country borrowers make up by far the greater number. The usefulness of the library could be extended very materially and a much greater number of borrowers secured if it were practicable at the present time to substantially increase the number of books.

As intimated to you at the semi-annual meeting, postage is paid on these books both ways by the Pool; and whether it is for this reason or not, borrowings have been maintained at a very satisfactory rate during the summer months.

Junior Co-operators

During the past year it has been possible to establish contact with young people of all ages up to 21, by means of various projects undertaken by the Pool. Mention has already been made of the radio broadcasts for children. In co-operation with the Manitoba Co-operative Conference a small booklet entitled "Meri-ka-Chak, His Message" was secured and distributed to the number of approximately 18,000, largely through the medium of interested rural school teachers. Requests for booklets are still being received and also requests for a further booklet.

Your Directors also authorized a limited expenditure of money during the past year in connection with variety test plots which were cared for by 320 boys and girls from 12 to 18 years of age, each of whom tested six wheat varieties. These boys and girls were promised enough seed of good quality to sow one acre of land in the spring of 1931, provided they cared for their plots sufficiently well to warrant a score of 70 points out of a possible 100. The result of the year's work in this respect has been exceedingly satisfactory, and we have been informed that local interest in better varieties was created by these plots to the extent that in some cases as many as 300 people visited a single plot during the season. It is hoped to provide a special report to the Delegates in connection with this work before the conclusion of the meeting. It should be mentioned, however, that this work has been undertaken in co-operation with the Dominion Experimental Farms in the Province and the most cordial and whole-hearted co-operation has been received at all times from these institutions, much value being placed on the careful experimental work conducted by the boys and girls.

In an effort to establish contact with boys from 16 to 21 years of age, your Directors also authorized a comparatively small expenditure in connection with the organization of Junior Grain Clubs throughout

the Province. This work was undertaken in co-operation with the Extension Department of the University, which institution became responsible for the detailed work of organization and assumed the burden of the greater part of the expenditure entailed. Approximately 45 clubs were organized during the late winter and spring and 37 of them have survived the vicissitudes of a depressing season.

Co-operative Newspaper

In connection with the resolution passed at the semi-annual meeting that the Board investigate the possibility of placing a co-operative paper in the home of every contract signer, your Board has had a Committee at work on this question for some time. A full report of this Committee will be submitted before this meeting adjourns.

COUNTRY ORGANIZATION

Wheat Pool Committees

As at July 31st, 1930, 1181 Wheat Pool Committees were in existence, as compared with 1169 in 1929. Fifty-five Wheat Pool Committees were organized during the year, while forty-three passed out of existence owing principally to the reorganization of territory as a result of the development of new lines of railway. The nett increase for the year was twelve Committees.

The usual schedule showing the number of Committees functioning, by district and sub-district, together with a schedule of Committees organized during the year is attached hereto.

The relationship between the Committees and the Head Office Organization Department has been well maintained during the year. Resolutions passed at meetings of contract signers or meetings of Wheat Pool Committees, have been dealt with by the Departments concerned, or submitted for the consideration of the Board, according to the requirements of the resolution.

Some little difficulty is still experienced in securing prompt reports of the reorganization of Committees, and the co-operation of the Delegates within the sub-districts is asked for, in order that this very important work may be maintained at its greatest efficiency.

The principal responsibilities of Wheat Pool Committees may be set forth briefly, as follows:—

- (a) To maintain the active strength of the membership in their immediate territory;
- (b) To provide the means through which all possible information regarding the operations of the Pool may be made available to the individual membership;
- (c) To secure the candidature of men with the requisite qualities for service for the office of delegate.

Nomination of Delegates

In connection with the latter responsibility, suggestions have been advanced from time to time that a more systematic method of securing nominations for the election of delegates, might be developed. Almost every year a number of Committees fail to make arrangements for their meetings until the end of the period during which nominations may be received. This leaves practically no time in which to correct any qualifications which may be lacking in the nomination of a candidate. Some leadership to this might be

given to the Committees of the Sub-district by the individual delegate, looking towards improvement in this direction.

The holding of Committee Conventions in each of the sub-districts has now become an important part of the country organization. It seems logical that by next summer steps might be taken to organize a general sub-district committee, composed of probably one representative from each of the local committees within the sub-district. This general sub-district committee might, with advantage, be charged with the responsibility of calling nomination meetings at different points throughout the sub-district, so that every opportunity may be afforded for the nomination of candidates as delegate.

The following is a comparative record of the distribution of nominations during the past five years:—

	1929	1928	1927	1926	1925
No. of Acclamations.....	61	38	81	42	48
No. of Candidates in Contested Sub-Dist.	244	338	191	326	308
No. of Sub-Districts with two Candidates..	58	62	52	57	60
No. of Sub-Districts with three Candidates	36	37	22	39	33
No. of Sub-Districts with four Candidates	5	15	4	17	—
No. of Sub-Districts with five Candidates..	—	5	1	4	7
No. of Sub-Districts with six Candidates....	—	3	—	—	3
No. of Sub-Districts with seven Candidates	—	—	—	1	—
No. of Ballots cast.....	30,275	33,744	20,632	30,365	23,874
Percentage Ballots cast to ballots mailed.	58.7%	59%	45%		
No. of Rejected Ballots, including blanks.....	79	90	52	62	67
Percentage of Rejected to Total.....	.257	.264	.252	.20	.280

It will be seen that the number of acclamations has been higher of late than in the early years of the Pool.

Your Board will welcome a discussion on this matter by the meeting.

During the past year only two by-elections were held, one in District 13, Sub-district 5, and one in District 15, Sub-district 4. In each of these cases the delegates resigned, having accepted nomination as candidates in the Federal Election.

REGULATION OF GRAIN EXCHANGE

Under the economic conditions which prevail throughout the World at the present time, the necessity for some measure of control over speculation, particularly in commodities, becomes more apparent. Under the Grain Futures Act of the United States it is possible to secure information as to the volume of speculation that is being carried on on the Chicago Board of Trade.

As a result of Stock Market conditions which developed during the past year, legislation has also been enacted by the different Canadian Provinces which provides for some measure of control of Stock Exchanges.

So far no legislation exists in Canada which would regulate the operations of Grain Exchanges in the Dominion.

Your Board is of the opinion, and has recommended to the Interprovincial Board of the Central Selling Agency, that steps should be taken to secure the passage of an Act by the Parliament of Canada which would

regulate the operations of Grain Exchanges, and that the Governments of those Provinces in which such Exchanges are located should be asked to pass the necessary enabling legislation to make such Dominion legislation effective. Your Board has recommended further that the legislation should be of such a nature as would enable the Government to secure accurate information regarding the operations of such Exchanges.

UNITED FARMERS OF CANADA SASKATCHEWAN SECTION LIMITED

As Pool delegates are aware, a very large proportion of membership fees payable to the U.F.C. from its members is paid as a result of a requisition to the Pool authorizing the deduction of membership fees to be paid directly to the U.F.C.

In financing its current operations, the U.F.C. has hitherto secured sufficient funds to carry on its work from its Bank, and has assigned the proceeds of these requisitions to the Bank as security for such advances. The deductions under these requisitions have usually been made from Pool interim payments. For the crop season 1929-30 no interim payment was made so that it was impossible for the Pool to collect these fees.

At the request of U.F.C. officials, your Board has considered the possibility of making an advance to the U.F.C. to enable the organization to continue its work. An advance against the requisitions on file to the extent of \$10,000.00 was made early in the present year. Your Board will welcome a discussion from the delegates on this whole question.

LINE ELEVATOR HANDLING AGREEMENT

The handling agreement with the Line Elevator Companies, under which Pool grain is handled by these Companies, expired on August 31st, 1930. A new agreement has been completed between the Pool and the Line Companies to remain in force for the next three years. The terms of the agreement are practically the same as those which have been in force for the past six years. The principal change deals with the right of the grower under the Canada Grain Act to direct that carload shipments of grain may be billed to any terminal elevator the grower may desire.

The handling charges remain the same as in previous years.

The carrying charge hitherto allowed under previous agreements amounted to 1c per bushel per month. Your Board approved an increase in this carrying charge from 1c to 1 $\frac{1}{4}$ c per bushel per month.

RELIEF FUND

In view of the serious economic conditions which exist throughout the Province at the present time, your Board has approved steps being taken by the Organization to co-operate with the U.F.C. in distributing clothing relief to those in actual need. Arrangements have been completed under which all requests for relief in the southern part of the Province will be met by the Red Cross Society, while requests for assistance in the northern area will be directed to the U.F.C. in Saskatoon. In the area to be served by the Red Cross will be included approximately Wheat Pool Districts

1, 2, 3, 4, 5, 6, 7 and 10. The area for which the Wheat Pool in co-operation with the U.F.C. will accept responsibility will include approximately Wheat Pool Districts 8, 9, 11, 12, 13, 14, 15 and 16. All Secretaries of Wheat Pool Committees have been circularized asking that they make a canvass of their territory and secure such donations of clothing, etc. as may be available as well as to report on any cases requiring immediate assistance.

In this connection the Wheat Pool Staff has undertaken to co-operate in this effort. The Staff is arranging to secure contributions of cash as well as clothing supplies and will concentrate its effort on securing suitable clothing for children of school age to assist children to continue their attendance at school during winter months who might otherwise be unable to attend for lack of suitable warm clothing.

STAFF

Your Directors take this opportunity of expressing their appreciation of the continued loyal and efficient service of the Wheat Pool Staff as a whole, both in the Head Office and Subsidiary Offices, and also in the country.

FUTURE POLICY

Until the matter of the over-payment arising out of the 1929 crop has been finally disposed of, our policy in the immediate future must be one of retrenchment. All surplus funds, including deductions, will be required to pay off the amount due to the Banks which at the present time is covered by the Saskatchewan Government guarantee. Any development calling for substantial capital outlay will be difficult of accomplishment until such time as the reserves have again been built up. Information covering such possible lines of development as milling, the development of a co-operative financial institution and group insurance will be submitted to the delegates.

In the meantime, however, it is well to remember that your Organization in its six years' operation has expanded at a rate which has been almost unequalled in the history of either co-operative or commercial development in the Dominion of Canada.

The results achieved over the past six years arising from the acquisition and ownership of your country and terminal elevator system must be a source of satisfaction to all growers who believe in the principle of co-operative ownership and development.

The work of developing a system for the operation of the Saskatchewan Pool, surrounded as it was with many difficulties, has also given satisfactory results.

At the present time, however, we are facing a period unequalled in the history of grain marketing. During the past week grain prices touched the lowest levels which have been reached since grain was marketed in any quantity from Western Canada. Commodity prices all over the World are in a similar position.

Your Board believes, however, that it is under conditions such as these with which we are now faced that co-operative effort will best justify itself.

Conditions have entered into international grain marketing which were unthought of at the time the Pool was organized in 1924. Tariffs and legislative restrictions during the past two years have been brought into force to such an extent that it is almost impossible to market Canadian wheat in some of the

countries which a few years ago were amongst the principal purchasers of Canadian wheat. During the month of October two increases in the tariff on foreign wheat imported into Germany were brought into effect and today the import duty on Canadian wheat into Germany stands at the impossible figure of \$1.62 per bushel.

While many theories may be advanced as to the reason for the present condition of the grain market, it is probable that the simple explanation is the true one, namely, that combined with the falling off in the purchasing power of the countries which normally purchased our exportable surplus, the increase in World production of grain over the past five-year period has been greater than the increase in World consumption. According to figures which have been compiled from data published by the Food Research Institute of Stanford University, the average yearly production of wheat in all of the important wheat producing countries of the world for the five-year period 1909-13 amounted to 3,756 million bushels. For the five-year period 1920-24, immediately following the War, the wheat production of these countries averaged 3,587 million bushels, while for the five-year period covering 1925-29 the average yearly production amounted to almost 4,287 million bushels. These figures indicate that the average production for the five-year post-war period was lower than for the five-year period immediately preceding the War by 169 million bushels, in spite of the fact that the principal exporting countries increased their production to a very great extent. The United States average production increased from 690 million bushels to 853 million bushels. The Canadian production almost doubled from 197 million bushels to 340 million bushels, while Australia and Argentine showed an increase of approximately 50 million bushels each. The average production for this group of countries for the five-year period 1925-29, however, shows an increase of almost 700 million bushels over the previous five-year period and an increase of 530 million bushels over the pre-war period.

If these figures are correct, and they are taken from a very reliable source, it will be noted that the heavy increase in the World's production of wheat has become effective since 1925. In considering the present position, it is well to take cognizance of the possible development of Russia as an exporter of a substantial volume of wheat.

The situation at present surrounding the marketing of our grain crop presents a challenge which must be accepted by every man who believes in the value of co-operation. While it is probable that no spectacular development will take place within the organization in the immediate future, your Board will concentrate its efforts towards the building up of a more aggressive marketing organization than has been necessary in the past. Every effort will be made to continue development along the lines anticipated when the Central Selling Agency was organized for the purpose, amongst others, "to reduce speculation, manipulation and waste and all unnecessary transactions in marketing grain; to increase consumption, build up new markets and develop new uses for grain; to market same directly and with regularity so as to furnish it economically to the users thereof and to preserve for the growers and the public their proper profits and economies."

Changed conditions in the World's grain trade call for changed methods of marketing. For six years the Pool has been the outstanding Canadian Organiza-

tion interested solely in the marketing of grain in the interests of the producers. It will be the duty of your Directors to endeavour to meet successfully the changing conditions which are constantly arising in the marketing of the Canadian crop. Even during the present serious economic crisis the co-operative method of marketing holds more promise for the producer than any other system yet evolved.

With the continued loyal support of the Pool membership your Board believes that the present crisis in the marketing of Canadian grain will be successfully met, and the difficulties which surround the present position will be overcome in the best interest of the growers of grain in Western Canada.

All of which is respectfully submitted,

(Signed) A. J. McPHAIL
L. C. BROUILLETTE
MARSH ADAMS
A. F. SPROULE
CON RIEDER
S. T. WHITE
C. W. COATES
A. E. WILSON
L. WIDDUP
J. J. MARTIN
BROOKS CATTON
H. MARSH
R. J. MOFFAT
J. B. CLARK
W. A. URTON
J. H. WESSON

Schedule 1

RESULT OF REFERENDUM RE ONE HUNDRED PER CENT. POOL BY LEGISLATION

District No.	Completed Ballots		Unsigned Ballots		Dist. Total For	% of Dist. Vote	Dist. Total Agst.	% of Dist. Vote	Spoiled Ballots	Total Dist. Vote	Ballots Mailed to Dist.	% Ret'd
	For	Agst.	For	Agst.								
1.....	1258	915	100	86	1358	57.0%	1001	42.4%	4	2363	4357	54.2%
2.....	2244	540	130	34	2374	80.5%	574	10.5%	5	2953	4794	61.6%
3.....	1945	431	111	20	2056	82.0%	451	18.0%	2	2509	3954	63.5%
4.....	1452	566	86	34	1538	72.0%	600	28.0%	3	2141	3764	56.9%
5.....	1708	837	104	50	1812	67.1%	887	32.9%	3	2702	4466	60.5%
6.....	1587	966	95	64	1682	62.0%	1030	38.0%	6	2717	4781	56.8%
7.....	1559	863	70	50	1629	64.0%	913	36.0%	4	2546	4837	52.6%
8.....	1246	749	92	50	1338	62.5%	799	37.5%	7	2139	5020	42.6%
9.....	2384	1023	145	68	2529	70.0%	1091	30.0%	3	3623	6528	55.5%
10.....	2516	1102	165	60	2681	69.7%	1162	30.3%	6	3849	6292	61.2%
11.....	2420	1132	151	61	2571	68.3%	1193	31.7%	4	3768	5625	67.0%
12.....	2947	788	196	55	3143	78.7%	843	21.3%	4	3990	5818	68.6%
13.....	2134	830	146	49	2280	72.0%	879	28.0%	9	3168	5932	53.4%
14.....	2512	838	124	55	2636	74.6%	893	25.4%	6	3535	6127	57.7%
15.....	2358	562	140	40	2498	80.5%	602	19.5%	7	3111	4960	62.7%
16.....	2383	849	114	78	2497	73.0%	927	27.0%	6	3431	5621	61.0%
TOTALS.....	32,653	12,991	1,968	854	34,621	71.4%	13,845	28.6%	79	48,545	82,876	58.6%

Schedule 2

TOTAL NUMBER OF COMMITTEES 1929-30

Sub-Districts 1-10

	1	2	3	4	5	6	7	8	9	10	TOTAL
District 1.....	3	5	10	10	7	8	8	11	6	9	77
District 2.....	7	6	6	8	7	8	9	8	13	7	79
District 3.....	3	4	3	6	6	6	5	4	3	6	46
District 4.....	3	9	8	4	5	2	4	7	3	6	51
District 5.....	10	4	5	9	7	5	7	10	10	5	72
District 6.....	8	10	5	9	10	12	13	7	7	9	90
District 7.....	8	5	5	5	7	10	6	4	12	6	68
District 8.....	7	12	11	8	7	7	6	5	4	3	70
District 9.....	4	7	3	9	4	9	6	5	6	6	59
District 10.....	6	7	5	7	13	8	2	8	5	10	71
District 11.....	9	11	12	6	6	7	13	8	12	9	93
District 12.....	11	8	9	7	8	9	8	9	11	9	89
District 13.....	10	13	3	13	8	12	6	9	6	10	90
District 14.....	7	8	6	7	10	14	13	9	9	5	88
District 15.....	6	10	3	8	6	5	6	5	6	10	65
District 16.....	7	7	6	8	6	12	6	8	7	6	73

Total in Province.....1,181

Schedule 3

COMMITTEES ORGANIZED 1929-30

Sub-Districts 1-10

	1	2	3	4	5	6	7	8	9	10	TOTAL
District 1.....	1	....	....	....	....	1
District 2.....	1	....	....	2	2	....	....	....	....	5
District 3.....
District 4.....	1	1	....	....	....	....	1	....	....	3
District 5.....	2	....	....	....	....	4	....	6
District 6.....	1	....	....	....	....	....	1
District 7.....
District 8.....
District 9.....
District 10.....
District 11.....	1	....	....	1	....	....	....	1	....	3
District 12.....	1	1	....	....	4	1	....	1	....	1	9
District 13.....	1	....	1	5	7
District 14.....	1	....	....	....	....	1	2	....	3	1	8
District 15.....	1	1	....	....	....	....	2
District 16.....	1	2	1	3	1	1	1	....	10

Total in Province.....55

16th September, 1930.

**The President and Shareholders,
Saskatchewan Co-operative Wheat Producers Limited,
Regina, Saskatchewan.**

We submit herewith a Consolidated Balance Sheet at 31st July, 1930, of the Saskatchewan Co-operative Wheat Producers Limited, Saskatchewan Pool Elevators Limited and Saskatchewan Pool Terminals Limited, which has been prepared from our Certified Balance Sheets of the Companies at 31st July, 1930.

In presenting these Statements, we wish to express our appreciation of the courtesies and co-operation extended to us by your Directors and the Officers of the various Companies during the course of our audit.

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

Schedule No. 4

**SASKATCHEWAN CO-OPERATIVE WHEAT PRODUCERS
LIMITED
SASKATCHEWAN POOL ELEVATORS LIMITED
AND
SASKATCHEWAN POOL TERMINALS LIMITED**

**CONSOLIDATED BALANCE SHEET
at 31st July, 1930**

ASSETS

Cash:		
Cash in Banks.....	\$ 2,316,370.83	
Cash Funds—Payors, etc.....	4,614.25	
		\$ 2,320,985.08
Accounts Receivable:		
Canadian Co-operative Wheat Producers Limited.....	\$ 2,921,985.90	
Manitoba Co-operative Wheat Producers Limited.....	268,091.83	
Sundry.....	1,472,486.40	4,662,564.13
Stocks of Grain—Less Stored Grain (as certified by respon- sible officials).....		400,876.84
Investments:		
Canadian Co-operative Wheat Producers Limited.....	\$ 50,000.00	
Rural Telephone Companies...	1,187.00	51,187.00
Fixed Assets—		
(less Reserves for Depreciation):		
Country Elevators and Coal Sheds.....	\$11,558,760.43	
Terminal Elevators.....	8,435,983.54	
Head Office Building and Site	178,528.42	
Agents' Residences.....	408,116.25	
Buildings Under Construction	85,012.76	
Sites—Terminals, Elevators, etc.....	359,194.66	
	\$21,025,596.06	
Office Furniture and Fixtures	148,625.45	
Automobiles & Miscellaneous Equipment.....	62,446.46	21,236,667.97
Deferred Charges.....		324,972.25
		<u>\$28,997,253.27</u>

LIABILITIES AND CAPITAL

Cheques, Vouchers, etc., Outstanding:

Pool Payments and Interest on Reserves Cheques.....	\$ 22,132.77
Grain Drafts, Cash Tickets, etc.....	88,612.11
General Cheques.....	414,226.44
	<u>\$ 524,971.32</u>

Due to Growers:

Outstanding Certificates.....	\$ 44,085.19	
Interest Payable on 1924-28 Reserve Funds.....	713,856.43	757,941.62

Accounts Payable, Current:

Saskatchewan Co-operative Elevator Company Limited	\$ 1,229,064.73	
Province of Saskatchewan.....	358,946.94	
Shippers' Accounts.....	756,980.15	
National Trust Company, et al.....	38,277.66	
Loan Accounts, Employees & Growers.....	65,729.29	
Sundry.....	318,618.44	2,767,617.21

Accounts Payable, Deferred:

Saskatchewan Co-operative Elevator Company Limited	\$ 2,817,745.42	
Province of Saskatchewan.....	896,385.05	
Interest Payable on 1928-29 Reserve Funds.....	257,684.93	3,971,815.40

Elevator Deductions..... 12,190,340.55

Commercial Reserve Fund..... 6,568,828.33

Membership Subscriptions—1924-1928 Pool..... 19,746.00

Capital..... 83,693.00

Reserve..... 2,112,299.84

Contingent and Undetermined Liabilities:

In respect of buildings under construction—estimated..... \$ 100,000.00

Undetermined amounts in respect of Bank Loans to the Canadian Co-operative Wheat Producers Limited, and in respect of any losses which may accrue as a result of the operations of the 1929 Wheat and Coarse Grains Pools.

\$28,997,253.27

The following explanations may be of value in considering the above Balance Sheet:

Accounts Receivable:

Canadian Co-operative Wheat Producers, Limited, \$2,921,-985.90.

This balance is comprised of the following accounts:

Carrying Charges Account..... \$2,311,633.12

Operating Expense Account..... 723,171.83

\$3,034,804.95

Less General Accounts..... 112,819.05

\$2,921,985.90

"Operating Expense Account" represents Expenses of Saskatchewan Co-operative Wheat Producers, Limited, for the Crop Season 1929-1930 and, by arrangement, was charged to the Canadian Co-operative Wheat Producers, Limited, along with the Carrying Charges Account, to be applied against the proceeds of the 1929 crop.

Manitoba Co-operative Wheat Producers, Limited, \$268,091.83. This represents the balance due on our equity in the Davidson-Smith Terminal purchased by the Manitoba Pool and is payable in three annual instalments 1st August, 1930, 1931, and 1932. Your Directors have agreed to a deferment of the 1930 instalment.

Sundry, \$1,472,486.40. This item is principally composed of advances on stored grain and handling charges earned on grain in store in country elevators and terminals collectible when the grain is shipped.

Country Elevators, etc., \$11,558,760.43. Included in this amount are the following items:

	Plant Value	Depreciation	Net
Country Elev's....	\$13,564,627.70	\$2,019,780.56	\$11,544,847.14
Coal Sheds.....	5,487.85	656.28	4,831.57
Air Dumps, etc., stalled in Leased Elevators....	9,764.38	682.66	9,081.72
	<u>\$13,579,879.93</u>	<u>\$2,021,119.50</u>	<u>\$11,558,760.43</u>

Terminal Elevators, \$8,435,983.54. The following are the details of the amount shown in respect of this asset:

	Plant Value	Depreciation	Net
Terminal No. 4.....	\$3,019,577.87	\$ 601,809.82	\$2,417,768.05
Terminal No. 5.....	1,194,545.69	227,407.55	967,138.14
Terminal No. 6.....	74,986.34	13,779.90	61,206.44
Terminal No. 7.....	3,926,896.56	351,465.00	3,575,431.56
Terminal No. 8.....	10,023.40	1,002.34	9,021.06
Buffalo.....	1,755,562.93	350,144.64	1,405,418.29
	<u>\$9,981,592.79</u>	<u>\$1,545,609.25</u>	<u>\$8,435,983.54</u>

The above values are exclusive of sites which are shown under the heading of "Sites—Terminals, Elevators, etc." Terminals Nos. 6 and 8 are leased houses and the figures shown are for Equipment only.

Head Office Building and Site, \$178,528.42. This represents the value of the Wheat Pool Building, Regina, amounting to \$208,851.30, less depreciation \$30,322.88.

Agents' Residences, \$408,116.25. Included in this Asset are 284 Agents' Residences, valued at \$406,059.66, against which there is a Depreciation Reserve of \$51,943.41.

Buildings Under Construction, \$85,012.76. This item consists entirely of Elevators under construction at the year end. After construction has been completed the total will be transferred to Elevator Plant Account.

Deferred Charges. This item represents expenditures made which are chargeable to future seasons and includes the following:

Organization Expense, 1928-1932 Pool.....	\$102,583.39
Head Office Building Alterations.....	30,618.48
Stocks of Repair Parts.....	44,053.06
Arbitration Expenses.....	13,963.18
Prepaid Expenses, Taxes, Insurance, etc.	133,754.14
	<u>\$324,972.25</u>

Due to Growers. Included in this amount is 11 months' interest on 1924-28 Elevator and Commercial Reserve Deductions which, together with one month's interest from season 1930-1931, was paid to the Growers on September 1st.

Saskatchewan Co-operative Elevator Company, Ltd. Province of Saskatchewan.

Under the heading of "Accounts Payable—Current," are shown the payments due for principal and interest on August 1st and 31st respectively. The balances due and payable over the period of the next three years are shown as "Accounts Payable—Deferred."

Shippers' Accounts, \$756,980.15. This represents the amount of excess handling and storage charges, etc., to be refunded to Growers who have used Pool Elevator facilities during the year.

National Trust Company, \$38,277.66. This amount represents the balance of \$36,111.00 on the Principal and \$2,166.66 Interest due 1st August, 1930, on the purchase price of the Head Office Building.

Interest Payable on 1928-1929 Reserve Funds \$257,684.93. This represents 11 months' Interest on 1928-1929 Elevator and Commercial Reserve deductions and will not be paid to Growers until the end of the Contract period.

Membership Subscriptions, \$19,746.00. This item represents subscriptions for Capital Stock in the first Pool from Growers who have not yet joined the new Pool.

Capital Stock, \$83,693.00. This amount represents the capital stock in the new Pool.

Reserve Account, \$2,112,299.84. This figure is subject to Income Tax payable on the earnings of Saskatchewan Pool Elevators, Limited, for 1929-1930.

Schedule "A"

CANADIAN CO-OPERATIVE WHEAT PRODUCERS LIMITED

BALANCE SHEET, as at 31st August, 1930

ASSETS

FUNDS

Current Accounts.....	\$ 114,410.11	
Special Loan Account.....	3,287,615.07	
Special Margin Account.....	744,457.50	
	<u> </u>	\$ 4,146,482.68

STOCKS OF GRAIN

Wheat Division.....	\$34,386,359.06	
Coarse Grains Division.....	3,951,119.89	
	<u> </u>	\$38,337,478.95

Open Sales Contracts

Wheat Division.....	\$7,977,619.82	
Coarse Grains Division.....	139,924.38	
	<u> </u>	8,117,544.20
		<u> </u>
		\$46,455,023.15

LIABILITIES

BANK LOANS.....	\$52,525,701.49
-----------------	-----------------

ACCOUNTS PAYABLE:

Accrued Transportation and Carrying Charges in respect of grain inventories, etc.....	\$ 3,967,632.51
Canadian Pool Agencies, Ltd. Deposit Account	200,000.00
Trade Accounts.....	213,436.88
Collections.....	10,354.76
	<u> </u>
	\$ 4,391,404.15

LIABILITIES TO PROVINCIAL POOLS:

Current Accounts.....	\$ 758,160.80
Undelivered Stocks.....	3,050.58
Terminal Screenings.....	52,377.74
Trust Agreement—Terminal No. 1.....	371,246.09
	<u> </u>
	\$ 4,232,379.90

(Continued on Next Page)

Schedule "A" (Continued)

ACCOUNTS RECEIVABLE

Draft Collections.....	\$ 168,455.73	
Trade Accounts, Claims, etc.....	121,060.98	
Season 1930-1931 Pool—Net Advances.....	54,122.00	
Trust Agreement—Terminal Elevator No. 1.....	371,246.09	
	<u>714,884.80</u>	\$ 714,884.80

DUE FROM PROVINCIAL POOLS

Realization of 1929-1930 Pool:

Wheat Division.....	\$ 9,057,658.96	
Coarse Grains Division.....	3,014,117.08	
	<u>\$12,071,776.04</u>	
Advances to Provincial Pools in respect of Administrative Expenses.....	1,229,344.14	
	<u>\$13,301,120.18</u>	
Less Realization of 1928 Pool—Wheat.....	3,483,162.16	
	<u>\$ 9,817,958.02</u>	\$ 9,817,958.02

MEMBERSHIPS AND SHARES

FURNITURE AND EQUIPMENT:

Office Furniture and Equipment.....	\$ 68,185.48	
Laboratory Equipment.....	14,163.43	
	<u>\$ 82,348.91</u>	\$ 82,348.91

DEFERRED CHARGES:

New Building Alterations and Equipment.....	\$ 9,833.40	
Automatic Samplers.....	9,090.35	
	<u>\$ 18,923.75</u>	\$ 18,923.75

\$61,299,485.54

CAPITAL STOCK:

Subscribed and Fully Paid

1,500 Shares of \$100.00 each..... \$ 150,000.00

\$61,299,485.54

Schedule "B"
CANADIAN CO-OPERATIVE WHEAT PRODUCERS LIMITED
ADMINISTRATIVE EXPENSES August 31st, 1930

	Winnipeg	Calgary	Total	Vancouver	Toronto	Montreal	New York	London	Total Branches	Total Adminis- tration
<i>Administrative:</i>										
Office Supplies and Stationery.....	10,406.36	888.41	11,294.77	401.86	885.45	1,386.75	345.30	643.03	3,662.39	14,957.16
Office Travelling Expense.....	7,100.98	876.90	7,977.88	1,217.90	882.18	1,400.75	144.75	1,678.92	5,324.50	13,302.38
Salaries.....	193,559.73	33,723.00	227,282.73	18,290.82	13,784.05	23,276.83	18,575.05	30,956.38	104,883.13	332,165.86
Rent and Light.....	29,076.76	2,709.20	31,785.96	1,800.00	2,220.00	2,055.20	3,387.73	3,207.48	12,670.41	44,456.37
Telegraph and Telephone.....	9,442.92	706.83	10,149.75	1,597.03	3,240.81	2,057.36	1,117.96	2,389.96	10,403.12	20,552.87
Office Expense.....	6,420.76	2,264.35	8,685.11	348.47	911.53	1,451.27	1,083.35	1,026.71	4,821.33	13,506.44
Postage and Express.....	1,437.37	483.70	1,921.07	270.00	894.64	404.86	134.32		1,703.82	3,624.89
Legal Fees.....	22,877.65		22,877.65					459.90	459.90	23,337.55
Audit Fees.....	17,500.00		17,500.00							17,500.00
Group Insurance.....	1,129.42		1,129.42							1,129.42
Sales Extension—Coarse Grains.....	3,932.83		3,932.83							3,932.83
Depreciation on Furniture & Equipment	6,727.70	640.46	7,368.16	154.93	284.70	290.28	223.83	223.31	1,177.05	8,545.21
<i>Executive:</i>										
Directors' Fees & Travelling Expenses	13,303.85		13,303.85							13,303.85
Directors' Fees and Travelling Expenses Special.....	7,322.99		7,322.99							7,322.99
Interprovincial Meeting.....	5,756.95		5,756.95							5,756.95
<i>Publicity and Statistics:</i>										
Publicity Department.....	51,500.34		51,500.34							51,500.34
Statistical and Research Department...	37,817.68		37,817.68							37,817.68
<i>Observation Office:</i>										
Argentine.....	11,313.25		11,313.25							11,313.25
<i>Less—Gross Branch Earning.....</i>	<u>436,627.54</u>	<u>42,292.85</u>	<u>478,920.39</u>	<u>24,081.01</u>	<u>23,103.36</u>	<u>32,323.30</u>	<u>25,012.29</u>	<u>40,585.69</u>	<u>145,105.65</u>	<u>624,026.04</u>
				<u>54,232.36</u>	<u>49,684.73</u>	<u>45,598.49</u>	<u>31,582.48</u>	<u>60,111.86</u>	<u>241,209.92</u>	<u>241,209.92</u>
<i>Net Administrative Expenses.....</i>	<u>436,627.54</u>	<u>42,292.85</u>	<u>478,920.39</u>	<u>(30,151.35)</u>	<u>(26,581.37)</u>	<u>(13,275.19)</u>	<u>(6,570.19)</u>	<u>(19,526.17)</u>	<u>(96,104.27)</u>	<u>382,816.12</u>

ALLOCATED THUS: Season 1928-29 Pool, \$121,912.97; Season 1929-30 Pool, 197,144.79; Coarse Grains, 59,716.88; Ontario Pool, 4,041.48. Total, \$382,816.12

Schedule "C"

CANADIAN POOL AGENCIES LIMITED BALANCE SHEET, as at August 31st, 1930

ASSETS

<i>Agency Assets</i>		\$163,949.20
Funds.....	\$ 68,705.72	
Deposit Account—Canadian Co-operative Wheat Producers Ltd.	35,000.00	
Insurance Accounts Receivable.....	60,243.48	
	<u>\$163,949.20</u>	
<i>Shareholder's Assets</i>		\$214,291.97
Funds.....	\$ 41,941.31	
In Bank.....	\$ 40,892.41	
On Hand.....	1,048.90	
	<u>\$ 41,941.31</u>	
Deposit Account — Canadian Co-operative Wheat Producers Ltd.	\$165,000.00	
Accounts Receivable.....	1,930.57	
Membership Deposit.....	200.00	
Furniture and Fixtures.....	5,220.09	
	<u>\$214,291.97</u>	
		<u>\$378,241.17</u>

LIABILITIES

<i>Agency Liabilities</i>		\$163,949.20
Insurance Companies.....	<u>\$163,949.20</u>	
<i>Shareholders' Liabilities and Surplus</i>		\$214,291.97
Accounts Payable.....	\$ 8,635.89	
Reserve for Cancellations.....	1,941.12	
Reserve for Income Tax.....	8,006.80	
Capital and Surplus.....	195,708.16	
Capital Stock.....	\$ 20,000.00	
Reserve Account..	94,078.11	
Surplus Account...	81,630.05	
	<u>\$195,708.16</u>	
		<u>\$214,291.97</u>
		<u>\$378,241.17</u>

