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ANNUAL REPORT

1951-1952



ISSUED BY
ALBERTA WHEAT POOL
CALGARY, ALBERTA

DECEMBER, 1952

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ALBERTA WHEAT POOL

Annual Report

1951-1952



ISSUED BY
ALBERTA WHEAT POOL

BOARD OF DIRECTORS

Ben S. Plumer, Chairman	Bassano
A. T. Baker, Vice-Chairman	Nemiscam
G. G. Coote	Nanton
Lew Hutchinson	Duhamel
W. J. Blair	Naco
G. L. Harrold	Lamont
W. R. Mueller	Spirit River



DELEGATES

LETHBRIDGE—District A.

A 1. (a)	Madill, Herbert A.	60091	Foremost
A 2. (ra)	Blackmer, Russell	46434	Coutts
A 3. (ra)	Oliver, W. A.	60602	Warner
A 4. (nn)	Redd, Paul H.	18734	Raymond
A 5. (ra)	Lee, Lester W.	12947	Woolford
A 6. (ra)	Davidson, Edwin N.	61209	Coaldale
A 7. (ra)	Nyhof, Gerrit	61000	Monarch
A 8. (ra)	Malm, Nelson	31976	Vauxhall
A 9. (e)	xEgan, Alfred	68422	Bow Island
A 10. (re)	Montgomerie, T. S.	50655	Hilda

CALGARY—District B.

B 1. (e)	Pelletier, George E.	64025	Pincher Creek
B 2. (ra)	Walker, Gordon B.	73156	Claresholm
B 3. (ra)	Montgomery, Homer I.	53825	Nanton
B 4. (ra)	Morrison, W. S.	54846	High River
B 5. (a)	Colwell, Charles O.	29544	Dalemead
B 6. (e)	xRosenberger, O. Keith	60024	Balzac
B 7. (ra)	Bell, R. C.	1588	Carstairs
B 8. (ra)	Thompson, S. E.	22811	Carmangay
B 9. (nn)	Fox, S. H.	7109	Herronton
B 10. (nn)	Bertrand, V. J.	1810	Milo

DRUMHELLER—District C.

C 1. (ra)	Frey, Jake	7263	Arneson
C 2. (ra)	Pearce, J. M.	27078	Carolside
C 3. (e)	xRegehr, Gustav	59742	Brooks
C 4. (ra)	Petersen, T. A.	29309	Rosedale
C 5. (ra)	Wheatley, J. M.	24466	Chancellor
C 6. (ra)	Cammaert, Emile	35501	Rockyford
C 7. (e)	xBates, A. C.	73708	Acme
C 8. (a)	xOfford, Robert D.	73743	Morrin
C 9. (a)	Hoppins, Frank J.	65873	Huxley
C 10. (ra)	Taggart, H. L.	56363	Olds

RED DEER—District D.

D 1. (re)	Anderson, Ezekiel	436	Excel
D 2. (ra)	Massam, R. R.	14139	Sedalia
D 3. (a)	Paetz, John T.	62427	Big Stone
D 4. (nn)	Nelson, Edward	16454	Craigmyle
D 5. (a)	McBride, J. A.	62313	Byemoor
D 6. (re)	Judd, S. S.	11486	Stettler
D 7. (re)	Domoney, Fred	5566	Penhold
D 8. (nn)	Armstrong, Mark	709	Lacombe
D 9. (a)	Murray, James	82130	Eckville
D 10. (ra)	Haarstad, Alfred B.	30752	Bentley

CAMROSE—District E.

E 1. (a)	Fawcett, George G.	47033	Consort
E 2. (nn)	Smith, George F.	61111	Provost
E 3. (ra)	Hallett, John	8662	Fleet
E 4. (nn)	Wallsten, Gustav A.	63804	Amisk
E 5. (ra)	Oberg, Gerald	16900	Forestburg
E 6. (nn)	Hayes, Charles P.	9290	Strome
E 7. (e)	xHaner, Raymond M.	42732	Red Willow
E 8. (ra)	Johnson, Arne	62168	Camrose
E 9. (ra)	Johnson, Charles A.	69802	Ponoka
E 10. (ra)	Howes, T. H.	10280	Millet

VEGREVILLE—District F.

F 1. (nn)	Murray, John T.	63264	Chauvin
F 2. (re)	Dobson, Parke	60982	Paradise Valley
F 3. (ra)	Davies, George H.	62999	Lloydminster
F 4. (e)	xJackson, James	60986	Irma
F 5. (ra)	Bennett, George	1655	Manville
F 6. (re)	Kokotailo, Tom	12152	Willingdon
F 7. (ra)	Moen, E. A.	14776	Tofield
F 8. (ra)	Ziegler, George	44725	Vegreville
F 9. (ra)	Alton, Willmot	40992	Ft. Saskatchewan
F 10. (e)	xTessier, Maurice	69066	St. Paul

EDMONTON—District G.

G 1. (re)	Romanchuk, Steve S.	60410	Smoky Lake
G 2. (e)	xEwasiw, William	68304	Egremont
G 3. (re)	Antonson, Carl	657	Pibroch
G 4. (ra)	Rigney, W. Frank	79476	Gibbons
G 5. (ra)	Lewis, E. R.	60357	Winterburn
G 6. (ra)	Paterson, Charles P.	68926	Mayerthorpe
G 7. (ra)	Powell, Uri	18284	Sexsmith
G 8. (re)	Hadland, Arthur R.	59388	Baldonnel, B.C.
G 9. (ra)	White, Frank	68571	Spirit River
G 10. (nn)	McAuley, W. H.	15512	Fairview

(a) Elected by Acclamation.

(ra) Re-elected by Acclamation.

(e) Elected.

(re) Re-elected.

(nn) No Nomination.

(x) Delegates elected in 1952 who did not serve in that capacity in 1951.

REPORT OF BOARD OF DIRECTORS

ALBERTA WHEAT POOL

— to —

THIRTIETH ANNUAL MEETING OF DELEGATES

NOVEMBER 25th, 1952

Gentlemen:

Snowfall over the greater part of Alberta during the winter of 1950-51 was heavier than normal. This melted rapidly in the early spring and was readily absorbed into the soil. Temperatures during the month of April were below normal and the land dried very slowly, as a result of which only 2% of the Alberta wheat acreage was sown by the end of the first week in May (as compared with 40% in normal years); this area so sown being confined to the south eastern corner of the Province. As April merged into May, heavy rains fell throughout the Province, still further retarding seeding operations but adding copiously to the supply of subsoil and surface moisture to the point where erosion occurred on summerfallow land, most serious of which was in an area centering on Drumheller. Changeable, showery weather prevailed over most of the Province during the second and third weeks of May, precipitation during the first three weeks of May being nearly double that of normal years. Seeding operations were thereby seriously retarded.

The fourth week of May brought fine weather and drying winds, and seeding operations speeded up and (with many outfits working around the clock) were practically completed by June 16th.

Somehow, during this dry period, most of the grain produced the previous year and which went through the winter unthreshed, was threshed and garnered.

Throughout June and July, continued rainfall maintained soil moisture well above normal. Between May 1st and July 21st, precipitation over the Province averaged 9.2 inches, as compared with 4.9 inches during the same period in 1950.

Many districts suffered heavy hail losses in 1951.

In most areas crops continued to develop to bumper proportions, giving promise of yields far above average. Harvesting was general over the Province by September 15th. A week later snow ranging up to ten inches in depth fell over the Province, accompanied by killing frost from which damage to grain was severe. While some harvesting was done in the northern part of the Province during the next two weeks, another snow storm occurred on October 14th and 15th, effectively halting harvesting for some time. Threshing operations were carried on sporadically during the remainder of the year as weather conditions permitted. Most winter threshed grain was tough and damp, and according to the official estimate of the Dominion Bureau of Statistics, 63% of the wheat, 69% of the oats and barley, and 64% of the flax, was threshed, leaving uncut, in the swath or stooked, an estimated 56,000,000 bushels of wheat and 71,000,000 bushels of coarse grains. Unusually fine dry weather throughout the month of April 1952, permitted the threshing of the bulk of this grain in a dry condition. An appreciable bushelage was lost throughout the winter and early spring from spoilage and the ravages of mice.

The percentage of the sown area in our Province which was later plowed under, haled out, cut for fodder, or otherwise abandoned as a source of threshed grain, with comparative figures for the previous year, is shown in the following table:—

Grain	1951 Percentage	1950 Percentage
Wheat	6	6
Oats	13	16
Barley	8	7
Rye	6	4
Flax	8	7

ACREAGE AND YIELD

The area, yield per acre and the volume of each of the various grains produced therefrom in Alberta in 1951 with comparative figures for the previous year, are shown in round figures in the following table:—

	— 1951 —			— 1950 —		
	Area Sown Acres	Yield Per Acre	Production in Bushels	Area Sown Acres	Yield Per Acre	Production in Bushels
Wheat	6,424,000	23.7	152,000,000	7,251,000	16.1	117,000,000
Oats	2,854,000	47.0	134,000,000	2,455,000	29.3	72,000,000
Barley	3,041,000	34.5	105,000,000	2,534,000	22.1	56,000,000
Rye	284,000	18.8	5,345,000	312,000	11.8	3,700,000
Mixed Grains	81,000	39.0	3,159,000	43,300	25.0	1,083,000
Flax	135,000	11.6	1,570,000	48,300	8.3	400,000

VARIETIES SOWN.

Of the area sown to wheat in our Province in 1951, (53½%) fifty-three and one-half percent was sown to Thatcher, 11.7% to Saunders, 12.9% to Marquis, 6.8% to Rescue, 5.4% to Garnet, and 3.6% to Red Bobs, the remainder being sown to various other less popular varieties of wheat.

Alberta's contribution to the total production of grain in Canada during the cereal year 1951-52, is shown below, with comparative figures for the previous year:—

	— 1951 —			— 1950 —		
	Can. Crop in Bushels	Alta. Crop in Bushels	Per- cent- age	Can. Crop in Bushels	Alta. Crop in Bushels	Per- cent- age
Wheat	552,657,000	152,000,000	27.5	461,664,000	117,000,000	25.3
Oats	488,191,000	134,000,000	27.4	419,930,000	72,000,000	17.1
Barley	245,218,000	105,000,000	42.8	171,393,000	56,000,000	32.6
Rye	17,647,000	5,345,000	30.3	13,333,000	3,700,000	27.7
Flax	9,897,000	1,570,000	15.9	4,686,000	400,000	8.5
Mixed Grains ..	68,509,000	3,159,000	4.6	74,190,000	1,083,000	1.4

QUALITY OF WHEAT

The 1951 wheat crop was one of the poorest in quality ever produced in Alberta. Frost before the grain was mature, and excessive rain and snow during the harvest season lowered grades and resulted in a large portion of the crop grading either tough or damp. Much of the crop remained in the fields over winter and was not harvested until the spring of 1952.

The following table, covering deliveries to Alberta Pool Elevators during the 1951-52 crop year, shows the percentage of wheat in the main grades, with comparative figures for the 1950 crop:—

	— 1951-52 —			— 1950-51 —		
	Straight	Tough & Damp	Total	Straight	Tough & Damp	Total
1 Northern .....	.45	.....	.45	12.94	.02	12.96
2 Northern	5.23	.51	5.74	23.58	.40	23.98
3 Northern	13.67	5.75	19.42	16.48	1.96	18.44
4 Northern	10.08	10.77	20.85	10.04	2.87	12.91
No. 5	12.23	12.58	24.81	11.67	3.81	15.48
No. 6	15.37	3.65	19.02	5.48	1.49	6.97
Feed	3.12	.47	3.59	2.03	.67	2.70
Other Grades .....	.....	.....	6.12	.....	.....	6.56

Protein Content, 1951 Crop.

The average protein content by grades of the wheat produced in 1951 in the three prairie Provinces, as determined by the Board of Grain Commissioners, was as follows:—

Grade	Manitoba %	Sask. %	Alberta %	Western Canada %
1 Northern .....	.....	14.0	13.1	13.3
2 Northern	12.9	14.2	13.5	13.9
3 Northern	13.0	13.9	13.1	13.6
4 Northern	13.2	13.7	12.8	13.4
4 Special .....	.....	17.1	.....	17.1
2 Garnet .....	.....	11.8	11.9	11.9
3 Garnet .....	.....	12.2	11.8	11.8
All Grades	13.0	13.8	13.0	13.6

FARM LABOUR.

The demand for farm help was strong in the fall of 1951 and competent farm labourers were few. The Alberta Department of Agriculture co-operated with the Department of Labour at Ottawa in organizing the movement of available farm workers and in placing immigrant farm workers on Alberta farms. The local supply of labour was augmented by 936 harvesters from Eastern Canada and 650 service men on harvest leave. The frequent disruptions to harvest operations by intermittent rains made it difficult to use the available supply of labour to good advantage. Harvest wages reached an all-time high, beginning at about \$7.50 per day, plus board and room, and proceeding upward to as high as \$1.00 per hour for threshing.

The Report of the Alberta Department of Agriculture for the year 1951 contains this significant sentence:—

"The continued drift of workers into industry creates an increasingly difficult situation in providing labour for farms. It is debatable whether or not farmers can hope to compete with industry in the matter of housing accommodation, social life, wages, unemployment insurance and workmen's compensation benefits."

WORLD SUPPLY AND DEMAND, 1951-52

It will be recognized that the relationship between total world production of, and total "effective" demand for, wheat in the world, determines in large degree whether the market for that commodity will be "bearish" or "bullish" in any given year. That the "actual" demand for wheat throughout the world is increasing from year to year is evident from the fact that while world population is increasing at the rate of 20,000,000 a year, the volume of wheat produced throughout the world is increasing very slowly, if at all. While various agencies, chief among which is the Food and Agriculture Organization, are working assiduously to convert "actual" demand into "effective" demand, the results are microscopic compared with the magnitude of the problem of feeding the starving millions of under-privileged people in less favoured parts of the world. It is hoped that the work of such International Organizations will continue and expand in the best interest of both the wheat producers and bread consumers of the world.

The volume of wheat produced in 1951 by the seven main wheat producing areas of the world, as compared with that of the previous year, and the average annual production for the five-year period, 1935 to 1939 inclusive, is shown in the following table:—

	1951 (Millions of Bushels)	1950 (Millions of Bushels)	1935-1939 (Millions of Bushels)
North America	1564	1509	1086
Europe	1580	1520	*1592
U.S.S.R.	1100	1110	1240
Asia	1610	*1550	*1490
South America	165	* 275	* 280
Oceania	169	* 188	* 176
Africa	158	* 153	* 144
 Totals	 6346	 6305	 6008

*—Revised figures.

It will be apparent from these figures that of the total of 6,346,000,000 bushels of wheat produced in 1951, North America's contribution amounted to 24.6 percent, as compared with 24.4% of the total in 1949 and 23.8 percent of the total in 1950.

Supplies of wheat in the four principal wheat exporting countries as at the respective dates shown, together with figures for the previous year, were as follows (in millions of bushels):—

	Carryover at Beginning of Crop Year 1951-52	Production Crop Year 1951-52	Total Supplies 1951-52	Total Supplies 1950-51
(1) United States	396.2	987.5	1383.7	*1453.7
(2) Canada	*189.2	552.7	741.9	* 573.9
(3) Australia	19.5	161.4	180.9	* 228.1
(3) Argentina	11.0	75.3	86.3	* 220.4
	 615.9	 1776.9	 2392.8	 *2476.1

(1)—as at June 30th, 1951.

(2)—as at July 31st, 1951.

(3)—as at November 30th, 1951.

(*)—revised from last year.

(All figures supplied by U.S. Department of Agriculture.)

According to "The Wheat Review" published by the Dominion Bureau of Statistics last August, the supplies of wheat remaining on or about August 1st, 1952, in the four major exporting countries amounted to 1093.5 million bushels, which is fifteen percent greater than the 947 million bushels available a year ago. The volume held by each country at the end of their respective crop years, with comparative figures for the previous year, are as follows:—

	At End of Crop Year 1952	At End of Crop Year 1951
U.S.A.	834,300,000	670,200,000
Canada	212,974,714	*189,200,000
Australia	42,700,000	55,700,000
Argentina	3,500,000	31,900,000
	 1,093,474,714	 947,000,000

*—Revised figure.

This represents an increase in the volume of wheat held by these four countries collectively of 146,474,714 bushels over that of the previous year.

Disposition of Canadian Supplies.

According to the Dominion Bureau of Statistics, Canada's supplies of wheat were disposed of in the following manner:—

Total supplies	741.9 million bushels
Exported under I.W.A.	241.6
Exported outside I.W.A.	114.5
	356.1
Used for domestic human consumption, seed, feed, etc.	172.8
Carryover at year end	213.0
	741.9 millions of bushels

Our exports of 356.1 million bushels exceeded those of the previous year (241.6 million bushels) by 114.3 million bushels, and our carryover increased from *189.2 million bushels on July 31st, 1951 to 213.0 million bushels as at July 31st, 1952—an increase of 23.8 million bushels.

*—Revised figure.

CANADA'S WHEAT CARRYOVER AS AT JULY 31st, 1952

It is of interest to note that this carryover (approximately 213,000,000 bushels of wheat), as at July 31st, 1952, was located as follows:—

On farms	19,262,000 bushels
In country elevators	94,946,931 "
In private and mill elevators	4,651,936 "
In interior terminal elevators	5,454,062 "
In Pacific Coast Terminals	6,613,771 "
In Churchill terminal elevator	2,251,181 "
In Fort William-Port Arthur terminals	13,699,828 "
In transit, Lake and Rail	24,332,426 "
In Eastern elevators	37,593,896 "
In Mills (Eastern and Western)	1,925,000 "
Total in Canada	210,731,031 "
In United States	2,243,683 "
Total Canadian Wheat Carryover	212,974,714 "

MARKETING POLICIES

In our report to you last year we referred to an amendment made to "The Canadian Wheat Board Act" by Parliament and assented to on March 1st, 1951, under which the Governor-in-Council was empowered to authorize the Canadian Wheat Board to make a cut-off in its accounts at the close of any pool period (July 31st in any year), to place a value (to be fixed by the Governor-in-Council) on stocks of wheat then remaining unsold, to transfer such stocks to the next pool year, and to make the final payment to producers on their deliveries to the pool so closed, thus facilitating an early final settlement on the wheat delivered in each pool year; and that, under that authority, 95,378,147 bushels of wheat were transferred from the 1950-51 pool to the 1951-52 pool. The Report of the Canadian Wheat Board for the 1950-51 crop year (a copy of which was mailed to each delegate on March 22nd, 1952) shows that of the total amount so transferred, 68,861,766 bushels were No. 5, No. 6 or Feed. Thus, this inventory of low grade wheat was in the hands of the Canadian Wheat Board even before the low grade crop of 1951 was harvested.

Notwithstanding this, and the added handicap of transportation problems, the Board did a very satisfactory merchandising job in marketing the crop of 1951.

1951-52 was the third year of the International Wheat Agreement. Under its terms, forty-two wheat importing countries undertook to buy in that year 580,917,000 bushels of wheat, and the four exporting countries undertook to sell 569,728,000 bushels. This represented about two-thirds of the total volume of wheat which annually moves into world trade.

According to latest reports received from the Canadian Wheat Board at time of writing this report, the commitments of the exporting countries were supplied as follows:—

	<u>Quantity Guaranteed</u>	<u>Volume Delivered</u>
Australia	72,000,000 bushels	** 71,157,000 bushels
Canada	238,490,000 "	* 241,653,000 "
France	4,089,000 "	** 4,086,000 "
U.S.A.	255,149,000 "	** 255,147,000 "
	<hr/> <u>569,728,000</u>	<hr/> <u>572,043,000</u>

*—as at August 5th, 1952.

**—as at August 1st, 1952.

DELIVERY QUOTAS.

When the new crop year opened on August 1st, 1951, the Canadian Wheat Board announced that delivery quotas in wheat, oats, barley, rye and flaxseed would be left "open" pending further notice, but all deliveries of wheat, oats and barley were required to be registered in the growers' 1951-52 Permit Book, and that until such time as initial payment schedules were published, growers would be given storage tickets to be surrendered by them to the Elevator Company concerned on receipt of cash settlement based on the then prevailing initial payments.

On August 10th, 1951, initial delivery quotas of six bushels per seeded acre were established at all points in Saskatchewan, Alberta and British Columbia stations within the designated area on wheat, oats, barley and rye. There were no quota restrictions on deliveries of flaxseed during the year.

As the harvest progressed and space became available at certain points, this quota was increased, and on September 25th an important change was instituted by the Canadian Wheat Board, effective October 1st, 1951, under which, at delivery points where the quota had been increased to eleven bushels per seeded acre, such points automatically became alternative delivery points at which producers could deliver wheat up to the quota then in effect at such points even though such points were not designated in their respective Permit Books. On November 1st, 1951, this privilege was extended to include oats, barley and rye. All such deliveries, of course, were recorded in the respective grower's Permit Books.

On April 16th, 1952, all delivery quotas on rye were removed and producers were permitted to deliver rye without limitation to the extent that space was available. However, all such deliveries were required to be entered in the grower's Permit Book.

TRANSPORTATION

With a carryover from the previous year of wheat and coarse grains (much of which required to be dried) already in store on farms, in country elevators and interior terminal elevators in Western Canada, and with one of the biggest crops Western Canada ever harvested in prospect, the problem of transportation loomed large among the many worries of our Western grain producers in the fall of 1951. With a view to alleviating these conditions and at the same time maintaining a proper balance between the movement of grain and the movement of commodities associated with Canada's military defence effort, the Government of Canada, on August 29th, 1951, passed Order-in-Council No. 4535 providing for the appointment of a Transport Controller and one or more Deputy Transport Controllers, with wide powers to the Controller to regulate the movement of bulk commodities (such as grain, ores, metals, sand, stone, gravel, pulpwood and coal) by water or

by rail. Mr. Roy W. Milner, a well known Grain Company Official and a member of the Board of Grain Commissioners, was appointed as Transport Controller; and Mr. W. J. Fisher, a former employee of our own Organization and later Traffic Chief for the Maritime Commission, was appointed as Deputy Transport Controller. These men, working in close collaboration with the Canadian Wheat Board, did much to expedite the movement of grain during the critical months that followed.

The movement of our grain down the Great Lakes was facilitated by the courtesy of the United States Government in permitting Canadian Great Lakes freighters to carry Canadian grain between U.S. Lake Ports, at which a considerable quantity of Canadian out-of-condition grain was dried.

Of the grain which had been threshed before winter set in, 186 million bushels of tough and damp wheat, oats and barley had been delivered under quota regulations to country elevators. Thus, as winter merged into spring, the problem of moving these stocks of out-of-condition grain to terminals where it could be dried became urgent.

During the months of February and March, 1952, quota restrictions on wheat, oats and barley were removed at selected points from time to time, and at all other points such restrictions were suspended by the Board pending requests by growers for re-imposition of quotas. Notwithstanding the fact that (as previously stated in this report) excellent harvesting weather prevailed throughout the month of April, it was not found necessary to make use of the quota system during the remainder of that crop year, although elevator agents were required to record all deliveries in the growers' respective Permit Books.

PAYMENTS ON WHEAT, 1951-52 POOL.

Early in the month of May, 1951, The Canadian Wheat Board announced that the initial payment to producers on wheat delivered during the crop year 1951-52 would be \$1.40 per bushel, basis One Northern in store Fort William or Vancouver. On February 1st, 1952, the initial payment was increased to \$1.60 per bushel and an interim payment equivalent to this increase was distributed by the Board on deliveries made prior to that date.

An average final payment of about 25c per bushel on wheat has been authorized by the Department of Trade & Commerce. Payment will be made to producers in the sum of \$114,585,112. Distribution is hoped to be completed by December 31st, 1952.

Financial returns from the export of wheat as well as that of other products were substantially reduced because of the rise in value of the Canadian dollar following the freeing of same by the federal government. The greater the premium position of the Canadian dollar the fewer dollars we get for our wheat. When that premium position was 4 per cent it meant that wheat sold under the maximum price under the International Wheat Agreement, namely, \$1.80 brought less than \$1.73 in Canadian money. In earlier years of the agreement when our dollar was at a 10 per cent discount we obtained a \$1.98 in Canadian money for wheat exports thereunder. Canada is the fourth largest exporting nation in the world. A premium position of our money hinders exports and reduces the returns to Canadian people. In the opinion of your directors the welfare of Canada would be better served if measures were taken to prevent the Canadian dollar from reaching a premium position.

OATS AND BARLEY.

During the year all oats and barley delivered by producers (except that portion which changed hands in "farm to farm" or "farm to feeder" transactions) was marketed by or through The Canadian Wheat Board. Initial payments were established as follows:—

On oats—65c per bushel, basis 2 C.W. in store Fort William or Port Arthur;
On barley—96c per bushel, basis 3 C.W., 6-Row, in store Fort William or Port Arthur.

On March 1st, 1952, the payment on barley was increased by 20c per bushel, and an interim payment equivalent to this increase was distributed by the Board on deliveries made prior to that date. No interim payment was made in respect to deliveries of oats.

On October 14th, 1952, the Canadian Wheat Board announced that, commencing October 15th, 1952, cheques would be mailed to producers covering the final payment on 133,135,187 bushels of oats delivered by them to the 1951-52 oat pool. The payment would aggregate \$24,746,258.79 and would vary according to grade, the payment on 2 C.W. oats being 18.614 cents per bushel, thereby bringing the total price realized by producers on that grade to 83.614 cents per bushel, basis Lakehead.

On the various grades, the amount of the final payment ranged from 17.585 cents per bushel on Damp No. 1 Feed to 46.872 cents per bushel on Sample Oats a/c Mildew, Musty and Heated. It is expected that the Board will announce the final payment on barley in the near future.

RYE AND FLAX.

Rye and flax were sold on the open market and the price of rye varied during the year from a low of \$1.68 $\frac{1}{2}$ per bushel on August 20th, 1951, to a high of \$2.23 $\frac{3}{4}$ per bushel on December 12th, 1951, basis 1 C.W., in store Fort William or Port Arthur.

The price of flax fluctuated between a low of \$3.48 per bushel on April 24th, 1952 and a high of \$5.22 per bushel on November 19th, 1951, in store Fort William or Port Arthur.

ADMINISTRATION

TARIFF OF HANDLING CHARGES.

The rates established by the Board of Grain Commissioners as the maximum charges for the handling and storage of grain in and through country and terminal elevators during the year under review were as follows:—

<u>Elevation Charges</u>	<u>Country Elevators (per bushel)</u>	<u>Ft. William, Port Arthur & Vancouver Terminal Elevators (per bushel)</u>
Wheat	2 $\frac{1}{8}$ c	2 $\frac{1}{8}$ c
Oats	2 $\frac{1}{8}$ c	2 $\frac{1}{8}$ c
Barley	2 $\frac{1}{8}$ c	2 $\frac{1}{8}$ c
Rye	2 $\frac{1}{8}$ c	2 $\frac{1}{8}$ c
Flax	4 $\frac{3}{4}$ c	3 $\frac{3}{4}$ c
Storage Charges—		
Country Elevators	1/30th of 1c per bushel per day after the first 15 days.	
Terminal Elevators	1/30th of 1c per bushel per day after the first 10 days.	

Shrinkage Allowance—Country Elevators—

	<u>Dry</u>	<u>Tough</u>	<u>Damp</u>
Wheat	3 $\frac{1}{8}$ %	3 $\frac{1}{4}$ %	1%
Oats	1 $\frac{1}{4}$ %	3 $\frac{1}{4}$ %	1%
Barley	1 $\frac{1}{4}$ %	3 $\frac{1}{4}$ %	1%
Rye	1 $\frac{1}{2}$ %	1%	1 $\frac{1}{2}$ %
Flax	1 $\frac{1}{2}$ %	2%	2%

During the year we operated on the basis of this schedule, except that we charged only 1/35th of 1c per bushel per day for storage at our country and/or terminal elevators, instead of the maximum of 1/30th of 1c per bushel.

COAL.

As a service to our members, 4607 tons of coal were sold through our facilities during the year, as compared with 4242 tons sold the previous year.

PLANT AND EQUIPMENT.

The cost of maintenance of our plant and equipment continued to rise during the year. In view of the limited funds available for the purpose, expenditures on new construction were limited in large degree to the building of annexes, details of which will be placed before you in the Report of the Manager and in the report of our subsidiary Company, Alberta Pool Elevators Limited.

OPERATING RESULTS.

After providing for bond interest and rental of facilities equivalent to depreciation on buildings and equipment, the net surplus from the year's operations amounted to \$2,413,173.02, as compared with the net surplus of the previous year of \$1,623,996.62.

DISPOSITION OF SURPLUS, 1950-51.

Delegates present who were in attendance at our last annual meeting will remember that in determining what disposition should be made of the surplus of \$1,623,996.62 resulting from our operations of the year 1950-51, it was decided to distribute approximately \$400,000.00 in cash as a patronage dividend to member patrons of that year, to credit member patrons with approximately \$1,040,000.00 in reserves, and to transfer the remainder of the surplus, after payment of income tax, to earned surplus account for capital expenditures and working capital. The policy so agreed upon was carried out in the following manner:—

(1) In payment of cash patronage dividends to member patrons	\$ 401,292.72
(2) In credits in reserves as patronage dividends to member patrons	1,043,409.03
(3) In payment of Dominion and Provincial income taxes	81,974.34
(4) Transferred to earned surplus account	97,320.53
	<hr/>
	\$1,623,996.62

Cheques covering the distribution of the above mentioned cash patronage dividend (item 1 above) were released to our elevator agents for distribution to member patrons on May 30th, 1952.

PURCHASE OF RESERVES.

The instructions of our delegates as expressed in a resolution passed by them at our last annual meeting, in respect to the purchase of reserves in a sum of \$1,040,000.00 from various classes of members, as well as a 35% rateable purchase from all reserve holders, were carried out.

Commercial and elevator reserves deductions (1923-1928) were fully purchased from estates of deceased members, from members without land, and from members down to and including those sixty-five years of age or over with land, whose applications were filed in this office on or before February 15th, 1952. An extension of the cut-off date from February 15th to May 15th, 1952, was authorized by your Board in respect to members not engaged in farming or possessed of land in order that payment covering the purchase of reserves in the current fiscal year would reach the authorized amount of \$1,040,000.00.

The reserves as purchased, were re-issued to member patrons as part of the patronage dividend payable on their deliveries of grain to pool elevators during the 1950-51 fiscal year in the sum of \$1,043,409.03.

The original 1923-1928 reserves amounting to \$8,467,830.71 accumulated through deductions for elevator and commercial reserves made under contracts between the growers and the pool from the proceeds from the sale of wheat delivered by growers are accounted for as follows:—

Original reserves standing to the credit of members and others	\$1,487,641.37
Allocated to members as patronage dividends to date	5,983,643.59
Purchased from members and held by Alberta Wheat Pool	996,545.75

Total	<hr/>
	\$8,467,830.71

From the above it will be noted that 82.43% of the reserves accumulated by members under their first and second series contracts have now been purchased at one hundred cents on the dollar, leaving 17.57% still outstanding. Under Section 46 of our Act of Incorporation no purchases may be made of the reserves accumulated by members by way of patronage dividends until such time as all of the reserves accumulated by members through deductions under their several Marketing Agreements (First and Second Series, 1923-1928) have been purchased under Section 40.

PROMOTIONAL ACTIVITIES

Throughout the year support was again given to various Organizations engaged in activities of a cultural and/or scientific nature designed to promote the welfare of agriculture. Not only does this tend to develop good citizenship and leadership among our farm young people, but it also encourages the application of better farm practises, both in and out of the home.

Very efficient work has again been demonstrated, with girls and boys taking a keen interest in Junior Club work, and splendid accomplishments being indicated as a result. Believing the time had arrived when farm youth groups should be recognized by a common title, the Canadian Council of Boys' and Girls' Clubs decided this year to adopt the name "4H Clubs", as used in the United States and some twenty other countries.

PUBLICITY

The publicity program of the Alberta Wheat Pool has been carried on along lines similar to those of the past few years, with the main objective being to reach as many grain growers in the province as possible. The general line of publicity is aimed at giving information on Pool policies and the operations of the Organization, and to induce grain growers to patronize Pool elevators. At all times it has sought to promote the development of the co-operative movement among Alberta's farm people.

Radio.

In the Pool's publicity work over the past year, main emphasis has been placed on the radio, with regular radio programs being sponsored as follows:—

CFCN Calgary—three newscasts each week day and two on Sunday;

CJCA Edmonton—newscast at 10 p.m. daily;

CFGP Grande Prairie—newscast at 10 p.m. daily;

CJOC Lethbridge—farm service broadcast at noon each week day.

In co-operation with the Alberta Livestock Co-operative, livestock prices and market comments are carried on the newscasts over CFCN and CFGP. These have proven to be a popular feature of the programs.

Once again a series of six addresses was carried over Radio Stations CFGP Grande Prairie and CJDC Dawson Creek, by the delegates, director and fieldman of the Peace River territory, and over Radio Station CKRD Red Deer, by the delegates, director and fieldman of the Red Deer District.

The Budget.

The Alberta Wheat Pool Budget was published throughout the year. Circulation is about 3500. We believe this publication is well read and is regarded as a concise and reliable source of information by those who receive it.

Pamphlets and Information.

Throughout the year the Publicity Department has made a distribution of hundreds of pamphlets on many subjects. There is a steady demand from schools for information regarding the handling and marketing of grain, and other agricultural subjects, and this Department has endeavoured to provide school children with this information.

During the year, three new pamphlets were published—"The Case Against the Speculative Marketing of Grain", "The Farmer's Viewpoint of the Crow's Nest Pass Agreement", and "The Story of Alberta's Wheat Clubs". Close to 5000 copies of these pamphlets have been distributed.

Newspapers and Periodicals.

Newspaper advertising was restricted largely to farm papers and country weeklies, with most of the ads appearing during the periods of heavy grain deliveries. Numerous requests were received for advertisement in prize lists, year books, special publications, etc. In general, these were met when the cost was not considered too high.

School Calendars.

Alberta Wheat Pool school calendars were printed again and 6500 copies were distributed, principally to Alberta's rural and town schools. Many favourable comments have been received regarding this calendar.

MEMBERSHIP

Enrolment of Members.

Application from grain producers to the number of 2330 for membership in our Association were received and granted by your Board during the year. The total number of growers who have joined our Association since March 31st, 1939 (when, by an amendment to our Act of Incorporation, provision was made whereby producers could become members by application under Section 6 thereof) is now 29,795, the total membership now being 55,201.

Cancellation of Memberships.

3,552 memberships were cancelled by resolution of the Board under Section 47 of our Act of Incorporation, and the memberships of 596 deceased members were terminated.

The total number of memberships now cancelled or terminated is 27,384.

COUNTRY MEETINGS

Country meetings numbering 307 were held throughout the Province during the year, as compared with 259 meetings held during the previous year. Total attendance was 21,130, or an average per meeting of 69.

ALBERTA MASTER FARM FAMILIES

The Alberta Department of Agriculture announced the fourth Annual Master Farm Family Award for 1952 to the undermentioned:—

Jesse F. Cole family, Clive
John Lambert family, Manning
E. R. Lewis family, Winterburn
J. H. Schmalz family, Beiseker
John Skrypitsky family, Mundare.

Our congratulations have been conveyed to these five families on the high honour which they have attained. It is with pride we can report that each of these five families is represented on the membership of Alberta Wheat Pool.

ELECTION OF DELEGATES

EVEN-NUMBERED SUB-DISTRICTS.

A general election was held in the even-numbered sub-districts last summer. Complete reports on the results thereof were furnished promptly to each candidate concerned and to all delegates. A postcard was also sent to each member in each of the thirty-five even-numbered sub-districts, advising him or her of the name and address of the delegate who then represented the members in his or her respective sub-district.

BY-ELECTIONS.

Four by-elections were held since our last annual meeting:—

Sub-district "C-3". Mr. Gustav Regehr of Brooks was elected.

Sub-district "C-7". Mr. A. C. Bates of Acme was elected.

Sub-district "E-7". Mr. Raymond M. Haner of Red Willow was elected.

Your Board declared the office of delegate in each of these sub-districts to be vacant owing to the untimely death of the incumbents concerned, and ordered the necessary by-elections to be held.

Sub-district "A-9". On June 2nd, 1952, Mr. Cecil W. Birney of Whitla, then sitting delegate for sub-district "A-9", resigned from that office for the reason that he had sold his farm at Whitla and had discontinued farming. On June 17th, 1952, his resignation was accepted by your Board and a by-election proclaimed. In the election which followed, Mr. Alfred Egan of Bow Island was elected.

BOARD OF DIRECTORS

Eleven regular meetings and three special meetings of your Board of Directors were held during the year. As Directors of our subsidiary Company, Alberta Pool Elevators, Limited, your Directors met eleven times in regular session and once in special meeting.

At a special meeting of the Board following our 1951 annual meeting, Mr. Plumer and Mr. Baker were re-elected as Chairman and Vice-Chairman, respectively, of Alberta Wheat Pool, and Messrs. Plumer, Blair and Baker were elected as our representatives on the respective Boards of Canadian Co-operative Wheat Producers, Limited, Canadian Pool Agencies, Limited, and Pool Insurance Company.

IN MEMORIAM

During the year which has passed since our last annual meeting we have learned of the passing of seven former delegates.

On December 28th, 1951, Mr. James A. Baird of Red Willow, who served as delegate for sub-district "E-8" in 1928, for sub-district "D-10" during the years 1929 to 1945, and for sub-district "E-7" from 1945 to the date of his death, died suddenly at his home.

On January 31st, 1952, Mr. E. H. Van Wart died in a Calgary hospital, having retired to this city from his farm at Grainger on account of ill health. In 1944 he was first elected by his fellow Wheat Pool members in sub-district "C-8" as delegate for that sub-district, and continued until his death in that capacity, although, since 1945, as the result of a revision of sub-district boundary lines in 1944, that sub-district has since been designated as "C-7".

On March 12th, 1952, Mr. N. L. Eliason of Wrentham, who represented the members in sub-district "A-3" as delegate for an unbroken period of eighteen years (1926 to 1944) passed away.

On May 28th last, Mr. William Hallum of Sedgewick died at the ripe age of eighty-nine years. Older delegates present will have pleasant memories of fellowship with this friendly Scottish giant who represented our members in sub-district "F-7" during the years 1925, 1926 and 1927.

On April 21st, 1952, Mr. Thomas Bullock, formerly of Lougheed but more recently of Edmonton, passed away. Mr. Bullock was delegate for sub-district "F-7" during the years 1943 and 1944, and when, as a result of the redistribution of boundary lines in the latter year, that sub-district became designated as "E-4", he continued to represent the members therein during the three succeeding years—1945, 1946 and 1947.

On Wednesday, July 30th last, Mr. J. J. Strang died in the hospital at Magrath at the age of seventy-one years. Mr. Strang served as delegate for sub-district "B-3" during the years 1925, 1926 and 1927, and as Director for District "B" during the period, January 22nd, 1927 to November 26th, 1936. Just a few days prior to his death, Mr. Strang visited our Board Room while your Board was in session, indicating his continued interest in the work to which he had devoted so many years.

On October 1st, 1952, Mr. John Ray Adams of Lougheed died. When the Alberta Wheat Pool was organized in the fall of 1923, Mr. Adams was elected to represent the Contract signers as one of the delegates for District "F", the division by sub-districts not then being in effect. After a lapse of eleven years he was again elected as delegate for sub-district "F-7" and continued in that office continuously for a period of nine years.

The farmers of our Province owe a debt of gratitude to these men, many of whom helped to organize our Association and to guide it through the pioneering years. To those who are bereaved by their passing, our sympathy is extended.

It is with regret that the death of J. T. Hull of Winnipeg, on October 19th, 1952, is herewith recorded. As Publicity Director of the Manitoba Wheat Pool, and later as Secretary of the Canadian Wheat Pool, John Hull made an outstanding contribution to the farmers' co-operative movement in Western Canada. He had a depth of knowledge of the ideals and practice of co-operation, dating back to his boyhood days in Great Britain, unequalled by anyone in Canada.

INTERPROVINCIAL AND INTERNATIONAL RELATIONS

The Alberta Wheat Pool, through its membership in the Alberta Federation of Agriculture, is also a member of The Canadian Federation of Agriculture. The Canadian Federation of Agriculture is a nation-wide Organization, its membership including farmer educational groups and farmer co-operative Associations from every Province. The sixteenth annual convention was held in Montreal on January 22nd to 24th, inclusive. At these annual conventions farmer problems in every part of Canada are brought up from local Organizations through Provincial and sectional groups. Full discussion takes place on the convention floor, and in most instances a final decision is arrived at.

The Canadian Federation of Agriculture is a member of the International Federation of Agricultural Producers, a world Organization of farmers from some twenty-eight nations. The fifth convention of the I.F.A.P. was held in Mexico City in the spring of 1951. The next meeting, according to present plans, will be held in Rome, Italy, in the spring of 1953. The I.F.A.P. offers an opportunity to farmers from all over the world to have their problems presented and discussed through an open convention. In these troublous times when increased food production, improved methods of marketing, and the welfare of agriculture all over the earth, are of primary importance to the free world, the importance of the operations of the I.F.A.P. cannot be underestimated. The Organization works in close association with the Food and Agricultural division of the United Nations, with the idea of introducing modern methods of agricultural operations in backward countries so that more food will be made available to hungry people. At the same time, both the I.F.A.P. and the F.A.O. are concerned with developing plans whereby the abundance produced by agriculture will not be used as a club to beat down prices.

The rapidity of travel and speed in inter-communications have resulted in a decrease of isolation. All over the world nations are now close neighbours. It has become more evident that the good or ill of one is the good or ill of all. Therefore, it is important that Canadian agriculture must take a leading part in the operations of such a world Organization as International Federation of Agricultural Producers.

STAFF

We take this opportunity to record our appreciation of the close co-operation between all Departments of our Organization and the services rendered by individual members of our staff.

All of which is respectfully submitted.

BEN S. PLUMER,
A. T. BAKER,
LEW HUTCHINSON,
W. J. BLAIR,
G. G. COOTE,
G. L. HARROLD,
W. R. MUELLER.

REPORT OF THE MANAGER

— to the —
THIRTIETH ANNUAL MEETING OF DELEGATES
November 25th, 1952

To the Chairman and Delegates,
Alberta Wheat Pool.

Gentlemen:

Re: Operations Alberta Wheat Pool, 1951-52 Season

COUNTRY ELEVATORS

The 1951 crop provided the greatest volume of grain handled through Alberta Pool elevator facilities in any one year in the history of our Organization. Receipts of grain through our country elevators and over shipping platforms in the season 1951-52 totalled 76,927,178 bushels. The highest in any previous year was 53,575,595 bushels in 1948-49. Details of the deliveries of the various grains by producers in 1951-52 are as follows:

	Elevator Receipts	Platform Shipments	Total
Wheat	46,327,084	63,586	46,390,670
Oats	12,773,842	24,470	12,798,312
Barley	15,976,011	10,934	15,986,945
Flax	324,726	.....	324,726
Rye	1,426,525	.....	1,426,525
	<hr/> 76,828,188	<hr/> 98,990	<hr/> 76,927,178

Net receipts of all grains during the past season averaged 158,083 bushels per elevator. In the previous season receipts of all grain through our elevators and over platforms totalled 50,727,822 bushels, with an average of 103,904 bushels per elevator.

The large handling of the season 1951-52, is accounted for mainly by the production and successful harvesting and marketing of the 1951 crop, one of the largest in total bushels ever produced in this province. Weather conditions prevented complete harvesting in the fall and in consequence, about one-third of the crop was left in the fields over the winter. The urgency of moving a crop, badly weathered and with high moisture content, was recognized early in the season and all agencies concerned combined to provide a constant flow of grain to terminals where drying facilities were operated to capacity. As a result farmers were able to deliver most of their grain to elevators, thus minimizing loss by spoilage on the farms. Practically all of the crop produced in Alberta in 1951 was either consumed on farms or marketed during the 1951-52 crop year which resulted in exceptionally high handlings by elevator facilities.

It was anticipated that some reduction would occur in our percentage of the crop handled in the crop year 1951-52 because of the unusual demands on all available storage space. The congestion thus resulting in our own elevators prevented acceptance of all of the grain offered by our members. Grain delivered to our elevators amounted to 34.11% of all grains delivered by producers in Alberta in 1951-52 which we consider to be very satisfactory under the circumstances when compared with 34.70% in 1950-51.

At the commencement of the 1951 crop season we owned 486 country elevators which were available for the handling of the 1951 crop. One elevator was not operated and ten others were closed for various reasons for a period of one month or more.

Stocks of grain in country elevators and annexes on July 31st, 1952 amounted to 21,420,169 bushels. Due to the congested condition of our elevators throughout the year, it was impossible to obtain cut-offs at more than 178 elevators between January 1st and July 31st, 1952. For these reasons the results of weighing and grading over the whole system could not be accurately stated. Where weigh-ups

were completed it was indicated, with few exceptions, that the weighing of grain by our agents had been consistent with our established weighing policy.

Early in the year it was realized that serious losses were possible because of improper grading and while constant supervision is maintained over grading at all times, it was intensified during the past season. Inventories submitted by agents at the year end have been carefully scrutinized by our superintendents. Known losses and gains have been taken into account, but while we feel satisfied that no substantial changes will occur in our inventory, no accurate statement can now be made with regard to grade losses or gains during the season 1951-52.

TERMINALS

Terminal facilities owned by this organization consist of one terminal at Vancouver with a capacity of 5,150,000 bushels and one at Port Arthur of approximately 2,000,000 bushels capacity.

Shipments from Alberta Pool country elevators unloaded in Vancouver terminals totalled 26,000,000 bushels. The Canadian Wheat Board ordered shipment of 22,000,000 bushels from Saskatchewan Pool Elevators to Vancouver in our care. From these shipments the Pool terminal at Vancouver unloaded 42,996,237 bushels, a record handling for that elevator. The remainder, which could not be handled at our terminal, was diverted to other terminals at Vancouver under an agreement for payment to us of a diversion premium.

Saskatchewan Pool wheat was handled under an arrangement whereby our association paid a diversion premium and received a service charge for the handling of documents in connection with deliveries to the Canadian Wheat Board covering shipments from Saskatchewan Pool Elevators.

The receipts of grain at the Vancouver terminal totalling 42,996,237 bushels consisted of 38,687,647 bushels of wheat and 4,308,590 bushels of coarse grains as well as 19,718 tons of screenings. The volume handled during the previous season was 23,932,046 bushels of wheat and coarse grains and 16,310 tons of screenings.

As mentioned in the last two annual reports, the province of British Columbia, pursuant to a provision of the Workmen's Compensation Act, adopted regulations for terminal elevators effective as from September 1st, 1950 which required drastic changes with respect to ventilation equipment as well as dust control installations in terminal elevators located in that province. These important changes in our terminal in Vancouver involve the expenditure of a substantial sum of money over a period of three years in order to meet the requirements of the British Columbia regulations. The first phase of this work was completed in the past year and when fully completed, our terminal at Vancouver will be regarded as being one of most modern construction with the best known safeguards against dust accumulation.

Our terminal at Port Arthur has again been operated by Manitoba Pool Elevators along with their own three terminals and terminal No. 6 which was leased from the Canadian National Railways for a ten year period as from August 1st, 1950. The earnings realized from the operations of these terminals under a joint profit sharing agreement have again been very satisfactory.

During the 1950-51 season shipments eastward by our organization amounted to 25,429,000 bushels as compared with approximately 13,283,000 bushels in the previous year.

In accordance with our joint terminal operating agreement, shipments to Fort William and Port Arthur were directed to terminals controlled and operated by Manitoba Pool Elevators or in the alternative to mills or terminals of line companies with which an agreement existed for the payment of a diversion premium. In the past season 85,383,705 bushels of grain were unloaded into these five terminals at the Lakehead of which Manitoba Pool Country Elevators shipped 45,740,549 bushels and Alberta Pool Country Elevators 21,953,725 bushels. Grain unloaded from other sources totalled 17,689,431 bushels.

OPERATING RESULTS

Net earnings of the 1951-52 season, amounting to \$2,413,173 before providing for any income tax payable, were the highest in any single year in the operation

of Alberta Pool Elevators. Gross revenue from all sources amounted to \$8,374,033. Operating expenses were \$5,165,893, leaving operating earnings from our elevator system of \$3,208,140 from which deduction must be made for rental to Alberta Pool Elevators Limited consisting of depreciation on elevator property and equipment totalling \$786,717 as well as interest of \$8,250 respecting the 1929 Pool Overpayment Loan. The disposition of the net surplus of \$2,413,173 will depend upon the decision of the delegates at this Annual Meeting after giving due consideration to capital expenditures required in respect to our 1952-1953 program.

Revenues from grain operations were substantially higher mainly on account of the larger volume of grain handled and the treatment at terminals of large quantities of out-of-condition grain.

The storage rate on grain was reduced voluntarily from 1/30 of 1c per bushel per day to 1/35 of 1c per bushel per day as of August 1st, 1951, but due to the necessity of carrying consistently larger stocks of grain in country elevators the revenue from carrying charges remained at almost the same level as the previous year.

The general upward trend of salaries, repairs, taxes and other materials and services continued into 1951-52. Additional expenses were incurred in handling a greater volume of grain much of which required extra handling because of the condition in which it was delivered.

The amount of \$786,717 taken for depreciation this year is the maximum allowed by the income tax authorities and is \$231,563 greater than last year.

WORKING CAPITAL

Working capital at the end of the year representing the excess of current assets over current liabilities stood at \$3,953,088 which is approximately the same figure as the previous year. Capital expenditure during the year amounted to \$738,593 but this amount was replaced in our working capital by the depreciation allowance from our 1951-52 earnings.

PROPERTIES

Since the last Annual Meeting elevators at McNab and Owlseye were destroyed by fire. The elevator at McNab was replaced by one of 70,000 bushels capacity. The Owlseye elevator was being converted to an annex at the time of the fire. It was replaced with a structure better suited for that purpose. New elevators were constructed at Pouce Coupe and Seven Persons. We were not previously represented at Pouce Coupe. The new elevator at Seven Persons replaces one which is now being used as a twin annex. The elevator at Dunmore was demolished and the material used for construction purposes elsewhere. These changes in elevator properties reduced the number of country elevators from 486 to 485.

During the year five cribbed annexes were constructed at points where it was considered essential to have additional storage space in order to handle the volume of grain available to us. Fifteen permanent balloon annexes were also constructed. One temporary annex was demolished and another destroyed by fire. As a result of these changes the total number of annexes as at July 31st, 1952 was 483 not taking into account five flour sheds and two steel tanks also used for the storage of grain.

The total licensed capacity of all country storage facilities to start the year 1952-53 was 33,844,850 bushels.

Six new dwellings were acquired during the year. One of our old dwellings was destroyed by fire and two which were considered unsuitable for our purposes were sold.

Our properties at July 31st, 1952 exclusive of grain handling facilities consisted of 382 dwellings, 23 flour sheds, 32 coal sheds and 2 warehouses at Calgary. The latter are used for the receiving, storing and shipping of necessary elevator parts and supplies.

The policy of installing electrical power in Pool country elevators as soon as it is made available at local points has been continued and since August 1st, 1952 some additional installations have been made with the result that we now have 300 elevators which are operating by electrical power.

Proper maintenance of our terminal and country elevator properties has continued to receive important consideration and despite the tremendous volume of grain handled in the past year, we have been able to take care of essential repairs and replacements although undoubtedly the additional wear and strain has left some carryover of necessary repair work which will be completed whenever the opportunity occurs. During the year the painting of 32 elevators and 103 other buildings was completed which, along with our general repair program, has maintained our elevator properties in a very satisfactory condition.

At the approach of the 1952-53 season it was apparent that storage facilities would be insufficient to handle the tremendous volume of marketable grain to be harvested. Consequently our Board of Directors and Management gave consideration to the enlargement of our 1952 building program, in view of the satisfactory year which just closed and the probability of another profitable year in 1952-53. As a result, it was decided to complete new contracts for the construction of ten annexes at points where such construction was considered advisable. Consideration was also given to obtaining suitable off-site storage space at certain points where available on a rental basis.

SALES DEPARTMENT

Our offices at Calgary, Vancouver and Winnipeg handled a total of 67,567,141 bushels of grain with respect to our 1951-52 operations as compared with 47,937,770 bushels in the 1950-51 season. As the marketing of wheat, oats and barley is under control of the Canadian Wheat Board, our sales of these grains are restricted to feeders and feed dealers. Direct sales to these buyers, as well as sales of flax and rye, amounted to 6,918,552 bushels as compared with sales of 4,101,161 bushels during the previous year.

Deliveries of grain to the Canadian Wheat Board through our offices under our agreement with the Board covering the handling of wheat, oats and barley totalled 60,648,589 bushels in 1951-52 as compared with 43,836,609 bushels in 1950-51.

ELEVATOR SUPERINTENDENTS

Our 18 Travelling Superintendents and 4 Divisional Superintendents at Head Office maintained close supervision over the operation of our country elevators throughout the season. No changes occurred in personnel during the year.

FIELD SERVICE

The services of our fieldmen have been utilized again in holding country meetings and in connection with the work of the Junior Wheat Clubs, Junior Forage Crop Clubs and the Girls' Garden Clubs. Our fieldmen were also employed in a continuing effort to improve our relationship with growers by attending and taking part in field days and conferences as well as through farm visitations. The field staff of seven men situated at various points throughout the province and a superintendent at Head Office was unchanged through the year.

RESERVE PURCHASES

During the past season, as a result of the decision of the delegates at the Annual Meeting in November, 1951, we completed the purchase of 1923-28 elevator and commercial reserves held by estates and by persons who had discontinued farming and who no longer had an interest in the marketing of grain as of March 31st, 1952 as well as purchases of these reserves from members who had attained an age of sixty-five years or over irrespective of whether they still had an interest in the sale of grain or in grain lands. Other reserve holders received 35% of the 1923-28 reserves remaining to their credit. The total 1923-28 elevator and commercial reserves thus purchased during the year was \$1,099,021 which now leaves an unpaid balance of 1923-28 reserves of \$1,487,641.

DISPOSITION OF 1950-51 EARNINGS

The distribution of patronage dividends from the 1950-51 earnings was completed as authorized by the delegates at the 1951 Annual Meeting and resulted in a distribution to member patrons of \$401,292 in cash and \$1,043,409 in reserve credits, a total of \$1,444,701. After payment of \$81,974 in income taxes, the remaining \$97,320 was transferred to our earned surplus account.

PROSPECT FOR 1952-53

In view of the uncertainty of several important factors entering into our operations for the coming year it is difficult to forecast prospective earnings. Estimates of the 1952 crop indicate the largest production of grain in the history of Alberta but handlings do not necessarily follow or increase proportionately with production. It is doubtful if Alberta Pool handlings this crop year will approach last year's total unless grain flows more freely to terminal points during the remainder of the year. Much more grain is being stored on farms and there will probably be a larger farm carryover at the end of the crop year. However, prospects indicate that a substantial volume of grain will move through Alberta Pool facilities in the 1952-53 crop year with satisfactory results but our percentage of handlings is almost certain to be reduced considerably as compared to recent years.

SHRINKAGE AND TARIFF OF CHARGES

Elevator charges for the season 1952-53 are unchanged. While the maximum storage rate allowed by the Board of Grain Commissioners is 1/30 of 1c per bushel per day, the effective rate for the year 1952-53 will remain at 1/35 of 1c per bushel per day. The shrinkage allowance on tough grades of wheat, oats and barley has been reduced from $\frac{3}{4}\%$ to $\frac{1}{2}\%$ and on damp grades from 1% to $\frac{1}{2}\%$ as from August 1st, 1952. Shrinkage on dry grades is unchanged.

STAFF

The Board of Directors has continued to extend recognition to employees in respect of long service through the presentation of gold watches to those who have served our association for a period of twenty-five years. Members of our staff who have qualified for this recognition now number 81. Seventy-nine of these are currently employed, two having retired.

Mr. W. H. Boyle, manager of our Edmonton office since such was opened in January, 1925, involving over twenty-eight years of service with our Association, retired from our employ as at August 31st last, having reached the retirement age of sixty-five years as provided for under our Staff Pension plan. Over this period of years Mr. Boyle served the interests of our Association, particularly in the northern half of the province, along very satisfactory lines and his retirement has been a matter of sincere regret insofar as our administration is concerned. Mr. R. B. Saunders, who has been assistant at Edmonton to Mr. Boyle since August, 1928, has been appointed to succeed as Manager at Edmonton.

Before closing this report I desire to take the opportunity of expressing the appreciation of the management for the efficient manner in which employees of all departments have contributed of their services, especially in view of the demands upon the loyalty, patience and extra physical effort created through the handling of a tremendous volume of grain under most difficult circumstances and the contribution they have made during the past season towards the satisfactory results reflected in the statement of operations now being presented for your consideration.

Respectfully submitted,



Manager.

HARVEY, MORRISON & CO.
CHARTERED ACCOUNTANTS

K. J. MORRISON, C. B. E., F. C. A.
W. H. NIELD, C. A.
J. S. SIMPSON, F. C. A.

To the Members,
Alberta Wheat Pool,
CALGARY, Alberta.

Lougheed Building,
Calgary, Alberta,
22nd October, 1952.

Dear Sirs:—

We have completed our examination of the books of account of your Association for the year ended 31st July, 1952 and submit herewith the undernoted statements which we have verified with the books:

1. Balance Sheet as at 31st July, 1952.
2. Statement of Operations for the year ended 31st July, 1952.
3. Consolidated Comparative Balance Sheet of Alberta Wheat Pool and Alberta Pool Elevators Limited as at 31st July, 1952 and 31st July, 1951.

Operations.

The operations for the year under review have resulted in net earnings of \$2,413,173.02, as summarized hereunder:

Total Operating Revenues	\$8,374,033.49
Total Operating Expenses	5,165,892.62

Earnings, before providing for Bond Interest and rental equivalent to depreciation	\$3,208,140.82
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Deduct—

Interest in respect of 1929 Pool Overpayment	\$ 8,250.00
Rental equivalent to Depre- ciation on Buildings and Equipment	786,717.80
	<hr style="width: 20%; margin-left: 0; border: 0.5px solid black;"/>
	794,967.80

Net Operating Earnings	<hr style="width: 20%; margin-left: 0; border: 0.5px solid black;"/> \$2,413,173.02
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The interest on the 1929 Pool Overpayment, \$8,250.00, represents interest paid to the Bank of Montreal on bonds held by them in the amount of \$300,000.00. This payment replaces the interest formerly paid to the Alberta Provincial Government in connection with the 1929 Pool Overpayment.

The rental of \$786,717.80 is equivalent to depreciation on the assets of Alberta Pool Elevators Limited and is in terms of an annual agreement between that company and your Association.

In our report of a year ago we stated that representations were being made to the Income Tax Department to establish separate depreciation rates for buildings and for machinery. This matter has been further explored and it has been arranged that depreciation will be allowed on country properties at rates of 10% on the buildings and 20% on the machinery, compared with a previous over-all rate of 10%. In like manner, rates on the terminals at Vancouver and Port Arthur have been changed to 5% on the buildings and 20% on the machinery compared with an over-all rate last year of 5%. The revised rates have resulted in a charge for depreciation for the year under review of \$786,717.80, as noted above, compared with a charge of \$555,154.56 for the year ended 31st July, 1951.

Details of the operating revenues and expenses are shown in the attached operating statement and additional information is supplied to the delegates by way of supplementary reports.

Balance Sheet.

Inventories of Grain on Hand—\$26,888,923.49.

The above amount represents the value of all grains and coal on hand as at 31st July, 1952, the details of the inventory being shown in the analysis of the accounts which is submitted to the delegates. The corresponding figure of 31st July, 1951 was \$14,231,213.46. Large stocks of grain on hand throughout the year have made it impossible for an official weigh-up to be made at the majority of your elevators during the year under review. Any necessary adjustments were made in respect of the elevators where weigh-ups were made. For similar reasons it has not been possible to have a weigh-up at the Vancouver terminal and therefore the majority of the inventories on hand have had to be accepted at book figures. The basis of valuation has been verified and we are satisfied that it is consistent with accepted practice.

Elevator and Commercial Reserves Purchased.

As authorized by the delegates in annual meetings, your Association has purchased elevator and commercial reserves from members, which purchases up to 31st July, 1952 amounted to \$6,980,189.34. Patronage dividends payable in reserves have also been authorized by your delegates and out of the purchases mentioned above reserves in the amount of \$5,983,643.59 have been re-issued in satisfaction of patronage dividends. As at 31st July, 1952 your association had on hand undistributed reserves amounting to \$996,545.75, which are carried as an asset of the Wheat Pool pending final disposition either by way of re-issue or cancellation. In the consolidated balance sheet which is issued for the information of the delegates these reserves have been deducted from the total reserves issued, and only the net amount held by members is shown.

Income Tax.

The income tax liability to 31st July, 1951 has been fully paid subject only to final approval of the assessment by the Minister of National Revenue.

The liability for the year under review can only be ascertained after the decision, as to the distribution of earnings, has been made at this annual meeting of the delegates. The net earnings for the year under review amounting to \$2,413,173.02 are shown on the balance sheet as a current liability and against this sum an amount of \$39,600.00 has been charged for income tax payments in accordance with the provisions of the Income Tax regulations. As mentioned above the final liability for income tax will only be determined after the annual meeting.

Earned Surplus—\$2,119,868.39.

As at 31st July, 1951 the earned surplus amounted to \$2,022,657.05. The increase to the present figure of \$2,119,869.39 is mainly represented by the balance of earnings for the season 1950-51 not distributed to growers and amounting to approximately \$97,000.00.

For the information of the delegates an analysis is supplied giving detailed particulars with respect to the assets and liabilities of your Association at the close of the fiscal period.

Yours faithfully,

HARVEY, MORRISON & CO.,

Chartered Accountants.

ALBERTA WHEAT POOL
CALGARY, ALBERTA

BALANCE SHEET AS AT 31st JULY, 1952

ASSETS

Current—

Cash in Banks, on Hand and in Transit	\$ 618,352.82
Bonds — Dominion of Canada Victory Bonds — Par Value	
\$2,250,000.00 — Cost	2,351,250.00
Stocks of Grain and Coal	26,888,923.49
Advances on Grain	32,371.68
Accounts Receivable	1,313,364.24
Alberta Pool Elevators Limited	681,340.34
Accrued Items Receivable	93,211.82
	\$31,978,814.39

Deferred Charges—

Accounts Applicable to 1952-53 Season	308,003.16
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Shares and Investments—

Alberta Pool Elevators Limited (Fully Paid)	\$4,850,000.00
Pool Insurance Company (Par Value \$75,000.00—called up 74% plus premiums of \$12.00 per share)	64,500.00
Canadian Pool Agencies Limited (Fully Paid)	6,670.00
Elevator and Commercial Reserves—Purchased	\$6,980,189.34
Less Re-distributed to Member Patrons	5,983,643.59
	996,545.75
	5,917,715.75

Fixed Assets—

Grain Exchange Memberships	9,302.00
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\$38,213,835.30

CALGARY, Alberta, 22nd October, 1952.

We have examined the balance sheet of Alberta Wheat Pool as at 31st July, 1952, and the statement of operations for the year ended on that date and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

ALBERTA WHEAT POOL
CALGARY, ALBERTA

BALANCE SHEET AS AT 31st JULY, 1952

LIABILITIES

Current—

Outstanding Cheques, Cash Tickets and Orders	\$6,700,487.59
Bank Loans	17,430,000.00
Accounts Payable	455,085.66
Accrued Items Payable	195,437.97
Growers—Outstanding Payments	171,550.96
Net Earnings—	
Season 1951-52	\$2,413,173.02
Less Prepaid Income Taxes	39,600.00
	—
	2,373,573.02
	—
	\$27,326,135.20

Deferred—

Bank of Montreal—First Mortgage Bonds due 1st June, 1953	300,000.00
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Reserves and Surplus—

Elevator Reserves	\$6,033,655.39
Commercial Reserves	2,434,175.32
	—
	\$8,467,830.71
Earned Surplus	2,119,869.39
	—
	10,587,700.10

\$38,213,835.30

In our opinion, subject to our attached report, the above balance sheet and the accompanying statement of operations are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Pool as at 31st July, 1952, and the results of its operations for the year ended on that date, according to the best of our information and the explanations given to us and as shown by the books of the Pool.

HARVEY, MORRISON & CO.,
Chartered Accountants.

ALBERTA WHEAT POOL

CALGARY, ALBERTA

STATEMENT OF OPERATIONS FOR THE YEAR ENDED
31st JULY, 1952

EXPENSES

Elevator Operating Expenses—

Salaries and Wages	\$1,442,311.23
Cost of Living Bonus	311,146.93
Helpers' Wages	123,670.90

Repairs—

Country Elevators—

Country Elevators—
By Maintenance Department \$281,688.94
By Agents 8,720.68
..... \$290,409.62

Dwellings—

By Maintenance Department	\$ 86,666.09
By Agents	4,986.07
	<hr/>
Elevator Grounds and Approaches	91,652.16
Terminals	9,241.09
	<hr/>
	116,593.78
	<hr/>
	\$507,896.65

Maintenance Department—Overhead

Salaries	\$ 51,971.28
Cost of Living Bonus	13,839.93
Travelling and Sustenance	14,506.03
Auto and Truck Expenses	12,782.87
Warehouse Stocks Expense	4,460.45
Holiday with Pay Stamps	1,777.98
Small Parts and Supplies	1,390.55
Warehouse Expenses	1,318.15
Equipment Maintenance	1,059.74
Workmen's Compensation Board	806.20
Freight, Express and Trucking	614.90
Auto and Truck Insurance	565.80
	105,093.88

Taxes—Municipal and School

Insurance—

Insurance—	
Grain	\$ 97,391.36
Buildings	80,223.52
Fidelity Bonds	5,535.88
Public Liability	1,228.06
	184,378.82
Power—Electric and Natural Gas	109,370.09
Tools, Supplies and Repair Parts	66,124.20
Heat, Light and Water	34,350.00
Telephone Rentals	\$ 18,099.11
Telephone Tolls	5,862.53
	23,961.64

Carried Forward \$3,213,404.58

ALBERTA WHEAT POOL
CALGARY, ALBERTA

STATEMENT OF OPERATIONS FOR THE YEAR ENDED
31st JULY, 1952

REVENUE

Gross Revenue from Trading and Grain Operations	\$3,709,497.83
Country Carrying Charges	2,282,164.04
Terminal Elevation Charges	906,218.42
Port Arthur Terminal Earnings	640,721.42
Drying Charges	264,492.66
Storage Charges	201,877.53
Diversion Premiums	82,345.70
Rentals—Dwellings, etc.	80,040.50
Cleaning and Separation Charges	75,617.07
Service Charges—Saskatchewan Pool	54,305.57
Wharfage Charges	39,121.44
Sacked Grain Charges	3,314.46
Coal Operations	3,171.58
Rentals—Portable Cleaners	471.50
Miscellaneous Revenue	30,673.77

Carried Forward

\$8,374,033.49

ALBERTA WHEAT POOL

CALGARY, ALBERTA

STATEMENT OF OPERATIONS FOR THE YEAR ENDED 31st JULY, 1952 (Continued)

EXPENSES

Elevator Operating Expenses—(Continued)

Brought Forward	\$3,214,404.58
Gasoline and Engine Fuel	23,220.07
Terminal Rentals	21,472.35
Fuel for Dryers	18,713.40
Railway Car Liners and Repairs	14,837.47
Travelling and Moving	14,280.88
Workmen's Compensation Board	14,065.82
Postage and Box Rentals	13,917.24
Site Rentals	12,246.77
Stationery	9,726.07
Boiler, Scales and Air Tank Inspections	5,442.45
Receiving Grain Prices	5,166.87
Lubricating Oils and Greases	4,903.14
Government Inspection and Weighing—Overtime	4,230.50
Licenses and Bonds	4,216.21
Freight, Express and Trucking	3,815.19
Rural Electrification Line Installation Costs	3,807.70
Mail Allowances	3,369.00
Agents' Meetings Expenses	2,073.50
Terminal Registration Fees	1,728.74
Stevedoring Charges	925.48
Portable Cleaner Parts and Repairs	482.77
Miscellaneous	1,940.89
	<u>\$3,398,987.09</u>

Office and General Expenses—

Salaries and Wages	\$473,992.96
Cost of Living Bonus	112,463.70
Rentals	40,806.67
Printing, Stationery and Supplies	30,631.22
Telegraph and Telephone Tolls	\$17,619.84
Telephone Rentals	5,983.71
	<u>23,603.55</u>
Postage and Meter Rentals	14,269.11
Audit Fees and Expenses	12,307.90
Business Taxes	12,106.81
Repairs and Alterations	6,653.05
Broadcasting Grain Prices	5,969.25
Travelling and Moving	5,572.65
Insurance and Maintenance of Office Equipment	5,000.78
Workmen's Compensation Board	3,593.04
Light and Power	2,506.18
Freight, Express and Trucking	2,146.75
Legal Fees and Expenses	2,031.15
Automobile Expenses	1,850.56
Licenses and Bonds	1,340.21
	<u>\$756,845.54</u>

Carried Forward

\$3,398,987.09

ALBERTA WHEAT POOL
CALGARY, ALBERTA

STATEMENT OF OPERATIONS FOR THE YEAR ENDED
31st JULY, 1952 (Continued)

REVENUE

Brought Forward \$8,374,033.49

Carried Forward \$8,374,033.49

ALBERTA WHEAT POOL
CALGARY, ALBERTA

STATEMENT OF OPERATIONS FOR THE YEAR ENDED
31st JULY, 1952 (Continued)

EXPENSES

Brought Forward	\$3,398,987.09
Office and General Expenses (Continued)—	
Brought Forward	\$756,845.54
Membership Fees	1,122.00
Fidelity Bonds	315.92
Miscellaneous	5,881.82
	<u>764,165.28</u>
Elevator Superintendence—	
Salaries	\$ 85,251.67
Cost of Living Bonus	15,062.08
Travelling and Sustenance	14,677.65
Automobile Expenses	14,625.78
Automobile Insurance	1,129.48
Workmen's Compensation Board	424.09
Supplies	400.72
	<u>131,571.47</u>
Publicity and Advertising—	
Salaries	\$ 12,956.50
Cost of Living Bonus	1,591.56
Radio Broadcasts	35,903.45
Advertising	9,508.55
The Budget	6,386.29
Pamphlets, Calendars and Circulars	4,979.84
Travelling and Sustenance	782.18
Subscriptions and Library	465.64
Printing Plates and Photos	330.96
Postage	325.10
Miscellaneous	173.45
	<u>73,403.52</u>
Field Service—	
Salaries	\$ 28,805.00
Cost of Living Bonus	5,477.12
Automobile Expenses	5,326.38
Travelling and Sustenance	5,093.47
Motion Picture Expenses	2,252.01
Automobile Insurance	437.43
Telephone Tolls	364.28
Workmen's Compensation Board	191.56
Supplies and Postage	128.65
	<u>48,075.90</u>
Carried Forward	\$4,416,203.26

ALBERTA WHEAT POOL
CALGARY, ALBERTA

STATEMENT OF OPERATIONS FOR THE YEAR ENDED
31st JULY, 1952 (Continued)

REVENUE

Brought Forward \$8,374,033.49

Carried Forward \$8,374,033.49

ALBERTA WHEAT POOL
 CALGARY, ALBERTA

**STATEMENT OF OPERATIONS FOR THE YEAR ENDED
 31st JULY, 1952 (Continued)**

EXPENSES

Brought Forward	\$4,416,203.26
General Administration—	
Employees' Pension Fund	\$ 82,199.18
Directors' Fees	13,833.00
Directors' Expenses	11,331.77
Unemployment Insurance	22,242.41
Alberta Federation of Agriculture	14,370.00
Contributions—Educational and Charitable	13,422.40
Legal Fees and Expenses	12,940.15
Annual Meeting of Delegates	12,818.43
Junior Clubs—	
Junior Farm Clubs	\$8,243.13
Girls' Garden Clubs	2,081.43
Farm Young People's Week	1,059.72
Junior Farm Camps	720.00
	12,104.28
Proportion Central Expenses	6,927.74
Membership Lists and Ballots	6,681.27
Delegates' Country Expenses	3,132.50
Country Meetings—Hall Rents, etc.	1,754.81
Employees' Retirement Allowances—Supplementary ..	280.00
Trustees' Fees	200.00
Miscellaneous	6,794.50
	221,032.44
Interest, Exchange, Brokerage, etc.—	
Interest—Current Operating	\$358,372.31
Interest re 1929 Overpayment	8,250.00
Bank Exchange and Payors' Commissions	135,038.95
Excise Tax	16,397.85
Brokerage on Grain	16,236.88
Postage, Insurance, etc., on Funds	2,610.98
	536,906.97
Rental—Equivalent to Depreciation—	
Country Elevators, Annexes, Dwellings and Sheds—10% and 20%	\$539,850.55
Terminals—	
Vancouver—5% and 20%	\$150,501.31
Port Arthur—5% and 20%	48,054.10
	198,555.41
Elevator Equipment—	
Country—20%	\$ 7,705.69
Terminal—20%	1,230.72
	8,936.41
Automobiles and Trucks—30%	21,867.89
Office Equipment—20%	16,199.39
Calgary Warehouses—10%	1,308.15
	786,717.80
Net Operating Earnings	2,413,173.02
	<u>\$8,374,033.49</u>

ALBERTA WHEAT POOL
CALGARY, ALBERTA

STATEMENT OF OPERATIONS FOR THE YEAR ENDED
31st JULY, 1952 (Continued)

REVENUE

Brought Forward \$8,374,033.49

\$8,374,033.49

ALBERTA WHEAT POOL AND ALBERTA POOL ELEVATORS
LIMITED
CALGARY, ALBERTA

CONSOLIDATED BALANCE SHEET AS AT 31st JULY, 1952, AND
COMPARISON WITH 31st JULY, 1951

ASSETS

Current—	31st July, 1952	31st July, 1951
Cash in Banks, On Hand and In Transit	\$ 618,352.82	\$ 248,673.38
Bonds—Dominion of Canada—Cost	2,351,250.00	2,351,250.00
Stocks of Grain and Coal	26,888,923.49	14,231,213.46
Advances on Grain	32,371.68	4,980.00
Accounts Receivable	1,313,364.24	511,410.89
Accrued Items Receivable	93,211.82	49,820.10
	<u>\$31,297,474.05</u>	<u>\$17,397,347.83</u>
Deferred Charges—		
Staff Pensions—Supplementary Annuities	\$ 308,003.16	\$ 25,227.00
Applicable to Ensuing Seasons		270,299.05
	<u>\$ 308,003.16</u>	<u>\$ 295,526.05</u>
Fixed Assets—		
Buildings and Operating Machinery	\$15,952,997.52	\$15,247,132.27
Less Depreciation Reserves	10,353,586.58	9,653,432.14
	<u>\$ 5,599,410.94</u>	<u>\$ 5,593,700.13</u>
Elevator and Office Equipment	\$ 352,805.64	\$ 320,572.21
Less Depreciation Reserves	201,237.33	183,472.79
	<u>\$ 151,568.31</u>	<u>\$ 137,099.42</u>
Grain Exchange Memberships	\$ 9,302.00	\$ 9,302.00
Shares—Pool Insurance Company	64,500.00	64,500.00
Shares—Canadian Pool Agencies Ltd.	6,670.00	6,670.00
	<u>\$ 80,472.00</u>	<u>\$ 80,472.00</u>
	<u>\$ 5,831,451.25</u>	<u>\$ 5,811,271.55</u>
	<u><u>\$37,436,928.46</u></u>	<u><u>\$23,504,145.44</u></u>

ALBERTA WHEAT POOL AND ALBERTA POOL ELEVATORS
LIMITED

CALGARY, ALBERTA

CONSOLIDATED BALANCE SHEET AS AT 31st JULY, 1952, AND
COMPARISON WITH 31st JULY, 1951

<u>LIABILITIES</u>		
Current—	<u>31st July, 1952</u>	<u>31st July, 1951</u>
Bank Loans	\$17,430,000.00	\$ 6,894,000.00
Outstanding Cheques, Cash Tickets and Orders	6,700,487.59	4,374,528.19
Accounts Payable	473,335.66	385,708.31
Accrued Items Payable	195,437.97	144,040.55
Growers—Outstanding Payments	171,550.96	116,739.72
Earnings for Current Period	2,373,573.02	1,585,496.62
	<u>\$27,344,385.20</u>	<u>\$13,500,513.39</u>
Deferred—		
Bank of Montreal—First Mortgage Bonds	\$ 300,000.00	\$ 300,000.00
	<u><u>\$ 300,000.00</u></u>	<u><u>\$ 300,000.00</u></u>
Reserves—		
Elevator Reserves—Net	\$6,033,655.39	\$6,033,655.39
Commercial Reserves—Net	1,437,629.57	1,493,174.49
	<u><u>\$7,471,284.96</u></u>	<u><u>\$7,526,829.88</u></u>
Surplus—		
Earned Surplus	\$2,119,869.39	\$2,022,657.05
Capital Surplus	201,388.91	154,145.12
	<u><u>\$2,321,258.30</u></u>	<u><u>\$2,176,802.17</u></u>
	<u><u><u>\$37,436,928.46</u></u></u>	<u><u><u>\$23,504,145.44</u></u></u>

CALGARY, Alberta, 22nd October, 1952.

Certified to be a consolidation of the Balance Sheets of Alberta Wheat Pool and Alberta Pool Elevators Limited as at 31st July, 1952, showing a comparison with the position as at 31st July, 1951, subject to our Reports in connection therewith.

HARVEY, MORRISON & CO.,
Chartered Accountants.

HARVEY, MORRISON & CO.

CHARTERED ACCOUNTANTS

K. J. MORRISON, O. B. E., F. C. A.
W. H. NIELD, C. A.
J. S. SIMPSON, F. C. A.

To the Shareholders,
Alberta Pool Elevators Limited,
CALGARY, Alberta.

Lougheed Building,
Calgary, Alberta,
17th September, 1952.

Dear Sirs:—

We have completed our audit of the books of account of your Company for the year ended 31st July, 1952, and submit herewith the Balance Sheet as at that date, which is in agreement therewith.

As in previous years, the elevator facilities of your Company were leased to the Alberta Wheat Pool, and in accordance with the lease agreement, rental of these facilities, measured by the depreciation on the assets has been provided in respect of the year under review at the following rates:—

Terminal—Structures	5%
Equipment	20%
Country Elevators and Annexes—	
Structures	10%
Equipment	20%
Dwellings, Coal and Flour Sheds and Warehouses	10%
Country and Terminal Elevator Equipment and	
Office Furniture and Equipment	20%
Automobiles and Trucks	30%

Heretofore the over-all rates on terminals and country properties were 5% and 10% respectively. During the year under review, the Income Tax Department approved an apportionment of the costs as between structures and equipment with the rates of depreciation being as stated above.

The application of the above rates to the undepreciated costs at 31st July, 1952 has resulted in a total provision for depreciation of \$786,717.80 as compared with \$555,154.56 for the year ended 31st July, 1951.

After taking into consideration the provision of \$786,717.80 and all adjustments during the year, the total depreciation reserves now stand at \$10,353,586.58.

Capital Surplus reflects a net increase for the year of \$57,243.79. This was in respect of sales, fire losses, etc.

Property changes during the year are summarized hereunder:

	<u>31st July,</u>	
	<u>1951</u>	<u>1952</u>
Elevators	486	485
Annexes	466	485
Dwellings	379	382
Coal Sheds	32	32
Flour Sheds	24	23
Warehouses	2	2
	<u><u> </u></u>	<u><u> </u></u>

Details of these changes will be reported in the analysis submitted to delegates.

Net Capital Expenditures during the year amounted to \$738,593.48.

Yours faithfully,

HARVEY, MORRISON & CO.,

Chartered Accountants.

ALBERTA POOL ELEVATORS LIMITED
CALGARY, ALBERTA

BALANCE SHEET AS AT 31st JULY, 1952

ASSETS

PROPERTY—

Buildings and Operating Machinery (Cost)—

Country Elevators (485) and Annexes (485)	\$10,575,347.60
Coal Sheds (32)	13,198.35
Flour Sheds (23)	11,948.00
Dwellings and Sites (382)	1,417,019.81
	<hr/>
Less Reserve for Depreciation	\$12,017,513.76
	8,146,159.89
	<hr/>
Vancouver Terminal	\$3,185,586.02
Less Depreciation Reserve	1,914,792.52
	<hr/>
Port Arthur Terminal	\$ 712,412.05
Less Depreciation Reserve	285,607.52
	<hr/>
Calgary Warehouses (2)	\$ 18,800.00
Less Depreciation Reserve	7,026.65
	<hr/>
Equity in Wheat Pool Building, Winnipeg	11,773.35
	<hr/>
	18,685.69
	<hr/>
	\$5,599,410.91

EQUIPMENT (Cost)—

Office Furniture and Equipment	\$ 187,025.38
Less Depreciation Reserve	122,227.81
	<hr/>
Automobiles	\$ 108,113.88
Less Depreciation Reserve	57,088.81
	<hr/>
Terminal Equipment	\$ 16,834.79
Less Depreciation Reserve	11,911.88
	<hr/>
Portable Cleaners and Loaders	\$ 12,980.01
Less Depreciation Reserve	10,008.83
	<hr/>
Elevator Maintenance and Sundry Equipment—Net Value	2,971.18
	<hr/>
	27,851.58
	<hr/>
	151,568.31
	<hr/>
	\$5,750,979.25

CALGARY, Alberta, 17th September, 1952.

In accordance with the provisions of the Companies Act, we have to report that we have audited the books of account of Alberta Pool Elevators Limited for the year ended 31st July, 1952, and have received all the information and explanations we have required. In our opinion,

ALBERTA POOL ELEVATORS LIMITED
CALGARY, ALBERTA

BALANCE SHEET AS AT 31st JULY, 1952

LIABILITIES

CURRENT—

Payable on Construction Contracts	\$ 18,250.00
Alberta Wheat Pool	681,340.34
	<hr/> \$ 699,590.34

CAPITAL AND SURPLUS—

Capital—

Authorized—	
500,000 shares of \$10.00 each	\$5,000,000.00

Issued—

485,000 shares—fully paid	\$4,850,000.00
Capital Surplus	201,388.91
	<hr/> 5,051,388.91

CONTINGENT LIABILITY—

Bank of Montreal—First Mortgage Debentures	\$ 300,000.00
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Approved on behalf of the Board.

BEN S. PLUMER, Director.
G. G. COOTE, Director.

\$5,750,979.25

the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs as at 31st July, 1952, according to the best of our information and the explanations given to us and as shown by the books of the Company.

HARVEY, MORRISON & CO.,
Chartered Accountants.

ALBERTA WHEAT POOL
Calgary, Alberta

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

EXPLANATORY NOTE:—Your Organization, referred to as the Alberta Wheat Pool, is divided into two sections, namely Alberta Wheat Pool, which is incorporated under a private charter, and Alberta Pool Elevators Limited, which is incorporated under the Companies Act of the Province of Alberta. The elevator system, comprising the country and terminal elevators, together with the flour sheds, coal sheds, dwellings, etc., is owned by Alberta Pool Elevators Limited, and, under agreement, is leased to Alberta Wheat Pool, on the basis that the Pool keeps the system in repair, provides for all operating expenses, and by mutual arrangement, provides for rental of the facilities in an amount which is equivalent to depreciation on the assets of the Company. The active operations are carried on by Alberta Wheat Pool, and Alberta Pool Elevators Limited may be regarded, for the present, as merely a holding company.

The Balance Sheet which you are now considering is that of Alberta Wheat Pool, with a separate analysis being submitted for Alberta Pool Elevators Limited.

ASSETS

CURRENT		\$31,978,814.39
CASH IN BANKS, ON HAND AND IN TRANSIT		\$ 618,352.82
In Banks	\$ 567,062.68	
On Hand and In Transit	50,772.14	
Consisting mainly of monies returned by agents and payors at the end of the season, together with certain amounts received from grain settlements and accounts receivable. Since the end of July this has all been deposited.		
Petty Cash and Appeal Funds	518.00	
Representing the amounts on hand at Calgary and Edmonton for purposes of making sundry disbursements.		
	<u><u>\$ 618,352.82</u></u>	
BONDS—DOMINION OF CANADA		2,351,250.00
Investment in Sixth and Ninth Victory Loans —at Cost.		
STOCKS OF GRAIN AND COAL		26,888,923.49
Representing grain and coal on hand in country and terminal elevators and in transit as at 31st July, 1952, as follows:—		
Wheat	16,018,808 bus.	\$18,597,821.74
Oats	5,067,415 "	2,424,258.72
Barley	5,738,793 "	4,997,457.56
Flax	61,794 "	204,813.20
Rye	367,766 "	582,008.63
Mixed Grain	9,147 "	9,741.98
Mixed Feed Oats	10,000 "	7,800.00
Screenings	2,980 tons	53,170.00
Coal	728 "	3,769.27
Freight paid on Grain in Transit	.....	8,082.39
	<u><u>\$26,888,923.49</u></u>	
ADVANCES ON GRAIN		32,371.68
Advances secured by grain in store.		

ALBERTA WHEAT POOL
Calgary, Alberta

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

ASSETS (Continued)

CURRENT—(Continued)

ACCOUNTS RECEIVABLE 1,313,364.24

Representing accounts owing to the Pool as at 31st July, 1952, as follows:—

Manitoba Pool Elevators Limited \$ 670,721.42

Port Arthur Terminal earnings for the year ended 31st July, 1952 and since collected.

Sundry Accounts due from the Canadian Wheat Board, Grain Companies and Others 373,120.87

Accounts incurred in the usual course of business, the majority of which have since been paid.

Railway Charges on Vancouver Unloads for Account Saskatchewan Wheat Pool 61,734.47

Manifest Charges in respect of Grain Shipments through Vancouver 22,021.18

Deposits on Dwellings and Dwelling Sites 5,750.00

Agents' and Staff Accounts 1,313.03
Recoverable by deduction from salaries.

Terminal Department Accounts 132,272.26
Due by grain and feed companies for purchases of feed grains.

Domestic Freight Collectible 18,029.90
Freight recoverable from railways on grain sold at Vancouver.

Growers' Accounts—Current 13,009.87
In addition, there is the sum of \$512.86 due from growers and collectible from reserves. This amount has been reserved for in full and no value therefor is included in the attached accounts.

Bond and Insurance Claims 10,052.78

Great West Life Assurance Company 4,630.04
Group Life Premiums recoverable from employees.

Public Utilities Deposits 455.40

Deposit with Unemployment Insurance Commission, Vancouver 199.52

Rentals Receivable 53.50

\$1,313,364.24

ALBERTA POOL ELEVATORS LIMITED 681,340.34

Balance owing to Alberta Wheat Pool on current account.

ACCRUED ITEMS RECEIVABLE 93,211.82

Representing amounts due at 31st July, 1952 but not collectible until later, as follows:—

Country Elevator Department—

Interest on Victory Bonds, etc. \$ 25,641.17

ALBERTA WHEAT POOL
Calgary, Alberta

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

ASSETS (Continued)

CURRENT—(Continued)

ACCRUED ITEMS RECEIVABLE—(Continued)

Charges on Cars in Store, but not delivered	11,518.05
Balance 1951 Earnings Pool Insurance Company	6,984.35
Storage and Elevation Charges on Outstanding Storage Tickets	3,613.98
Charges Accrued on Cars Shipped	1,585.79

Terminal Department—

Elevation Charges	37,758.25
Storage Charges	6,049.12
Grain Insurance—Refund	61.11
<hr/>	

\$ 93,211.82

TOTAL CURRENT ASSETS \$31,978,814.39

DEFERRED CHARGES \$ 308,003.16

Representing expenditures chargeable to the operations of subsequent years, as follows:—

Country Elevator Department—

Proportion 1952 Taxes and Licenses	\$ 115,023.97
Gasoline, Fuel Oil and Lubricating Oils on Hand	1,766.24
Mutual Telephone Rentals Paid in Advance	309.15
Unexpired Insurance and Bond Premiums	21,378.35
Workmen's Compensation Board Assessments	8,759.53
Alberta Federation of Agriculture—Dues	1,727.50
Business Taxes, Rents and Licenses	1,431.58
<hr/>	

\$ 150,396.32

Terminal Department—

City of Vancouver Taxes and Licenses	\$ 18,563.87
Water Lot Rentals	13,895.68
Workmen's Compensation Board Assessments	1,407.00
Railway Siding and Sundry Rentals	658.87
<hr/>	
Repair Stocks	98,354.32
Office Alterations	12,397.62
Stationery Stock	10,312.00
Postage and Excise Stamps	1,623.73
Unemployment Insurance and Holiday with Pay Stamps	383.41
Sacks on Hand at Creston	10.34
<hr/>	
	<u>\$ 308,003.16</u>

SHARES AND INVESTMENTS \$5,917,715.75

Shares in Alberta Pool Elevators Limited \$4,850,000.00

ALBERTA WHEAT POOL
Calgary, Alberta

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

ASSETS (Continued)

SHARES AND INVESTMENTS—(Continued)

For the years 1924 to 1928, a deduction of 2c per bushel was made by your Organization on all deliveries to the Pool. The amount of these accumulations at 31st July, 1940 was \$4,996,101.04. The delegates, at the 1940 annual meeting, instructed that the balance of the 1928 Final Payment, amounting to \$1,037,554.35, should be added to the Elevator Reserves, and regarded as being in the same category as previous deductions. This addition brings the Elevator Reserves at 31st July, 1952 to the amount of \$6,033,655.39. The purpose of these deductions was to obtain funds to build up the elevator system, and the money so obtained has been invested in shares of the Alberta Pool Elevators Limited to the extent of \$4,850,000.00, which represents all of the issued shares of that company.

Shares in Pool Insurance Company 64,500.00

Your Organization has subscribed for shares in this Company to a par value of \$75,000.00. As at 31st July, 1952, 74% of this amount has been called up, plus a premium of \$12.00 per share, thus bringing the amount paid in respect of these shares to the above-mentioned figure of \$64,500.00. Your Pool participates in the earnings of this Company on the basis of business contributed.

Shares in Canadian Pool Agencies Limited 6,670.00

This Company is a subsidiary of the three Provincial Pools, and supervises insurance matters of your Organization. In order to provide working capital, the above amount has been invested in shares of this Company. Your Pool participates in the distribution of the earnings on the basis of business contributed.

Elevator and Commercial Reserves 996,545.75

In conformity with instructions of delegates in annual meetings Elevator and Commercial Reserves have been purchased to an aggregate value of \$6,980,189.34. By authority of delegates the sum of \$5,983,643.59 has been distributed to members in respect of refunds of excess charges for the seasons 1940-41 and 1943-44 to 1950-51 inclusive. The balance, as shown above is still in possession of the Pool.

\$5,917,715.75

ALBERTA WHEAT POOL
Calgary, Alberta

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

ASSETS (Continued)

FIXED ASSETS \$ 9,302.00

Grain Exchange Memberships, as follows:—

Winnipeg Grain Exchange—Two Seats \$ 5,300.00

Winnipeg Grain and Produce Exchange Clearing House—Five
Shares 3,500.00

Vancouver Merchants' Exchange—

Two Seats 500.00

Two Shares 2.00

\$ 9,302.00

TOTAL ASSETS OF ALBERTA WHEAT POOL \$38,213,835.30

ALBERTA WHEAT POOL
 Calgary, Alberta

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

LIABILITIES

CURRENT \$27,326,135.20

OUTSTANDING CHEQUES, CASH TICKETS AND ORDERS \$6,700,487.59

Representing cheques, cash tickets and orders issued prior to 31st July, 1952 but not presented for payment, as follows:—

Outstanding Cheques	\$1,306,869.10
Cash Tickets	5,381,059.21
Advance Orders	11,476.80
Wartime Salvage—Vouchers	196.16
Pool Payments, Cheques and Money Orders	886.32
\$6,700,487.59	

BANK LOANS 17,430,000.00

Made up as follows:—

Secured by Grain	\$15,180,000.00
Secured by Dominion of Canada Bonds	2,250,000.00
\$17,430,000.00	

ACCOUNTS PAYABLE 455,085.66

Sundry Current Accounts	\$ 159,019.04
Receiver General of Canada—	
re Government Levy (P.F.A.A.)	93,434.36
re Employees Income Tax Deductions	46,815.73
re Employees Pension Plan Contributions	27,131.30
re Terminal Weighing and Inspection Fees	14,862.51
re Unemployment Insurance Commission	1,482.84
Freight and Terminal Charges on Cars of	
Grain in Store	80,654.36
Staff Savings Accounts	30,422.97
Coal Commissions Payable	692.35
Deposits Pending Transfers of Members' Reserves	522.20
Rentals Paid in Advance	48.00
\$ 455,085.66	

ACCRUED ITEMS PAYABLE 195,437.97

Representing provision for Expenses which have accrued but were not payable as at 31st July, 1952, as follows:—

Country Elevator Department—	
Taxes on Property	\$ 137,579.67
Grain Insurance—July	12,980.01
Exchange on Cash Tickets	7,037.01
Power Accounts	3,200.00
Telephone Rentals	812.58
City of Edmonton Business Tax	285.57
Winnipeg Office Expenses	155.15
Adjustments—Carrying Charge Rates	11,607.80

ALBERTA WHEAT POOL
Calgary, Alberta

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

LIABILITIES (Continued)

ACCRUED ITEMS PAYABLE—(Continued)

Accrued Interest on Loans	6,540.82
Interior Terminal Charges on Grain in Store ..	4,111.47
Refunds Due on Insurance Accounts	17.01
Reserve for Staff Sickness and Accidents	5,689.30
Salary Guarantee Fund	3,550.84
 Terminal Department—	
Registration and Cancellation Fees	339.94
Government Inspection—Overtime	1,530.80
	<u>\$ 195,437.97</u>

GROWERS' OUTSTANDING PAYMENTS \$ 171,550.96

For various reasons, it has not been possible to distribute the above sum to Growers. Details are as follows:—

Commercial and Elevator Reserves Purchases	\$ 169,463.75
Unclaimed Reserves Purchase and Patronage	
Dividend Cheques	2,087.21
	<u>\$ 171,550.96</u>

NET EARNINGS—SEASON 1951-1952 2,373,573.02

Being the net earnings for the year ended 31st July, 1952, less \$39,600.00 paid on account of Income Taxes. This amount is carried as a current liability pending decision of delegates as to distribution.

TOTAL CURRENT LIABILITIES \$27,326,135.20

DEFERRED \$ 300,000.00

Representing the balance owing in respect of First Mortgage Bonds issued to the Bank of Montreal and payable in June, 1953. The money borrowed was used to pay off the Alberta Provincial Government 1929 Pool Overpayment.

RESERVES AND SURPLUS \$10,587,700.10

Previously in this Report, it has been pointed out that, under the Pooling Contracts with the Growers, certain deductions for Elevator and Commercial Reserves were authorized. While these amounts have been invested in the building-up of the elevator system, there is a liability on the part of the Pool to the Growers for the individual contribution.

ALBERTA WHEAT POOL
Calgary, Alberta

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

LIABILITIES (Continued)

COMMERCIAL AND ELEVATOR RESERVES \$8,467,830.71

Year	Commercial Reserves	Elevator Reserves
1923	\$ 207,898.66	\$
1924	148,455.93	442,159.89
1925	65,454.75	902,915.40
1926	590,207.63	885,599.01
1927	817,693.12	1,422,127.61
1928	604,465.23	1,343,299.13
1928 Final Payment	1,037,554.35	
	<u>\$2,434,175.32</u>	<u>\$6,033,655.39</u>

Of the above amounts, the Pool holds Reserves
to the extent of \$ 996,545.75

EARNED SURPLUS 2,119,869.39

This represents the undistributed balance of
earnings up to and including 31st July, 1951,
as follows:—

Balance as at 31st July, 1951	\$2,022,657.05
Add Balance of Earnings for the Year Ended	
31st July, 1951	<u>97,320.53</u>
	<u>\$2,119,977.58</u>
Less Sundry Adjustments in respect of Prior	
Years	108.19
	<u>\$2,119,869.39</u>

\$10,587,700.10

TOTAL LIABILITIES OF ALBERTA WHEAT POOL \$38,213,835.30

CALGARY, Alberta,

22nd October, 1952.

HARVEY, MORRISON & CO.,

Chartered Accountants.

ALBERTA POOL ELEVATORS LIMITED
Calgary, Alberta

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

EXPLANATORY NOTE:—Your Organization, referred to as the Alberta Wheat Pool, is divided into sections, namely Alberta Wheat Pool, which is incorporated under a private charter, and Alberta Pool Elevators Limited, which is incorporated under the Companies Act of the Province of Alberta. The elevator system, comprising the country and terminal elevators, together with the flour sheds, coal sheds, dwellings, etc., is owned by Alberta Pool Elevators Limited, and, under agreement, is leased to Alberta Wheat Pool, on the basis that the Pool keeps the system in repair, provides for all operating expenses, and by mutual arrangement, provides for rental of the facilities in the amount which is equivalent to depreciation on the assets of the Company. The active operations are carried on by Alberta Wheat Pool, and Alberta Pool Elevators Limited may be regarded, for the present, as merely a holding company.

The Balance Sheet now under consideration is that of Alberta Pool Elevators Limited, a separate and distinct analysis being prepared for Alberta Wheat Pool.

ASSETS

PROPERTY	.....	\$5,599,410.94
Consisting of Country Elevator System and Terminal Elevators at Vancouver and Port Arthur:—		
485 Country Elevators and 485 Annexes	\$10,575,347.60	
382 Dwellings	1,417,019.81	
32 Coal Sheds	13,198.35	
23 Flour Sheds	11,948.00	
	<hr/>	
	\$12,017,513.76	
<i>Less Depreciation Reserve</i>	<hr/>	8,146,159.89
	<hr/>	
Net Value of Country Property	\$3,871,353.87	
Vancouver Terminal	\$3,185,586.02	
<i>Less Depreciation Reserve</i>	<hr/>	1,914,792.52
	<hr/>	\$1,270,793.50
Port Arthur Terminal	\$ 712,412.05	
<i>Less Depreciation Reserve</i>	<hr/>	285,607.52
	<hr/>	426,804.53
	<hr/>	
Net Value of Terminal Property	1,697,598.03	
Calgary Warehouses	\$ 18,800.00	
<i>Less Depreciation Reserve</i>	<hr/>	7,026.65
	<hr/>	11,773.35
Equity in Wheat Pool Building, Winnipeg	<hr/>	18,685.69
	<hr/>	
Net Value of Property	\$5,599,410.94	

Property Changes during the year were as follows:—

Elevators (485)—

Number, 31st July, 1951	486
<i>Add McNab, Pouce Coupe, Seven Persons</i>	3
<i>Deduct McNab and Owlseye No. 2 burned,</i>	
Dunmore wrecked, Seven Persons to	
"Twins"	(4)
Number, 31st July, 1952	485
	<hr/>

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

ASSETS (Continued)

PROPERTY—(Continued)

Annexes—Cribbed (92)—

Number, 31st July, 1951	87
<i>Add</i> Camrose, Coronation, Falher No. 2, Grande Prairie, Skiff	5
	<u> </u>
Number, 31st July, 1952	92

Annexes—Twin (25)—

Number, 31st July, 1951	24
<i>Add</i> Seven Persons	1
	<u> </u>
Number, 31st July, 1952	25

Annexes—Balloon (286)—

Number, 31st July, 1951	272
<i>Add</i> Barnwell, Berwyn, Blackfoot, Chancellor, Colinton, Conrich, Grassy Lake, Hazeldine, Herronton, Halkirk, Make- peace, Red Willow, Rockyford, Sedge- wick	15
<i>Deduct</i> Skiff wrecked	(1)
	<u> </u>
Number, 31st July, 1952	286

Annexes—Loxtave (80)—

Number, 31st July, 1951	81
<i>Deduct</i> McNab, burned	(1)
	<u> </u>
Number, 31st July, 1952	80

Annexes—Steel Tanks—No change

Total Elevator Annexes, 31st July, 1952

Dwellings (382)—

Number, 31st July, 1951	379
<i>Add</i> Bittern Lake, Bonnyville, Drumheller, Halkirk, Stobart, purchased; Ryley, built	6
<i>Deduct</i> Grande Prairie, Halkirk—sold, Red- land—burned	(3)
	<u> </u>
Number, 31st July, 1952	382

Coal Sheds—No change

Flour Sheds (23)—

Number, 31st July, 1951	24
<i>Deduct</i> Owlseye No. 2—sold	(1)

Number, 31st July, 1952	23
	<u> </u>

Calgary Warehouses—No change

EQUIPMENT

\$ 151,568.31

Consisting of the following:

Office Furniture and Equipment—Cost	\$ 187,025.38
28 Automobiles and 13 Trucks—Cost	108,113.88
Terminal Equipment—Cost	16,834.79
Portable Cleaners and Loaders—Cost	12,980.01

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

ASSETS (Continued)

EQUIPMENT—(Continued)

Elevator Maintenance and Sundry Equipment—

Net Value	27,851.58	\$ 352,805.64
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Less Depreciation Reserves—

Office Furniture and Equipment	\$ 122,227.81	\$ 201,237.33
Automobiles and Trucks	57,088.81	
Terminal Equipment	11,911.88	
Portable Cleaners and Loaders	10,008.83	

Net Value of Equipment	\$ 151,568.31	
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Office Furniture and Equipment—

This furniture and equipment is used by your Organization at the head office in Calgary and at the branch offices in Vancouver, Winnipeg and Edmonton. The fact that the major portion of the equipment has been in use for several years accounts for the substantial reserve for depreciation in respect thereof.

Automobiles and Trucks—

During the year 16 units were disposed of and 17 new units were acquired. As stated above there were 28 automobiles and 13 trucks on hand as at 31st July, 1952.

Terminal Equipment—

Representing movable equipment in use at the terminals.

Portable Cleaners and Loaders—

Represents portable cleaners and loaders situated at a number of elevators throughout the Province.

Elevator Maintenance and Sundry Equipment—

Consisting of loose tools which are easily mislaid or lost and maintenance equipment having a relatively short life, elevator telephone equipment, motion picture and radio equipment. The accounts are reduced each year by the annual provision for depreciation.

Financing of Property and Equipment Purchased—

The property and equipment as enumerated above has a total cost of \$16,305,803.16 and has been financed as follows:—

By Elevator Reserve Payments	\$4,850,000.00	
By Monies belonging to the Depreciation Fund	10,554,823.91	
By Contracts Payable	18,250.00	
By Gain on Capital Realizations	201,388.91	
By Borrowing from Alberta Wheat Pool	681,340.34	

\$16,305,803.16

TOTAL ASSETS OF ALBERTA POOL ELEVATORS LIMITED \$5,750,979.25

ANALYSIS OF BALANCE SHEET AS AT 31st JULY, 1952

LIABILITIES

<u>CURRENT</u>	\$ 699,590.34
Alberta Wheat Pool	\$ 681,340.34
Borrowings from Alberta Wheat Pool in respect of current expenditures on property and equipment.	
Payable on Construction Contracts	18,250.00
Unpaid accounts in respect of work in progress.	
	<u>\$ 699,590.34</u>
<u>CAPITAL AND SURPLUS</u>	5,051,388.91
Capital	\$4,850,000.00
The authorized capital of your company is 500,000 shares of \$10.00 each. There have been issued and fully paid 485,000 shares. The money to pay for these shares has been contributed by members of the Alberta Wheat Pool through Elevator Reserve deductions. All the issued shares are owned by Alberta Wheat Pool.	
Capital Surplus	201,388.91
Representing amounts in excess of book value received in respect of fire losses, sales, etc.	
	<u>\$5,051,388.91</u>
<u>TOTAL LIABILITIES OF ALBERTA POOL ELEVATORS LIMITED</u>	<u>\$5,750,979.25</u>

CONTINGENT LIABILITIES—

The assets of your Company have been pledged as security for the First Mortgage Debentures issued by the Alberta Wheat Pool to the Bank of Montreal in the amount of \$300,000.00.

CALGARY, Alberta,

22nd October, 1952.

HARVEY, MORRISON & CO.,

Chartered Accountants.

MEMORANDA



CANADIAN CO-OPERATIVE WHEAT PRODUCERS LIMITED

DIRECTORS' REPORT

1951-1952

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

Gentlemen:

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

CENTRAL BOARD

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

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

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

INTERPROVINCIAL POOL MEETINGS

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

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

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

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

Close contact was maintained with the Canadian Wheat Board. Resolutions were directed to the Government of Canada urging: that the Wheat Board be the sole marketing agency for all western-grown grains; that the Board members be increased to five; that the Advisory Committee to the Board be representative of organized producers; and that, when the powers of the Wheat Board expire on 31st July, 1953, these powers be renewed and made permanent.

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

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

WESTERN AGRICULTURAL CONFERENCE

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

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

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

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

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

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

CANADIAN FEDERATION OF AGRICULTURE

The 16th annual meeting of the Canadian Federation of Agriculture assembled on 21st-25th of January, 1952, in Montreal. Representatives of organized farm people, from sea to sea, debated the problems of the neighborhoods and regions which, together, make up our Canadian nation; and decided on action which must be taken so that our lands and waters shall produce abundance for consumers and fair returns to producers. Pursuant to these decisions, C.F.A. directors recommended to the Canadian Cabinet on 6th March, 1952:

1. That due to the crisis created by the foot-and-mouth outbreak, beef and lamb prices be stabilized.
2. That inspection and disinfection of all livestock facilities be rigidly enforced.
3. That agriculture be proclaimed an essential industry—to ensure the full productive capacity vital to defence.
4. That inflation be curbed by sound monetary policies; and, if price control is needed, such controls be on all profits, prices and wages.
5. That the International Wheat Agreement be renewed—with higher price ranges; and prices kept in line with general price levels.
6. That the Government give adequate consideration to the problem of moving Western grains to Eastern feeders.
7. That freight assistance on feed grains be made permanent.
8. That legislation be enacted to protect the dairy industry.

9. That the support price for hogs be established at \$28.00 per 100 lbs. dressed, Grade B1, basis Winnipeg.
10. That the Government of Canada provide leadership in FAO to establish a commodity program to meet famine, build reserve food stocks and manage surpluses.
11. That a national conservation act provide for federal and provincial co-operation to develop and safeguard the vital land and water resources of our nation.
12. That the fertilizer industry be investigated.
13. That more adequate loans be made available under the Veterans' Land Act and the Farm Loan Act.
14. That in the year ahead every effort be made to safeguard agriculture and maintain a proper balance between the major components of the nation—as a prerequisite for national prosperity and harmony.

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

INTERNATIONAL FEDERATION OF AGRICULTURAL PRODUCERS

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

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

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

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

FOOD AND AGRICULTURE ORGANIZATION

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

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

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

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

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

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

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

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

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

The FAO conference emphasized that mankind must look to the farmers for any substantial increase in world food production. Three inter-related factors are of overriding importance: security of tenure; usable farm credit; and stabilized prices and markets.

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

INTERNATIONAL WHEAT AGREEMENT

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

The Agreement, negotiated early in 1949, covered movement of 456 million bushels from five exporting, to 37 importing, nations. In the second year quotas were increased to 525 million bushels. During the third year of the Agreement, beginning 31st July, 1951, four exporting and 42 importing nations guaranteed to

trade 581 million bushels—with allotments of 88.7 million from Australia; 4.1 million from France; 255 million from the United States; and 232,979,115 bushels from Canada.

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

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

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

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

Discussions lasted three weeks. Every country registered approval of the basic principles of I.W.A. The meeting discussed suggested amendments to the Agreement, including carrying charges, moving the basing point from the Lakehead to the Atlantic, working back from ultimate destination in calculating freight and other costs, and the right of importing members to re-sell Agreement wheat. A committee was established to work out a formula for maintaining Agreement prices on effective parity with other world prices and costs.

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

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

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

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

CANADIAN WHEAT BOARD

The 1951-52 crop year demonstrated once again, and more conclusively than ever before, the vital value to producers of organized marketing. Following a year of extreme difficulties in 1950-51, the Canadian Wheat Board faced a conglomeration of colossal tasks in engineering the movement and marketing of the

1951-52 crop in the best interests of Western producers. On top of a big carry-over, producers poured deliveries of 718 million bushels, including unprecedented quantities of tough and damp grain. Without organized marketing this situation would have led to chaos—with returns to producers that would have meant catastrophe.

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

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

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

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

	Final Payment per bu.	Total Payment per bu.
Wheat, 1 Northern	25.498c	\$1.855498
Oats, 1 CW	9.710c	\$0.84710
Barley, 1 CW	20.882c	\$1.33882

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

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

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

EXPORTS

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

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

The United Kingdom continued to be the leading buyer of Canadian wheat, taking 127.6 million bushels, or about 36% of total 1951-52 exports. This compares with 42% in 1950-51; and 58% of 1949-50 exports. Seven other countries each bought more than 10 million bushels. India took 18.1 million; Japan, 16.5 million; Germany, 15.8 million; Belgium, 15.5 million; Netherlands, 11.9 million;

Italy, 11 million; and the United States 38.7 million bushels (including 7.3 million for milling in bond and most of the balance for livestock feed).

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

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

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

Some 6.8 million bushels of rye were exported to 10 countries; with United States taking 2.3 million. Six countries bought 2.9 million bushels of Canadian flaxseed—2.4 million going to Belgium.

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

CANADIAN GOVERNMENT POLICY

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

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

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

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

PRAIRIE FARM ASSISTANCE

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

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

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

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

FREIGHT ASSISTANCE

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

During the first eleven months of the 1951-52 crop year, shipments of oats were 35.2 million bushels, about 13.3% above the same period of the preceding year; and barley shipments reached 20.6 million bushels, 29.7% more than in the first eleven months of 1950-51.

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

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

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

CANADIAN MARKET FOR FEED GRAINS

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

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

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

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

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

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

FARM PRICES AND COSTS

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

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

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

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

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

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

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

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

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

To meet the changing situation resulting from rising costs and falling prices—and to maintain production at the high level required—farmers are making increasing use of financing under the Farm Improvement Loans Act. During the seven years that bank loans have been available under this legislation farmers across Canada have taken 248,625 loans for a total of \$255.3 million. About 58% of this total was borrowed in 1950 and 1951. About 79% of the total borrowed was by Western producers.

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

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

FARM INCOME

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

	1949	1950	1951
	<u>in millions of dollars</u>		
Canada	\$2,802.5	\$2,733.8	\$3,608.6
The West	1,313.1	1,194.0	1,772.6

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

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

	1949	1950	1951
	<u>in millions of dollars</u>		
Canada	\$1,640.5	\$1,451.7	\$2,221.2
The West	809.7	627.9	1,157.9

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

THE 1951-52 CROP YEAR

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

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

	1951-52 — in million bushels —	10-year average (1941-50)
Carryover at start of crop year	189.2	256.5
Production	552.7	386.6
Total supply	741.9	643.1
Exports	356.1	260.3
Domestic use	172.8	155.6
Carryover at end of crop year	213.0	227.2

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

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

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

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

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

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

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

Carryover of the five principal grains as at 31st July, 1952—compared with the previous year and the 10-year average—is set out in the following tabulation, in millions of bushels:

	31st July, 1952	31st July, 1951	10-year average 1941-50
Wheat	213.0	189.2	256.5
Oats	104.9	95.2	72.6
Barley	76.9	53.5	30.6
Rye	7.7	3.3	5.2
Flaxseed	2.4	1.2	3.3
Totals	404.9	342.4	368.2

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

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

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

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

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

TRANSPORTATION

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

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

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

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

To promote efficient co-ordination and use of transport facilities; and meet the demands of the vital defence program and the equally vital crop movement, the Government of Canada on 29th August, 1951, appointed a Transport Controller, with wide powers over rail and lake movement of bulk commodities. The Transport Controller, in consultation with the Canadian Wheat Board and the Board of Grain Commissioners, on 4th December, 1951, suspended the use of the car order book. Effective 15th July, 1952, the railways were ordered to re-open car order books in accordance with the provisions of the Canada Grain Act.

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

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

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

WORLD FARM PRODUCTION

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

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

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

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

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

During 1951 the world saw production increases in fats and oils, coffee, tea, tobacco, cocoa, fibres and jute. Cotton and wool crops were bigger, but world carryover was low. Sugar production reached a record 24.5 million metric tons.

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

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

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

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

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

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

Food production declined 4% in Latin America during the crop year under review, while non-food crops increased 2%. In Argentina, bad weather, labor

and machinery shortages and discouraging prices contributed to reduced output of livestock, linseed and grain. Usually an exporter, this year Argentina is importing wheat to meet the needs of her people. Official estimates place the Argentine 1951-52 wheat crop at 75.3 million bushels. This is only 35% of the 213 million bushels produced in 1950-51; and 33.5% of the pre-war average of 221.8 million bushels.

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

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

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

CO-OPERATION

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

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

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

	Percentage of increase 1942-51	Totals for year ending 31st July, 1951	Percentage of Total for the West
Number of co-operatives	36.3%	\$ 2,348	36.5%
Number of members	110.0%	1,184,235	66.4%
Total business volume	280.0%	988,459,000	52.9%
Total assets	139.0%	306,834,165	55.4%
Value of plant	165.4%	99,790,191	47.9%
Members' equity	154.0%	147,476,563	55.0%

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

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

	1948	1949	1950
Europe	14.93%	15.47%	16.04%
N. & S. America	1.24	1.34	1.24
Asia	2.99	3.58	4.79
Africa .....	.03	.03	.02
New Zealand & Australia	4.59	4.51	4.76
World	8.04	8.49	8.52

CONSERVATION

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

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

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

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

CONCLUSION

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

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

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

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

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

Respectfully submitted,

JOHN H. WESSON,
W. J. PARKER,
BEN S. PLUMER,
W. J. BALL,
W. J. BLAIR,
GEO. N. McCONNELL,
THOS. G. BOBIER,
WATSON CROSSLEY,

} Executive.

MEMORANDA



CANADIAN POOL AGENCIES LIMITED

DIRECTORS' REPORT

1951-1952

To the Shareholders,
Canadian Pool Agencies Limited,
Wheat Pool Building,
Winnipeg, Manitoba.

Gentlemen:

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

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

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

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

BALANCE SHEET

Agency Assets and Liabilities:

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

Shareholders' and Patrons' Assets.

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

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

Pool Insurance Company Account: This Agency and Pool Insurance Company are operated by the same management and staff, and the salaries of the office employees are split between both organizations, as are other items of expense that are not definitely applicable to either organization. This item is the balance due from Pool Insurance Company on the inter-office account.

Investments: The amount shown under this heading represents the cost price of purchases of \$35,000.00 of Dominion of Canada Bonds, 3 1/4% redeemable June, 1966. The market value of these bonds as at the date of the Balance Sheet represented an amount of \$33,862.50 which is slightly less than the cost price of the bonds. While there may be some fluctuations in the value of these bonds, it is our belief that they offer the best medium of obtaining an earning without risk of loss. We are in the satisfactory position of being able to invest considerably more than our capital and reserve the year round, and operate the Agency on current income.

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

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

Shareholders' Liabilities and Reserve:

Accounts Payable: This amount represents miscellaneous accounts included in this year's expenses, but which had not actually been paid prior to year end.

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

Reserve: This sum has been built up over a period of years to provide for the possibility of unusual cancellations; for investment losses, and any other contingencies that may arise. This reserve has remained the same for some years as it is deemed sufficient to take care of our requirements. The amount is allocated to the various shareholders according to their contribution to the reserve.

Capital Stock:

The ownership of the Capital Stock of the Company is held by the Provincial Pool Organizations as follows:

	<u>No. of Shares</u>	<u>Values</u>
Alberta Wheat Pool	664	\$ 6,640.00
Manitoba Pool Elevators	663	6,630.00
Saskatchewan Co-operative Producers		
Limited	1	10.00
Saskatchewan Pool Elevators Limited	660	6,600.00
Saskatchewan Pool Terminals Limited	1	10.00
Saskatchewan Co-operative Livestock		
Producers Limited	1	10.00
Modern Press Limited	1	10.00
Directors' Qualifying Shares	9	90.00
	<hr/> 2,000	<hr/> \$20,000.00

INCOME AND EXPENDITURE STATEMENT

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

Expenses: The various expense items are clearly set out in the statement and represent net figures after charging Pool Insurance Company 50% of the expenses which are equally applicable to both companies.

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

Respectfully submitted,

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

} Executive.

Exhibit A.

CANADIAN POOL AGENCIES LIMITED
Winnipeg, Manitoba

BALANCE SHEET
As at 31st July, 1952

ASSETS

AGENCY ASSETS		
Cash in Agency Bank Accounts	\$ 4,660.09	
Accounts Receivable	87,561.72	
		<u><u>\$ 92,221.81</u></u>
SHAREHOLDERS' AND PATRONS' ASSETS		81,218.66
Cash	\$ 8,950.24	
In General Bank Accounts	\$ 8,880.24	
On Hand	70.00	
		<u><u>\$ 8,950.24</u></u>
Accounts Receivable	36,581.64	
Commissions—per contra	\$10,286.79	
Loan Accounts—secured	21,748.03	
Pool Insurance Company	1,494.40	
Miscellaneous	3,052.42	
		<u><u>\$36,581.64</u></u>
Investments—at cost	35,086.78	
\$35,000 Dominion of Canada Bonds, 3 1/4 % maturing June 1, 1966	<u><u>\$35,086.78</u></u>	
(Quoted value 31st July, 1952, \$33,862.50)		
Membership Deposit	100.00	
Insurance Agents' Association	<u><u>\$100.00</u></u>	
Furniture and Fixtures	500.00	
Cost	\$7,987.79	
Less Depreciation Reserve	7,487.79	
		<u><u>\$ 500.00</u></u>
		<u><u>\$81,218.66</u></u>
		<u><u>\$173,440.47</u></u>

AUDITORS' REPORT—

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

We certify that, in our opinion, the above Balance Sheet and related statements are properly drawn up so as to exhibit, respectively, a true and correct view

CANADIAN POOL AGENCIES LIMITED
Winnipeg, Manitoba

BALANCE SHEET
As at 31st July, 1952

LIABILITIES

AGENCY LIABILITIES	\$ 92,221.81
Accounts Payable	\$81,935.02
Commissions—per contra	10,286.79
	<u><u>\$92,221.81</u></u>

SHAREHOLDERS' LIABILITIES AND RESERVES	61,218.66
Miscellaneous Accounts Payable	\$ 651.31
Reserve for Income Tax Payable	232.09
Patronage Dividend Payable—Exhibit B	40,335.26
General Reserve Against Unearned Income and Investments	20,000.00
Allocated as follows:	
Alberta Wheat Pool	\$ 5,568.12
Manitoba Pool Elevators	3,146.82
Saskatchewan Co-operative Producers Limited	11,285.06
	<u><u>\$20,000.00</u></u>
	<u><u>\$61,218.66</u></u>

CAPITAL STOCK	20,000.00
Authorized	<u><u>\$20,000.00</u></u>
Issued and Fully Paid	<u><u>\$20,000.00</u></u>

(2,000 shares of \$10.00 each)

Signed on behalf of the Board:

JOHN H. WESSON,
 W. J. PARKER, } Directors.

\$173,440.47

of the financial position of Canadian Pool Agencies Limited as at 31st July, 1952, and the results of operating for the year ended that date, according to the best of our information, the explanations given to us, and as shown by the records of the Company. All transactions coming under our notice have been within the powers and objects of the Company to the best of our information and belief.

Winnipeg, Manitoba,
 19th September, 1952.

(Signed) MILLAR, MACDONALD & CO.,
 Chartered Accountants.

CANADIAN POOL AGENCIES LIMITED
Winnipeg, Manitoba

Exhibit B.

SUMMARY OF SURPLUS ACCOUNT
For the Year Ended 31st July, 1952

	<u>Debit</u>	<u>Credit</u>
Surplus for Year Ended 31st July, 1952—Exhibit C		\$41,434.90
Reserve for Income Tax	\$ 1,099.64	
Patronage Dividend for Year 1951-52—Exhibit A	40,335.26	
Allocated as follows:		
Alberta Wheat Pool	\$ 8,229.36	
Manitoba Pool Elevators	8,866.09	
Saskatchewan Pool Elevators Limited	17,307.46	
Saskatchewan Pool Terminals Limited	4,634.88	
Saskatchewan Co-operative Producers Limited	123.21	
Saskatchewan Co-operative Livestock Producers Limited	492.45	
Modern Press Limited	681.81	
	<u><u>\$40,335.26</u></u>	
	<u><u>\$41,434.90</u></u>	<u><u>\$41,434.90</u></u>

CANADIAN POOL AGENCIES LIMITED
Winnipeg, Manitoba

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

INCOME—

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

Other Income—

Interest	2,146.81
	<hr/>
TOTAL INCOME FOR YEAR	\$60,904.86

EXPENSES 19,469.96

Salaries	\$13,868.10
Directors' Fees and Expenses	250.52
Rent and Light	1,619.91
Telephone and Telegraph	302.69
Printing and Stationery	1,036.47
Postage and Excise	190.08
Taxes and Licenses	213.16
Travelling Expenses	107.73
Legal and Audit	631.99
Depreciation	832.18
Insurance	10.24
Annuities, Group and Unemployment Insurance	367.56
Miscellaneous	339.33
	<hr/>
	\$19,769.96
Deduct Recovery from Interprovincial Pool	300.00
	<hr/>
	\$19,469.96

Balance—Surplus for year ended 31st July, 1952, carried to Exhibit B **\$41,434.90**

MEMORANDA

POOL INSURANCE COMPANY

DIRECTORS' REPORT

1951-1952

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

Gentlemen:

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

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

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

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

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

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

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

In Alberta—Ponoka and McNab.

In Saskatchewan—Openshaw and Luseland "B".

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

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

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

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

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

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

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

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

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

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

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

ASSETS

Cash On Hand and In Bank—

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

Accounts Receivable—

Under this heading is an amount due from Canadian Pool Agencies Limited in respect to business placed with the Company through the Agency less a balance due to the Agency on inter-office account.

Investments—

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

Automobiles—

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

LIABILITIES

Current Liabilities—

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

Reserve for Unearned Income—

These reserves are calculated on the basis of one hundred percent of the unearned premiums on our own retention and one hundred percent of the unearned portion of the reinsurance commissions as at 31st December, 1951.

Capital Stock—

The ownership of the Capital Stock of Pool Insurance Company is held by the three Provincial Pool Organizations as follows:

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

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

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

We wish to express the thanks of the Directors for the support and co-operation given to the Company by the parent organizations, managements and staffs.

Respectfully submitted,

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

Exhibit A.

POOL INSURANCE COMPANY
Winnipeg, Manitoba

BALANCE SHEET
As at 31st December, 1951

ASSETS

Cash in Bank	\$ 537,271.85
In Bank of Montreal—Current Account	\$ 186,629.08
Savings Account	350,642.77
	<u>\$ 537,271.85</u>
Accounts Receivable	56,886.28
Canadian Pool Agencies Limited	\$ 56,763.26
Advances to Inspection Staff	123.02
	<u>\$ 56,886.28</u>
Investments—at Cost	252,681.25
Dominion of Canada Bonds—	Par Value
Sixth Victory Loan—3% due 1960	\$107,500.00
Eighth Victory Loan—3% due 1963	87,500.00
Ninth Victory Loan—3% due 1966	55,000.00
	<u>\$250,000.00</u>
Market Value	<u>\$245,525.00</u>
Interest accrued thereon	1,475.00
Automobiles	4,266.29
	<u>\$852,580.67</u>

AUDITORS' CERTIFICATE—

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

POOL INSURANCE COMPANY
Winnipeg, Manitoba

BALANCE SHEET
As at 31st December, 1951

LIABILITIES

Current Liabilities	\$ 472,527.37
Miscellaneous Accounts Payable	\$ 838.00
Reinsurance Accounts Payable	128,941.56
Fire Losses in Process (net of reinsurance)	40,551.75
Taxes Accrued	14,506.15
Dividends Payable as per Exhibit B	287,689.91
	<u><u>\$472,527.37</u></u>
Reserve for Unearned Income	126,121.29
Unexpired portion of premiums income	\$76,444.19
Unexpired portion of reinsurance com- missions	55,717.52
	<u><u>\$132,161.71</u></u>
Less Commissions paid on business not yet taken into income	6,040.42
	<u><u>\$126,121.29</u></u>
Capital Stock	185,000.00
Authorized—5,000 shares at \$100.00	<u><u>\$500,000.00</u></u>
Subscribed—2,500 shares at \$100.00	<u><u>\$250,000.00</u></u>
Paid up thereon	<u><u>\$185,000.00</u></u>
Capital Surplus	68,932.01
Premium at 12% on Capital Stock	\$30,000.00
Surplus realized on investments sold	8,932.01
Transferred from Shareholders' and Patrons' Equity Account—1949-1951	30,000.00
	<u><u>\$68,932.01</u></u>
Approved on behalf of the Board: JOHN H. WESSON, Director. W. J. PARKER, Director.	
	<u><u>\$852,580.67</u></u>

transactions coming within our notice were, in our opinion, within the powers and objects of the Company.

Winnipeg, Manitoba,
20th February, 1952.

(Signed) MILLAR, MACDONALD & CO.,
Chartered Accountants.

POOL INSURANCE COMPANY
Winnipeg, Manitoba

Exhibit B.

SUMMARY OF SHAREHOLDERS' AND PATRONS' EQUITY ACCOUNT
For the Year Ended 31st December, 1951

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

POOL INSURANCE COMPANY
Winnipeg, Manitoba

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

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

