

# Alberta Wheat Pool Annual Report 1971









# ALBERTA WHEAT POOL ANNUAL REPORT 1971

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# ALBERTA WHEAT POOL

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## board of directors

G. L. HARROLD, *Lamont* — *President*  
NELSON MALM, *Vauxhall* — *1st Vice-President*  
A. J. MACPHERSON, *Delia* — *2nd Vice-President*  
KEITH ROSENBERGER, *Balzac*  
G. W. BRAITHWAITE, *Red Deer*  
ARNE JOHNSON, *Camrose*  
HUBERT N. ANDERSON, *Barrhead*

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O. J. BROUGHTON, *Secretary*

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## officers and head office personnel

J. W. MADILL, *General Manager*  
J. B. GANT, *Grain Operations Manager*  
H. E. RIPLEY, *Elevator Operations Manager*  
R. S. ENNIS, *Sales & Traffic Manager*  
L. J. TRELEAVEN, *Construction & Maintenance Manager*  
R. A. FINDLAY, *Seed & Fertilizer Manager*  
T. G. HENDRY, *Treasurer*  
R. G. PALMER, *Comptroller*  
A. W. BEATTIE, *Public Relations Manager*

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## branch managers

H. K. MOEN, *Vancouver*  
C. F. USHER, *Victoria Elevator Ltd.*  
M. G. WOOD, *Winnipeg*

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## solicitors

MacKIMMIE MATTHEWS

## auditors

CLARKSON, GORDON & COMPANY

## bankers

BANK OF MONTREAL  
THE BANK OF NOVA SCOTIA  
THE ROYAL BANK OF CANADA

HEAD OFFICE — Alberta Wheat Pool Building, 505 - 2nd Street S.W., Calgary 1, Alberta

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*Alberta Pool members meet regularly in meetings such as shown to maintain a two-way channel of communication with their elected representatives.*

# DELEGATES

## Lethbridge—District One

101	Gogolinski, B	Orion
102	Hummel, Wallace H.	Milk River
103	Kuehn, Herbert C.	Skiff
104	Dudley, George T.	Magrath
105	Patching, Harry R.	Lethbridge
106	Williams, Kenneth	Taber
107	Konynenbelt, Evert J.	Nobleford
108	Binder, Arthur H.	Turin
109	Thurston, Clarence F.	Bow Island
110	Bayer, Robert	Schuler

## Calgary—District Two

201	Dyck, Nick	Pincher Creek
202	O'Neil, James Jesse	Claresholm
203	Coote, Donald H.	Cayley
204	Versluys, C. J.	Champion
205	Jacobsen, Norman	Arrowwood
206	Christofferson, Karl B.	Brant
207	Brander, John A.	Langdon
208	Schmaltz, C. M.	Beiseker
209	Clayton, Clifford S.	Airdrie
210	Richards, Ralph E.	Olds

## Drumheller—District Three

301	Lemare, Carl	Acadia Valley
302	Curry, Lyall A.	Sunnyside
303	Volek, Joseph	Tilley

304	Axelsen, Eric	Drumheller
305	Burne, George W.	Gleichen
306	Roppel, Howard R.	Rockyford
307	Olsen, Harvey W.	Three Hills
308	Hoppins, Frank J.	Huxley
309	Adie, John L.	Drumheller
310	Nelson, Norman E.	Craigmyle

## Red Deer—District Four

401	Warwick, Ernest	Oyen
402	Smith, George F.	Provost
403	Schwenk, Herman D.	Coronation
404	Turner, Harry H.	Alliance
405	McCormick, J. E.	Byemoor
406	Petersen, Leslie M.	Erskine
407	Stone, John J.	Alix
408	Johnson, K. K.	Red Deer
409	Liivam, August	Eckville
410	Wheeler, S. M. R.	Ponoka

## Camrose—District Five

501	Redmond, D. R.	Edgerton
502	Dobson, Parke	Paradise Valley
503	Jackson, E. R.	Irma
504	Flaade, Bennie A.	Hardisty
505	Lefsrud, Harald	Edmonton
506	Christians, William H.	Donalda
507	Drummond, Alexander	New Norway

508	Pepper, Clifford G.	Ohaton
509	Ness, Ingvald	Kingman
510	Rasmuson, Clarence H.	Gwynne

## Vegreville—District Six

601	Golightly, Robert C.	Streamstown
602	Peden, Ronald H.	Minburn
603	Goshko, M. D. Russell	Vegreville
604	Ropchan, Mike	Willingdon
605	Galloway, Kenneth D.	Fort Saskatchewan
606	Zeigler, Alex	Winterburn
607	Montpetit, Paul M.	Legal
608	Din, Alexander	Warspite
609	Lamothe, Armand	St. Paul
610	Davidiuk, William	Grassland

## Peace River—District Seven

701	Parrent, Fred J.	Clyde
702	Rimmer, Laurence M.	Pibroch
703	Hallowes, Arthur W.	Sangudo
704	Galigan, Douglas	Culp
705	Gummer, Howard F.	Grande Prairie
706	Olson, Iver H.	Beaverlodge
707	Vandergrift, Lloyd F.	Dawson Creek
708	Dufour, Gerard M.	Spirit River
709	Lorenz, Nick M.	Manning
710	Proctor, C. M.	Fairview



## 1970 - 71 REPORT HIGHLIGHTS AND COMPARISONS

	1971	1970
Handlings — Country Elevators, in bushels .....	120,270,887	93,759,147
Forage Seed, in pounds .....	16,477,246	10,723,792
Cereal Seed, in pounds .....	35,972,857	30,837,862
Percentage of Alberta Grain Deliveries Handled .....	48.5%	46.7%
Gross Value of Board Deliveries and Other Sales .....	\$161,536,843	\$127,144,885
Seed and Fertilizer Sales (included above) .....	\$ 11,601,357	\$ 9,783,362
Total Revenues .....	\$ 25,620,784	\$ 23,726,960
Total Expenses .....	\$ 16,937,096	\$ 17,114,107
Capital Cost Allowances .....	\$ 2,564,375	\$ 2,589,557
Net Earnings .....	\$ 6,119,313	\$ 4,023,296
Current Assets .....	\$ 60,138,391	\$ 64,693,996
Current Liabilities .....	\$ 53,519,956	\$ 58,598,201
Working Capital .....	\$ 6,618,435	\$ 6,095,795
Capital Expenditures on Properties and Equipment .....	\$ 2,700,773	\$ 2,830,255
Total Invested in Capital Assets .....	\$ 58,849,538	\$ 56,585,858
Patronage Refunds Distributed (out of previous year's earnings) ....	\$ 3,845,464	\$ 2,661,648
Reserves Held by Members .....	\$ 24,881,339	\$ 23,995,123
Percentage of Member Business prior year .....	97.09%	97.26%
New Members .....	1,850	1,469
Total Membership .....	49,857	52,337
Number of Country Elevators .....	517	520
Elevator Capacity — in bushels — Country .....	47,889,100	48,311,300
Terminals .....	10,340,000	10,340,000
Average Number of Employees .....	1,202	1,227

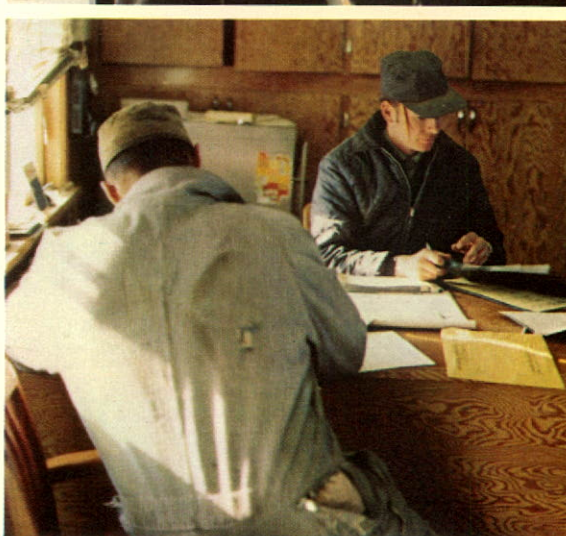


Top — Grasses, grains and cattle -  
a solid base for successful farming.

Second from top — Planning grain  
deliveries to their own Pool elevator  
system. The men in farm manage-  
ment.

Third from top — Pool Elevator  
Managers - leading in service to their  
member-patrons.

Bottom — Expert Pool grain in-  
spectors work for highest returns to  
producers.



1969

1968

1967

1966

81,112,978

84,438,998

113,097,918

90,441,480

14,240,961

11,308,137

13,523,114

16,478,020

40,110,581

21,459,970

24,053,886

16,033,396

44.6%

46.6%

46.8%

45.6%

\$127,177,052

\$143,012,588

\$162,454,260

\$127,329,423

\$ 13,951,797

\$ 11,637,169

\$ 9,908,752

\$ 7,858,931

\$ 21,225,160

\$ 21,886,951

\$ 21,662,744

\$ 17,813,685

\$ 15,619,774

\$ 13,967,769

\$ 12,575,880

\$ 11,613,659

\$ 2,832,423

\$ 2,387,283

\$ 1,818,237

\$ 1,628,406

\$ 2,772,963

\$ 5,531,898

\$ 7,268,626

\$ 4,571,621

\$ 72,728,124

\$ 62,445,156

\$ 54,899,770

\$ 46,054,731

\$ 66,791,747

\$ 52,314,663

\$ 44,105,212

\$ 35,300,199

\$ 5,936,377

\$ 10,130,493

\$ 10,794,558

\$ 10,754,532

\$ 7,260,935

\$ 7,210,177

\$ 3,891,660

\$ 2,526,880

\$ 54,222,000

\$ 47,663,337

\$ 40,835,768

\$ 37,681,647

\$ 5,201,880

\$ 6,837,255

\$ 4,238,398

\$ 3,582,521

\$ 23,542,113

\$ 22,245,431

\$ 19,233,486

\$ 18,234,220

98.02%

98.08%

97.71%

97.39%

1,815

2,323

2,308

2,115

52,649

52,703

52,321

51,789

521

521

525

533

47,198,800

46,257,700

45,449,100

44,860,800

10,340,000

10,340,000

10,340,000

10,340,000

1,303

1,264

1,255

1,166



# REPORT OF BOARD OF DIRECTORS

TO FORTY-NINTH ANNUAL MEETING OF DELEGATES • ALBERTA WHEAT POOL



*Alberta Wheat Pool  
President Gordon L.  
Harrold.*



*President Harrold con-  
fers with 1st Vice-Presi-  
dent Nelson Malm, left,  
and Secretary O. J.  
Broughton, right.*

Gentlemen:

Elevator handlings of your Association increased sharply for the second year in a row and sufficiently to establish a new record. All properties were kept in a good state of repair and a degree of modernization was carried out. The major item in this regard was a dust collection system at Terminal No. 1, Vancouver. Country elevator construction was limited during the year, but additional warehouse facilities were established for seed and fertilizer operations. The programme of providing homes for agents was also maintained at a high level.

During the year your Association was heavily involved in numerous representations regarding the agricultural industry. Membership services were maintained on a basis similar to the previous year.

## Summary of Operations

Grain handlings through the country elevators of the Pool totalled 120,270,887 bushels, an increase of 26,511,740 over the previous year or about 28.2% percent. This volume represented about 48.5 percent of Alberta marketings compared to 46.7 percent for the previous year. It also represented an increase of 7,172,969 bushels over the previous record handling of 113,097,918 bushels in the year 1966-67.

Terminal unloads of grain at Vancouver of 68,941,262 bushels was an increase of 10,748,828 over the previous year, again an all-time record. Handlings at Victoria were sharply up over the previous year to a total of 8,845,740 bushels.

Forage seed handlings also increased considerably during the year to reach a total exceeding 16,000,000 pounds; one of the largest handlings to date. Fertilizer sales improved over the previous year by about 25% to a volume in excess of 60,000 tons and gross chemical sales also showed an increase of some 40% over the previous year.

Available for distribution from the year's operation are net earnings of \$6,119,313 before provision for income tax. These earnings were exceeded only in the year 1966-67.

## GRAIN MARKETING

Canada's exports of its six principal grains reached an all-time high during the 1970-71 crop year. In volume this amounted to 671.7 million bushels, exceeding the previous record of 1965-66 which stood at 635.6 million.



Preliminary figures issued by the Canadian Grain Commission indicate that export shipments of wheat and flour totalled 434.5 million bushels, an increase of about 90,000,000 bushels over the previous year, and about 6% greater than the average of the previous ten-year period. Wheat clearances of 409.4 million bushels were the heaviest volume moved since the 1966-67 crop year which stood at 482.7 million.

Exports in the form of flour amounted to 25.1 million bushels, a decrease of about 2 million from the previous year.

Shipments of barley at 172.3 million bushels was an all-time high for export of this grain. It was more than double the volume of the previous year, which stood at 82.7 and compared to the previous ten-year average exports of 39 million bushels, and represents an improved and highly desirable situation. Oat shipments likewise improved considerably, to a total of 13.1 million bushels compared to 4.8 million the previous year and ten-year average of 8.7 million bushels. Rye exports also advanced reaching a total of 8.9 million bushels compared to 3.8 the previous year and a ten-year average of 5.5 million. Flaxseed enjoyed a good export market volume-wise at 21.2 million bushels, nearly equal to the record set in 1956-57 of 21.6 million bushels. Rapeseed exports followed the production trend and set a record of 46.8 million bushels. This was more than double the volume of 22.2 million in the previous year and nearly four times as great as the ten-year average of 12.1. Rapeseed exports continued Canada's position for the third year in a row as the largest exporting nation of this oilseed.

During the year Britain moved back into position as the principal export market for Canadian grain with 98.4 million bushels in total, an increase of about 20 million over the previous year. Japan, who was the number one importer in the previous year, this year was in number two position, with imports totalling 90.6 million bushels, being about 16% above the previous year. The People's Republic of China was the next best customer, taking a total of 88.3 million bushels. The Federal Republic of Germany became the fourth best customer, taking a total of 63.7 million bushels, and Italy was next with 55.7 million bushels, both of which reflected large increases over the previous year. Asian markets accounted for 39.4% of our total grain exports for the year, while the European Economic Community made purchases equivalent to 27.3%. Other western European countries took amounts equivalent to 19.1%.



*Top — Prairie sentinels - part of the farmer-owned Pool elevator system.*

*Bottom — The fruit of the harvest - golden grain to feed a hungry world.*





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## WHEAT POOL PRESENTATIONS

### Canadian Wheat Board Act

On April 1st, 1971 Bill C-238 was introduced in the House of Commons, being an amendment to the Canadian Wheat Board Act. The amendments to the Act proposed in this Bill brought up to date certain terminology in accordance with that used in the Canada Grain Act. They also provided the Wheat Board with authorization in respect to delivery quotas of grain to improve marketing, authorized deliveries of grain after the crop year end in special circumstances, authorized the Board to make payments on wheat respecting quality within a grade, provided amendments relative to the block system of shipping, and other consequential matters. A major amendment to the Wheat Board Act of specific interest to our Association, was proposed also in this Bill, namely; the inclusion in the Act of the provisions applying to wheat, oats and barley to be extended to flax, rye and rapeseed.

This provision in the Act would permit inclusion of these grains, but would not necessarily mean that they would be handled by the Canadian Wheat Board.

Your Association conveyed to the Minister Responsible for the Canadian Wheat Board, the Honourable Otto E. Lang, and to the Standing Committee on Agriculture, its approval of the principles embodied in this Bill and strongly endorsed the inclusion of flax, rye and rapeseed. The Standing Committee scheduled no public hearings on the matter and during subsequent debate in the House of Commons, the Section respecting flax, rye and rapeseed was deleted. Our representations to the Minister and the Committee in this regard brought assurances that the deletion of these provisions was merely to ensure quick passage of the Bill on the explicit understanding measures would be introduced at an early date to achieve the same purpose. A bill for this purpose was introduced in June but has not been proceeded with.

### Canada Grain Act

Major revisions to the Canada Grain Act mentioned in our last report were completed during the year with the Bill having been given Royal assent on December 18th, 1970. The Act proclaimed effective April 1st, 1971 contains the major provisions sought by our Association in its submission and provides greater flexibility

in the establishment of grade standards and other matters requiring progressive change.

Under its provisions, the former Board of Grain Commissioners has been reconstituted as the Canadian Grain Commission, the appointments to which, with one exception, were existing Commissioners. Of satisfaction to your Association was the appointment of a practicing farmer to the Commission.

Parts of the new Act were made effective August 1st, 1971. Of specific importance was the establishment of a new wheat grade under its provisions; namely, No. 1 Canada Western replacing the earlier designation of No.'s 1 Hard and Northern and No. 2 Northern.

Plans are proceeding to introduce additional new grades in the following year. Also planned are regulations to provide for the segregation on the basis of protein content of car-lots of No. 1 CW wheat arriving at terminal elevators to permit sales of specific protein content.

From all appearances, the transition from the old Act and its regulations to the new, is proceeding smoothly.

### Proposals for Tax Reform

The White Paper on Tax Reform referred to in our last report was, as an entity, abandoned informally in March of 1971 in a public speech by the Minister of Finance. Proposals for tax reform were however, introduced in the House of Commons on Friday, June 18th, 1971 with first reading being given a Bill to give effect to these proposals on June 30th. Your Association concerned itself with the sections pertaining to co-operatives.

These included retention of the provision for deduction of patronage dividends from income, but unfortunately with greater limitations than the present Act. The numerical figure of 3 in the capital-employed formula was increased to 5 and the deductions of interest limited to that paid on money borrowed from members, rather than money borrowed from sources other than banks as previously. Member equity would also be included under the capital-employed provision with a corresponding increase in the tax base. The application of these provisions would have effectively created a tax on the capital of associations such as Alberta Wheat Pool and eventually destroyed completely the financial structure on which your Association is based—that the users of the facilities are the owners. We have made strenuous and repeated representations to the



Minister of Finance, to the members of the government and Members of Parliament requesting again as we did in the White Paper, deletion of the capital-employed formula.

In the course of our representations we acted in concert with the Co-operative Union of Canada and other co-operative organizations. There was a high degree of consistency of approach taken on behalf of the co-operative movement, with special requests being put forward by individual organizations due to their particular circumstances.

Our representations included a meeting with the Minister of Finance on August 11, 1971 and subsequent meetings with the Senate Banking and Finance Committee, a Committee of the Caucus of the Liberal Party, meeting with and on the invitation of the Caucus of the Progressive Conservative Party and informal meetings with Members of Parliament.

Discussion on the Bill was resumed in September and is still before the Committee of the Whole at the time of printing this report.

### **Canadian Transport Commission**

We had expected that the railroads might have resumed applications for branch line abandonments during the year on the basis of the information listed in our last report. There have been no developments however, in that regard. We will be making reference in another section of this report to studies concerning grain handling and transportation in Western Canada, which may have arisen out of consideration for railway operations in Western Canada.

## **LEGISLATION**

### **Temporary Wheat Reserves Act**

The Temporary Wheat Reserves Act which the government had planned to repeal effective August 1, 1970 under its Grain Stabilization Plan, did, as events turned out, remain in effect for the 1970-71 crop year. Under its provisions, the federal treasury provided funds for carrying charges on the volume of wheat held by the Canadian Wheat Board on August 1, 1970 in excess of 178,000,000 bushels. On this amount, the Canadian Wheat Board received in October 1971, the sum of \$62,116,018.00 under the pro-

visions of the Act, which has now been allocated in the following amounts:

1969-70 pool account	---	\$38,588,327.00
1970-71 pool account	---	\$23,527,691.00
for a total of	-----	<u>\$62,116,018.00</u>

### **Prairie Grain Advance Payments Act**

The Prairie Grain Advance Payments Act was again in force during the crop year. The maximum advance continued at \$6,000.00 on the basis of \$1.00 per bushel on wheat, 40¢ on oats and 70¢ on barley, which the permit holder has on his farm and undertakes to deliver on a quota of six bushels per specified acre. The funds for advances made under this Act were provided by the Canadian Wheat Board to the elevator companies with interest charges absorbed by the federal government. Advances totalling \$91,105,890.00 were made to 51,332 producers in the Prairie provinces during the year. Of this amount, payments totalling \$17,282,791.00 were made to 9,945 producers in Alberta. Advances made by Alberta Wheat Pool amounted to \$8,683,670.00. The experience of your Association in respect to these advances will be found appended to this report.

The relatively low amount advanced during the year reflects in part the situation resulting from the previous two years. During the 1968-69 year, the total amount of advances available to the individual producer was doubled, namely; to a maximum of \$6,000. This provision also prevailed during the 1969-70 crop year. Many farmers, due to restricted deliveries, availed themselves of these provisions and entered the 1970-71 year with a substantial unpaid advance. This became deductible from the maximum advances allowed in the current year and approached one hundred million dollars. The provisions of this Act in effect concealed to some degree the serious income situation of prairie grain producers over a two-year period.

### **Farm Products Marketing Agencies Act Bill C-176**

Late in October 1970, the federal government introduced Bill C-176 to establish the "Farm Products Marketing Agencies Act." Its purpose was to establish a National Farm Products Marketing Council and to authorize the establishment of National Marketing Agencies for farm products. As its provisions did not include grain,



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your Association made no representation on the matter. Considerable controversy arose in parliament over this Bill with enthusiasm for it from some segments of agriculture and strenuous opposition from other producers and associations. Following extensive debate, the discussions ceased on this Bill during the Spring. Although it is still on the Order Paper, there are no indications at the moment that it will be proceeded with.

### **Prairie Grain Stabilization Plan**

Late in October 1970, the Minister Responsible for the Canadian Wheat Board, tabled "Proposals for a Production and Grain Receipts Policy for the Western Grains Industry" in the House of Commons. This proposal, which the Minister subsequently discussed with the delegates at our last annual meeting was, with some changes, given first reading as Bill C-244 on March 15th, 1971. Debate on the Bill was not completed when Parliament recessed for summer holidays on June 30th. Discussions resumed early in September. Eventually, the Bill was withdrawn by the government on October 12th, after one of the most vigorous parliamentary discussions in years.

The Bill proposed that a Grain Stabilization Fund be established to be made up of contributions of 2% of the gross receipts from producers to be matched by double that amount by the federal government. The Fund would pay to grain farmers who hold Canadian Wheat Board permit books, an amount equal to the difference between total eligible farm cash receipts in a crop year and the average of such receipts for the preceding five years. This plan gained little favour with the grain producers in Western Canada. It made no provision for the loss of effective income due to the effects of inflation; it incorporated the end of the P.F.A.A. programme, it provided for the repeal of the Temporary Wheat Reserves Act effective August 1st, 1970 and it shifted the responsibility for any losses in the Canadian Wheat Board pools under established initial prices from the federal government to the Stabilization Fund. The Bill also provided as part of the change-over, for a special provisional payment to producers to be made on a basis of acreage.

Your Association reviewed carefully this plan and based on expressions of opinion at your last annual meeting, made a submission to the Standing Committee on Agriculture during its hearings.

Briefly, we requested that the two major features of the Bill be considered separately,

namely; the matter of inventory carrying assistance and special transitional payments and secondly, the proposals for income stabilization as such.

We pointed out the benefits to the prairie and national economy of the federal assistance since 1954 under the Temporary Wheat Reserves Act. We requested continuation of the principle embodied in the Act and preferably on a wider basis than wheat—specifically, to include barley and oilseeds.

In respect to income stabilization, your Association stated that the first concern should be that of income itself and stability at a remunerative level.

We made our views known to the Minister Responsible for the Canadian Wheat Board and supported the C.F.A. presentation which was basically similar.

The resulting debate and developments might be regarded as a classic in parliamentary democracy and ended with the government withdrawing the Bill on October 12 and payment by the government to the Wheat Board of its delinquent account for the period since August 1, 1970.

The principle of stabilization of prairie grain income will likely be a continuing subject of discussion and warrants the attention of this meeting.

### **Wheat Stock Reduction Programme**

The Wheat Stock Reduction Programme mentioned in our last report was not continued beyond the 1970 crop season, with one exception. The programme to increase the perennial forage acreage was maintained, having as a ceiling the expenditure of 40 million dollars or the seeding of four million acres of forage over a three-year period.

## **PROVINCIAL LEGISLATION**

### **Farm Implement Act**

The Farm Implement Act was extensively amended at the last session of the Legislature. Unifarm, and earlier the Farmers Union of Alberta, had sought many of the changes and additions now provided in the Act. These give a degree of protection to purchasers in respect to performance, warranties and availability of spare parts which were previously unspecified. The Act now places a degree of responsibility on manufacturers, vendors and dealers which farmers felt was lacking in the past.



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### **Alberta Hail and Crop Insurance Corporation**

Even though the 1970 crop season was a relatively good one from the standpoint of overall grain production in Alberta, the Alberta Hail and Crop Insurance Corporation made substantial payments under its "All-Risk" Crop Insurance program to farmers whose crops were severely damaged by natural causes. Overall payments totalled \$1,697,482 as compared with premiums paid by farmers amounting to \$1,863,367, and total premium income of \$2,795,050 which includes the federal contribution.

Major causes of loss were drouth in the Peace River, excessive moisture in northern sections of the province at harvest time, and hail which was more prevalent than normal in central and northern Alberta.

From 1965, when the crop insurance program was initiated, until 1970, inclusive, loss payments (including federal contribution) totalled \$15,387,255 compared with indemnities of \$15,119,906 for a loss to premium ratio of 98.3%.

Major changes in the program for 1971 included the extension of insurance to cover flax in all areas of the province where crop insurance was offered. Provision was made for policyholders to obtain separate contracts on land separated by 15 or more miles. In addition, a coverage adjustment plan was initiated which would adjust coverage in line with the individual policyholder's own loss experience.

### **THE INTERNATIONAL GRAINS ARRANGEMENT**

The International Grains Arrangement in effect during the crop year expired on June 30th, 1971, although the Food Aid Convention continued. As reported to you last year, this Arrangement served only as a basis of recording sales carried out by signatory countries and as a forum for consultation.

Under the auspices of the International Wheat Council and the United Nations Conference on Trade and Development, a negotiating conference was convened in Geneva on January 18th, 1971. It was attended by representatives of the exporting countries and a large number of importing countries with observers from other interested nations, and representatives of specialized agencies such as the F.A.O., the International Monetary Fund and the General Agreement on Tariffs and Trade. Early in this conference, wide differences of opinion between exporting nations

became evident, relating to such basic essentials as reference wheats and basing points on which prices could be based. The desirability of price discipline and a feeling by some countries that the I.G.A. was too rigid an arrangement was also apparent. Preference was shown for the terms of its forerunners, the International Wheat Agreements, but again agreement was necessary on reference wheats and base points.

The meeting was held under the handicap of increasing and large production of grain in many countries with its resultant depressing effect on prices. In the end, it was found impossible to reconcile the wide differences of opinion on the major points at issue. The International Wheat Council will continue its role as an agency recording sales and purchases of the signatory members and to provide a forum when conditions appear favourable for further discussions. During the summer of this year, some hope was held out here in Canada that discussions could be reopened, particularly with the United States, on an informal basis with a view to adherence to some form of price structure. No specific moves had been made in this direction by August 15th, when the announcement by the President of the United States of certain economic measures in the interests of that country's economy, fairly well precluded any useful discussion of International Grains Arrangement matters.

### **CANADA GRAINS COUNCIL**

The Canada Grains Council held its second annual meeting in April 1971 and reported on its activities to date. The Council's major activities during the year were covered in five major sections: 1) Marketing, 2) Major Studies, 3) Expansion of Information Services, 4) Recommendations to Government, and 5) Meetings.

Further detailed information will be available during the meeting.

### **CANADIAN WHEAT BOARD**

The high volume of marketings achieved by the Canadian Wheat Board during the year is a tribute to its efforts. World competition remained keen under the pressure of large supplies and generally good production in major producing areas. The fact that no international grains arrangement for pricing purposes was in effect during the year made marketing intensely competitive.



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Total shipments of wheat from the four traditional major exporters was about 20% more than the previous year's level, about 9% above the ten-year average and Canada shared proportionately in this increase. This favourable performance resulted from continuous efforts on the part of the Canadian Wheat Board, which brought about numerous small and medium-sized sales, some in new markets, in addition to traditional exports. Of specific importance to the producers in our province was the greatly expanded marketings of barley.

The high volume of exports was also made possible through more efficient use of existing facilities to move grains to terminals. The Board's role as a co-ordinator of various activities was therefore of considerable advantage.

We have referred earlier in this report to Bill C-244 introduced in the House of Commons in April, 1971, the Prairie Grain Stabilization Plan. This Bill was eventually withdrawn, but legislation of this type might possibly be introduced at a later date.

The auspices under which Bill C-244 came about raises a question of some concern to us respecting the future role of the Canadian Wheat Board. The Grain Stabilization Plan presumably could be considered a policy relating to agriculture on the prairies. As such, it might logically have been introduced as an agricultural item under auspices which would leave the Canadian Wheat Board as a selling agency only. It was however, brought in by the Minister Responsible for the Canadian Wheat Board and thus implies involvement by the Canadian Wheat Board to a greater or lesser extent in a matter beyond that for which it was set up.

Farmers regard the Canadian Wheat Board as a grain selling agency. Carrying out this function involves the administration of certain programmes relative to quotas, shipments of grain, financing of exports and related duties. Over the years, the impression has been left with annual meetings of our Association by the Ministers Responsible for the Canadian Wheat Board and by its Commissioners, that the duties involved in marketing grain were quite sufficient for such an agency without entangling involvements in non-selling matters. We believe this is a desirable situation and trust that in future, proposals regarding non-marketing functions will be brought forward as an agricultural policy matter.

### Delivery Quota System

Major changes were made in the Canadian Wheat Board quota regulations for the 1970-71 year. These reflected some recommendations made by a special three-man committee set up the previous year to review the quota system. Other changes were necessary to fit into the federal government's Wheat Inventory Reduction Programme. The unit quotas were eliminated and general quotas were replaced with separate quotas for each grain. More details will be found appended to this report.

The major features of the quota system of the past crop year, along with some additional changes were made for 1971-72, which we feel warrant mention at this time. One new provision was included whereby producers could adjust their assignments of acreage up to October 31st, 1971 within limitations based on their deliveries at the time of application.

While it is too early to assess the results of these changes, producers have expressed some reservations about its workability. From the standpoint of efficient utilization of elevator and terminal space and railroad facilities and for the programming desirable from the sales standpoint, it undoubtedly is an improvement on the policy of the past. It does however, enforce a degree of rigidity on the individual producers' deliveries which may be serious. In respect to the grains handled by the Canadian Wheat Board, producers receive a pooled price and timing of deliveries within the crop year is of no consequence in that respect. For those grains not handled by the Canadian Wheat Board, but subject to the quota policy, a serious situation can occur. The policy provides no leeway whatever beyond October 31st for market conditions for these grains. Should a buoyant market occur, producers can take advantage of it only to the extent they had assigned acres. Should a depressed market occur, the producer has no option but to deliver prior to the crop year end, or forfeit his assigned quota. In all likelihood, a buoyant market could turn completely erratic and a depressed market could become even more depressed under this policy. It is logical to expect buyers to lay off a depressed market with the knowledge that most eligible deliveries will be made prior to July 31st and stocks in commercial elevator storage would largely be sold to avoid the accumulation of storage charges.

The policy in effect imposes a responsibility on the producer of flax, rye and rapeseed to out-



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guess the market at least nine months in advance. There is a danger that results will incline to discredit a quota system as such. We trust that recommendations will come forward at this meeting to avoid such a situation.

### **RAPESEED MARKETING REPORT**

In April 1971, a report of the Rapeseed Marketing Committee appointed by the Minister Responsible for the Canadian Wheat Board the previous year was released. Its terms of reference were "To determine the marketing system best suited for extending Canadian exports of rapeseed".

The Committee reviewed existing marketing operations and noted its limitations. It referred to the possibility of a compulsory type of marketing board, either government controlled or producer controlled. The comparative advantages and disadvantages of each were summarized. It then recommended a period of time for producer information programmes on the subject of marketing to be followed by a plebiscite in which producers could determine the type of marketing system they prefer for this commodity.

### **XCAN GRAIN LTD.**

On July 31, 1971, XCAN Grain Ltd. had completed one full year of operations. Progress to date has been gratifying. In the overall the volume of sales exceeded expectations during the first year. Because of the many difficulties involved in a venture of this kind a loss was anticipated in the first year's operation; however, the first year of operation has resulted in a modest profit.

A more detailed report and financial position will be presented during the meeting.

### **SEED DIVISION**

The large crop of forage seed during the year resulted in a substantial handling for this Division. The markets were generally under pressure throughout most of the year. The domestic market quite naturally showed a decline from the previous year which was influenced considerably by the forage crop incentive programme of the federal government and assistance of a similar nature from the provincial government as well. Export markets seemed to be under considerable pressure likewise during most of the year, reflecting good crops in North American seed producing

areas and to some extent in Western Europe. Some carryover of forage seed resulted from this situation.

Cereal seed handlings on the domestic market were however, quite satisfactory.

Fertilizer sales improved substantially over the previous year in the nature of 20%.

Chemical sales also improved substantially during the year, reflecting in part an increase in acreage seeded to field crops. Extension of credit is a feature of this Division's operations which will be reported on in more detail to this meeting at a later time.

Net earnings of the Division amounted to \$75,886.00 after final payment on various pooled seeds. No net earning was made on fertilizer.

### **FERTILIZER**

An increase in fertilizer sales over the previous year, resulted in a reduction in the inventories of the manufacturing facility jointly owned by your Association, Federated Co-operatives Limited and Saskatchewan Wheat Pool and in which Manitoba Pool Elevators now participates as a partner.

The results of the year's operations will be reported to you later in this meeting.

### **INTERIOR FEEDS LIMITED**

The eleventh year of operations for Interior Feeds Limited recorded a slight increase in handlings over the previous year, for a total of 4,210,614 bushels. Operations of this company are entirely in the domestic feed grain business in the Province of British Columbia. Competition in this business was extremely keen throughout the year, resulting in a net earning after provision for income tax of \$19,508.00 compared to \$36,000.00 the year previous.

The largest handlings were through the elevators at Dawson Creek, followed by Pouce Coupe and Fort St. John. The elevator at Groundbirch also enjoyed a substantial volume of business. While the earnings were small, the highly competitive situation was favourable for the sellers of these grains. Your Association received reimbursement for all necessary services rendered on behalf of this company.

### **VICTORIA ELEVATOR LIMITED**

During the year the Victoria terminal was used for handling both wheat and rapeseed.



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Wheat handlings at 6,063,649 bushels were up about 10% over the previous year and 2,782,091 bushels of rapeseed were handled. The facilities of this plant were therefore utilized to a high degree resulting in a record net earning of \$313,829.00. The property was well maintained, but no capital expenditures were required. More details on the operation of this company and of Interior Feeds Limited will be presented later in this meeting.

### **MEMBERS' ACCIDENT INSURANCE PLAN**

The members' accident insurance plan was continued during the year on the same basis as in 1969-70; its provisions being for capital payments only. The claims experience was more favourable than that of the previous year. Files were opened on 68 accidents compared with 107 in the 1969-70 season. To meet claims already paid and those awaiting settlement, the sum of \$29,889 has been charged to 1970-71 operations.

No claim papers have been received yet on 7 of the reported accidents, believed to consist of 5 dismemberment injuries and 2 injuries resulting in loss of eyesight. Settlements have been made, or should be issued shortly, on the other 61 accidents in which there were 35 fatalities (20 adults and 15 children), 23 cases of dismemberment, mostly finger losses, and 3 cases of lost eyesight.

Only 144 applications for coverage on farm workers were received. This was just half the number covered during the 1969-70 season when a new low figure for applications was established. A benefit of \$100 was paid to one sponsored farm worker for the loss of a finger.

The cost of operation of the accident insurance plan for 13 years, from August 1, 1958 to July 31, 1971, was \$974,376. Benefits paid for 4,101 accidents included 482 fatalities (312 adults and 170 children), 309 dismemberment claims and 57 cases of lost eyesight. Payments of \$14,447 were made in accidents involving 75 farm workers and their dependents.

### **CONSTRUCTION AND PROPERTIES**

The curtailment of the construction programme mentioned in our last report was generally continued during the year.

A new elevator was authorized for Eaglesham in view of the large volume of business at that point and the limited facility we had. A

replacement for a fire loss at Vulcan was authorized after the year end.

Dwellings for agents were authorized for construction or purchase at eighteen points, as well as one dwelling for a travelling superintendent and one for a public relations representative.

Warehouses for seed and fertilizer were authorized at four stations.

Renovation work was continued at the terminals during the year. At Terminal #9 Thunder Bay, renewal of the electrical system was continued as well as conversion to gas operation of the grain drier. At Terminal #1 Vancouver, the dust collection system mentioned in our last report was largely completed during the year and put into operation recently. Some replacement of cleaning equipment was made and a pellet plant for the processing of screenings was also authorized. It will be completed shortly.

The programme of installation of dust collection systems in country elevators was continued, along with the further installation of electric car-movers. The part-time operation of some elevators was authorized during the year and notice of impending closure of some elevators with small handlings was given during the year with the concurrence of the delegates concerned. Elevators at two stations were permanently closed.

As a result of the year's programme, we had a decrease in licensed country storage space of 422,200 bushels.

### **PUBLIC RELATIONS DEPARTMENT**

The Public Relations Department continued its extensive programme during the year. Use of the news media was maintained and in some cases increased, favourably publicizing the activities of our Association and extending information on the agricultural industry in a broad manner. The public relations representatives in their respective districts maintained a heavy schedule of Alberta Wheat Pool activities and considerable involvement in other agricultural and co-operative matters.

### **UNIFARM**

We will not include a detailed report on Unifarm this year, its annual meeting in December, 1970 having been attended by a large number of the delegates of our Association. This attendance provided the members of our Association with a special and continuing involvement in this unique organization.



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The policies established at that annual meeting were to become in turn, matters of representation to the provincial government, and various and appropriate agencies and institutions while those of an inter-provincial or national nature went to the Western Agricultural Conference, and the Canadian Federation of Agriculture.

Progress of Unifarm during the year has been a matter of keen observation on both the provincial and national fronts; and we believe is working out in line with the aspirations on which it was formed. It is quite obvious from the nature of events since its founding that a strong united voice for the farmer in this province is highly desirable. During the year, situations respecting inter-provincial trade in agricultural products was a matter of grave concern to certain segments of the industry. The existence of Unifarm provided a valuable opportunity for all concerned to meet, discuss and establish a position and accordingly, make direct representation. While support of Unifarm has not been universal, it has nevertheless been strong. In all likelihood, this will increase as the organization progresses and devotes itself to continuous service and concern on behalf of its members. On the basis of its performance and the purpose for which it was set up, we believe it warrants strong and continuing support from our Association.

We have maintained a close liaison with the organization through representation on the Board of Directors and in a less formal way, by the staff during the year.

### **PROVINCIAL AND NATIONAL AFFILIATIONS**

Alberta Wheat Pool's affiliation with other agricultural and co-operative organizations was unchanged from the previous year. Membership in Unifarm was maintained through the Commodity Section and through this organization with the Western Agricultural Conference and the Canadian Federation of Agriculture. On the national scene, a number of matters during the year required attention and the Canadian Federation of Agriculture served its continuing and important role as a co-ordinating body and effective spokesman on a number of issues.

### **MEMBERSHIP**

After two years of declining membership applications there was an increase in membership enrolments during the 1970-71 season. The Board received and accepted applications from 1,850

patrons, an increase of 381 over the 1,469 new members enrolled the previous year and the highest number since the 1967-68 season.

Following the purchase of reserves from 1,009 members, on the basis of retirement from farming, their memberships were cancelled and 2,129 other cancellations were effected due to retirement from farming of members whose reserves, for the most part, had been purchased on age basis in past years, such members having authorized cancellation of the memberships which they no longer required. Another 1,192 memberships were terminated by death. Many of the deaths were disclosed to us as the result of letters written to members who had not held any reserves for several years and the figure is greater than the number of deaths which would be reported normally in one season.

Notwithstanding the increase in new members, an unusually large number of cancellations and reported deaths caused a fall in total membership from 52,337 to 49,857 during the year, the latter figure comprising 3,723 signers of the original marketing agreements and 46,134 members enrolled since 1939, on written applications for membership.

Before leaving this section, we wish to add a remark on this department of your Head Office activities. The maintenance of the membership records is a large and continuing task involving detail and a high degree of accuracy. In addition to the continual change of memberships, the publication every other year of membership lists by sub-districts and keeping up to date the members' reserve accounts involves a system without room for error. The record has been extremely good and the courteous manner in which relations have been maintained with the membership is appreciated. The man who has been involved in this department for twenty-five years and in charge for the last fifteen or more, will be retiring before we meet again. By then, Mr. G. H. Johnston will have completed forty-six and a half years of service to your Association. This is a record in itself by a staff member and commendable also for the good relations which have been maintained with the delegates and membership.

### **ELECTION OF DELEGATES**

Elections were held in the even-numbered sub-districts in 1971. Twenty-seven delegates were elected by acclamation. Five sitting delegates



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were re-elected, being Mr. H. H. Turner of Alliance in 404, Mr. C. G. Pepper of Ohaton in 508, Mr. C. H. Rasmuson of Gwynne in 510, Mr. M. Ropchan of Willingdon in 604 and Mr. C. M. Proctor of Fairview in 710. Two new delegates were elected, being Mr. Wallace H. Hummel of Milk River succeeding Mr. F. Norris of Warner in 102 and Mr. Howard R. Roppel of Rockyford replacing retiring delegate, Mr. E. J. Cammaert in 306. Alexander Din of Warspite was elected in a by-election held in sub-district 608, succeeding retiring delegate Mr. H. Melnyk.

In January of this year, a by-election was declared in sub-district 301, due to the resignation of Mr. J. Muza of Empress. The new delegate is Mr. Carl Lemare of Acadia Valley.

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#### IN MEMORIAM

Since the time of your last meeting, the deaths of three retired delegates have occurred. On January 22nd, 1971 at the age of 89, Mr. Sydney B. A. Hepburn of Huxley died. Mr. Hepburn was an original Pool contract signer and had served as delegate from 1930 to 1936 and again from 1957 to 1963.

Mr. Albert P. Schindeler of Brooks who retired as a delegate a year ago died on May 18th, 1971. He had represented the members in sub-district 303 since 1964.

On September 21st, 1971 Mr. Leslie N. Harris of Beaverlodge passed away. Mr. Harris had served as a delegate in 1959-60 and 61. He had earlier been on the Board of the Alberta Seed Growers Co-operative Limited and was one of the negotiating committee under which it became part of Alberta Wheat Pool.

We wish to record our sincere appreciation for the outstanding service given by these men to our Association.

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#### STAFF

The beneficial results of the year's operations is a credit to the conscientious service of the staff. Sincere appreciation is extended.

#### BOARD OF DIRECTORS

Following the 1970 annual meeting, the directors met and re-elected the following officials:

President ..... G. L. Harrold  
First Vice-President ..... N. Malm  
Second Vice-President ..... A. J. Macpherson

The same three directors were nominated and re-elected to, the boards of Canadian Co-operative Wheat Producers Limited, Canadian Pool Agencies Limited, and Pool Insurance Company. Messrs. Harrold and Macpherson were also re-appointed directors of Western Co-operative Fertilizers Limited and Mr. Malm continued to serve as a director of CIS Limited. Mr. Macpherson continued to serve during the year as Vice-President of Unifarm, representing the Commodity Section. Mr. Harrold and Mr. Rosenberger also served on the directorate. Mr. Macpherson served on the Board of the Canadian Federation of Agriculture.

Regular meetings of the board were held each month of the year and informal meetings were held twice with the directors of Saskatchewan and Manitoba Wheat Pools.

The year was fully occupied with numerous conferences, extensive representation to the federal government and other meetings and conferences of both a provincial and federal nature.

#### CANADIAN CO-OPERATIVE WHEAT PRODUCERS LIMITED

Canadian Co-operative Wheat Producers Limited was concerned with a number of specific items again during the year in addition to its role as a co-ordinating body of the three prairie wheat pools. Of special concern during the year were the federal government's Proposals for Tax Reform, the toll structure and operation of the St. Lawrence Seaway and assistance to the Canadian Federation of Agriculture on grain policy and other matters of importance to prairie grain farmers.

#### GENERAL

From the standpoint of handlings, both in volume and as a percentage of grain marketed in Alberta, your Association continued to progress in 1970-71.

A review of the last two decades reflects a direction of policy of the organization which, as events have turned out, has been consistent with the progressive nature of the membership of



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Alberta Wheat Pool. With elevator facilities in locations to serve most farmers wishing to use them, direction for the future has, during this time, received major attention. The increasing costs of elevator operation, the trend to larger towns, better roads and the demise of smaller trading centres pointed up the need for a resolution of policy in respect to future construction of elevator facilities. This was put forward, dealt with and established in a manner which has obviously turned out to be fairly well suited to the times. It has resulted in considerable building of space, largely concentrated at points which held some promise of long years of use. No major problem faces us at this time in respect to the country grain handling facilities of your Association and some expressions of opinion for the future would be valuable guidance.

We have reached a point in time when it may be desirable to establish, in a general way at

least, the volume of grain handling which we feel would offer the optimum advantage for the members of our Association and in turn, for the agricultural economy of this province. In a separate report to you this year, we will elaborate further on this subject in order to bring forth your views and so far as possible, establish guidelines for the future.

Respectfully submitted.

G. L. Harrold  
N. Malm  
A. J. Macpherson  
G. W. Braithwaite  
O. K. Rosenberger  
A. Johnson  
H. N. Anderson



*In its concern for the welfare of farm people, Alberta Wheat Pool has not neglected the rural youth.*

*For over four decades, Alberta Wheat Pool has played a major role in sponsorship of the 4-H and other youth movements.*





## REPORT OF THE GENERAL MANAGER ON THE 1970-71 CROP YEAR



*J. W. Madill, General Manager, Alberta Wheat Pool.*

*Pool Treasurer T. G. Hendry, seated, in consultation with General Manager Madill.*



To the President and Directors,  
Alberta Wheat Pool, Calgary, Alberta.

### Gentlemen:

Growth and achievement in any business reflect the combined efforts of many people. Indeed, experience of the past crop year for Alberta Wheat Pool illustrates very well the important contribution that people have made. Record grain handlings, along with satisfactory financial results during a difficult period of rapidly rising costs, speak for themselves. The Pool is fortunate in possessing a dedicated staff and a loyal, active membership without which such accomplishments would not be possible.

It has been said that people are the most important asset of any business. This is particularly true for co-operatives which are businesses organized, capitalized and operated by and for member patrons. Alberta Wheat Pool was established on such a basis. Before reporting on the past year in detail, we would like to acknowledge the part our staff and membership have played in making the year a successful one and express our gratitude and appreciation. It is obvious that recent conditions have been difficult for producers and employees alike. This situation has demanded a great deal from all individuals associated with the Pool and it is evident that these demands will not lessen in the days ahead. It is gratifying that our important resource of people has enabled the Organization to deal successfully with changing conditions encountered so far and will provide the necessary support and strength to deal with continuing change in the future.

Concern with present conditions must extend beyond the record of this year's performance. There must also be concern for service, the welfare of the member and the employee. In order to better assess producers' needs a special survey was conducted during the year. A good response provided much useful information which is at present being analyzed and which will undoubtedly provide many useful guidelines for managing the affairs of the Organization in the interests of producers. The resourcefulness of our staff was utilized in contributing to this process through a series of meetings and special sessions which provided additional information. Emphasis on people, we believe, will allow us to better orient our activities to the needs of the member and to develop opportunities and a challenging future for our employees.



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A review of our operations and achievements for the year follows.

### **General Crop and Market Conditions**

Improved export demand offered some encouragement to Alberta grain producers in 1970-71. Record-breaking levels of grain exports to overseas and U.S. destinations were established during the year. Canadian exports amounted to 671.7 million bushels, well above the previous record of 635.6 million set in 1965-66. Barley and rapeseed shipments at 172.4 and 46.7 million bushels respectively represent all-time highs while exports of flaxseed were only marginally below the record set in 1956-57. Major markets for Canadian grain were Asia and the European Economic Community, which between them accounted for approximately two-thirds of the total exports.

Higher export volume resulted in substantially better market opportunities for Prairie producers. A total of 777.6 million bushels of all grains were delivered with record volumes of barley, flaxseed and rapeseed being marketed. For wheat, the picture was less optimistic as, apart from 1961-62, the 387 million bushels sold represents the lowest volume of marketings for the last fifteen years. Alberta farmers shared in the improved marketing opportunities and this, combined with lower production of some grains, was instrumental in reducing the carry-over stocks of wheat, oats and barley.

Harvesting operations marked both the beginning and the end of the crop season. Considerable acreage was left unthreshed the previous fall but favourable weather conditions allowed farmers to harvest the remainder of the crop in good condition. Cool, wet weather, thereafter, delayed weed growth and seeding progress. The return of more favourable conditions saw the crops off to a good but late start. Drought conditions developed in Southern Alberta, affecting fall rye and winter wheat crops but in other regions heavy rains maintained excellent early season prospects.

During the summer, hot weather interspersed with timely showers forced crops along rapidly and harvesting began in early August. These operations were finally completed in late September, but in contrast to the two preceding years, nearly all of the grain was dry and in good condition. Yield and grades were excellent, although

total wheat production was nearly halved as a result of the Federal Government's "Operation LIFT" program.

Alberta's grain production totalled 429 million bushels with rapeseed at 25.5 million and flaxseed at 11.4 million bushels, setting all-time records, while wheat at 72.0 million, was the lowest since 1936. Wheat acreage at 2.6 million was the lowest since 1915. Quota levels were 8 bushels of wheat and 30 bushels of barley per quota acre under revised regulations.

### **Country Operations**

Record achievements reflect the continued dedication of people working toward a goal. Dedicated Pool employees and members established a record in grain handling and market penetration in 1970-71.

Alberta Wheat Pool handled 120,270,887 bushels of grain during the year, representing 48.46% of deliveries in Alberta and British Columbia, a sizeable gain in market share from the 1969-70 total of 46.74%. Volume compares to 93,759,147 bushels last year and the previous record of 113,097,918 bushels in 1967.

Grain in store at the beginning of the season was 41,581,868 bushels out of a total capacity of 48,529,300 bushels. Stocks in store throughout the year averaged 35,665,744 bushels compared to 39,559,037 bushels in 1969-70, reflecting a steady decrease resulting from the policy of the Canadian Wheat Board to reduce levels of commercial storage. Consequently, average utilization of working capacity dropped to 76% from 85% the previous year, creating working space to handle the heavy volume of receipts. Shipments rose significantly in 1970-71 to a total of 123,455,059 bushels, another record. The season featured a high, steady throughput with balanced receipts and shipments for the entire year in contrast to 1969-70 when nearly half of the volume was handled after April 15th. Fortunately this record handling produced income to more than offset the decrease in storage revenue which resulted from reduced levels of grain in store.

All elevators operated under the Block Shipping System for the full season. The system performed effectively for the most part but some problems were encountered, due mainly to interruptions in rail or vessel transportation. The Grain Trade, including the Railways and the Canadian Wheat Board, are endeavouring to



develop solutions which will overcome these difficulties and maximize overall effectiveness to a greater degree.

With record volume, average handlings per elevator increased to 232,632 bushels compared to 181,002 bushels in 1969-70. As a mark of individual achievement two elevator managers handled over 1,000,000 bushels each, one over 900,000 and 40 over 500,000 each. These figures are indicative of the throughput capabilities of a large number of our present facilities under high volume conditions. The combined efforts of conscientious elevator managers operating well-maintained facilities resulted in the achievement of this handling record. High volume movement results in a lower per unit cost and maximizes individual productivity to provide members with substantial benefits from utilizing their own Pool facilities.

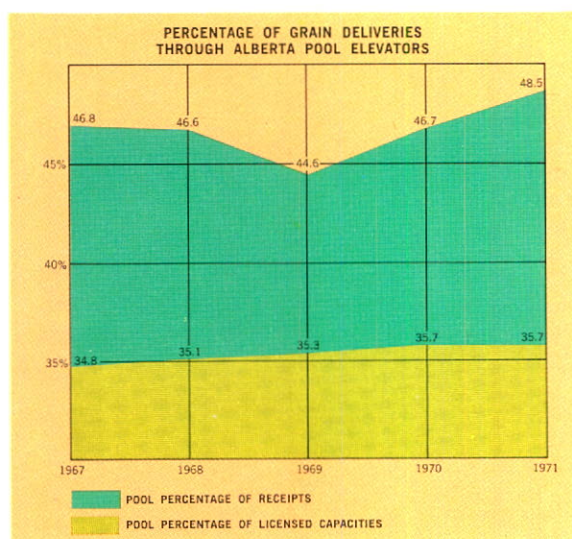
Weigh-ups, taken at 199 stations, resulted in a net overage of .063%, which demonstrates a high degree of accuracy in the performance of our elevator managers.

Barley receipts increased by 60% over 1969-70 levels and rapeseed receipts more than doubled from the previous year. In fact, for the first time barley receipts exceeded those for wheat.

Our sales program continues to be an aggressive one and the results have been rewarding. A contract for a substantial quantity of flax was negotiated with a Japanese buyer during the year. Contracts were also issued for low-crucic Span

rapeseed but acreage was limited by seed availability. In addition, arrangements were made to supply a major distillery with its rye requirements. In order to service this contract an elevator in the rye growing area of Alberta was reclassified and licensed for processing. Buckwheat and corn were handled on a limited basis.

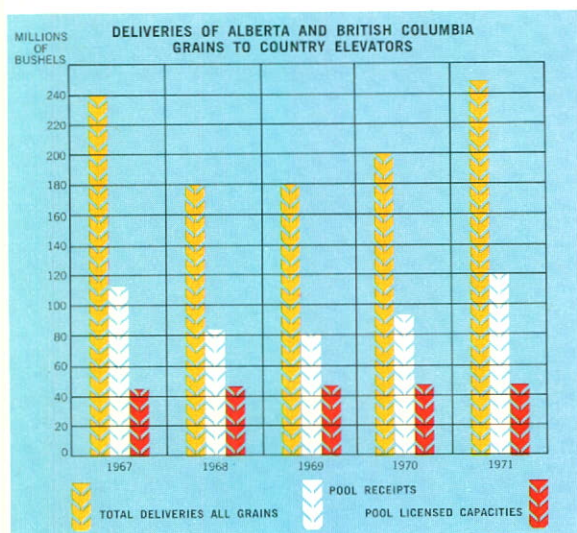
Consolidation of country facilities resulted in the closing of ten elevators on July 31, 1971. Stocks were shipped out of seven elevators which had been previously closed.



### Terminal Operations

Overseas clearances of Canadian grain from Pacific ports in 1970-71 totalled 260.7 million bushels, a record high. Wheat shipments of 167.1 million were the largest since 1966-67 and barley (47.0 million), flax (8.6 million) and rapeseed (32.5 million) exports set records.

Receipts of 68,941,262 bushels at our Vancouver Terminal in 1970-71 established a record as did shipments of 71,904,346 bushels. Handlings were up approximately 10¾ million bushels over the previous year and shipments exceeded the 1969-70 total by approximately 15 million bushels. In achieving these handling records, the Pool terminal operated two shifts per day unloading boxcars during the season except for two weeks on a three-shift basis. This was the first time twenty-four hours per day unloading was attempted and results were satisfactory. However, due to lack of boxcars and Wheat Board car





allocation policies, it was not possible to continue to utilize the plant on this basis. Cleaning continues to be programmed on a twenty-four hour basis and capacity was proven adequate to match three-shift unloading providing there is not excessive variation in grades and type of grain received. Again, this type of achievement illustrates very well the capability of the people involved, and provides some indication of the extent to which terminal facilities could be utilized, given an adequate grain supply. Because of interruptions in the total movement, the present throughput capacity of our West Coast terminal facilities has never been fairly tested over any full year of operations.

Operations began on August 1, 1970 with 5,313,190 bushels in store, stocks averaged 3,285,934 bushels throughout the year and closing stocks July 31, 1971 totalled 2,853,793 bushels. A comparison to average stocks of 4,739,963 bushels in 1969-70 emphasizes the short supply situation that existed through most of 1970-71. The terminal operated with much unused space during the year which again indicates potential for further utilization.

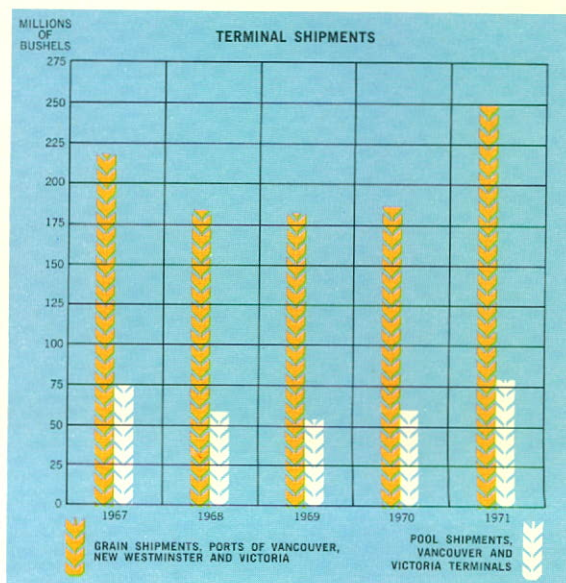
In April, 1971 the Canadian Wheat Board instituted a policy of pooling wheat and barley unloads at the port of Vancouver to speed up presentation of cars to the various terminals by eliminating sorting in the railway yards. This policy was also extended to unloads at Thunder Bay later in the season.

More extensive use of hopper cars in the Vancouver grain movement continued during 1970-71. Both railways are beginning to utilize more hopper cars for movement of grain along with continued use of boxcars. The modern hopper car unloading equipment in our Vancouver terminal is operating satisfactorily.

Receipts into the Vancouver terminal from shippers without terminal facilities in the area amounted to 2,934,000 bushels during the year. Both Vancouver terminal and Victoria Elevator Limited handled rapeseed, the volume of 9.3 million bushels amounting to more than double the 1969-70 handling. A total of 1.35 million bushels of cleaned rapeseed was unloaded in the Vancouver plant in 1970-71. The Vancouver terminal weigh-up completed in February, 1971, confirmed satisfactory operating results.

Installation of the dust control system at Vancouver terminal proceeded during the year and the project was 80% complete as at July

31st. A new concept involving a centralized baghouse for dust filtering was utilized and early tests indicate it to be effective. This development illustrates responsibility of the Pool to people in three important ways, first, for the health and safety of employees, secondly, for protecting the environment, and thirdly, financial responsibility to its member owners. The utilization of a centralized baghouse concept will mean a substantial saving in lower capital and maintenance costs. The addition of a screenings pelleting plant to the terminal facilities was authorized and construction was 60% complete at the year end. Regular preventive maintenance was carried out during the year along with necessary repairs to the Vancouver plant, including work on the rail trestle on the east side of the track shed.



High speed data transmission facilities linking the Vancouver office to Head Office central computer were installed during the year, reducing both clerical costs and time required to produce meaningful management information. Further refinements to the system are also being planned.

Again the Winnipeg office served as an important liaison with various grain trade organizations. The many new procedures and policies initiated during the past year point out the need for continually maintaining close contact in this area. In addition this office supervises eastern shipments of Alberta Wheat Pool grain. Alberta Wheat Pool shipped 36,042,000 bushels of grain to the Lakehead and other Eastern destinations in



1970-71, an increase of approximately 13,000,000 bushels over 1969-70. Eastward shipments of selected barley amounted to 4,095,000 bushels and 2,750,000 bushels were shipped to other malting and pearling selectors. Shipments of the six principal grains through all Thunder Bay terminals established a record of 498.5 million bushels, exceeding the previous high of 490.2 million bushels set in 1944-45.

Once again satisfactory Thunder Bay terminal earnings were generated under our operating agreement with Manitoba Pool Elevators. Conversion of the drier in this terminal to natural gas has been completed and work continues on upgrading electrical equipment.

### Seed and Fertilizer Division

Alberta's forage production was much larger than originally expected in the year just concluded, resulting in one of the largest handlings on record for Alberta Wheat Pool, with total deliveries amounting to 16,477,000 pounds. Despite the heavy volume, earnings of \$75,866 were down from last year, reflecting a competitive situation with supplies well in excess of demand. Fescue prices were strong early in the season, dropped throughout the winter and then strengthened when dealers in the United States began buying to replace seed that had been exported. Reliable estimates place the total fescue exported from Canada in 1970-71 at 25 million pounds. Large crops of alsike and red clover were harvested, resulting in prices weakening steadily during the year. Heavy carry-over stocks accumulated in the trade by year-end.

Domestic sales of forage seed decreased from 1969-70 levels when "Operation LIFT" and Provincial Government assistance for forage programs resulted in a high demand. Of the total 1970-71 forage receipts 79% was purchased on an outright basis while 21% was pooled.

Cereal seed sales reached a high level again in 1970-71. In addition to sales on the local Alberta market, oats and barley were shipped in sizeable quantities to Eastern Canadian customers. Our Lethbridge cereal cleaning plant processed 328,000 bushels of cereals to certified standards, an increase of 25% over 1969-70 production.

Gross sales of farm chemicals increased by 40% over 1969-70. As a result of reasonable margins, controlled product distribution and care-

ful management of inventories, a turn-around in operating results occurred.

The improvement in grain exports resulted in more land being seeded and fertilizer sales increased by 25% over the 1969-70 total, but were still below the 1968-69 level. The extremely competitive market situation, which included price cutting by some suppliers, created problems during the year and continues to be a cause of concern. Member support of the manufacturing facilities owned by Alberta Wheat Pool and the other three principals is important to future operations. We are making every effort to pursue an active sales program which will meet the needs of our member patrons and compete successfully under difficult marketing conditions.

The Alberta Wheat Pool credit policy continues to provide members with financing for fertilizer, seed and chemical purchases. During the year approved lines of credit were reviewed and adjusted where necessary due to changes in members' farming operations and other related factors. Considerable emphasis has been placed on the collection of accounts as they become due.

Training courses for elevator managers and assistant elevator managers were presented again in 1970-71 by the Seed and Fertilizer Division Technical Manager. A pamphlet on the establishment of forage crops and several releases on seed varieties were prepared and distributed throughout the year.

Experimental alfalfa plots at Picture Butte and Beaverlodge are yielding seed that is equivalent to Roamer and Rambler varieties but to date inferior to Beaver and Ladak. Alberta Wheat Pool is following closely the development of new varieties at research stations in Western Canada.

### Subsidiary Companies

Handlings at Victoria Elevator Limited, comprised of wheat and rapeseed, totalled 8,845,740 bushels. This was a considerable increase over the 5,529,410 bushels of wheat handled in the previous year. Only a small percentage of grain was out-of-condition and a limited amount of drying was necessary.

Earnings were a record \$313,829 before taxes, reflecting higher earnings from handling rapeseed. Elevator operating expenses increased moderately compared to a 60% increase in handling. Payments to the parent organization for screenings, diversion premiums and management fees amounted to \$200,303.



Grain handled for the British Columbia feed market by Interior Feeds Limited set a record volume of 4,210,614 bushels, only slightly higher than the previous year. Earnings however, did not match volume and were reduced to \$19,508 from \$73,856. Reductions in handling margins, together with higher storage and interest charges contributed to the very marked decline in earnings. Average prices paid were higher than the previous year, being \$1.36 for wheat, 65¢ for oats and 83½¢ for barley compared to \$1.18, 50¢ and 73½¢ respectively. Payments of \$276,218 were made to the parent organization for handling, storage, service and management fees.

### Properties

Capital expenditures of \$2,706,089 for the year ended July 31, 1971 were similar to the \$2,830,255 for 1969-70. Working capital was maintained through the year as construction of country facilities was held to a minimum for the second successive year pending assessment of industry consolidation. Expenditures on the dust control system and pellet plant at Vancouver Terminal accounted for \$1,620,000 of the total capital expenditures for the year. A section of the dust control system was put into operation in July and the pellet plant is slated to begin operations in November.

On August 1, 1970 the Organization owned 520 elevators. During the year a new 70,000 bushel elevator at Irvine #2 was completed and the #3 elevator at that point was dismantled. Fire destroyed the Vulcan #3 elevator and cribbed annex. Three cribbed annexes were constructed in 1970-71 and a cribbed and two balloons were dismantled. Five seed and fertilizer warehouses were completed during the year. Bulk bins were built at two locations and purchased bins placed at three others. A storage addition to the Grande Prairie seed plant was also completed. Eight dwellings were built, three purchased and nine sold. Five car movers and three dust collectors were installed at country elevators during the year. Physical facilities were once again kept in satisfactory operating condition and appearance through a continuing program of maintenance and repairs.

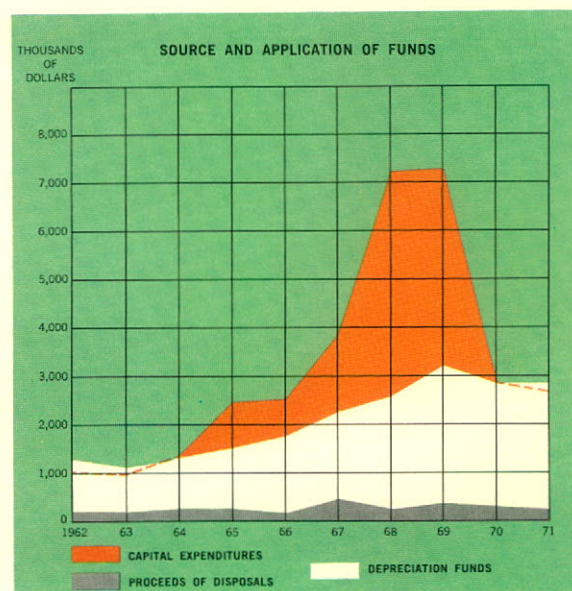
Assets owned as at July 31, 1971 included 517 elevators, 654 annexes, 401 dwellings, 4 seed cleaning plants, 388 seed and fertilizer warehouses and bins, 3 terminal elevators, the Head Office building and parking lot.

Consolidation of present facilities resulted in the closing of ten country elevators on July 31, 1971. These elevators are included in the 517 owned by Alberta Pool Elevators Limited at the year end and will be deleted from the asset accounts as they are sold or dismantled during the 1971-72 fiscal year. As the licenses for these elevators have been cancelled, their capacities are not included in our total licensed capacity of 47,889,100 bushels as at July 31, 1971. This total reflects a decrease of 422,200 bushels capacity from the July 31, 1970 total of 48,311,300 bushels.

### Operating Results

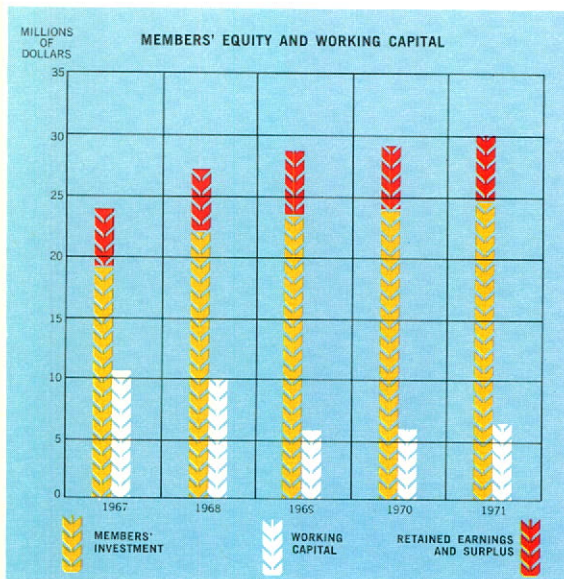
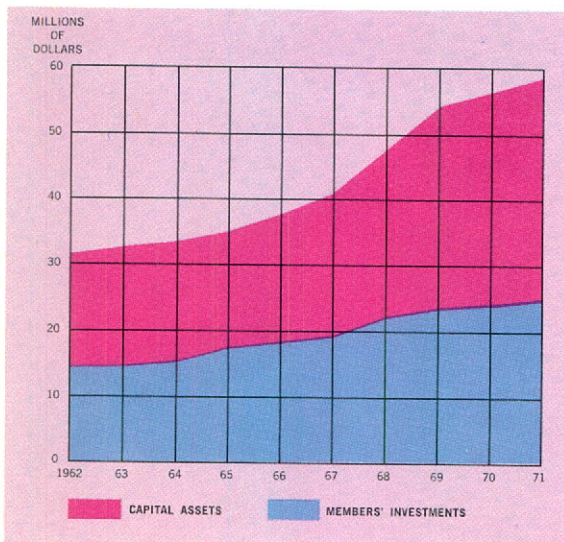
This is a consolidated report on the operations and earnings of the Alberta Wheat Pool and its wholly-owned subsidiaries, Victoria Elevator Limited and Interior Feeds Limited. Reference to capital assets relates to Alberta Pool Elevators Limited, another wholly-owned subsidiary which owns all of the physical assets of your Organization except the terminal at Victoria which is owned by Victoria Elevator Limited.

Consolidated earnings before income taxes increased to \$6,119,313 from \$4,023,296 the previous year. The record handling in both the country system and Vancouver terminal was the major contributing factor. Storage revenues, however, were considerably lower than 1969-70 due to less bushels in store throughout the year. Practically all expense items increased and continue to cause





concern as the majority are relatively fixed with little bearing on volume of grain handled. Despite the good earnings recorded this year, it will become increasingly difficult to obtain an adequate return on investment in the future. Capital cost allowances have been taken at the maximum normal rates amounting to \$2,564,375 and are approximately the same as the previous year.



Patronage refunds from the previous year's earnings, distributed in accordance with resolutions passed by the delegate body, amounted to \$1,359,836 in cash and \$2,485,628 in reserves

credits. Reserves purchased during the year totalled \$1,611,373, including \$529,654 on a membership number basis for the first time. The total of members' reserves at July 31, 1971 is \$24,881,339. Capital expenditures of \$2,454,378, after recoveries, were less than capital cost allowances for the year, thus providing a small contribution to working capital.

## General

Our continued awareness of spiralling costs has led to a re-evaluation of many projects and programs in the operations and administrative areas. Staff development programs are being implemented to utilize the potential of our employees and to develop and maximize their contributions to the management of the Organization. Organizational changes have been made in some areas to improve operating efficiency and hold the line on costs. Through a new leasing arrangement we were able to up-grade our central computer facility and double its capacity with practically no increase in cost. Because of changing operating management requirements the Edmonton office was closed at the year end.

Continued attention must be focused on productivity. With little indication of moderation in cost increases of basic inputs such as labour, capital equipment, taxes and others, it is imperative to obtain increases in productivity if we are to avoid excessive costs to the producer in the future. Survey results indicate the producers acknowledge that a reasonable degree of rationalization in facilities is necessary to meet such an objective. More important, however, is that we provide people with the training, equipment and organization structure necessary to advance toward even greater accomplishment. Given this support, I'm confident our people are capable of reaching new levels of achievement in the future.

Respectfully submitted,

*J. Madill*

General Manager





# **FINANCIAL STATEMENTS**

*Auditors' Report*

*Consolidated Balance Sheet*

*Consolidated Earnings*

*Consolidated Earnings Retained  
From Prior Years*

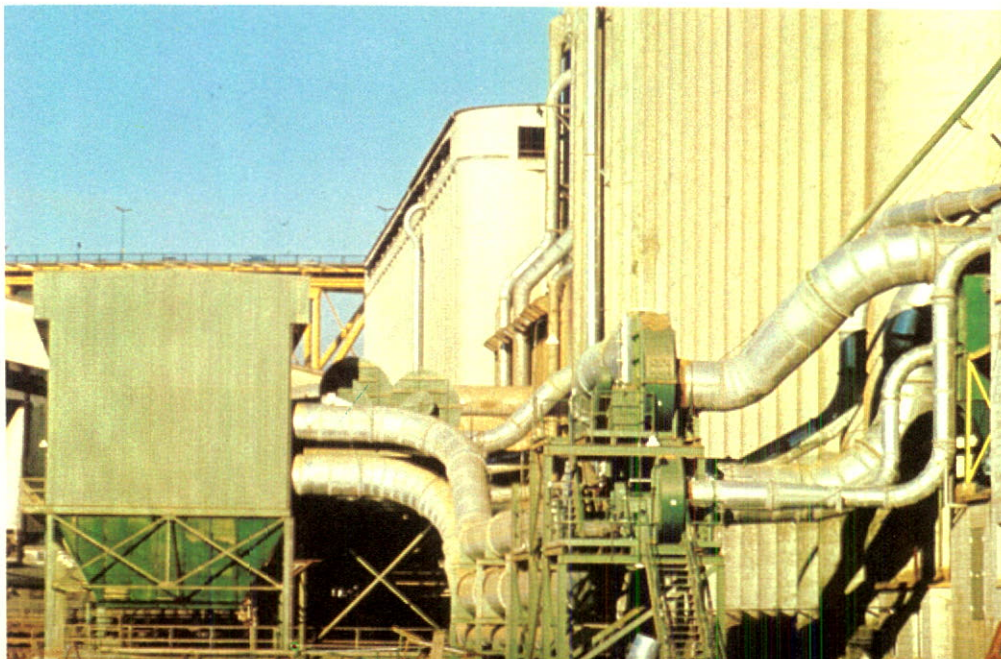
*Consolidated Source And  
Use Of Funds*

*Notes To Consolidated  
Statements*





*New centralized bag house (square building on stilts) is the heart of new dust control systems at Alberta Pool's Vancouver terminal.*

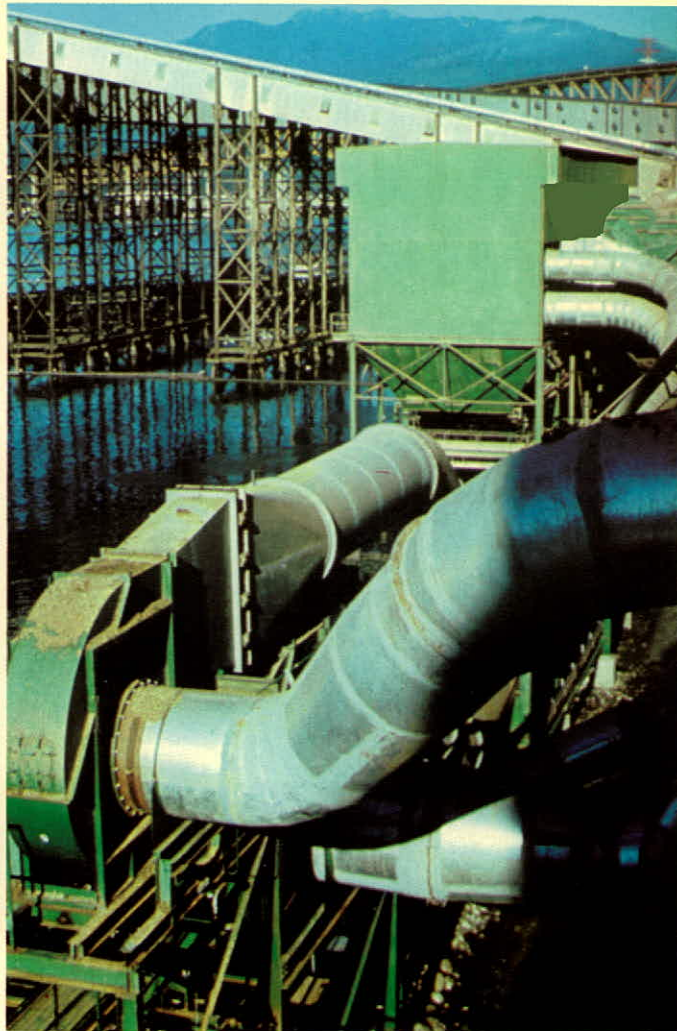


*From all parts of the terminal dusty air is gathered to a central filter station at the rate of 700,000 c.f.m.*





*Huge ducts and massive fans carry grain dust to filters and forward to pelleting plant.*



## AUDITORS' REPORT

To the Members of  
ALBERTA WHEAT POOL

We have examined the consolidated balance sheet of Alberta Wheat Pool and subsidiary companies as at July 31, 1971 and the consolidated statements of earnings, earnings retained from prior years and source and application of funds for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these financial statements present fairly the financial position of Alberta Wheat Pool and subsidiary companies at July 31, 1971 and the results of their operations and the source and application of their funds for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Calgary, Canada.  
October 27, 1971.

*Blackburn, Gordon & Co.*  
Chartered Accountants.



# ALBERTA WHEAT POOL

## AND SUBSIDIARY COMPANIES

### CONSOLIDATED BALANCE SHEET

July 31, 1971 and 1970

#### ASSETS

##### Current:

	1971	1970
Cash in banks, on hand and in transit .....	\$ 813,666	\$ 741,454
Stocks of grain (Note 1) .....	46,788,287	54,340,550
Stocks of seed, fertilizer and supplies (Note 2) .....	2,353,517	2,232,377
Accounts receivable .....	8,109,267	5,389,742
Due from Interior Feeds Limited .....	454,004	245,771
Due from Victoria Elevator Limited .....		3,411
Accrued items receivable .....	319,226	443,826
Prepaid expenses .....	613,098	738,089

59,451,065 64,135,220

##### Due from Alberta Pool Elevators Limited .....

808,752 890,039

##### Investments in Wholly Owned Subsidiaries:

Alberta Pool Elevators Limited—shares at cost .....	19,850,000	19,850,000
Victoria Elevator Limited—shares at cost .....	230,000	230,000
Interior Feeds Limited—shares at cost .....	15	15

20,080,015 20,080,015

Add equity in undistributed earnings .....

1,700,885 1,500,274

21,780,900 21,580,289

##### Other investments—at cost (no market quotations):

Western Co-operative Fertilizers Limited—shares .....	50,000	50,000
Western Co-operative Fertilizers Limited—5¾ % bonds .....	8,000,000	8,000,000
Co-operative Insurance Services Ltd.—shares .....	157,730	139,430
Pool Insurance Company—shares (par value \$75,000 called up 74%, plus premium of \$62 per share) .....	102,000	102,000
XCan Grain Ltd.—shares .....	25,000	25,000
—capital loan .....	225,000	75,000
Canadian Pool Agencies Limited—shares .....	6,670	6,670
Co-operative associations .....	2,555	2,380
Grain Exchange memberships and trade associations .....	10,102	10,102

8,579,057 8,410,582

##### Other:

Deferred accounts receivable .....

1,113,080 992,441

\$91,732,854 \$96,008,571



## LIABILITIES

### Current:

	1971	1970
Outstanding cheques, cash tickets and orders .....	\$10,333,015	\$10,545,218
Bank loans (secured) .....	25,695,000	32,490,000
Call and short term loans .....	6,720,900	6,118,900
Accounts payable .....	2,007,239	2,653,731
Staff savings .....	1,958,493	1,883,564
Income tax payable .....	85,673	46,639
Accrued items payable .....	544,828	715,111
Growers' outstanding payments .....	181,169	198,371
Net earnings—current year less estimated minimum income tax (Notes 4 and 5) .....	5,993,640	3,946,667
Total current liabilities .....	53,519,957	58,598,201

<b>Term Loans from Members and Co-operatives (Note 6)</b> .....	8,214,916	8,469,630
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### Reserves and Surplus:

Reserves		
Authorized .....	\$30,000,000	
Issued to members—		
Members' investments .....	24,881,339	23,995,123
Earnings retained from prior years—		
Appropriated (Note 7) .....	1,000,000	—
Unappropriated (Note 8) .....	4,334,745	5,229,560
	30,216,084	29,224,683

### Commitments (Note 9)

\$91,950,957	\$96,292,514
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(See accompanying notes)



# ALBERTA WHEAT POOL

## AND SUBSIDIARY COMPANIES

### CONSOLIDATED STATEMENT OF EARNINGS

Years ended July 31, 1971 and 1970

	1971	1970
Operating revenues .....	\$25,620,784	\$23,726,960
Deduct:		
Elevator and seed plant operating expenses .....	7,501,654	7,060,724
Office, administration and supervisory expenses .....	4,063,104	3,784,494
Terminal elevator operating expenses .....	2,978,694	2,518,294
Interest—net .....	2,393,644	3,750,594
	<u>16,937,096</u>	<u>17,114,106</u>
Earnings before capital cost allowances .....	8,683,688	6,612,854
Capital cost allowances .....	2,564,375	2,589,557
Net operating earnings .....	<u>\$ 6,119,313</u>	<u>\$ 4,023,297</u>

### CONSOLIDATED STATEMENT OF EARNINGS RETAINED FROM PRIOR YEARS

Years ended July 31, 1971 and 1970

	1971	1970
<b>Unappropriated</b>		
Balance at beginning of year .....	\$ 5,229,560	\$ 5,322,374
Add:		
Earnings from previous year before income taxes .....	4,023,297	2,772,963
Gains arising from disposal of properties (Note 8) .....	34,932	103,382
	<u>9,287,789</u>	<u>8,198,719</u>
Deduct:		
Patronage refunds—		
In cash .....	1,361,662	1,028,658
In members' investments increased .....	2,488,353	1,632,990
	<u>3,850,015</u>	<u>2,661,648</u>
Income taxes paid on previous years' earnings .....	103,037	83,039
Write down of investments in affiliated company .....	—	223,599
Sundry adjustments .....	(8)	873
Appropriation in respect of investment in Western Co-operative Fertilizers Limited .....	<u>1,000,000</u>	<u>—</u>
	<u>4,953,044</u>	<u>2,969,159</u>
Balance at end of year .....	<u>\$ 4,334,745</u>	<u>\$ 5,229,560</u>
<b>Appropriated</b>		
Transfer from unappropriated retained earnings during the year in respect of the investment in Western Co-operative Fertilizers Limited, representing balance at end of year (Note 7) .....	<u>\$ 1,000,000</u>	<u>—</u>

(See accompanying notes)



# ALBERTA WHEAT POOL

## AND SUBSIDIARY COMPANIES

### CONSOLIDATED STATEMENT OF SOURCE AND APPLICATION OF FUNDS

Years ended July 31, 1971 and 1970

	1971	1970
Working capital at beginning of year .....	\$6,095,795	\$5,936,377
<b>Source:</b>		
Prior year's earnings after income taxes .....	3,946,667	2,732,088
Deduct:		
Patronage refunds paid in cash .....	1,361,662	1,028,658
Members' reserves purchased .....	1,602,128	1,180,508
	2,963,790	2,209,166
Prior year's earnings retained .....	982,877	522,922
Current year's capital cost allowance not involving an outlay of funds .....	2,564,375	2,589,557
Proceeds of disposals of fixed assets .....	251,711	293,463
Sundry adjustments .....	—	(346)
	3,798,963	3,405,596
<b>Application:</b>		
Additions to fixed assets—		
Buildings, sites and operating machinery .....	2,478,850	2,654,716
Equipment .....	227,239	175,539
Increase in investments .....	168,475	108,045
Increase in deferred accounts receivable .....	120,638	5,314
Decrease in term loans from members and co-operatives .....	254,714	260,400
Adjustment of prior years' income taxes .....	26,408	42,164
	3,276,324	3,246,178
Working capital increased during year .....	522,639	159,418
Working capital at end of year .....	\$6,618,434	\$6,095,795

(See accompanying notes)



# ALBERTA WHEAT POOL

## AND SUBSIDIARY COMPANIES

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

July 31, 1971

1. The consolidated financial statements include the accounts of the Alberta Wheat Pool and its wholly-owned subsidiary companies, Alberta Pool Elevators Limited, Victoria Elevator Limited and Interior Feeds Limited.
2. Stocks of wheat, oats and barley have been valued at Canadian Wheat Board delivery prices and stocks of other grains at market or open sales contract prices where applicable. Allowance has been made for handling and other charges.
3. Stocks of forage and cereal seeds, fertilizer and supplies have been valued at lower of cost or market, or where applicable, at open sales contract prices less costs of handling.
4. Current year's net earnings, less estimated minimum income tax, are shown as a current liability pending action by the delegates at the annual meeting regarding patronage refunds.
5. Income tax has been provided on the current year's earnings at the estimated minimum amount under the provisions of the Income Tax Act.
6. Substantially all term loans from members and co-operatives are on a demand basis. However, experience has shown that such loans are outstanding for longer than one year and accordingly they are not included in current liabilities.
7. During 1970 and 1971 Western Co-operative Fertilizers Limited has incurred operating losses with the result that Alberta Wheat Pool's investment of \$9,006,406 (shares, bonds and deferred accounts receivable) exceeds the underlying book value of the related assets of Western Co-operative by approximately \$1,000,000. Accordingly, an amount of \$1,000,000 has been appropriated from retained earnings at July 31, 1971 in respect of the potential loss on recovery of this investment.

The ultimate recovery of the total investment in Western Co-operative is dependent upon future successful operations of that company.

8. It is the practice of the Company to credit or charge gains and losses on disposal of fixed assets directly to surplus rather than operations.
9. The construction of certain fixed assets, which had been authorized by the Directors of Alberta Wheat Pool, was uncompleted to the extent of approximately \$720,000 at July 31, 1971.  
Certain facilities are being leased from other parties under long term agreements at rentals approximating \$40,000 annually.



# ***DIRECTORS' REPORT***

## ***1970-71***

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

Gentlemen:

Your Board of Directors is pleased to submit the report of the Canadian Co-operative Wheat Producers Limited for the year ended 31st July, 1971.

This has been a year of many challenges for the members of your Board and for agricultural producers of Western Canada.

The report will review marketing legislation and regulations implemented or proposed to relieve an agricultural industry caught up in the stresses of accelerating world change.

The picture is not all dark. During the year under review, The Canadian Wheat Board and the grain industry set a new grain export record. When the 1970-71 crop year ended on 31st July, 1971, almost 700 million bushels of prairie grains had been moved out of Canada.

The significance of this record is that it was accomplished under circumstances of intensified world competition, not from huge one-shot crises sales but rather through dint of steady continuous contacts on world markets by the Commissioners, staff and agents of The Canadian Wheat Board.

The record was achieved through a host of small and medium sized sales, demonstrating the effectiveness of Wheat Board marketing strategy.

The Chief Commissioner gave credit to improvements made in the methods of moving grains to the West Coast and Great Lakes terminal elevators. Shipping figures had been achieved which would have been unbelievable a few years ago, through more effective use of existing facilities. Much of this is due to the railway 'block' shipping system, and changes in allocating cars for unload at terminals.

Unfortunately farm cash receipts across Canada, which have been falling steadily for the past three years, dropped again in the first quarter of 1971; down from 5.8 per cent from the first quarter of 1970. In Western Canada net result of increased volume of grain and hogs moved at generally lower prices, after retiring or reducing record cash advances and other debt obligations, was still a disappointingly low cash flow for producers.

### **Grain Production in Canada**

All major crops seeded in 1971 in the prairie provinces show increases over 1970 acreages except for oats (down 4 per cent) and flax (down 40 per cent).

Major increases in seeded acreage took place in wheat (56 per cent increase), barley (54 per cent increase) and rapeseed (35 per cent increase).

These marked changes in seeded acreage are the expected result of changes in the seeding pattern induced in 1970 by the federal government's 'Operation Lift' program.

The increase in summerfallow acreage in 1970, up from the 10-year average (1960-69) figure of 27 million acres to 37 million, showed an increase of 10 million acres. It is not too surprising that the acreage in summerfallow should drop back to 26 million acres in 1971, a million less than the 10-year average.

### **Deliveries from Western Farms**

Deliveries of grains from western farms during the 1970-71 crop year amounted to 767.7 million bushels, the heaviest volume of marketing since 1966-67. Record highs were achieved in the 1970-71 deliveries of barley (229.1 million), flax (33 million), and rapeseed (61.1 million).

Deliveries of wheat in 1970-71 were the lowest recorded during the past 15 years, with the exception of 1961-62.

### **Canadian Grain Exports**

Exports of the six principal Canadian grains for the 1970-71 crop year amounted to 696.1 million bushels, including 25 million bushels of wheat in the form of flour.

All time highs for exports of barley and rapeseed were established with exports of 172.3 million bushels of barley and 46.8 million of rapeseed. Barley exports were 53 million bushels greater than the previous high set in 1952-53, while rapeseed exceeded the previous year's total by more than 24 million bushels and was nearly four times as great as the 1960-69 10-year average.

Shipments of flax, totalling 21.2 million bushels, were second only to the 1956-57 record of 21.6 million while wheat clearances of 409.4 million bushels were the heaviest volume since 1966-67.



The 13.1 million bushels of oats exported and the 8.9 million bushels of rye also represent the best exports for these grains since 1966-67.

The United Kingdom retained its position as Canada's principal export market with imports of 98.4 million bushels of all grains. Japan was the second biggest buyer with imports of 90.6 million bushels. China was in third place taking 88.3 million bushels, all in wheat. This, however, made China the top importer of wheat while Britain and Japan were second and third, with 63.5 and 39.9 million bushels respectively. All told, wheat exports increased by nearly 92 million bushels over the previous crop year.

The record barley sales were credited to increased sales made to importers who purchased Canadian barley in 1969-70, along with 16.4 million bushels shipped to other countries not previously recorded as markets.

Italy was the chief market for Canadian barley with 33.2 million bushels, an increase of some 20 million bushels over last year, while Great Britain purchased 29.9 million bushels, a 10-million bushel increase over a year ago.

The record rapeseed sales were sparked by European Common Market countries, which imported 22.6 million bushels. Japan was the largest single purchaser, with purchases of 15.8 million bushels. Common Market countries also purchased 12.5 million bushels of flax helping to make near-record exports of that commodity.

Though labour problems caused serious slow downs in the movement of grain, better organization and co-operation of the railways, the grain industry and The Canadian Wheat Board in the use of the 'block' shipping system and changes in the allocations of unloads at terminals led to record port clearances. Overseas clearances from West Coast ports reached a record of 260.6 million bushels of the six principal grains, while St. Lawrence River elevators shipped an all time high of 305.4 million bushels. Direct overseas movement of Canadian grain from Thunder Bay terminals, 42.2 million bushels, topped the old record of 33.4 million set in 1966-67, and Atlantic ports handled 30.1 million bushels.

The Port of Churchill cleared 23.4 million bushels, the best since 1965-66.

### World Food Situation

The tragic inability of mankind to find better ways to share abundance of food in developed countries with the starving millions in lesser developed parts of the world, continues to be a matter of acute concern to food producers the world over.

Dr. A. H. Boerma, Director General of the Food and Agriculture Organization of the United Nations, in an address to the 17th General Conference of the International Federation of Agricultural Producers held in Paris in May 1971, noted that:—

"On the one hand, there are vast regions where neither the land nor the water of the earth are properly cultivated, where the majority of mankind is in one way or another badly fed, where the countryside is inhabited by millions of people living in extreme poverty and where most of them are unable to find work. On the other hand, there is a smaller part of the earth where it seems that far too much food is being produced, where governments are either actively paying farmers to cultivate less of their land or dispensing huge sums to keep up the prices of their over-production, and where large numbers of people are dying from diseases at least partly brought on by over-eating. Could there be a more illogical pattern than that currently presented by the completely imbalanced situation of world agriculture and food consumption."

Each year the developed parts of the world produce surplus food to the value of about one billion dollars. This amount of food, if used wisely, could be tremendously helpful in reducing human misery and in assisting the economic development in the food deficient areas.

The Canadian Government's stated pledge to work toward a goal of one per cent of the gross national product of Canada in its foreign aid program has fallen short by about 50 per cent.

The magnitude of disasters striking in areas of teeming population and deficient food production numbs the mind and human compassion. Emergencies such as the earthquake in Chile, the flood and the millions of refugees fleeing destruction in East Pakistan poses the need for immediate aid which should be supplied from existing stockpiles held for that purpose alone.

It is essential that authorities be continually reminded that farmers are far from satisfied with Canada's foreign aid effort.

Producers have good reason to be concerned that with plentiful supplies of food available, the needs of hungry human beings in other parts of the world are not being met.

### International Developments—Grains

World wheat production for 1970-71 is estimated by the International Wheat Council at 11,196.6 million bushels on 509.4 million acres. These are preliminary figures subject to revision as world harvests are completed. (Table 17.)

Based on current reports from The Canadian Wheat Board the following information reports crop conditions in the major grain growing areas as of September 1971.

Increased acreage and good growing weather should provide Western Europe with near record grain crops. Some variation in quality is expected in both wheat and barley, depending on harvest conditions.

Wet weather in the U.K. delayed harvest affecting the quality of wheat. Production, however, has met earlier predictions of record yields. The remainder of Western Europe reports production from average yields in Sweden, Portugal and Austria to a ten per cent cereal



increase in the Low Countries. Quality of wheats is reported relatively good with barley quality poor in Germany and France.

Severe drouth conditions in East Germany resulted in much of the crop being plowed under, however, a five per cent increase is reported in most of the remaining countries, though there should be a strong demand for feed grain imports.

Early reports from the USSR indicate a drop in yields of cereal grains, which coupled with a planned increase in meat production, suggest that wheat exports will not be important this year.

Little change in wheat production is expected in the People's Republic of China or the Middle East. China will continue to be the most important market in the area. Wheat production in India is reported up by 3 million tons, but Pakistan production, because of adverse weather, is down by 700,000 tons. Japanese cereal production is reported off by 100,000 tons, and Iran, Iraq and the North African countries report drouth causing a 20 per cent reduction in wheat production.

Good yields are forecast for South Africa in both wheat and corn, however reduced wheat acreage will still produce about the same volume as last year but corn production is expected to produce a 25 per cent increase.

Severe drouth in Mexico could make imports necessary for that country this year, and an increase in wheat acreage in South America could improve their supply though not to any major extent.

Wheat acreage in Australia is up significantly this year and, with average yields, a crop of 380 million bushels is possible. Together with a carryover of some 182 million bushels, Australia could have substantial quantities of wheat available for export. However, drouth is again affecting the hard wheat growing areas and the quantities of Prime Hards available for export could again be limited.

With peak yields and a ten per cent increase in acreage, the wheat crop in the United States is expected to reach a record 1.6 billion bushels this year. Production of winter wheat is estimated at 1.1 billion bushels, durum at 86 million bushels and hard spring wheat at just over 358 million bushels.

Total wheat stocks on July 1 were calculated at 730 million bushels, down 17 per cent from a year earlier. However, with the 16 per cent increase in wheat production, supplies this year will be at relatively the same levels as in 1969. The quality of both the winter and spring wheat crops is reported good.

Of more widespread interest however, are the prospects for the U.S. corn crop this year. The latest U.S.D.A. estimate placed this year's corn production at a record of 5.3 billion bushels, which would be up 28 per cent from last year's 4.1 billion bushels.

## **International Grains Arrangement**

Representatives of fifty-seven countries and their advisors, met in Geneva, Switzerland in January 1971, to initiate discussions towards a new International Grains Arrangement. Members of the Board played an active part as advisors to the Canadian delegation.

No agreement on pricing provisions was reached, but the International Wheat Council was instructed to continue to work towards this objective. The Council is composed of representatives of major wheat importing and exporting countries. Despite this disappointment, there were positive aspects to the meeting,—

A framework will be continued under which representatives will be able to meet to discuss grain trading problems;

The International Wheat Council was given a mandate to continue efforts towards setting up negotiations aimed at arriving at suitable price ranges, and reaching agreement concerning rights and obligations of exporters and importers as to supply and requirements in wheat, when in its judgment it would be possible to achieve such an improved agreement;

An arrangement would be continued under which signatory countries will undertake to provide food aid under separate convention to nations requiring it.

## **Farm Policy—The Year in Review**

Rural Canadians are much worse off generally than urban dwellers, and the gap is widening. This was the conclusion of the Canadian Council on Rural Development, a semi-official body, which advises the federal government on rural problems.

Rural people are clearly a minority group, says the report, "but it would be morally disastrous for Canada if, on this account, they were to be neglected, exploited or discriminated against".

Because rural distress is most marked; because rural problems are most urgent; government programs are demanded to assign the very highest priority to the needs of farmers.

The report of the Task Force on Agriculture of June 1970, was the forerunner of a steady stream of proposed new legislation, some emanating from the report, some differing sharply from its recommendations.

On 30th October 1970, the Honourable O. E. Lang, Minister responsible for The Canadian Wheat Board, submitted certain grains policy proposals intended to stabilize overall income from western grains.

Reaction from the three Pools was quickly submitted by your Executive to the Canadian Agricultural Congress held in Ottawa in November 1970. The Pools disagreed with the philosophy of the Task Force report "which defines the role of government as simply to produce a favourable economic climate for farmers and agri-business. This philosophy would put Canadian farmers in direct competition with the treasuries of countries like the United States, members of the European Eco-



nomic Community, the United Kingdom and many others, which play a more active role in assisting their agricultural industries," the Pools said.

"It also draws a sharp distinction between agriculture and many other industries in Canada which benefit from direct government action in the form of tariffs, incentive grants, tax concessions and a host of other measures."

The Pools also submitted that they were not convinced that the proposal for a grains income stabilization program was a desirable alternative to several programs now in effect, which would be terminated.

The proposal appeared designed more to reduce government expenditures than to assist in stabilizing grain prices or net realized farm income.

The submission strongly opposed any suggestion that agriculture is "a liability supported by the rest of Canada. Canadian agriculture, if given a chance to continue indefinitely, will make an important contribution to the national economy. Agriculture is not a dying industry."

Grains policy was introduced when a revised version of Ottawa's Grain Income Stabilization plan was submitted in the House of Commons in April 1971, following several discussions with farm organizations, including the Pools.

The proposed legislation was an improvement on the original discussion paper, but still had a long way to go to measure up to what the Pools saw as an adequate program to stabilize farm income.

Three major changes, resulting from vigorous presentations made by farm organizations, are summarized as follows:—

1. The Stabilization Fund would now be financed on a two-to-one ratio by the government and the farmer respectively, with the government contributing 4 per cent of total receipts each year. In the original proposal, the farmer's suggested contribution was 3 per cent and the government would contribute to the fund when there wasn't sufficient money in it to meet required payments in bad years.
2. Each farmer's first \$15,000 of cash grain receipts would now be subject to deduction and eligible for the payment calculation, rather than \$10,000 as originally proposed.
3. Losses on individual grain pool accounts would be recovered from the Stabilization Fund rather than from future pool surpluses as previously suggested.

The position of your Board, submitted through the C.F.A. with the full support of the three Pools, stated bluntly that "the Bill is not acceptable as it now stands".

The Canadian Federation of Agriculture advanced six suggestions for modification to the Standing Committee of the House of Commons on May 7th, 1971:

1. That a government supported grain reserves storage policy be introduced. Bill C-244 would eliminate the long standing Temporary Wheat Reserves Act under which the federal government helped to meet carrying charges on wheat in public position in excess of 178 million bushels at 31st July, each year, but would not replace it with any storage assistance.
2. That payments under the stabilization plan be calculated in a manner to take account of annual inflation.
3. That the farmer's contribution to the Stabilization Fund be limited to 1½ per cent of grain income for the initial five-year period. The legislation would have the farmer contribute at the rate of 2 per cent from the outset.
4. That actual stabilization payments be included in the calculation of the five-year average of grain receipts for the prairie area. The legislation does not provide for inclusion in the average calculations of actual payments made under the scheme.
5. That P.F.A.A. not be phased out in any area until an adequate crop insurance plan is available to that area.
6. That an adequate two-price system for wheat used in domestic consumption be made part of the total package being offered by the federal government.

Included in the Prairie Grain Income Stabilization Act, Bill C-244, was a proposal for special transitional payments which would provide an acreage payment of one hundred million dollars with the stabilization plan to begin with producers' contributions commencing 1st August 1971.

All farm organizations opposed the mixing of the two proposals in one legislative bill. The C.F.A. said in its brief, "We cannot accept the assumption, as a ground rule set by the government, that to get immediate payment the long-term policy must be adopted. It would be highly improper to temper criticism of the long-term grains policy out of a feeling of fear and urgency respecting a possible delay of these essential transitional payments."

Of the measures suggested by the government, the following had been implemented by year end:

1. Early announcement of initial prices for 1971-72 crop year with indications of volume likely required, and probable quota level for the six principal grains.
2. New amended Canada Grain Act with new wheat grades and a beginning of protein selection.
3. A revised quota system.
4. Changes in the Cash Advances Payment Act to remove incentives favouring wheat.

These four items had general support amongst producers.



Termination of the Temporary Wheat Reserves Act payments to The Canadian Wheat Board, pending passage of legislation to cancel this Act of Parliament retroactive to 1st August, 1970, became a contentious issue as the Bill remained before Parliament.

Still under discussion were the Grains Receipts Stabilization Plan, the hundred million dollar acreage payments and promised assistance towards land transfer for farmers wishing to withdraw from uneconomic operations to re-establish themselves or to retire.

Prairie farmers will be inclined to remember the summer of 1971 because of the multitude of controversial farm policy measures before the House of Commons and the numerous studies undertaken and reported on, dealing with the production, marketing and rising costs in the field of agriculture. Several more are worthy of mention.

### **The Canadian Grain Marketing Review Committee**

The Canadian Wheat Board announced in July 1970, the appointment of a Wheat Board Committee of international scope, to evaluate Canada's system of selling grain under changing world conditions, and to report to the Board as soon as possible.

The six-member committee described its assignment in the first paragraph of its fifty-two page report as follows:—

"The Canadian Grain Marketing Review Committee was established to make an extensive examination of Canada's grain marketing system with special reference to wheat, and to recommend specific changes designed to increase the effectiveness of Canadian grain marketing, starting from the premise that The Canadian Wheat Board system of centralized selling would remain in effect."

The Committee proceeded to examine this premise from three angles. First, climatic and economic conditions; second, Canada's dependence on grain exports; third, the geographic isolation of grain producers. Because this first premise has been well sustained, farmers and others who support the Wheat Board central selling system may be more prepared to accept the questioning by the Review Committee of Board policies and practices.

The report tends to ratify changes that have already been made, or were about to be made in procedures, in the various phases of the marketing of Canadian grain such as changes in the Canada Grain Act with provisions for protein grading and a reduction in total stocks of wheat in country and terminal elevators.

The report also recommends the establishment of a "grains policy group, a producer dominated advisory body", to become the principal agent and co-ordinating force in developing and welding together an integrated Canadian grain industry.

### **Proposal that Rye, Flax and Rapeseed Become Board Grains**

A Bill to amend the Canadian Wheat Board Act, introduced in the House of Commons in late April, provided for extension of Board powers to include the handling of flax, rye and rapeseed "if it should be deemed desirable at a future date" as one of several amendments.

This has been a long stated request by farm organizations. This section of the proposed amendments was withdrawn from the package in the interest of gaining acceptance for other amendments. The rye, flax and rapeseed question was submitted as a separate Bill with an added provision calling for a producer plebiscite to decide when, and if, it should be implemented. This Bill had received first reading in Parliament but still remained, at time of writing, to be dealt with at the next session.

### **Farm Products Marketing Agencies Act—Bill C-176**

This legislation was one of the commitments made in the statement of policy outlined by the Prime Minister, just before the 1968 election, to be introduced as soon as possible in response to farmers' demands for orderly marketing of farm products.

The House of Commons Agricultural Committee made a swing through Western Canada to hear the views of farmers and their organizations on the proposed farm products marketing legislation.

After more than a year of controversy, the Committee finished its study and sent the Bill back to the Commons, just before the Easter recess. The Canadian Cattlemen's Association, the Provincial Stock Growers' Associations and in general the Western Hog Producers Associations opposed the proposed Bill, while poultry producers were in favor of it. The Ontario Pork Producers Marketing Board were strong supporters of the legislation.

The Committee introduced several amendments to the Bill, bringing it closer to the thinking of the C.F.A., the Provincial Federations of Agriculture, and the three Pools, who have long expressed support for the principle of permissive federal marketing legislation. However, the controversy continued, aggravated by the outbreak of the now famous "Chicken and Egg War" involving Ontario, Quebec and Manitoba.

The C.F.A. reaffirmed its support of Bill C-176, urging passage of the Bill "with the understanding that producers of any commodity will make use of such legislation only when they see fit to do so". The Bill was left over for discussion at the next session.

### **Royal Commission on Farm Machinery**

The major manufacturers of farm tractors are still practising price discrimination against Canadian farmers, according to the final report of the Federal Royal Commission on Farm Machinery tabled in the House of Commons on 18th May 1971.



Headed by Dr. Clarence T. Barber of the Department of Economics at the University of Manitoba, the one-man commission inquiry has been going on for five years.

The final report, plus the series of special reports that preceded it, add up to what is probably the most exhaustive study of the economics and inner workings of a major industry ever undertaken.

Dr. Barber finds that while Canadian farmers pay too much for their machinery, the overall profit figures for the multi-national companies that produce it are relatively low, and over the last few years profits have declined.

Recommendations cover every aspect of the industry from research and development to safety. A major recommendation is for the erection of a new independent farm machinery testing, research and development agency which would advise farmers on the best machines and models for their needs.

The Commission's criticism of tractor manufacturers was first voiced in a special report issued more than a year ago. The final report is still critical, and adds some new factors including the word that the British Government had a hand in denying Canadian buyers the benefits of the pound sterling devaluation in 1967.

Noting that most of the tractors sold in Canada are exported from Britain and Europe, the special report in 1969 said price tags are 30 to 45 per cent higher in Canada than they are overseas on tractors of all sizes up to 65 horsepower.

"Transportation and distribution costs would account for about half the price difference," said the report, "but the rest must reflect higher profit earned on sales in Canada."

"It is clear that discriminatory pricing is still being practiced against the Canadian farmers," says the final report. This now applies to all tractors in size classes up to 90 horsepower. Although the price differences are smaller than those in 1968, they are substantially more than can be accounted for by transport charges and additional distribution costs.

This should remind farmers of the special study carried out by Ruben Simkin for the Commission, submitted over a year ago. Mr. Simkin said in part "Judged by the usual criteria of a co-op, Co-operative Implements Limited has been a success". Sales have grown steadily since 1945, with surpluses in all except three years since it was formed. The Co-op prices are below, or at market level; its machinery service is on a par with private firms, and it has obtained "true savings" for its patrons.

### **The Grains Group**

This group was established as a government interdepartmental agency to study problems and recommend solutions with regard to the grains industry.

In April 1970, the Honorable O. E. Lang, announced the appointment of Messrs. J. W. Madill and I. K. Mumford, the General Managers of the Alberta and Saskatchewan Wheat Pools respectively, as advisors to the Grains Group. The services of these two key executives were made available to the Minister, with the approval of their Boards, as technical advisors on studies being initiated into the handling and transportation of Western Canadian grains to market.

These studies have now been under way for more than a year and are almost certain to recommend rationalization of the grain handling and transportation system.

Whatever the proposals may be, this study will have far reaching effects on the future of farming. The farmer-owners of the Pools will be vitally interested in the alternatives that will be submitted and will expect that direct marketing costs borne by the producer will have priority over suggestions to save money for government and railway systems.

### **Rapeseed Marketing Committee**

In April 1970, the Honorable O. E. Lang appointed a Rapeseed Marketing Committee "to determine the marketing system best suited for expanding Canadian exports of rapeseed".

Committee members were James McAnsh, Executive Director, Rapeseed Association of Canada; Forrest Hetland, President, Rapeseed Growers Association of Saskatchewan; and Paul Babey, President, Unifarm, Alberta.

The Committee concluded that more research was needed into the alternative systems for marketing Canadian rapeseed in future.

The Committee, through the Grains Group, retained consultants to make an independent and objective assessment of the alternatives.

The Committee's report presents the consolidated finding of the consulting team; covering the concept, operation, advantages and disadvantages of four systems, open market, voluntary pooling, a producers' marketing board and full control by The Canadian Wheat Board. The report recommends a period for producer information programs followed by a plebiscite to determine which would be adopted.

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

Your Board of Directors and executives continued close consultation on the affairs of the organization and matters of concern to its members.

The officers for 1970 were reappointed for another year; E. K. Turner, President; G. L. Harrold, Vice-President; H. B. Sneath, Executive Member; along with Board members G. E. Franklin, J. D. Deveson, E. A. Boden, D. M. Lockwood, Nelson Malm and A. J. Macpherson. Mr. J. O. Wright of Saskatchewan Wheat Pool, continued as Secretary of C.C.W.P.



During his budget speech in June 1971, Finance Minister, the Hon. E. J. Benson, introduced a series of income tax reform measures to become effective on 1st January, 1972.

Your Executive consulted closely on the proposed tax reforms in four areas of special concern:

1. Changes in personal income exemptions and rate schedules.
2. The proposed Capital Gains tax.
3. Changes in Co-operative taxation.
4. Changes in special provisions for farmers.

Representatives of the three Pools met with Mr. Benson to clarify their position on the proposed changes and supported submissions made by the Co-operative Union of Canada.

### **St. Lawrence Seaway Tolls**

An economic consulting firm, D. W. Carr and Associates, was appointed several years ago by the St. Lawrence Seaway Authority to undertake an economic study of the system with an appraisal of the Seaway financial structure and an analysis of Canada-United States expenditures on the waterway and its competitive outlook.

The report has now been submitted to the Minister of Transport. Many of the conclusions reached in the report received the approval of your Board, however, recommendations for toll increases and modified financial requirements did not.

Your Board, in a submission to the Minister of Transport, expressed opposition to any increase in tolls on the St. Lawrence Seaway. The brief called for a reduction instead in user charges on the Seaway and recommended that toll policies be excused of the present requirement to generate enough revenue to cover capital repayment of the Seaway investment and meet interest charges.

The submission said there should be no increase in tolls, and that a start be made on reducing charges by abolition of lockage fees on the Welland Canal. Canada should negotiate with the United States in an attempt to have the States pay an increased share of the deficit in operating the international waterway.

Your Board also advised that Canada should enact legislation to cancel the accumulation of Seaway debt, so that long-range plans can be made to improve the use of the waterway.

### **Memberships**

Your Board renewed memberships and financial support for the Canadian-American Committee of the Private Planning Association of Canada, the Canadian Water Resources Association, the Great Lakes Waterways Development Association, the Canadian Hunger Foundation, the Canadian Council on 4-H Clubs, and the U.S. Crop Quality Council.

### **Interprovincial Pool Meetings**

The Boards of Directors of the three Pools held joint meetings as Interprovincial Pool on two occasions during the year in Regina.

At the January meeting of the Interprovincial Pool, policy suggestions submitted from the Annual Meetings of each organization were reviewed before presentation at the Annual Meetings of the Western Conference on Agriculture and the Canadian Federation of Agriculture. Each resolution was discussed with information being supplied on the intent and action required with respect to implementation.

The Boards held discussions with Messrs. G. L. Harrold and E. K. Turner, with regard to negotiations towards a new International Wheat Agreement to replace the present International Grains Arrangement expiring in July 1971. Messrs. Harrold, Turner and Franklin participated as Advisors to the Canadian delegation.

### **Canadian Federation of Agriculture**

The three Pools worked closely with other farm organizations, through the Canadian Federation of Agriculture, in drafting policies for the benefit of farmers in Canada.

The Canadian Federation of Agriculture presented its views on national farm policy to the Government of Canada during the year and maintained a close liaison at all times with government departments to present the positions of farm groups across the country.

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

The International Federation of Agricultural Producers' 18th General Conference was held in Paris in May 1971.

The twelve-member delegation from the Canadian Federation of Agriculture included the following representatives of the Western Pools: G. L. Harrold, President, Alberta Wheat Pool; E. K. Turner, President and E. A. Boden, First Vice-President, Saskatchewan Wheat Pool; H. B. Sneath, President of Manitoba Pool Elevators; and J. O. Wright, Secretary, Canadian Co-operative Wheat Producers Limited.

The Conference recognized that the key issues confronting world agriculture today are: the need to secure better incomes and improved living standards for farmers; the achievement of a better balance between supply and demand of farm products; the need to improve distribution arrangements for the food that is produced; the need to adapt farm structures; and how to obtain a more rational use of production resources.

Despite efforts by certain countries to adapt supplies to the market and despite improvement in the balance for a number of key commodities in many countries, the gap between farm incomes and those in other sectors of the community has generally tended to widen.

Failure to close the income gap stems



principally from the fact that the past two years had seen a stepping up in the pace of inflation.

The probable expansion of the European Economic Community and the effect of this new alignment on agricultural trade and therefore on producers from many countries, was a major consideration in all discussions at the Conference.

The Conference took note of and approved, the reports of the pre-conference Commodity Groups and endorsed their main recommendations. These Groups were, Grains, chaired by R. C. Butler of the United Kingdom; Meat, chaired by E. A. Boden of Canada; Dairy Products, chaired by A. J. Basson of South Africa; Livestock and Feed, chaired by E. A. Boden, and Citrus, chaired by D. R. Thompson of the United States. The Standing Committee on Agricultural Co-operatives, chaired by O. R. Sandberg, Norway, and J. O. Wright, Canada, studied co-operative development trends in both developed and under-developed countries. Especially noted was the increasing growth in producers marketing groups and production co-operatives in Europe and the United Kingdom, and the need for leadership and management training so that the co-operative method can achieve its real potential in meeting the needs of farmers.

Approval was given to the setting up of an international group of representatives of farm organizations to stimulate action and study leading to improvement and strengthening of the International Wheat Agreement. Mr. E. K. Turner, President of the Saskatchewan Wheat Pool will be convener of the group which will hold its first meeting in Canada.

The present International Wheat Agreement has no provisions for agreement on minimum prices, but does provide for negotiations of such provisions during the term of agreement. It was agreed that member organizations should develop a joint policy approach which they could pursue within their own countries in an effort to achieve an effective international agreement on grain trade.

## Conclusion

The year under review has taxed the Canadian farm movement to the utmost just to keep abreast of the changes introduced and the new measures being proposed by the Parliament of Canada. Seldom has so much attention been paid by so many people to the problems of the Canadian farmer. This is a reflection of the magnitude of the difficulties being faced by farmers in maintaining a viable farm industry.

The large prairie crop now being harvested must be marketed in a world of surplus production in some regions, protective subsidies in other regions, and lack of purchasing power in the regions of hunger and malnutrition. Continued inflation in Canada, under these circumstances, can no longer be absorbed by lower net farm income, without serious effects on the long-term health of this major Canadian industry. The problem must be tackled on all fronts, aggressive marketing, improved prices, controlled costs and long-term adjustment policies.

Various changes in marketing and new proposals to stabilize farm income are still before Parliament. If these proposals are to be practical solutions, the united voice of farmers must be heard.

Your Board will continue to give high priority to representing the needs of our members in policy councils at home and abroad.

Respectfully submitted,

E. K. TURNER	} Executive
G. L. HARROLD	
H. B. SNEATH	
G. E. FRANKLIN	
J. D. DEVESON	
E. A. BODEN	
D. M. LOCKWOOD	
N. MALM	
A. J. MACPHERSON	



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Table 1

## GRAIN: ACREAGE, YIELD, PRODUCTION CANADA

1971 (September Estimate) and 1970 (Final)

1971 (September Est.)			1970 (Final)		
Acreage (Mil- lions)	Yield (Bus. Acre)	Prod. (Mil- lion Bus.)	Acreage (Mil- lions)	Yield (Bus. Acre)	Prod. (Mil- lion Bus.)
Wheat—					
19.2	27.1	521.7	12.5	26.6	331.5
Oats for Grain—					
7.0	53.0	371.4	7.1	51.5	367.8
Barley—					
15.2	43.1	656.1	10.0	41.4	415.7
Rye—					
1.1	23.1	25.3	1.0	22.1	22.4
Flaxseed—					
2.0	13.3	26.8	3.4	14.5	48.9
Rapeseed—					
5.5	18.4	100.6	4.0	17.8	72.2

Source: DBS September Forecast of Production of Principal Field Crops, Canada 1971.

Table 2

## GRAIN: ACREAGE, YIELD, PRODUCTION PRAIRIE PROVINCES,

1971 (September Estimate) and 1970 (Final)

1971 (September Est.)			1970 (Final)		
Acreage (Mil- lions)	Yield (Bus. Acre)	Prod. (Mil- lion Bus.)	Acreage (Mil- lions)	Yield (Bus. Acre)	Prod. (Mil- lion Bus.)
Spring Wheat—					
18.7	26.8	502.0	12.0	26.0	312.5
Oats for Grain—					
5.2	53.9	279.0	5.3	53.2	280.0
Barley—					
14.6	42.9	627.0	9.5	41.2	391.0
Rye—					
1.0	22.8	23.5	0.9	21.6	20.4
Flaxseed—					
2.0	13.3	26.6	3.3	14.5	48.7
Rapeseed—					
5.5	18.4	100.6	4.0	17.8	72.2

Source: DBS September Forecast of Production of Principal Field Crops, Canada 1971.

Table 3

## PRODUCER MARKETINGS, PRAIRIE PROVINCES

August 1 to July 31

	(millions of bushels)				
	1966-67	1967-68	1968-69	1969-70	1970-71 (1)
Wheat—					
632.4	456.0	423.1	413.3	378.4	
Oats—					
38.4	30.8	41.6	20.9	54.9	
Barley—					
112.7	87.3	81.8	168.4	229.1	
Rye—					
11.0	6.9	3.8	7.6	11.2	
Flaxseed—					
20.1	7.9	15.3	22.1	33.0	
Rapeseed—					
20.8	20.0	17.6	28.5	61.1	
<b>Total</b>	<b>835.4</b>	<b>608.9</b>	<b>583.2</b>	<b>660.8</b>	<b>767.7</b>

(1) Preliminary.

Source: Canadian Grain Commission,  
Canadian Grain Position, 31st July 1971.

Table 4

## CARRYOVER STOCKS OF GRAIN IN CANADA (1) at 31st July 1969-71 and Averages 1961-70.

	(millions of bushels)			
	1971 (2)	1970	1969	Average 1961-70
Wheat.....	749.5	1,008.7	851.8	598.2
Oats.....	128.9	141.3	128.7	123.8
Barley.....	143.0	200.1	199.4	122.7
Rye.....	12.2	10.6	8.7	7.7
Flaxseed.....	26.5	6.0	4.9	6.9
Rapeseed.....	9.9	3.6	5.1	—
<b>Total.....</b>	<b>1,070.0</b>	<b>1,370.3</b>	<b>1,198.6</b>	<b>859.3</b>

(1) Excluding Newfoundland for which data not available.  
(2) Preliminary revised—subject to further revision.

Source: DBS Stocks of Canadian Grain at 31st July 1971.



**Table 5**  
**FARM STOCKS ALL GRAINS IN CANADA**  
**at 31st July**

(millions of bushels)

	1970	1971	10-Year Average
Wheat.....	542.7	411.1	198.0
Oats.....	123.0	91.2	90.7
Barley.....	122.0	61.6	64.3
Rye.....	4.7	5.2	2.4
Flaxseed.....	0.6	10.5	1.2
Rapeseed.....	0.2	0.2	—

Source: DBS Stocks of Canadian Grain at 31st July 1971.

**Table 6**  
**CARRYOVER STOCKS OF GRAIN ON FARMS,**  
**PRAIRIE PROVINCES**

at 31st July 1971 (Estimated)

(millions of bushels)

	Man.	Sask.	Alta.
Wheat.....	19.0	305.0	78.0
Oats.....	9.0	35.0	31.0
Barley.....	5.0	21.0	29.0
Rye.....	0.6	2.8	1.8
Flaxseed.....	0.8	6.8	2.8
Rapeseed.....	0.02	0.09	0.09

Source: DBS Stocks of Canadian Grain at 31st July 1971.

**Table 7**  
**EXPORTS OF ALL GRAINS AND WHEAT FLOUR**

(millions of bushels)

	1970-71 (1)	1969-70	10-Year Average 1960-61 to 1969-70
Wheat.....	409.4	317.7	377.5
Flour.....	25.1 (2)	27.0	32.6
Wheat and Flour..	434.5	344.7	410.1
Oats.....	13.1	4.8	8.7
Barley.....	172.2	82.7	39.0
Rye.....	8.9	3.8	5.5
Flaxseed.....	21.2	18.6	14.6
Rapeseed.....	46.8	22.2	12.1
<b>Total.....</b>	<b>696.8</b>	<b>476.9</b>	<b>490.0</b>

(1) Preliminary.

(2) Estimated.

Source: Canadian Grain Commission,  
Exports of Canadian Grain and Wheat Flour.

**Table 8**  
**SEABOARD HANDLINGS, ALL GRAINS**

(millions of bushels)

Port:	1970-71	1969-70	1968-69
Pacific.....	260.6	197.7	187.1
St. Lawrence.....	305.4	173.6	82.6
Atlantic.....	30.1	32.7	21.3
Churchill.....	23.4	22.0	22.6
Thunder Bay (Direct)	42.2	10.6	12.3

Source: Canadian Grain Commission,  
Exports of Canadian Grain and Wheat Flour.

**Table 9**  
**EXPORTS OF CANADIAN WHEAT (1)**  
**BY REGION AND SELECTED COUNTRIES**  
**1968-1971**

(millions of bushels)

	1970-71	1969-70	1968-69
<b>WESTERN EUROPE</b>			
West Germany.....	14.8	5.4	8.2
Other EEC.....	25.5	26.8	24.1
<b>Total EEC.....</b>	<b>40.3</b>	<b>32.2</b>	<b>32.3</b>
United Kingdom.....	62.8	51.0	55.3
Others.....	9.2	6.9	5.9
<b>Total West. Europe.....</b>	<b>112.3</b>	<b>90.1</b>	<b>93.5</b>
<b>EASTERN EUROPE</b>			
USSR.....	11.0	47.3	1.7
Poland.....	—	3.8	3.3
Others.....	1.6	4.3	2.9
<b>Total East. Europe.....</b>	<b>12.6</b>	<b>55.4</b>	<b>7.9</b>
<b>AFRICA.....</b>	<b>25.6</b>	<b>7.6</b>	<b>4.6</b>
<b>ASIA</b>			
China, Communist.....	80.1	65.1	83.0
Japan.....	39.9	39.0	42.6
India.....	17.1	16.5	15.3
Others.....	39.6	9.3	7.9
<b>Total Asia.....</b>	<b>176.7</b>	<b>129.9</b>	<b>148.8</b>
<b>WEST. HEMISPHERE AND OCEANIA.....</b>	<b>32.5</b>	<b>16.5</b>	<b>7.0</b>
<b>Total All Countries (1).....</b>	<b>359.7</b>	<b>299.5</b>	<b>261.8</b>

(1) Does not include Durum (1971 Exports 49.7 million bushels) or wheat flour (1971 Exports estimated at 25.1 million bushels).

Source: Canadian Grain Commission,  
Exports of Canadian Grain and Wheat Flour.

**Table 10**  
**EXPORTS OF CANADIAN WHEAT**  
**TO MAJOR IMPORTERS**  
**1969 to 1971 and 10-Year Average**

(million bushels)

	1970-71	1969-70	10-Year Average 1960-61 to 1969-70
China, Communist.....	88.3	65.1	63.0
Britain.....	63.5	52.7	68.7
USSR.....	12.1	47.3	52.5
Japan.....	39.9	39.0	47.9
West Germany.....	21.6	9.7	24.8
India.....	17.1	16.5	13.8
Others.....	166.9	87.4	106.8
<b>Total.....</b>	<b>409.4</b>	<b>317.7</b>	<b>377.5</b>

Source: Canadian Grain Commission,  
Exports of Canadian Grain and Wheat Flour.



**Table 11**  
**FARM CASH RECEIPTS FROM FARMING**  
**OPERATIONS**  
**THREE PRAIRIE PROVINCES, 1968-1970**  
(in thousand dollars)

	1968	1969	1970 (1)
Wheat.....	\$ 577,809	\$ 448,011	\$ 541,397
Wheat, CWB Payments	315,302	60,199	6,556
Oats.....	17,404	21,811	16,685
Oats, CWB Payments.....	8,420	4,815	—
Barley.....	77,961	81,784	139,149
Barley, CWB Payments	35,750	3,501	—
Rye.....	5,722	4,756	8,161
Flaxseed.....	25,536	56,678	58,759
Rapeseed.....	33,247	51,576	97,300
Other Crops.....	61,528	58,548	62,743
Net Cash Advance Payments.....	52,616	157,906	-105,397
<b>Total.....</b>	<b>\$1,211,295</b>	<b>\$ 949,585</b>	<b>\$ 825,353</b>
Cattle and Calves.....	502,031	464,212	484,127
Hogs.....	143,662	163,801	198,524
Sheep and Lambs.....	3,772	3,130	2,592
Other Livestock and Products.....	174,465	187,973	195,343
Total Livestock and Products.....	823,930	819,116	880,586
Other Sources (2).....	30,897	28,756	72,765

Total Cash Receipts.....	2,066,122	1,797,457	1,778,704
Total Canada (3).....	\$4,363,216	\$4,192,036	\$4,166,788

- (1) Preliminary.  
(2) Includes supplementary and deficiency payments, forest and maple products.  
(3) Except Newfoundland.  
Source: DBS Farm Cash Receipts, 1970.

**Table 12**  
**TOTAL NET FARM INCOME (1), 1962-1970**  
(in million dollars)

	Three Prairie Provinces	Canada Except Newfoundland
1962.....	\$ 910.3	\$1,525.8
1963.....	957.4	1,521.1
1964.....	746.8	1,292.1
1965.....	958.4	1,566.7
1966.....	1,118.3	1,948.8
1967.....	792.2	1,475.3
1968.....	989.0	1,714.5
1969.....	803.4	1,575.0
1970 (1).....	502.1	1,233.0

- (1) Takes account of changes in inventory.  
(2) Preliminary.  
Source: DBS Farm Net Income, 1970.

**Table 13**  
**PRAIRIE FARM ASSISTANCE ACT**  
**1969-70 Crop Year**

	1% Levy	Awards	Payments
Manitoba.....	\$ 590,237	2,989	\$ 787,976
Saskatchewan.....	3,523,118	3,960	1,390,035
Alberta.....	1,338,477	8,265	2,707,952
British Columbia.....	*	1,065	344,688
<b>Total.....</b>	<b>\$5,451,832</b>	<b>16,279</b>	<b>\$5,230,651</b>

<b>Totals 1939-40 to 1969-70</b>			
Manitoba.....	\$ 28,046,397	166,870	\$ 31,550,279
Saskatchewan.....	122,420,733	894,519	240,793,264
Alberta.....	56,907,049	477,397	108,745,648
British Columbia.....	*	11,552	2,400,120
Unallocated.....	4,208	—	—
<b>Total.....</b>	<b>\$207,378,387</b>	<b>1,550,338</b>	<b>\$383,489,311</b>

\*British Columbia included in Alberta figures.  
Source: Report of Activities under the Prairie Farm Assistance Act for the Crop Year 1969-70.

**Table 14**  
**FARM CREDIT CORPORATION,**  
**LOANS APPROVED**  
(thousands of dollars)

	Fiscal Year 1969-70		Fiscal Year 1970-71	
Province	No.	Amount	No.	Amount
Alberta.....	1,492	\$42,767,700	814	\$23,854,800
Saskatchewan.....	1,488	38,602,300	992	24,830,800
Manitoba.....	604	17,295,900	485	14,030,500

Source: Farm Credit Corporation, Annual Report, 1970-71.

**Table 15**  
**FARM CREDIT CORPORATION,**  
**LOANS APPROVED**  
**For All Canada**

Year	Number	Amount
1966-67.....	12,167	\$247,947,500
1967-68.....	11,954	263,236,500
1968-69.....	9,159	208,330,500
1969-70.....	5,829	160,466,000
1970-71.....	4,117	115,213,300

Source: Farm Credit Corporation, Annual Report, 1970-71.

**Table 16**  
**FARM SYNDICATES CREDIT ACT**  
**LOANS APPROVED 1970-71**  
**and**  
**JANUARY 1, 1966 to MARCH 31, 1971.**

Branch	Fiscal Year 1970-71		Total January 1, 1965 to March 31, 1971	
	No.	Amount	No.	Amount
British Columbia.....	1	\$ 26,500	20	\$ 126,642
Alberta.....	41	511,643	289	2,780,470
Saskatchewan.....	7	62,313	62	443,871
Manitoba.....	28	541,925	118	1,851,571
Ontario.....	14	168,019	110	1,171,860
Quebec.....	27	384,010	142	1,594,969
Atlantic.....	6	68,800	26	326,408
<b>Total.....</b>	<b>124</b>	<b>\$1,763,210</b>	<b>767</b>	<b>\$8,295,791</b>

Source: FCC Annual Report, 1970-71.

**Table 17**  
**WORLD WHEAT: ACREAGE, YIELD,**  
**PRODUCTION, SELECTED YEARS (1)**

	Average 1949-54	Average 1959-64	1967-68	1968-69	1969-70	1970-71
Acres (3) —	440.1	504.8	544.8	557.6	537.0	509.4
Yield (4) —	15.6	17.6	19.9	21.5	21.1	22.0
Production (5) —	6,850.8	8,902.9	10,828.9	11,985.1	11,362.6	11,196.6

- (1) Including Mainland China.  
(2) Provisional.  
(3) Millions of acres.  
(4) Bushels per acre.  
(5) Millions of bushels.  
Source: World Wheat Statistics 1971, International Wheat Council.

**Table 18**  
**WORLD WHEAT: CARRYOVER STOCKS**  
**OF WHEAT AT JULY 1**  
**EXPORTING COUNTRIES—1965-71.**

	Five Major Exporters (1)
1965-66.....	1,225.1
1966-67.....	1,289.8
1967-68.....	1,571.2
1968-69.....	2,220.1
1969-70.....	2,335.6
1970-71.....	1,650.0 (2)

- (1) Argentina, Australia, Canada, European Community and U.S.A.  
(2) USDA estimate of stocks in Canada, Australia, Argentina and U.S.A. at 1st July 1971.  
Source: International Wheat Statistics 1971.



**Table 19**  
**WORLD WHEAT**  
**EXPORTS, WHEAT AND WHEAT FLOUR**  
**WORLD TOTAL 1954 to 1971**

	Bushels (Millions)
Average 1954-59.....	1,183
Average 1959-64.....	1,665
1963-64.....	2,070
1964-65.....	1,879
1965-66.....	2,293
1966-67.....	2,060
1967-68.....	1,911
1968-69.....	1,635
1969-70.....	1,848
1970-71 (1).....	1,984

(1) Preliminary.

Source: World Wheat Situation 1971, International Wheat Council USDA Wheat Situation, August 1971.

**Table 20**  
**SUMMARY OF TRADE IN WHEAT AND WHEAT**  
**FLOUR BY MEMBERS OF IWA (1)**  
**1965-66 to 1969-70.**

	(millions of bushels)				
	1965-66	1966-67	1967-68	1968-69	1969-70
Commercial—					
1,533.6	1,350.9	1,226.9	1,056.6	1,199.4	
Special (2)—					
785.1	676.0	644.2	392.8	435.9	
<b>Total</b>	<b>2,318.7</b>	<b>2,026.9</b>	<b>1,871.1</b>	<b>1,449.4</b>	<b>1,635.3</b>

(1) Includes trade with non-member countries.

(2) Includes food aid, sales for foreign currency, etc.

Source: World Wheat Statistics 1971, International Wheat Council.

**Table 21**  
**PRAIRIE GRAIN ADVANCE PAYMENTS**

Western Canada			
Number of Applications.....	51,332	122,080	
Amount Advanced.....	\$91,105,890	\$272,777,516	
Amount Repaid.....	67,345,991	250,175,962	
Average Advance.....	1,775	2,234	
Percentage Repaid.....	73.9%	91.7%	
Amount Outstanding,			
31st July 1971.....	\$23,759,899	\$ 22,601,554	
	Number	Amount	Percentage
	of Loans	Advanced	Refunded
1958-59.....	45,341	\$ 34,369,653	99.9
1959-60.....	52,356	39,518,344	99.9
1960-61.....	76,089	63,912,550	99.9
1961-62.....	22,342	16,656,713	99.9
1962-63.....	39,683	29,251,526	99.9
1963-64.....	63,427	62,136,418	99.9
1964-65.....	38,375	32,961,844	99.9
1965-66.....	43,505	40,600,386	99.9
1966-67.....	36,953	36,668,270	99.9
1967-68.....	45,810	47,280,533	99.9
1968-69.....	113,491	151,852,319	97.0
1969-70.....	122,080	272,777,516	91.7
1970-71.....	51,332	91,105,890	73.9

In addition to the regular advance payment made in 1969-70, there were also Provisional Advance Payments made in that year as follows:

**Provisional Advance Payments 1969-70**

Number of Applications.....	1,086
Amount Advanced.....	\$1,204,852
Amount Repaid.....	\$ 830,799
Average Advance.....	\$ 1,109
Percentage Repaid.....	69.0%
Amount Outstanding, 31st July 1970.....	\$ 374,053

Source: The Canadian Wheat Board.

**Table 22**  
**SEEDED ACREAGE AND QUOTA ACRES**  
**FOR PRAIRIE PROVINCES 1971**

**SEEDED ACREAGE**

	Man.	Sask.	Alta.	Total
Grains				
Spring				
Wheat.....	2,400,000	12,800,000	3,500,000	18,700,000
Oats.....	1,550,000	2,400,000	2,300,000	6,250,000
Barley.....	2,200,000	6,300,000	6,100,000	14,600,000
All Rye.....	184,000	620,000	225,000	1,029,000
Flaxseed.....	570,000	1,030,000	400,000	2,000,000
Mixed				
Grains.....	290,000	210,000	450,000	950,000
Rapeseed.....	550,000	2,500,000	2,300,000	5,350,000
Misc. Crops.....	203,500	23,500	101,550	328,550
Tame Hay.....	1,200,000	1,650,000	3,600,000	6,450,000
Summer-fallow.....	2,700,000	16,600,000	6,700,000	26,000,000

**QUOTA ACRES**

Hercules				
Durum.....	118,927	588,471	79,675	787,073
Other				
Durum.....	67,521	3,077,576	590,042	3,735,139
Soft White				
Spring.....	831	9,121	144,116	154,068
Alberta				
Winter.....	911	39,000	490,338	530,249
All Other				
Wheat.....	6,552,750	30,668,979	11,167,141	48,388,870
<b>Total</b>				
<b>Wheat.....</b>	<b>6,740,940</b>	<b>34,383,147</b>	<b>12,471,312</b>	<b>53,595,399</b>
Oats.....	990,817	711,474	1,177,452	2,879,743
Selected				
Oats.....	163,717	199,890	100,214	463,821
<b>Total</b>				
<b>Oats.....</b>	<b>1,154,534</b>	<b>911,364</b>	<b>1,277,666</b>	<b>3,343,564</b>

**QUOTA ACRES**

Barley.....	2,038,186	4,620,479	6,985,362	13,644,027
Selected				
Barley.....	500,302	1,577,996	1,429,793	3,508,091
<b>Total</b>				
<b>Barley.....</b>	<b>2,538,488</b>	<b>6,198,475</b>	<b>8,415,155</b>	<b>17,152,118</b>
Rye.....	187,154	517,900	223,864	928,918
Rye for				
Distrs.....	27,140	39,575	88,042	154,757
<b>Total Rye.....</b>	<b>214,294</b>	<b>557,475</b>	<b>311,906</b>	<b>1,083,675</b>
Flaxseed.....	644,217	998,894	378,001	2,021,112
Flax for				
Crshrs.....	41,623	29,368	33,460	104,451
<b>Total</b>				
<b>Flaxseed.....</b>	<b>685,840</b>	<b>1,028,262</b>	<b>411,461</b>	<b>2,125,563</b>
Low Erucic				
Rapeseed.....	55,338	314,871	68,599	438,808
Other				
Rapeseed.....	575,755	2,550,273	2,835,980	5,962,008
Oth. Rape				
Crshrs.....	111,021	380,685	291,383	783,089
<b>Total</b>				
<b>Rapeseed.....</b>	<b>742,114</b>	<b>3,245,829</b>	<b>3,195,962</b>	<b>7,183,905</b>

Sources: Canadian Wheat Board Report, Vol. 2, No. 3 DBS Preliminary Estimates of Crop and Summerfallow Acreages.









# Alberta Wheat Pool Annual Report 1971

## About the Cover:

Our cover illustrates the wall mural facing the main entrance in the lobby of the Alberta Wheat Pool Building. This work depicts the progressive economy of our young Province and the major role the agricultural industry plays in its development.

