Foreword

The Alberta Wheat Pool is a co-operative grain and seed marketing association of nearly 50,000 farmer members. It owns and operates a fully integrated line of country and terminal elevators, seed warehouses and cleaning plants. In keeping with co-operative principles, earnings are returned to members in proportion to their patronage.

Democratic control is maintained through 70 elected delegates who meet annually to review the performance of their organization and to establish broad policy. They elect 7 directors who guide the affairs of the organization during the year.

Ownership rests entirely with members through the "reserves" they hold. These reserves are renewed by purchasing them from members who no longer have need of elevator service and re-issuing them to active farmers on a patronage basis. This assures continued farmer ownership.

Briefly, the objectives of the Alberta Wheat Pool are to:

- Operate an efficient and financially sound grain handling system;
- Offer grain producers a high standard of service at cost;
- Give leadership in shaping grain marketing policies, in the interests of grain producers, on the national and international levels;
- Provide sound and vigorous representation on matters affecting the social and economic position of the farming industry;
- Assist in the development of the co-operative movement in the belief that it can provide service, savings and protection in a manner that is obtainable in no other way.

The Alberta Wheat Pool is a service organization. It is 50,000 organized farmers going about their own business.
Board of Directors

G. L. HAIRWOOD, LAMONT — President
W. J. BARI, NACO — 1st Vice-President
NELSON MAI, VAUXHALL — 2nd Vice-President
W. R. MUELLER, SPIRIT RIVER
R. C. BELL, CAISTARPS
GERALD OBRE, FORESTBURG
A. J. MACPHERSON, DELIA

Officers

A. T. BAKER, General Manager
C. L. NOWLIN, Operations Manager
O. J. BROUGHTON, Secretary
J. M. GARDNER, Treasurer
S. M. VICKERS, Chief Accountant
G. M. CHANDLER, Office Manager
F. D. PATRICK, Vancouver Manager
G. C. GRIFFIN, Winnipeg Manager
M. G. WED, Edmonton Manager
H. H. MOE, Seed Division Manager

Solicitors

ALLEN, MACKINNON, MATTHEWS, WOOD, PHILLIPS AND SMITH

Auditors

HARRY, MORISON AND CO.

Bankers

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

Head Office

ALBERTA WHEAT POOL BUILDING, CALGARY

HIGHLIGHTS OF THE YEAR 1959-60

Net Earnings ................................................................................................................. $2,426,508

Handlings — Grain in bushels .................................................................................... 59,659,295
— Forage Seed in pounds ......................................................................................... 15,479,308

Percentage of Alberta Grain Deliveries Handled ...................................................... 40.25%

Gross Value of Deliveries to Canadian Wheat Board and Other Sales ................ $75,071,868

Capital Expenditures .................................................................................................. $2,851,535

Total Investments in Capital Assets ........................................................................ $29,921,931

Working Capital ......................................................................................................... $8,664,866

Patronage Dividends Distributed (out of Previous Year’s Earnings) ................. $3,093,089

Percentage of Member Business in Previous Year .................................................. 95.3%

Cumulative Total of Patronage Dividends Distributed .......................................... $26,180,523

Cumulative Total of Reserves Purchased from Members ...................................... $12,158,231

New Members ........................................................................................................... 2,157

Total Membership ..................................................................................................... 49,660

Country Elevators Purchased from Ogilvie Flour Mills Co. Ltd. and Lake of the Woods Milling Company Limited ............................................................. 35

Number of Elevators at End of Year — Country ...................................................... 567
— Terminal ..................................................................................................................... 2

Elevator Capacities in Bushels — Country ................................................................. 41,957,200
— Terminal .................................................................................................................... 9,300,000

Number of Employees ......................................................................................... 1,055

Calgary Office Building Completed ...........................................................................
List of Delegates

LETHBRIDGE — District One
101 Madill, Herbert A. Parsonst 106 Hallworth, Fred W. Taber
102 Merid, Fred A. Warner 107 Driman, Ralph L. Barons
103 Oliver, W. A. Warner 108 Cluys, Lourie Vauxhall
104 Lee, Loewy W. Cardston 109 Egan, Alfred Bow Island
105 Catching, Harry R. Lethbridge 110 Montgomery, T. S. Medicine Hat

CALGARY — District Two
201 Pelletier, George E. Pincher Creek 206 Morrison, W. Spence High River
202 O'Neill, James Jesse Claresholin 207 Noel, Felix B. Okotoks
203 Hugeman, Thomas H. Parkland 208 Rosenburger, G. Keith Balzac
204 Vershays, C. J. Champion 209 Clayton, Clifford S. Andie
205 Magnuson, Melvin G. Lemon 210 Richards, Ralph E. Odls

DUMHRELLER — District Three
301 Maas, John E. Empress 306 Camaeaert, Emile Rockyford
302 Paets, John T. Big Nose 307 Lusma, Suit B. Trench
303 Flomer, William Wallace Brooks 308 Hepburn, Sydney R. A. High River
304 Arison, Arthur W. Bassano 309 Aitken, John L. Drumheller
305 Burns, G. W. Gleichen 310 Nelson, Norman E. Claigmyle

RED DEER — District Four
401 Warwick, Ernest Oyen 406 Tupper, Joseph J. Stettler
402 Smith, George F. Proctor 407 Stone, John J. Abas
403 Dawson, Thomas E. Veterans 408 Baillie, George W. Red Deer
405 McCormick, J. E. Ryomoor 410 Jones, Ross Ponoka

CAMROSE — District Five
501 Redmond, D. R. Edgerton 506 Hayes, Charles P. Strome
502 Dolson, Parke Paradise Valley 507 Drummond, Alexander New Rocky
503 Jackson, James Irma 508 Johnson, Arne Camrose
504 Faneie, Ronnie Alfred Basham 509 Vincent, Bernadine Kingsman
505 Letsourd, Harold Viking 510 Basmurow, Clarence H. Gaywane

VEGREVILLE — District Six
601 Kent, W. R. Marwayne 606 Ziegler, Alex Winterburn
602 Mood, George B. Vermilion 607 Montpetit, Paul Legal
603 Ziegler, George Vegreville 608 Basarab, William N. Smokey Lake
604 Repehan, Mike Willington 609 Lamotho, Armand St. Paul
605 About, Willmot Fort Saskatchewan 610 Paton, Raymond E. Boyle

EDMONTON — District Seven
701 Halsey, Stephen Athabasca 706 Harris, Leslie N. Beauregard
702 Anderson, Hubert N. Peaceoom 707 Heid, Artie R. Dawson Creek, B.C.
703 Paterson, Charles P. Mayerthorpe 708 White, Percie Spirit River
704 Levesque, Ferdinand Falher 709 Eastman, John Wesley Brownvale
705 Gammer, Howard F. Buffalo Lake 710 Proctor, C. M. Fairview

Comparative Summary

<table>
<thead>
<tr>
<th></th>
<th>1959-60</th>
<th>1958-59</th>
</tr>
</thead>
<tbody>
<tr>
<td>Handlings — Grain in Bushels</td>
<td>59,699,295</td>
<td>61,504,666</td>
</tr>
<tr>
<td>Handlings — Forage Seed in Pounds</td>
<td>15,479,308</td>
<td>15,248,901</td>
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<tr>
<td>Handlings — Cereal Seed in Bushels</td>
<td>170,395</td>
<td>184,758</td>
</tr>
<tr>
<td>Handlings — Oil Seed in Bushels</td>
<td>190,014</td>
<td>476,116</td>
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<tr>
<td>Gross Value of Deliveries to Canadian Wheat Board and Other Sales</td>
<td>$75,071,858</td>
<td>$80,154,866</td>
</tr>
<tr>
<td>Earnings Before Capital Cost Allowances</td>
<td>$3,655,976</td>
<td>$4,454,918</td>
</tr>
<tr>
<td>Net Earnings</td>
<td>$2,426,508</td>
<td>$3,306,594</td>
</tr>
<tr>
<td>Provision for Income Tax</td>
<td>$100,536</td>
<td>$124,803</td>
</tr>
<tr>
<td>Available for Patronage Dividends</td>
<td>$2,325,972</td>
<td>$3,183,791</td>
</tr>
<tr>
<td>Current Assets</td>
<td>$48,680,149</td>
<td>$44,521,860</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>$40,615,283</td>
<td>$37,189,985</td>
</tr>
<tr>
<td>Working Capital</td>
<td>$8,064,866</td>
<td>$7,333,875</td>
</tr>
<tr>
<td>Capital Expenditures on Properties and Equipment</td>
<td>$2,851,835</td>
<td>$2,451,655</td>
</tr>
</tbody>
</table>
Beneath white clouds the golden grain falls before the moulder's blade. Western Producer Photo

A hungry combine eats its way across one of Alberta's grain fields. Alberta, Government Photo

Report of Board of Directors
ALBERTA WHEAT POOL
TO 35th ANNUAL MEETING OF DELEGATES

G. L. Harold
President

Gentlemen—

Your Directors wish to report that the facilities and services of the Alberta Wheat Pool were again successfully employed throughout the year and were extended in various endeavors.

Grain handling, although slightly down from the previous year, represented a greater percentage of deliveries to Alberta country elevators. The surplus from the year's operations which remains for distribution will, as a result, be somewhat reduced from one year ago.

Services to members in the form of accident insurance, handling of fertilizers and some farm supplies, were maintained, along with the establishment of handling and loading facilities for rapeseed during the year.

Your Association was active in its representation of the membership in all policy matters at provincial and federal government levels with which our Association is concerned.

GRAIN MARKETING

Canola exports of the five principal grains during the crop year suffered a decline for the second year in a row. Preliminary figures issued by the Board of Grain Commissioners for Canada indicated exports totaling 324.4 million bushels—a drop of approximately 251 million bushels from the year previous, with declines in all grains except rye.

World markets were hampered throughout the year with heavy stocks of grain and sales activities further hampered by large offerings of wheat on a non-commercial basis. Canada was, however, able to maintain total exports of its five principal grains at some 28 million bushels greater than the thirty-year average.

The United Kingdom remained Canada's host grain customer during the year, followed by Japan and Germany, with the imports of Japan the highest in history.

Profuse marketing in Western Canada during the 1959-60 season amounted to approximately 337 million bushels of grain as compared with 531 million bushels in the previous crop year. According to the latest estimates of the Dominion Bureau of Statistics the carryover of all grains in Western Canada decreased in the year under review. As at July 31st, 1960, an estimated 750.3 million bushels were in all positions in comparison with 988.8 million bushels a year earlier. Reductions occurred in the total carryover stocks of each of the five major grains. Farm carryover stocks were similarly down from 172.7 million bushels as at July 31st, 1959, to 132.9 million bushels on July 31st, 1960. The greatest reduction was in wheat, approximately 36 million bushels.

WHEAT POOL REPRESENTATIONS

FINANCIAL ASSISTANCE FOR WESTERN GRAIN PRODUCERS

Following our annual meeting last year and upon the instructions resulting therefrom, your Board continued to participate in the Liaison Committee of the ten major Western farm organizations in pursuit of a deficiency payment policy for western grains.

At the conclusion of the annual meeting of the Canadian Federation of Agriculture in Toronto in late January of this year, the Liaison Committee, in addition to other representatives from Western farm organizations, met with the Prime Minister of Canada and Members of the Federal Cabinet, and again sought deficiency payments on Western grains. The Federal Cabinet Members were informed that the recent annual meetings of the Organizations represented had all reaffirmed their support of a deficiency payment proposal, as a practical method by which the Federal Government could achieve a grain price adjustment. The delegation was assured that a statement would be forthcoming on this request in the near future.

On March 4th, 1960, in the House of Commons, the Prime Minister referred to the acreage payment to Western grain producers made in 1958 and the contempt with which this payment had been received by opposition party Members and some of the spokesmen for Western farm Organizations, indicating that the Government would have been prepared to recommend further assistance of this nature if it had been favourably received. He again referred to his remarks of 1958—that the fixed support type of deficiency payment is not the most equitable way of giving assistance to Western farmers during the period of adjustment while the national farm program begins to take hold.
and work for the farmer. This was followed by an announcement in the House of Commons on April 17th, by the Prime Minister, that the Government proposed to make during the current year an acreage payment of $10 per acre to a very large number of farmers in all forms of assistance to grain growers in lieu of a two-year payment. The Government felt that this proposal would bring a measure of justifiable assistance to western grain growers, but it could not be considered a "blanket" in any sense of the word. Your Association favorably acknowledged the Government's recognition of the financial position of the prairie grain producer in the belief that measures of this nature within the context of the Government's forthcoming national policy for agriculture were moves in the direction of a more equitable share of the national income for the farm community.

ROYAL COMMISSION ON TRANSPORTATION

Early in the crop year plans were made to join the Saskatchewan and Manitoba Wheat Pools and United Grain Growers, Limited, in making a strong representation on behalf of the wheat and barley growers to the Royal Commission on Transportation, which had been announced by the Prime Minister on May 13th, 1925. A team of experts was retained by this group, including legal counsel and railway experts, to prepare a detailed report. The report was submitted to the Royal Commission on Transportation and to present a well-founded case in favour of national action for the financial problems of the railroads, which may have considerable work, and which cannot be solved by better management, increased efficiency, and possibly the curtailment of unnecessary services.

The first part of a formal presentation on behalf of the Alberta Wheat Pool and associates was made to the Royal Commission on Transportation on September 26th, 1926. The unwarranted attack on the Prairie Wheat Pool rates on grain made by the Edmonton Journal seemed to be directed at the Royal Commission in its statement that the "only concern in the publishing of its rates is the statutory rates on grain". We feel that this would be successful in invalidating the findings of our studies. Using the same cost analysis techniques as those on which the railway's submission was based, detailed on the traffic of a magnitude much greater than the alleged deficits on grain traffic have become apparent.

A separate submission by Alberta Wheat Pool to the Royal Commission on Transportation was made by the President of Alberta Wheat Pool to the Royal Commission on Transportation held in Edmonton on February 17th, 1926. The aim of this presentation was to illustrate that the Crow's Nest Pass Agreement which remains on the statute books to-day was part of a broad national policy which has provided substantial assistance to the railways and the Dominion of Canada. Because of the (enveloped)

LEGISLATION

THE TEMPORARY WHEAT RESERVE ACT

The Temporary Wheat Reserve Act remained in effect during the year 1925 for the Federal Government to pay carrying charges on the volume of wheat held by the Canadian Wheat Board as an announcement of the crop year 1925-26 in excess of 175 million bushels. Under the provisions of this Act, The Canadian Wheat Board received $3,004,727.24 during the crop year 1925-26, which has been allocated as follows:

<table>
<thead>
<tr>
<th>Product</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>$3,004,727.24</td>
</tr>
</tbody>
</table>

This amount was held in escrow for the purpose of maintaining a temporary reserve of wheat.

PRIZE GRAIN ADVANCE PAYMENTS ACT

The Prairie Grain Advance Payments Act was again in force during the crop year 1925. This Act provided an advanced to grain producers on the basis of 50% of the value of the wheat, which permitted the grain holder to sell the wheat at any price he desired. The funds provided under this Act were paid to the Federal Government to establish a wheat pool and to provide a premium of 50% on the value of the wheat. The premium was paid to the Federal Government to establish a wheat pool and to provide interest on the wheat held in escrow. This amount was paid to the Federal Government to establish a wheat pool and to provide interest on the wheat held in escrow.

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with the railways' own policies, generally resulted in a pattern of 'one elevator — one car' during the period. A greater and greater percentage of the increase in supplies were sold through the fresh market and the railway system than from Elevator companies.

PRINCIPAL

Provincial legislation in the past year concerning agriculture was confined to amendments to existing Acts.

"The Farm Purchase Credit Act" mentioned in previous reports of our Association appears to be serving a useful purpose in the financing of farm lands. Purchasing Board, through which the provisions of this Act are extended to farmers, have been established in all except eight municipal districts in the Province. Farm lands valued at upwards of $35 million have been purchased through the facilities of this legislation.

ALBERTA WHEAT POOL ACT OF INCORPORATION

On instructions received at the 1950 annual meeting of the Alberta Wheat Pool, amendments to our Act of Incorporation were sought at the 1951 session of the Provincial Legislature to enable the Pool to pay consumer's patronage dividends on sales of fertilizer and other commodities handled by the Pool and to permit the payment of patronage dividends on sales on the basis of dollar value. The Legislature passed these amendments, and Royal Assent was given to the Bill on April 11th, 1951, with the provisions effective as of January 1st, 1950.

SHIPING ORDER ALLOCATION AND BOXOAR DISTRIBUTION

Almost since the beginning of commercial grain growing on the prairies, and intermittently throughout the history of our Association, the distribution of grain has been somewhat less than satisfactory. The irritations of the year, however, have been directly proportional to the situation which developed in the early 1940's. Through various circumstances, there were average crops on the prairies, pressure on the world's grain markets and the necessity for producers' marketing. There is no satisfactory allocation of shipping orders among grain handling companies, with which is closely associated the distribution of boxcars for grain shipments, became a persistent problem.

Orderliness in handling and marketing of western grain has been the objective of grain farmers since grain was first produced in this region and we recognize the multiple benefits which this legislation has contributed through depression, war time and prosperity, to the economy of Canada. Prairie farmers, and no less the whole Nation, can take great pride in the development of The Canadian Wheat Board. Various and vast possibilities as a blueprint for other economic improvements in the fields of international commerce.

ALBERTA WHEAT POOL SEED DIVISION

Forge seeds were again handled on behalf of the Pool during 1957. The Investigation Committee for the Alberta Wheat Pool Seed Division. Cereal seeds were purchased or allocated during the year.

Initial prices for forage seeds, except oats, alfalfa and Timothy, were established in the spring, and as far as could be safely recommended at that time. It was felt that an announcement of prices at the highest level possible would have a stabilizing and beneficial influence on the market in the interest of the grower. Total handling for the season increased to approximately 25,000,000 pounds of cleaned seed, about 75% of which were grasses.

Along with Manitoba Pool Elevators we continued to use Northern Canadian Seed Sales, Limited, as a central selling agency on a basis similar to that of the previous year, with some revision in the formula for allocation of costs. Above normal stocks of forage seeds in North America by the end of the crop year, coupled with a large production during the season, kept margins under pressure throughout the year.

The Seed Division made strenuous efforts and was successful in moving into market a large portion of the Alberta crop.

The establishment of uniform initial prices operative for the fall year was largely responsible for a decile which occurred in the over-all operation of the Seed Division. When this decile was substantial, it must be viewed in the light of its stabilizing influence on the market exercised during the year by our operations.

It seems obvious that the Pool cannot continue to exercise a significant stabilizing effect on seed prices in times of temporary over-production unless individual growers will also accept responsibility for maintaining seed at market levels.

The experience gained to date in forage seed marketing by our Association suggests that a good deal of flexibility in our handling procedures would be found advantageous in most years. Our dependence on export markets for some kinds of seeds produced in Alberta particularly imposes a serious handicap under rigid policies.

It is my pleasure to state that early in 1958 the Alberta Wheat Pool took another step in the direction of taking advantage of our association with the Alberta Seed Growers' Cooperative, Limited, and assisted the liquidator of that association in the final disposition of funds to its members.

INTERIOR FEEDS' LIMITED

Following the extension of Provincial railway facilities to Fort St. John, B.C., in the fall of 1958, a number of factors including over-quotas delivery privileges and pricing methods, gave advantage to unprocessed trade buyers in the feed grain business in British Columbia. The volume of grain passing through these facilities in the 1957-58 crop year that our Association felt some obligation to enter this business to maintain predictability of deliveries through our elevator facilities and to assist members to the extent of our advantage in stabilization which we could bring into the market. Accordingly, we incorporated a Company known as "Interior Feeds Limited" to participate in the feed grain business within the Province of British Columbia, with operations commencing August 1st, 1959.

INSURANCE FOR ALBERTA WHEAT POOL MEMBERSHIP

MEMBERS' ACCIDENT INSURANCE PLAN

The Members' Accident Insurance Plan during the 1959-60 crop season operated with less dissatisfaction from the membership and individual delegates than in the previous crop year. This possibly resulted from a better understanding of the terms of the Plan and the amendments made to the incorporation of the 1954-55 crop year, which relaxed the overall eligibility requirements and increased the twelve-months coverage requirement. This permitted limited benefits to be paid to members who had delivered a minimum of 500 bushels of grain, or 7011% in value of forage seed, within a period of thirty-six months prior to a claim for an accident which resulted.

In all, 780 claims were adjusted during the 1959-60 crop year, involving 109 fatalities, 21 claims for disembursing, 2 for loss of sight, and the remainder for medical and miscellaneous other expenses. Members availed themselves of the opportunity to insure 512 sponsored workers under this Plan.

Total payments to members under the provisions of this Plan since its inauguration on August 1st, 1958, until the end of the 1959-60 crop season, amounted to $42,915, which represents the maximum liability which could possibly be paid under the last crop year. Outstanding for settlement at the close of this crop year were 162 claims.

LIFE INSURANCE PLAN FOR POOL MEMBERSHIP

Early in 1930 your Board gave consideration to the need for an individual life insurance for members. Following some Investigation Co-operative Life Insurance Company offered our Association a Plan which in reality was individual insurance that could be offered to any member upon the condition that Alberta Wheat Pool acquire its membership with the provisions of such a Plan and enable its agents to accept premium fees. The opinion of
our delegates on this matter was solicited by letter on 25th of August, 1950.

Your Association was an active member of the joint-venture organized by the Alberta Co-operative and Agricultural Development Associations. The superior opportunities offered by the joint-venture method of doing business, it was felt, warranted increasing efforts in the field of co-operative education and co-operative development.

Our association with the Provincial and National Federations of Agriculture was maintained, in addition to close liaison and harmony with the Farmers' Union of Alberta.

We wish to acknowledge the active part which the membership and delegates of Alberta Wheat Pool have played during the year on behalf of our Association and the co-operative movement generally.

MEMBERSHIP

In the face of a declining number of farm operators in the Province, an increase in membership in the Alberta Wheat Pool was gratifying to your Directors.

With a marked increase in membership, the number of applications for membership received in the final months of the 1959-60 season compared with applications submitted during the corresponding period of recent years, evidences of the season totaled 2,357, the highest since the 1953-54 season. By comparison, 1,977 members were enrolled during the 1958-59 season, the average was 1,581, for the five seasons preceding 1959-60.

Cancellations with respect to members no longer farming amounted 1,522, and 639 members were terminated by death. However, there was a net increase of 946 in membership during the 1959-60 season and the total membership at July 1st, 1960, was 9,960, comprising 20,792 members of the original Marketing Agreement and 2,024 members to April 30th 1961. It has been established since 1920, those terminated or cancelled total 5,743.

ELECTION OF DELEGATES

During the summer of 1960, elections were held in the mid-numbered sub-divisions. Twenty-four delegates were elected by acclamation and elections were held in ten sub-divisions. One sub-division, which failed to submit a slate of nominees, held a special meeting in which one delegate was elected by acclamation.

Our delegates at our annual meeting with many years of service retired from office this summer.

Mr. V. J. Bertraud of Milsom was elected a delegate for the year 1960, to succeed Mr. J. W. A. Chandler, retired in 1959. He was again elected in 1951 and remained in office until 1959. Following re-election in 1959 his service was continued for an additional period of 11 years.

Mr. John Halliday of Fleet first became a delegate of our Association in 1920 and served until 1924. He was re-elected in 1925 and continued in office until the summer of 1940, a total of 29 years of service.

Mr. David Kasczold of Ghost Pine Creek was also elected in 1920 and served for a period of two years. In 1924 he was again elected a delegate of our Association and served until 1931. He was re-elected in 1932 and served until 1952. In 1949 Mr. Kasczold was again elected to the Board of Directors and continued in that capacity until the summer of 1960.

The dedicated service of these men to the Alberta Wheat Pool is gratefully acknowledged.

IN MEMORIAM

We regret to record the passing since our last annual meeting of two former delegates and one former member of our Association.

On March 7th, 1960, the death occurred in Calgary of Mr. Martin Padgett, formerly of Oven, who had served as a delegate of Alberta Wheat Pool for seven years, from 1930 to 1937.

Mr. J. R. Rhodes of Brant, one of the early delegates of Alberta Wheat Pool, serving from 1927 to 1930, and an active member of many other farmers' cooperatives, passed away in Calgary on March 15th, 1960.

Mr. A. Van Weiden of Morris passed away on April 25th, 1960. Mr. Van Weiden had served as a delegate of our Association for four years, from 1941 to 1945.

On June 8th, 1960, the death occurred of Mr. J. H. Beckrnan, formerly of Morinville, who had represented Alberta Wheat Pool members in his role as delegate from 1928 to 1941, a period of four years.


During our last annual meeting word was received of the death of Mr. J. W. A. Chandler, retired in 1959, who served until 1957. Mr. G. G. Coote of Nanton, who served as a Director of our Association from 1928 to 1952.

We wish to record our sincere appreciation for the part each of these men played in the development and guidance of our Association.

STAFF

We extend recognition and appreciation to the staff for the same devotion to service during the year which our Association has enjoyed throughout its history.

Training courses for agents and opportunities for self-improvement for other members of the staff were maintained during the year, resulting, we believe, in mutual benefit for staff and our operations.

BOARD OF DIRECTORS

At the last meeting of the Board of Directors of Alberta Wheat Pool held after the 1959 annual meeting, the following Officials were elected:

President: G. L. Harrell
First Vice-President: W. B. Black
Second Vice-President: Nelson Malm

The same three Directors were elected to the Boards of the three Central Organizations: Canadian Cooperative Wheat Producers Limited; Canadian Pool Agencies Limited; and Pool Insurance Company. Messrs. G. L. Harrell and W. B. Black were elected to represent our Association on the Board of Northern CanadianSeed Sales Limited.

Committees of the Board were also established to deal with internal matters concerning office, elevators, field service, publicity, legislation, and liaison with the Farmers' Unions of Alberta.

A large number of representatives to government and other bodies on behalf of your Association was elected by the Board throughout the year, and particularly that of your President.

GENERAL

TRADE

The relentless pressure of increasing costs continues to undermine the prairie's grain economy, which is further threatened by the appeals of industry in its own economic self-interest for further concessions on imports. We share a growing concern for Canada's balance of payments deficit and recognize that some action must be taken, but we are equally concerned with the direction of corrective measures. The grain producer depends heavily on the export market. In particular, we feel that far above Canada's wheat exports in 1959-60 went to three Countries: the United Kingdom, Japan and West Germany.
Of these three, growth of exports to Japan has been most spectacular. With declines in sales to other areas, Canada's grain industry needs those expanding markets. It is almost certain, however, that increasing and additional restrictions against imports from those areas will affect their ability to purchase our products. Furthermore, it is not clear where the need for protective action lies since we sell substantially more to each than we buy throughout the year. Our lack of payments deficit is mainly due to our disparate transactions with the United States.

We need only restate this balance to answer our own need for growth in manufacturing. Undue restriction of trade with other areas, we believe, is in the best interests of either manufacturing or agriculture.

**FACILITIES**

Though no fault of the people who staked their future in the unproven prairie regions of Western Canada some settlement policies and developments proved to be ill-considered and lacking in foresight. Substantial population shifts have occurred in many communities with resulting disruption in educational, social and commercial institutions. Grain handling facilities, due to slow development, have outstripped many other commercial services. The extent to which they can be maintained in present form, in view of economies available through the operation of larger and more efficient units, is in question. This matter, along with the future of undisfran rail facilities with which it is closely associated, comments itself to the attention of our Association.

**THE ROAD AHEAD**

The year on which we are reporting saw the close of the 1950's, in retrospect was a decade of growth in all branches of our Association. This was seen with a degree of prosperity sharply in contrast to the depressing years which had been generally known as the experience following World War I.

Although the world political scene was much less threatening than its earlier counterpart, economic conditions in all facets of Canadian life were much more stable and promising. Progress was made in the fields of marketing, while scientific advances and technological improvements were proceeding at a rate unknown before and in forms which were readily adaptable to Canadian farm conditions.

Rural life in Alberta, and this may be general throughout the prairie Provinces, improved considerably during this decade. These years saw tremendous development in road building, communications, in the development of schools and in opportunities for both general education and vocational training in a wide range of commercial endeavours. This situation was assisted in Alberta by a significant industrial development.

From the standpoint of the commercial operations of your Association, however, this decade may turn out to be one of the most progressive in the history of the Wheat Pool movement. While it is true that our financial position improved considerably and that our facilities were expanded considerably, several costs have substantially increased, seriously impeding efficient use of grading grain handling facilities.

The adoption of nationalistic policies in many countries of the world in the interests of domestic agriculture imposed serious hardships in the marketing of wheat in international trade along conventional lines. These factors, together with above average production of grains in Western Canada, necessitated delivery and marketing restrictions for several years. Lack of a realistic method of the utilization of country elevator facilities in Western Canada resulted in the construction of additional facilities out of all proportion to the requirements of the day. These facilities have been paid for by farmers and the upkeep is and will be borne by them for years to come.

Following years of effort on the part of Farm Organizations, and the Wheat Pool in particular, the provisions for a system of shipping under allocation ordered by the Minister of Trade and Commerce July 9, 1959, has resulted in some improvement to our Association, but further benefit will require mutual vigilance on the part of our employees and support from farmers members.

Our most urgent task in the years ahead will be to provide the use of your elevator facilities as a standard of efficiency compatible with that of the industry which it serves.

All of which is respectfully submitted,

G. L. Harrell
W. J. Blair
Nelson Malm
W. R. Mclntire
R. C. Bell
Gerald Oberg
Allan J. Murpherson

*Report of General Manager*

**ON 1959 - 60 CROP YEAR**

A. T. Baker
General Manager

To the President and Directors
Alberta Wheat Pool

Gentlemen:

The 1959 Alberta wheat crop averaged 297 bushels per acre, with correspondingly good yields in other grains and seeds. Total production of all grains was, therefore, slightly over normal. Harvesting was done under very adverse weather conditions, with both quality and condition of the grain suffering from excess moisture, resulting in less production and making the handling of this crop most difficult for both growers and operators. Special concessions were made by the Canadian Wheat Board in respect of handling out-of-condition grain and growers were enabled to deliver large quantities before serious deterioration occurred. A significant feature of the grain year was the lack of interest in quality wheat and, consequently, there was a slow movement from consigned points having only top grades to ship. Quotas were fairly well supplied in Alberta by the end of the year but the wisdom of this practice is being examined in the light of last years experience when the large accumulations of unwanted grades and grains made it difficult to bring forward grain in demand.

About 10 million bushels less were shipped from this province than in 1958 and producers' deliveries were down by nearly 14 million bushels. Under the circumstances, it is gratifying to note that Alberta Pool receipts were not much lower than in the previous year and that substantial savings were again made for producers who delivered to Pool elevators.

**Country Elevator Operations**

I am pleased to report that your elevators, operating 335 percent of the elevator space in the province, showed a gain in the six months of the current year and established a new record by handling 5025 percent of the grain marketed in Alberta. A small part of this increase was due to the acquisition of the Ogilvie line of elevators but most of it can be attributed to the working of the new regulations for the relief of congested elevators. This increase in business confirms the contention steadfastly made by this organization that, given the opportunity, Pool members would deliver more grain to their own facilities. The Federal Government and the Wheat Board are to be commended for making this possible.

The average receipts per elevator, excluding the Ogilvie line which we own for only part of the year, were approximately 100,000 bushels. There was little storage space available during the year as the average amount in store was equal to 62 percent of total capacity. Even with the improvement in boxcar allocation, Pool members were not able to deliver all they wished to their own elevators. Grain in store July 31 was 30,849,934 bushels.

Successful working of the regulations resulted out of the frankness and realism that actual capacities can be accurately known, so that 'congestion' can be determined. A committee of the trade was set up to review elevator capacities and as a result every elevator was reduced from 41,977,000 to 30,849,934 bushels. By statistical effort, 235 complete cut-offs were made compared with 199 in the previous year. The elevators operated at an average of 98.9 percent, or an average of 990 percent, which indicates that agents were carefully observing the policy of class weighting.

In view of the fact that the 1959 crop was not easy to handle, some grade loss occurred but was not considered excessive. This loss is a part of the grade loss accrued from the handling of hardy. It has been increasingly apparent that a great deal of barley bought at 3 C.W. 4 will not hold this grade because of its extreme vulnerability to heating during the handling process. In recognition of this fact, new grading regulations are being introduced by the Board of Grain Commissioners.

The expansion of your country elevator system, with more elevators and greatly increased capacity, has placed a disproportionately heavy responsibility on some travelling and divisional superintendents. Plans were made for re-arrangement of administrative personnel and the appointment of two more travelling superintendents, bringing the total number to 20.
Our participation in the fertilizer business has not been aggressive but we are planning to increase our activities, particularly in late winter. We are devoting more resources to the development of new products and marketing strategies. We have also begun to explore opportunities in international markets.

We value the trust placed in us by our customers and are committed to providing high-quality products and services. We will continue to invest in research and development to stay ahead of the curve and meet the evolving needs of our customers.

We thank you for your continued support and look forward to serving you in the years to come.

Sincerely,

[Your Name]

Customer Service Department

[Company Name]
farm people, it must have an enthusiastic and well-informed membership, taking pride in the accomplishments of their organization and fully recognizing that its success depends upon their interest and support. Each member should feel a responsibility towards his organization.

To keep members and others fully informed, a continuous education and information program is carried on. Primarily, it is aimed at the farm people of this province but care is also taken to acquaint those in other occupations with the objectives and activities of the organization, its place in the farm scene, and the importance of a healthy agriculture in the nation's economy.

Briefly, our public relations program is intended to publicize the fact that the Alberta Wheat Pool is a progressive, efficiently operated, farmer-owned co-operative; that it is continuously working on behalf of farm people in an effort to improve social and economic conditions on the farm; that it provides leadership in shaping grain marketing policies and that it offers grain producers the means of speaking with a strong and united voice which is so important in our highly organized and complex society.

The wide recognition of these truths, resulting in increasing patronage and ever-growing support of farm families, is essential if farm people are to secure the full benefits of co-operative marketing.

The Publicity, Field Service and Country Information departments are primarily responsible for the public relations activities of this organization although it is recognized that every employee and elected official also has a responsibility in this regard.

Staff

It is a pleasure to commend your staff, numbering 1,000 people, whose activities were greatly responsible for the results being presented for your consideration. The financial statements are evidence of excellent commercial performance in years gone by and indicate an enviable current position but they alone do not provide reassurance for the future. This will depend on the abilities, initiative and attitudes of Pool people. I believe the members can look ahead in the confident knowledge that their business is in good hands.

Respectfully submitted,

[Signature]

General Manager

On November 30, 1959, the Alberta Wheat Pool marked an important milestone in its history with the dedication of a new head office building in Calgary. This ultra-modern, eight-story structure embodies the latest in design. Not only is it distinctive and attractive in appearance but it provides efficient and pleasant working conditions for the organization's head office staff, which has grown with the steadily expanding country elevator system.

This new building is a monument to the foresight, determination and ability of Alberta's pioneer farmers and it is a tribute to the loyalty of many thousands of grain producers who have given steadfast support to their own co-operative elevator facilities. It is a building in which Alberta's farm people may justifiably take pride.
## ALBERTA EAT POOL

and Alberta Packers Limited

CALGARY, ALBERTA

CONSOLIDATED BALANCE SHEET - as at July 31, 1960 and Comparison with July 31, 1959

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>1960</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash in Banks, on Hand and in Transit</td>
<td>$623,568.80</td>
<td>$386,896.27</td>
</tr>
<tr>
<td>Stocks of Grain</td>
<td>44,470.314.75</td>
<td>41,202.449.46</td>
</tr>
<tr>
<td>Stocks of Seed, etc.</td>
<td>1,703,619.49</td>
<td>1,100,753.26</td>
</tr>
<tr>
<td>Advances on Grain</td>
<td>96,161.04</td>
<td>11,793.04</td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>1,111,656.41</td>
<td>1,044,955.59</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>158,699.46</td>
<td>88,136.56</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>456,149.00</td>
<td>586,876.50</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td>$48,680,148.95</td>
<td>$44,521,862.48</td>
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<tr>
<td><strong>DEFERRED</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Receivable</td>
<td>$138,165.37</td>
<td>$68,571.07</td>
</tr>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings, Sites and Operating Machinery</td>
<td>29,291,149.87</td>
<td>26,858,192.89</td>
</tr>
<tr>
<td>Less: Accumulated Capital Cost Allowances</td>
<td>19,861,738.14</td>
<td>18,864,402.05</td>
</tr>
<tr>
<td>Uncompleted Construction (Note 1)</td>
<td>9,429,611.73</td>
<td>7,993,790.84</td>
</tr>
<tr>
<td>Elevation and Office Equipment, Autos, Tracks and Miscellaneous Equipment</td>
<td>231,461.88</td>
<td>1,118,139.37</td>
</tr>
<tr>
<td>Less: Accumulated Capital Cost Allowances</td>
<td>9,660,013.01</td>
<td>9,119,903.21</td>
</tr>
<tr>
<td><strong>Net Capital Assets</strong></td>
<td>$9,950,662.02</td>
<td>$9,277,021.09</td>
</tr>
<tr>
<td><strong>INVESTMENTS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shares — in Affiliated Companies (Note 2)</td>
<td>$108,670.00</td>
<td>$108,670.00</td>
</tr>
<tr>
<td>Grain Exchange Memberships</td>
<td>9,302.00</td>
<td>9,302.00</td>
</tr>
<tr>
<td>Shares — in Municipal Seed Cleaning Plants</td>
<td>790.00</td>
<td>550.00</td>
</tr>
<tr>
<td><strong>Total Investments</strong></td>
<td>$118,672.00</td>
<td>$118,522.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES</th>
<th>1960</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CURRENT</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Outstanding Cheques, Cash Tickets &amp; Orders</td>
<td>$6,910,945.51</td>
<td>$6,615,881.05</td>
</tr>
<tr>
<td>Bank Loans</td>
<td>24,780,000.00</td>
<td>21,805,000.00</td>
</tr>
<tr>
<td>Call and Short Term Loans (Note 3)</td>
<td>3,446,067.23</td>
<td>2,267,562.25</td>
</tr>
<tr>
<td>Loans from Members (Note 4)</td>
<td>878,437.22</td>
<td>234,490.27</td>
</tr>
<tr>
<td>Accounts Payable</td>
<td>1,085,094.52</td>
<td>882,425.03</td>
</tr>
<tr>
<td>Construction Commitments (See Note)</td>
<td>231,401.88</td>
<td>1,118,139.37</td>
</tr>
<tr>
<td>Provision for Balance of Income Tax (Note 5)</td>
<td>40,536.53</td>
<td>68,802.53</td>
</tr>
<tr>
<td>Mortgage Debenture — Payment Due Feb. 1, 1961</td>
<td>416,666.67</td>
<td>416,666.67</td>
</tr>
<tr>
<td>Accrued Items Payable</td>
<td>333,903.02</td>
<td>312,665.24</td>
</tr>
<tr>
<td>Growers — Outstanding Payments (Note 6)</td>
<td>166,308.82</td>
<td>203,961.00</td>
</tr>
<tr>
<td>Provisional Advances on Seed Sales</td>
<td>2,426,508.31</td>
<td>3,308,594.45</td>
</tr>
<tr>
<td>Net Earnings — Current period (Note 7)</td>
<td>(100,536.53)</td>
<td>(124,802.53)</td>
</tr>
<tr>
<td>Less: Minimum Income Tax (Note 5)</td>
<td>$40,615,283.23</td>
<td>$37,189,985.33</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| **DEFERRED** |      |      |
| Mortgage Debenture, 4½% (Note 8) | $1,666,666.66 | $2,083,333.33 |
| **RESERVES (Members' Ownership Investment)** (Note 9) | $13,188,071.74 | $11,516,431.69 |
| **SURPLUS** |      |      |
| Retained from Earnings, Prior Years | $2,947,843.99 | $2,847,628.12 |
| Accrued from Properties (Note 10) | 409,722.72 | 448,956.17 |
| **Total Surplus** | $3,347,567.71 | $3,296,584.29 |

<table>
<thead>
<tr>
<th></th>
<th>1960</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NET WORTH</strong></td>
<td>$58,887,589.34</td>
<td>$54,085,974.64</td>
</tr>
</tbody>
</table>
## Statement of Earnings, Expenses and Patronage Dividends

### Operations

<table>
<thead>
<tr>
<th>Description</th>
<th>1968</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Revenues (Note 11)</td>
<td>$12,724,922.74</td>
<td>$12,709,152.13</td>
</tr>
<tr>
<td>Less:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Elevator and Seed Plant Operating Expenses</td>
<td>4,337,185.99</td>
<td>4,161,287.07</td>
</tr>
<tr>
<td>Office, Administration &amp; Supervisory Expenses</td>
<td>1,967,980.70</td>
<td>1,845,595.98</td>
</tr>
<tr>
<td>Terminal Elevator Operations</td>
<td>1,242,051.02</td>
<td>1,098,099.05</td>
</tr>
<tr>
<td>Interest Charges</td>
<td>1,321,728.57</td>
<td>1,149,282.04</td>
</tr>
<tr>
<td>Net Earnings Before Capital Cost Allowances</td>
<td>3,655,976.46</td>
<td>4,554,917.99</td>
</tr>
<tr>
<td>Capital Cost Allowances</td>
<td>1,229,468.15</td>
<td>1,146,723.54</td>
</tr>
<tr>
<td>Net Earnings for the Year (Note 7)</td>
<td>$2,426,508.31</td>
<td>$3,308,594.45</td>
</tr>
</tbody>
</table>

### Patronage Dividends and Retained Earnings

<table>
<thead>
<tr>
<th>Description</th>
<th>1968</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings from the Previous Year (Note 7)</td>
<td>$3,308,594.45</td>
<td>$2,365,604.19</td>
</tr>
<tr>
<td>Deduct: Sundry Adjustments</td>
<td>179.66</td>
<td>255.72</td>
</tr>
<tr>
<td>Deduct: Patronage Dividends —</td>
<td></td>
<td></td>
</tr>
<tr>
<td>In Cash</td>
<td>766,131.64</td>
<td>548,456.00</td>
</tr>
<tr>
<td>In Members' Investments Redeemed</td>
<td>645,533.44</td>
<td>400,324.96</td>
</tr>
<tr>
<td>In Members' Investments Increased</td>
<td>1,671,404.11</td>
<td>1,236,173.13</td>
</tr>
<tr>
<td>Deduct: Income Tax Paid</td>
<td>225,325.60</td>
<td>180,594.38</td>
</tr>
<tr>
<td>Balance Retained</td>
<td>124,802.53</td>
<td>98,614.94</td>
</tr>
<tr>
<td>Retained</td>
<td>$100,523.07</td>
<td>$82,379.44</td>
</tr>
</tbody>
</table>

### Retained Surplus Earnings

<table>
<thead>
<tr>
<th>Description</th>
<th>1968</th>
<th>1959</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retained from Past Operations</td>
<td>$2,847,628.12</td>
<td>$2,765,591.07</td>
</tr>
<tr>
<td>Less: Sundry Adjustments</td>
<td>307.20</td>
<td>342.39</td>
</tr>
<tr>
<td>Add: Balance Retained from Previous Year</td>
<td>2,847,320.92</td>
<td>2,765,248.68</td>
</tr>
<tr>
<td>Retained</td>
<td>100,523.07</td>
<td>82,379.44</td>
</tr>
<tr>
<td>$2,947,843.99</td>
<td>$2,847,628.12</td>
<td></td>
</tr>
</tbody>
</table>
### FACTORS AFFECTING WORKING CAPITAL

**SOURCE**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Working Capital July 31, 1959</td>
<td>$7,331,875</td>
</tr>
<tr>
<td>1958-59 Earnings Available for Distribution</td>
<td>3,183,792</td>
</tr>
<tr>
<td>(Note 13)</td>
<td></td>
</tr>
<tr>
<td>Operating Earnings, 1959-60</td>
<td>3,655,976</td>
</tr>
<tr>
<td>Funds Available from Provisions for Construction</td>
<td></td>
</tr>
<tr>
<td>Commitments of Previous Years (Note 14)</td>
<td>886,738</td>
</tr>
<tr>
<td>Proceeds of Disposals —</td>
<td></td>
</tr>
<tr>
<td>Buildings and Machinery</td>
<td>90,969</td>
</tr>
<tr>
<td>Equipment</td>
<td>70,520</td>
</tr>
<tr>
<td>Capital Gains</td>
<td>21,128</td>
</tr>
<tr>
<td>Return re Winnipeg Office Investment</td>
<td>459</td>
</tr>
</tbody>
</table>

**APPLICATION**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1959-60 Net Earnings Held Pending Disposition</td>
<td>$2,325,972</td>
</tr>
<tr>
<td>New Buildings and Machinery (Note 14)</td>
<td>2,665,002</td>
</tr>
<tr>
<td>New Equipment</td>
<td>186,833</td>
</tr>
<tr>
<td>Patronage Dividends Paid in Cash</td>
<td>766,132</td>
</tr>
<tr>
<td>Members' Ownership Reserves Purchased</td>
<td>645,553</td>
</tr>
<tr>
<td>Payment on Debentures</td>
<td>416,667</td>
</tr>
<tr>
<td>Income Taxes Paid or Provided for</td>
<td></td>
</tr>
<tr>
<td>1960 — Dominion of Canada</td>
<td>180,536</td>
</tr>
<tr>
<td>1959 — Province of Ontario</td>
<td>180</td>
</tr>
<tr>
<td>Increase in Deferred Accounts</td>
<td>69,535</td>
</tr>
<tr>
<td>Increase in Investments</td>
<td>150</td>
</tr>
<tr>
<td>Sundry Adjustments</td>
<td>71</td>
</tr>
<tr>
<td>Working Capital, July 31, 1960</td>
<td>$8,064,866</td>
</tr>
</tbody>
</table>

### SOURCE AND APPLICATION OF FUNDS

**SOURCE**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Depreciation and Capital Cost Allowances</td>
<td>$20,202,670</td>
</tr>
<tr>
<td>Members Reserves (Ownership Investment)</td>
<td>13,188,072</td>
</tr>
<tr>
<td>Earned Surpluses Retained</td>
<td>2,947,844</td>
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<tr>
<td>Capital Surpluses from Properties</td>
<td>469,724</td>
</tr>
<tr>
<td>Debenture Loan</td>
<td>1,666,667</td>
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<tr>
<td></td>
<td>$38,474,977</td>
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</tbody>
</table>

**APPLICATION**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Elevators, Terminals, Cleaning Plants, Dwellings</td>
<td>$29,552,752</td>
</tr>
<tr>
<td>and other Properties</td>
<td></td>
</tr>
<tr>
<td>Elevator and Office Equipment, Automobiles and</td>
<td>630,581</td>
</tr>
<tr>
<td>Trucks and Miscellaneous Equipment</td>
<td></td>
</tr>
<tr>
<td>Investments in Affiliated Companies and</td>
<td>118,672</td>
</tr>
<tr>
<td>Miscellaneous Memberships</td>
<td></td>
</tr>
<tr>
<td>Deferred Accounts</td>
<td>138,106</td>
</tr>
<tr>
<td>Working Capital</td>
<td>8,064,866</td>
</tr>
<tr>
<td></td>
<td>$38,474,977</td>
</tr>
</tbody>
</table>
Income Statistics

<table>
<thead>
<tr>
<th>Year Ending</th>
<th>Bushels Handled</th>
<th>Operating Earnings</th>
<th>Operating Expenses</th>
<th>Capital Cost Allowances</th>
<th>Patronage Dividends</th>
<th>Earnings Retained</th>
</tr>
</thead>
<tbody>
<tr>
<td>1960</td>
<td>59,635,295</td>
<td>$12,728,923</td>
<td>$9,668,946</td>
<td>$1,229,468</td>
<td>(Note 12)</td>
<td>(Note 12)</td>
</tr>
<tr>
<td>1959</td>
<td>61,304,666</td>
<td>12,709,152</td>
<td>8,254,234</td>
<td>1,146,324</td>
<td>$3,083,089</td>
<td>100,523</td>
</tr>
<tr>
<td>1958</td>
<td>58,888,650</td>
<td>11,553,430</td>
<td>7,804,335</td>
<td>1,383,490</td>
<td>2,185,165</td>
<td>87,168</td>
</tr>
<tr>
<td>1957</td>
<td>61,457,190</td>
<td>10,589,430</td>
<td>7,272,375</td>
<td>2,020,860</td>
<td>1,033,444</td>
<td>142,208</td>
</tr>
<tr>
<td>1956</td>
<td>54,220,106</td>
<td>9,304,240</td>
<td>6,516,206</td>
<td>1,745,227</td>
<td>746,925</td>
<td>162,018</td>
</tr>
<tr>
<td>1955</td>
<td>55,429,377</td>
<td>9,076,597</td>
<td>6,255,963</td>
<td>1,407,596</td>
<td>1,196,275</td>
<td>118,523</td>
</tr>
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<td>1954</td>
<td>56,316,415</td>
<td>9,656,093</td>
<td>6,170,265</td>
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<td>9,225,381</td>
<td>5,769,614</td>
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<td>6,443,811</td>
<td>4,264,660</td>
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Balance Sheet Statistics

<table>
<thead>
<tr>
<th>Year Ending</th>
<th>No. of Ewes</th>
<th>Capital Investment</th>
<th>Current Assets</th>
<th>Current Liabilities</th>
<th>Working Capital</th>
<th>Retained Surplus</th>
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<tbody>
<tr>
<td>1960</td>
<td>557</td>
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<td>$48,680,159</td>
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<td>533</td>
<td>27,470,298</td>
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<td>533</td>
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<td>41,333,292</td>
<td>33,959,572</td>
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<tr>
<td>1957</td>
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<td>40,373,295</td>
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<td>1956</td>
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<td>1955</td>
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<td>1954</td>
<td>505</td>
<td>18,206,576</td>
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<td>5,334,260</td>
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<td>1953</td>
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<td>1952</td>
<td>486</td>
<td>16,305,803</td>
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<td>2,119,869</td>
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<tr>
<td>1951</td>
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<td>15,567,704</td>
<td>17,397,348</td>
<td>13,500,513</td>
<td>3,896,825</td>
<td>2,022,057</td>
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</table>

NOTES TO FINANCIAL STATEMENTS

Note 1 Provision is made in year-end accounts for those funds required to complete the capital program planned for the year. This provision results in removing from working capital the necessary funds.

Note 2 Affiliated companies are Canadian Pool Agencies Limited and Pool Insurance Company.

Note 3 Includes commercial demand and short term loans and loans from co-operatives engaged in other activities.

Note 4 Loans taken as a service to members of Alberta Wheat Pool and their families.

Note 5 Provision is made in the accounts for the full minimum income tax payable and installment payments have been made according to the terms of the Income Tax Act.

Note 6 Balances due to growers from purchases of reserves and other pooling operations.

Note 7 Current year's net earnings, less minimum income tax payable, are carried as a current liability pending action taken by Annual Meeting of Delegates held in November.

Note 8 Debentures held by Bank of Montreal payable in annual payments of $416,667.

Note 9 Ownership in Alberta Wheat Pool is by investment in the reserves of the organization. Funds to make this investment have been provided from patronage dividends.

Note 10 Surpluses accruing from disposals of assets for sums in excess of capital costs.

Note 11 Revenues accruing from grain and seed haulings, terminal operations and diversion premiums, carrying charges, storage and interest, rentals from office building, and agents' dwellings, etc.

Note 12 Statistics will not be available until action is taken following recommendations at Annual Meeting of Delegates. See also Note 7.

Note 13 See Notes 7 and 12. Action taken following recommendations as above results in effects on working capital as shown.

Note 14 See Note 1. Completion of items of capital program of previous year carried forward reflects investment in capital assets of funds appropriated in the relative year.
Canadian Co-operative Wheat Producers Limited

Directors' Report
1959 - 1960

September 28, 1960

To the Shareholders

Canadian Co-operative Wheat Producers Limited
Winnipeg, Manitoba

Gentlemen:

The directors of Canadian Co-operative Wheat Producers Limited are pleased to submit the thirty-ninth annual report of the company covering the crop year 1959-60. We wrote to warn you that our last report ever, even though this period does not coincide with the crop year.

The 1966 crop was a good one but the difficulties in harvesting are unforgettable. It was estimated by the Dominion Bureau of Statistics that the production of principal grains would be 508 million bushels, 6% higher than that of the previous year. Yields of all grain were 188 million bushels, 5% higher than the previous year. The 1966 crop was the highest in history for the Canadian wheat and the government paid $115 million to farmers for its purchase.

The report states that the federal government for the second consecutive year made no payments on the same basis as in 1956. The report states that the price paid to farmers and the government paid was $1.15 million per ton. The volume of wheat exported was slightly less than for the previous year due to severe competition in the world wheat market.

The buyers of wheat were given the opportunity to bid on the wheat. The bidding was done at the pool office. The grain was sold to the highest bidder.

The disposal of the Canadian economy continued. The figure indicating the rate of growth of the Gross National Product for the year ended March 31, 1967, was $13.5 billion compared to $13.0 billion for the previous year. The growth rate in the national product was 4.5% for the year. The national product increased by 2.5% in the current year.

The Canadian Wool Growers' Association did not meet its financial obligations. Cash income from the sale of wool decreased by 20% during the year. The total participation payments were $276.0 million in 1959, slightly below the recorded figure for the year ended March 31, 1960, which was $276.3 million.

CENTRAL BOARD

The board of directors of Canadian Co-operative Wheat Producers Limited held two meetings during the year. The board of the Wheat Pool office is known as the Central Board, and its task is to organize, through which the three wheat pools unite their policies and programs. The three executive committees of each of the three provincial pools comprise a board of nine members. There was no change in personnel of the directors during the year under review.

Consideration was given by the Central Board to proposals and actions of various problems of grain producers in the prairie provinces. Of particular interest were improvements proposed by the owners of pools produced in the prairie provinces. Of particular interest were proposals regarding the new grain elevator system in the prairie provinces, the federal government, and the new elevator in the prairie provinces.

The board of directors is conscious of the gaps being recommended in various quarters to direct and co-ordinate the new grain elevator system. Communication with the Prime Minister of the federal government in November 1960 on the problem of the three Wheat Pools was in keeping with the general policy of the three Wheat Pools, in opposing survey work.

Your board was represented before the Minister of Transport at Ottawa on March 1, 1960, in opposition to the bill of the Weedland Canal. This action was in keeping with the general policy of the three Wheat Pools, in opposing survey work.

INTERPROVINCIAL POOL MEETINGS

Since our last report the boards of directors of the three provincial Wheat Pools met on January 29, 1960, and August 24, 1960, in joint session. This type of meeting provides an opportunity for the directors to find various problems common to both.

At the Interprovincial Pool meeting held in January the directors considered the argument which would be advanced by each Wheat Pool office in the report of the Royal Commission on Transport and decid whether the inquiry made by the Commission should be held in the form of a provincial railway transportation. The meeting then recommended the establishment of a Railway Transportation Commission. The meeting was then asked to request the Chairman of the Royal Commission in the following resolution:

That the Chairman of the Royal Commission on Transport be respectfully requested to take such steps as are necessary to ensure that in conformity with the general policy of Order P.C. 1959-291, the Commission does not permit the Canadian National Railway Company or the Canadian Pacific Railway Company to so adjust their respective subscriptions to an Injury into Cross's Next Free rail.

This meeting expressed its concern that the federal government had not responded to the request for additional payments to grain producers through the Canadian Wheat Board in the previous year. A period of ten months had intervened without definite action from the federal government. The meeting agreed that the existing position of deficiency payments continued to be a substantial loss in the achievement of their objectives and that efforts be continued to achieve results that the board be able to achieve.
keep a united front by the ten organizations which were co-sponsors of the western federation of agriculture act of 1900. the meeting considered certain absorbing policies which might reduce the amount required as a direct payment by the treasury and also to provide a maximum of support to four recommendations as follows:

(a) Implement a two-price system governing the market for grain, whereby the price on the domestic market would be fixed at the level of the international market and not be governed by the export price.
(b) Provide adjustment payments from the government to compensate for the reduction in grain prices caused by export premiums on Canadian grain in relation to that of the United States.
(c) Provide payments from the Treasury of Canada for carrying charges for all grades in store in public elevators.
(d) Assume the cost of building Canadian flour exports, which is now being absorbed by the wheat producers.

The meeting was attended by seventy-two delegates and a large number of visitors representing every phase of organized agriculture, together with officials of the federal and provincial departments of agriculture.

The CFA recognized the national interest in the development of the wheat belt by the following acts of its delegates:

(a) The creation of a permanent board of directors for the CFA, consisting of one delegate from each of the ten member organizations.
(b) The appointment of a committee to study the farmers' cooperative movement.
(c) The establishment of a permanent committee to study the problem of agricultural credits.

The CFA recommended the following measures to the national government:

(a) The establishment of a permanent committee to study the farmers' cooperative movement.
(b) The appointment of a committee to study the problem of agricultural credits.
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ments to farmers through the Canadian Wheat Board. The  
Prime Minister announced that the government proposed  
to provide an estimated $25 million to the Wheat Board  
valuated at a maximum of 200 to 2,000 acres per  
farmer. The Wheat Board would purchase and market  
the grain on a competitive basis, with the government  
buying the grains at the Farm Board Crop Report  
price of $5.60 per bushel.

The Prime Minister also announced that the government would make a payment of $2 million to farmers who had been paid less than the market price for their grain.

Payments to Farmers on Unshelled Crops

The House of Commons in committee of supplies  
confirmed on March 10, 1959, the government's policy  
to provide an estimated $25 million to the Wheat Board  
for the purchase and marketing of unshelled grain. The  
committee noted that the government was making this  
payment to help farmers who had been paid less than  
the market price for their grain.

The committee also recommended that the government increase the payment to farmers to $25 million.

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the market price for their grain.

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Royal Commission on Transportation

The Royal Commission on Transportation was  
appointed in Ottawa on September 15, 1969. The  
commissioners were chosen to study the transportation  
system in Canada and to report on the future direction  
of the industry.

The commission's mandate was to consider all  
transportation modes, including公路, rail, water,  
and pipeline transportation. The commission was also  
charged with making recommendations on how to  
achieve the goals of efficiency, safety, and  
environmental protection.

The commission held hearings across the country  
and received input from various stakeholders, including  
farmers, producers, and transportation companies.

The final report of the Royal Commission on  
Transportation was submitted to the government in  
Ottawa on April 10, 1980. The report contained  
recommendations on how to improve the transportation  
system in Canada and to ensure its continued success.
Deliveries to Feed Mills

The development of the livestock industry in recent years has been helped by the introduction of new techniques that increase feed efficiency, even though the need for feed is increased by the growth of population in Canada. The most important feed crops are corn, soybeans, and wheat. Corn is the most widely grown crop and is used primarily for livestock feed. Soybeans are also a major feed crop, especially for poultry and swine. Wheat is grown primarily for human consumption, but a significant portion is used as feed. The feed mills purchase these crops and process them into feed for livestock. The price of feed is influenced by the supply and demand of these crops, as well as the cost of production. The feed mills are located near the farms where the crops are grown, and they supply feed to farmers and feedlots throughout the country.

Wheat supra-supply

The economy of Canada is heavily reliant on the production and export of wheat, which is one of the country's most valuable commodities. Wheat is grown in all provinces of Canada, with Saskatchewan and Manitoba being the leading producers. The wheat is harvested, processed, and shipped to countries around the world through the Canadian grain export system. The export of wheat is a major contributor to the country's economy, and it provides employment for many Canadians. The government of Canada plays a significant role in the wheat export industry, as it is responsible for setting the prices and quotas for wheat exports, as well as regulating the grain transportation system. The wheat export industry is subject to international trade agreements, such as the World Trade Organization's (WTO) Agreement on Agriculture, which sets rules for the global trade of agricultural products.

International Wheat Agreement

Under the terms of the International Wheat Agreement, which was established in 1954, the signatory countries agreed to establish a fair and competitive market for wheat, and to avoid discriminatory practices. The agreement is administered by the International Wheat Council (IWC), which is composed of representatives from the major wheat-producing and wheat-consuming countries. The IWC sets the world wheat price and the amount of wheat that can be exported under the agreement. The agreement provides for intervention by the signatory countries in case of market disruptions, such as natural disasters or crop failures.

Wheat Utilization Committee

The Wheat Utilization Committee is responsible for the utilization of wheat in Canada. It is composed of representatives from the federal government, the provinces, and the wheat industry. The committee is responsible for setting the policies and guidelines for the utilization of wheat, such as the establishment of food and feed standards. The committee also monitors the utilization of wheat and provides advice to the government on matters related to the utilization of wheat. The committee is an important part of the Canadian government's effort to ensure that wheat is used efficiently and effectively.
**CANADIAN GRAIN PRODUCTION**

The Dominion Bureau of Statistics has released its estimates of the grain crop produced in the 1959-60 crop year. The purpose in quoting from this release is to provide a basis of comparison with the production of the previous two crop years under review and with statistics covering the long-time picture. It should be noted that there is a very slight variation between the preliminary and the revised estimates as of the time this is being written.

**GRAIN PRODUCTION 1959**

*Data from the Statistics Canada Bulletin 10-017*

<table>
<thead>
<tr>
<th>Grain</th>
<th>Acres</th>
<th>Bushels</th>
<th>Average Yield</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>379.3</td>
<td>367.7</td>
<td>376.2</td>
</tr>
<tr>
<td>Oats</td>
<td>280.6</td>
<td>257.8</td>
<td>236.3</td>
</tr>
<tr>
<td>Barley</td>
<td>532.2</td>
<td>552.0</td>
<td>33.8</td>
</tr>
<tr>
<td>Flaxseed</td>
<td>48.4</td>
<td>42.7</td>
<td>23.8</td>
</tr>
<tr>
<td>Total</td>
<td>537.5</td>
<td>552.0</td>
<td>358.2</td>
</tr>
</tbody>
</table>

The figures showing the export sales of bagged seed wheat and farm and farm to feeder sales are not included in the Board of Grain Commissioners' statistics. We are assured that farm sales to feeder and feed mills have increased substantially.

**CANADIAN GRAIN EXPORTS**

The preliminary release of the exports of Canadian grain and flour issued by the Board of Grain Commissioners for Canada demonstrates that Canadian grain exports for the 1959-60 crop year totalled 378.4 million bushels, a drop of 1.2% from the previous year’s 359.6 million bushels. However, the total for the five principal grains exported, including flour wheat, exceeded the 20-year average by approximately 50 million bushels.

**Total Grain and Milled Products Exported**

<table>
<thead>
<tr>
<th>Grain</th>
<th>1959-60</th>
<th>1958-59</th>
<th>Average Yields</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>358.2</td>
<td>376.2</td>
<td>368.2</td>
</tr>
<tr>
<td>Oats</td>
<td>236.3</td>
<td>257.8</td>
<td>242.3</td>
</tr>
<tr>
<td>Barley</td>
<td>33.8</td>
<td>33.8</td>
<td>33.8</td>
</tr>
<tr>
<td>Flour</td>
<td>23.8</td>
<td>23.8</td>
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<td>Total</td>
<td>358.2</td>
<td>376.2</td>
<td>368.2</td>
</tr>
</tbody>
</table>

The wheat crop in 1960-61 is estimated for Canada at 472.5 million bushels. This production level is the largest for the last seven years, but 9% below the ten-year average of 522.5 million bushels. For the provinces, the forecast of 50 million bushels for Alberta is also 14% below last year’s crop but is 8% below the ten-year average of 54.3 million bushels.

**FARM INCOME**

A study of the statistical data covering both cash and net farm income does nothing to reconcile our attention over the different financial positions of many grain-producing provinces or states. The greater part of the income is derived from the higher levels of the individual farmers. We believe that the farmer is a very economic man and he is one who can be considered in the distributive trusts. These people, however, are the ones who should be given the highest level of agriculture and they are seriously affected by Canadian agriculture. It is true to say that raising statistics illustrating the farm income situation does nothing to solve the problem; it merely presents a situation for all new investors.

The Dominion Bureau of Statistics estimates that the total farm cash income in the calendar year 1959 reached $1,887 million, slightly below the revised figure for 1958 of $1,874 million. The total figure covers the income from the sale of farm products, together with participation payments, from supplementary and deficiency payments, and net cash advances on farm stored grains. The Bureau states that the returns from the sale of field crops were about the same in 1959 as in the previous year, while income from the sale of livestock and animals and from direct marketing was slightly lower. Income from other sources was also lower, with the exception of returns from the sale of farm real estate, which rose for the first time in several years.

The preliminary estimate of farm cash income in 1959 for the three Prairie provinces, based on the Dominion Bureau of Statistics’ figures and state that of the $1,887 million of farm income 67% of the grain was in farm mortgages in the Prairie provinces.

**PRELIMINARY ESTIMATE OF FARM CASH INCOME FROM THE SALE OF CANADIAN GRAINS AND FLAXSEED IN THE THREE PRAIRIE PROVINCES**

<table>
<thead>
<tr>
<th>Grain</th>
<th>1959</th>
<th>1958</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>827</td>
<td>815</td>
<td>819</td>
</tr>
<tr>
<td>Oats</td>
<td>630</td>
<td>630</td>
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</tr>
<tr>
<td>Barley</td>
<td>356</td>
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<td>356</td>
</tr>
<tr>
<td>Flour</td>
<td>291</td>
<td>291</td>
<td>291</td>
</tr>
<tr>
<td>Total</td>
<td>2,384</td>
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It is estimated by the Dominion Bureau of Statistics that of the $1,887 million of farm income approximately 67% of the grain was in farm mortgages in the Prairie provinces.

**Leading Consumers of Canadian Grain**

<table>
<thead>
<tr>
<th>Grain</th>
<th>1959-60</th>
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<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>379.3</td>
<td>367.7</td>
<td>376.2</td>
</tr>
<tr>
<td>Oats</td>
<td>280.6</td>
<td>257.8</td>
<td>236.3</td>
</tr>
<tr>
<td>Barley</td>
<td>532.2</td>
<td>552.0</td>
<td>33.8</td>
</tr>
<tr>
<td>Flaxseed</td>
<td>48.4</td>
<td>42.7</td>
<td>23.8</td>
</tr>
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The figures showing the export sales of bagged seed wheat and farm and farm to feeder sales are not included in the Board of Grain Commissioners' statistics. We are assured that farm sales to feeder and feed mills have increased substantially.

**Canadian Carrying Area**

The preliminary figures show that the total carrying capacity of the three Prairie provinces is 1,845 million bushels, slightly below the revised figure for 1958 of 1,847 million. The total figure covers the income from the sale of farm products, together with participation payments, from supplementary and deficiency payments, and net cash advances on farm stored grains. The Bureau states that the returns from the sale of field crops were about the same in 1959 as in the previous year, while income from the sale of livestock and animals and from direct marketing was slightly lower. Income from other sources was also lower, with the exception of returns from the sale of farm real estate, which rose for the first time in several years.

The comparative figure for the previous year was 1,847 million bushels. The figures for the three years are:

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conclusion

The times in which we live are fast moving, challenging and critical. It is of prime concern to your board, as it must be to the membership of our organizations, to gauge the effect the changing scene will have on western Canadian agriculture.

The year under review recorded numerous worldwide events which will have their mark in history. We watch with deep interest, even with fear, the struggle men and nations are making to secure the basic freedom that made our own country and the vast numbers of the world's population living their right of self-government when dictatorship usurps power.

These events cannot be ignored, for if the trend persists it will adversely affect all people who believe in democracy and co-operation. In these dangerous times it is of particular and immediate importance for us to determine in what ways we, as co-operatives and Canadians, can influence these trends. Your board is convinced that the abundance we enjoy can be shared with less fortunate people; that the world situation requires Canadians to devise programs under which our skills and our wealth can assist them.

A year ago we stated that while the present financial situation of grain growers in western Canada was deteriorating the long-term prospects justified confidence. This situation persists. It is illustrated by the fact that while net farm income has declined, a strong demand for grains produced on farm land has resulted in higher land prices. There can be no doubt that this confidence is inspired by the belief that there will be a growing demand for the products of these farms and that the maintenance of agriculture on a stable financial basis will be possible. Your board regrets that the immediate prospect for Canada's grain producers is clouded by a number of disturbing factors.

The members of the three Wheat Pools have reason for satisfaction. They have built co-operative enterprises of which they can be proud. Co-operative vigilance is the first requisite of the members in maintaining the efficiency of these businesses and to provide expanded services for their benefit. The second is to unify these resources and harmonize their efforts so that these co-operative enterprises become an instrument through which programs can be designed for the protection of the farmer as owner of his land.

Respectfully submitted,

Executive

JOHN H. WESSION
W. J. PARKER
G. L. HARROLD
THOS. G. BURGER
W. J. BLAIR
HAROLD B. BIRD
CHAS. W. GIBBINGS
N. MAIM
GREGOR G. JAMESON

A huge lake vessel taking on winter cargo at the Alberta Wheat Pool's Fort Arthur terminal.