

Grain Growers' Annual

The past year of the Grain Growers' Grain Co. has been full of Experience. Net profit on year's business was \$170,000.

Government Elevators and Export business resulted in heavy loss. Company in very strong

Financial position. Great Co-operative Development in View.

The annual meeting of the Grain Growers' Grain Company in Winnipeg last Tuesday and Wednesday was attended by about 400 farmer shareholders from all three of the Prairie Provinces. It was an exceptionally interesting meeting, and the discussions which took place will enable the company to be of even greater service to the farmers of the Prairie Provinces than ever before.

President T. A. Crerar announced that the net profits on the year's business, after writing off a loss of \$30,000 on the operation of the Manitoba Government elevators, was \$170,000. The profit was chiefly made on the commission department and on the terminal elevator. Two months ago the directors declared a dividend of 10 per cent. on the paid-up stock and sent it out immediately to 14,000 shareholders of the company on their farms throughout the West. The paid-up capital of the company is \$645,000. The profits for the previous years since the company started have been as follows:

1907	\$ 790
1908	30,190
1909	52,902
1910	95,663
1911	69,575
1912	121,614
1913	170,000

Big Volume of Business

The paid-up capital during the past year has increased by \$60,000 in the face of the hard times among the farmers. The sale of stock during the past year has not been pushed very vigorously because the farmers have been very short of money. It is the intention, however, during the coming year to sell a great deal more stock, in order to strengthen the financial position of the company and enable them to handle various farm commodities on the co-operative plan. The total volume of business handled by the company during the past year was over \$60,000,000 which places it at the top of the grain companies doing business in Canada, and makes it one of the largest commercial organizations on the continent.

Government Elevator Loss
President Crerar explained that the loss on the Manitoba Government elevators was due largely to adverse conditions, over which the company had no control. Some of it, of course, was due to the fact that the company had not been in the elevator business previously. He hoped the present year's operation of these elevators would prove successful. The Manitoba government has already given notice of the cancellation of the lease, so that these elevators will pass out of the hands of the Grain Growers' Grain Company at the end of August, 1914. The company, however, have built four new elevators and purchased two during the past year and are operating them very successfully. These elevators have all been built at points where the local grain growers demanded them, and where they have subscribed

OFFICERS AND DIRECTORS OF THE GRAIN GROWERS' GRAIN COMPANY FOR THE YEAR 1913-14 ELECTED AT THE ANNUAL MEETING

T. A. CRERAR, President	Winnipeg
E. J. FREAM, First Vice-President	Calgary
JOHN KENNEDY, Second Vice-President	Winnipeg
WM. MOFFATT, Secretary	Souris, Man.
R. McKENZIE	Brandon, Man.
JOHN MORRISON	Yellowgrass, Sask.
F. M. GATES	Fillmore, Sask.
F. J. COLLYER	Welwyn, Sask.
J. W. ROBSON	Pelly, Sask.

\$12,000 of stock in the company to pay for the erection of the elevator and the financing of the street buying at that point.

There was considerable discussion on the point of whether the company should make any effort to continue the operation of the Manitoba government elevators. Some of the shareholders were opposed to operating them any further, while others favored leasing or buying, if possible at reasonable terms, a number of the government elevators at points where they could be operated suc-

cessfully. It was finally decided by the meeting to leave this matter entirely in the hands of the new board of directors to act at their discretion.

heavy loss to the company. However, the company has a very strong cash reserve, and it was decided by the shareholders present to write off the entire loss sustained in the export business against this reserve and there will still be left a cash reserve of about \$200,000 over and above the capital stock of the company. President Crerar stated that since the Grain Growers' Grain Company had been in the export business they had reduced the spread in export prices from 1 cent to 2 cents per bushel, which means a saving of several mil-

meet the loss, but he maintained that the executive officers had incurred a great deal of loss in the export business by not handling the business as instructed by the board of directors. Mr. Langley announced that he was not a candidate for the board of directors for the ensuing year, and pursued the same policy of criticism of the management which he adopted at the last annual meeting. Mr. Langley discussed the auditor's report and financial statement fully, and made some serious charges against the management of the business generally. Following Mr. Langley's attack there was a general discussion of the financial statement and the affairs of the company by the shareholders present. Mr. Langley received support from only two of the shareholders, while he was severely criticized and his statements refuted by a considerable number of shareholders. President Crerar in reply showed to the satisfaction of the shareholders that Mr. Langley's charges were unfounded and several of his statements erroneous. He also declared that the greater part of the loss on the export end of the business was due to Mr. Langley's dictatorial action after the four directors resigned from the company in March, 1912. After the discussion had ended the shareholders were in complete possession of every detail of the financial business of the company and they endorsed the auditor's report and financial statement with only two dissentient votes out of the 400 shareholders present.

Enter Milling Business

Since the last annual meeting of the company in July, 1912, considerable development has been made in different lines. The Rapid City Flour Mill, with a capacity of 150 barrels a day, was taken over by the company and has proven successful from the start. The flour and feed is sold to the local Grain Growers' Associations in carlots, for cash only. The result has been that the retail price of first-grade flour has been reduced by as much as 80 cents per sack in many places throughout the West, where the Grain Growers' flour has been sold. In some places the big flour mills cut prices below cost in an endeavor to prevent the Grain Growers' Grain Company from selling their flour to the local farmers. In each case, however, the farmers stuck loyally by their own company and bought their own flour.

so the miserable action of the big millers was defeated. The only trouble with the flour mill venture at the present time is that the capacity of the mill is not nearly equal to the demand and that the company cannot fill all the orders for flour that are being received. It is hoped that arrangements can be made to secure another flour mill in the near future, if the capital stock of the company increases sufficiently.

Terminals Successful

The big C.P.R. terminal elevator at Fort William, which the Grain Growers'

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GRAIN GROWERS' GRAIN CO. DIRECTORS, 1913-1914, ELECTED AT THE ANNUAL MEETING, NOV. 11 AND 12
From left to right, seated: Wm. Moffatt, Secretary; John Kennedy, Second Vice-President; T. A. Crerar, President; E. J. Fream, First Vice-President; R. McKenzie. Standing, from left to right: John Morrison, F. Collyer, F. M. Gates, J. W. Robson

Loss On Export Business

A loss of over \$200,000 occurred on the export end of the Grain Growers' Grain Company's business since the last annual meeting, due to a large quantity of grain going out of condition on the way from Fort William to Europe. Some of this grain reached the Old Country in very bad shape and had to be sold for whatever it would bring, resulting in a

loss of dollars per year to the Western farmers.

Mr. Langley's Attack

There was considerable discussion over the financial statement presented by the auditor, started by Hon. George Langley, one of the directors, who attacked President Crerar and the executive officers very vigorously for what he termed mismanagement of the company's affairs, particularly in respect to the export business. He admitted that the financial position of the company was very strong and well able to