

TWO of the big companies organized by farmers of the Canadian West have decided to join in an order that they may be in still better position to conduct the business of the farmers. This union of forces means closer co-operation between the 18,000 shareholders of the Grain Growers' Grain Company and the 12,000 shareholders of the Alberta Farmers' Co-operative Elevator Company. It also means that the new company, which is to be known as The United Grain Growers', Ltd., will be bigger and stronger and better able to look after the interests, not only of shareholders, but of other farmers throughout the West, in connection with the disposal of grains and live stock and the purchase of implements and general supplies needed on their farms.

The union had been given careful consideration by the directors of the Grain Growers' Grain Company, in consultation with directors of other companies and organizations during the past 12 twelve months. The proposal to amalgamate was accepted as being the most satisfactory from the standpoint of service to the farmer. Details will be worked out so that the United Grain Growers, Ltd., will be a reality before the crop of 1917 is ready for market.

Grain Growers' Annual Meeting

At the meeting of the Grain Growers' Grain Co., Ltd., which was held in their new warehouse, 145 Market Street, Winnipeg, President Crerar, in his address to shareholders, covered in detail the activities not only of the company and its various departments, but also with the various subsidiary companies. In connection with the Country Elevator Department, it was pointed out that the revenue for the year ending August 31, 1916, was \$597,303.23, against \$292,288.20 for the previous year. The profit for the past year is \$161,607.94, due chief-

Union of Two Great Farmer Companies

ly to the large volume of business handled, 14,737,687 bushels. Owing to short crop he expressed a doubt as to whether the department would prove profitable this year.

The terminal elevator at Fort William, leased by the company, handled 28,463,438 bushels against 11,152,835 for the previous year.

Machinery

The president pointed out that the total sales made by the Co-operative Supply and Machinery Department, amounted to \$1,363,951.63, and that only a small profit resulted. Difficulties met in operating this department were related, and it was pointed out that since the outbreak of war in Europe the increased demand for practically all commodities handled has been great enough to create continual increases in the price of raw material. It was noted that with the new warehouse in Winnipeg and warehouses in Calgary and Regina purchases of large quantities could be made and implements and supplies held in stock ready for immediate shipment.

Last Year's Business

Dealing with the finances of the company it was pointed out that the profits on the year's business amounted to \$572,804.33. The usual dividend of 10 per cent on the par value of paid-up stock had been sent to shareholders, and funds in bank and on hand were \$565,542.10. Shareholders of the company now total 18,163, with paid-up capital of \$1,073,179.95. The total volume of grain handled in the twelve months ending August 31, 1916, was 48,375,420 bushels. The reserve fund now stands at \$600,000.

"It is quite within the mark," said the president, "to state that

the financial position of the company has never been sounder than it is to-day. During the ten years covered since the company began business the shareholders always have received a 10 per cent dividend, on their money, with the exception of the first year, when the dividend was 7 per cent. On the present value of the company's assets, their shares are worth 50 per cent more than the par value, and this, looking at it alone from the point of view of the actual return in dollars and cents. If we view the results of the company's existence from the indirect benefits they have brought, they are very much greater and cannot be adequately estimated. Taking it all in all, the shareholders have some reason to feel proud of the progress their company has made in the first ten years of its history."

"From the 1st of September, 1906, to the 31st of August, 1916, the number of shareholders in the company has increased from a few hundred to 18,163, the paid-up capital from \$5,000 to over \$1,073,000, the profits earned from \$790 in the first year of the company's history to over \$575,000 in the present year. The total grain handled during this period is over 205 million bushels. The total profits earned amount to \$1,488,740.97, and the total dividends paid to shareholders to \$550,000. In addition to the paid-up capital the company has in reserves and undivided profits over \$700,000."

"And what is the outlook for the future?" he asked. "If the shareholders and those whom they have placed in charge of the respective companies' business remain true to the principles and ideals which brought them into existence, they cannot fail to in-

crease in the right direction their power and influence in the commercial life of Western Canada. While it is always dangerous to enter the realm of prophecy it is not too much to expect that within the next 10 years the farmers of Western Canada will be operating their own saw mills and their own flour mills, possibly their own coal mines and meat packing plants, and may be caring for their own fidelity and fire insurance.

"There has, unconsciously, perhaps, been growing in the minds of farmers generally, a heightened self-respect for the work they are engaged in and a truer estimate of their position in society and of their importance in national development.

"The idea of thoughtlessly trusting to what is called luck, is giving way to the better method of trusting to intelligent thought and action. That this change which has gone on unconsciously, very important, though scarcely noticed, is due in great measure to the influence emanating from the meeting of men working together for a common cause cannot be questioned.

"Our farmers' organizations in and by this work have contributed powerfully to this end and this company to the extent that it has assisted in this, by promoting and aiding by financial help, or in any other way, has played a part by no means small in helping in this very important work. Let us all keep in mind that we are working not alone for what concerns our material advantage, important as that may be, but for the bringing about of a better and higher type of citizenship.

Directors elected for the ensuing year are: T. A. Crerar, John Kennedy, Wm. Moffat, R. McKenzie, J. F. Reid (Orcadia, Sask.), F. J. Collyer (Wewin, Sask.), John Morrison (Yellowgrass, Sask.), F. M. Gates (Fillmore, Sask.), and J. W. Wood (Wainwright, Alta.).



About 500 Shareholders of the Grain Growers' Grain Co. Ltd. attended their Annual Meeting in Winnipeg recently