THE FACTS

ABOUT

THE SASKATCHEWAN CO-OPERATIVE CREAMERY ASSOCIATION

LIMITED

Honour Roll

Adams, George
Anderson, Edwin W.
Andres, Jacob B.
Argue, Vernon
Baker, G. W.
‡‡Barrowman, Alvin
Begin, Eugene
Bettin, Anthony F.
Bowerman, A. E.
Brock, Robert Jr.
*Broughton, Hubert
Brown, Earl F.
Buchan, Alex W.
Bumstead, Clyde R.
Calder, Kenneth E.
Chapman, Frederick
Chestney, George
Clark, John
*Clarke, Wilfred
Crosbie, John D.
Davies, James R.
Dean, Philip J.
Devine, West
Douglas, Melvin R.
Domanko, William
Dows, Leonard
Dryburgh, George
Ellery, George
Fellner, Alexander
Fletcher, William
Fullford, Howard
*Godfrey, Theos.
Gracey, Thomas
Grant, Donovan M.
*Greenizan, Brock
Hamilton, William G.
Hansen, Harold
Hare, Herbert C.
Hawkins, F. Grunnah
‡‡Hepburn, Elmer
Herrem, Erling J.
Hegion, Peter
Huston, Thomas E.
Holt, W. W. O.
Ives, Ronald
Jewell, R. A.
Johnston, Jonathon
Johnston, J. D.
Ketcheson, Gerald B.
*Kirby, John S.
Kite, Victor
Kvamme, Glen
Langstaff, Ruth
Leckie, Albert N.
Leveille, Peter N.
‡‡Lockwood, Harold L.
Matchett, Garnet
Mathews, Richard
Meyers, Leo A.
Mulholland, James
Murdoch, Douglas E.
MacDonnell, Byron
McCabe, B. Ivan
McDonald, Kenneth J.
McLeod, Edward
Neufeld, John
*Neugebauer, Ted
*Nimeck, John
Paul, Joseph
Parker, Warren T.
Payne, Arthur W.
Pearce, Douglas H.
Peddie, Ralph
Pickett, Lewis D.
*Potts, John W.
Poulton, Stanley
Rogers, Joseph
*Schen, Charles
Senft, A. J.
Sharpe, Arthur J. J.
Spiller, Stephen E.
Staples, Ada
Steffenhagen, Alfred C.
Stewart, D. MacKenzie
Smith, Walter
Tian, George
Travis, Walter S.
Waterer, Percy H.
Watson, Edward A.
Wood, C. Irwin
Wood, Irene
Woods, Jack M.

Adair, W. T.
§§Amos, George
Armstrong, William D.
Baker, Joffre
Bank, John
Batten, W. H. R.
Bensen, W. F.
Bell, Lorne
Bentley, Douglas W.
Boyce, Irvin J.
Breer, Jack
Browning, George
Bueckert, Jack
Burton, John M.
Burton, William J.
Buffet, W. D.
Calder, M. G.
*Cameron, Beatrice
Carter, Joy P.
Caughlin, Allan
Coughlin, J. F.
Crossman, Elaine
Cumming, Elaine
Currie, George
Davies, R. B.
Dawson, Thomas D.
§Dean, Barrie
DeArmond, Roy
§§Dewar, Francis
†Dilling, Gordon E.
Duff, Stewart
‡Duffield, Gordon S.
Dufty, William
Dunn, Margaret
English, James
English, Samuel
Evans, George
Felling, C. H. G.
Fendick, Iva
§§Fox, Ronald E.
Franklin, Douglas
Freeman, Robert W.
Gamble, J. N. Douglas
Garner, Hartford
Grant, Harry W.
Griffin, Glen
Halverson, Minnie
Hambley, Norman
Hanbidge, Robert
Hansen, R. A.
Hawk, Anthony P.
Heier, Albert
Heinrich, Carl F.
Hicks, Carl M.
Hinch, Sydney
*Hodge, John
Holt, Owen G.
*Horning, Daniel F.
Huckla, Phil
Hutson, Kenneth
Jetmundson, Martin
Jones, Ruth
Klassen, J.
Kopp, James
Kunderman, Ed.
Laing, Eunice
Leidl, Henry P.
§§Lewis, Tony
Loomes, Donald
Markham, Elva
§§Meeker, Clarence
Meekma, Glen
Meisner, Frank
Meyers, Leonard P.
Middlemiss, John W.
Mithcell, Edward G.
Mowat, R. J.
McCabe, Joseph E.
McCabe, Leo R. P.
*McCann, Joseph
McFayden, Lynn
McIvor, Robert
*McLeod, Bernard
§§McRobb, Keith
Needham, Vincent
*Ness, Archie
*Netzel, Edward F.
Nichol, A. Clinton
Nugent, Ella
§Osten, Murray
*Otto, Della V.
Palecek, Kenneth
Parnett, Frank
Pearson, Donald
Pederson, Melvin
Pike, Charles F.
Ploz, Rudolf
§§Reid, Leslie R.
Reitlo, Clifford
Rivney, John
Roger, Margaret
Rogan, Joyce
Rudoski, C. L.
Rusnell, Gordon
Rutledge, W. L.
Schimanowsky, Leo R.
Scott, Norman F.
Shalley, Myron
Shaw, George
‡‡Shepherd, Alfred A.
Shepherd, Blanche
Smith, E. A.
Steele, B. A.
Steele, John
Stephenson, Lyle J.
§§Stewart, J. Murray
Stilling, Arnold
Stokes, Frederick
Strachan, Rita
Thomas, Donald
‡Trickett, Robert
Tunnicliffe, Gordon
Tunnicliffe, Norman H.
Tunnicliffe, Raymond H.
Virtue, David
Watson, W. F.
Weir, Harold J.
Wells, Denis
Wilson, N.
Wirth, Carl E.

***—Discharged.**
†—Wounded.
‡—D.F.C.
§—Prisoner of War.
‡‡—Missing.
§§—Killed.

The patronage and good will of our many producers and friends is rapidly bringing to reality a long-sought ideal. The Saskatchewan Co-operative Creamery Association Limited is in actual fact at the present time the property of its patrons!

There remains only the detailed task of determining the voting membership, when complete control will pass into the hands of a member-elected Board. To all of you,—thanks!

In presenting this booklet we do so in the firm belief that the Association has been soundly developed to take its place along with the many other successful Co-operative organizations in this Province.

Any attempt to show through examples the effort and organization behind the Association's industrial achievement, must of necessity omit more than it can include.

This brief glimpse as we turn the pages together introduces only a few of those who have had the honour to serve you during the difficult development stage. Their reports will stir the imagination and stimulate renewed interest in this large Producer Co-operative enterprise.

J. Turnbull

A RECORD OF *Achievement*

The history of the Saskatchewan Co-operative Creamery Association Limited, is in fact the history of the creamery industry in Saskatchewan. Away back in 1890 the first creamery in Saskatchewan was a Co-operative Creamery. The early creameries were sponsored by the Dominion Government in the hope that their establishment would encourage settlers to engage in the production of cream. Progress was slow and when Saskatchewan became a Province in 1905 there were only four creameries, two of which are still in operation as Co-op Creamery Branches, namely, those at Langenburg and Moosomin.

During the last war the Saskatchewan Co-operative Creameries Limited was formed, amalgamating the co-operative creameries, which until that time had carried on as independent units. The years during and following the First World War was a period of great expansion in the Creamery Industry. There was a steady increase in production and a large increase in the number of creameries, not only Co-operative Creameries, many privately owned ones also opened up during this period.

Over-Expansion

The Creamery building boom reached its peak in the years 1926–28, when 82 creameries were operated—as compared to 62 in 1944—these figures are more significant when it is pointed out that Saskatchewan produced in 1943 approximately five times as much butter as it did in 1928.

In 1929 and 1930, the creamery industry in Saskatchewan had to face the unpleasant fact that the optimism of earlier years was unjustified and that retrenchment was necessary if the industry was to survive. Accordingly over twenty creameries were closed so that by 1932 only 60 were left in operation in Saskatchewan.

Co-op Hard Hit

The Co-operative Creameries, the largest creamery group in the Province, and seriously over-expanded was in a most difficult situation. The combination of declining markets and the drain of too many unprofitable plants had brought the Company to the point where all its plants were mortgaged to the limit and its working capital swallowed up in operating losses. The Company was in the position where it either had to go out of business or into a receivership. The best interests of the producers demanded that the company continue to function, it accordingly went into receivership early in 1932, closed its unprofitable plants and started over again. It goes without saying that the following years were hard ones indeed.

The world depression with its disastrous effect on markets and business made the going tough for a company the size of the Co-operative Creameries, which was attempting to operate without adequate working capital. However, through all this period the Producers interests were safeguarded while all produce purchased was paid for promptly and at market prices. The loyal support of the producers and the hard work and efficient service of the employees brought the Company through.

Progress

Progress during the ensuing years was slow, but steady. By 1937 it was evident that with continued sound management the company would eventually be able to retire its obligations and return control of the Company to the Producers. Toward this end the Government of Saskatchewan, who some years previous had become the sole creditor, passed a special Act.

Association Formed

The special Act became effective on April 1st 1939—at which time the Company's name was changed to Saskatchewan Co-operative Creamery Association Limited. The Act provided that all surplus earnings would be set up to the credit of the Producer patrons and the money used to buy the Association from the Government. The purchase price of the plants and equipment was $1,230,000.00, which it was agreed would be retired by twenty annual payments of $61,500.00. In addition, working capital approximating $240,000.00 was left with the Association, bearing interest at 4% until repaid.

Fourteen Payments in Five Years

The earnings of the Association since April 1st, 1939 have approximately equalled the purchase price of the buildings and equipment, and the amount of the working capital borrowed—as well as covering all building and equipment expansion necessitated in the interval. Such progress has been made that fourteen of the twenty annual payments and the working capital have been retired, reducing the indebtedness of the Association to six annual payments totalling $369,000.00 as of May 1st, 1944.

Membership

The fee for membership in the Association will be $3.00. Patrons are requested to refrain from sending in cash and applying for membership until all earnings for the years 1939 to 1944 have been allocated and statements forwarded to Producers. The fee is being deducted from earnings already accumulated and will be so indicated on the statements. This membership fee once paid remains in force, subject to bylaw limitations, as long as the member continues to patronize the Association. The payment of this fee entitles the member to share in the earnings of all departments patronized.

Voting

A paid-up membership establishes full voting privileges. Every effort is being made to bring the records up to date as soon as possible, but it is unlikely that sufficient progress will be made to permit the holding of district meetings and the election of delegates before the fall of 1945. The contemplated plan is as follows:

The Province has been divided into ten districts, with six subdistricts in each district. Meetings will be held in each subdistrict, at which meeting a delegate will be elected. All elected delegates will attend the annual meeting, at which the six delegates from each district will elect one of their number a director. The ten directors so elected will elect one of their number as President. The object of this plan is to give each area of the Province equitable representation, not only in delegates and directors, but in the management of the Association.

Present Board of Directors

Until the membership records have progressed to the point where meetings can be held and delegates and directors elected, the affairs of the Association will be carried on under the supervision of the Provisional Board of Directors, who assumed office in September, 1943. This is an appointed Board and is made up of the General Manager, the Treasurer, and 6 representative and active producer patrons who are introduced on the following pages.

Producer Directors

Jas. B. Clark, NAISBERRY, Saskatchewan.

Farmed in the same community for 33 years. Was one of the original shareholders of the Co-operative Creameries at Melfort and has patronized it ever since it was built. President for five years of the Carrot River Valley Co-operative Live Stock Shipping Association. President for twenty years of Melfort Grain Growers' Co-operative Association. Councillor of the R.M. of Star City for twenty-one years. Life member and director Melfort Agricultural Society. Wheat Pool Delegate for eleven years and director for two years. Director, Saskatchewan Co-operative Wholesale Society for six years—also active for many years in School Affairs.

Archie Freeston, STONEHENGE, Saskatchewan.

Born near Owen Sound, Ontario, came to Western Canada as a young man. Homesteaded at Stonehenge, Saskatchewan. Has resided at Stonehenge ever since. Farming and specializing in Poultry Breeding. Importer and Exporter of Barred Plymouth Rocks. Patronized Co-operative Creamery for over twenty years. Active in initial organization of Wheat Pool. President of the Saskatchewan Poultry Producers Association for three years. Past Chairman Saskatchewan Poultry Board. Former Director Saskatchewan Livestock Board.

BOARD OF DIRECTORS

GORDON LOVERIDGE
GRENFELL

J. S. TURNBULL
BOARD CHAIRMAN AND
GENERAL MANAGER

JAS. B. CLARK
NAISBERRY

W. R. MAIR
PRINCE

S. M. LEIGH
TREASURER

ARCHIE FREESTON
STONEHENGE

1944

W. SID. MATTHEWS
DUFF

BEN. H. THOMSON
MOOSE JAW

1944

Producer Directors (Continued)

Gordon Loveridge, GRENFELL, Saskatchewan.

Was born in same house he is now living in. Graduated in Agriculture at University of Saskatchewan. Has operated Norton Court Farm for the past twenty years. He and his father before him have shipped milk to Regina for 29 years and to the Co-op Creameries every day since it opened. Other activities: Director and Past President Saskatchewan Dairy Association, President for two years Regina District Milk Producers Association. Has been councillor of R.M. of Elcapo for six years and reeve for five years. Is a member of Grenfell Co-operative Association (secretary during formation) and the Livestock Co-operative.

W. R. Mair, PRINCE, Saskatchewan.

Born in Ontario, came West first as harvester in 1898, moved to present location near North Battleford in 1903. Served Overseas 1914-1918. Has been active supporter of Wheat Pool and other Co-operative Movements. Member North Battleford Agricultural Society since its formation in 1905 (president for seven years, now a director). Has been Secretary-Treasurer of Glenrose Rural Telephone Co. for twenty-five years. Co-op Creamery patron for over twenty years.

W. Sid Matthews, DUFF, Saskatchewan.

Homesteaded with oxen in present location forty years ago and has engaged chiefly in mixed farming, raises cattle, hogs, sheep and poultry. Has patronized the Co-operative Creamery at Melville since 1914 and during that time milked as many as twenty-five cows and never less than twelve. Other activities—member local Wheat Pool Committee since it was organized, Director and President Duff Telephone Co., Trustee for six years on School Board, Director Duff Co-operative Association.

Ben H. Thomson, MOOSE JAW, Saskatchewan.

Lived at present location near Moose Jaw for sixty-one years. Has been an outstanding dairyman all his life, specialized in Holstein cattle, earned a World's Record with Canary Korndyke Alcartra, who produced 1,081 lbs. of butterfat in 305 days. Has patronized the Co-op Creamery in Moose Jaw since it entered the milk business. Has been associated throughout the years with the following organizations: Grain Growers' Association, Moose Jaw Agricultural Society (director), Moose Jaw Exhibition (director), Boharm Farmers Elevator (director), Wheat Pool, Moose Jaw Milk Producers Association (director), Saskatchewan Dairy Association (has been director, president, and representative to National Dairy Council), Canadian Holstein Association (National Director, executive, president 1941), Saskatchewan Cattle Breeders' Association (Vice President), Milk Control Board (producer representative), Member, Moose Jaw Consumers' Co-operative Association, Moose Jaw Co-operative Society and Saskatchewan Live Stock Co-operative Marketing Association.

12 Years of Butter-making Progress

J. S. TURNBULL
GENERAL MANAGER

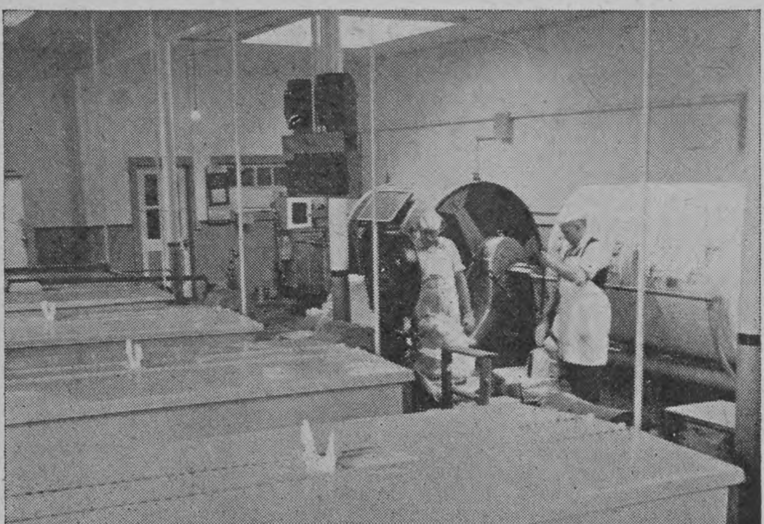
Saskatchewan milk production reached a new high of 2,120,000,000 pounds in 1943. The use to which it was put approximated:

53.5% in the manufacture of Creamery butter
23.4% consumed in fluid form
16.0% churned into Dairy butter
6.3% fed to farm animals
.5% used in the manufacture of ice cream
.3% used in the manufacture of cheese.

These percentages while varying slightly from previous years, a result of wartime controls and subsidies, are indicative of Saskatchewan's milk fat utilization to date.

Butter Most Important

The Dairy industry's development in this Province has so far centered around the manufacture of Creamery butter. This has been due to the distribution of available production—markets—transportation facilities and resultant costs—all of which must be carefully considered if the producer is to receive the highest net return for all milk fat produced.



A CO-OP. CHURNING ROOM

Butter Quality Record

Producers throughout the Province are keenly interested in the past record, present performance and facilities of their Creamery organization from a buttermaking standpoint. The Province of

Saskatchewan has enjoyed a position of leadership throughout the Dominion in this important field of Dairy industry development during the last twelve years. The more significant details of this development as charted by the Provincial Dairy Branch are set out below:

Provincial Creamery Buttermake

Year	Total lbs. Made	Number Creameries	Lbs. Make per Creamery
1930	13,920,561	69	201,747
1939	25,401,005	60	423,350
1943	47,721,150	62	769,696

(Only exceeded by Ontario and Quebec.)

Percentages of Cream Delivered by Producers to All Creameries

Year	Table & Special	No. 1	No. 2	Off grade
1930	47.6	46.1	6.0	.3
1939	76.9	19.5	3.1	.5
1943	73.6	23.6	2.5	.3

Percentages of Factory Creamery Butter Grades

(All Creameries in Province)

Year	No. 1	No. 2	No. 3	Less than Third grade
1930	60.8	20.8	17.0	1.4
1939	85.1	7.1	6.6	1.2
1943	92.2	4.1	3.2	.5

Percentages of Factory Creamery Butter Grades

(Sask. Co-op. Creameries)

Year	No. 1	No. 2	No. 3	Less than Third grade
1932	78.1	13.2	8.1	.6
1939	87.9	3.8	7.7	.6
1943	93.6	3.8	2.5	.1

Co-op Provides Leadership

These facts briefly summarize the outstanding record but do not properly depict the tremendous contribution of producers and individuals down through the years. The personnel of the Saskatchewan Co-operative Creamery Association Limited has been to the fore in the technical field of Creamery butter manufacture throughout, not only in the sense of physical accomplishment within its own ranks but in its ready co-operation with foresighted Provincial and Dominion departmental officials.

Early Shortcomings

During the late 1920's and early 1930's, Saskatchewan Creamery butter was in ill repute on a majority of domestic and export markets, due to processing defects, circumstances which adversely affected producer returns. It was recognized that this situation had to be eliminated if the Province was to enjoy a sound Dairy economy. The Association tackled this program vigorously and following a special study, introduced a rigid code of Plant practices and technique, as well as making use of its facilities to extend the field of practical research; it adopted the policy of requiring all branches to have their entire buttermake graded, regardless of disposition, thus providing a continuous quality check—a program that has been consistently maintained and expanded to the present time!

Producers Interests Served

The hit-and-miss methods of Creamery butter manufacture were converted into an exact science in order that markets might be developed through quality at prices providing a maximum of encouragement to the producers. The manufacturing or processing efficiency of a Creamery is not necessarily indicated on the Balance Sheet alone. This guide was supplemented by proper technical supervision and record controls. This briefly stated program exposed the cause of the more prevalent manufacturing defects which were quickly overcome through new processing technique, with the result that by 1936, Saskatchewan Co-operative Creamery butter was firmly established on a quality basis on all domestic and export markets. The improvement so effected, not only created an equal demand for Saskatchewan butter in competition with Creamery butters from other surplus producing Provinces in the Dominion, but in the case of a number of this Association's branches, actually led to periodic price premiums for their output.

Quality Essential

Due to the fact that a large percentage of the Creamery butter produced in the Western Provinces and more particularly in the Province of Saskatchewan, must find a market outside of the Province, buyers have demanded superior characteristics to locally produced butters, placing special emphasis upon flavor score and keeping quality. The product of the Prairies during the period of peak production largely goes into storage to meet production deficiencies in Eastern Canada and on the West Coast during the winter months.

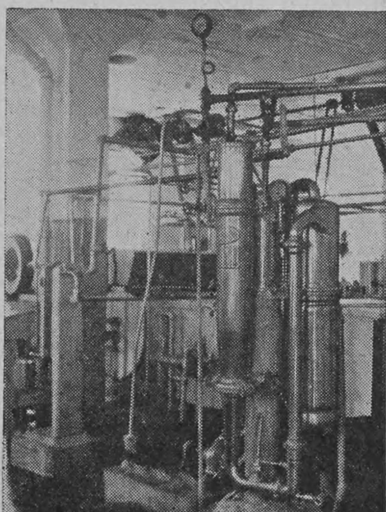
Program Produces Results

The Association's personnel has made outstanding contributions to Saskatchewan's Dairy industry development in the fields of sanitation, keeping quality, effective packaging and refrigeration. In the field of practical research, the various types of Creamery equipment have been carefully studied and where new principles yielded greater efficiency, such equipment was installed as financial circumstances permitted.

The Saskatchewan Co-operative Creamery Association Limited was the first manufacturing group to install enclosed or plate coolers—rollerless churns—Vacreator type pasteurization, in this Province. The Association has consistently disseminated its technical knowledge and data through annual Buttermaker's Schools and constant plant supervision—a program which has proven particularly helpful during the war years, when it suffered heavy personnel losses through enlistments.

The extent of its accomplishment in this important field is best illustrated by pointing out that the Association operates Creamery butter manufacturing Plants of all types, large and small, located in high quality production areas and some less so, throughout the Province, yet has in the aggregate averaged a higher percentage of First grade butter and lower percentages of undergrade butter than the average for all of the Creameries in the Province in every year from 1934 to and including 1943. All of the Association's branches were among the outstanding Creameries in the Province during 1943—a year during which the Province of Saskatchewan was recognized as being the outstanding quality butter producing Province in the Dominion.

Future Safeguarded


WEYBURN BRANCH VACREATOR

The employees of the Saskatchewan Co-operative Cream- Association Limited, through the force of circumstances, if you wish, set themselves a high goal in the early 1930's. The fact that all initial objectives have been realized and in many cases surpassed, is the highest possible tribute to their devotion and diligence. The Association with the cooperation of its patrons, has further enhanced its enviable quality reputation and record for fair dealing during the difficult war years. It is eminently fitted physically and through buyer good will, to serve your best interests in the years of adjustment that lie ahead.

Eggs and Poultry

W. W. BROWN
PRODUCE MANAGER

Back in 1917 when the Saskatchewan Co-operative Creameries Limited was first formed to operate as a group, the company recognizing the natural association between cream, eggs and poultry production and their common marketing problems, entered the produce field. In 1918, the first full year of operation, 174,000 dozen eggs and 113,000 pounds of poultry were purchased. This total of 287,000 produce units seems small compared to the 12,000,000 units (dozens of eggs and pounds of poultry) handled by the Association in the past twelve months, but it did represent a good percentage of the eggs and poultry then being marketed. The Creamery Produce department showed steady growth and in the middle 20's it was generally considered that the Co-op Creameries were handling approximately 80% of the egg and poultry business in the Province.

Produce Not Handled 1928-1932

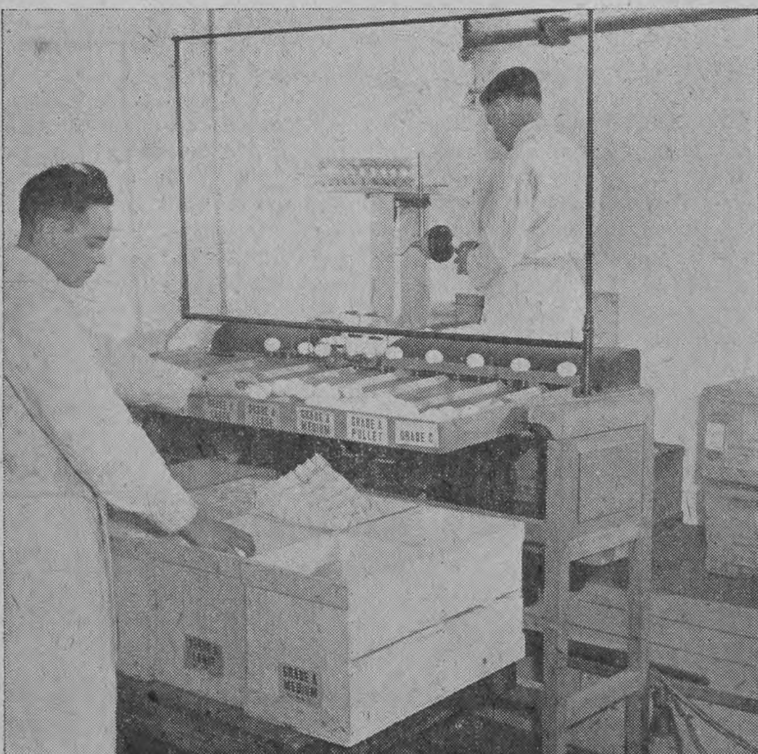
In 1927–28 when the Dairy Industry and particularly the Co-op Creameries were in difficulties, one of the decisions reached to cut down on the operating capital required, was to turn over the Co-operative Creamery egg and poultry business. This transfer of the complete egg and poultry business was made without charge of any kind in the understanding that the Produce organization would make practical use of the Company's storage facilities. A few years later the Company found it necessary to reconsider this decision. The expected use of storage facilities had not materialized and as Saskatchewan was going through a severe depression it was necessary that a means be found of putting these facilities to work. It had become apparent that in the interval private enterprise had made substantial inroads into the egg and poultry business, further there was a demand from producers for a produce organization with the necessary facilities to provide a year round service. In the light of these circumstances the Co-operative Creameries re-entered the Produce field in a moderate way in the fall of 1932. Results were so encouraging that the business was re-entered on a provincial basis the following year—within a very few years the Co-operative Creameries again enjoyed the largest egg and poultry business in the Province.

Progress

The development of our Produce Department in recent years has been influenced to a great extent by war conditions. There has been a transition from a period of modest production with a plentiful supply of cheap labour to a period of large production and high-priced labour. This transition has caused great difficulties. Nevertheless, our position today is stronger than ever—steady improvement in the grade of egg and poultry shipments from producers has been maintained. A modest operating surplus has consistently been earned and the appreciation of producers is evidenced by the increased volume of business done—a volume that today surpasses any competitor in Saskatchewan.

Expansion

In the early years of our return to the produce business eggs and poultry were handled not at all branches—the need for services to an every increasing number of producers caused us to handle eggs and poultry at all our branches and later to open seventy odd substations throughout the province for the buying of eggs, as well as to set up dozens of country points as centres for the buying of live and dressed poultry. Like other Co-operatives we have had our disappointments and made mistakes—not all our theories have proved correct, nor always our judgments sound—like others we have misjudged the markets, sometimes by over paying, sometimes under



A CO-OP. EGG GRADING MACHINE IN OPERATION WITH F. NICHOLS, PRODUCE DEPARTMENT FIELD SUPERVISOR, AT LAMP.

paying—despite this it can truthfully be said today that satisfactory earnings have been made and Co-op Products are bought on the market with confidence.

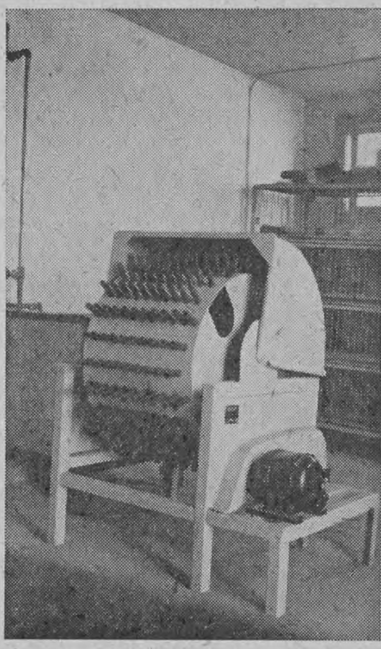
Many Changes in Recent Years

It has been necessary to meet continually changing government grade standards (which have followed a pattern of steady improvement and advancement) changing market demands—changing transportation demands and changing producer demands. Prior to the war our shell eggs were held in cold storage during periods of high production for sale during periods of low seasonal production to take care of domestic consumption. There followed in the early war years an extensive demand for shell eggs for export to Great Britain—our storages were filled with shell eggs which were recandled before being shipped to the old country. When war hazards and shipping space prevented shipment of eggs in shell form it was necessary to switch to shipment of eggs to Canadian Drying Plants where the eggs were powdered. When the drying facilities proved insufficient to handle the peak production we broke, froze and stored eggs in our own storages until the drying plants could handle them during the fall and winter.

Besides playing a part in supplying eggs for Britain we also kept abreast with domestic needs. Hundreds of thousands of pounds of melange (frozen eggs) were produced for domestic consumption, thus supplying an outlet for lower grade eggs.

Our buying stations both at Creameries and Substations have done valuable work in teaching producers what care and management of the flocks will do in the marketing of their eggs and poultry on a basis of government standards. As the labour problem on farms became more acute the Association increased its facilities for the marketing of live poultry. Our members were provided with modern killing facilities which included mechanical picking machines and proper refrigeration so that their live poultry could be handled efficiently.

As yet we operate only one hatchery which serves many of our producers with the best Saskatchewan Approved Chix and at the same time offers a market to producers of hatching eggs.



MECHANICAL POULTRY PICKER AT SWIFT CURRENT BRANCH

Efficiency the Watchword in the Future

The Co-op has always contended that the producer should complete the finishing of his own poultry—rather than sell it in an immature unmarketable condition for a fraction of its potential value. We have stressed the selling of poultry on a rail grade basis—a basis where the finished matured bird brings top returns and the unfinished bird brings its true market value. This teaches in a conclusive, if drastic manner the folly of lack of finish.

Despite the progress that has been made we have only scratched the surface of what may—should—and will be done. Immense educational work must be undertaken if our producers are to be served as they should. Far too many low grade eggs are still delivered to market and far too many producers give too little thought to the housing and feeding of their flocks—too little thought to the elements of time, temperature and cleanliness in the marketing of their eggs. Each year thousands and thousands of dollars are wasted through the dumping on the markets of half-grown, undersized, ill-fed and even diseased birds. Today—with an assured high level market, even an inexperienced operator can show a profit in producing eggs or poultry for market—but what of tomorrow or in the post war years. Greater efficiency must prevail among producers and processing plants. Better stock must be bred, raised and matured—better delivery methods from farm to plant must be evolved—better facilities must be installed to preserve original quality of product and to reduce cost in handling between producer and consumer. Some of the things that must be done are to—increase the domestic demand for poultry products,—capitalize on the use of our own home-grown feed and the advantages of a climate that will grow healthy poultry stock—export a product that will be in demand at a price that will net the producers a reasonable return in comparison to other crops he may produce.

We must also be prepared to supply any profitable market demand, whether for oiled shell eggs, frozen whole eggs, dried yolks, dried whites, powdered whole eggs, or condensed or evaporated whole eggs. In poultry we must be prepared to supply chilled or frozen undrawn poultry, eviscerated poultry, canned poultry or poultry byproducts.

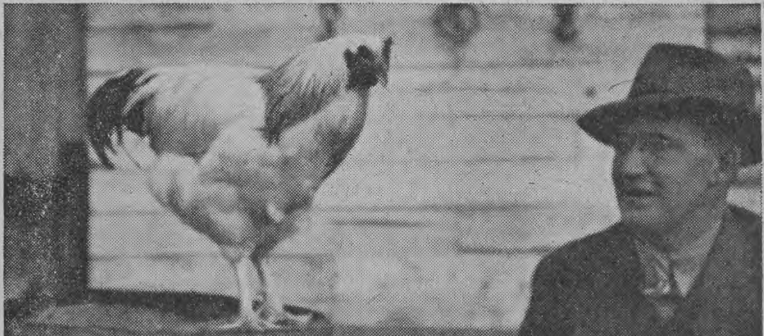
All this and more is possible through close co-operation and understanding between producer members and the staff who serve them. The Producers of Saskatchewan have come a long way in the last ten years. Their Egg and Poultry Production has increased tremendously both as to quantity and quality. The history for the next ten years is in the making now. What comes of it will depend principally upon producers like yourself. The Saskatchewan Co-op Creamery Association, your own marketing agency, will earnestly try to do its part.

A TRIO OF NEW HAMPSHIRE CAPONS AT SIX MONTHS

Mr. Paul Ransbottom, Creameryman deluxe and Assistant Manager at North Battleford branch has a hobby of interest to poultry producers. He raises chickens in his spare time and this year, caponized six hundred cockerels, including some from most of the heavy and dual purpose breeds. They were killed at eight months, when he had birds in every breed dress out at over eight pounds—the heaviest a Buff Orpington, weighed nine and three-quarter pounds. 90% of all birds, regardless of breed, graded Milk Fed 'A'.

They were fed **CO-OP Chickmaker Starter** for the first six weeks and from then on, were grown and finished on a mash of equal parts of ground wheat, oats and barley, mixed with **CO-OP Egg Maker Supplement.** A plentiful supply of clean, fresh water was kept before them at all times.

Any producer wishing information in this connection may write Mr. Ransbottom care of the Saskatchewan Co-operative Creamery Association Limited, North Battleford.

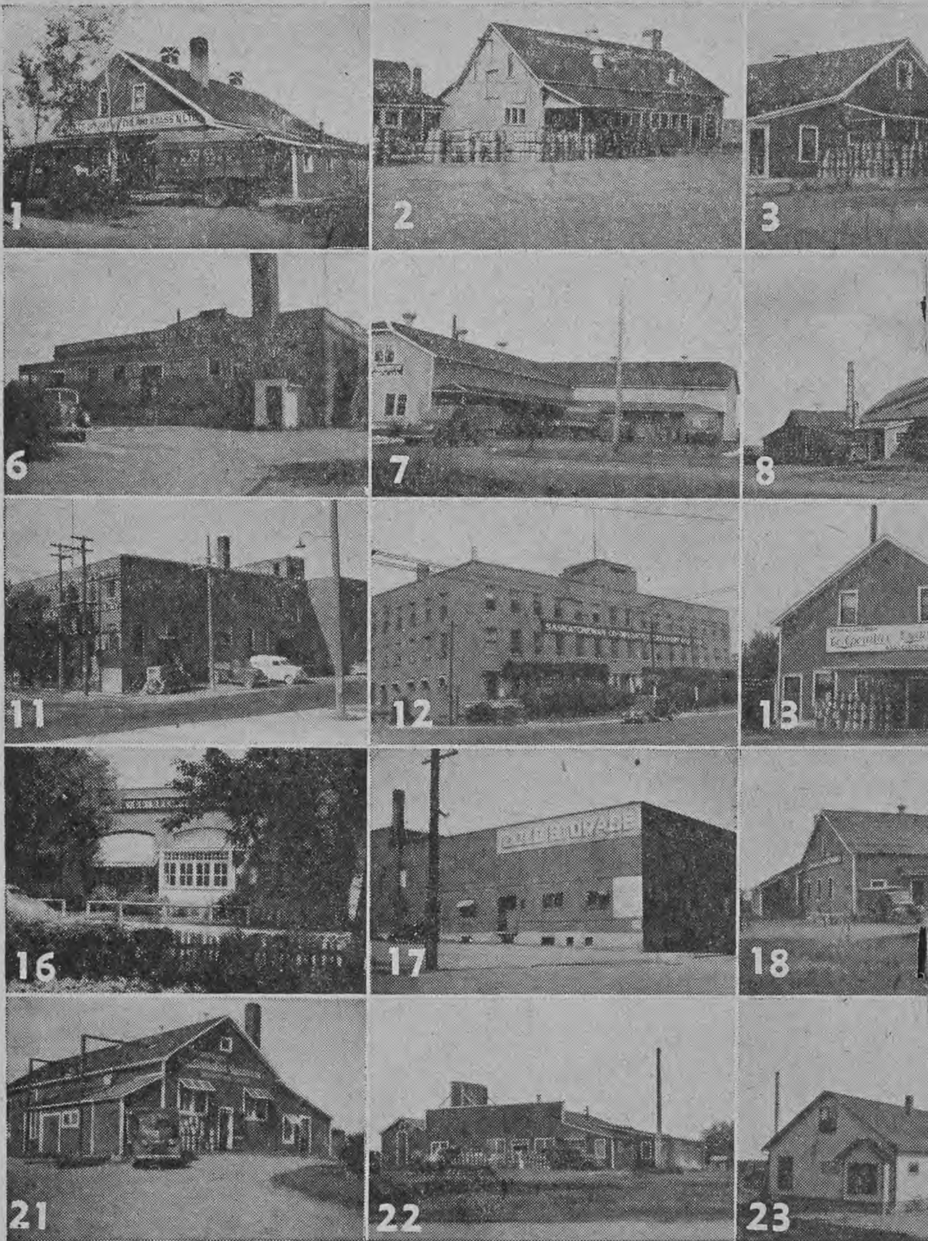


MR. RANSBOTTOM WITH A LIGHT SUSSEX CAPON

HEAD OFFICE
REGINA

BRANCH PLANT

SASKATCHEWAN CO-OPERATIVE CR

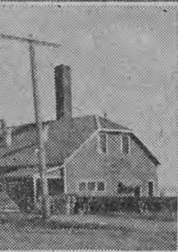


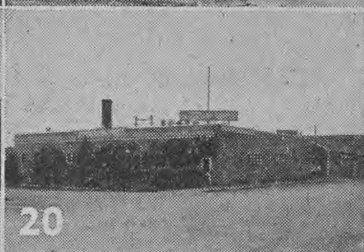
1. TISDALE
2. BROADVIEW
3. WADENA
4. PREECEVILLE
5. CARLYLE
6. MELVILLE
7. HUMBOLDT
8. OXBOW
9. WEYBURN
10. LLOYDMINSTER
11. YORKTON
12. REGINA
13. SHELLBROOK
14. NORTH BATTLEFORI
15. MOOSE JAW

S OF THE

EAMERY ASSOCIATION LIMITED

HEAD OFFICE
REGINA





16. SASKATOON (Milk and Ice Cream Plant)
17. SASKATOON (Butter and Cold Storage)
18. MOOSOMIN
19. MELFORT
20. SWIFT CURRENT
21. LANGENBURG
22. NORQUAY
23. ESTERHAZY
24. KERROBERT
25. NIPAWIN

NOTE: Head Office is located on the ground floor of Regina building.

D

S. M. LEIGH
TREASURER

One and a Half Million Payments a Year

The finances of the Association are administered by the Treasurer in keeping with the policy approved by the directors within the authority and limitations of circumscribing Acts and By-laws. The old saying that "Money is the root of all evil" places the Treasurer in a rather embarrassing position—one that is not made easier by business realities. In the interests of economy, the Saskatchewan Co-operative Creamery Association Limited combines under one departmental head, the duties of Treasurer, Chief Accountant and Credit Manager. The extensive operations of the Association require comprehensive and detailed records to be kept not only for accounting but statistical purposes. The forms in use must be worked out jointly with the operating department involved so as to provide essential operating data while lending themselves to sound bookkeeping practices.

The recording of all transactions from receipt of the raw material from producers to sale of the finished product comes within the supervision and direction of this department. The department supervises all financial transactions and is responsible for seeing that funds are available to carry through the policies and programs budgeted for at the beginning of each year. One of its more important responsibilities is that of making sure that the Association is able to pay the producers for their produce—a responsibility that has more than doubled since April 1, 1939, a result of subsequent production increases.

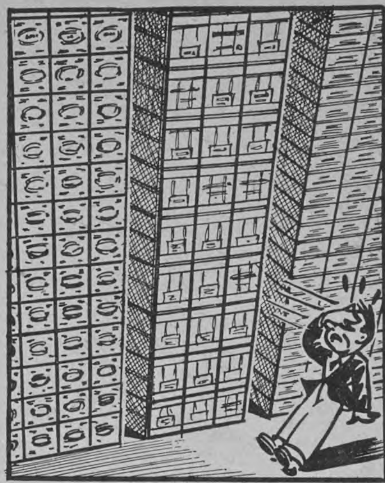
Two methods are used in paying for produce—by cash and by money order—a division that largely occurs as between resident and non-resident patrons. The use of cash as extensively as possible yields worth-while earnings which go back to the producer in the form of savings.

During 1943 the Association paid out in cash for cream, eggs and poultry, $3,448,862.54, while at the same time issuing money orders with a face value of $6,938,073.17, involving a total disbursement for produce purchased of $10,386,935.71, and more than a million and a half individual settlements or payments.

Large Inventories

There have been occasions in recent years during periods of peak production when the Association has paid out to producers over $100,000.00 a day for produce. There are naturally few people who properly understand and appreciate the amount of money that it takes to operate an organization the size of the Saskatchewan

Co-operative Creamery Association Limited. The producer in the main receives payment for his or her produce on the day of delivery; however, from then until it may be processed and delivered to the market it is not unusual for a period of some three weeks to a month to elapse, indicating that we carry large inventories of produce at all times—a problem that has been considerably accentuated during the war years, a result of railway shipping limitations requiring one to ship approximately twice as much butter, eggs or poultry per car as was the case in peacetime. Inventories comprise unshipped Creamery butter, eggs and poultry for sale outside the Province, as well as stocks of ice cream, milk and cream, butter, etc., for sale on the domestic market from day to day. The Association's Inventory is seldom less than $400,000.00, and during periods of heavy production regularly exceeds one million dollars.



Credit Sometimes Necessary

It is recognized that the soundest and most economical policy on which to conduct a business is a cash basis. The Association follows this policy to the maximum extent possible but necessarily becomes involved in many credit transactions. All trading on other than the strictly domestic market within the Province of Saskatchewan is in carlot quantities and on a cash basis. Trading within the Province is of such a nature that some credit is extended on wholesale transactions. The responsibility of the Credit department is to see that funds invested in merchandise accounts are conserved by keeping the percentage loss on bad accounts down to a minimum. The Association's experience with losses on credit sales has been very favorable during the past five years, amounting to less than one-tenth of one percent of these sales.

War Measures Create Financial Problems

Developments arising out of the war have seriously complicated normal financing problems, due to the fact that all producer and consumer subsidies are financed in the initial stages without any interest provision by the Creamery or Produce operator. The Association finances on behalf of the Federal Government the two-cent a quart consumer milk subsidy and the subsidy to milk producers on milk, and to cream producers, on cream. The Federal Government through the medium of the Commodity Prices Stabilization Board, endeavors

to reimburse the operators at regular intervals but there is of necessity an important time lapse between producer or consumer payment by the Association and collection from the Commodity Prices Stabilization Board.

In addition, when Creamery butter prices reach the floor or the ceiling, all Creamery butter moving out of the Province in carlot quantities is in effect purchased by the Government—a program that also applies to all 'A' and 'B' grade eggs. Here we are again confronted with a waiting period of approximately two additional weeks before receiving settlement on sales as compared with the time period normally involved in open market trading. The magnitude of this problem is illustrated when we advise that there have been occasions during the past year when the Dominion Government through the medium of the Commodity Prices Stabilization Board actually owed this Association over three-quarters of a million dollars.

In view of the above circumstances it is not possible, even if it were sound operating policy, to carry sufficient cash to take care of the Association's business from day to day. We finance, more particularly during periods of peak production, through the medium of loans, using Produce inventories, etc., as security.

Orderly Marketing

Prior to the outbreak of war, one of the more important services provided by the Association to producers in this Province was that of orderly marketing, which necessitated holding surpluses of product from time to time in order to avoid an unwarranted decline in market prices, which inevitably reacted to the detriment of the producers. Through this program and because of the volume controlled, the Association was able to eliminate some of the exploitation resulting through the unwarranted dumping of producer goods on the market with profit only to the middle man.

Under today's wartime conditions with market floors and price ceilings, and more particularly with nearly all our major products being in short supply, the need for such a service has almost entirely disappeared. However, the Association's accumulated knowledge of production and consumption trends will stand it in good stead to deal with related problems arising in the post-war period. To foster such a programme conservatively, necessarily becomes the responsibility of the Association, if it is to render maximum service to the producers of Saskatchewan.

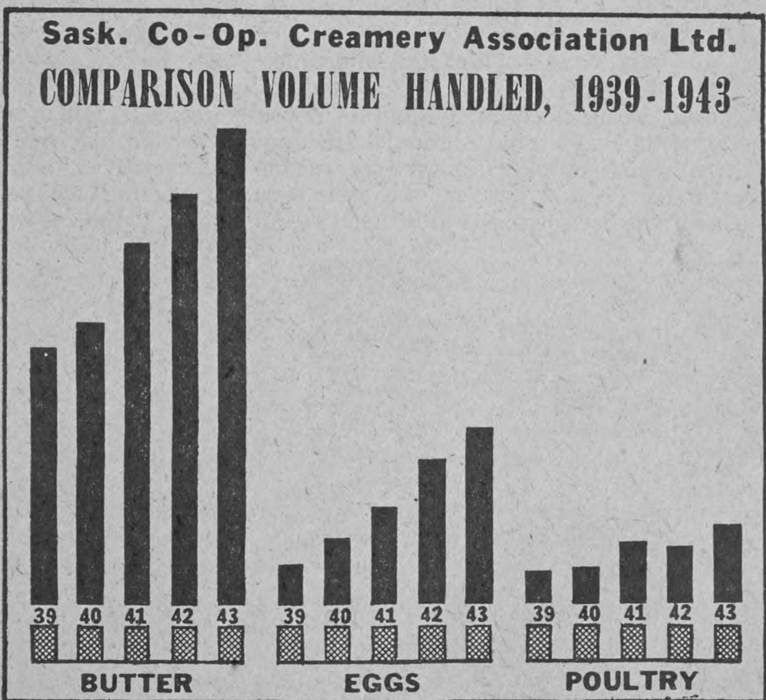
Production Trends and Policies

N. E. HUSTON
PRODUCTION MANAGER

It is generally acknowledged that the Province of Saskatchewan leads all others in Co-operative development. The Co-operative way of life has proven an effective method of protecting Producers and Consumers against exploitation while enabling them to perform their economic functions more effectively. It happily yields the benefits and savings of unselfish group activity, while preserving the rights and privileges of the individual—thus fostering maximum member interest and effort.

100,000 Producers

Approximately 100,000 producers are served by the Saskatchewan Co-operative Creamery Association Limited—undoubtedly the largest organization of its kind in Canada, serving producers of Milk, Cream, Eggs and Poultry. Its wide economical Provincial coverage, modern Creamery Plants, Egg Grading Stations, Poultry Packing Units, Milk, and Ice Cream Distributing Facilities, place the association in an admirable position to give the producers not only efficient service in the marketing of their products, but a maximum saving or earning on the handling and processing, etc., of the same.



The Record

Our patrons may take just pride in the Association's phenomenal growth, which to a considerable extent is the measure of their unselfish support to Canada's wartime food production needs:

Year	Lbs. Creamery Butter Made	Dozens Eggs Handled	Lbs. Poultry Handled
1939	10,590,382	1,614,443	1,240,229
1940	11,572,295	2,685,688	1,268,498
1941	15,078,693	3,897,978	2,423,291
1942	17,182,880	5,937,736	2,389,689
1943	19,829,742	7,197,607	3,445,384
1944	(Increase indicated)	(Increase indicated)	(Increase anticipated)

Through their growing confidence in and support of the Saskatchewan Co-operative Creamery Association Limited, the producers have made possible a 'self-help' Co-operative Association which through good years and bad will be in a position to safeguard their economic welfare.

To obtain, handle, grade and process this large volume of producer products has been the duty of 25 Branch Creameries under the direct supervision of the local Managers and the over-all direction of experienced operating departments in Head Office. Production trends and the results obtained indicate the measure of their support and co-operation. They are looking forward with renewed interest to sharing these responsibilities with an enthusiastic and enlightened Producer-membership.

Wartime Difficulties

The difficulties of building volume under wartime restrictions have been with us constantly during the past three years. It is true that the Railways have continued to provide their regular service and that a large number of producers are able to deliver their Produce direct to our Plants; however,—a very important gathering medium—trucks—have been seriously affected by factors arising out of the war.

J. McBRIDE: DURING HIS TWENTY-FIVE YEARS OF SERVICE, HAS HAULED OVER A MILLION CANS OF CREAM FROM THE LOCAL DEPOTS TO OUR SASKATOON BRANCH

Trucks, more commonly called Cream Trucks, came into general use in Saskatchewan during the early 1930's. This service was readily accepted and supported by producers, providing as it did, convenient and rapid transportation. Cream trucks were responsible for a goodly percentage of the increase in Creamery butter production reported during the past ten years.

Co-op Provides Leadership

Prior to the war there were over 200 cream trucks serving the different branches of the Co-op Creameries, which number had been reduced to less than 140 by 1944—in the interval—cream production increased substantially. Early in 1942 the Wartime Prices & Trade Board suggested to the industry that the emergent war situation, involving a scarcity of trucks, tires, gasoline and diminishing labor, necessitated a revision of all truck set-ups and a curtailment of operations to bare production essentials, more specifically so that essential services could be maintained to promote the much needed production for the duration. The Saskatchewan Creameries, in a large measure due to the sound manner in which trucking had been supervised and developed, voluntarily got together and divided the Province into zones, thus eliminating the duplication then existent. It is creditable to the producers and Creamery operators that Saskatchewan was the only Province in the Dominion to voluntarily make the zoning system work—thereby conserving for Canada's War Effort much needed trucks, tires and gasoline.

MR. J. H. BENSON OF KERROBERT AND PART OF HIS HERD. HE IS ONE OF THE LARGEST PRODUCERS OF BUTTERFAT IN SASKATCHEWAN—OVER 5,000 POUNDS PER YEAR

The zoning plan of course necessitated sacrifices on the part of the Co-op Creameries. We have been unable to serve many patrons of long standing, or to extend this service to interested prospective patrons in many areas; thus it has limited what otherwise might have led to an even larger production growth. We have been able to maintain essential truck services and are looking forward to the day when, with the war won, essential membership services may be provided to all, regardless of location.

Earnings

Statements similar to the one illustrated on the following page are being made out for our business year ending February 29, 1940, and will be mailed to our Producer Patrons of that period, on or before July 1st, 1945. There are some 500,000 of these statements to be made up before our patrons will have been fully informed regarding their equity and interest in the Association accumulated since April 1, 1939. The moment all 1939 statements clear, 1940 will be proceeded with, and so on, until all records are up-to-date; thereafter statements will go forward regularly following the close of each business year. The Association's business year runs from March 1st of one year to February 28th in the following year.

Special Department

A new department has been set up to handle these detailed records. The department is equipped with the latest specialized office machinery, some being built specifically for this particular job. Our producers will be pleased to learn that this special equipment is

STATEMENT

SASKATCHEWAN CO-OPERATIVE CREAMERY ASSOCIATION

LIMITED

HEAD OFFICE - REGINA, SASK.

PERIOD

AA

DEAR MEMBER:

WE LIST BELOW THE STATEMENT OF YOUR CREAM, EGG AND POULTRY SHIPMENTS AND EARNINGS FOR THE ABOVE PERIOD.
IF YOU PATRONIZED MORE THAN ONE OF OUR BRANCHES YOU WILL RECEIVE A SEPARATE STATEMENT COVERING YOUR SHIPMENTS TO EACH BRANCH.

BUTTERFAT		EGGS		POULTRY		TOTAL EARNINGS	MEMBERSHIP FEE	OWING ON MEMBER-SHIP	REVOLVING PAYMENT	RESERVE PAYMENT
POUNDS	EARNINGS	DOZENS	EARNINGS	POUNDS	EARNINGS					
1821	18.21	849	6.80	671	3.36	28.37	3.00	XX	23.06	2.31

YOU HAVE BEEN ASSESSED THE MEMBERSHIP FEE OF $3.00 IN ACCORDANCE WITH THE BY-LAWS OF THE ASSOCIATION. THE MEMBERSHIP FEE IS CHARGED AGAINST YOUR EARNINGS AND WHEN PAID YOU BECOME A PARTICIPATING MEMBER WITH FULL VOTING PRIVILEGES. ONCE PAID YOUR MEMBERSHIP WILL REMAIN IN FORCE WITHOUT FURTHER PAYMENT OR DEDUCTION, SUBJECT TO THE ASSOCIATION'S BY-LAW LIMITATIONS. FURTHER STATEMENTS WILL BE SENT TO COVER YOUR SHIPMENTS FOR SUCCEEDING YEARS, AS RAPIDLY AS THEY CAN BE PREPARED. YOU WILL RECEIVE OUR CHEQUE FOR THE AMOUNT SHOWN AS THE REVOLVING PAYMENT (IF ANY) AS SOON AS THE REVOLVING DOOR PLAN GOES INTO OPERATION. IF YOU OWE A BALANCE ON YOUR MEMBERSHIP PLEASE DO NOT SEND IT IN, IN CASH, AS WE WISH TO HAVE STATEMENTS COMPLETED UP TO AND INCLUDING 1943 BEFORE ACCEPTING SUCH PAYMENTS.

GENERAL MANAGER

Mr. A. T. Smith

Condie, Sask.

REVOLVING	RESERVE

OUR EARNINGS ARE YOUR EARNINGS.

SHIP ALL YOUR CREAM, EGGS AND POULTRY TO THE "CO-OP."

designed to handle the Association's large volume of records at a fraction of the cost of related systems now in use. For example, all details involving each patron in any one year, regardless of the subsequent time factor, are completed with one operation. The statement, covering cheques, etc., are made out in the same operation, so that when the Directors authorize a cash payment in keeping with the REVOLVING DOOR policy, the detail of the cheques is all ready for mailing, regardless of the number of years that have elapsed in the interval. We have reproduced a **sample cheque** on the cover of this booklet to which you will note is attached a copy of the statement first received by the patron; thus providing you with all necessary details in the event of your having mislaid the original statement in the interval. At the time of preparing this booklet, the Provisional Board has dealt with the allocation of earnings for the first two periods—those ending February 29, 1940, and February 28, 1941.

Realizing your interest in this matter, we are indicating the unit earnings being allocated to our patrons for these periods.

BUSINESS YEAR ENDING FEBRUARY 29, 1940

Cream	**1.0**	(one cent)	per pound butterfat
Eggs	**.8**	(eight-tenths of a cent)	per dozen eggs
Poultry	**.5**	(one-half cent)	per pound poultry
Milk	**3.0**	(three cents)	per pound butterfat

BUSINESS YEAR ENDING FEBRUARY 28, 1941

Cream	**1.56**	(one & 56/100ths cents)	per pound butterfat
Eggs	**1.13**	(one & 13/100ths cents)	per dozen eggs
Poultry	**1.5**	(one & one-half cents)	per pound poultry
Milk	**2.49**	(two & 49/100ths cents)	per pound butterfat

Our Business Principles

The operating aims and production policy of the Saskatchewan Co-operative Creamery Association Limited, since its inception, may be briefly defined as follows:

TO promote and increase the production of high quality Dairy and Poultry products—accordingly creating a lasting consumer demand.

TO encourage greater efficiency in Plant operations through effective technical supervision and the active participation of all branches in year-round commercial Creamery butter quality and efficiency competitions.

TO diversify the activities of all our Creameries by engaging in Egg and Poultry operations, with savings to producers of all types, thereby stabilizing, to a desirable degree, employment conditions within the industry—hence attracting a better type of employee, with subsequent improvement in operating efficiency.

TO place the marketing of Poultry including Turkeys on an orderly basis, through convenient facilities, dependable grading and standardization.

TO establish competition on a rational economic basis, thereby insuring that the best interests of all producers will be served through reducing the cost of procuring raw product, manufacturing and marketing, to a practical minimum.

TO utilize existing laboratory and research facilities to a maximum extent, and foster the extension of like services as the most effective aids to the adoption of improved methods and equipment in factories, with consequent savings to producers.

TO assist and co-operate whole-heartedly with all Government bodies in a practical manner when called upon to do so in guiding the industry through its participation in Canada's War Effort.

TO support programs of National Education and Advertising designed to promote the Post-War interest and welfare of Milk, Dairy, and Poultry products.

TO maintain harmonious working relations with Co-operative enterprises at large, and encourage the organization, expansion and growth of the Co-operative movement.

Sales Department

E. J. COURTNEY
SALES MANAGER

Sales policy is a matter which may not appeal to the Producer as being of much interest to him. Sales policies however determine to a great degree what prices the Producer will receive especially in a field such as the Dairy Industry. The greatest possible efficiency must be exercised in the manufacturing and processing of your dairy products so that consumers' prices may be relative to that which consumers pay for competitive goods of a like nature, as well as prices of competitive dairy products. Dairy products, particularly milk and ice cream, compare very favourably with many of our staple foods from the standpoint of cost on the basis of food value.

The Sales Policy of the Saskatchewan Co-operative Creamery Association therefore is tailored to suit the needs of the people we serve —the Producers. By our endeavours to stabilize prices at fair and proper levels both Producer and Consumer benefit.

Butter Sales

Of the 20 million pounds of butter manufactured by the Co-op Creameries in 1943, only 3 million or 15% was sold in Saskatchewan. The surplus of 17 million pounds was shipped to our main outside markets, principally Toronto, Montreal and Vancouver. Most of the butter sold in the Province is put up in one pound prints and is distributed to stores as well as restaurants, institutions, airports, camps, etc. The butter shipped out of the province is packed in 56 pound boxes and is shipped during wartime in carloads approximating 40,000 pounds each.

Milk and Cream

The Co-op Creameries is the largest distributor of pasteurized milk and cream in Saskatchewan. We sell milk now at 9 points throughout the province and will shortly commence distributing pasteurized milk at Lloydminster and Melfort. This department of our business is one in which we take a lot of pride. No country is any better than its citizens and the first necessity of a good citizen is health. Down through the years the Co-op Creameries has made a tremendous contribution to the health of the Province by making available a supply of safe pasteurized milk. The old arguments against pasteurized milk have all been disproved by competent medical authorities. These same authorities will tell you that pasteurized milk is the most nutritious and economical food that can be bought. It is regrettable that the population of Saskatchewan is so scattered that the boon of pasteurized milk cannot be brought to all.

The Co-op operate 57 retail milk delivery routes and in addition sell large quantities in bulk to hospitals, airports, institutions, hotels and restaurants, etc. We are very proud of the high quality milk

produced by our milk shippers and of our modern equipment designed to facilitate the handling of a first class product. There has been a marked increase in the amount of milk consumed in the last few years. The recognition by the authorities of the essentiality of milk to the health of a people at war culminated in the subsidy of 2 cents a quart now being paid. It is felt by some that this subsidy should be continued after the war to encourage the continued use of greater quantities of health-giving milk.

Ice Cream

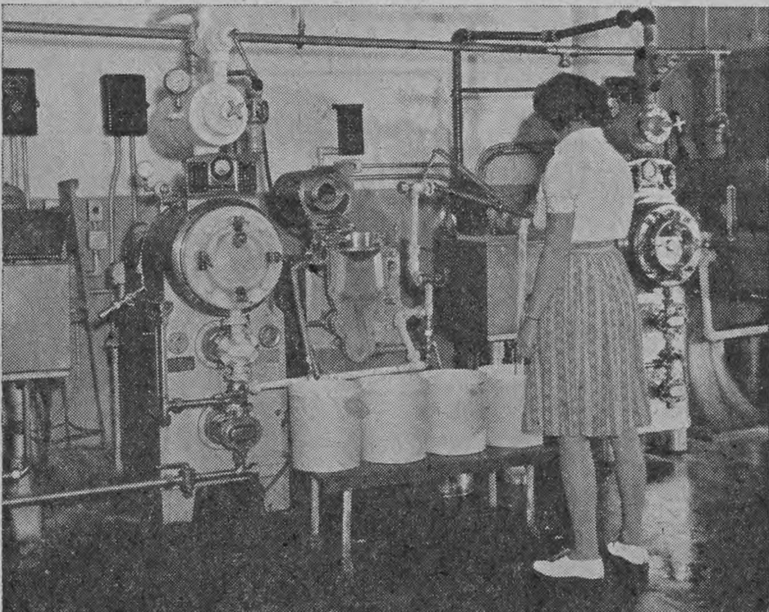
Ice Cream consumption has increased steadily in this Province (as throughout the Dominion) since 1936, the greatest upward trend taking place in 1940 and 1941 and until March 1942, when the Dominion Government found it necessary to curtail the sales in any one year to the same level as from April 1, 1941, to March 31, 1942. This was done to save on some of the ingredients so vital to the war effort. We refer more particularly to milk, cream and sugar. At this point it might be of interest to you to know what ice cream contains, because there have been many wrong impressions circulated as to what ice cream was manufactured from. In manufacturing ice cream it contains nothing but the purest of foods made up of milk, cream, eggs, sugar and milk powder on approximately the following basis:

> Milk 56%. Cream 24%. Sugar 12%. Milk Powder 6%. Egg Yolk 2%. Plus the finest of flavorings, nuts and fruits, although the latter two items are very scarce in war time.

Ice Cream is no longer considered a luxury; it is highly regarded as a very nutritious food as well as a most economical dessert. This is borne out by the fact the armed forces use so much Ice Cream, they being exempt from any Government regulations insofar as quotas are concerned.

The sale of Ice Cream does much for the producers, especially the milk producers; for example, milk is produced in May, June and July greatly in excess of consumer requirements and if it were not for the large sale of Ice Cream during that period the dairies could not handle the producers' volume of milk and it would have to be separated and sold as churning cream, etc. Approximately 70% of the Ice Cream is sold during the four summer months, May to August.

There is one point in connection with Ice Cream that affects every Cream and Milk shipper. The considerable earnings of the department are returned to our cream and milk departments so that **every** Co-op cream shipper and Co-op milk shipper in the province shares in these earnings. It is to the interest of every member to promote the sale of Co-op Ice Cream by **demanding** '**Co-op**' when buying Ice Cream.



ICE CREAM FREEZERS AT REGINA BRANCH

Eggs and Poultry

Sales of eggs and poultry by the Association in the province are the same as butter in that the great majority is shipped to the eastern markets or west coast in carload lots. All carlot sales of eggs and poultry are handled by Canadian Poultry Sales, Winnipeg. This organization is a Co-operative Selling Agency owned and controlled jointly by The Manitoba Egg and Poultry Pool and the Saskatchewan Co-operative Creamery Association. The tremendous volume of eggs and poultry shipped by these two groups makes this co-operative selling agency a potent force in the Egg and Poultry business in Canada. It is estimated that Canadian Poultry Sales control the sale of over 40% of Canada's Turkey Crop.

SASKATOON BRANCH MILK DELIVERY EQUIPMENT AND STAFF

Plants and Equipment

Butter Department

On April 1st, 1939 the Association operated twenty-one creameries, each of which engaged in the manufacture of butter. Since that time four more have been purchased, namely the Esterhazy Creamery, the Nipawin Creamery, the Norquay Creamery, and the Standard Dairy at Weyburn—in addition three of our plants, Carlyle, Humboldt and Lloydminster have been completely rebuilt and many others enlarged and renovated. We anticipate opening a creamery at Meadow Lake early in 1945 to serve the Producers of that area. The large increase in Production since 1939 has at times severely strained our facilities and it has been necessary to considerably re-equip or add to the equipment of most of our plants in order to maintain efficiency of operation. Five Vacreator pasteurizers have been installed at central plants throughout the province to facilitate the handling of low grade cream with a minimum of loss to the producer. During this period all of our plants that were not equipped with mechanical refrigeration had this equipment installed, so that each plant can now hold and ship cars of butter and in this way make an important saving by shipping at the carload rate. Many new churns, pasteurizing vats and other equipment have been installed so that our creameries are well equipped to handle cream and butter with maximum efficiency.

OUR PRIVATE LAKE AT NORQUAY. THIS IS A DUGOUT BUILT TO ENSURE A SUPPLY OF WATER.

Egg Department

Our egg operations have expanded tremendously. One of the major developments since 1939 has been the inauguration on a large scale of egg grading sub-stations. These stations are located at country points away from our creameries and their purpose is to extend the benefits of egg grading. Before these stations were developed most of the eggs were sold by the producers to merchants. By the time the eggs arrived at candling stations a serious drop in quality had resulted, which loss in value was of course passed on to the producer by reducing the price the merchant could pay. By delivering his eggs to an egg station—where they were graded, the producer received a greater return and was encouraged to produce eggs of higher quality. At the present time the Co-op Creameries operate seventy-five of these Egg Grading Sub-Stations in the province and would have more except for the constantly stiffening regulations and requirements and the cost of installing equipment to maintain the controlled temperatures now required. The regulations now in effect have increased cost to such an extent that only comparatively high volume points can support an Egg Station. We of course maintain egg grading facilities at all of our creamery points, some of which handle an exceptionally large volume. Our Egg Production has increased 425% since 1939 and as might be expected this large increase in volume has necessitated considerable enlargement of our facilities—some new buildings, but principally extensions. One development of interest in 1944 was the installation of six egg grading machines at our larger points. These machines worked out very satisfactorily and effected a saving on experienced help, which commodity is a very scarce article today.

Poultry Department

The Association's poultry volume has increased over 180% since 1939. This increase has not necessitated other than moderate enlargement of our facilities, as the poultry season coincides with the slack season in egg production, so that considerable space normally used by the egg department is available for the handling of the poultry crop. The handling of live poultry has changed materially since 1939—in the interval—the mechanical poultry picker has come into general use. This machine by means of rubber fingers rotated on a drum plucks the feathers quickly and does a much better job than any previous method. The Association operates twelve of these machines throughout the province, and by sponsoring rail grading has extended to Poultry Producers the same type of benefit that accrued from the establishment of Egg Grading Stations.

SERVICE FACILITIES

1 Hatchery	**5 Ice Cream Manufacturing Units**
7 Cold Storages	**10 Milk Distributing Plants**
12 Poultry Killing Plants	**57 Retail Milk Routes**
26 Creameries	**100 Registered Egg Stations**

B. O WILSON
SECRETARY

Personnel

When the Association was formed in April, 1939, there were 410 employees on the staff whereas in April, 1943, the number of employees had increased to 850. The Association's labor requirements usually reach their seasonal peak during July and August, when during 1943 the number of employees exceeded 925, During the calendar year ending December 31, 1943, the Association paid out in wages and salaries $899,160.41.

The wide variation in production trends throughout the year has always made it difficult for the industry in Saskatchewan to properly relate labor to production needs, with the result that we normally encounter periods of labor surpluses and shortages which affect unit operating costs accordingly. The operating difficulties arising out of this situation have been greatly accentuated during the war years. A majority of the work in connection with a Creamery proper falls into the category of heavy labor and requires a high degree of physical fitness in the individual worker. The Association has naturally faced many serious situations on this score since the outbreak of war.

Heavy voluntary enlistments rapidly depleted our experienced personnel, which had to be replaced with less physically able and experienced individuals, during a period when a result of Canada's food production war effort, production in all lines was increasing rapidly from year to year. The remaining experienced staff has carried a tremendous load, having to make up these deficiencies through greater effort and in many instances, personal sacrifices. They have quietly faced up to a sizable undertaking in a very efficient manner.

In 1939 the Association employed only 98 women, whereas during the month of August, 1943, this number had increased to 389. This has come about in the main through the large wartime increases in our Egg volume—425%, and in part, due to the fact that they are of necessity filling jobs formerly held by men, now in the Armed Forces. It is fitting that we include a word of commendation regarding the very able manner in which they have carried on.

The Association has 212 former employees in the Armed services —196 men and 15 women, approximately 50% of our total pre-war staff requirements. We are very proud of this outstanding record. The Association early recognized its responsibility to these employees, voluntarily providing for permanent employee re-instatement after the war—a provision that became compulsory in 1942, when the Reinstatement and Civilian Employment Act was passed.

The Association's past financial and organizational status has not been such as to permit the introduction of all desirable employee relationship programs; nevertheless it has acquitted itself reasonably well in this field. All permanent employees, those who we anticipate will be employed twelve months in the year, receive two weeks' holidays with pay annually and in addition, provision is made for six days' sick leave with pay, if required. The Association shares the cost of Group Life insurance available to all permanent employees, and has placed low cost Sickness & Accident Insurance at their disposal.

It has recognized the democratic right of its employees to join Unions for the purpose of collective bargaining where this was desired, having had one or more Union agreements in effect at such points as Regina, Saskatoon and Moose Jaw for a number of years.

In recent years the Association has conscientiously endeavored to give preference to local applicants where employment possibilities occurred and while it is realized that not every individual is adaptable to our business, the policy of the Association eliminates all likelihood of discrimination because of race, religion, political or fraternal affiliation.

The Association maintains a policy of fair and honest labor relations with its employees while recognizing the economic lot of the producer public we serve, and in return has received loyal and efficient service.

STAFF AT HUMBOLDT BRANCH

Balance Sheet

The following statement is a consolidation of the last annual Balance Sheet as at 29th February, 1944, as audited and certified by the Auditors of the Association.

ASSETS

Cash ....$	64,159.26	
Receivables, net value	325,065.14	
Produce and supplies on hand....	594,750.38	
Deposits and prepaid expenses....	27,619.01	
Victory Bonds and other investments	360,000.00	
Fixed assets less depreciation	1,113,785.91	
Deferred charges	120,212.67	
		$2,605,592.37

LIABILITIES

Current liabilities ....$	405,229.54	
Reserve for contingencies	248,536.00	
Government of Saskatchewan	615,000.00	
Producers' distributable surplus	1,336,826.83	
		$2,605,592.37