

charter was obtained. The Saskatchewan Grain Growers' Association formed in the same year the Saskatchewan Co-operative Elevator Co. at Regina, with power to build and operate grain elevators and to buy and sell grain. Following this example, the United Farmers of Alberta organized the Alberta Farmers' Co-operative Elevator Co. In 1917, this concern amalgamated with the Grain Growers' Grain Co. to form the United Grain Growers, Ltd., with headquarters at Winnipeg.

There are, then, at the present time, two co-operative associations engaged in the grain trade, the annual meeting of each consisting of delegates elected by shareholders organized in local associations. The number of shares that may be held by one person is limited; the amount that may be paid out in dividends is a fixed percentage of the capital; shareholders have one vote, irrespective of the number of shares owned, and voting by proxy is not allowed. These features of co-operative organization are part of the organization of the western grain companies, but in neither company are dividends paid to members according to the amount of business furnished by them. The payment of dividends according to patronage is usually one of the essential features of co-operative business, but the combination of a country elevator business with a commission business, terminal elevators and an export trade in which American grain has a part, makes it difficult, if not impossible, to work out an equitable system of patronage dividends. The anxiety of the western farmer to secure more equitable prices and to obtain better service was sufficient to cause him to join a co-operative organization, without the added inducement of dividends on patronage, and the second object of this factor in co-operative organization, the disposal of profits, has not been of practical importance, since all available surplus has been absorbed in developing the various enterprises of the two companies. In 1923-24, the Saskatchewan Co-operative Elevator Co. handled 48 million bushels of wheat through its 385 country elevators; the United Grain Growers handled 41 million bushels and operated 373 elevators. The Saskatchewan Co. has limited its activity to the grain trade, but the United Grain Growers has a live stock department and a supplies and machinery department, from which members may make purchases. A subsidiary company has a department for appraisal and sale of land and an insurance department for all kinds of insurance except life insurance. Another subsidiary controls a timber limit and sawmill in British Columbia. The Grain Growers' Guide, published in Winnipeg, is also owned by the United Grain Growers.

A more recent development in the co-operative marketing of grain has arisen as a result of the control of the wheat market by the Government, by one means or another, from 1917 to 1919. The Canadian Council of Agriculture appointed a committee to inquire into the possibility of a national marketing scheme and a pool was recommended, the machinery of which was to be furnished by the two co-operative grain companies, the Saskatchewan Co-operative Elevator Co. and the United Grain Growers. After much discussion and failure to create a compulsory wheat pool, it was agreed to form a voluntary contract wheat pool in each of the three grain-growing provinces. The legislatures passed Acts incorporating the co-operative wheat producers in their respective provinces and the Canadian Co-operative Wheat Producers, Ltd., was organized as a joint selling agency under a Dominion charter, with a capital of \$150,000, the stock being divided equally among the three pools. Wheat growers joining a pool agreed to deliver all their marketable wheat for a period of five years. Provision was made for a deduction from the selling price to build up a reserve fund and to acquire elevators.