

CHAPTER XXI

"Yes, Thomas. Astounding. emazing and incredible are the words," agreed Colonel Ormesby, head of the Intelligence Depart-ment, as he lit his cheroot. He and Thomas Dodd, obscurely pr minent member of the Military Intelligence Branch of the Secre Service, sat side by side after dinner in the lamplit veranda of the latter's humble little bungalow trusive, screened and unno ticed in a quiet corner of the Pesh

Garstan always was an extra ordinary bird," he continued. "A damm' good fighting soldier. But of all the bull-headed blundering asses! Yes, apart from routine of running a show on active service. if a thing can be done the wrong way you can rely on Garstan t

"Prehistoric animal," murmured the other man. "You'd have thought even he wou'd have known more about court martial routine than that. Fancy not not knowing that a district court martial can't try an officer."

"Of course the whole thing will be quashed and Garstan will get a real rough raspberry. But of course he'll get a proper court martial. His father'll see to that.' "You don't believe the charge, do you, sir?" . . .

"Good Lord, no! Of course I don't believe it - but at first sight it seems to have happened". "By Jove, there's one thing about it. However narrow an escape Garstan and his merry men had, it turned out pretty useful "It did indeed," agreed Colonel

well that ends well.' About the biggest haul we've ever made. If only the Singing Hadji of Sufed Kot and the Hadji of Turangzai had been there too, the Border would have been quiet for

"By Jove," said Tommy Dodd,

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"It is a pity young Vere-Vaughan couldn't plead that that was the whole idea. Strike an 'Alone I did it!' attitude and modestly deny that he deserved the D.S.O., not to mention the Victoria Cross.

A great pity."
"As it is, thanks to the bullheaded Garstan, he's in the middle of a most unpleasant stink," observed Colonel Ormsby.

"Yes, and he'll smell for the rest of his days if we're not care-

"Well then, let's be careful," said a voice from behind them. erect in their long leg-rest chairs and turned to the doorway that led out from the sitting room to

beaming Pathan whose beard face smiled kindly upon them. "Hullo, Ganesh," greeted Tommy Dodd casually. "What's the news?" asked Colonel Ormesby. "Vere-Vaughan's the news sir." replied Hazelrigg. "I was com-

the veranda, they saw a bulky and

ing to see you about him. That blasted fool Garstan—" "Yes, we were just talking about it. Tell us exactly what happened." And Ganesh, having lit his cheroot and almost empietd his plat tum-bler, settled himself in comfort while the others awaited his account of the happenings at Giltraza, an account which they knew would be what he had described as accurate.
"I'll reconstruct the whole busi-

ness for you," promised Ganesh Hazelrigg. "In the very small hours of the morning, the sentry over the main gate of Giltraza Fort was suddenly surprised . . . " he began. "Or awakened," murmured Tommy Dodd.

"... to hear a hall from the darkness below. He says that he Under pressure he has given grea immediately shouted back 'Halt! Who com dar?' which he probably did. And the voice from the darkness replied in Hindustani: 'O Siphai! Open the gate- British Officer Sahib hai.'

. . . "This apparently flummoxed and flabbergasted the sentry for as he says, he knew that the voice was that of a sahib and not of a Pathan. So instead of taking a pot shot at the Voice, he shouted and roused from his slumbers the

sergeant of the guard. "Extremely annoyed at being awakened from his slumbers the sergeant of the guard. came cursing, and when the sentry told him that there was a Voice down there, the sergeant, it seems, replied that he had better damm well shoot it in the neck next time he saw it.

"A British officer came to see what the row was all about and MacIntyre, who's not a very bright lad. Sound, sober and serious, but much too cautious. Sort of chap who'll hardly make a move for fear of making a mistake. " 'Hullo,' he called down, 'who's

"'Vere-Vaughan." "'Voice from the grave. Vere-Vaughan's dead. Try again,' jeered MacIntyre, too wise and knowing a bird to be had like that.

"I am Vere-Vaughan, I tell you. I've been a prisoner. I wasn't killed when we crashed. I was taken prisoner.'

"'I've escaped. There's a party of us, and we've got to get far behind. "'How many of you?"

Twenty-three. I say, for God's sake buck up and let us in, or we shall be scuppered yet. They may be close enough to

"The Singing Hadji of Sufed "'And he let you go?'

in at once. We've been chased the whole time and they can't be

"'And give you a chance to have a shot at me, eh?"
"'We could have fired a

wanted to do that."
"Think of that now! Bide y there a minute, and don't so much as scratch your head, for I've trained a machine gun on ENTIRELY FEMININE

"Anyway, taking it by and large, and adding up the probabilities and giving due weight to the fact that the Voice had answered all questions correctly MacIntyre thought it was good enough to risk knocking up Garstan, who simply hates being knocked up at three o'clock in the "Garstan went down to open the

front door. "Of course he asked Vere-Vaughan a few questions that pretty well established his identity, and admitted Vere-Vaughan and his escuers-for whom, individually, Vere-Vaughan vouched, giving Garstan his word that he knew each one of them personally and guaranteeing him as a friend of the English only too anxious to get out of reach of the Singing Hadji and only too thankful to be in the safety of Giltraza Fort.

"Well, anyway, Garstan was persuaded to let the whole party in, gave orders for them to be fed and bedded, and took Vere-Vaughan, along to his quarters for a drink and a feed while a bed was knocked up for him.
"And then, unfortunately for poor Verc Vaughan, two things happened that, taken together,

suddenly turned Garstan into an

outraged and ferociously indig nant accuser and captor. For just as Vere-Veughan had produced from the lining of his Pathan cap about which his turban was bound, a little piece of paper and handed it to Garstan, there came a knock at the door and in came MacIntyre, who whispered in Garstan's ear something that caused that bulldog jaw to drop yet lower and

those prominent eyes to bulge

yet more. For they already doing

"What?" said he. "What? Chimnai the Outlaw? And the Singing Hadji's son? My God! Then this is genuine-and this fellow is a fraud-or a traitor! Chimnai himself?'

to Singing Hadii of Sufed Kot

reward them and keep them i

Premier Winston Churchill

missed death by inches when a

Nazi bomb demolished the Treas-

ury building next door to 10

Downing Street, killing 12 peo-

ple and smashing part of the

The story was never published

Fort till I come.

"At the moment that MacIntyre ly connected with the incident. One evening in November, 1940, during the German blitz act of reading the little piece of on London, Mr. Churchill, Brenpaper with a message on it writ-ten in Russian. And that mesdan Bracken, British Information Minister, and Air Secretary Sir sage, as I have said, was already Archibald Sinclair were in the making Garstan's bull-dog jaw drop dining room at 10 Downing and his prominent blue eyes bulge. Street, the Prime Minister's home "Garstan listened to MacIntyre A bomb fell on the Treasury and then pulled himself together. 'You don't read Russian, do you, building, demolishing that structure. The explosion blasted out Mr. Whoever-vou-are?' he said turning his menacing glare on the kitchen wall in the Churchill Vere-Vaughan.

None of the British Cabinet "'No sir,' replied Vere-Vaughan. ministers had gone to the bomb "Huh! I imagine not!" was the shelters. Two domestics in the establishment were ordered to go reply. 'Well, I do. And I'll tell you what it says here. To O. C. Giltraza Fort. but refused flatly because "Mr. Churchill needs his dinner," the Arrest bearer, Flying-Officer John Vere-Vaughan immediately. informant said. And so the dinner continued.

"The cook served Welsh rarebit." help and invaluable information First known use of war rockets have rescued him and am sending was by the Chinese against the Monguls in 1232. him to you with my men-all re liable and trustworthy. Please

### (Continued Next Week) MORE TEA FOR Churchill Escaped YOUR TEAPOT Bomb In 1940 Blitz

4441

A collarless two-piecer

flattering if you're 'frankly forty.' And it's so easy to make! Try it in a sparkling print or rayon shantung. Dress it up or dress it down, as the occasion may

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pattern to Room 421, 73 Adelaide St. West, Toronto. Write plainly size, name, address, style num-ber.

priate bearer of good news than Ration Board says the tea supply for Canada has so much impro that we can now enjoy a half-a pound every six weeks instead of every eight. The millions have just cause for rejoicing.

in Britain but it was told in Que-PRINCESS PATS



1/2 teaspoon salt 1/2 cup All-Bran

teaspoon baking powder 1 cup sifted brown sugar 1 tablespoon melted butter 14 cup sifted flour ## cup sifted flour ## cup All-Bran

Beat eggs until light. Beat in sugar and butter. Mix flour,

mix with flour. Gradually stir dry ingredients into egg mixture.

Add nutmeats. Turn into greased, shallow pan and bake in moderately hot oven (425° F.) about 8 minutes.

YIELD: 32 bars, # x 2 inches.

1 pan 7 ½ x 11½ inches.



gently into two rounds no than 1/2 inch thick. Fit on

into a well-greased pan

cake) and brush with so

butter. Put remaining do

top and place in hot even

minutes. Reserve some p

with butter and half of the

ing peaches. If you have

garnish with whipped on

serve with cream and sug

Misa Chambers welcoms per letters from interested resign is plensed to receive sugars on topics for her colum, maniways rendy to litera to run-peeves." Requests for reige-special section of the state of the your letters to "Miss Sale Chambers." Send stamped sill dressed envelope if you mani-reply.

Strip, Seal Acts

In Wilbur, Wash., the spi

rod of a reaper caught he Walter Wynhoff by the on

gave him a spin, tossed him

cearing only his shoes and

glasses. In an army maner area in Tennessee a bolt of

ning struck the zipper of a

ing bag, welded it all the around, sealed up a solder

## TABLE TALKS | Ecrs. which must be well for Divide dough into halves as

Peaches and Cream

Who is there who does not look for the first "Peaches and Cream"? By the time this reaches you, that period of the peaches will be over and you will be looking for new recipes. Do not be too discouraged about the prices at first for they tell us after the canners are through there will still be peaches for the extra things if the pickers stay on the

Of course, served with cream and sugar, peaches that are perfectly ripe and richly flavored are fit for a king. Fresh peach pie and shortcake are treats that everyone looks forward to each

PEACH PIE 8 or 10 perfectly ripe peaches 3 eggs

1 cup sugar 3 tablespoons butter tablespoons lard ½ teaspoon salt

3 tablespoons ice or chilled water Scald the peaches, slip off the skins and cut in halves. Sift salt with flour and work in lard and shortening with pastry blender. Add water a few drops at a time. Shape into a round, flat cake and roll on a lightly floured board into a sheet. Fit into a nine-inch pie dish which has been well greased. Pink edges and fill with peach halves, cut side up. Beat eggs antil light with sugar and pour over peaches. Bake in a hot oven for 10 minutes-425 degrees - then reduce

heat until peaches are tender, about 30 minutes longer. PEACH SHORTCAKE for miserable feelings and feat in these days, thousands of me About 8 or 10 peaches 2 cups sifted cake flour teaspoons baking powder 1/4 teaspoon salt tablespoons butter or other

shortening % cup milk Peel and slice the peaches and sprinkle with sugar. Cover and let stand while making and baking shortcake. Sift the flour once, and measure and add the baking powder and salt. Sift again into the mixing bowl. Cut in the shorten-

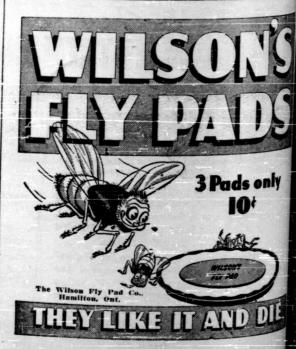
ing with the pastry blender. Add

milk, cutting it in with a broad-bladed knife. Turn onto a slight-

y floured board and knead very

lightly with the tips of the fin-





# CANADA PACKERS LIMITED

### REPORT TO SHAREHOLDERS

FOREWORD of the Company; 52 weeks.

Ending last Thursday in March.
Designated by year of close.
e.g. Year under review is Fiscal 1943.
or Production Year. Beginning month of flush production. e.g. Flush production of Hogs begins in Sep

tember.

Therefore, the Hog Crop Year is from September to following August.

Designated also by year of close.

Hog Crop Year 1943—is year from September, 1942, to August, 1943.

The war began September, 1939.

The Way Now September, 1939, to August, First War Year-September, 1939, to August, Second War Year-September, 1940, to August, 1941. Third War Year—September, 1941, to August, Fourth War Year-September, 1942, to August, 1943.

Note—'War Year' is therefore co-terminous with 'Hog Crop Year.'

ear of Canada Packers Limited closed March 25, of weight of product sold, and also dollar 1,328,616,840 lbs

scal 1942) 1,228,029,942 lbs. over previous high \$169,141,670.71 us high (fiscal 1942) \$144,509,292.41 rofit (after Wartime Inventory Reserve,

\$169,141,000, to .. the history of the Company. In the deptessor yet off was .64% of Sales. The regular dividend of \$4.00 per share (\$1.06 quarterly) was

The year was the fourth of the war period. (In fiscal 1940, The year was the fourth of the war period. (In fiscal 1940, re were seven war months, September, 1939 to March, 1940.) The following table sets up Tonnage and Sales for the four war as in comparison with the four pre-war years. Tonnage Sales

	PRE-WAR	YEARS		
	659,706,573	lbs.	63,586,883	9.60
30	774,270,797		72,699,519	9.40
37	836,420,547		84,145,896	10.le
39	800,763,592		77,225,732	9.60
verage	767,790,377	lbs.	3 74,414,507	9.70
	WAR YI	EARS		
	913,251,116	The :	\$ 88,205,639	9.7c
40	1,591,263,352	100.	110,291,839	10.1c
41	1,228,029,942		144,509,292	11.8c
43	1,328,516,840		169,141,671	12.7€
verage	1,140,290,312	lbs.	\$128,037,110	11.20
crease (average) crease fiscal 1943	48%		72%	15%
over last pre-war	66%		119%	32%
	of the above t			price, pe
In the last pre-	war year (fisca			9.60
For the year u	inder review (f	iscal 194	3), the corre-	12.7c 82%
It is interesting	to set up a co	ompariso	n of farm price	
ma two veers T	he following ta	ble gives	this compariso	II AUL

COMPARISON OF FARM PRICES, 1939-1943 Average Average March 81/2)\* 

 Grade A Large, Toronto
 21½

 s, Milk Fed A, Toronto
 24½

 teers, live, Toronto
 6.78

 -1, dressed, Toronto
 12.25

 33 34 11.77 17.12) .40)\* .... 9.10

mate average.
addition to the comparison of sales volume (Table 1), Share-addition to the comparison will be interested in a comparison lders (and the public generally) will be interested in a comparison profits as between the war and pre-war periods.

Unfortunately, no records are available for the Packing Industry a whole. But the following table sets up the record for Canada ckers.

2 3		Net Profit ex	pressed a Per
	Net	Percentage of Sales	100 ll
	Profit	Children of the particular to be	
P	RE-WAR YEA	RS	105
	\$1,288,011	2.0%	
	1,522,662	2.1	
	1,100,559	1.3	
	1,238,736	1.6	10.0
	1,200,1		16.8
ge	\$1,287,492	1.7%	2.0% 19.7 2.1 19.7 1.3 13.1 1.6 15.5 1.7% 16.8 1.9% 18.2 1.4 14.2 1.1 13.1 1.95
	WAR YEARS		18 2
	\$1.667.809	1.9%	
	1,555,028	1.4	
	1,611,465		
	1,611,418	.95	
		1.3%	14.1
he profits listed abo	\$1,611,430		

Wartime Inventory Reserve, Depreciation, and Taxes.
The principal deduction is that for Taxes.
In the four pre-war years, Federal Taxes totalled
In the single year under review, Federal Tax
(Income plus Excess Profits) is
For the four war years, Federal Taxes (Income
plus Excess Profits) total
In war time, volume expands and prices advance.
These are In war time, volume expands and prices advance.
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These are In war time, volume expands and prices advance.

These are In war time, volume expands and prices advance.

These are In war time, volume expands and prices advance.

These are In war time, volume expands and prices advance. It is the policy of Government to take back the largest feasible of these profits in the form of taxes. Such a policy is fair and early. The cost of carrying on the war could be met in no other

However, at some stage after the war, a reverse trend is bound occur. Volume will decline, and prices will drop. The profits of time will then be replaced by unavoidable losses.

To provide a buffer against these losses, the Excess Profits Tax Act provides for the setting up of a Wartime Inventory Reserve. This reserve is limited in scope. It may be set up only after the minimum tax (40%) has been paid; also it may be set up only in respect of a volume equivalent to that of the last pre-war year.

The need for such a reserve is indicated by the

fact that, to convert this year's inventory to
the pre-war price basis (that of March 1939)
would require a reserve of
In the year under review, the Wartime Inventory Reserve set up was \$650,000.

The Consolidated Profit and Loss Account tells the story of the siness in the simplest form. Each item in the Statement is express-

ed as a percentage of total sales. The following table sets up a comparison for the fiscal years 1939 (last pre-war) and 1941, 1942, 1943. TABLE 4

Analysis of Profit and Loss — Years Ended March

...\$77,225,732 \$110,291,839 \$144,509,292 \$169,141,671 Cost of products, chiefly Live Stock 80.5% 80.7% 81.4% 83.64% Wages and salaries deneral Expenses Bond Interest ....... Wartime Inventory Total cost of product, plus expenses ..... 97.7 Written off 97.0 Net Profit ...... 1.6 it will be seen that, in the year under review,—fiscal 1943,—out of each dollar of sales, there was paid for raw naterials, principally live stock 83.64c
This is a new and very important record.
The previous high for live stock—in fiscal 1942,—was Compared to fiscal 1939, the increased percentage to the

Expressed in dollars, the extra sum accruing producer is (3.14% of \$169,141,671), ..... Another item in Table 4 which challenges attention is that for

Wages and Salaries.

Expressed as a percentage of sales, there is a decline year by year. This does not mean that wage rates are lower. In fact, they have advanced substantially. But the percentage of advance in rates has been less than the percentage of advance in sales.

At the end of fiscal 1943, workmen at all plants but one had been granted the full cost of living bonus,—\$4.25 per week,—and, in addition, individual adjustments which averaged approximately 4c per hour. (At Vancouver, for special reasons, the cost of living bonus was

Over and above this, the Regional War Labour Boards at Va couver and Edmonton have recently granted a further increase of 5c per hour. The Company declined to join in the application for these

it was felt that employees at other plants were entitled to equivalent advances. These have been granted or are now under discussion.

The decision of the British Columbia and Alberta Boards has imposed upon the Company an additional cost for wages of approximately \$750,000.00 per year. A reference to labour would not be complete without mention of

the strain which has at times been put upon plant workmen by reason

A reference to labour would not be strain which has at times been put upon plant workmen by reason of war conditions.

The appeal for increased live stock production has met with a signal response from the farmers of Canada,—also under very difficult conditions in respect of manpower.

The measure of that response is shown in the live stock deliveries (reported later in Table 5).

However, owing to complications resulting from ceiling regulations, the increased deliveries, especially of cattle, have come in a quite irregular flow. Over considerable periods deliveries have been extremely light, with the result that certain of the plant gangs have extremely light, with the result that certain of the plant gangs have had very short hours. During these periods, the attraction of higher wages elsewhere has drawn off many key workmen.

These periods of short deliveries have in turn been followed by other periods of heavy deliveries. At these times the strain upon the reduced gangs has been very severe.

The present month (August) is normally the month of minimum deliveries of cattle plus hogs. And even at the present time the problem of processing the live stock is by no means light.

In the coming Fall, beginning mid-September, the appeals of the last three years for increased live stock production will begin to take last three years for increased live stock production will begin to take their full effect, it is expected that in October and November, record deliveries of cattle, hogs, and lambs will arrive on the markets.

How these record deliveries are to be processed is a problem which scausing much anxiety. For the first time in history the Canadian is causing much anxiety. For the first time in history the Canadian leading industry may find itself unable to handle all the live stock. Packing Industry may find itself unable to handle all the live stock. Packing Industry may find itself unable to handle all the live stock.

Council of Canadian Meat Packers has had this subject up The Council of Canadian Meat Packers has had this subject up urgently with the National Selective Service. During the past two months, deferment has been requested for all key men. And some consideration has been given to these requests. But many men have

been taken.

The only possible method of avoiding a most serious crisis is that

National Selective Service should provide replacements in large numbers, and should assist in turning back to the industry,

(a) those key men who have gone to other industries;

(b) perhaps also, for limited periods, certain key men in Armed

Services who have not yet left Canada.

Gniy those engaged in the Live Stock Industry can realize how
serious would be the crisis, if live stock, especially hogs, could not be
processed when they reached market weights.

The Packing Industry is an element (an important one) in the broader Live Stock Industry. The key element is the Farmer. It is he who determines what quantity of live stock shall be produced. Since July 1940, constant appeals have been made to the farmer to increase production, particularly of hogs and cattle. Higher prices have added further stimulus.

To these appeals, the farmer has made a notable response. It is indicated in the following table of Slaughterings at Inspected Establishments.

TABLE 5 Slaughtering	At Inspect	ted Establi	shments	
Crop Year Sept. 1 to Aug. 31 1939	Cattle 854,953 887,312 940,795 1,010,012 998,886*	Calves 674,963 690,706 696,948 708,546 598,619*	Sneep 793,724 758,428 794,638 798,315 837,048*	Swine 3,186,740 4,601,845 6,172,982 6,467,185 6,457,635*
from crop year 1939 to " 1943	143,933 17%	76,344° 11%°	43,324 5%	3,279,895 103%

"Minus.

Note 1—The diminution in marketings of calves indicates, not so much a decline, as a prospective increase in meat production. The reason fewer calves were marketed is that a greater number were held on the tarms to grow up into breeding stock.

ough crop year 1943 shows a diminution, as com--Although crop year 1943 snows a diminution, as compared with 1942, in the number of cattle (11,126) and of hogs (9,550), —nevertheless the actual quantity of beef and of pork produced was greater, inasmuch as the animals were heavier. crease in weight of meat produced (crop year 1943 over

Beef 6.5 per cent.
Pork 5.5 "

3—Table 5 is the record of inspected Slaughterings. No record exists of Uninspected Slaughterings, but in crop year 1943 these were much higher, both of cattle and hogs.

Forecast by Federa Hog Marketings Oct	ober, Nover	Actual 1942	Percentage Increase
Alberta	799,000 575,000 295,000	599,600 329,700 218,500	33.0% 74.0 35.0
Total Prairies	1,669,000	1,147,800	45.4
Ontario	529,000 150,500	526,900 119,500	26.0
Total Central Provinces	679,500	646,400	5.0
Total five Provinces	2,348,500 ole crop pro- so, the incre There mig	1,794,200 spect in Eastern ease for the later tht even be a de-	31.0 Canada mar part of the crease.

victory in Europe may come at an earlier date than had been expect The problems of the post-war period already call for study. What demands will that period present to the Canadian Live Stock

Industry?

The discussions of the recent Allied Food Conference at Hot Springs give some lead as to the answer.

In that Conference, forty-four Allied countries participated. The published reports may be summerized as follows:—

many be greater, not less, than at present, in that period, many be greater, not less, than at present, in that period, many occupied and neutral countries, now extremely short of food, must receive immediate supplies.

Committees were set up at the Conference, to work out plans in advance for those immediate post-war shipments.

These relief shipments will need to be continued for a period of one or two years.

These relief shipments will need to be continued for a period of one or two years.

(b) As to the long-range food problem, the Conference envisaged a policy of setting up higher nutritional standards in all allied countries. It was the view of the Conference that if allied countries. It was the view of the Conference that if effect could be given to such a policy, the food problem would be, not how to dispose of surpluses, but rather how to produce enough food to meet world requirements. Such a world quee enough food to meet world requirements. Such a world policy, if practical effect can be given to same, would have far-reaching implications for Canada, which produces, and must for many years continue to produce, a large food surplus. But to set up adequate standards of nutrition in 44 countries (and many more,—for neutral and enemy countries would have to be brought in) is a vastly complicated problem. In every country new methods of food distribution would have to be introduced. It would be a profound in the field of live stock, Canada has one chief surplus crop, and in the field of live stock, Canada has one chief surplus crop, and in the field of live stock, Canada has one chief surplus crop, and

in the field of live stock, Canada has one chief surplus crop, and one established customer. The surplus crop is hogs. The customer is Great Britain;—(the surplus is shipped in the form of Wiltshire

in this market, before the war, Canadian Wiltshire Bacon was a second-place product. Danish Bacon field first place. Canadian Wiltshires sold at a price approximately 8 shillings per Cwt, below that

of Danish.

In respect of British bacon supplies, the war imposed upon Candada a special obligation. From June 1940, when Norway, Denmark and Holland were overrun, Canada became Britain's sole cutside source of Witshire Bacon.

Canadian farmers were urged to increase production to the limit.

Canadian farmers were urged to increase production to the limit.

Shipments may fall short of this, but will exceed .... 600,000,000 lbs. Alongside the increased production, for two years there was carried forward a most successful campaign of hog improvement (led by the Canadian Department of Agriculture and the Canadian Bacon Board).

Board).

By the Spring of 1942, Canadian bacon had reached a standard of quainty and sizability higher than had ever before been achieved. Reports coming back from England gave ground for the hope that at last Canadian bacon might become established in first place in the British

(In addition to the popularity based upon improved quality and sizability, there was the strong emotional factor that Canada had come to Britain's help when bacon was not available from any other

What would it mean to the Canadian farmer if Canadian bacon were established in first place in the British market? in addition to the greatly increased volume, it would mean a extra 8 shillings per Cwt. (\$3.00 per hog) on all the bacon shipped

That, in turn, would mean an extra \$3.00 per hog on all the hogs produced in Canada. (For the price of the total crop is determined by the price which can be obtained for the surplus.)

Inspected killings in Canada this year will be

9.000.000 "

within the last twelve months the prospect of achieving first position has been jeopardized. The reason lies in the urgency of the British demand for bacon. The British Ministry of Food v.as very intert upon mainatining a four-ounce ration of Wilshire Bacon. To do this, they required from Canada 675 million pounds ver year. the war, shall occupy first or second To meet this requirement, the Canadian Bacon Board cut down domestic consumption to one-fifth of the Canadian production. Notwithstanding this, however, British requirements could be met cally by finishing Canadian hogs to a heavier weight.

At the urgent request of the Ministry of Food, this has been done. The result is that Canadian bacon is beginning to lose its acceptance, not with the Ministry of Food, but with the British public. British housewives are beginning to think of Canadian bacon, as in the last war, as heavy, fat bacon. Consciously or subconsciously, the idea is being re-established in their minds that Canadian bacon is really a second-grade bacon.

In the last analysis, the person who determines the quality of the bacon is the man who produces the pig. Twenty years have been spont in bringing home to the Canadian farmer the necessity for lean hogs and sizeable weights. The present request for heavier bacon is bound to blur the farmer's mental picture of the proper type of bacon hog. It is a much easier matter to break down standards than to restore them. But that is not the only penalty.

All these facts have many times been considered by the Department of Agriculture and the members of the Bacon Board. In the emergency they have felt they must respond to the request of the Ministry of Food.

However, the increased marketings of the coming crop year should make possible an early return to the standards already reached in the Spring of 1942, and thereafter a further sustained campaign of impresents. The sum at stake makes this the most important single issue in

As in previous years, a copy of this report will be sent to every employee of the Company.

employee of the Company.

And, as in previous years, the Directors wish to express their appreciation and gratitude for the loyal and efficient work of employees of all ranks.

The Company's profit-sharing plan has been continued. The bonus distributed to Employees at the close of the fiscal \$790,000.00 year was \_\_\_\_\_\_\_ A reference at length has been made to the difficult problems A reference at length has been made to the difficult problems

A reference at length has been made to the difficult problems which will arise in the coming months, of getting the work done. The processing of foods is one of the most essential war jobs. The Directors feel they can assure Shareholders and the public, that the men and women who work for Canada Packers will not fall. TORONTO, 23rd August, 1943.

J. S. McLEAN, President.

Extra copies of this Report are available, and so long as they last will be mailed to anyone requesting them. Address to Canada Packers Limited, Toronto.

