

# Brief Notes Serious Threat To Potato Industry Through High Freight Rate Increases

Prince Edward Island is gradually being forced out of potato production as a result of exorbitant freight rates and increasing production costs, it is maintained in a brief submitted last week to the Board of Transport Commissioners at Ottawa on behalf of the potato industry here.

Increases effected since April 7, 1948, in railway freight rates, totalling 62.6 per cent, have had a direct impact on the Prince Edward Island potato industry with detrimental consequences as indicated by the drastic decline in potato acreage," the brief states.

Submitted jointly by the Prince Edward Island Department of Agriculture, the Federation of Agriculture, the Potato and Turnip Dealers Association and the Potato Marketing Board, the brief maintains that the existing rates from all P. E. I. shipping points to Central Canadian markets should be readjusted so as to have the effect of exempting potatoes from basic increases authorized by the Board since April, 1948. Any increases allowed on potatoes should not exceed 50 per cent of the increases which have been granted.

This, it is stated, would establish a rate on potatoes to Toronto which would not exceed 50 cents per 100 pounds. "This rate may

still be too high to permit continuation of a heavy volume of potato rail traffic from the producer areas of Prince Edward Island to markets such as Toronto, under average normal conditions," the brief adds.

Numerous schedules of production and marketing figures were presented in conjunction with the brief, which reads in part as follows:

**Phenomenal Expansion**

"The potato industry is a very important segment of the economic life of Prince Edward Island. Records show that beginning with one carload of seed potatoes, shipped in 1918, this business has expanded to a great extent until in the year 1948 approximately 12,000 carloads of potatoes were exported from the Province.

"During those years the Island has become the foremost source of virus free seed potatoes in North America, and an analysis of certified seed production in Canada would reveal that this Province produces about half of the certified seed in this country.

"It is a fact that potatoes thrive

in the sandy loam soil and generally cool climate of Prince Edward Island, and those factors, as well as our insular position, have been responsible for Island farmers developing potato production to its present extent. If transportation and marketing factors for seed potatoes from Prince Edward Island should be able to maintain its potato reputation anywhere.

"Potatoes are so important to the Island economy that the farmer's profit or loss on his yearly operations is usually based on whether or not potatoes are at a satisfactory price. The relation of the value of the potato crop to the whole agricultural production of the province is shown in the attached statistics, which are extracts from the Provincial Agricultural Department's Annual Reports.

"An examination of these reveals that potatoes represent a large part of the value of our field crop production and it also shows that of all the other crops, namely, wheat, oats, barley, mixed grains, hay, corn and turnips, only the latter can be considered a cash crop and the revenue from turnip production is very small compared to the value of our potato crop.

**Widely Distributed**

"Potato growing in Prince Edward Island is not confined to a few individuals. About 75% of the Island's 12,000 farmers grow potatoes and they always look upon this crop as one of their chief sources of farm income, and therefore the well being of the potato industry is of great importance to the economic life of the province.

"During the past five year period the average gross return to the farmer on Prince Edward Island was only .68 per bushel or \$1.13 per 100 pounds. This return had to cover all costs from planting to shipping, involving land, seed, fertilizer, spraying, machinery, warehousing, labor, overhead, and all other costs and charges incurred up to delivery at shipping point.

"If it were not for the fact that on three occasions during the past five years the Government of Canada deemed it necessary to give financial aid to Island Potato Growers these gross returns would have been very much less. During the past crop year, 1950-51, the gross return has been only 42 per bushel or 70 per 100 pounds and as a result the cost of transporting Island potatoes to Toronto, one of our chief markets, has been almost as great as what the farmer has been receiving for this product.

"Under these circumstances and in the face of ever advancing production costs, Prince Edward Island is being gradually forced out of potato production, which has always been and should continue to be a very substantial part of its Agricultural Income. Prince Edward Island has no basic industries except Agriculture and Fishing and it must depend almost entirely on further development of these industries to support its population.

**Recent Decline**

"There has been a marked decline in both Island potato acreage and total volume of shipments during the past several years. This reduction is very evident this year when we have the smallest acreage and production on record.

"Since April 7, 1948 the combined increases in freight rates already have reached a total of 62.6% and there is a direct relationship between the freight rate increases and the actual decline of the Potato Industry in Prince Edward Island. This fact is not surprising.

"Potato growers of Central Canada who supply Toronto and similar markets are not obliged to make use of rail transport. They can have their product trucked from the farm, very often to retail and consumer outlets, at a rate of approximately 25c per 100 pounds, while Island growers after paying for truckage from their farms to shipping points, must depend on a long freight haul which, at the present time, costs them 62c per 100 pounds in order to reach the Toronto market.

**Truck Competition**

"The Dominion Department of Agriculture in their Potato Crop Summary 1950-51 show that out of a total domestic rail movement of potatoes during the past season aggregating 13,703 cars, 4,458 originated in Prince Edward Island and 620 cars, constituting about 1% of their total production, were moved from the provinces of Quebec and Ontario, which fact gives a clear indication of the extent to which marketing by truck has developed in these provinces.

"Freight rate increases have also an indirect effect on producers, net returns by increasing the costs of all products entering into the production and marketing of potatoes, and are responsible, at least in part, for the very marked increase in production costs experienced during the last several years, as shown in statements by a number of the Island's most efficient potato growers. This would apply particularly to such commodities as fertilizer, spray materials, machinery, bags, etc.

"While it is fully recognized that the export market always taken care of a very substantial part of the Island's potato production, nevertheless the large centres of population in Central Canada always have been and should continue to be, the most dependable outlet for our production. Export markets are always very sensitive to world disorganization, uncertainties of international trade, and all monetary changes.

Potatoes are the most extensively grown crop in the world. They are now produced in practically every country including the tropical zones. In Canada potato production stands third place in value and value of our field crops, being exceeded only by wheat and oats. They are an important and essential part of the Canadian diet, grown in every province, and provide high food value at relatively low cost to

**KING COLE TEA**  
Always Popular  
taken its photographic plates at a height of 60,000 feet.



**HOLMAN'S Both Stores**

Here Again!  
**The Big Annual Turkey Do**  
**2 Great Big Christmas Turkeys FREE**

To Lucky Christmas Visitors  
Come To **HOLMAN'S FURNITURE Dept.**  
Summerside or Charlottetown  
And Cast Your Free Ballot

There are wonderful arrays of gifts for both young and old in Island's biggest and best Furniture Departments... Come to Holman's and See for Yourself! Every Visitor is entitled to one ballot for the FREE Turkey to be drawn for on Saturday, December 22nd at 8 p.m., at Both Holman Stores. Every Adult is eligible—you don't have to buy one single thing—Simply visit either Holman Furniture Department—put your name on a Ballot—everyone has an equal chance of winning One of the FREE Turkeys!

**GET FREE BALLOTS IN FURNITURE OFFICE**  
Drawing Takes Place - Saturday, Dec. 22-8 P.M.

**HOLMAN'S 2 BIG STORES**  
SUMMERSIDE & CHARLOTTETOWN

"Where Old Friends Meet Santa"

**Recent Decline**

"There has been a marked decline in both Island potato acreage and total volume of shipments during the past several years. This reduction is very evident this year when we have the smallest acreage and production on record.

"Since April 7, 1948 the combined increases in freight rates already have reached a total of 62.6% and there is a direct relationship between the freight rate increases and the actual decline of the Potato Industry in Prince Edward Island. This fact is not surprising.

"Potato growers of Central Canada who supply Toronto and similar markets are not obliged to make use of rail transport. They can have their product trucked from the farm, very often to retail and consumer outlets, at a rate of approximately 25c per 100 pounds, while Island growers after paying for truckage from their farms to shipping points, must depend on a long freight haul which, at the present time, costs them 62c per 100 pounds in order to reach the Toronto market.

**Truck Competition**

"The Dominion Department of Agriculture in their Potato Crop Summary 1950-51 show that out of a total domestic rail movement of potatoes during the past season aggregating 13,703 cars, 4,458 originated in Prince Edward Island and 620 cars, constituting about 1% of their total production, were moved from the provinces of Quebec and Ontario, which fact gives a clear indication of the extent to which marketing by truck has developed in these provinces.

"Freight rate increases have also an indirect effect on producers, net returns by increasing the costs of all products entering into the production and marketing of potatoes, and are responsible, at least in part, for the very marked increase in production costs experienced during the last several years, as shown in statements by a number of the Island's most efficient potato growers. This would apply particularly to such commodities as fertilizer, spray materials, machinery, bags, etc.

"While it is fully recognized that the export market always taken care of a very substantial part of the Island's potato production, nevertheless the large centres of population in Central Canada always have been and should continue to be, the most dependable outlet for our production. Export markets are always very sensitive to world disorganization, uncertainties of international trade, and all monetary changes.

Potatoes are the most extensively grown crop in the world. They are now produced in practically every country including the tropical zones. In Canada potato production stands third place in value and value of our field crops, being exceeded only by wheat and oats. They are an important and essential part of the Canadian diet, grown in every province, and provide high food value at relatively low cost to

**BUYS for the Weekend**  
Thursday - Friday - Saturday

Have you visited our Store lately? If not, we would like to suggest that you do so as soon as possible. You will find every thing that you need, particularly items such as Christmas Candy, Mixed Nuts and every ingredient for your Christmas Fruit Cake, all quality lines at the very best prices. You are assured when you buy here you get the best quality at fairest prices.

We are booking orders for Christmas poultry in order that you will get choice quality birds. We will be pleased to draw and remove tendons for you.

**OYSTER BED OYSTERS**  
1/2 pint ..... 45c  
Best Quality Available

Don't forget the drawing for the big 20 lb. Turkey which will take place Saturday night Dec. 22nd. Just fill out a slip at the check out when leaving the Store.

Fill up your pantry with the following items which we are specializing this week.

GROCERY BUYS	MEATS	Fruits
New Crop MIXED NUTS, 2 lbs. .. 89c	Smoked Shankless PICNICS, lb. .... 49c	Juicy ORANGES, doz. .... 31c
Bleached RAISINS, 2 lbs. .... 59c	Machine Sliced BACON, lb. .... 47c	GRAPES, 2 lbs. .... 31c
Silver Seal MOLASSES, qt. .... 35c	Maple Leaf SAUSAGES, lb. .... 50c	Pink GRAPE FRUIT, 3 for . 27c
Marven's SODAS, 1 lb. .... 29c	Fresh Shankless PICNICS, lb. .... 49c	Golden Russet APPLES, 2 doz. .... 75c
20 oz. tin Clark's BEANS, 3 tins 55c	BOLOGNA, lb. .... 47c	MacIntosh APPLES, doz. .... 21c
All Flavos JELLO, 3 pkgs. ... 29c	Sweet Pickled HOCKS, lb. .... 25c	Package MUSHROOMS, pkg. . 41c

GREAT GEORGE STREET, CHARLOTTETOWN, P.E.I.  
PHONE - 224 or 225.

**Pick's** CASH and CARRY  
"ONE STOP TO SHOP"  
FOR ALL YOUR FOOD NEEDS  
DELIVERY SERVICE

**Grand Gift Buys**  
FOR SOME MIGHTY LUCKY GUYS!

**Dressing Gowns**  
In fancy silks and all wool flannel with contrasting trim. A serviceable and useful gift.  
10.95 to 19.50

**Shirts**  
A large assortment of fine shirts by Tooke-Brill-Bluestone etc. Fancy stripes or smart plain shades and whites.  
3.95 to 6.95

**Sweaters**  
Cardigans in fancy or plain colors. Canada's finest makes in a large assortment of colors. All wool and mixtures, also assorted pullovers.  
7.95 to 11.95

**Socks**  
In Kroy Wool and Nylon, also pure Botany Wool—diamond and fancy patterns.  
1.00 to 2.75

**Ties**  
By Abbey-Tooke-Park Lane etc. In fancy silks or plain gabardines.  
1.00 to 2.50

**Handkerchiefs**  
Pure Irish Linens and Egyptian Cottons—Plain or fancy bordered—A useful gift. Boxed to suit you.  
35c to 75c

**Pajamas**  
An excellent assortment of Broadcloth or Flannelette by Tooke-Brill and Forden. Also fine knit Polo Pajamas in plain shades.  
4.50 to 5.95

**Other Gift Suggestions** are Station Wagon Coats—Bomber Jackets, Sport Shirts in corduroy and Gabardine, etc. Use our Lay-Away Plan.

**HAMBLY & INNIS** MEN'S & BOYS' WEAR  
166 Gt. Geo. St. Phone 2754