

# Daring Air Carrier Industry Writes New Chapter In Expanding Traffic

(By Harold Morrison, Canadian Press Staff Writer)

Year by year, the imaginative and daring men who guide Canada's air carrier industry are writing new chapters in the saga of expanding and strengthening the commercial air traffic business.

They are doing so despite growing costs that increase the financial burden of operations, reduce the outlook for profits and must make many operators think twice whether future expansion is worth the effort.

Yet progress is being made. The government estimates that in 1953 more passengers, goods and mail were transported by air than at any time in Canadian history.

Typical of Canadian industrial drive, the young air carrier industry has in a period of five years increased its revenue mileage by one-half, doubled the passenger traffic and boosted its transport five-fold.

Through its expansion, it has increased employment opportunities for air-minded Canadians, expanded the Canadian market for aircraft gasoline and oil, planes and plane parts and helped narrow the big unpopulated areas of Canada, bringing Canadians closer to each other and to the rest of the world.

But costs are mounting, making

**Inroads on the profit potential.**

The bureau of statistics reports that in 1953, operating income dropped to \$1,295,600 from \$3,763,948 in 1952. Net income dropped to \$1,120,441 from \$1,372,385. Higher operating costs were responsible, the bureau said.

**COSTS JUMP**

The air carrier's labor force increased to 10,703 from 9,398 in 1952 and the bill for salaries and wages jumped to \$42,188,464 from \$34,404,009. The gasoline bill increased to \$15,000,000 from \$12,500,000 and that for oil to \$584,000 from \$490,000.

Against this background of costs, the commercial aircraft increased their revenue mileage to 64,000,000 last year from 40,500,000 in 1952, boosted the number of passengers carried to about 2,800,000 from about 1,140,000, and the cargo to 182,700,000 pounds from 38,400,000.

**British Optimism At All-time High**

OTTAWA (CP) — Canada's commercial counsellor in London says Britain's optimism about her economic future has soared to a post-war high.

"Not since the war has there been such buoyant optimism in the U.K. as there is today," said R. P. Bower, writing in the trade department's magazine, "Foreign Trade."

"There are many reasons for this," he said. "First of all there has been no 'economic crisis' for three years. . . . Second all food rationing has been eliminated. Third, controls over imports of a wide range of essential raw and intermediate materials have been removed."

Despite this widening of import

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doors, said Mr. Bower, Britain's gold and dollar reserves "are being built up in a more convincing fashion than at any time since the war."

He suggested all this optimism may lead to further reductions in Britain's import controls. But he added his belief that Britain may move slowly in this direction because of severe international competition for export markets and a continuing shortage of dollars in some sterling area countries.

## NOTICE IS HEREBY GIVEN

That representatives of the Maritime Electric Company Limited will be in the New Glasgow Mills-Line Road area on 27 October for the purpose of completing the final contracts for rural electrification with those residents who have signed the preliminary application for a rural extension in this area.

Advance payment of service line costs will be received by the Company's representatives at the time contracts are signed, an early construction of this extension will be dependent on the completion of such contracts at the earliest possible date.

PUBLIC UTILITIES COMMISSION  
CHARLOTTETOWN  
PRINCE EDWARD ISLAND

## PRINCE EDWARD ISLAND POTATO MARKETING BOARD

### FINANCIAL STATEMENTS — MAY 31st, 1951 —

The Chairman and Members  
Prince Edward Island Potato Marketing Board  
Charlottetown, P. E. I.

Gentlemen:

In accordance with your instructions, we have completed an examination of the records of the Prince Edward Island Potato Marketing Board for the period September 5th, 1950 to May 31st, 1951, and we have received all the information and explanations which we required. Attached hereto are a Balance Sheet as at the latter date, and a Statement of Income and Expenses for the period under review. We wish to comment on the following items appearing on the Balance Sheet.

Unpaid Producers' Levies, \$19,261.33, may be classified as follows:	
Unpaid accounts of dealers who have been paying the levy regularly	\$ 2,682.89
Unpaid accounts of dealers who are withholding payment presumably awaiting a Supreme Court decision on the validity of the levy	7,083.53
Unpaid accounts of dealers whose licenses have been cancelled	9,494.91
	\$19,261.33

For purposes of preparing the Balance Sheet, only the accounts of dealers who regularly pay their levies are considered collectible, and a reserve of \$16,578.44 is provided for the balance. This amount is also deducted on the Statement of Income and Expenses from the total Producers' Levy for the period, which amounted to \$39,920.70. This levy has been made up from dealers' reports of shipments, and from freight, boat and truck shipments that can be identified as to dealers on reports received from other sources.

Deferred Charges, \$707.06, are expenditures to date in connection with the Starch Program under the Agricultural Products Co-operative Marketing Act. These expenditures will be recovered by way of an administration allowance included in the subsidy during the coming year.

Advance from the Potato Promotion Committee of the Department of Agriculture, \$5,000.00, is a sum received from that Committee out of the levy it collected before the Potato Marketing Board was organized. As and when the Potato Promotion Committee's present funds are spent on its work, the Potato Marketing Board is to match the expenditures by adding to the reserve of \$5,000.00, until there is a reserve of \$25,000.00. Thus the present reserves of the Potato Promotion Committee will be replaced by those of the Potato Marketing Board, when the Committee's funds have been spent on promotional work. As of June 30th, 1951 the Board is to keep these funds in a separate bank account.

Surplus, \$7,353.50, is the excess of income over expenses for the period under review, to be used for the Board's services to the industry in the coming year.

Subsequent to the foregoing comments we report, in our opinion, the foregoing Balance Sheet and accompanying Statement of Income and Expenses are properly drawn up so as to exhibit a true and correct view of the state of the Board's affairs as at May 31st, 1951, and of the operating results for the period ended on that date, according to the best of our information, the explanations given to us, and as shown by the books of the Board.

H. R. DOANE & CO.  
Chartered Accountants  
Charlottetown, P. E. I.  
June 19th, 1951.

### PRINCE EDWARD ISLAND POTATO MARKETING BOARD BALANCE SHEET

May 31st, 1951	
ASSETS	
Cash in bank	\$ 8,963.55
Unpaid Producers' Levies	\$19,261.33
Less: Reserve for uncollectible accounts	16,578.44
	2,682.89
Deferred Charges — Expenditures to date in connection with the Starch Program under the Agricultural Products Co-operative Marketing Act	707.06
	\$12,353.50
LIABILITIES	
Advance from the Potato Promotion Committee of the Department of Agriculture	\$ 5,000.00
Surplus — Net Income for the period September 5th, 1950 to May 31st, 1951	7,353.50
	\$12,353.50

Certified correct, subject to our attached report dated June 19th, 1951.  
H. R. DOANE & CO.  
Chartered Accountants.

### PRINCE EDWARD ISLAND POTATO MARKETING BOARD STATEMENT OF INCOME AND EXPENSES

for the period September 5th, 1950 to May 31st, 1951	
INCOME	
Producers' Levy	\$32,920.70
Less: Provision for uncollectible accounts	16,578.44
	\$16,342.26
Dealers' License Fees	475.00
	\$16,817.26
EXPENSES	
Services	
Salaries — Chairman & Manager	\$ 2,886.62
Fees to other Board Members	910.00
Travelling Expenses	1,755.15
Telephone and Telegraph	444.87
Publications	196.08
Advertising	140.49
	\$ 6,433.21
Administration	
Salaries — Office	\$ 1,000.00
Rent	220.00
Office Furniture	935.68
Office Supplies	279.04
Stationery and Printing	109.78
Postage	120.04
Insurance	23.90
Cleaning	67.02
Light	15.91
Interest and Bank Charges	27.87
Unemployment Insurance	55.31
Legal Fees	175.00
	\$ 3,030.55
	\$ 9,463.76
Net Income for the period	\$ 7,353.50

## PRINCE EDWARD ISLAND POTATO MARKETING BOARD

### FINANCIAL STATEMENTS — MAY 31st, 1952 —

Charlottetown, P.E.I.  
June 24th, 1952

The Chairman and Members,  
Prince Edward Island Potato Marketing Board,  
Charlottetown, P.E.I.

Gentlemen:

In accordance with your instructions we have completed an examination of the records of the Prince Edward Island Potato Marketing Board for the year ended May 31st, 1952. Attached hereto are a Balance Sheet as at that date and supplementary schedules.

Producers' levies may be summarized as follows:

Unpaid accounts of dealers who are licensed and who have been paying the levy regularly	\$ 7,768.00
Unpaid accounts of dealers whose licenses have been renewed but who have not been paying regularly	6,544.38
Unpaid accounts of dealers whose licenses have been cancelled or have not been renewed	21,373.86
	\$35,686.24

For purposes of this Balance Sheet, only the first amount is considered collectable, and a reserve of \$27,918.24 is provided for the balance. The levy has been made up from dealers' reports of shipments, and other information available to the Board. It does not include amounts that could be levied on shipments by boats that are known to have left the Province, as the dealers who contributed to these shipments cannot be definitely identified at this stage. The validity of the Act under which the Board operates is now being tested before the courts, and the actual value of the unpaid accounts depends largely on the judgment, which has not been announced at the time of writing this report.

There is a change in the status of the Advance from the Potato Promotion Committee of the Department of Agriculture since our last report. The Committee has advanced another \$5,000.00, and the Board may charge against these amounts promotional expenses which the Committee would ordinarily spend itself. The advances are still subject to repayment, however, if conditions warrant.

The Board administered the Starch Program for assistance to producers in 1951. There is remaining a balance in the bank of \$3-138.33, which represents amounts payable to certain producers under the scheme, but which have been withheld for the present because they still owe the Board on levy account.

Expenses exceeded income by \$1,639.90, which reduced the Surplus of May 31st, 1951 from \$7,353.50 to \$5,713.60.

Subject to the foregoing comments, we report that, in our opinion, the attached Balance Sheet and accompanying schedules are properly drawn up so as to exhibit a true and correct view of the state of the Board's affairs as at May 31st, 1952, and of the operating results for the year ended on that date, according to the best of our information, the explanations given to us, and as shown by the books of the Board.

H. R. DOANE & CO.  
Chartered Accountants

### PRINCE EDWARD ISLAND POTATO MARKETING BOARD BALANCE SHEET

May 31st, 1952	
ASSETS	
Cash in Bank	\$ 2,710.63
Unpaid Producers' Levies	\$35,686.24
Less: Reserve for Uncollectible Accounts	27,918.24
	7,768.00
	\$10,478.36
LIABILITIES	
Advance from the Potato Promotion Committee of the Department of Agriculture	\$ 4,764.76
Surplus — Balance, May 31st, 1951	\$ 7,353.50
Less: Excess of Expenses over Income for the year	1,639.90
	5,713.60
	\$10,478.36

Certified correct, subject to our attached report dated June 24th, 1952.  
H. R. DOANE & CO.  
Chartered Accountants

### PRINCE EDWARD ISLAND POTATO MARKETING BOARD STATEMENT OF INCOME AND EXPENSES

for the year ended May 31st, 1952	
INCOME	
Producers' Levy	\$20,701.60
Less: Provision for Uncollectible Accounts	11,339.80
	\$9,361.80
Dealers' License Fees	285.00
	\$ 9,646.80
EXPENSES	
Services	
Salaries — Chairman & Manager	\$ 4,328.32
Fees to other Board Members	220.00
Travelling Expenses	1,370.07
Telephone and Telegraph	357.49
Publications	404.75
Advertising	170.52
	\$ 6,851.15
Administration	
Salaries — Office	\$ 1,775.00
Rent	398.00
Office Equipment	297.00
Office Supplies	140.23
Stationery and Printing	39.63
Postage	81.00
Insurance	23.90
Cleaning	89.86
Light	31.94
Interest and Bank Charges	6.95
Unemployment Insurance	38.02
Legal Fees	1,264.02
Audit Fees	250.00
	4,435.55
	11,286.70
Excess of Expenses over Income	\$ 1,639.99

### PRINCE EDWARD ISLAND POTATO MARKETING BOARD ANALYSIS OF ADVANCE FROM THE POTATO PROMOTION COMMITTEE

for the year ended May 31st, 1952	
Balance, May 31st, 1951	\$5,000.00
Add: Additional advance	\$5,000.00
Fees from Florida Tests	205.00
	\$10,205.00
Deduct: Salary	\$2,100.00
Travelling	1,041.88
Advertising	1,141.46
Florida Tests Expenses	983.37
Miscellaneous	173.53
	5,440.24
Balance, May 31st, 1952	\$4,764.76

## PRINCE EDWARD ISLAND POTATO MARKETING BOARD

### FINANCIAL STATEMENTS — MAY 31st, 1953 —

Box 247  
Charlottetown, P.E.I.  
June 18th, 1953

The Chairman and Members,  
Prince Edward Island Potato Marketing Board  
Charlottetown, P.E.I.

Gentlemen:

In accordance with your instructions, we have completed an examination of the records of the Prince Edward Island Potato Marketing Board for the year ended May 31st, 1953. Attached hereto are a Balance Sheet as at that date and supplementary schedules.

The Statement of Income and Expenses shows a picture of what the operating results for the year would be if all those known to be operating in the potato industry in the Province had paid their fees and were licensed for the year under review; that is to say, there would be a surplus of \$17,319.05. Of the \$32,249.50 believed to be chargeable under the licensing system, \$18,477.50 was received in cash. The estimated amount still owing, \$13,772.00, as shown on the Balance Sheet, is computed from an estimate of the number of producers, dealers, truckers and assemblers who operated without licenses. We have no opinion as to how much of this is collectible it would appear to depend on the licensing or other method adopted for raising revenue for the Board's work in the coming year.

As at May 31st, 1952 there were considerable sums in unpaid levies, which under the judgment rendered on the validity of the Act under which the Board operates, were declared to be unenforceable, although there was no direction to refund levies that had been collected. The amount of unpaid levies that was not already provided for by a Reserve for Uncollectible Accounts, which is \$7,768.00 as per our last report, was therefore written off against the Surplus account. The balances payable to certain producers under the Starch Program, as mentioned in our last report as withheld because the producers owed the Board on levy account, were paid to them during the year.

Expenses directly attributable to sales promotion have again been charged against advances received from the Potato Promotion Committee of the Department of Agriculture, and such expenses have now exceeded the total advances by \$39.08, which excess has been included in the regular expenses for the year. The original advance of \$10,000.00 is still subject to repayment, if conditions warrant.

Subject to the foregoing comments, we report that, in our opinion, the attached Balance Sheet and accompanying schedules are properly drawn up so as to exhibit a true and correct view of the Board's affairs as at May 31st, 1953 and of the operating results for the year ended on that date, according to the best of our information, the explanations given to us, and as shown by the books of the Board.

H. R. DOANE & CO.  
Chartered Accountants

### PRINCE EDWARD ISLAND POTATO MARKETING BOARD BALANCE SHEET

May 31st, 1953	
ASSETS	
Cash on hand and in Bank	\$ 1,492.65
Unpaid Licenses	13,772.00
	\$15,264.65
LIABILITIES	
Surplus — Balance, May 31st, 1952	\$ 5,713.60
Add: Excess of Income over Expenses for the year	17,319.05
	\$23,032.65
Less: Portion of 1951-52 Uncollectible Levies not reserved for	7,768.00
	\$15,264.65

Certified correct, subject to our attached report dated June 18, 1953.  
H. R. DOANE & CO.  
Chartered Accountants

### PRINCE EDWARD ISLAND POTATO MARKETING BOARD STATEMENT OF INCOME AND EXPENSES

for the year ended May 31st, 1953	
INCOME:	
Licenses	
Assemblers	\$ 4,350.00
Dealers	8,150.00
Producers	19,124.50
Truckers	625.00
	\$32,249.50
EXPENSES	
Services	
Salaries — Chairman and Manager	\$4,800.00
Fees to Federation of Agriculture	100.00
Fees to other Board Members	460.00
Travelling Expenses	1,186.29
Telephone and Telegraph	399.89
Publications	207.57
Advertising	376.07
	\$ 7,529.82
Administration	
Audit Fees	\$ 55.00
Cleaning	120.81
Commissions to Agents	505.25
Insurance	23.90
Interest and Bank Charges	27.00
Legal Fees	2,635.88
Light	32.39
Office Equipment	150.00
Office Supplies and Expenses	284.50
Postage	244.61
Rent	580.00
Salaries — Office	2,410.00
Stationery and Printing	212.28
Unemployment Insurance	19.84
	7,361.55
Transfer from Potato Promotion Account	39.08
	\$14,930.45
Excess of Income over Expenses	\$17,319.05

### PRINCE EDWARD ISLAND POTATO MARKETING BOARD ANALYSIS OF ADVANCE FROM POTATO PROMOTION COMMITTEE

for the year ended May 31st, 1953	
Credit Balance, May 31st, 1952	\$ 4,764.76
Deduct: Salary	\$ 2,450.00
Travelling	273.35
Advertising	2,080.49
	4,803.84
Debit Balance, transferred to Statement of Income and Expenses	\$ 39.08

## PUBLIC MEETINGS OF POTATO GROWERS

At the request of many farmers the undersigned have arranged to hold potato growers' meetings at the various centres listed below:—

October 26th—Tyne Valley and Mt. Stewart  
October 27th—Wellington and St. Peters  
October 28th—Hunter River and Vernon River  
October 29th—Eldon and Elmira

All meetings will begin at 8:00 p.m. Representatives of the Potato Marketing Board and Selling Agency will be present to discuss Board policies and answer any questions.

Ira Banks, D. J. MacDonald, Directors Wellington Co-operative, Shirley Sutherland, Reginald Lewis, Andrew Stevenson, Brendon Curran, Joseph McIsaac, Hector MacLeod, James Halliday, Directors Eastern Farmers Co-operative.

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