Prince Rupert Daily News

Published at Canada's Most Strategic Pacific Port — And Key to the Great Northwest

VOL. LI No. 36 | Telephone 6767 | PRINCE RUPERT, B.C., TUESDAY, FEBRUARY 21, 1961 | Night Calls—Business 6768, Editorial 6769 | PRICE TEN CENTS

PROVINCIAL LIBRARY
VICTORIA, B. C.
330
DEC 31/61

CELEBRATE BOY SCOUT WEEK — Canadian boy scouts, including 2,000 Canadian scouts in France and Germany, celebrate Boy Scout Week February 20-26. Setting out for a Saturday morning hike by the ancient German Gates at Metz, France are: (left to right) Tom Adkins of Halifax, David Lewis of Vancouver, Wayne Calvert of Winnipeg and Bill Collier of Gimli, Man. The scouts, members of the RCAF's Maple Leaf Troop, are sons of Canadian airmen serving overseas.
— National Defence Photo

Pearson condemns government for "financial irresponsibility"

"Confusion needs to be clarified"

By BEN WARD
Canadian Press Staff Writer

OTTAWA (CP) — Opposition Leader Pearson assailed the government's monetary policies Monday, blaming financial "irresponsibility" and "incompetence" for prolonging the recession and increasing unemployment.

He said the situation demands an immediate statement of financial policy from the government to "clear up some of the confusion."

The Liberal leader told the Commons "gross mismanagement" of the unemployment insurance fund last year cost the fund nearly $70,000,000.

Moving a non-confidence motion on which debate continues today, he said the government has demonstrated its incompetence to manage the public debt, "resulting in unduly high interest rates, erosion of business confidence and consequent deepening and lengthening of the economic recession."

Mr. Pearson said that in 1958 the unemployment fund's $300,000,000 investment in Victory Bonds was converted to conversion bonds to comply with government policy — "A fantastic decision."

BONDS SOLD

Later, he said, the fund had to start unloading these bonds to meet rising obligations, and by January of this year had lost $27,000,000 in this operation.

"When the full impact of the government decision taken in July, 1958, is known — the full impact of exchanging Victory Bonds for conversion bonds — the total losses incurred by the fund will be close to $70,000,000.

Mr. Pearson said this "mismanagement" should be investigated before Parliament is asked to replenish the dwindling fund.

Referring to the unemployment fund as "no ordinary fund," he said:

"It is a trust fund financed 40 per cent by industry, 40 per cent by the workers and only 20 per cent by the government. This is a trust fund and it should have been considered as such."

The government was shirking responsibility for monetary policy, citing the powers held by the Bank of Canada.

RAPS GOVERNMENT

"This denial by the government of responsibility for monetary policy is merely an effort to evade an inescapable obligation."

The Liberal chief said the bank's manipulation of the money supply was erratic, increasing money in boom periods when credit restrictions were called for and tightening up the supply channels in slack times when the economy required a spur.

The bank's money manipulation was, in fact, being used as "a mere instrument of debt management," working as a fiscal agent of the government instead of in its rightful role of controlling fluctuations in the general level of production, trade, prices and employment.

H. W. Herridge (CCF - Kootenay West) supported the Liberal motion but complained that the CCF group had sat awaiting "the cannon's roar on unemployment" only to hear a "pop-gun."

BURNED IN EFFIGY — Highways Minister Phil Gaglardi of British Columbia goes up in smoke — in effigy. The blaze was set by students protesting the minister's occupancy of a legislature seat despite conviction and a $1,000 fine in a contempt of court case involving contract payments.
— CP Photo

City pair sets new marks

VANCOUVER (CP) — On the heels of record-breaking swims at Portland during the weekend, Prince Rupert Swim Club's Gordon Eby set four Canadian records here in time trials Monday.

With a time of 31.6 Eby broke the boys' 11 to 12 50-metres freestyle.

In the same age grouping of the 100-metres freestyle he toppled the Canadian record in 1:08.7.

He took the 50 metres butterfly in 35.1 seconds and the 100-metres backstroke in 1:24.1 to set records.

Team mate Vito Dunford in the 10 and under age group broke the 50 metres freestyle record in :36, the 100 metres freestyle in 1:17.9 and the 25 metres freestyle record in 16.9.

In Portland, Eby set two records in the two-day Multnomah Athletic Club's invitational meet.

B.C. ROUNDUP

Labor legislation talks soon — Labor minister

VICTORIA (CP) — Labor legislation forecast in a speech two weeks ago by Labor Minister Peterson will be brought before the legislature "very soon" the minister said in the House Monday.

Meanwhile, outside the House, he said the International Woodworkers of America (CLC) are jumping to conclusions in presuming the legislation will be anti-labor.

Girl gets reward

VANCOUVER (CP) — Judy Gaudin, 16, of Burnaby, who foiled a bank robbery suspect's escape last year by throwing a shoulder into him as he ran down the street, has received a $1,000 cheque from the Canadian Bankers' Association. Albany George Conrad, 36, was later sentenced to five years in prison for his attempted hold up of an Imperial Bank branch.

Sentence reduced

VANCOUVER (CP) — A Vancouver Island seaman who helped two others pick off $750 worth of street lights with a .22-calibre rifle in the fishing centre of Sointula last November, had his sentence cut in the B.C. Court of Appeal Monday. Veikko Rihtamo had been sentenced to six months but court reduced his sentence to the time he has already served, about three months.

Wettest February

VANCOUVER (CP) — Downtown Vancouver has sloshed its way through the wettest February in recorded history. In the first 20 days of the month, 10.53 inches were recorded. Next highest figure was in 1918 when 10.51 inches fell.

Murder remanded

KAMLOOPS (CP) — David Thomas, 40, was remanded until February 28 on a charge of murder in the December 8 slaying of his mother near Salmon Arm. The preliminary hearing will be held at Salmon Arm.

Bridgeworker fair

KAMLOOPS (CP) — Bridgeworker Joe LaSalle who fell about 50 feet Monday into the icy waters of Thompson River is in fair condition in hospital suffering scalp lacerations. He was working on steel girders when he fell.

PM's mother dies aged 88

SASKATOON (CP) — Mrs. Mary Florence Diefenbaker, 88, mother of Prime Minister Diefenbaker, died in hospital Monday night.

Mrs. Diefenbaker, who had been in hospital for several years, died at 9:03 p.m. MST following an "acute pulmonary edema," a heart condition.

In addition to the prime minister, she is survived by another son, Elmer, of Saskatoon.

Her husband, William Thomas Diefenbaker, a school teacher, died in Saskatoon in 1945, two years after they had celebrated their 50th wedding anniversary.

Mrs. Diefenbaker suffered a lung infection several months ago. She was on the critical list at University Hospital from late in November until early in January.

The funeral is expected to be held Wednesday. Final arrangements, however, will not be made until tonight when Prime Minister Diefenbaker arrives by air from Ottawa.

NEW YORK (AP) — The American Telephone and Telegraph Company notified stockholders today that its Bell System made more profit last year than any U.S. concern has made in any year. The 1960 annual report showed net income of $1,250,955,000.

Airport ferry tenders called

Airport ferry landing construction tenders are being called today by City Administrator R. W. Long.

Tenders must be in to his office not later than midday, March 3.

Tender forms, plans and specifications are obtainable from the city clerk's office, Prince Rupert, and from Swan, Wooster Engineering Co. Ltd., 1334 West Pender Street, Vancouver 5, who are the consulting engineers on the project. Conditions of tender may be obtained from Mr. Long.

Alternate proposal made for Alaska ferry system

JUNEAU (AP) — The operator of the state-owned ferry Chilkat recommended last night that the Southeast ferry system be composed of five short runs, rather than one long run, as proposed.

Capt. G. B. Gitkov of Juneau, testifying before the senate and house state affairs committees, said such "broken-leg" service would be a boon to the state's tourist industry.

The committee, which is considering methods of implementation of voter approval last November 8 of a $23 million general obligation bond issue for establishment of a ferry system, ended its two-day hearing.

Gitkov, who has operated state ferries on the Tee harbor-Haines - Skagway route since 1954, said the legislature must decide whether it wants a system which makes money or a system which performs a service.

The veteran ferry skipper said the Tee harbor - Haines-Skagway route has been losing approximately $40,000 a year. Public Works Commissioner R. A. Downing said approach work was the main reason for the loss.

SHORT FERRY ROUTES

Gitkov proposed that the state establish five short ferry routes in Southeast Alaska, using 144-foot vessels capable of carrying 28 cars and 100 passengers.

He suggested the following routes: Prince Rupert to Ketchikan; Ketchikan to Wrangell (Blind slough); Petersburg to Juneau; Juneau to Skagway, via Haines; and a circular route linking Juneau, Sitka and Petersburg.

Each of the five vessels, Gitkov said, could be constructed for about $800,000. Each would carry a crew of 13. The ferries would run on a schedule which would preclude the payment of overtime to members of the crew.

A report submitted to Downing Monday by a three - man team of consultants recommended fast, through service by big ferries from Prince Rupert to Skagway, with stops at Ketchikan, Wrangell, Petersburg, Sitka, Juneau and Haines.

Street light work rapid

Prince Rupert's street lighting program is coming along at a rapid pace, according to the bi-monthly report from Telephone Superintendent A. E. Janes to City Council.

The report stated that the mercury vapour fixtures, used in the lighting, have arrived but the department has not yet received the actual flourescent units. Poles, which will be used in the program, have all been painted and are being stored in the Seal Cove hangar, ready for installation.

Wiremen have installed all the conduit from Seventh Street to McBride Street on Second Avenue West and this portion is now ready for wiring. Third Avenue West is presently being completed.

Testing of the control panel for the lighting system is being conducted.

For the period ending February 6, the report showed that the telephone department installed 44 phones, transferred six, moved 44 and took out 48. Linemen cleared 121 line and instrument troubles and nine cable troubles.

Installation of the key telephone equipment in the new Bank of Commerce building is being completed. After some earlier trouble, the department decided to replace the relay equipment.

Outside plant troubles were termed light by the report. The department has been able to keep well up on current orders. Normal routines have been carried out in the central office with few troubles encountered.

VICTORIA (CP) — A spectator was removed from the public galleries in the legislature Monday after shouting an offer to hire 200 men.

New post sorter shown at meet

Jack T. Kelly, Postmaster at Prince Rupert, B.C., is one of a group of eleven senior postmasters from Northern British Columbia, Alberta and the Yukon, who attended a two - day conference with Regional and District postal officials at Prince George this week.

Among major topics discussed were mail handling procedures, Christmas operations, personnel management, relations with the public, letter carrier delivery service, and new developments in the Postal Service.

Ronald A. Cathro, Regional Director for Western Canada, brought to the meeting details of the electronic letter sorting machine, which has been developed entirely in the workshops of the Canada Post Office, and is the most advanced automatic letter sorting device yet developed. This machine is undergoing a final testing period before being installed in the Montreal Post Office for actual use.

Fine unlicensed driver

Driving without a license cost Carol Bryant of 438 Eighth Avenue West $10 in police court today.

Miss Bryant pleaded guilty to the charge before Magistrate E. T. Applewhaite. RCMP said that the charge was laid about 9 p.m. February 7 when she was found to be driving a car on Borden Street and did not have a driver's licence.

ORMES
DRUGS LTD.
DIAL
2151

Sea Cadets have recruit openings

The Captain Cook Sea Cadet Corps has vacancies for a further 10 cadets, Commanding Officer Lt. George Brown announced today.

A readjustment of complement permits this further intake of boys between 14 and 19 years of age. Those who wish to apply may do so by reporting to the HMCS Chatham drill hall Wednesday, February 22 at 7:30 p.m.

Lt. Brown said that the training program will be speeded up to allow newcomers to participate in the July summer camp.

Rooming house assault charge on girl nets man $25 fine

A fine of $25 was imposed on Leslie Kristoff of 220 Fifth Avenue East when he was found guilty in police court this morning before Magistrate E. T. Applewhaite on a charge of common assault.

RCMP said that the charge was laid in connection with an incident February 12 at Kristoff's home when Margaret Alice David of the Inlander Rooms was struck on the face and required three stitches to close a cut above her left eye.

Miss David testified that Kristoff had hit her with his fist when she refused to come and live with him at his home again. She stated that she had been living with him prior to the incident.

Kristoff, represented by defence counsel Gilbert Hogg, QC, pleaded not guilty to the charge February 10.

Diefenbaker advocates meeting of NATO heads-of-government

OTTAWA (CP)—Prime Minister Diefenbaker indicated Monday he has tried to persuade President Kennedy to come out in favor of an early NATO heads-of-government meeting.

Announcing to the Commons that he invited Mr. Kennedy to visit Ottawa during the current parliamentary session, Mr. Diefenbaker also said:

"I drew the president's attention to my continuing view that there are certain problems facing NATO which will require the attention of heads of government as soon as it is possible for them to be assembled."

Canada has been suggesting a NATO summit conference since last summer and proposed it to the last NATO ministerial meeting in Paris in December. Officials here are definite, however, that the NATO meeting scheduled for Oslo in early May won't be converted into a summit conference.

Mr. Diefenbaker on previous occasions has suggested that such a meeting might be held in Quebec City.

The prime minister informed the Commons that Mr. Kennedy will come to Ottawa at "a time convenient to both countries." It was hoped that the president would address a joint session of Parliament.

The invitation to Mr. Kennedy was the only concrete announcement made by the prime minister on his three-hour talk in Washington with the president Monday.

Mr. Diefenbaker said: "This meeting should not be measured in terms of its duration or in the number of flags unfurled but in the opportunity it offered for better acquaintanceship, better understanding and also making possible a discussion of common problems in a businesslike and informal manner appropriate to the closest of neighbors and friends."

Associate editor of Colonist dies

VICTORIA (CP) — Roy Murdock, associate editor of the Victoria Daily Colonist and prominent yachtsman, died yesterday, aged 53.

Former chairman dies

VANCOUVER (CP)—Funeral services will be held Tuesday for a pioneer British Columbia lawyer and former chairman of the Workmen's compensation Board.

Elcon Sidney Hilliard Winn died Saturday. He was 81. As a young barrister in the Kootenays he saw need for protective legislation for the wage earner and his family.

World News Briefs

TOKYO (AP) — Japan decided today to offer rice and other food to Red China where a serious food shortage has resulted from a series of natural disasters. Foreign Minister Zentaro Kosaka told a press conference the cabinet formally approved a decision to offer the food through the International Red Cross.

HONG KONG (Reuters) — A Chinese Nationalist plane was shot down over Bandu, east of Thaviang in upper Laos, according to a Voice of Pathet Lao radio broadcast reported by Hanoi radio Monday. Documents found in the wreckage showed the plane had flown from Formosa to join the "Laotian rebels" in the Laotian capital of Vientiane.

BANGALORE, India (AP) — The Queen ended a month of touring the Indian subcontinent today with another wildly enthusiastic reception. This South Indian plateau city, called Idia's most royalist centre, turned out hundreds of thousands to cheer the Queen and Prince Philip after they flew here from Madras.

CAPE CANAVERAL (AP) — An advanced Titan inter-continental range missile registered a second straight successful 5,000-mile test flight Monday night, striking a target area in the South Atlantic.

Herring catch tops fish haul

Fish landings in Prince Rupert for the week ending February 11 totaled 3,400 tons of herring and 93,300 pounds of other fish, the weekly report from the Department of Fisheries showed.

Included in the 93,000-pound catch were: 6,800 pounds of sole; 37,000 pounds of grey cod; 100 pounds of ling cod; 18,700 pounds of mink feed; 1,500 pounds of shrimp; and 29,200 pounds of clams.

Herring was taken mainly from Area 4 and the Queen Charlotte Islands while three draggers landed fish from Areas 4 and 5.

Two vessels caught shrimp in Area 4 while clams were brought in mainly from Area 4 with a few pounds being taken in Area 5.

Prince Rupert has now gone 767 days without a fatal traffic accident.

WEATHER

Cloudy and mild Wednesday with rain tomorrow evening. Winds will be southwesterly 30 tomorrow afternoon. Low tonight and high tomorrow, 36 and 46.

TIDES

Wednesday, Feb. 22, 1961
(Pacific Standard Time)

High	06:35	18.0 feet
	19:35	16.6 feet
Low	00:14	8.1 feet
	13:21	6.9 feet