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Men Must Work

THERE are two classes of unhappy workmen in the world, and by workmen we mean everyone from the president of a large corporation to the day laborer, says the monthly letter of the Royal Bank of Canada.

First, there are those who have jobs which wholly satisfy their creative and energy needs, but do not provide what they desire in the way of monetary rewards or social life.

Second, there are those who work hard and earn a good living, but who have jobs which give them the "fenced-in" feeling common to persons whose ability is denied expression and whose talents are unrecognized.

In addition, of course, there are people who believe that work is something to be cut to the minimum. There are so many in this class as to give cheer to ambitious people, who find less competition than there might otherwise be.

Today's working man (and again we include everyone from the highest-salaried to the lowest-paid worker) needs more than skill and smartness. These are days when qualities of character are more important than ever before: stability, toleration, co-operation, and self-restraint. They are days when a knowledge of economic affairs is needed, not only of the family budget kind, but the kind that tells the reason for the taxes deducted from one's pay envelope.

Work has as its purpose the production of things to use and services to enjoy. Business is not a struggle for wealth that already exists, but a system of co-operation in producing and exchanging things that people want. The more things we produce, the greater choice we have of things to enjoy, and the more we will have to exchange for things we desire.

Looked at in this way, work is not a curse. The law "In the sweat of thy brow shalt thou eat bread" may be read as one of the most beneficent laws of life. It was probably because they had nothing to do that Adam and Eve became so easy victims for the tempter.

Social and political dreamers foster the fallacy that work was imposed upon mankind as a punishment. They do this because the notion breeds discontent and thereby furthers their purposes. In fact, as every thinking man and woman will admit, work is strengthening, satisfying, and a great blessing. It is essential to human happiness.

But to discharge its responsibilities work must have certain qualities. It must be honest, useful and cheerful. It was of this kind of work that all the great men of the past century spoke when they preached the Gospel of Work: liberals like Mill, socialists like William Morris, reactionaries like Carlyle, Christian socialists like Kingsley, and half-socialists like Ruskin. Tolstoi said: "It is pleasant to dream of eternity, but for an honest man it is enough to have lived his life, doing his work."

REDCAR, Yorkshire, England ish steamer ran aground again @—Refloated after running while being towed up the Tees aground here, a 7,242-ton Brit- River.

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Services in the Church

DIRECTORY

Services in all churches at 11 a.m. and 7:30 p.m.; Sunday School at 10:15 except as shown.

ANGELICAN CATHEDRAL
4th Ave. W. at Dunscombe St.
Holy Communion 8:30 a.m.
Sunday School 2:00 p.m.
Canon Basil S. Procter, B.A., B.D.
Rector: (Blue 753)

FIRST BAPTIST
5th Ave. E. at Young St.
Minister: Rev. Fred Antrobus
(Green 812)

FIRST PRESBYTERIAN
4th Avenue East
Rev. E. A. Wright, D.D.
(Green 982)

FIRST UNITED
436 6th Ave. West
Rev. L. G. Schar
(Green 613)

FULL GOSPEL TABERNACLE
302 6th Ave. West
Pastor: C. Fawcett
Services 11 a.m. and 7:30 p.m.
Sunday School 12:15.
(Green 331)

SALVATION ARMY
Fraser Street
C.O.: Capt. W. Poulton
Loreatory Class 2:30 p.m.
Sunday School 3:30 p.m.
(Black 269)

ST. PAUL'S LUTHERAN
5th Ave. at McBride St.
Pastor: E. Solland
(Black 610)

ST. PETER'S ANGLICAN
5th Ave. at McBride St.
Sunday School: 11:00 a.m.
Evening Prayer 7:30 p.m.
(Blue 427)

REGULAR BAPTIST
829 6th Ave. East
Pastor: Rev. Leonard A. Thorpe
(Blue 803)

First Presbyterian Church



231 Fourth Ave. East
Minister: Rev. E. A. Wright, D.D.
Organists: Mrs. E. J. Smith,
John Currie.

Sunday, January 14, 1951
Morning Worship—11 o'clock.
Solo—By Rowland Miles
Sunday School—12:15
Evening Service—7:30

The Sacrament of the Lord's Supper will be observed at the evening service.

"Remember the Sabbath Day to Keep it Holy."

We extend a cordial invitation to visitors to worship with us.

FIRST UNITED CHURCH

11:00 a.m.: Morning Worship
Sermon: "What Do You Do About Detours?"

Children: "A Helper at Antioch"

Anthem: "Grant Us, O Our Heavenly Father"—Folger.

7:30 p.m.—Evening Worship
Sermon: "A Christian in Society"

Anthem: "O Taste and See"—Goss.

YOU ARE WELCOME AT THESE SERVICES

SUNDAY SCHOOLS — At First United all at 12:15; at Conrad United Hall all at 1 p.m.

DAILY HEALTH HINT
Regular intake of life-giving vitamins is necessary to health. However, you can't fill up on vitamins today and expect their benefits to last a week—they must be taken every day, preferably in natural foods.

Queen's Carpet Continues Tour

TORONTO @—The famous Queen Mary's carpet, sponsored by the Imperial Order Daughters of the Empire, now is past the halfway mark, and is starting an Eastern Canada tour after being displayed in Western Canada and the Maritimes.

The Queen Mother offered the gross point carpet on which she worked for years for sale to help the British dollar shortage, and the L.O.D.E. offered to establish a fund open to the general public to raise as much money as possible, with a minimum objective of \$100,000, with which to purchase the carpet for Canada. Net proceeds and collections up to Jan. 5 amounted to \$57,000.

On completion of the fund, the carpet will be presented to the National Gallery at Ottawa as a gift to the Canadian people.

Saturday Sermon

(By Captain Poulton, Salvation Army)

"Jesus said: he that believeth on me, believeth not on me but on Him who sent me. And he that seeth me seeth Him who sent me."—John 12:44-45.

When I first started to study arithmetic at school I was greatly concerned about the relative values of the lowest common multiple and the greatest common factor. I still have to stop and think before I can separate these terms. But it seems to me that they are terms that we can look at seriously as we get into this new year and attempt to find a common place of agreement between nations and churches. The place of agreement between nations we must leave to those who have elected as our legislators. The place of agreement between the Christian communities as touching on a united front against Sin and Hell and the Devil is something that all Christians must do something about.

I suggest that we have been too busy trying to find the lowest common denominator... we have all been too busy trying to discover what we can eliminate from our own creed and thesis and thus make it possible for the other fellow to have fellowship with us.

This is the wrong approach. Let us instead look for the GREATEST COMMON FACTOR. We will not have to look very far. John says of Him... "He came into the world and the world received Him not, but as many as received Him to them gave He power to become Sons of God."

The greatest common factor in our religion is Jesus Christ. There are some other great common factors also and I suggest that they are simply stated as follows:

We believe:
In God
In Jesus Christ His son
In the Holy Spirit
In salvation through the blood of Christ
In the indwelling of the Holy Spirit
In the Bible
In Heaven and Hell.

These seven great common factors are to be found in such documents as the Articles of the Anglican Church, in the Westminster Confession of the Presbyterian Church, in the Doctrine of the Lutheran Church, in the Teaching of the Baptist Churches, in the profession of Faith of the United Church of Canada and certainly in the creeds of such bodies as the Nazarenes, Pentecostal Assemblies, Plymouth Brethren, The Salvation Army and others.

Fellow Christians, we need a united front to close in against the forces of unbelief. Let us not be engaged in watering down our religion. Let us cease from looking for a lowest common denominator. Rather let us look up to these great factors. Our spiritual arithmetic will improve... more souls will be won... the churches will grow and evil will be put on the defensive. I believe. Do you?

DOMANSTOWN, Yorkshire, England @—Twenty years ago Mrs. Elsie Horner lost a ring. Now she has received a letter containing \$450 in conscience money. The sender admitted taking the ring.

PORT TALBOT, Glamorgan, Wales @—Three youths who damaged two buses while trying to drive one away, appeared in court. They were discharged by the judge who said "I am glad to see you boys show the spirit of adventure which all British lads should have."

LUTON, England @—A cat in this Bedfordshire town, said to be 25 years old, has just had another "happy event." That makes 450 kittens to date.

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The Annual Meeting of Shareholders The Royal Bank of Canada

Voluntary Curb on Spending Would Speed Re-armament and Preserve our Free Economy

Physical controls useful but no substitute for a real attack on inflation. Non-military expenditures must be cut. President proposes four point anti-inflation programme

How the inflationary spiral can undermine the very basis of free Canadian democracy and the positive steps which should be taken now to meet this threat were emphasized by James Muir in his Presidential address at the annual meeting of shareholders of The Royal Bank of Canada.

The Korean war, said Mr. Muir, and the threat of war elsewhere, had posed new inflationary problems on an economy already fatigued by the long struggle against inflation since the close of World War II. "We no longer have that excess capacity in capital and manpower that made possible more guns and more butter in the early years of the last struggle."

"Full employment of men and resources is a symptom of economic strength in peacetime. It means however that any additional demands upon the economy can be met only by curtailing demand elsewhere."

"This curtailment of peacetime demand is the cost of wartime rearmament. This cost cannot be postponed. It must be met at once. And the fundamental problem of war economies is to ensure that only the least essential part of peacetime demand is thus curtailed."

"In this way we can reduce the dislocation of our economy caused by new armament expenditure. If we can reduce this dislocation we can increase the effectiveness of our war effort, and at the same time we can ensure that the freedom we aim to defend will in fact be preserved."

"What part of peacetime demand can most economically be sacrificed to the needs of defence?"

"There are broadly three areas of demand in which cut-backs might conceivably be made. They are: (1) the demand by consumers, especially for durable goods; (2) the demand by business for materials needed in the expansion of plant and equipment; and (3) the demand by government for non-military goods and services."

"Further inflation can be avoided if the money value of increased armament is offset by the reduced demand by consumers, business and government for non-military goods and services."

Controls Not Enough
"Once the limits of voluntary saving have been reached we are forced to rely on increased taxes, and on physical controls. Physical controls may operate indirectly through credit curbs or directly through government allocation of scarce materials combined in various degrees with price control and rationing."

"These physical controls are not, properly speaking, deflationary at all. From bitter experience after the last war, we know that physical controls conceal but do not directly reduce inflationary pressure. They attack the symptoms and leave the disease itself unchecked. Their proper use is to divert demand from scarce to relatively less scarce goods and services; or, in some cases, to provide a stop-gap until fiscal and monetary policy can reduce inflationary pressure through direct action."

"Physical controls have their use, especially in total war, but they are no substitute for devices that really attack inflation."

INCOME TAXES COULD BECOME TWO-EDGED SWORD

The most powerful weapon in the fight against inflation is generally supposed to be a stiff increase in the income tax. But the test of efficiency must be that any income tax increases shall penalize spending and reward saving.

Such a criterion would rule out drastic increases in corporate taxes, especially excess profits taxes, tend to encourage waste in management; and, in addition, excess profits taxes are arbitrary in their impact and inflationary in their final effect.

The personal income tax is itself a blunt instrument that may hit spenders and savers alike; nevertheless it may prove to be the only weapon with sufficient power to check spending, even though in the process some saving is hit as well.

To minimize these faults, and to ensure fairness, I would suggest that any increase in criterion tax burdens should recognize: (1) that an effective attack upon inflationary spending can only be made by broadening the tax base through lower personal exemptions; (2) that equity demands the vigorous reduction of income tax evasion, now all too apparent outside the fixed wage and salary group; (3) that equity and efficiency alike demand the exemption from income tax, wherever possible, of the bona fide saving of the public. In its simplest form, this might include the limited exemption of insurance premiums and of net purchases of savings bonds over the year.

I am aware that to implement the third suggestion may be work for a genius in political and social invention; but, if so, we should be looking for him. Otherwise, as tax rates rise, the blunt instrument of the income tax may become a dangerous and perverse weapon that penalizes saving even more than it penalizes spending.

The failure to exempt saving when income taxes are very high will not only reduce their power to prevent inflation in the short run, but may in the long run prove a positive danger to democracy itself. "The extremes of 'left' and 'right' in the world today are mediated in the great democracies by a strong middle class. It would be a tragedy indeed if democracy should perish because, in the supposed interest of its own defence, it liquidated this guardian of democratic institutions."

Direct controls, especially in the form of price control and rationing, should be measures of the last resort, and should be treated as stop-gap devices, not as substitutes for a true anti-inflationary policy.

"Perhaps we should not ignore the possibility that, having failed to realize their hopes of capitalist collapse through post-war depression, the communists are now trying to engineer capitalist collapse through the inflationary pressure of a continuous armaments boom. But once the required amount of armaments expansion has been determined, the inflationary problem created by that expansion must somehow be met."

General Manager Reports 2 Million Deposit Accounts

T. H. Atkinson, General Manager, in reviewing the 1950 Annual Report, stated that total assets of The Royal Bank of Canada now exceeded \$2,000,000, the highest point in the history of Canadian banking.

There had also been a continuing increase in the number of the bank's depositors, the number of accounts being 2,000,000, practically 1,000,000 more than in 1945. The number of accounts on our books in Canada has increased by about 60% or 46%, said Mr. Atkinson. An increase of \$92,800,000 in profits was noted by the General Manager. After providing for usual deductions, including a \$1,800,000, and dividend there was a carry-forward profit and loss account of \$3,725, bringing this account to \$2,000,000. From this total, \$2,000,000 has been transferred to the Reserve Fund, which stood at \$50,000,000.

New Branches

"During the year, 15 new branch offices were completed in addition to which extensive renovations were made in 93 other offices. Work commenced on an additional new branch buildings and extensive alteration projects which work had not been completed by the year's end. We opened 24 full-time branches and 1 sub-branch. We are operating 653 branches and sub-branches in Canada."

Aids To Traders

The General Manager reported another satisfactory year for the bank's branches in the Indies, Central and South America, and in other areas outside Canada. He noted particularly the important service formed by these branches facilitating and promoting trade between Canada and other countries. An important and necessary element in the development of a country's trade activities is the banking services and the knowledge which our branches abroad can and do contribute with our chain now numbering 61 offices outside of Canada, with officers who have been trained on the ground, speak the local language, and are fully conversant with local requirements. They are in an unrivalled position to assist Canadian exporters and importers and all those directly interested in the development of foreign commerce. Over the years the foreign service of the bank has offered excellent opportunities to young Canadians who have desired to make a career of international banking. Such opportunities still exist for young men of courage who have the background and preparation required to qualify for important posts in our foreign network branches.

Tribute To Staff

"The gratifying figures have before us today are due to a very large degree to the efficiency, enthusiasm, and aggressiveness of the members of the staff from junior clerk and it is fitting that I should say to them a formal but sincere 'thanks' for a job well done."

"In the ordinary day-to-day business of the bank our staff continued the happy tradition of friendliness always associated with The Royal Bank of Canada. For their friendly conduct, business as well as for their readiness to rise and meet emergencies, I express the thanks of management to our 12,000 staff members and as to those other employees of the bank who contribute so much to the efficiency of the organization."

"I can assure the Directors and shareholders that morale is high, and that whatever crises come upon us in the opening year, your staff will measure up."

economy. My reply is simple that, if this is true, then have no one to blame but ourselves. If Canadian capital is not playing a large enough part in developing our resources, expanding our industry, the reason must be not that Canadian capital is too meagre for the job, but that, in spite of the stakes, Canadian capital refuses to take the risk. From here let us see to it that our vision, our energy and our risk-taking spirit are not found wanting. "Actually a new spirit of enterprise is abroad in the land personally I have great faith in it. I believe this is the spirit appropriate to the true Canadian character. "It may not be too much to hope that Canada may become as it were, a working model of the free economy in action, a constant reminder to the world at large that the road to economic freedom is also the shortest and safest road to social progress."