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DAY AND NIGHT SERVICE

# The Daily News

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**TAXI TAXI**  
**537**  
DAY and NIGHT SERVICE  
Bill and Ken Nesbitt

## Espionage Ring in Dominion Is Uncovered

### Big United States Steel Strike Is Ended

#### Serious Labor Tie-up, Involving Workers to 700,000 Number, Ended

WASHINGTON (CP)—Final settlement of one of the troublesome United States steel strike has jarred the nation's stalled reconversion band wagon back into motion again. The log-jam in the steel industry broke when "Big Steel" as the U.S. corporation is known, made a deal with the C.I.O. steel workers, setting the broad pattern for the rest of the industry to settle with the union thus ending a strike which has tied up 700,000 workers.

The settlement includes an 18 per cent increase in pay as from January 21 with 9 1/4c from January 1. United States is allowed to increase the ceiling on steel products by \$5.

The men will return to work on Monday but it will be some time before conditions are back to normal and stood goods controls will be continued in this country and Canada indefinitely owing to short supplies.

### CANADIAN NATIONAL OFFICES ARE PICKETTED IN CAMPAIGN FOR ACTION IN SHIPBUILDING AT LOCAL YARD

"Mystery! Why Doesn't the C.N.R. Want Contracts?"

"No Ghost Town For Us!"

"Please, Mr. Vaughan, Take Us Into Your Confidence!"

Six members and sympathizers of the Prince Rupert "Jobs-For-All" Association carried these proclamations before the eyes of a somewhat startled citizenry this morning as they carried out their threat, made a week ago, to picket the Canadian National Railway downtown office for two hours today.

They say they want "contracts, not rumors" to replace the diminishing activity at the Prince Rupert Dry Dock and Shipyard and they threaten to keep up their picketing sessions, with strategic timing of course, until they get results.

"As punctually as if they had to punch a time clock, the six picketers showed up on front of the C.N.R. Third Avenue offices at 10 o'clock this morning after marching up the street from the Boiler-makers' Hall in the Metropole Building where the picket line formed. There was no interference although police watched the demonstration.

"Citizens who had learned earlier through the Daily News that the "Jobs-For-All" Association planned to take spectacular action today seemed somewhat startled when they saw the thing actually begin and the reactions of passersby ranged from downright derogatory condemnation to enthusiastic commendation.

"Miss J. R. Blakey, who is acting secretary of the "Jobs-For-All" Association, and who is "captain" of the picket line," assured the Daily News that the line would remain in front of the railway offices for two hours today and that the intermittent picketing will continue "until we get results."

"I don't know how long that will be but we plan to keep it up until these rumors are replaced by definite information of contracts at the dry dock," she said.

Arrival and departure of the Canadian National steamer Prince Rupert next week will see the picketers on the waterfront proclaiming their placard slogans to travellers.

Four of today's picketers were jobless. The other two were Mrs. Blakey, whose husband, J. R. Blakey is a shipyard worker, and Bruce Mickleburgh, perennial Labor-Progressive candidate and teacher at the King Edward elementary school.

Later in the morning, Mrs. Mickleburgh, who teaches at Booth Memorial High School, entered the picket line as "relief" taking over while the others went for coffee.

Mrs. Blakey, who acted as spokesman for the group, carried a slogan "Wartime Housing Won't Take Rumors For Rent." She said: "You get rumors from the dry dock, and rumors from Selective Service. Selective Service told one man to stick around because there might be something doing at the dry dock."

The latter was vehemently denied by Unemployment Insurance Officer E. V. Whiting when he was buttonholed by a Daily News reporter on the street.

Mr. Whiting exploded: "That is not true. I have repeatedly urged everybody who is seeking a job to take work where they can get it, and not stick around in the hope of the dry dock getting more contracts. I certainly never have offered false hope to any jobless man."

**Citizens' Reactions**

W. M. Watts, secretary of the Prince Rupert Industrial Development Committee, walked to the doorway of his clothing store and looked up the street where the picketers were walking back and forth in front of the railway offices.

He declined to comment.

A businessman who operates an institution a couple of doors away was less restrained. It was he who vowed, an outrage and should be stopped.

Several other citizens went to bat for the picketers, feeling that the publicity would be of great value to the city. None, however, volunteered to join the picket line.

Other slogans carried by the picketers were "Contracts—Not Rumors," and one showing a blank square with the legend "In This Square Is the Government's Post-War Plan."

The picketers were Mrs. J. R. Blakey, Jack Parker, president of the "Jobs-For-All" Association, Bill Greenwood, Alex McCuish, Fred Vickery, Norman Ricord, Bruce Mickleburgh and Mrs. Bruce Mickleburgh.

### Bulletins

**CHINESE CIVIL WAR**  
CHUNGKING — Communists charge nationalists with renewing the civil war in Manchuria by starting attacks at Mukden and elsewhere. Chungking witnessed its first demonstration against the Russians today as the turbulent Manchurian situation reached boiling point and China was given United States support to move more troops into the vast area.

**QUEEN MARY SAILS**  
NEW YORK — The British liner Queen Mary, carrying 1779 passengers, including 1310 military personnel, sailed for Southampton, England today after a four-day delay caused by the tugboat strike.

**LADY NELSON DUE**  
HALIFAX — After being delayed by storms in the Atlantic, the hospital ship Lady Nelson is due in port tonight with 500 returning service personnel on board.

**DORVAL TURNED OVER**  
MONTREAL — Famous Dorval airport near here was formally turned over yesterday by the Royal Air Force to the federal Department of Transport. Air Vice-Marshal Beamish handed over to Commander C. P. Edwards, deputy minister of transport.

**SINGAPORE TROUBLE**  
SINGAPORE — One Chinese was killed and 17 injured when police broke up a Communist meeting here yesterday on the fourth anniversary of the fall of Singapore.

### Vancouver Yards Get Union Jobs

VANCOUVER — Union Steamships Ltd. has awarded the contracts for conversion of two Castle class corvettes for use as coastal steamships. The Burrard shipyard gets one job and West Coast Shipbuilders the other.

### Soviet Blocks Elevation Of Cardinal-Designate

Josef Mindszenty, Who Opposed New Government, Denied Permission to Leave For Rome

### C.P.R. BUYS TWO SHIPS

Will Be Used in Restoring Trans-Pacific Service From Vancouver to Orient

MONTREAL — The Canadian Pacific Railway Co. announced today that Canadian Pacific Steamships has contracted with the British government to purchase the ships Empire Kitchener and Empire Captain "in order to restore at the earliest possible date direct steamship service from Vancouver and Victoria to ports in the Far East." Delivery is expected in April.

The Trans-Pacific service from Vancouver was suspended early in the war and the company lost heavily of the ships which it formerly had in that run.

### LUNATICS AT LARGE

After Start of Jamaica Mental Hospital Goes on Strike

KINGSTON, Jamaica — More than 100 inmates of the Kingston mental hospital escaped yesterday during a strike of the institution's attendants and nurses. Late last night, police had captured all but 15 of the inmates. The inmates of the mental hospital roamed the Kingston streets and robbed stores and private homes before their capture.

The strike was in-demand for the removal of the medical superintendent.

### Weather Forecast

Prince Rupert—Overcast with intermittent light rain today. Cloudy with scattered showers on Sunday. Fresh southeast winds, occasionally strong this afternoon and evening. Moderate southwest winds on Sunday. Extreme temperatures forecast for today were a maximum of 43 for today with a minimum of 38 degrees tonight.

### Local Tides

Sunday, February 17, 1946

High	2:26	21.2 feet
	14:24	22.2 feet
Low	8:20	5.3 feet
	20:42	2.1 feet

Due to late connection at Jasper, tonight's train, due from the East at 10:45, is reported three hours and twenty minutes late.

### Government Officials Involved in Charges; Commission to Probe

OTTAWA (CP)—The Associated Press reported today that twenty-two men were retained by the Royal Canadian Mounted Police in their dramatic round-up of suspects in connection with a newly-launched government investigation of espionage activities in the capital. The information is said authoritatively to have been connected with production of atomic energy and is said to have gone to the Russian embassy. No comment is forthcoming from the Russian mission.

### DETAILS OF INJURIES OF LOCAL FLIERS

Further report received today by local relatives reveals that Capt. Albert Mah sustained a fracture of the right femur and Kan Lee a fracture of the left knee cap and bad lacerations of the left ankle in a plane crash near Montreal in which they were involved on Thursday. Both are doing well in Montreal Victoria Hospital and it was suggested they might be out in a couple of weeks' time. The two well known local fliers were forced to land in fog while on the way from North Bay to Three Rivers with a twin-motored plane. A tone of their message suggested that they might have been fortunate that the accident was not even more serious.

### Pioneer Rupert Fisherman Dies

John Daniel O'Neill, a resident of Prince Rupert for the last 33 years, died in Prince Rupert General Hospital this morning after a lengthy illness. He was 68 years old. Mr. O'Neill was well known as a fisherman here since coming to the district in 1913. Deceased was born in Pictou, Nova Scotia, and was unmarried. There are no known relatives.

### CHARGE BRITISH-LED POLES ARE PEACE DANGER

LONDON — Russia told the United Nations today that 120,000 Polish troops under British command remain in Italy and they constitute "a possible threat to the peace, calm and order of the Yugoslav-Italian frontier."

The memorandum did not request action by the security council but it came a day after Britain had received from Poland a demand that Polish troops in Italy and Britain be returned to their homeland.

The British foreign office had estimated at 107,000 the number of Poles in Italy.

Meanwhile, the United States asked the council to settle the dispute over the Levant with a declaration expressing confidence that it would be negotiated promptly and that British and French troops would be withdrawn as soon as practicable. Syria and Lebanon have changed that these troops endanger the peace and, therefore, are subject to council action.

### JAPS MOVE TO CURB INFLATION

TOKYO — The Japanese government took its first major steps today to control the shaky economy of the beaten country ravaged by inflation and black markets. Three Imperial ordinances virtually froze bank accounts and required conversion of currency into new bank notes by March 7. It also restricted distribution of foodstuffs, to authorized channels. Individual Japanese will have limited salaries and restricted bank withdrawals as their only currency.

### Detention Not Completed Yet

An authoritative source said today that detention of suspects in Canada's first major spy probe has not finished and it is not centralized in Ottawa but spread through other parts of the country. This source said that the report of 22 persons having been detained was "mere speculation." He declined to give the exact number because it would "not be fair." Some would quite possibly be released after questioning while others would be further detained.

So far none of those taken into custody starting Friday have been released. All those taken are being brought to Ottawa where the two-man royal commission is already sitting in the investigation announced yesterday by Prime Minister King.

This source said it was possible an interim report would be made soon by the commissioners to clear the air of a welter of rumors that sprang up in the wake of Mr. King's announcement.

The investigation has been under way for some time and Friday's arrests were "just the start" of a climax.

The original source said that the suspects were not arrested but "detained for questioning."

There was no resistance from any of those taken into custody. At least the majority were Canadian and "not all of them" were employees of the Canadian government.

It was reported that at least one high official was involved with "big and little" civil servants.

At Toronto it was learned the investigation has been extended to that city.

At Washington State Department officials said they were aware in advance of mass arrests but would not say anything further.

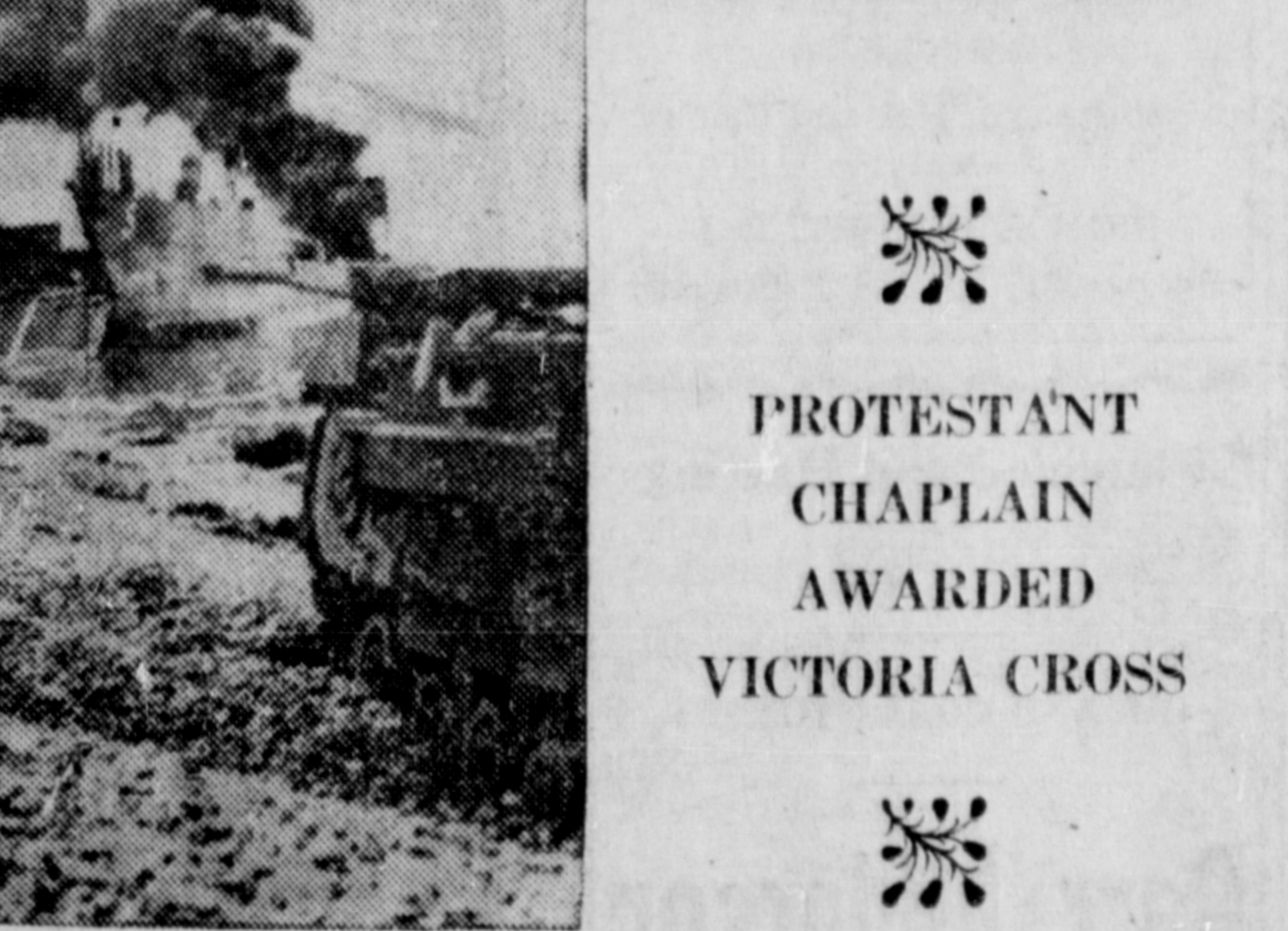
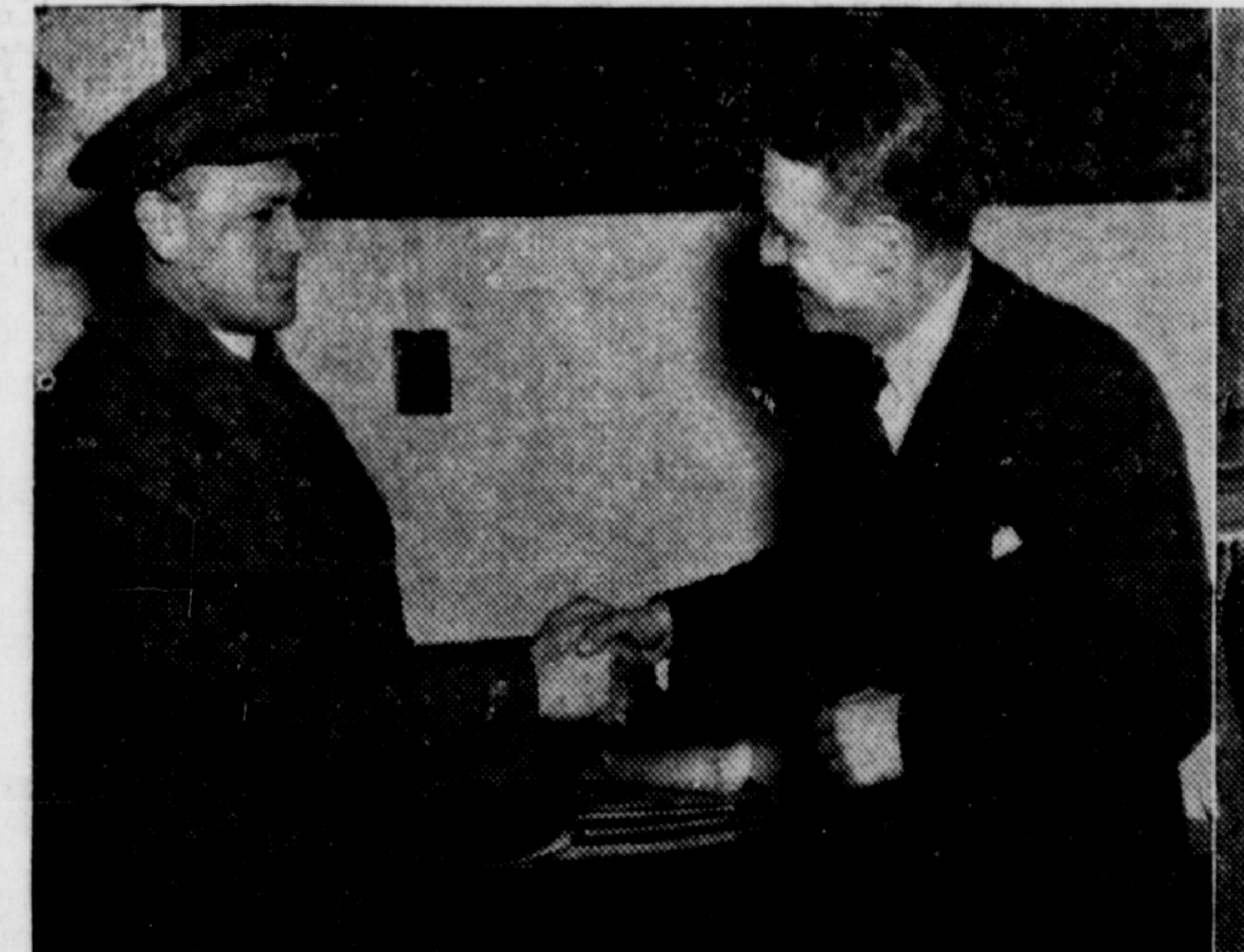
### CLOSED SHOP IS STUMBLING BLOCK

Explanation in Connection With Interpretation of Trades and Labor Report

A report of Thursday night's Trades and Labor Council meeting in the Daily News last night was interpreted to indicate that the unions in the current dispute with the local cold storage plants were out for conciliation of the whole existing agreement. As a matter of fact, it is explained, all that the union is asking is conciliation of the "closed shop" phase of the dispute which was the stumbling block of negotiations, the companies, rather than the union, insisting on conciliation in connection with the whole agreement.

### VETERAN NEWS MAN DIES IN VANCOUVER

VANCOUVER — Cecil Oscar Scott, 56, veteran newspaperman and business editor of the Vancouver Province, died in hospital here Friday after a ten-day illness. He was a brother of Sydney Scott, executive editor of the province. He started his newspaper career here in 1911 with the old News-Advertiser and later went to the Montreal Star and Vancouver Sun. He served overseas in the First World War, enlisting at the outbreak and winning his commission on the field in France. The funeral will be held Monday.



In the upper left picture H/Major John Wier Foote, of Madoc and Port Hope, Ont., 41-year-old Protestant padre to the Royal Hamilton Light Infantry, is shown shaking hands with Defence Minister Abbott as the Minister informed him of the award. This photograph was taken at the precise moment he learned for the first time that he was to receive the exalted decoration. The award recognizes his outstanding devotion and aid to the wounded Canadians littering the Dieppe beaches during

the August, 1942 raid. In the upper right H/Major Foote is shown with his proud wife as they relax at the Rockcliffe, Ottawa, home of their host, Dr. C. W. Sheridan. The lower photo shows a German version of the raid on Dieppe where H/Major Foote worked without cover from the rain of German fire to bring aid to the brave wounded Canadians whose torn bodies covered the beaches.

PROTESTANT CHAPLAIN AWARDED VICTORIA CROSS

(Canadian Army Photo)