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DAY AND NIGHT SERVICE

Bill and Ken Nesbitt ****

on counsel for the United house of representatives ittee charged with invesng un-American activities. in a report yesterday that is a "conspiracy" brewing mote communistic revoluthe United States through conomy-wrecking general

declared that seventeen

LLOWKNIFE

MONTON -- Construction tarted on a \$5,000,000 hydro ric power project for th wnife mining camp. There be an 800-foot dam in the river. Power will not be for delivery until 1948.

plication for Increase in flway Freight Rates Will Considered February 11

TAWA — The Board cation for a 30 per cent inin rates from January 8 tiation had opposed the ponement while the three provinces and four provinces had sought : nth deferment to pree case in opposition to

VAL VESSEL D BAD TRIP

ALIFAX — The Canadian abmarine auxiliary Sans arrived in port after a trip from Bermuda. Eight bers of the crew were inand the vessel sustained derable damage.

ohn D. Kearney, at Present avoy to Norway and Denark, is Named

ment of a High Commisr to Canada shortly.

Local Tides

day, December		28, 1946	
	4:36	18.4	feet
	16:07	19.3	feet
	10:17	9.4	feet
	22:44	5.1	feet

COLD IN B.C. polar air spreading northern and central ritish Columbia brought 30 How zero weather to Prince eorge and temperatures are falling rapidly over the

ent expected Saturday.



AFTER CATTLE STEAMER HIT BRIDE SHIP - The cattle steamer Stormont is shown, top, on its side in the River Mersey after it capsized following a collision with the S.S. Empire Brent, mostly war brides and babies bound for Canada, saw 210 head of cattle struggling in the river. Bottom photo shows river craft rescuing some of the floundering cattle. Many of the animals were swept away and drowned. All crew members of the Stormont were rescued.

TRANSITION PERIOD MAKES BIG the drug of the bruary 11. The Railway PROBLEMS FOR RAILWAY SYSTEM in temperature. Temperatures Westminster.

Traffic Decline and Increased Expenses Result | mums, Port Hardy 25, Massett | In Falling Net Revenue, Mr. Vaughan Reports

MONTREAL-After a war that left scarcely a Rupert 34. nation untouched, it was too much to expect that 1946, the first full year free of destruction, should see the world swing back to normal, says a review of the year 1946 by R. C. Vaughan, C.M.G., chairman

than 12 months. Indeed, the familiar words "back to normal" There can be no going back. The were the days of financial catastrophe and depression, a time of suspection and fear, when Hiter was expanding and laying his plans for world conquest, when Mussolini was at the height of his power and Japan was eating its way into China. No intelligent man can desire a return to a normality of that kind. What we are all groping minister in Norway and world are endeavouring to erect, irk, as Canada's first High through the meetings of the foroner to India was an- eign ministers and the sessions ed by Hon. Louis St. Laur- of the United Nations, is a new mister of external affairs. normality, based on enduring mention was made of an ap- good will and peace. In 1946 we to the post made made a start in the tremendous labor of mending the broken ha is expected to make its world; we tackled the problems of reconstruction, reconversion and rehabilitation. The year was full of misunderstandings, conflicts and frustrations; but we

> ways, the Canadian National 1945. system suffered a serious decline over 1945. An indication of what be shown by a comparison with with no improvepre-war levels. The cost of un-

> > CIVIC CENTRE

made a beginning.

METLAKATLA vs. MACEY'S

transition from total war to! treated railway ties, for example, total peace will take much longer increased by 93.3 per cent in 1946 over 1939; treated ties by 45.1 per cent, new rail by 23.1 have no significance today, per cent a ton; coal by 51.3 per cent; steel products by 19.2 per "normal" days between the wars | cent and lumber and forest products by 57.4 per cent. The average wage earned in 1946 showed an increase of 43 per cent over 1939. These increases in material costs and payroll expenses, have added over \$90,000,000 to our operating charges for the year 1946 as compared with 1939.

Revenue tons of freight moved in 1946 are estimated at 79,975,-000, as compared with 79,941,000 in the previous year. Notwithstanding this slight increase in tonnage, the gross freight revenues declined \$16,500,000, due to a substantial drop in the average haul and in the class of commodities transported.

Approximately 22,081,000 revenue passengers were carried during the year, a decrease of 27 per cent from the 1945 total of 30,370,680.

Operating revenues of the system have been estimated at \$399,100,000, a decrease of \$34,-In common with all other rail- 673,000, or eight per cent, from

These results emphasize the in net revenues in 1946. Operat- urgent necessity for an upward wage rates and higher unit traffic carried in Canada. On having been established by the consumer goods. Board in 1922. In the United |---States, the Interstate Commerce Commission has authorized increase in railroad freight rates equivalent to nearly

> During the past year, the demand for freight cars has been

Like Fluctuations Not Expected in Canada Since Cost of Living Items Have Been Under Ceilings QUADRUPLETS

'XMAS EVE

traffic accident in the

fog - shrouded downtown

district of New Westmin-

Christmas Day.

DOING WELL. What to Call Three Boys is The Question for Mr. and Mrs Henn of Baltimore

BALTIMORE - Quadruplets born in St. Agnes Hospital here Sunday night are reported by their physician-Dr. Boyer-to be doing splendidly. A name-Joan Mary, had been salected for the girl but Mr. and Mrs. Her are wondering what to call the

Jap Pfinces to . See Devastation

TOKYO (P) -Two imperial princes are scheduled to leave tomorrow for the earthquake and tidal wave devastated in Maillardville, nearby New area with instructions from the Emperor to inspect the damage and comfort the suf- Mrs. McKnight's husband, Hugh ferers. The death toll now is McKnight, died in hospital on placed at 1,108 with 2,542 injured and 162 missing.

THE WEATHER

Forecast cast with snow flurries Saturday. No charges have been laid. tonight and Saturday: mini-20, Prince Rupert 23; maximums, Port Hardy 33, Massett 34, Prince

Guests Flee and president, Canadian National Railways. The transition from total war to treated railway ties for example. Hotel Blaze

B. C. Hotel in Penticton Swept by Flames

PENTICTON (CP) - Fifty guests, some of whom were forced to escape by ladders and drain pipes from second storey rooms, escaped injury when fire swept the B.C. Hotel, a three storey structure, on Thursday.

Miss Pat Lehman, a chambermaid, was a heroine of the fire, rousing all the guests when the alarm sounded Many were sleeping after the holiday festivities.

The fire started in a washroom, and so far its origin has not been determined.

extremely heavy, particularly for box and refrigerator cars. At the same time, without the pressure of wartime necessity, combined with certain changes in the nature of commodities now transported by rail, the average tonnage per car has decreased Loading and unloading has slowed. A contributing facti having considerable effect is the gradual increase in the adoption of the five-day work week by industry, which, in effect places upon the railways the ing costs were affected by higher revision in rates on all freight burden of increased freight car ownership to handle an equal prices for materials, these costs behalf of its member companies, quantity of traffic. Heavy derepresenting an increase at the the Railway Association of mands were made upon us to cate of \$30,890,000 per annum Canada has made formal appli- move large quantities of grain cation to the Board of Trans- by rail, usually moved by water, has happened to costs of railway port Commissioners for author- as well as cement, lumber and peration and maintenance can ity to make a general advance other forest products, building in freight rates, the present level materials and miscellaneous

> Civic Centre Association NEW YEAR'S EVE FROLIC Tickets and Reservations available now at Civic Centre Office, Macey's, Kaien Hardware and W. F. Stone's

QUADRUPLE Many Killed in Plane Crashes CAR CRASH

SHANGHAI -- Sixty-two persons were killed and 19 injured in a series of four crashes of commercial aircraft while coming into the antiquated air field here from central China during dense fog over the Christmas holiday James Jones, a brother of Mrs. Helen Bryant, formerly of Smithers and

now of the Prince Rupert TRAIN CRASH four persons who are dead KILS THREE following a Christmas Eve

Canadian National Railways Tragedy in Saskatchewan Yesterday

CALDER, Sask .- Three mem-Mr. and Mrs. Jones, who live bers of the train crew were killed when a Canadian National Rail-Westminster, and Mrs. Mabel Mcways extra freight crashed into Knight were instantly killed. a waiting train here yesterday.

Draw Up Franchise

Police said that Jones' auto- VANCOUVER — Further pro- led by a smarth line in New COMBINED was in collision with a gress is being made by the city Vork and the Unitmobile was in collision with a gress is being made by the city York and Chicago wholesale MINISTRY truck driven by Thorsteinson, council towards granting of a butter markets, ranging from Prince Rupert, Queen Char- The car careened into a crowd twenty-year franchise to the 9c to 10c a pound. coming back lottes and North Coast-South- of bystanders, striking Mr. and British Columbia Electric Railern portion clear today, tonight Mrs. McKnight and Barr. Mrs. way Co. It will be considered by and Saturday. Winds light, be- McKnight's body was thrown the city council next week. A coming cloudy tonight and over- through a drug store window. detailed proposal for the pur-Winds light, becoming north- Mrs. Bryant sailed last night Columbia Electric Railway syseast (25) this afternoon, becom- on the Prince Rupert for New tem after 1950 is also being drawn up.

Bulletins

308 HOLIDAY DEATHS NEW YORK - Christmas holiday violent deaths in the United States totalled 308, traffic fatalities accounting for 244 deaths.

CONVICTED AS SPY OTTAWA-Durnford Smith, National Research Council engineer, was today convicted and sentenced to five years' imprisonment in penitentiary by County Court Judge A. G. McDougall on a charge of conspiring to communicate confidential information to Russia. Smith told the court: " know I am an innocent man.'

ONE STILL MISSING

MOUNT JOLI, Quebec-One woodsman, Florien Simard, is still missing and little hope is held of finding him alive. He was one of seven men who were aboard a plane which crashed in the St. Lawrence while crossing the river Monday night. The other six were rescued from ice floes in varying conditions of frostbite, exposure and exhaustion.

EXPLOSION AT SAULT SAULT STE. MARIE - A terrific blast, caused by molten slag pouring into snow at Algoma Steel Corporation plant, shook the city early today but there were no casualties and property damage was slight. The explosion occurred as a pot of hot slag tipped over while it was being taken from an open hearth.

NEW ORLEANS WRECK NEW ORLEANS - The Illinois Central Railroad's prize train — the all Pullman streamlined Panama Limited, enroute from Chicago to New Orleans, was wrecked today and it is reported forty passengers were injured. Five or six cars of the 13.car train derailed 31 miles northwest of here. Cause was not immediately known but it may have been a broken rail or faulty coupling.

U.S. WINS DAVIS CUP MELBOURNE-Ted Schroder

and Jack Kramer won the Davis Cup, symbolic of world tennis supremacy, for the United States today, breezing through Australia's doubles team, Jack Bromwich and Adrian Quist, in straight sets 6-2, 7-5, 6-4.

LITTLE GIRL MISSING

ST. CATHERINES, Ont. -Nine-year-old Mario Rusnak was sought today by hundreds of aroused citizens and police. She has been missing for four nights. There are few clues to aid the searchers except a report that she was last seen talking to a "tall, slim stranger" Monday night after having been sent out on an errand She is one of four children of Mr. and Mrs. John Rasnuk.

QUEBEC-An oil tank. containing a million gallons of fuel oil, exploded in the northeastern Chicoutimi district today but first reports said there were no casualties. Noise of the blast could be heard several miles away. Oil

five inches deep in some places

streets of Port Alfred.

OIL TANK EXPLODES

QUESTION OF DAIREN WASHINGTON - Senator Tom Stewart has urged a thorough investigation into the verbal ultimatum which forced an unarmed United States Navy ship to leave Dairen, Russian-controlled Nazi port. Meantime, the State Department says that the Russian authorities had the right

to order the ship out after 48

hours. Russia intends to re-

tain full control of Dairen, it

was reported today.

FORMER PREMIER DIES SAINT JOHN-Hon. J. B. M. Baxter, 78, chief justice of New Brunswick and former Premier, died at his home early today after a long period of failing health.

Sudden Tumble NEW WAVE OF To Be Probed ROBBERIES ON By Washington

OTTAWA (CP) -Prices in Canada are not likely to be subject to sharp fluctuations such as appeared in some costof-living items in United cials report. They say there is no parallel in the dispatcher to hospital for Canada to the situation in the United States because cost-of-living items in this country have been kept under the ceiling.

Prices for many cost-of- to the total of about \$100 were living items tumbled sud- stolen. denly yesterday in major cities the sonohout the Unit-

four cents today, however. Egg prices likewise dropped in many places and clothing prices were slashed by one-third to one-half chase by the city of the British in many big department stores ated British ministry of defence that the Retailers' Association | minister will be Rt. Hon. A. V. in February.

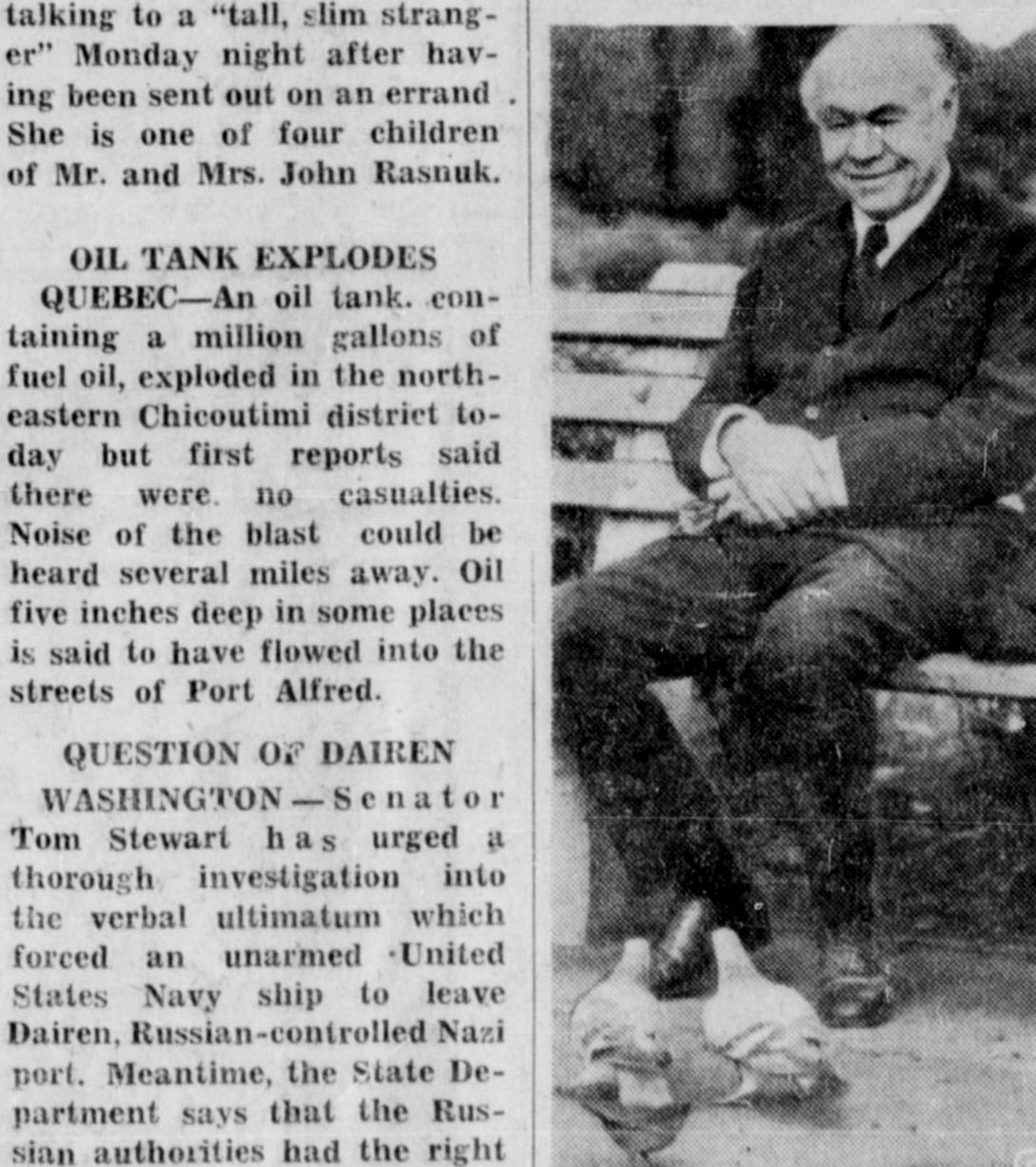
cities today carried full page head. advertisements by department stores announcing full-scale bargain displays.

In Washington, men's white shirts dropped from \$3.98 to \$1.98, and nylon stockings were selling at 72 cents a pair.

In Chicago clothing sales have been advertised with claimed price reductions on women's coats from their former prices of \$100 and \$139, down to \$68.

At Washington Secretary o Agriculture Anderson today ordered an investigation into the price break in New York butter prices. Consumers complained that the market had been manipulated to prevent a drop in

producer prices.



BEAVERBROOK IN U.S .- Enjoying the attention he appears to be getting from an York, is Lord Beaverbrook, former British minister of war production. Lord Beaverbrook, a Canadian by birth, is one of England's leading news publishers.

Robbery of Taxi Dispatcher Signal For Start of Another Crime Wave

VANCOUVER (P)-There have been no new developments in the investigation of the latest armed robbery here Sunday when a masked bandit took \$120 from Edward Scosky in a mid-town taxi office, then slugging him States, prices board offi- with a butt of a gun and inflicting head wounds that sent

The hold-up, first in a week following a police drive which was climaxed by a number of arrests, was accompaied by a new outbreak of assaults, robberies and burglaries in which NEW YORK (CP) - cash, jewelry and other articles

Co-ordination of British Defence Arms to Become Effective January 1

LONDON-The new co-ordinin major cities. It is reported will take over January 1. The is looking for pronounced gen- Alexander with Sir Henry Wileral reductions in food prices son-Smith as undersecretary. Navy, army and air departments Newspapers in most American will be brought under the one

Island Province Is Latest to Accept Dominion's Financial Proposals

CHARLOTTETOWN - Premier J. Walter Jones of Prince Edward Island announced last night that his government had accepted in principle new Dominion government proposals for an agreement whereby the island province will receive \$2,000,000 annually from the federal treasury in lieu of personal and corporation income tax privileges for 'a period of years. This means that Prince Edward Island will receive \$117,000 more next year from Ottawa than it did last year.

Brutality In

Grim Reports of Treatment Of French Civilians-Revolt Is Now in Hand

HANOI (P) - Brutal atrocities are charged in connection with the slaying of French civilians as unrest continues over French rule of French Ingo-China.

Announcement of the slaying of 29 civilians asserted that the bodies had been brutally mutilated and four had, apparently, been burned to death. Ears were cut from some while other bodies were found with daggers planted in the eyes.

Meanwhile French military authorities report that French English sparrow and the pig- troops have the situation in eons in Central Park, New hand in all towns of northern Indo-China where fighting has occurred and mopping-up operations are under way in Hanoi.

> More than 200 French soldiers were reported killed or wounded in earlier fighting.

> > STEELING ST.