- C. McINTYRE Stand: Rupert Tobacco Store (across from Ormes) DAY AND NIGHT SERVICE Published at Canada's Most Strategic Pacific Port

PRINCE RUPERT, B.C. MONDAY, MARCH 25, 1946

More Is Due

On Spy Case

Expected This Week in

future conduct of the case.

ment. It all hinges on the open-

ing in Ottawa Thursday of the

preliminary hearing of Captain

Gordon Lunan on seven charges

of conspiracy to gather and

communicate secret and confi-

dential information to Moscow.

Burgomaster of Oberweir

And His Confederate Are

weier, Bayaria.

drawings, calculations."

TERRACE—Sawmill operators of this district have definitt

The big obstacle to the mills taking the business has been

offers of business to supply over a million board feet of hem-

lock per month to the Chinese market. The material will be

the lack of assembly yard facilities on the coast. The local

lumber men have been working on assembly yard projects

for some months but have found lumber exporters in the

south have practically refused to open facilities which would

understood that preliminary negotiations are under way which

will make it possible to use the Port Edward wharf or some

Other interests are now considering the matter and it is

railway ties, side lumber cut from these ties, etc.

make the business available along this line.

place close at hand for an assembly yard.

Further Developments Are

DAY and NIGHT SERVICE Bill and Ken Nesbitt

TAXI

TAXI

Herbert Morrison Are erful About Economic

Prime Minister Atoptimistic about Britain's overy in a year, barring trial difficulties at home disturbances abroad. Mr. edid not amplify his refero possible disturbances

ident of Britain's Board little Her-Morrison, declared last that the people of Britain ing to raise their standard ng. But he said this may a deficit in trade this Mr. Morrison added that 250,000,000 loan from Cannd the \$3,750,000,000 loan the United States-if apd-will help to offset the

itomobile Crazy" uth's Wild Ride

NCOUVER-The wild ride 18-year-old youth with a ambulance ended sudon Pattullo Bridge at New minster Saturday night a crash into a cement The youth careened ch city streets with siren ming and reaching a speed er 60 miles per hour. The of the ambulance said the ad attempted to get a job e ambulance as a helper.

LOREN FROM TAIN ARRIVE

ia Docks at Halifax h Service Men's De-

at Halifax today when nia docked. There are are all soldiers' depend-A C.N.R. special train will nem to almost every sec. 2go. of the Dominion.

eeted With Promises of operation and Threats

DELHI - The British net mission charged with task of negotiating selfment for India has arn New Delhi. Indian poleaders greeted the memis ranging from threats of war to promises of full co-

fore the mission left Lon-Prime Minister Attlee told touse of Commons that Inhas the right to choose full pendence. However, Mr. Attexpressed a hope that India d remain within the Britcommounwealth.

mission consists of Lord for India: Sir Stafford ps and Rt. Hon. A. V. Alex-

minion Conservative Party culd Have General Contest ery Five Years

TAWA - The Progressive



VOL. XXXV No.

R.C.N., chief of naval staff of the Royal Canadian Navy, was awarded the Legion of Merit, degree of commander by Fleet Admiral Chester W. Nimitz (left), U.S.N., chief of U.S. naval operations, at a ceremony in the admiral's quarters, naval observatory, Washington, D.C. Admiral Reid was cited for outstanding service to the government of the United States while serving as a member of the joint board of defense, as flag officer, Newfoundland force, and as naval member of the Canadian joint staff mission.

MER WEREDOW

COMMENT ILLEGAL

Judge Rene Theberg, at the

preliminary trial of Fred Rose,

Labor-Progressive member for

Montreal, charged with espion-

age conspiracy, warned today

that it was illegal to comment

on the case. He was referring

particularly to a pamphlet

which had been circulated in

Montreal and had been drawn

to his attention. The pam-

phlet, put out by the Labor-

Progressive party, was headed

"On Guard for Liberty. Free-

dom of speech is being denied."

The judge warned: "All those

who make comment on the

guilt or innocence of a person

before court will be treated

according to provisions of law."

COL. WEIR RETIRES

J. W. Weir, formerly with the

Seaforth Highlanders, is re-

tiring from the Canadian

VATICAN LAUDS STALIN

ROME - The Observatore

Romano, official organ of the

Vatican today approved

the sentimnts of peace as ex-

pressed by Generalissimo Stal-

in of Russia. It was not Chris-

tian to question Stalin's in-

tentions in making the state-

ment, the Roman Catholic

BATTLE NEAR MUKDEN

MUKDEN-A pitched battle

between Nationalist govern-

ment and Communist forces

SMOKE FATERS WIN

defeated New Westminster

Royals 3 to 2 here Saturday

night to even the best-of-five

British Columbia senior hock-

ey finals at one win each.

TRAIL-Trail Smoke Eaters

is raging near Nanking.

newspaper said.

VANCOUVER - Lieut.-Col.

MONTREAL - Presiding

Victoria Willing to Take DEADLOCK OVER Highway says Delegate

However. Definite Settlement of Ownership Is First Required

Both Premier John Hart and Public Works Minister Herbert Anscomb are "definitely interested" in maintaining the Prince Rupert Highway but, until effort to break a deadlock over final settlement of ownership of the road is com- how best to feed the hungry SENTENCED peoples of the world. The delepleted, the province cannot take responsibility for jurisdiction of it.

This was learned in an interview with the government leads of children to arrive in ers by George MacAdams of Terda with the wives of Can- race who arrived in the city this servicemen from overseas morning from Victoria after making representations on beof 239 women and 193 half of the Associated Boards ren of which 32 wives and of Trade of Northern B.C. in alldren are dependents of regard to a reported repudiation bers of the R.C.A.F. The of responsibility for the road by Hon. Mr. Anscomb two weeks

> Mr. MacAdams will give complete report on his interviews to the executive of the Prince Rupert Chamber of Commerce late this afternoon.

Mr. MacAdams told the Daily News this morning that the provincial government, contrary to earlier reports, is willing to take over the federal sections of the highway and maintain them, according to information he had received in Victoria but, unti clear title to the road was turned over to the province, the responsibility was still a matte: for the federal government.

"I have a definite promise both from Mr. Hart and Mr. Anscomb that the provincial government is willing to take over the highway when they are given clear title to it by the federal authorities," he said. "Mr. Hart told me that he had taken the matter up with the federal government when he was in Ottawa for the Dominion-Provincial conference last fall but had

got no satisfaction. "Until the province is given for Towner, secretary of clear title," Mr. MacAdams said, "Mr. Hart and Mr. Anscomb view the situation as one which purely involves the federal govern-

> He added that he had been informed that the attitude in the north, which resulted in a flood of telegrams to Victoria and Mr. MacAdams' visit, was based on a misunderstanding of the real situation.

Weather Forecast

HOLLYWOOD WINS HOLLYWOOD --- Hollywood Prince Rupert -- Cloudy with Wolves downed Les Angeles will to open this showers of rain and occasional ay, will ask that general hail; south winds, 20 to 30 miles Monarchs 4 to 2 here Saturv five held on a fixed date per hour. Tuesday—Cloudy, beday night to even the best-ofy five years. Also to be sug- coming clear after daybreak; five southern division Pacific ed will be a special commit- northwest wind, 20 to 30 miles Coast Hockey League final at to study compulsory voting. per hour, decreasing to 10 to 15 two games each. The deciding riction of election cam- miles in the evening. Minimum maxigame will be played Tuesday n expenses will also be pro- temperature tonight, 35; maxinight, winners to meet Vancouver. mum Tuesday, 43.

FEEDING WORLD

UNRRA Delegates Meeting In Closed Session at Atlantic City

ing in Atlantic City, are holding Research Council. closed committee meetings in an by Director General Herbert TO DEATH Lehman that they fix a program whereby all nations would share food in proportion to their rate of consumption in the period

Espionage lestimony

Young Woman Takes Stand Against Fred Rose-Gouzenko Continues Evidence About Messages

MONTREAL (P)—Miss Kathleen charges in connection with alleged espionage activities, testified today at the preliminary hearing of Fred Rose, M.P., that, as a stenographer in the British High Commissioner's office at Ottawa, she gave information information to Russia. obtained in her work to Rose early in 1939 and also to Eric Adam in 1942 or 1943.

Miss Wilsher said she was appointed to her position in 1930 and she first met Rose, Labor- embassy in Ottawa, from an in-Progressive member of Parlia ment for Montreal-Cartier, in 1935 in a study group on economics, socialism and communism. "He asked me to give him any information that might be helpful to the policies of the Communist Party in Canada, she testified.

Alleged activity of Rose as a recruiting agent for Russian espionage was mentioned in a telegram to intelligence headquarters in Moscow from the Sovie. military attache at Ottawa pro- ust 14, 1945, sought information duced as evidence earlier at to- about "method and technological day's session of the preliminary processes of "VV" (used in depth hearing of Rose who is charged bombs) and powders."

MIHAILOVIC IS ARRESTED

Chetnik Leader in YugoSlavia Taken After Two-Year Hunt

PRICE FIVE CENTS

Espionage Conspiracy LONDON - The Belgrade radio announces that General OTTAWA-Two developments Draja Mihailovic has been held are expected this week in Canfor the past ten days by Yugoaca's espionage case. One is the Slavia authorities. The Chetnik issuance of the third interim releader, accused as a collaboracort compiled by the royal comtionist by the Marshal Tito remission investigating the activigime, has been hunted in the ties of Soviet agents in Canada. hills for nearly two years. Mar-This may be a round-un report shal Tito has said that he will of the entire investigationg, rebe charged with treason. vealing officially for the first ime the names of the five still Europe's Interest-

detained in connection with the ase and recommendations for Although the second development is definitely on the books, what may stem from it is an Move Here unknown quantity at this mo-

Immigration Office Among Notable Passengers Reaching Montreal

MONTREAL - "Never has there been such interest shown in Canada as there is now by the European people," G. G. Documentary evidence from Congdon, commissioner of Eurothe Russian embassy shows that pean immigration for Canada in Moscow asked its Canadian London, told reporters on his agents to pick up information arrival in Montreal yesterday. on subjects ranging from poli- In England for more than five tics to the atomic bomb. Also years, Mr. Congdon is going to ATLANTIC CITY-United Na- asked for were data on Cana- Ottawa to discuss problems retions Relief and Rehabilitation dian explosives, radio and radar lating to the future policy and Administration members, meet- and the work of the National plans of the Canadian governmer; with regard to immigra-

> "Thousands of people in almost every country in Europe want to come to live in Canada," Mr. Congdon said. "Canadian servicemen have been Canada's best salesmen. It has been from them that the European people have come to know Condemned by R.C.A.F. Court | more about the Dominion, its beauty, how we live and the AURICH, Germany (P) - A great opportunities there are Royal Canadian Air Force war here and now want to make their home here."

> crimes court today sentenced both Wilhelm Junge and Johann However, it would be years be-Schumacher to death by shootfore immigrants would be able ing for the murder of an un- to come to Canada, Mr. Langnamed prisoner of war at Oberdon stated. No general movement could take place until the Sentence followed the convic- transportation problem is eased ion of Junge, former burgomas- and travel conditions return to

ter and Nazi party leader of normal. Oberweier, and Schumacher, Before all the Canadian servpoliceman-soldier of the town, ice men and their dependents on charges of being concerned were brought to Canada it will Wilsher, already faced with in the killing of the Canadian be almost year-end. Then there in July, 1944, after the flier had are the thousands of Canadians parachuted from his blazing in Great Britain and those who were stranded in a great many of the other European countries cards were invented in the 12th during the war still waiting to century. with unlawfully communicating return home as well as thousands of industrialists and gov-The telegram was described by

> Ivor Gouzenko in the witness be coming to Canada. box as a reply to a previous tele-"Still another problem and gram to Col. Zaboutin, former perhaps the greatest standing military attache of the Russian in way of immigrants coming to Canada," he added, "is that of spector of First Intelligence financial exchange. No one is Headquarters in Moscow. The allowed to take money out of message requested information any of the European countries. on method and "technological" until the normal prewar ex-1 production of munitions and exchange of currency returns no one will be able to go to an-A telegram from Moscow to other country unless he has a Zaboutin dated August 22, 1945, bank account or other assets alread: "Take measures to organready established in it."

ernment officials wno would also

ize the obtaining of documen-Mr. Congdon, accompanied by tary materials of the atmoic Mrs. Congdon, arrived in Halibomb, the technological process, fax on Friday on the Aquitania among more than 100 civilians. including empire notables, dig-Another telegram dated Augnitaries, scientists, government officials and industrialists, and travelled to Montreal on a Canadian National Railways boat

> Many Notables Among Passengers

Terrace Hemlock Exporters May Ship Among the other passengers To China Market Thru Pt. Edward Dock who arrived at Montreal were Viscountess Boursdale, who will make a six-month visit to the United States; Ida Haendal, violinist, who will give concerts at Carnegie Hall during the next two months accompanied by her father, Nathan Haendal, an artist, descendants' of the famous composer of the same name who was musical author of "Hansel and Gretel": N. J. Grant. director of atomic research for the British government, and W. G. Klonok of the Scoppony Television Company, London.

Soviet Has Started Complete Withdrawal from Persian Soil

Eleventh-Hour Break In Impasse On Eve of

nounced that Russian troops are withdrawing from

oscow's words-nothing unforseen happens. Just twenty-four hours earlier the Russians had stated that Red Army troops would*

These Moscow statements came on the eve of the convening of evacuation of Soviet forces from the United Nations Security Iran had commenced. Council in New York. U.N.O. officials had been hoping for an eleventh-hour break in the dispute between Iran and Russia. At the first Security Council meeting in London, Russia sucin order to carry on direct negotiations.

UNO Objectives Are Clarified

NEW YORK-The secretarygeneral of the UNO, Trygve Lie, has clarified the main objectives of the United Nations Organization. Lie asserts that the chief purpose of the UNO is to prevent argument among the big powers from flaring into armed conflict.

BY IRANIAN

written by an attache of the ernor Thomas E. Dewey. Iranian embassy in London, Ah Hamzavi. It concerns Iran's diplomatic relations with the Allies since 1941 when British and Russian troops occupied Iran to prevent German sabotage and espionage. The author makes this charge: "Interferences by Soviet military and civilian authorities in northern Iran have been constant, methodical and deliberate since 1944 when Russia was refused oil

The Chinese believe playing

concessions."

United Nations Security Council Session

NEW YORK (CP)—The Moscow radio has anan. The broadcast added that all Red Army forces be out of Iran with five or six weeks if—in

leave Manchuria by April 30. Tehran later today confirmed

Commencement of consideration of the Iranian situation, in view of these latest developments, was accordingly postponed as the U.N.O. security council session was opened toceeded in delaying prolonged day by Secretary of State James discussion of the clash with Iran Byrnes who stated that it was desirable to settle disputes without resort to the security council but also warned that no nation had the right to take the

the Russian announcement that

law into its own hands. Clearing international skies brought hope that the first North American meeting of the U. N. O. security council would not have to face the crisis threatened by the Iranian situation. The belated Russian reports of fulfilment of the pact with British and Americans to move out of Iran brought hope that council discussion of the situation might be averted or

postponed. President Truman expected to attend the opening of the council at 2:30 this afternoon but he was unable to do so on account of pressure of business at Wash-LONDON-An Iranian official ington and sent a message inhas published a book containing stead. The message was read by a strongly worded accusation Secretary of State Byrnes. There against Russia. The book was was also a state welcome by Gov-

FIRE DESTROYS DUNCAN SCHOOL. \$50,000 DAMAGE

DUNCAN, Vancouver Island -A \$50,000 fire destroyed the Duncan Consolidated High School during the night. After firemen had fought the blaze for five hours all that remained of the building at 2 o'clock this morning were smouldering ruins. A high wind made fighting of the fire difficult The school was built four years



MEXICO BECKONS WAR CORRESPONDENTS - With Latin America beckoning, Margaret Ecker and Robert Francis, husband-and-wife team of war correspondents, have returned to Vancouver, B.C., after three years' duty overseas. For the time being they will have a rest, set up a "pied a terre" home in West Vancouver, study Spanish every morning at the University of British Columbia, and settle into a new career of radio commentaries and free-lance writing for eastern Canada and United States newspapers and magazines. After that, with their dog, Folly, they're off for Mexico and points south . . . Europe again, perhaps.