

Britain May Cancel Free Medical Services

Labor Government To Call Snap Election?

LONDON (CP)—A reliable informant said yesterday that Britain's Labor government may have to consider doing away with free medical services if next month's dollar sterling talks in Washington fail. The informant, close to the government, said that Labor leaders were awaiting the outcome of the talks before deciding whether to call a quick election this year or carry on until the end of the five-year term next July.

ADMIRATION FOR BRITAIN

R. C. Vaughan Stresses Importance of Solving British Problems

MONTREAL—"The railroad world will admire the remarkable way in which the British railways have restored normal operations after the tremendous damage and dislocation of ser-

vice R. C. Vaughan, C.M.G., chairman and president of Canadian National Railways on his return here yesterday from a visit overseas.

The transportation problems over there are not dissimilar to those in Canada, according to Mr. Vaughan, the British railways are experiencing difficulty in obtaining new equipment and they have not been able to do as much as they want in the way of modernizing passenger equipment.

"Conditions in Europe," said Mr. Vaughan, "are, of course, dependent upon the relationship between the currencies of the various nations, especially to the dollar, and if the extremely difficult problem of monetary stabilization could be solved most of the difficulties facing not only Europe but other countries as well would also be solved. The remarkable way in which Britishers and Europeans alike are rehabilitating their countries from the devastation of war proves their willingness and ability to work and the high plane to which individual and national effort has returned Europeans are not the perpetrators but the helpless victims of economic influences that, even though they be historical or inevitable, must be removed before full recovery can be achieved. Postponement of that recovery inevitably means postponement of world prosperity and security."

"Wherever the Canadian National Railways has offices I found them to be active and efficient in serving the interests of the company and of Canada," he said.

Mr. Vaughan was accompanied by Mrs. Vaughan and, while in London, they attended Their Majesties' garden party at Buckingham Palace. On their tour overseas they visited Southampton, Antwerp, Brussels, Rotterdam, Paris, Liverpool, Edinburgh and Glasgow.

British Gov't Cutting Down

LONDON (CP)—The British government has ordered an overall cut in government spending by at least \$600,000,000 a year, it was disclosed today.

This order by the treasury, described as "heavy pressure to make all possible economies," came on the eve of dollar crisis talks in Washington.

It is understood that a five percent reduction in estimates for next April's budget is the target set but it is hoped that some departments can do even better.

Some civil servants, it is stated, will lose their jobs.

Might Use Warehouse

Suggested That Alaska Steamship Co. Might Store Pulp Here

Prince Rupert Chamber of Commerce is working on another angle in the hope that the great warehouse on the local waterfront, which was erected by the United States Army during the war, may be saved from demolition.

Alaska Steamship Co. is reported to have signified its interest in using the port of Prince Rupert in connection with the shipment of pulp from mills which are being projected for such points as Ketchikan. Substantial storage facilities would be required.

The Chamber is now in touch with Alaska Steamship officials and, if their interest is confirmed, the Chamber would seek to have War Assets Corporation further defer disposal of the building by demolition.

Recently, the Chamber received an ultimatum from the federal government that, unless some use could be found for the building, there would be no alternative but to demolish it. The same edict was made in connection with the administration building but, since then, there has been a revival of interest in its purchase for useful purposes.

C.N.R. Gets Ocean Dock

Also Cold Storage Plant Which Was Installed By U.S. During War

Official notification has been received at Canadian National Railways offices here of the transfer by War Assets Corporation to the railway company of the western section of the ocean dock here which was built during the war by the United States Army.

Also transferred to the railway company is the cold storage plant adjoining the west end of the ocean dock which was another United States war installation. It is believed that this cold storage plant may be utilized by the railway in connection with transshipping of perishable products through here to and from Alaska.

The extension of the ocean dock thus acquired by the railway company is 400 feet, the total length being 1240 feet.

The cold storage plant has capacity of 83,716 cubic feet.

TODAY'S BASEBALL

Chicago 4, Brooklyn 0

The Muir glacier in Alaska discharges some 200,000,000 cubic feet of ice daily into Glacier Bay.

The first publication to be issued under the title of "magazine" was The Gentleman's Magazine, published in 1731 in England.

Right Ahead," Says Chief of New Hotel

Chief of New Hotel... For This City... Coming Immediately to Perfect Fine Hostelry On Second Avenue... Prince Rupert as soon as I can get back to and make arrangements for sending Frank Kafel, dynamic financier of Toronto yesterday afternoon as he personally inspected 300 by 120-foot site overlooking the

TWO DEAD IN CRASH

TORONTO (CP)—Two Royal Canadian Navy fighter planes collided while practising formation flying over Malton airport yesterday and both pilots died in the wreckage of single-engine Seafires, part of a formation of eight from a naval air base at Dartmouth, Nova Scotia. They were practising formation flying and intended to thrill crowds at the Canadian National Exhibition Friday.

Peace River Honey At Vancouver Fair

VANCOUVER—Emphasizing the provincial character of the Pacific National Exhibition, Dawson Creek in the Peace River Block has two entries in the honey division of the P.N.E. Horticultural Show. G. T. Graham and H. B. Gartland of Dawson Creek have both entered their products in two divisions of the honey class of the P.N.E. which opens in Vancouver August 24th.

THIRD AVENUE PROPERTY SOLD

Fowle & Ruttie, local fur dealers, have purchased the building on Third Avenue which they occupy from Don Brown, it is announced. The deal was transacted during the past week. Frontage is 25 feet on Third Avenue.

CHURCHILL HAS COLD

NICE, France (CP)—Former Prime Minister Winston Churchill is suffering from a cold caught while taking a dip in the Mediterranean, his secretary said today.

Although earlier reports said that the wartime Prime Minister was bedridden, they stemmed from the fact that it was early morning and Churchill does not rise early.

"Winnie" is staying at the villa of Lord Beaverbrook, Canadian-born British publisher, near Nice.

THE WEATHER

Synopsis: Though there has been a tendency towards clearing conditions in the northern portion of the province cloudy skies still persist over the major portion of British Columbia. For today and tomorrow no marked change is expected in the weather situation over the province. Daytime temperatures will range through the sixties and low seventies along the coast and the seventies and low eighties in the interior.

Forecast

North Coast Region—Sunny today and tomorrow. Little change in temperature. Wind light. Lows tonight and highs tomorrow—At Port Hardy 50 and 65, Masset 50 and 60, Prince Rupert 48 and 63.

Chiang In Chungking

Would Foil Secret Agreements Between War Lords and Communists

CANTON (CP)—Generalissimo Chiang Kai Shek flew yesterday to Chungking in an apparent attempt to foil any secret agreements that might be made between the war lords of Szechwan and the Communists.

The flight was apparently one of great urgency as the generalissimo postponed a meeting of the Kuomintang party's emergency council in order to make it.

Rumors here are that Chiang Kai Shek wishes to resign.

General Pai Chung-Hsi, central China commander, announced that his counter-offensive had rolled to two new victories over the Communists on both the eastern and western flanks of Henyang.

This is the Human defence bastion 265 miles north of Canton on the Canton-Hankow railway.

FIGHT TO FINISH: Chiang appealed today to Nationalist China for a finish fight against the "aggression of the Communist International."

The Reds answered with a new push on uneasy Canton.

The Chinese Reds have unmasked themselves as international agents, said Chiang. He saw their power waning as a "strong arrow reaching the end of its flight." But he also seemed to see the end of Canton as his government's refugee capital. For he said: "Today Chungking will again become the centre of a fight against aggression."

The new Communist drive was unleashed by the famed one-eyed general, Liu Po-Cheng, in the southwest corner of Kiangsi Province. It threatened three towns near Kwantung Province border, all within a 140-mile arc of northeast Canton.

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Cabinet Changes

Two Ministers From Quebec Take Bench Appointments

OTTAWA—Two cabinet changes were announced yesterday by Prime Minister L. S. St. Laurent. Postmaster-General Ernest Bertrand, appointed to the Court of King's Bench of Quebec, is succeeded by Edouard Rinfret of Montreal-Outremont. Hon. Joseph Jean, Solicitor-General, appointed to the Supreme Court, is succeeded by Hugues Lapointe of Lotbiniere, son of the late Rt. Hon. Ernest Lapointe.

WOODCOCK TO MEET SAVOLD

MANCHESTER, England (CP)—A fight between the British heavyweight boxing champion, Bruce Woodcock, and Lee Savold of Paterson, New Jersey, will be held "fairly soon" now, according to Manager Solomons. Woodcock resumes his training today.

YOUNG SWIMMER BRITAIN'S TOAST

DOVER, England (CP)—Eighteen year old Philip Mickman was the toast of Britain last night for his dogged battle in becoming the youngest swimmer to conquer the English Channel. Mickman's swim across 20 water miles took 23 hours and 48 minutes, the slowest time ever from the French side and the second slowest in history in either direction.



U.S. DEFENCE CHIEF WELCOMED IN OTTAWA—The Hon. Louis Johnson, United States secretary, is shown as he inspected Royal Canadian Air Force guard of honor at Rockcliffe airport at Ottawa. He is here for joint defence talks with Canadian authorities.

AGED TELEGRAPH CREEK MAN LOST

The district office of the B.C. Provincial Police has been notified by Constable Allen of Telegraph Creek that an aged prospector and trapper, Albert Gene, is missing from his home there. Anxiety is felt for his whereabouts as he is overdue now eighteen days. Constable Allen will leave on a patrol that will take him to Shakes Creek in search of the missing man. He expects to be away about eight days.

BISHOP OF SASKATOON

SASKATOON (CP)—Very Rev. Wilfred E. Fuller, dean of St. John's Cathedral here since 1942, was elected Bishop of the Anglican diocese of Saskatoon at a special session of diocesan synod here. He succeeds Bishop W. T. Ballam who resigned in June to become assistant Bishop of Huron diocese with seat at London, Ontario.

The 49-year old Bishop-elect was born in Peterborough, Ontario, and received his early education there.

IS CHARGED WITH RAPE

Charged with rape, Peter Williams, a native from Kitwanoon, appeared in District Police Court this morning and was remanded for preliminary hearing. The case to come up again within the next few days. The defendant was also charged with supplying liquor and on this charge he was also remanded. The rape charge arises out of an assault on a young Port Edward girl recently.



HE FOUND IT WAS ROUGH—Emmanuel Shinwell, British minister of defence, is shown as he prepares to go for a ride in a Cromwell tank. With the army holding manoeuvres, the defence minister found out at first hand what life is like from a tank crew's point of view. He found the riding qualities of a tank left something to be desired.

VANCOUVER GIRL NEW "MISS P.N.E."

VANCOUVER (CP)—Marjorie Hildebrand, 21-year-old "Miss Vancouver," last night won the Pacific National Exhibition beauty queen title. Jean Ross, 17-year-old "Miss Kelowna," was second. The Exhibition opened last night with Cynthia Norton of Terrace appearing as "Miss Prince Rupert."

LOGGERS SEEK STRIKE VOTE

VANCOUVER (CP)—An immediate strike vote of 32,000 coastal loggers was demanded yesterday by the British Columbia district of the International Woodworkers of America (C.I.O.). Union officials said, following an afternoon policy meeting, that the Labor Relations Board will be contacted at once in connection with the taking of a government-supervised strike ballot. The Union wants the ballot to be taken as a whole instead of in regions.

SOUTHEAST ASIA TALKS

United States and Britain May Develop Anti-Communist Bloc

WASHINGTON D. C.—Secretary of State Dean Acheson of the United States and Foreign Secretary Ernest Bevin of Great Britain are expected to discuss possible development of anti-Communist bloc countries in the area of southeast Asia when they meet next month. Reliable informants say there is no doubt that Acheson and Bevin will review the whole Far Eastern situation and seek to lay the groundwork for further Anglo-American co-operation in that area.

BASEBALL... VICTORIA vs. SAVOY