

# The Daily News

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## Canada Is Starting A Rearmament Program

### Must Fight Aggression, Declares President Truman

#### Russian Tactics "Serious." New Authorities Are Asked

WASHINGTON, D.C. (CP)—In his "State of the Union" message to Congress today President Truman warned the country that the United States cannot expect the burden of creation and maintenance of armed forces sufficient to fight aggression. The President dealt only briefly with foreign policy which he will discuss later. He referred, however, to the serious Russian tactics. The world, he felt, was on the verge of "great achievement" or "great catastrophe."

The message dealt principally with domestic issues. He asked Congress for four billion additional dollars to be derived, he suggested, principally from taxation of corporations with possible increase in the income tax on middle and upper brackets. As expected, Mr. Truman asked Congress to repeal the Taft-Hartley Act.

The chief executive also proposed approval of the long-planned Lawrence waterway and power project.

Authority to impose price ceilings on scarce commodities, extension and strengthening of rent controls were other requests.

The "State of the Union" was "good," the President said, but he also pointed to certain shortcomings.

#### DRINKING IN VANCOUVER CABARETS TABOO

VANCOUVER, (CP)—Ducking bottles of booze under cabaret tables is going to be a risky business from now on, Police Chief Walter Mulligan warned last night.

His dry squads are going to tighten up on drinking in the night spots and they started off last night by making three raids which netted 11 bottles and four summonses for their alleged owners.

Cabaret owners said "swell," welcoming a chance to fight against "this province's farcical liquor laws."

"At least we can fight the case out in the open," one spokesman said.

He added that the raids may be on orders from the Police Commission, as is claimed, but thinks "the real force behind them are the rabid prohibitionists, a minority thinking they can control the drinking habits of the majority of the people."

#### DISPOSAL OF WAREHOUSE

Recent information having been forthcoming from any quarter since advice was received some time ago that advertisement by War Assets Corporation of the large waterfront warehouse established here as one of the United States defence projects for demolition was deferred until January 15.

Prince Rupert Chamber of Commerce has wired the Department of National Defence at Ottawa that, if no interest has been shown in retention of the building for use, it be exploded and retained intact for possible defence purposes. The Canadian National Railway will be further pressed for statement of its possible intentions in connection with the warehouse which stands on railway property.

**HARRY FRANCES**  
**MARR**  
Violinist Pianist  
**CIVIC CENTRE**  
THURSDAY — 8:15 P.M.

#### PALESTINE IS TENSE

Fresh Bloodshed Between Israeli and Iraqi—Poison Gas?

TEL AVIV, (CP)—Fresh bloodshed in the Jewish-Iraqi battle left Israeli's central front tense yesterday.

Israeli and Iraqi troops fought for two hours on the potentially explosive Sharon Valley sector. Both sides suffered casualties.

An Army spokesman said that a Jewish punitive expedition had clashed with Iraqi regulars.

Israel yesterday denied an Egyptian charge that poison gas had been introduced into the fighting.

#### KWINITSA SLIDES HOLD UP TRAIN

Two snowslides which came down in the Kwinitsa snow belt, 45 miles east of Prince Rupert, early this morning, delayed another three hours the arrival of the westbound passenger train which already had been running 12 hours behind its normal schedule from Jasper.

A rotary snowplow dispatched from Prince Rupert at 6 o'clock this morning was expected to clear the slides by noon today, allowing the train to arrive here at 2 o'clock this afternoon.

The train left Jasper 12 hours after its scheduled time because of delayed connection with the main line trains and was only a short distance east of Kwinitsa when the slides came down early this morning. It had been previously expected to arrive here at 10:45 a.m.

One of the slides is about 10 feet deep and 50 feet long at mile 76 west of Pacific. The other occurred half a mile west and was 25 feet deep and 100 feet long. They are the first to delay rail traffic near Prince Rupert this winter.

#### CANADA FAILS TO MEET ORDER

OTTAWA (CP)—A government source said that Canada had been unable to complete its 1948 bacon commitment with United Kingdom. Consequently, a \$12,000,000 Economic Co-operation Administration authorization for Britain to buy Canadian bacon in the fourth quarter of 1948 has been cancelled in Washington.

The fault is not entirely Canada's the source said. Had the United Kingdom agreed to take the bacon when it was available there would have been no difficulty. As it was, Canada undershot her target—220,000,000 pounds—by 20 million.

#### ARE DISCUSSING SKEENA SALMON

Fisheries Researchers In Annual Session at Ottawa

OTTAWA (CP)—Men whose work touches everything from oysters to whales are in Ottawa for their annual get-together. They are members of the Canadian Fisheries Research Board, government-sponsored scientific body, which seeks methods of improving the fisheries and bringing better quality fish to consumers for both the domestic and export markets.

Among the topics up for discussion is the completion of a five-year Skeena River salmon investigation which was finished in 1948.

#### CO-OP DOWNS RAINMAKERS IN FIRST GAME OF 1949 SERIES

Co-op 50, Bo-Me-Hi 16  
High School 35, Morgan's 24  
Peoples Store 14, Dom's 8  
North Star 30, High School 15

A young fighting Bo-Me-Hi Rainmaker squad went down to a 50-46 defeat at the hands of the veteran Co-op quintet as 1949 Senior basketball was ushered in last night with the roughest game seen this season. In the same session Dom's, of the ladies league, went down to their first defeat before Peoples Store.

A partisan Bo-Me-Hi crowd saw their favorites defeated in the scoring parade but not in the battle on the floor.

The first half produced the best basketball of the night as Bo-Me-Hi kept putting the pressure on Co-op and never backing down. The half-time score saw Co-op out in front by three points, 26-23.

In the third quarter Co-op won the game as they outscored the Rainmakers 17-9. It was fight-fight-fight with all loose balls and rebounds having arms and legs struggling for them. Tempers flared many times as elbows and hands were being used to get to the ball. Davidson and Dominato made the long trek to the bench in this quarter. The quarter score was 43-32 for Co-op.

The final 10 minutes had lots of excitement and scrambling playing and not very much basketball. It was a knock-down affair with players having no regard for where they used their bodies. Macphee and Beynon were banished in the final minutes.

(Continued on page 4)

### Bulletins

#### LIVING COST DOWN

OTTAWA—The cost of living index in Canada has dropped for the first time in two years. It was down from 159.6 on November 1 to 158.9 on December 1—a drop of 7-10 point—the Dominion Bureau of Statistics announced today. A break in food prices was the principal reason for the drop in the general index. The food index was down from 204.7 to 202.

#### WOULD STOP BATTLE

WASHINGTON—United States is pressing Israel and the Arab states to bring the Palestine fighting to a complete halt. Israel and Egypt have been urged to avoid acts which might spread the conflict and other representations will be made before the United Nations security council. State Department officials deny reports that the United States has threatened Israel with withdrawal of American recognition.

#### SEVEN DIE IN CRASH

GOLFAX, Cal.—Seven men were killed and another is believed missing in the crash of a United States Air Force C-47 transport ten miles southwest of here last night. Coroner Francis E. West returned here early today after viewing the wreckage with a group of Air Force officers and said that seven bodies had been counted in the wreckage.

#### WOULD PAY 50 PERCENT

EDMONTON—Speaking here yesterday, Minister of Mines and Natural Resources J. A. McKinnon expressed the opinion that the federal government should pay fifty percent as a minimum contribution to the completing of a TransCanada Highway. He said the government was anxious to undertake the work as soon as possible and that a good start would probably be made this year. Cost has been estimated at \$226,000,000.

#### CHIANG TERMS REJECTED

SHANGHAI—There are growing indications that Communist China will reject Generalissimo Chiang Kai-Shek's New Year peace terms. It is reported that Chiang is preparing to move the government from Nanking to Canton and Formosa.

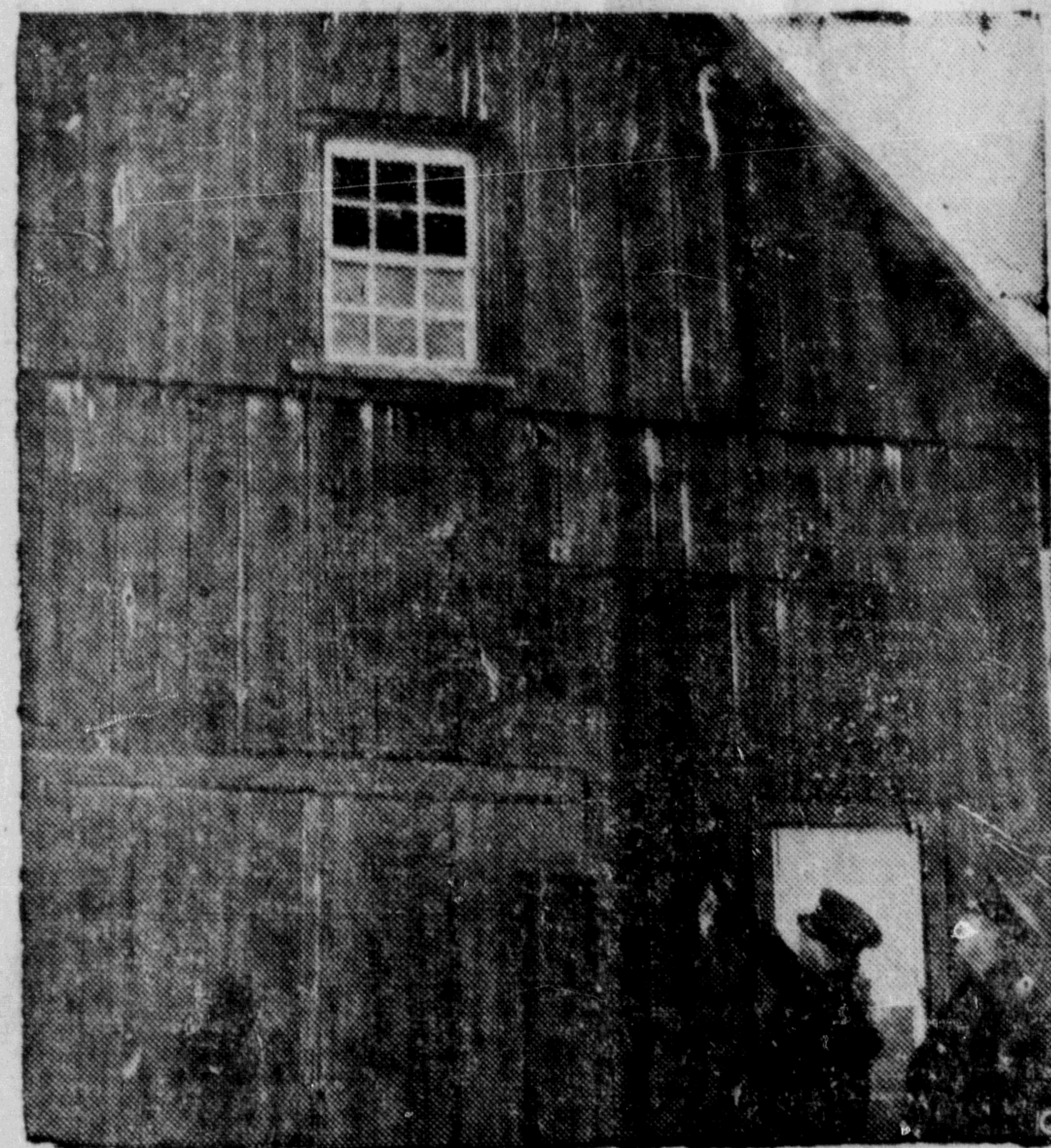
#### RECORD COLD WEATHER

NEW YORK—The death toll as a result of tornadoes in the middle south is placed at 59 with 360 injured and more likely to die. Blizzard winter conditions, which brought 36 inches of snow in Nebraska and blocked rail and road traffic, has moved into the northwest. In California the thermometer dropped to a record 19 above in the citrus belts with serious damage to crops feared.

#### MARSHALL PLAN TO END IN 1952

WASHINGTON, (CP)—A top Marshall Plan official said today that the general European

recovery program will "end on schedule" in 1952, despite a plea from western Europe that it cannot stand alone on its economic feet by that time.



MURDER SHED—Ontario provincial police officers C. B. Cresswell, left, and Carl Johns study the window from which is believed a killer escaped at Navan, Ont., near Ottawa. The victim, Napoleonas Jonusas, a displaced person, was found with his head battered, partially hanging from a beam in the second storey of the machine shed. (C. P. Photo)

#### DRY DOCK MAN MISSING SINCE EARLY MONDAY

Fear is being felt today for the safety of Henry Jensen, 47-year-old plater foreman at the dry dock, who has been missing since Tuesday morning shortly after he checked into his job.

Search of the dry dock, which was organized Tuesday afternoon, failed to reveal his whereabouts nor did he return to his living quarters at the Pioneer Rooms, Third Avenue East, during the night.

Mr. Jensen arrived at work at his usual time, shortly before 8 o'clock and, with the commencement of the shift, gave orders for the morning's work to his crew. He was not seen again. Apprehension was felt late in the morning but it was not until the afternoon that an organized search got under way.

Mr. Jensen was one of two Prince Rupert men who escaped from a boat explosion which claimed the lives of two men near Bella Bella three weeks ago. The midnight fire at sea was something which he told a friend he "would never forget."

However, according to Oscar Havroy, his landlord for the last five years, Mr. Jensen seemed to be quite normal when he played cards with a group at the Pioneer Rooms Monday evening.

When he went to work Tuesday morning, he, apparently, forgot to take his wallet which was found by a chambermaid under the pillow of his bed.

It is possible that he may have accidentally slipped from a wharf or one of the boats at the dry dock basin and fallen into the water.

Dry dock workers organized a search party Tuesday and scoured the yard and boats moored at the floats and on the pontoons.

Mr. Jensen was described by Mr. Havroy as a man of regular habits. Born at Fredrickshavn, Denmark, he came to Canada just before the start of the Second World War. He had learned his trade as plater in Danish shipyards.

On his arrival in Canada he became a trapper in the Mackenzie River district but came to Prince Rupert to take his present post at the dry dock in 1940 when wartime ship construction began.

#### TAKE DOWN OLD HOTEL

Wreckers Move Into Famous Vancouver Structure—Biggest Dismantling Job

VANCOUVER (CP)—The old Hotel Vancouver, one of Western Canada's most famous hostleries, today welcomed its last guests—wreckers who will tear it down.

After fifty years of playing host to world notables the building will become what is said to be the largest wrecking job ever undertaken in the British Empire.

For the next eight months air hammers will echo through the venerable twelve-storey 565-room hotel in a job estimated at costing \$2,000,000.

T. Eaton Co. Ltd., the owners, are reported to be planning a new uptown department store on the site.

#### LOCAL TIDES

Thursday, January 6, 1949  
High 6:05 18.1 feet  
18:03 16.3 feet  
Low 12:20 9.3 feet

### Millions of Dollars To Be Spent on New Air-Sea Craft For Armed Forces

OTTAWA (CP)—On the eve of the first defence alliance, Canada is embarking on an armaments program which will equip the three small regular forces with new air and sea craft at a cost of millions of dollars. A definite plan has been shaping for several weeks. The full financial impact will not hit the federal budget this fiscal year but will eventually embrace indefinite quantities. Two jet fighters for the air force, new type of surface craft and a fighter plane for the anti-submarine section of the navy as well as a new type of transport plane are included in the program.

#### New Break At Okalla

Three Women Make Getaway, Two Recaptured—Full Scale Probe Coming

VANCOUVER, (CP)—Fast police action following a caddy's tip-off last night resulted in the recapture of two of three women who escaped from Okalla Prison in Burnaby municipality at supper time last evening. The two Dorothy Chaney, 26, negro, and Maureen McKenna, 21-year old drug addict—were captured under the Cambie Street bridge two hours after they had pried the lock of the kitchen door of the prison and climbed a 10-foot wall. Still sought is Margaret McNeill, aged 20, who made her second break within a month.

A taxi driver, hearing the descriptions, telephoned the police and drove them to near the bridge where the two women were picked up.

McNeill and two others engaged the first female break in 12 years on December 2. She got to Calgary before she was caught.

This was the third break in little over a month. On New Year's Day eight youths sawed out a bar and climbed a fence to make their getaway. Six were caught but

#### MAN DIES IN SUICIDE PACT

WINNIPEG, (CP)—A pretty nurse-in-training, 22-year old Fleur Jacques—last night was under police guard in hospital as a survivor of what police termed a suicide pact in which her 27-year old boy friend died from an overdose of narcotics. The coroner said that the girl and William Stawnychko alias Peters, each left notes saying that there was no other way out. He was married.

Peters was released on bail a few days ago on charges of forgery and uttering forged documents.

Two are still loose.

Two guards were temporarily suspended by Warden John Millman, who said that others may be dismissed.

Meantime Attorney General Gordon Wismer said at Victoria that there would be a full-scale investigation by officials of his department and the warden.

#### All Together For Prince Rupert. C.C.F. Member, Commerce Chamber

H. G. Archibald, M.P. for Skeena, may be a Socialist but he has sought and received the co-operation of the Prince Rupert Chamber of Commerce in suggesting matters which might appropriately be brought to the attention of the authorities in Ottawa while Mr. Archibald is in the Dominion capital attending the session of Parliament which is about to open.

When Mr. Archibald, in a cordial pre-Christmas letter to the Chamber, asked for suggestions, E. T. Applewhite, Chamber Secretary, who was the C.C.F. member's Liberal opponent in the last general election, and Dr. R. G. Large, one of Prince Rupert's top Progressive-Conservatives, got their heads together and briefed Mr. Archibald as follows:

"Immigration—If you have not already received a copy of Policy Declarations of the Canadian Chamber of Commerce for 1948-1949, you very shortly will. The views of this Chamber are pretty general in agreement with those of the Canadian Chamber. In this connection, of course, we are particularly conscious of the area available for settlement between Prince Rupert and Prince George.

"Ports—The paragraphs originated from this Chamber, ably supported by St. Johns, N.B. We feel that if an official survey of existing port facilities in Canadian ports were to be made, it would bring to favorable light the facilities available and unused at Prince Rupert.

"TransCanada Highway—This Chamber of course endorses this in principle. We feel that it may be poor business to cloud the issue by talking about routes until definite commitments have been made on the principle. However, we do feel that the claims of the Jasper-Prince George (Yellowhead) route

(Continued on Page 5)

#### CO-OPERATING



ARCHIBALD



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