

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER
Published at Canada's Most Strategic Pacific Port—"Prince Rupert, the Key to the Great Northwest."
VOL. XXXVIII, No. 47. PRINCE RUPERT, B. C., FRIDAY, FEBRUARY 25, 1949 PRICE FIVE CENTS

Finance Minister Anscomb Presents Budget

PRESENTS HIS BUDGET



MINISTER OF FINANCE ANSCOMB

Development Program, Municipal And Social Aid Are Brought Out

Four most significant items contained in the budget speech of Hon. Herbert Anscomb, minister of finance, in the provincial Legislature today, were:

1. The budget's reflection of the government's vast development program which the minister pointed out totalled \$78,750,000.
2. The almost incredible increase in financial aid given to municipalities during the coalition government's regime, the rise being from \$2,965,000 in the fiscal year 1941-42 to \$21,890,000 for the year 1949-50, and an increase of \$3,302,000 between the present current year and the estimated municipal aid for 1949-50.
3. The generous scale upon which social services are being administered the increase in cost during the next fiscal year being estimated as follows: for old age pensions \$869,000 and for social allowances (unemployables) \$1,173,000.
4. The fact that the estimates for the next fiscal year will for the third year in succession provide for the full measure of debt charges by way of interest, serial instalments and authorized sinking fund instalments thereby assuring for the future a sound financial basis for the retirement of debt coupled with the announcement that the average interest rate on British Columbia bonds now stands at 3.36 percent, the lowest ever enjoyed in the history of the province.

The minister pointed out in connection with municipal assistance that indirect and direct financial assistance had increased by \$19,000,000 since the coalition government first took office in 1941-42. During the fiscal year 1949-50 municipalities will receive by way of direct and indirect aid the sum of \$21,890,000 compared with \$2,965,000 in the fiscal year 1941-42.

Many other items of significance were revealed in the highlights of this speech. Among them were the cost of public works for the coming year, totalling more than \$14,451,736 of which \$13,113,500 is for highways and bridges; the very substantial decrease in the per capita debt of the province and the minister's warning that further increases in the revenue yield should not be anticipated as indices point to a levelling off percent.

∴ HIGHLIGHTS ∴

- The highlights of Mr. Anscomb's speech were as follows:
1. Development program outlined as follows:
 - HIGHWAYS—\$25,000,000
 - TRANS-CANADA HIGHWAY—\$5,000,000
 - STEEL AND CONCRETE BRIDGES—\$5,000,000
 - PACIFIC GREAT EASTERN EXTENSION—\$10,000,000
 - B. C. POWER COMMISSION—\$15,000,000
 - B. C. POWER COMMISSION (Queens Development)—\$5,500,000
 - IRRIGATION—\$2,000,000
 - OKANAGAN FLOOD CONTROL—\$1,250,000
 - UNIVERSITY EXTENSION—\$1,500,000
 - PROVINCIAL BUILDINGS—\$5,000,000
 - SCHOOL CONSTRUCTION ASSISTANCE—\$3,500,000
 - TOTAL—\$78,750,000
 2. Municipalities will receive in 1949-50 by direct and indirect aid \$21,890,000 compared with \$2,965,000 in aid given by government in 1941-42. This represents a gain of \$19,000,000 under coalition policy. Municipal aid during present fiscal year totalled \$18,588,000 so that the increase financial aid for next year amounts to \$3,302,000.
 3. In consequence thereof, minister expressed view fiscal problems of municipalities had been solved, particularly in view of flexible revenue source provided by municipal aid tax.
 4. Social security and municipal aid tax produced \$8,566,000 during period July 1st to December 31st.
 5. \$14,000,000. To end of fiscal year 1948-49 expected from social security and municipal aid tax.
 6. Municipal share of tax will be approximately \$4,000,000 this year instead of \$4,000,000 originally estimated. Next year's revenue to municipalities from this source estimated at \$5,900,000.
 7. Public Highway expenditures for 1948-50, included debt charges on borrowing total \$17,115,233 compared with revenue of \$15,710,000 from gasoline taxes, motor vehicle licenses and motor carrier fees.
 8. Public highway expenditures, therefore, will exceed receipts from automobile sources by \$1,405,233.
 9. Despite borrowing for major undertakings net debt of province increased only \$5,219,749 during past year to a total of \$127,625,936.
 10. More than \$66,000,000 of this debt will fall due during next ten years.
 11. Interest charges on debt substantially reduced. Annual charges now only \$5,989,000 compared with \$6,886,000 in 1941.
 12. Average interest rate of British Columbia bonds 3.36 percent, lowest in history of province.
 13. Estimates for coming fiscal year provide the full measure of debt charges by way of interest, serial instalments and authorized sinking fund instalments.
 14. Total value of existing sinking funds placed at \$25,462,439.
 15. Debt on per capita basis now only \$117.95 or \$60 per person less than in 1941. On other hand productive power of people has nearly doubled.
 16. Revenue for 1949-50 estimated at \$9,980,559 to yield surplus of \$672,000.
 17. Minister warned that greater yields from revenue should not be anticipated as most indices point to levelling off of income.
 18. Expenditures for fiscal year 1948-49 ending March 31st next expected to total \$84,427,310 reflecting impact of inflation and widening services.
 19. Estimated expenditures for 1949-50 placed at \$92,308,018 or \$7,880,708 more than for current fiscal year.
 20. Breakdown of budget shows

(Continued on Page 3)

ANTI-REDS MEET AGAIN

Frank Hall to Get His Communist-Breaking Group Together

MONTREAL (P)—Frank Hall, chairman of the anti-communist bloc of the Canadian labor unions, said that his group will meet shortly to discuss the situation resulting from the Trades and Labor Congress announcement that all its affiliated organizations would be advised to bar communists from holding union office.

"It does not seem that Congress officers have made a contribution to the settlement of differences," Hall said.

Hall was suspended by the Trades and Labor Congress last year for trying to form a new Canadian seamen's union under the Trades and Labor Congress on the Great Lakes by bringing about a merger of the Canadian Lake Seamen's Union with the American Federation of Labor-affiliated Seafarers' International Union.

Russia Talks of Blockade Lifting

LONDON—There are reports from Polish quarters that Russia is considering lifting the land blockade of Berlin. The American and British air lift is gaining in volume daily. A new record was set up on Wednesday even as the Red army paraded in all its strength through Berlin streets in observance of the anniversary of its founding.

SHE SHELTERED IGOR GOUZENKO

OTTAWA (P)—The woman who provided shelter for Igor Gouzenko and his family the night he fled from the Soviet secret police died here in hospital today after a long illness. She was Mrs. Frances Doris Elliott, wife of an unemployment insurance commission official.

In her fifty-fifth year, Mrs. Elliott had been ill with leukemia for several years. In spite of illness she played an active part in the spy trials which resulted when Gouzenko, Soviet embassy cipher clerk, informed the Royal Canadian Mounted Police of Russian espionage work in Canada.

∴ TODAY'S STOCKS ∴

(Courtesy S. D. Johnston Co. Ltd.)

Vancouver	Toronto
Bayonne	.07
Bralorne	9.00
B. R. Con.	.03
B. R. X.	.10
Cariboo Quartz	1.35
Congress	.04 1/4
Hedley Mascot	.44
Pacific Eastern	.Nil
Pend Oreille	5.35
Pioneer	3.25
Premier Border	.023 1/4
Privateer	.18
Reeves McDonald	2.80
Reno	.06
Sheep Creek	1.38
Silbak Premier	.35 1/4
Taku River	.37
Vananda	.Nil
Salmon Gold	.12
Spud Valley	.09 1/2
Oils—	
Anglo Canadian	4.05
A. P. Con.	.20
Atlantic	.70
Calmont	.37 1/2
C & E	4.65
Central Leduc	1.01
Home Oil	11.00
Mercury	.12 1/2
Okalta	1.21
Pacific Pete	2.30
Princess	.28
Royal Canadian	.09 1/2
South Brazeau	.18
Athona	.11
Aumaque	.25 1/2
Beattie	.56
Bobjo	.12 1/4
Buffalo Canadian	.17
Con Smelters	103.25
Conwest	1.21
Donaldia	.57
Eldona	.60
East Sullivan	2.79
Giant Y Knife	5.20
God's Lake	.42
Hardrock	.15 1/2
Harricana	.07 1/4
Heva	.10
Hosco	.26 1/2
Joliet Quebec	.38
Lake Rowan	.08
Lacknife	.04 1/2
Lapaska	.06
Little Long Lac	.75
Madsen Red Lake	2.70
McKenzie Red Lake	.40
McLeod Cockshutt	1.03
Moneta	.43
Negus	2.35
Noranda	55.00
Louvicourt	.31
Pickle Crow	2.10
San Antonio	4.10
Senator Rouyn	.41 1/2
Sherrit Gordon	2.21
Steep Rock	1.45
Sturgeon River	.18

Bulletins

MORE SLIDES IN SOUTH
VANCOUVER—British Columbia felt the fury of thundering snowslides again overnight. Three more slides have re-clogged the nearly cleared Fraser Canyon with more than 75 motorists and fifty trucks marooned at Boston Bar. Transcontinental trains are creeping through the canyon and are arriving here from one to three hours late. Meantime slides in the south Kootenay district have buried buildings of the Gold Belt Mines near Nelson and have swept over the nearby Sheep Creek office of the mines. Details of the damage are unknown.

BULGARIAN TRIALS ON
SOFIA—Trial of fifteen Protestant churchmen opened today with a plea of guilty by Nikola Naumov, Baptist minister, to crimes against the Bulgarian state. The clergymen are accused of treason, espionage and black market money dealings.

LABOR RETAINS SEAT
LONDON—Labor retained its Parliamentary seat in Hammersmith South by-election today. Labor candidate Tom Williams polled 15,223 votes against 13,610 for his Conservative opponent, Anthony Fell. The margin, however, was slimmer than in the general election.

POWER RESTRICTIONS OFF
In Prince Rupert normal street light will be resumed from tonight although the request for conservation of electricity as far as possible still stands pending further improvement in water reserves.

Minister Dramatically Appeals for Principles Instead of Politics

Finances of Province Assume Astronomical Figures—New Services Are Emphasized

VICTORIA (CP)—Hon. George Pearson, minister of health and welfare, yesterday advised two new members of the British Columbia Legislature to "stick to their principles" and then broke into tears. A sincere member since 1928 and in indifferent health for the past few years, Mr. Pearson said:

"Politics is the ruination of government."

He told the newly-elected James Quinn (C.C.F.-Rossland) and Robert Brown (Coalition-South Okanagan) that "we sit here, face each other across the floor and enveigh against one another. Then we go out into the corridor, shake hands and have a chat." He said it will not be long when he will be "one of those not with you."

The House adjourned for fifteen minutes when Mr. Pearson broke down and then reconvened to hear the minister announce that \$8,000,000 will be spent on mental institutions in the province, construction of \$3,500,000 of which was already under way at colony farm, Essondale, Vernon and New Westminster and \$4,500,000 on a new 800-bed hospital at Colquitz, six miles from Victoria.

ACTION TAKEN ON COMMUNISTS

PARIS (P)—A high government source said today that the minister of war, Paul Ramadier, had taken legal action against the central committee of the French communist party for allegedly inciting the army to revolt.

CANADA IS ENCOURAGED

Ottawa Looking Forward to Successful Atlantic Pact Culmination

OTTAWA (P)—Canadian negotiators in Washington are taking an active part in the argument for "an economic consultation" clause in the proposed North Atlantic security pact, it was learned here yesterday.

News from Washington this week has been more encouraging to the government here and it is believed it may be possible next week to make a fair, complete statement to the House of Commons on basic deals of the pact draft.

SMITHERS HAS ANOTHER FIRE

SMITHERS (Special to Daily News)—The third fire here since Christmas and the second within a month occurred about 4 o'clock Wednesday afternoon when a blaze of undetermined origin completely destroyed an uninsured log cabin and contents belonging to Oscar Rosberg. Local volunteer firemen did their best to save the property but their efforts were unavailable.

Rosberg reported that he had not been home since 11 a. m.

LOCAL TIDES

Saturday, February 26, 1949

High	1:05	19.0 feet
	12:46	20.3 feet
Low	6:53	7.6 feet
	19:16	3.4 feet



FATE UNCERTAIN—Court Jacques Duge de Bernville, shown as he appeared in a Montreal court Monday, faces the threat of further government action to deport him to France, following a court ruling which freed him and his family Monday. The court is wanted in France to stand trial on charges of collaboration with the enemy. @ photo

HOCKEY SCORES

National
Montreal 3, Chicago 1.
Pacific Coast
San Diego 11, Los Angeles 4.
Seattle 5, Portland 3.

AIR PASSENGERS

To Vancouver—Dr. L. W. Kergin.
To Sandspit—H. Martin, Miss E. Mathers.
From Vancouver—D. Passmore, N. R. Young, J. Schriaberg.
From Sandspit—Mr. Wickman, Mr. Gust, A. Anderson, Miss Anderson.

To Members of the
PRINCE RUPERT FISHERMEN'S CO-OPERATIVE ASSOCIATION

Notice of Meetings to be held in the Oddfellows Hall 2 p. m. Sunday, February 27 th; Membership meeting to discuss problems on Amalgamation.

ANNUAL GENERAL MEETINGS
10 A. M. MONDAY, FEBRUARY 28th
10 A. M. TUESDAY, MARCH 1st
10 A. M. WEDNESDAY, MARCH 2nd

HOUSING IS DISCUSSED

Three possible avenues of federal aid in the event of an acute housing shortage developing in Prince Rupert were discussed yesterday when a joint committee representing the city council and the Prince Rupert Chamber of Commerce met with J. A. Jones and D. MacNaughton, officials of the Central Mortgage and Housing Corporation.

These possible solutions are:

1. Veterans' rental projects under the Central Mortgage and Housing Corporation.
2. Private enterprise building of houses for sale, rent or personal use under the National Housing Act.
3. National Housing Act assistance to industry for building houses for employees.

The local committee told the officials that housing was already becoming scarce in Prince Rupert and expressed the opinion that, with the pulp mill undertaking of the Celanese Corporation of America, there would be an acute need this year.

As for the Central Mortgage and Housing Corporation, Mr. Jones and Mr. MacNaughton explained that the need would have to be definitely established with concrete facts and figures before any rental housing could be proceeded with and then this could be confined only to veterans of World War II. Municipalities were required to provide the necessary lots and services. The top price for houses would be \$6250 with a maximum ceiling rental of \$37.50.

PLANS MARINE BAN

The Quebec government distributed today to the Assembly's members a bill to "protect the fishery" providing draconian terms for the sale or possession of fish.

It was pointed out that National Housing Act loaning facilities were already available in Prince Rupert for individuals desiring to build their own houses. N.H.A. also offered financing to those building housing projects for rent or for industries to provide housing for their employees.

AIDS SONICS

The Canadian book a forward international race superionic aviation with the announcement of a \$350,000 grant for the University.