

ORMES DRUGS
Daily Delivery
PHONE 81

oting to End Long wfoundland Controversy

AL UNION WITH CANADA ONE OF
CHOICES IN JUNE 3 REFERENDUM

JOHN'S, Nfld., (CP)—When Newfoundlanders choose
ture form of government on the coming Thursday, it
e been two years since a national convention was
to study and recommend possible forms of adminis-

ng off the delegation to Ottawa was one of the steps
ong process leading to the final decision of Britain to
mission government.

le government and
ration on the ballot

me, 1947, a seven-man
n under the chair-
n of the convention,
the Canadian capital. It
there for 100 days study-
what Newfoundland
et if she became a 10th

land colony decided to
ion, the federal govern-
essly would collect \$20-
annual revenues from
sources, but it would
more than \$26,000,000 in
of old age pensions,
allowances and taxation
ent subsidies.

province, Newfoundland
ould raise \$10,000,000
including taxation
ent payments. But it
end \$15,000,000 for prov-
ervices. The financial
rved at indicated that
erence would be made
pecial transitional sub-
nd at bringing New-
s services up to a par
e of the rest of Canada.

ems, oddly enough, did
late whether Canada
make any offer to the
States to take over Am-
bases, worth about \$300-
it was indicated how-
Canada would not in-
th the 99-year lease.

FOR UNION
CANADA
posed terms for union
Canada is ready to absorb
of the \$78,000,000
nding national debt,
ding so it will take over
sources as the Newfound-
-lway, communication
Gander airport, steamer
and broadcasting corpor-

Canada will allow New-
d to retain \$32,000,000
uilt up during the war
providing a third of the
is set aside to meet pos-
sibilities during the first
years of union.

Canada would extend to
ndland the special sub-
\$1,000,000 awarded to the
Provinces after special
commission hearings.

ese special subsidies
be added to payments
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agreement where New-
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ain payments.

ay payments for use of
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subsidies would amount
imum of \$6,200,000 an-

a colony Newfoundland
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000 annually but as a
practically only \$3,000-
his revenue, mainly rais-
n customs and excise
ould still be collectable

Canada would make pro-
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View of the difficulty of
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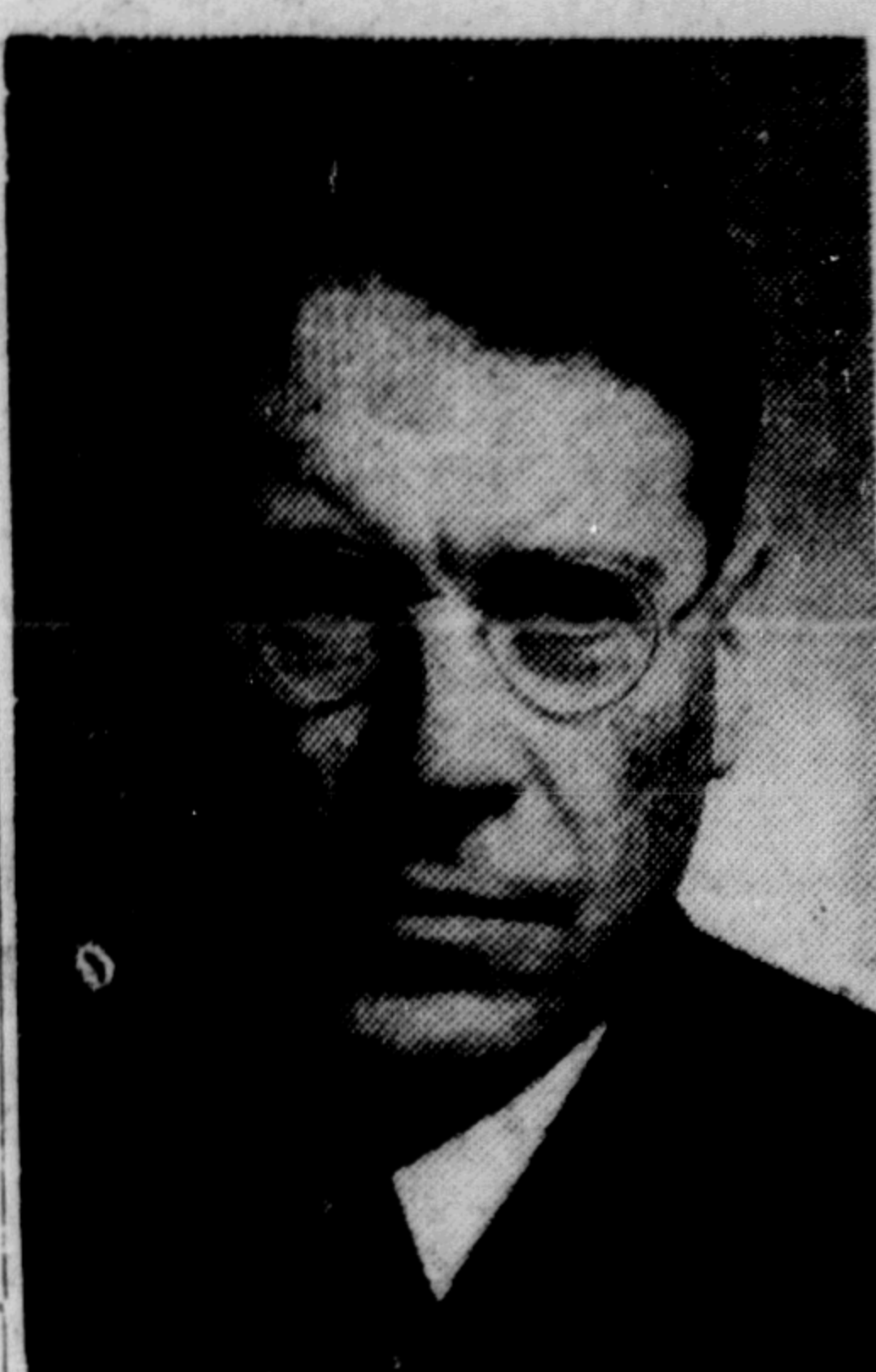
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North Is Improved, South Still Critical



RETIRING—Rt. Hon. J. L. Isley, minister of justice and wartime minister of finance, yesterday announced that he was retiring to private life.

C.C.F. Wins Yale Seat

KELOWNA—Owen Jones of Kelowna carried the federal by-election in Yale yesterday with a large majority. His election was conceded early last night when still incomplete returns showed him ahead with a lead of four thousand. The Liberal candidate, Edward J. Chambers, was in second place with W. A. C. Bennett, Progressive - Conservative, third.

With 10 small polls of a total of 122 missing, the vote stood at:
Jones, 10,576.
Chambers, 6,923.
Bennett, 6,900.
Jones is a 52-year old furniture store owner. The seat had been represented by Hon. Grote Stirling, Progressive - Conservative, since 1924. He retired on account of ill-health.

JEWS BOMB ARAB CITY

AMMAN, Trans-Jordan, (CP)—Six Arab civilians were killed today when Jewish airmen dropped explosive bombs and incendiaries in their first raid on this city. Two of the dead were identified as children. The raid came just a short time before Count Folke Bernadotte, U.N. mediator, was to arrive in Amman from Haifa for talks with Arab leaders on a proposed truce.

AREA TWO NOW CLOSED

Halibut fishing in Area Two will close at midnight tonight, ending the shortest season on record for that area. Quota for the area was 25,500,000 pounds.

MR. KING TO TOUR COUNTRY

OTTAWA—Premier King has informed friends that some time this autumn he will definitely leave office but, before doing so, he plans on visiting various parts of Canada. The exact date of the premier's retirement will depend on the convenience of his successor.

Mr. King hinted that when he retires to private life he "may do something in the nature of newspaper work." He would not be a strange bird to the business for as a young man he was a member of the Toronto Globe staff.

Fish Sales

American
Akutan, 65,000, 23.30c and 21.30c and 10.50c. Booth.
Canadian
Kodiak, 76,000, 21.6c, 26c and 10c. Atlin.
Invercan, 9,000, 21c, 20c and 10c. Storage.
Island Queen, 15,000; Rodney P., 22,000; North Cape, 17,000; Bumper Catch, 10,000; Straffen, 25,000; Ingrid H., 17,000; Mother III, 26,000 and Wales Island, 11,000. Co-op.

PUBLIC MEETING to organize FLOOD RELIEF CAMPAIGN

City Hall, Tuesday, 8 p.m.
Representatives of Service Clubs and all Organizations requested to attend.
N. E. ARNOLD,
Mayor.

22 DEAD IN NAVY MISHAP

Via Army Signals
NORFOLK, Virginia, (CP)—Nine marines and 13 navy men died last night when a navy launch, returning from Memorial Day liberty, swamped at Hampden Roads. The 12-ship task force to which they belonged, under Rear Admiral C. A. F. Sprague, bound for the Mediterranean, was delayed pending investigation.

INITIATIVE IN FLOOD RELIEF

VANCOUVER—The Vancouver Board of Trade has taken the initiative in setting in motion preliminary organization for emergency flood relief. Austin C. Taylor has consented to act as chairman.

While the Red Cross organization is taking over immediate disaster relief and permanent rehabilitation will be a government responsibility, it is felt that there is a need in the meantime and for that purpose an emergency fund is being raised. The Red Cross has agreed to handle the special effort, the need for support of which is urgent.

In a message to Boards of Trade and Chambers of Commerce throughout the province, Howard T. Mitchell, president of the Vancouver Board of Trade, is emphasizing the desirability of full and generous response to the appeal.

LOCAL TIDES (Standard Time)

Wednesday, June 2, 1948			
High	9:38	15.8 feet	
	22:07	18.3 feet	
Low	3:50	8.1 feet	
	15:37	7.8 feet	

Britain Starting National Insurance - Health Scheme Too

National Insurance For Everybody— Health Scheme May Have Rough Ride

By STUART UNDERHILL
Canadian Press Staff Writer

LONDON—The people of Britain are looking forward to the biggest social security scheme the country has ever attempted. On July 5 the government's new national insurance scheme goes into effect. Everyone in the country is eligible for principal benefits. Every worker whether he is a £5 (\$20) a

week laborer or a multimillionaire director must make weekly contributions.

The success or failure of the scheme during the next two years, always an awkward period of growing pains for such schemes, will undoubtedly influence the vote at the next general election.

Beginning in July all workers over 18 will contribute four shillings seven pence (about 92 cents) in the case of men and three shillings 10 pence (77 cents) in the case of women every week. The employer will add three shillings 10 pence for each male employee and three shillings for women. The Exchequer will make a supplementary contribution of two shillings one penny for men and one shilling seven pence for women.

"Self-employed" persons must send in a weekly payment of six shillings two pence if male or one penny if female.

There is no levy on children and married women who are not employed.

The employed contributor is insured for sickness and industrial injury benefit, maternity benefit for his wife, widow's benefit, guardian's allowance for his children, retirement pension and death grant. Self-employed contributors get the same benefits with the exception

Skeena Flood Receding, Damage Surveys Started

Water Down Between 18 Inches and Three Feet Today

Marked recession of the flooding Skeena River today gave rise to hope that its week-long rampage, which has destroyed homes, communications and transportation and left scores of people homeless in the central interior may be ending. Word from up-river points of Kwinitsa and Exstew this morning indicated that the turgid water is now between 18 inches and three feet below its last week's crest and railway and public works authorities are hoping that it will continue so that they can make surveys of damage to roadbeds and communication lines.

Provincial Police Inspector F. B. Woods-Johnson, who returned to the city last night from a survey of interior communities, said this morning that a general recession has been in effect since Sunday and that Sunday evening the water was 14 inches below its crest at Copper River, east of Terrace. "Nobody is really suffering any hardship," he said today. "There is sufficient food and clothing and the Red Cross and neighbors are helping out in every way possible."

A message from Ed Coughlan, Social Service officer who is now at Usk, indicated that things are well under control in that flooded town.

"Clothing, bedding, food and housing are all adequate," Mr. Coughlan's message said. "The children are well cared for and speedier transportation has been established to Terrace."

One expectant mother has gone to Terrace. Those requiring temporary accommodation are housed in tents and at the school.

Biggest problem at Usk at the present time is fresh water dis-

tribution. Mr. Coughlan said. This was being taken care of today. There was no illness with the exception of a few children recovering from chicken pox.

The office of divisional Superintendent C. A. Berner said this morning that recession of the water east of Kwinitsa had brought to the surface almost a mile of track and road. The water at that point had gone down between two and three feet.

At Remo, according to Inspector Woods-Johnson, the water was down about 14 inches Monday afternoon. The police inspector returned to the city using Gordon Little's power barge to travel from Terrace to Kwinitsa and then by car to Prince Rupert.

Mr. Little plans to use the barge to freight supplies from Kwinitsa to Terrace, thus relieving any danger of shortage that might arise until the road and railway are re-opened.

Canadian National Railways expect that preliminary surveys of damage will begin tomorrow or Thursday if the water continues to go down.

Terrace's food supplies were further augmented Monday and today when Gordon Little and Bill Gair, a driver for Lindsay's Cartage Co., stopped at Salvus and transferred half of the cargo of a truck which was stranded last Monday night when the water rose.

Despite the fact that the perishable cargo of the truck had stood for a week, the food, which included several quarters of meat, was in good condition and is being marketed at Terrace today. The meat was frozen when it left Prince Rupert.

Although preliminary surveys have yet to be made, railway authorities are of the definite belief that damage will not be as bad as in the flood year of 1936.

HIGHLIGHTS AT TERRACE

Here are some of the highlights of the situation at Terrace:

"The pioneer spirit has returned to the Skeena Valley," said Inspector Woods-Johnson. "Neighbors are going to great lengths to aid flood victims and there is a fine spirit in communities hit by the flood."

The Terrace Red Cross is doing a remarkable work to provide necessities for those flooded out. Head of the Red Cross is R. Cory, whose efforts and those

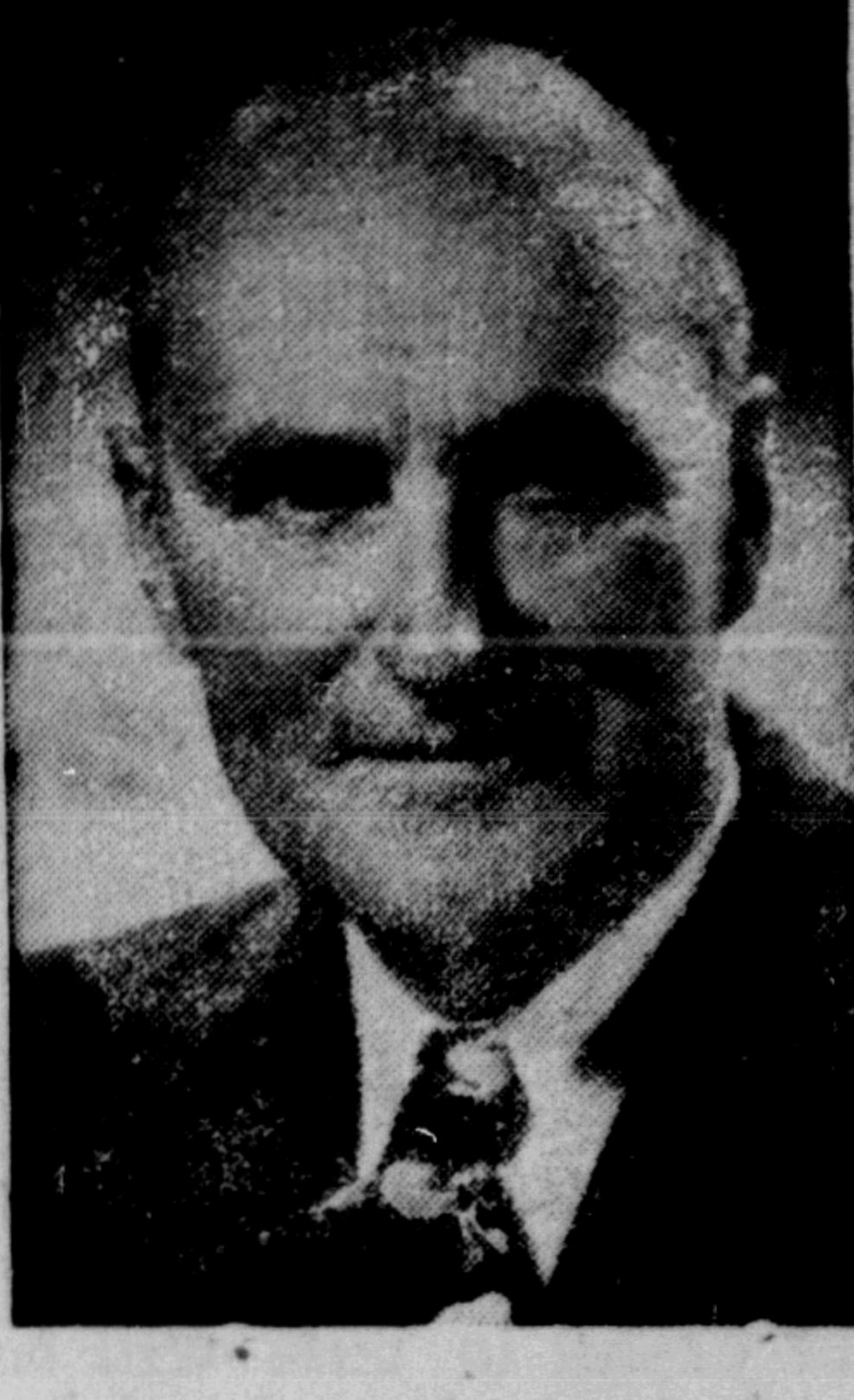
TEL AVIV IS NEXT TARGET

JERUSALEM — Reports say that the city of Tel Aviv is to be the next target of Arab troops. Arab armies are said to be massing for a three-pronged assault against the capital of Israel.

Meanwhile, there may be new efforts on the part of the United Nations to halt the warfare in the Holy Land.

The United Nations mediator for Palestine has arrived in Haifa by air from Egypt. However, no other details are available.

There are 23 species of the opossum in North and South America, ranging in size from a rat to a cat.



VISITING HERE—Hon. E. T. Kenney, minister of lands and forests and M.L.A. for Skeena. Mr. Kenney arrived by air yesterday from Victoria and flew today to his home town of Terrace, also planning to visit Smithers and other points in his riding on the present trip. The flood emergency decided him to come north earlier than he had originally planned.

of his assistants, have been continuous.

Eight homes on Braun's Island south of Terrace, were washed out and their occupants were taken in by friends or housed in army buildings in the village. Among the worst hit were Mr. and Mrs. Stuart Craig, who have a family of six. They lost their barn and, of course, their crops.

Mr. and Mrs. Roger Fournier, also of Braun's Island, were forced to flee, leaving all their belongings behind.

Terrace people banded together into a dyking crew and probably saved the south side of the town from inundation by continuous effort on Saturday and Sunday. The dyke held and saved 30 families from flood loss.

At Pacific, there was a foot of water on Saturday.

Neighbors of Vic Giraud, fisheries inspector at Terrace, aided in saving the Sherwood home from being undermined on the bank of the Skeena. They sawed the building into three parts and moved it to higher ground.

HAZELTON IS NOT SUFFERING

At Hazelton, no one is suffering, Inspector Woods-Johnson reported. A couple of buildings were in danger of being washed away, but were moved across the street to higher ground. Residents of the flooded Kispiox Valley have been evacuated.

STILL SERIOUS AT PRINCE GEORGE

In the interior, four cities reported a recession of flood waters. They are Kimberley, Grand Forks, Fernie and Terrace. Prince George reported the situation still serious with some evacuations under way in low lying areas. The East Kootenay town of Creston, took the worst blow. A dyke gave way forcing hundreds from their homes. Officials at Kelowna say the situation there will not be serious for another 8 days. Vancouver hospitals say that a survey has been made of hospital facilities in non-affected areas in case of an epidemic in flood areas.

NEW SHIP AT KETCHIKAN

KETCHIKAN — Marking the line's first full scale entry into the Alaska passenger business, the SS George Washington of the Alaska Transportation Co. is now operating. The vessel 5,184 gross tons is 375 feet long, and was formerly the New York-Bermuda cruise ship. She will call at Ketchikan, Juneau, Haines and Skagway north-bound, and return south via Sitka and Ketchikan. Her skipper is Capt. Larry Parks.

Emergency Is Declared

Army Is Placed In Charge
of Southern Flood Areas

VICTORIA — State of emergency in flood areas of the province was officially declared yesterday by Premier Byron Johnson. There will be division into sections each with an Army officer in charge.

There was still little sign of an abatement of high waters which have caused great devastation in the Fraser Valley. In the southern interior the Columbia and Kootenay Rivers are still on the rampage.

Premier Johnson's statement came as the flood situation on the Fraser River seemed strangely quiet. All dykes were reported holding late last night. Officials in two places expressed fears of a break through. The places are the Queensbury section of Lulu Island and Pitt Meadows. There are several places where the dykes are in precarious positions. They are Rosedale, Barnston Island and Chilliwack. No dykes have broken in any of these places.

The Army said late last night that they had filled work commitments with volunteers and would make another appeal when more workers were needed. This presumably meant there were enough workers to get through the night.

Another appeal made last night met with much success. This was the appeal for any kind of sacks. The citizens of Vancouver were asked to leave any sacks, suitable for sandbag use, on the curbs outside their homes. Sacks on the streets were picked up by cars.

The embargo on all Canadian Pacific and Canadian National Railway traffic to Vancouver is continuing. Officials of the two railway lines say no attempt will be made to bring trains through the Fraser Valley for at least 72 hours.

In Vancouver, officials of several oil companies are meeting to decide whether or not to ration gasoline for non-essential driving.

At the same time, food stores are rationing butter and in some districts it is almost unobtainable.

A flood expert has expressed the possibility of a milk famine in the city.

Premier Johnson's emergency statement said the Army will be very closely associated with the Navy and Air Force. The B.C. Police, the department of public works and other provincial government agencies and the Red Cross will come under the direction of the commanding officer of the Army in B.C. or his duly appointed representatives.

AIRCRAFT ARE BRIDGING GAP

Every Available North Star
Pressed Into Service to Coast

MONTREAL — Every available four-engined North Star aircraft of TransCanada Air Lines that can be spared has been routed to Western Canada to provide emergency links between Vancouver and Alberta. Anson C. McKim, vice-president of Traffic, announced here yesterday. Use of the 40-passenger planes will not interfere with regular schedules and, meantime, the air routes are providing the only form of transportation between the distressed West Coast province and other parts of the nation.

All the North Stars that can be spared have been rushed west to provide service in that area. Some of the planes were flown from Montreal. Twelve extra sections are now being operated in both directions by TCA between Vancouver and the rail centres of Edmonton and Calgary to meet the crisis.