

# The Daily News

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**ORMES DRUGS**  
Daily Delivery  
**PHONE 81**

## Pulp Mill for Ketchikan Is Assured

### Red Currency No Longer Legal

#### Western Powers Take Action On Soviet Money in Berlin

BERLIN (AP)—The western powers have outlawed the Russian east mark in their sectors of Berlin, splitting the city's economy completely. Today the Russian-backed currency dropped heavily in the black market.

The new Allied order yesterday, declaring that Russian currency would no longer be accepted as legal tender, had been expected for some time. It means that western Berlin now has one currency—the west mark—and eastern Berlin has another—the Soviet east mark.

Chief Russian reaction so far was a charge in the Russian-controlled press that the action by the western powers was a fraud against the populace. Big headlines in the Communist press predicted mass bankruptcy in western Berlin.

### Tiny Boy Wanders; Is Found Safely

Lynn Mussellam, two-and-a-half year old son of Mr. and Mrs. Edward Mussellam, 332 Tenth Avenue East, went for a walk yesterday afternoon and, before he returned, his uneasy parents had sought police help and paged him over the radio.

A search of the neighborhood by his mother at 4 o'clock failed to reveal his whereabouts so the police were informed and his description was broadcast over C.F.P.R. The toddler, who has shown wandering proclivities before, is usually tethered in the dooryard to prevent such expeditions.

At 5:30 a neighbor telephoned to say that Lynn was happily playing on Eighth Avenue, a couple of blocks from home. He had apparently been enjoying himself in a ditch when the area was searched previously.

### BOYS ESCAPE FROM PRISONS

#### Seven Youths Make Getaway From Two Greater Vancouver Institutions

VANCOUVER, (AP)—City and provincial police were still searching today along British Columbia's Lower Mainland for seven juveniles who fled Saturday from Vancouver's juvenile detention home and Burnaby's municipal Bisco institution.

Five of the youths, ranging from eleven to seventeen years, escaped from the home. The other two, both 14, were from Bisco.

Police say that one of the escapees visited the home of a former companion Saturday night and told him the gang had stolen an automobile and planned to head for the Okanagan. Called by an excited companion, the police arrived minutes after the allegedly stolen car had disappeared.

### FUNERAL OF MRS. WERMIG

High Requiem Mass for the repose of the soul of the late Mrs. Ida Pauline Wermig, who passed away at the week-end at the age of 60, was held this morning at the Church of the Annunciation. Rev. Father F. J. Rayner, O.M.I. was celebrant. Interment took place at Fairview Cemetery with Father Rayner reading the prayers of committal.

At a service at Grenville Court Chapel at 8:30 Sunday evening, the Rosary was recited by Rev. Father Mohan. Pallbearers this morning were A. W. Burnip, Charles McNab, Jack Batt, Robert McKay, R. B. Skinner and T. N. J. Fortune.

considerable power will be sought from KPU during the operational stage. This arrangement would make it unnecessary to build expensive power facilities in the Manzanita and Mirror lakes watershed.

#### 400 HOUSES PLANNED

The magnesium process, perfected by the Weyerhaeuser interests and now being used in that company's Longview mill, allows for virtually 100 per cent use of the log instead of dumping a residue of 40 or 50 per cent, as has been the custom with the limestone process.

If the magnesium process—which is being watched by the trade in general—is not out of the experimental stage by the time machinery is installed here, free lime probably will be used instead of limestone. It can be converted to the magnesium process, which is more efficient and more economical.

If the power installation is not needed, the general contract will include between 400 and 500 houses for pulp mill workers. It is not stated, however, whether these will be built by the company or by a separate financial institution. At least one life insurance company has surveyed the field for possible housing construction and local banks and individuals hope to take part in this phase of the over-all project.

Amendments have been added to exempt industries using new processes in Alaska, the exemption to be granted by the tax commissioner on the basis of jobs made for Alaskans, costs of production in competition with the field as a whole, permanence of industry, amount of capital investment and similar factors.

Several contracts already have been negotiated with construction concerns for the plant itself and it is planned to have 1000 to 1200 men on the job by summer. Some Ketchikan contractors have been consulted and will take part in the overall construction program, it is understood.

#### LOCAL TIDES

Tuesday, March 22, 1949  
High 7:04 17.6 feet  
21:16 15.5 feet  
Low 0:58 11.0 feet  
14:28 6.9 feet

R. P. Smith left this afternoon by air on a business trip to the Queen Charlotte Islands.



SITE OF NEW INDUSTRY—Ward's Cove, six miles from Ketchikan, where American Viscose Co. is establishing \$33,000,000 cellulose wood pulp plant with capacity of 550 tons. Site is on north shore of cove (left hand of picture) where Wacker City townsite is located.

### ARRESTED AT BURNS LAKE

BURNS LAKE—Clifford Forrester Humphreys was apprehended by Constable W. H. Richmond last Thursday while quietly working in a nearby sawmill. He is alleged to have left a trail of worthless cheques from Vancouver to Burns Lake victimizing several Burns Lake merchants. Vancouver stores and hotels claimed to have first call on him and he was escorted to Prince George enroute there.

### RESCUED FROM CRASHED PLANE

#### Alert Skipper Saves Lives of Two Airmen in Gulf of Georgia

VANCOUVER, (AP)—An alert coastal skipper last night effected the rescue of two airmen from the squally Strait of Georgia after the engine of their seaplane had caught fire and forced them down near Roberts Creek, 25 miles up the coast.

Pilot Bill Waddington and Chief Engineer Hugh Thomas of the British Columbia Airlines Ltd. were taken aboard the converted Fairmile, Gulf Mariner, two hours after the skipper, Roy Barry, had spotted distress flares fired before the Seabee was set down.

Waddington and Thomas, shaky, wet and "sick as dogs," fought the fire on their \$6,100 craft after crash landing and had it extinguished a few minutes before the Gulf Mariner came alongside to rescue them. The damaged plane, filling with water, drifted out to sea and presumably sank.

C. H. Orme left by air today to return to Vancouver after spending the last few days visiting in the city.

### THE WEATHER

#### Synopsis

The active disturbance that brought rain to the entire British Columbia coast during the past 24 hours is moving eastward over the southern interior. Cloudy skies and showers are general over the interior and although the weather is still unsettled along the coast an appreciable amount of clearing should bring much more pleasant weather to these regions during the afternoon. Some cloudiness and scattered showers will persist over the mountains of the interior but the improvement will spread to these areas tomorrow.

#### Forecast

Queen Charlottes and North Coast—Cloudy with widely scattered showers today. Cloudy tonight, becoming overcast early Tuesday morning with intermittent rain in the afternoon. Winds southerly (20 m.p.h.) in the exposed areas, light elsewhere. Little change in temperature. Lows tonight and highs Tuesday: Port Hardy 35 and 48, Massett 39 and 45, Prince Rupert 38 and 48.

### TODAY'S STOCKS

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

Vancouver	
Bayonne	.06
Bralorne	8.70
B. R. Con	.03 1/4
B. R. X	.10
Cariboo Quartz	1.15
Congress	.03 1/2
Hedley Mascot	.35
Pend Oreille	4.55
Pioneer	3.20
Privateer	.19
Reeves McDonald	2.50
Reno	.06
Sheep Creek	1.26
Silbak Premier	.35
Taku River	.26
Vananda	.33
Salmon Gold	.15

### Toronto

Athona	.11 1/2
Aumaque	.18 1/2
Beattie	.52
Bevcourt	.25
Bobjo	.11 1/2
Buffalo Canadian	.14
Consol. Smelters	98.00
Conwest	1.25
Donalds	.52
Eidona	.55
East Sullivan	2.73
Giant Yellowknife	5.50
Hardrock	.17
Harricana	.07 1/2
Heva	.08 1/4
Hosco	.24 1/2
Jackknife	.04 1/4
Joliet Quebec	.34
Lake Rowan	.08
Lapaska	.06
Little Long Lac	.76
Lynx	.13
Madsen Red Lake	2.75
McKenzie Red Lake	.37
McLeod Cockshead	4.00
Moneta	.38
Negus	2.40
Noranda	53.00
Louvivourt	.19
Pieckle Crow	2.08
Regcourt	.05
San Antonio	4.15
Senator Rouyn	.40

### Calumet Horse Equals Record

MIAMI (AP)—Coallown, Calumet Farm's great four-year old, Saturday equalled the world's record for the 1/4 miles by winning the Gulf Stream Park's \$20,000 handicap with seven lengths to spare. Carrying 128 pounds, Coallown galloped over the wire in one minute, 59 4-5 seconds which was the record time set nearly ten years ago in Brighton, England, by St. Andrews II and equalled for the first time on the American turf by Shannon II.

### NIGEL MORGAN IS RE-ELECTED

VANCOUVER (AP)—The Labor-Progressive Party yesterday returned Nigel Morgan as president of its British Columbia membership of 2,000. Officers elected to the 1949 executive at the annual meeting, held in camera, were not announced.

A spokesman said that the membership increased by 300 in 1948, mainly in logging camps throughout the province.

### PACIFIC COAST HOCKEY FINALS

#### Westminster and Tacoma in North—Los Angeles and San Diego in South

NEW WESTMINSTER, (AP)—New Westminster, Tacoma, Los Angeles and San Diego threw the books into their opponents over the week-end to gain division berths in the Pacific Coast Hockey League.

New Westminster won three straight in the series with Portland. Leaders in northern division regular play for the season, the Royals beat Portland 4 to 2 Saturday night and then 3 to 2 Sunday night.

Meeting the Royals in the finals will be the Tacoma Rockets who beat Vancouver 4 to 0 Saturday for their third straight victory.

The northern division finals will open Wednesday at New Westminster.

Los Angeles Monarchs knocked off Fresno 2 to 1 Saturday night to clinch their series. They will meet San Diego in the southern division final, opening Thursday.

San Diego Sunday night defeated Oakland 4 to 2.

### Product To Be Shipped By Rail Thru Rupert

KETCHIKAN—Ketchikan is riding high on a crest of optimism and enthusiasm these days in the definite assurance that the American Viscose Company, through its subsidiary company, the Ketchikan Pulp and Paper Co., is to build a \$33,000,000 550-ton cellulose wood pulp mill at nearby Ward's Cove, six

miles to the north. The land has been acquired, including much of the townsite of Wacker City. Negotiations have been completed with the United States Forest Service for a fifty-year timber supply. Adequate supply of suitable water has been found to be available from Ward Lakes in the mountains behind Ward's Cove. Engineers are expected on the scene in the near future and there is reason to believe that actual construction will start this year.

Prince Rupert is expected to figure prominently in the Ketchikan pulp mill picture as the Ketchikan Pulp & Paper Co. contemplates establishment of a car ferry service to carry much of the plant's output to the Canadian National Railway here for transshipment East over Canadian National Railways. The advent of Alaskan statehood will facilitate the use of this port in serving such Alaskan industries as the Ketchikan pulp mill as the Jones Act under statehood would become inoperative.

The Howard S. Wright company of Seattle, Everett and Bellingham has been awarded the contract for installation of pulp mill machinery in the new plant. It is possible that Morrison Knudsen and company of Boise will handle the major part of construction.

The Wright company plans to send Earl Peters, one of its

old hands in the pulp and paper game, to Ketchikan as general superintendent. He will bring key employees with him and all contractors will hire as many men locally as possible.

Wright engineers and millwrights at present work under contract as maintenance engineers for pulp and paper plants at Tacoma, Everett, Bellingham and Anacortes.

The plan for construction is to break ground this spring, with construction of the dock as the first item. Across the dock will be unloaded steel and cement for the actual construction.

Three old ferries reportedly from the Blackball system on Puget Sound, will house non-resident construction workers during the period of construction, 30 to 36 months, it was reported.

After an initial 325-ton mill is installed, it is hoped to begin work at once on the additional 225-ton portion of the plant.

Power will be provided by the Ketchikan Public Utilities in the early stages of construction and, if the magnesium process is used in the plant's operation,

### Free Hand to Help Europe

#### President Truman to Make Request of United States Congress

WASHINGTON D. C. (AP)—President Truman is expected to ask Congress for a free hand in allocating arms to Western Europe under the proposed \$1,000,000,000 military aid program.

The program is scheduled to go to the Capitol about the same time as the North Atlantic security pact.

Truman will send up the pact for Senate approval soon after it is signed here by the expected countries two weeks from today.

**The Daily News**  
Announcing...  
**INTERNATIONAL INDUSTRIAL JOINT EDITION OF**  
The Prince Rupert Daily News  
AND  
The Ketchikan Alaska Chronicle  
Published by the Prince Rupert Trades and Labor Council  
**Occasion—**  
The impending Statehood of Alaska whereby territories will be removed which at present prevent full use of the Port of Prince Rupert as the gateway to Alaska.  
Industrial developments at Prince Rupert and Ketchikan, notably the establishment of multi-million dollar cellulose pulp mills at both cities—Prince Rupert already being well under way, Ketchikan's about to commence.  
The International Industrial edition will bring history up to date in picture, news items and feature stories.  
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**BASKETBALL PLAY-OFFS**  
TUESDAY  
7:15—Peoples vs. High School  
8:15—Fashion vs. Merchants  
**HOOP SHOOT CONTEST**