

HUGE NEW CELANESE PROJECT IS PLANNED

Today's News

65,000,000 Dollar Pulp Mill in Arrow Lake District

Two Thousand Men to be Employed From New Industry at Castlegar

VICTORIA (Special to Daily News)—Application for a forest management license on the Columbia River watershed south of the Big Bend has been received from Celanese Development Co. Ltd., Hon. E. T. Kenney, minister of lands and forests, announced today.

The company, a division of Celanese Corporation of America, will start at an early date on construction of a \$65 million project to provide for complete utilization of the forest resources in the area if the license is approved, Mr. Kenney said.

Present plans call for the construction near Castlegar of a kraft mill that will produce 400 tons of bleached and semi-bleached sulphate pulp daily, and a ground wood mill with a daily capacity of 275 tons of newsprint.

Plans for the addition of a plywood mill are under consideration and will be completed if sufficient peeler stock is found to make such a plant economically sound.

Also under consideration is the construction of a board mill to utilize waste from the pulp and sawmill operations.

Studies are being made to determine the feasibility of recovering tannic acid from the hemlock bark that would otherwise be wasted.

"The project," Mr. Kenney said, "would provide for the full utilization of our forest resources in the Arrow Lake and Columbia River districts."

"Low grade logs that are now left in the woods because there is no market for them will be used in the pulp operation. Where it is feasible the company also proposes to place barking and chipping facilities at strategic points in the area to utilize the slabs and edgings that are now part of the sawmill waste. These materials would be shipped as chips to the kraft mill to be manufactured into pulp."

"Cutting of timber on the forest management license for which the company is applying would be restricted to a volume that will not exceed the annual

Statement By Blancke

NEW YORK (Special to Daily News)—Plans of the Celgar Development Co. Ltd. for an integrated forest industry in the Arrow Lakes district constitute the third phase of Canadian development program launched by Celanese Corporation of America four years ago, said Harold Blancke, president of Celgar Development Co. Ltd., in a statement here today.

Since 1947, two of the company's Canadian affiliates, Columbia Cellulose Co. Ltd. and Canadian Chemical Co. Ltd. have committed more than \$90 million for the construction of a high alpha cellulose mill at Prince Rupert and a petro chemical and cellulose acetate plant at Edmonton.

The Columbia Cellulose mill, completed last May, is now being enlarged. Construction of the Canadian Chemical plant at Edmonton was started in July, 1951, and will be completed this year.

Estimated cost of the Arrow Lakes development is \$65 million but this amount may be increased by the addition of plywood and board mills.

EMPLOYMENT POLICY

The policies of the company adopted at Prince Rupert and Edmonton of employing Canadians wherever possible in the operations, of financing the construction in Canada, and of purchasing materials, equipment and supplies in Canada when they can be procured there, will be followed at Castlegar, Mr. Blancke said.

"The Canadian program of Celanese Corporation of America has been predicted on our belief that this country presents an unparalleled opportunity for growth and that we can expect to share in that growth only to the extent that we contribute to it," Mr. Blancke said.

"We propose to continue these contributions in the form of capital, industrial experience and technical skill."

"The conservation policies of the national and provincial governments in Canada have been a vital factor in our decision to develop a major industrial organization in this country."

"The capital cost of new plant construction today demands the assurance of an operation that can look forward to many years of production and the life of any producing unit is controlled by the supply of raw materials."

"The forest management program of the British Columbia government is of the greatest significance in our plans for the Arrow Lakes development. It is equally important to the 2,000 men and women we expect to employ in our mill and logging operations. It is their assurance—and ours—that the chief materials necessary for production will be available indefinitely. The expectation of permanent employment that is linked with the forest conservation plan will encourage expansion and new projects in the towns in the license area."

"Wherever possible, the products of the proposed mills will be sold in Canada for consumption, or further processing," said Mr. Blancke. "The remainder of the output will be sold on the export market, thereby aiding the campaign to strengthen Canada's position in the field of international exchange."

Survival Training

RCMP and U.S. Air Force To Learn From RCAF

OTTAWA (Special to Daily News)—Members of the Royal Canadian Mounted Police and United States Air Force will be trained in survival technique by the Royal Canadian Air Force at its schools in western and northern Canada.

Air Force headquarters said Monday that, for the time being, a total of five Royal Canadian Mounted Police pilots and engineers and an indefinite number of United States Air Force personnel will go through rigorous northern schools at Abet Lake, 165 miles west of Edmonton, and at Cambridge Bay, 200 miles inland—the Arctic Circle on Victoria Island.

FLASH

Liberals Deferring Convention

VANCOUVER (CP)—The Liberal party executive today rejected a move for an immediate Liberal convention and termination of the coalition with Conservatives in British Columbia.

They decided, instead, to call a full-scale general convention before June 30.

Woman Hunting Victim

Mrs. Dell Slater, Formerly of Trail, Killed South of Burns Lake

Mrs. Dell Slater, aged 35, formerly of Trail and for the past eight months residing at Tatalross, across Francois Lake and 52 miles south of Burns Lake, is dead, the victim of accidental shooting while hunting coyotes, according to information received at divisional headquarters of the Royal Canadian Mounted Police here.

Mrs. Slater had left at 2 p.m. Sunday afternoon and, when she failed to return in the evening, search was started. At 11 p.m. she was found dead. The gun, beside her, had evidently discharged while she was endeavoring to climb over a windfall.

It is believed that death had occurred a few hours after the actual shooting through the abdomen.

Coroner Gregg White of Burns Lake found accidental death.

Today's Stocks

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

Oils—	
A P Con	54
Calmont	1.75
Central Leduc	2.75
Home Oil	17.25
Mercury	23 1/2
Okalta	3.80
Pacific Pete	10.45
Royal Canadian	22

TORONTO

Athons	.09
Aumaque	22 1/2
Beattie	20
Bevcourt	.80
Buffalo Canadian	18 1/2
Consol. Smelters	187.25
Conwest	3.85
Donalda	.49
Eldona	.23
East Sullivan	9.20
Giant Yellowknife	11.50
God's Lake	.40
Havva	15 1/2
Joliet Quebec	.45
Little Long Lac	.75
Lynx	13 1/2
Madsen Red Lake	2.06
McLeod Cockshutt	2.92
Moneta	.33 1/2
Negus	.67
Noranda	84.00
Louvicourt	.34
Pickie Crow	1.66
Senator Rouyn	.20
Sheritt Gordon	4.55
Steep Rock	7.10
Silver Miller	1.40
Upper Canada	1.77
Golden Manitou	7.00

Pulp Mill and More Sawmilling Boosts Logging by 44 Percent

Operation of the Columbia Cellulose Co.'s new pulp mill at Prince Rupert and generally stimulated sawmilling activity was reflected in a 44-percent increase in log scaling in Prince Rupert district during 1951 as compared with 1950.

According to returns of the district forester, M. M. Gormely, the total log scale for Prince Rupert in 1951 was 399,082,907 board feet compared with 274,117,482 board feet in 1950.

While the log scale was showing such a substantial gain, pole and piling production fell off from 2,398,693 lineal feet in 1950 to 2,012,875 lineal feet in 1949.

The production in the year just ended was 113,946 pieces compared with 83,868 in 1950.

Cordwood for 1951 was scaled at 3,171 cords compared with 2,910 1/2 cords in the preceding year.

For the first time this last year Christmas trees were recorded in the scaling returns. They were counted at 225.

PER SPECIES

Per species, the timber scale in 1951 was as follows, 1950 figures also being shown for comparison:	
	1951
Board Feet	Board Feet
Fir	11,474,537
Cedar	42,847,818
Spruce	180,814,652
Hemlock	114,029,053
Balsam	19,511,219
Jackpine	26,028,221
Misc.	4,577,407
Totals	399,082,907

The log scale or December 1950 was 40,122,275 board feet compared with 17,964,853 board feet in December 1950 with substantial gains in the production of all varieties with the exception of balsam which showed a small decrease.

Aldermanic By-Election January 31

Resignation of T. Norton Youngs and W. Allan Armstrong as aldermen following their qualifications being questioned because they had shared in commissions on city insurance business were accepted by the city council Monday night.

Youngs and Armstrong had been elected at the recent civic election.

By-election date was set for January 31 with nominations January 24.

Both Youngs and Armstrong have indicated that they will relinquish their connection with the insurance company concerned and stand for election again.

Sleeping Car Rates Hiked

MONTREAL (CP)—Increases in minimum fares for standard and tourist sleeping car accommodation between points in Canada, effective January 10, were announced Monday by J. A. Brass, chairman of the Canadian Passenger Association.

The announcement said the Canadian railways and Pullman Company found the increases necessary because of high cost of operation.

The minimum fare for standard berth accommodation will be advanced from \$3 to \$4 and for tourist lower berth accommodation from \$2 to \$2.70, with corresponding advances in minimum charges for other units of sleeping car space.

Fares for distances beyond the minimum fare are to remain unchanged.

Liberal Executive Setting Date For Convention Today

VANCOUVER (CP)—British Columbia Liberals will hold a full scale provincial convention in the near future to decide the party's fate within the coalition government. This was learned Monday as top British Columbia Liberal leaders concluded a meeting of the Liberal advisory board here.

Provincial Liberal President H. G. Perry said a convention will be held "in the near future." The exact date will be set by a meeting of the Liberal executive Tuesday.

Premier Byron Johnson told the advisory board meeting that he is in favor of holding a convention. Newspapersmen, in a hallway outside—the meeting was closed—heard loud applause as the premier concluded a statement.

Demands for a provincial convention have come from Liberals seeking to have the party pull out of coalition almost immediately.

PROLIFIC FISH
It has been computed that codfish are capable of spawning 3,500,000 eggs at one time.

Churchill And Truman Meet

WASHINGTON, D.C. — President Truman and Prime Minister Churchill met again today at the White House but still no official announcement was made as deliberations took place behind locked doors.

Railway Clear—Highway Closed

Six inches of snow which fell since yesterday on the railway line between Terrace and Tye had been ploughed away and "everything is fine," Superintendent C. A. Berner stated this morning. Last evening's train for the East moved out without delay and the train from the East is due on time at 10:05 tonight.

Meantime, the highway between Prince Rupert and Terrace has been closed for two days while the public works department equipment struggles to keep ahead in the battle with the snow which has not, as yet, reached such serious depths as has closed the road by mid-January in past years. Hope is expressed that the department will be able to keep the road open throughout this winter. If so, it will be the first time it has been kept open all winter. The present two-day closure is in the hope that guarantee may be given later that traffic can get through.

Yesterday a public works grader became stuck near Exstew and held up road traffic, including the CNR bus, for several hours.

WEATHER

Synopsis

Overnight freezing which followed yesterday's fresh fall of wet snow in the lower mainland of British Columbia produced hazardous driving conditions in many areas. Interior temperatures ranged from the low twenties in the southern valleys to 5 to 10 above in the central interior and 20 to 30 below in the extreme northern limits of the province.

An intense storm is approaching the northern coast. Gale warnings have been issued for the waters near the Queen Charlottes and northern Vancouver Island about midday. Strong winds will develop along the west coast this evening.

Gale Warning

North coast region—Gale warning issued.

Cloudy today and tomorrow. Mixed rain and snow in the northern area, spreading to the southern area this afternoon. Snow showers tomorrow. Little change in temperature. Winds—southeast, 30, increasing to 45 to 55 during the forenoon, then shifting to westerly, 40, this evening. Winds—northwest, 20, tomorrow. Lows tonight and highs tomorrow—at Port Hardy, 32 and 38; Sandspit, 28 and 35; Prince Rupert, 30 and 35.

Would Invite Power Commission To Take Over Power Supply

Notice of Motion Placed Before City Council

City council, at its inaugural meeting Monday night, received notice of motion from Ald. George Hills which would invite the British Columbia Power Commission to enter into negotiations with the city of Prince Rupert for supply of power to the city following expiry of the present franchise of the Northern B. C. Power Co. in 1954.

The notice of motion will come up for discussion at the next meeting of council January 14.

It follows passage by narrow margin of a referendum at the recent civic election calling for such negotiations with the Power Commission.

The referendum was vigorously opposed by the Northern B. C. Power Co., which is a subsidiary of the Power Corporation of Canada and which has supplied power to the city for the past 20 years.

As it was merely notice of motion there was no debate last night.

The notice of motion is as follows:

"Whereas at the last civic election a majority vote was cast in favor of inviting the B. C. Power Commission to negotiate with this council in supplying the electrical power for this city.

And Whereas the B. C. Power Commission has stated to previous city officials that time is an essential factor in such negotiations.

"Take notice that at the regular meeting of January

British Ship Now Released

HONG KONG (CP)—The British freighter Talkinshan arrived Tuesday from Formosa after 6 1/2 months' detention by Nationalist Chinese authorities as an alleged blockade runner.

The ship's acting chief officer, Chu Weng-Ching, is still in Formosa. It is not known whether he is detained by Nationalists or remained behind voluntarily.

Flying Enterprise Day Out of Port

FALMOUTH—The listing American freighter Flying Enterprise was less than a day from this port today behind the British tug Tuimoll. Capt. Kurt Carlsen, the master of the Enterprise, is to be knighted by the King of Denmark.

TIDES —

Wednesday, January 9, 1952	
High	0:04 16.9 feet
	11:29 20.0 feet
Low	5:27 10.4 feet
	18:17 4.2 feet