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Loss of a Premium

ABOUT this time every year bright-plumed tourists land in Prince Rupert between stops of the coastwise luxury liners.

A cheerful harbinger of summer, the species has almost no natural enemies in this city—or in our country, for that matter. Even those sensitive souls who object to the sometimes strident call of the male, or who think his plumage to be on the garish side, refrain from discouraging his presence because of the valuable greenbacks that become detached as the friendly fellow flutters from one attraction to another.

These greenbacks are eagerly sought by collectors and until quite recently their detachment here was facilitated by the action of a little-understood natural phenomenon known as "a more-favorable-rate-of-exchange"—or briefly, a premium.

This year fears are being expressed that we may not see as many of the visitors as in previous summers. A change in the financial climate has caused the disappearance of the premium and it is believed this may discourage migration.

The government is said to be considering some special measures to lure them across the border and one newspaper columnist has suggested that a good method would be to have the CBC stay on the air a couple of hours longer at night to beam music and other encouraging sounds in the direction of the tourists' habitat.

It is doubted in other quarters, however, that the CBC could put on a program that would be so effective.

Meanwhile, we are quite certain that in Prince Rupert, for example, no merchant or establishment which has lured onto its premises the migrants will look disparagingly upon the greenbacks, as if they were of doubtful origin. We will surely do no such thing as to look just a little bewildered at the sight of the greenbacks, not knowing just whether the bearers are from Mars, Jupiter or the Moon.

Neither will we, who are expecting to do a little migrating of our own past the 49th parallel, hold up our quaint likeness to a medium of exchange and demand with foot-stamping the exact premium to which an economic twist has seen fit to give birth.

As I See It

by Elmore Philpott

You Said It, Boss

SIX DAYS after the B.C. election we do not have even an accurate first count of the ballots!

B.C. has temporarily become the laughing stock of North America—as anyone can learn who cares to listen to the American radio or to read the press on both sides of the line. It will be July 4 before we know which one of the four major parties has emerged with the largest group—and so become entitled to try to form a government.

When the Liberal leader, Boss Johnson, said on election night that "utter confusion exists" he was, for the first time in weeks, completely in tune with what the whole province was thinking. You said it, Boss.

Nevertheless—while B.C. is without an effective government—the people have rendered a clear-cut verdict on many matters, namely:

1. For maintenance of our non-sectarian public school system which B.C. has always had. The attempt to inject the dual-school system, with students divided on religious lines, was defeated by over 99 to 1.
2. The majority voted for legalized liquor sale by the glass and for daylight saving time.
3. Compulsory, universal hospital insurance was upheld by a ratio of about 60% to 40%. The two parties which favored the voluntary system obtained only the same minor slice of the total vote as did the losing side in the liquor plebiscite.

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THE COMMUNISTS were virtually annihilated as an election factor in B.C. You do not get the true picture of this elimination by simply adding together the total number of first choices cast for LPP candidates for the obvious reason that in some ridings each voter votes for two MLA's. But anyone who closely studies the figures can see that the total number of persons who voted for all LPP candidates in this election was fewer than the votes cast for the one leading LPP candidate in the federal election of 1945. Even the new Separate School splinter group let the LPP by a small margin.

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OF THE four major parties the only one entitled to take much moral satisfaction out of the outcome is Social Credit.

It is a delusion for CCF supporters to imagine they did well because they have emerged as largest minority on the first count. They did hold better against the Social Credit onslaught than the others. The figures for the percentage of votes obtained by the CCF in three successive elections tell their own story:

1945	37.6%
1949	35.1%
1952	30.2%

In the same period the Social Credit percentage of the total vote has risen from 1.5% in 1945 to 26.6% in 1952.

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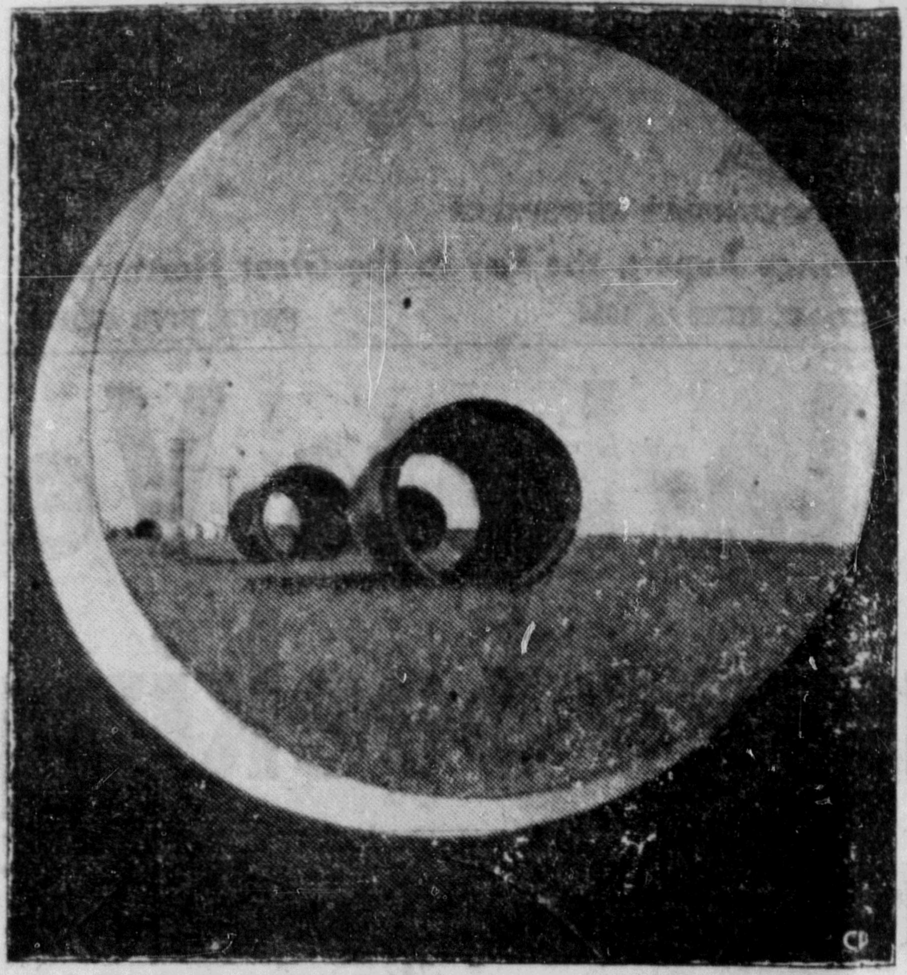
IT IS TOO soon yet to make even a good guess as to the outcome in B.C. But it is not too soon to know that what has happened in B.C. may have profound consequences on the whole balance of political power in Canada. As I have been pointing out for months past—any considerable foothold obtained by Social Credit in B.C. could well mean the defeat of the Liberal party at Ottawa next year—and by a strange paradox—the election of George Drew as Prime Minister at the head of a straight Conservative government, or a Social Credit-Conservative alliance. This would not necessarily involve a coalition — merely a gentlemen's agreement as the Liberals and Progressives used to have back in the twenties. In politics, a wink is as good as a nod.

Maybe the Tory organization was not quite as dumb as it superficially appeared when it complacently let itself be wiped out by Social Credit in B.C. Sometimes the longest way around is the shortest way through.



FOR PRAIRIE WATER—This concrete pipe, now lying atop Saskatchewan prairie land 35 miles northwest of Regina, will be carrying much-needed water from Buffalo Pound Lake to city water mains. This $6,000,000 project, expected to be completed by the summer of 1953, is financed by the city of Regina with grants from the federal and provincial governments.
(CP PHOTO)

Business Spotlight

By the Canadian Press

EDMONTON—Little more than five years ago Canada's oil production was just a "drop in the bucket." Today that bucket is overflowing.

When 1947 dawned, few persons except never-say-die oil explorers thought of the vast Canadian prairies as anything other than a bountiful agricultural food basket.

True, there was the Turner Valley oil field in southern Alberta's foothills, the first major oil field in the British Empire. But Turner Valley, discovered in 1914, was well past its prime and the search for other big oil pools had been a major disappointment.

Imperial Oil Ltd. alone had drilled more than 118 miles of wells in Alberta and Saskatchewan at a cost exceeding $23,000,000 and had little to show for it.

Start of An Era

Then, in a snow-covered field 17 miles south of Edmonton on Feb. 13, 1947, Imperial Oil and the petroleum industry generally was finally rewarded for 27 years of dogged, heart-breaking toil. The big Leduc oil field, ushering in Canada's new oil and gas era, was born.

About a year later, inspired oil searchers brought in the Redwater field, biggest yet, 45 miles northeast of Edmonton. It was the continent's top field discovery of 1948.

No fields comparable to Leduc or Redwater have been found since. But the oil industry, always knocking on the door of that next big find, has uncovered an interesting array of oil and gas discoveries in the four western provinces. In doing so, it increased production 1,000 per cent from 1947.

New oil and gas fields stretch from the international boundary north into the Peace River country's bush and muskeg and from the slopes of the Rockies in northeastern British Columbia east across the prairies to the wheat fields of southern Manitoba.

Meanwhile, the United States also is experiencing its greatest oil hunt. It extends from the cattle and wheat country of the Dakotas and Montana to the Rio Grande and the Gulf of Mexico.

One of the biggest developments in this search was the discovery last year of oil in North Dakota in the Williston Basin after 30 years of vain and costly search there. The basin stretches from the Dakotas and Montana into Saskatchewan and Manitoba.

Manitoba Strike

A little while later light oil was found in the Virden area of southwest Manitoba, also in the Williston Basin. These discoveries have given added incentive to exploration in the two Canadian provinces.

Oil companies by the hundreds have flocked to western Canada, the continent's last oil frontier, in the ever-widening search for the sea of black gold. All that was needed was the spark. Leduc provided that.

An oil pipeline was built from Edmonton to the lakehead, shoving American crude out of one-third of the Ontario market. Another oil line is under construction between Edmonton and the Pacific Coast. Alberta approved limited natural gas export to Montana defence plants and then to the Pacific Coast.

The practice of flaring or burning off gas because of lack of markets—it has been estimated that roughly 1,000,000,000,000 cubic feet of gas was wasted this way at Turner Valley—now has largely been stopped by a great new demand for the cheap utility and by conservation measures.

Today, authoritative sources predict that within the next decade the west's oil and natural gas will top the $1,000,000,000-a-year agricultural economy as western Canada's top industry in terms of dollars and cents. They also predict that Canada soon will become self-sufficient in oil.

Huge Expenditure

In Alberta, the oil industry is spending as much or more this year as the $200,000,000 which it plowed into the search for and production of oil in 1951. The year before Leduc it spent $12,000,000. In Saskatchewan, it is spending $30,000,000 compared with $18,000,000 last year.

Alberta, which realized $159,057,000 from oil and gas development since 1947, including the estimate for this year, is talking about being Canada's only debt-free province within 22 years. It received a record $3,100,000 last month for lease rights on 160 acres alone.

Edmonton, its population growing at a rate of 10,000 annually, has taken over as Canada's oil capital although most oil company offices still locate in Calgary. Alberta's capital, which had no oil refineries in 1947, now has three and also has attracted the oil-allied petro-chemical industry.

Saskatchewan this year will start building pipelines to serve some communities with gas from its own fields by next fall. Its heavy black oil has found a big outlet in asphalt road programs.

British Columbia, which now needs Alberta gas, hopes that it will find enough gas from the northeastern Fort St. John field soon to provide for itself.

Every year becomes bigger than the last. B.C. found its first oil last year. Saskatchewan has found medium and light crude in commercial quantities this year; Manitoba has extended its Virden field and Alberta has come up with more and more discoveries.

Costly Failures

Indicative of the length to which the oil industry is willing to gamble for oil are two well failures in Alberta and Saskatchewan. Five companies hacked a 70-mile road through muskeg and bush west of Edmonton in 1948 and after spending 555 days and $1,600,000 failed to find oil.

In southern Saskatchewan, "Big Muddy" was drilled to a depth of nearly two miles before being abandoned. Deepest hole ever drilled in Saskatche-

(Continued on page 6)

IN TRANSPORT COMPETITION

Rail Head Calls For Realistic Attitude

MONTREAL—A "realistic" attitude towards increasing competition from other forms of transport was urged on railroaders today by S. F. Dingle, vice-president of operation, Canadian National Railways, in an address before the international convention of the Brotherhood of Maintenance of Way Employees now being held here.

Warning the attending delegates—who represent more than one and one-quarter million maintenance-of-way employees in North America—not to mistake the fact that railroaders are in the midst of a fiercely competitive era, Mr. Dingle said that there are limits to what railways can do to meet the newer competition directly.

"We must be realistic about such things," the vice-president said. "At the same time, there is no need for us to throw up our hands in dismay and decide that, because we cannot best the opposition by storming his strongest fortresses, we cannot best him at all."

Mr. Dingle suggested that railroaders outflank the opposition with better service and advocated the use of courtesy, affability and promptness as part of the ammunition to stem the inroads being made by competing forms of transport. The railways today are carrying a growing volume of traffic, he said and recalled that the CNR's Montreal terminal alone handled about 5,856 cars a day last year as compared to 2,057 cars 15 years ago.

Attributing this to the industrial expansion taking place across Canada, Mr. Dingle claimed:

"Our yard facilities here and elsewhere are being taxed to the limit and one of our major problems of the moment is how we can expand our yards in congested industrial areas to keep up with the volume of business we are called upon to do."

Canada's wave of development also means more railroading problems and headaches for those in the industry, Mr. Dingle said.

"Today we are building two vitally important rail links into a nickle mining area in Manitoba and a town that may well become a city overnight—Kitimat in British Columbia. Tomorrow we will have the problem of maintaining these lines in difficult country; in channelling a growing volume of traffic into them and of battling with the elements over a few more hundred miles of line.

"But that is the sort of challenge railroaders like. It is what makes our means of livelihood the most fascinating in the world. There is rich reward in the knowledge that millions of people are depending on us to keep our countries alive, vital and prosperous."

Mr. Dingle also told the delegates that he has never found the distinction between "labor and management very satisfactory.

"I can assure you that people in the management brackets do labor and a good many of them have had more than a casual acquaintance with the business end of a pick and shovel, and, conversely, the groups that are described as labor often perform a managerial function. The section foreman, the B. and B. foreman, for instance, is a manager in the fullest sense of the word.

That is not all the groups have in common, according to the vice-president.

"The fortunes of all employees from the top executive down are tied together and closely bound to the fortunes of the firm—in our case, the CNR. We all share alike in the praise and blame which the public sees fit to bestow."

The railways have made good use of the sciences to increase their efficiency and make their individual efforts more productive, Mr. Dingle continued, and outlined the numerous advances made within the past half-century—and many of the[ir] recent years.

"Most of you can remem[ber] that in 1931 a freight trai[n was] able to turn out 26,721 gro[ss ton] miles per train hour. toda[y the] figure is 46,424." Other d[evel]opments included the di[esel] electric locomotive, centr[alized] traffic control and other s[...] and the use of heavier ra[il to] the point where 130-pound or heavier has virtually bee[n] standard for main line op[era]tion.

"In their own field, main[ten]ance-of-way employees h[ave] seen the development of a [...] range of equipment, ra[nging] from small powered too[ls to] multiple unit ballast ta[mpers] and ballast cleaners whic[h to]day make the railways [...] and more pleasant on whi[ch to] ride.