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A Full-Time Job

ALTHOUGH one must hand Labor Minister Wicks some variety of laurels for showing the courage of his convictions, he appears to be heading into needless danger with his plan to put the Labor Relations Board on a part-time basis.

While his scheme has had at least the virtue of bringing management and labor into mutual agreement, there is small comfort in it for him since their alliance in this case is founded on the single premise that Mr. Wicks is wrong. It appears, however, that Mr. Wicks would sooner be decisive than right.

Even so, the announced resolve of labor leaders to shed illusions about their "honeymoon" and to press their case more strongly than ever must cause him a quiver of alarm. However sold he is on a part-time Labor Relations Board and the deceptive saving of \$10,000 in salaries, he cannot fail to see that such a board is poor equipment with which to handle management-labor relations when the gloves are off.

Mr. Wicks' error seems to lie in a misunderstanding of the continuing nature of those relations. He apparently believes there is no contact between labor and management until some issue arises which brings them into headlong collision. If this were true, his part-time board might be sufficient as it is reasonable to hope there would not be enough major differences to keep it busy all the time.

But it is not true, and the Industrial Conciliation and Arbitration Act which created the board does not assume for a minute that it is. Quite apart from dealing with strikes, the LRB handles all certifications of unions as bargaining agents, appoints all conciliators and conciliation boards, and hears and deals with all complaints about violations of the ICA Act. Some of its duties in union matters involve days of hearings and secret ballot votes of affected workers.

Instead of looking upon labor and management as two detached groups who occasionally come together with a crash, Mr. Wicks should take precisely the opposite view. The relationship between the two is the tight one of interdependence. This leads to friction and stepping on one another's toes, but the real danger comes not when they get closer together but when they move distrustfully apart.

To keep peace in such a crowd is the full-time function of the LRB. It is not, as Mr. Wicks sees it, that of a stretcher-team darting out now and then between battle-lines.

Report From ...

Parliament Hill

By Edward T. Applewhite, M.P., Skeena

There seems to be far more interest here in the fact that an unauthorized and unsigned copy of the Currie Report was in the hands of the opposition several days before it was submitted to the Minister, than there is in the contents of the Report itself. Some explanation will certainly have to be forthcoming as to how the opposition received this copy before the Commissioner (Mr. Currie) had submitted it to his client, the Minister of National Defence. Something seems to be a bit smelly in Denmark.

I have just obtained, not the year-end figures, but those as of December 1, 1952, on cold storage holding of fish; stocks of all frozen fish in Canada amounted to 60,022,000 pounds on Dec. 1, 1952, of which 55,736,000 pounds were frozen fresh and 3,286,000 pounds frozen smoked. In frozen cold there was an apparent net decrease during November of 1.9 million pounds as compared with a similar movement of 675,000 pounds during November, 1951. In salmon, freezings during November were 1,522,000 pounds; stock on hand Dec. 1 was 11,501,000 pounds, of which 35,000 was frozen smoked. All this salmon except for 171,000 pounds was Pacific fish.

And now, at the beginning of the second, and more important part of the Session, may I take a minute or two to refer to some of the difficulties with which we are faced today? Owing to the increase in the cost of living and present circumstances, the requests now being made for increases in family allowances may seem to be justified, but I still rely on the sound leadership given by the Rt. Hon. Prime Minister, and his colleagues. I am

sure that under the able guidance of Mr. St. Laurent and his cabinet, all social security measures that are conducive to the welfare of our people will be initiated in due course.

We are going to hear considerable from the Eastern farmers this year to the effect that mixed farmers in Eastern Canada is especially difficult as it requires continuous supervision, whereas they will claim the western farmers have only one branch of farming to look after and thus can become highly specialized farmers (there is some truth in that, too).

I think one of the best speeches made before adjournment was by Bill Mott of New Westminster, B.C., whose talk was short and down-to-earth. Speaking of the recent cabinet appointments, he pointed out that the new Minister of Fisheries, Jimmy Sinclair, does not come here as a man inexperienced in that industry. He used the opportunity to express sincere appreciation to the citizens of New Westminster for the fact that only a few days before they had passed a bylaw in which they turned waterfront property valued at about \$100,000 over to the crown for the sum of one dollar.

He then proceeded in an informal, chatty, manner to outline matters which required attention in his own constituency.

But what really endeared Bill Mott to the House (which had listened to speeches by Generals, colonels, lieutenant-colonels and what have you) was when he said he served three years and two months in the Canadian Expeditionary Force and came out a private.

ray ...

Reflects and Reminisces

It is declared by a contemporary that he knows of a woman who used to go to a doctor to learn if she could have children. More recently, however, she goes to a landlord.

One would think a major conference of MacKinnons, to take place next summer, would be in Scotland. But this austere occasion, it seems, will be in Nova Scotia. It must be remembered there is another big event overseas during the summer of 1953.

IT'S LEFT UNCERTAIN

Maybe we working boys do not realize what the little woman is worth, but Ottawa has it figured out for us. Mama, with apron and mop, is worth \$7 a day. But is there no way of finding out to what extent she receives \$7 per day? That's something else again.

Walter Pavlukoff, arrested in Toronto on the charge of murdering Sidney Petrie in Vancouver, told police he had no objection to being in custody. In fact, he intimated that he felt somewhat relieved. So would most of us, for five years, we kept wondering how soon a tap would sound on the door, or a hand press on the shoulder.

SOMETHING TO REMEMBER

Now that Mr. and Mrs. Truman will be moving away from Washington within another few days, it is perhaps just as well to remind Ike that the first thing he will be called on to do is to see that the White House piano is tuned. Moose Jaw Times-Herald.

Buchenwald, in Eastern Germany, is the grave of a hundred thousand. That many did not leave its barbed wire alive. Hitler saw to that. The old buildings have been torn down and the area planted with trees. It's easier to do that than obliterate the memory of Nazi terrorism.

Excitement has been noted in scientific circles off the coast of South Africa because a fish has been caught, the like of which has not been seen in 50 million years. It's just an ordinary-looking creature at that. And who in thunder was around examining sea food 50 million years ago?

Many Canadians are still thinking there are too many Texans in Alberta. This is another way of saying Canada can get along without oil, or why bother with the confounded stuff anyway?

Bachelors of the Baka tribe in Central Africa are forced to support a huge tree trunk on their shoulders for 24 hours before their marriage, this to prepare them for the burdens of matrimony. Generally speaking, the idea is sound, yet is 24 hours long enough?

MILESTONES

From the Files of The Daily News

40 Years Ago Today

Postmaster McIntosh of Prince Rupert, upon becoming aware of the mail situation at Masset, today made arrangements to have the mail taken by private boat to Masset and the many passengers on the Prince Rupert coming here to protest the mail service missed their long awaited letters when the two boats crossed paths.

30 Years Ago Today

Ex-Mayor S. M. Newton was today elected Mayor of Prince Rupert by a substantial majority over Alderman W. H. Montgomery.

Archbishop Du Vernet demonstrated today how the Little Chevreuil pendulum is used in thought transmission which will attract the attention of the world.

20 Years Ago Today

Mr. and Mrs. William Rance were honored last night by 30 of their friends at a surprise party on their 11th anniversary.

A snow slide on the railway at Mile 65 has cut Prince Rupert off from all telegraph communication.

10 Years Ago Today

The local post office is only now getting cleaned up on pre-Christmas mail congestion. Second class mail, some of it dated early December, has just made its appearance in the post office boxes.

The Prince Rupert Chamber of Commerce has gone on record as favoring the establishment of a military post office to alleviate the congestion.



As I See It

BY

Elmore Philpott

WELCOME HAROLD WILSON

THIS IS to Rt. Hon. Harold Wilson, former President of the Board of Trade in Britain, now in Vancouver.

Dear Mr. Wilson: It seems to me deeply significant that you have been invited to Canada by our leading B.C. forest products operator, H. R. MacMillan, and that you will later be the guest of the CCF premier of Saskatchewan. This is not only an indication that there are few economic divisions or party divisions in Canada re holding our British markets.

In your brilliant new pamphlet "In Place of Dollars" you have put your finger right on the core of the dollar-shortage problem, from the British point of view. But consider also how vital the British market is to Canada—especially to the Canadian west.

We need your market for our wheat, lumber, apples, small fruits, and especially canned salmon. We have been losing that market lately—and would have felt almost disastrous effects of that loss before now were it not that the U.S. market has been wide open to us, because of cold-war scarcity. But many here are aware that in event of a business recession, which could follow peace even in Korea, the traditional Republican policy might re-assess itself, and Canada could find the gates of U.S. slammed shut.

IN ANY EVENT, Mr. Wilson, Canada needs the British market quite as much as you British people need our lumber, salmon, apples and wheat. Some of us think that you, personally, are in a key position to publicize an entirely new deal between British and Canada. This deal would work as follows:

Canada would say to Britain, your credit is good with us 100 per cent to any extent you care to use it. Buy all the lumber, salmon, apples, wheat and other such products you want, at going world prices. Canada will accept sterling in full payment for such purchases.

These sterling payments would be deposited in a Bank of Canada account in Britain. As the British buyers bought Canadian

goods the Canadian sellers would be paid off in Canadian dollars, by the Bank of Canada. The Bank of Canada would hold the equivalent in sterling. On the other hand British manufacturers who sold goods to Canada would receive their payment in sterling, and the Bank of Canada would be recompensed in Canadian dollars paid by the Canadian buyers of the British goods.

The Canadian government would agree to keep the balances even year by year. No cash would change hands between the two countries. That is, any surplus that Canada had year by year on the trading account, would be wiped out by Canadian investments in Britain, or other parts of the sterling area.

The Bank of Canada might buy securities in Britain and sell them here, if necessary.

In other words, Mr. Wilson, some of us think that the way out of the double danger—the dollar shortage and our threatened loss of the British market—is to apply exactly the same principle as did Messrs. Roosevelt and Mackenzie King in the Hyde Park Agreement of April 1941. It's good Liberalism and good horse-sense.

It worked between Canada and U.S.A., and should work between Britain and Canada.



"Operation Squirrel"

WE KNEW ALUMINUM was used for artificial limbs, crutches and other aids to the fractured human frame. Now word comes from England suggesting still wider horizons for this versatile modern metal. Seems an animal lover of Twickenham found a squirrel with a broken leg and fixed it up with a pair of wooden splints. These his furry patient immediately ate. So he made two more, this time of aluminum. No more trouble.

It's just one more example of the seemingly limitless uses of aluminum. And it helps explain why Alcan is increasing its aluminum-making capacity in Quebec, and building a new smelter in British Columbia. Aluminum Company of Canada, Ltd. (Alcan).

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Buenos Aires, capital of Argentina, has the largest refrigerating plant in the world.

Only two species of the walnut tree are known in Canada, both occurring in southern Ontario.

The state of Utah is the largest uranium source in the U.S.

The Annual Meeting of Shareholders The Royal Bank of Canada

Free Exchange Rates, Lower Tariffs, Encouragement of Foreign Investment, Keys to Healthier Economy, Says President

Urges dollar countries to remove excessive trade barriers and customs formalities. "Canada serves high moral purpose and own self-interest by accepting her present-day responsibilities."

Canada's dependence on the world economy, and her responsibility to it because of her increased importance in the world was the main theme of the annual address of James Muir, President, at the Annual General Meeting of Shareholders of The Royal Bank of Canada.

Self-interest and high moral purpose, he said, lead in the case of Canada to a common goal: the rehabilitation of the world economy. Reliance on the free price system, he felt, is prerequisite to the removal of numerous obstacles to healthy world trade which exists today.

"Unfortunately the world's economic ills are more easily diagnosed than cured," said Mr. Muir. "The most spectacular symptom is, of course, the so-called shortage of dollars which still persists seven years after the end of the Second World War."

"In international trade, goods must be paid for either in the exporter's currency or in funds that are freely convertible into that currency. The world chooses to buy goods and services from the United States and Canada at such a rate that, even with the multitude of restrictions imposed by the importing countries, dollar payments for imports exceed dollar earnings from exports by more than \$5 billions per year.

THE DOLLAR SHORTAGE

"Exchange control can check the loss of dollar reserves for a time, but it does nothing to combat, indeed it may intensify, the underlying imbalance that causes the dollar drain. In contrast, a free rate moves automatically to restore balance in the international accounts."

"I do not mean to say, nor have I ever said, that free exchange rates will solve the whole problem; there is no simple solution. Nevertheless, it is surely unwise to forego the advantages of a free market merely because after its adoption, some problems will still remain. "In the short run, the dollar countries should act without delay to remove excessive tariff barriers and customs formalities that now present unnecessary obstacles to overseas imports. Canada, especially, has much to gain by reducing the preponderance of U.S. goods among her imports; and at the same time the release in this way of extra dollars to overseas countries would tend to reduce Canada's dependence on the U.S. export market."

"In the long run, an investment programme will be of the greatest importance in correcting the fundamental economic weakness that lays our allies open to recurring dollar crises. Briefly, investment may provide relief in three main ways: first, soft-currency countries may concentrate their domestic investment on industries producing goods which otherwise would have to be imported from the dollar area; second, dollar area countries may concentrate their foreign investment in the same types of industry; and third, the soft-currency countries may make direct dollar-earning investments in the dollar area itself."

PROBLEMS OF INVESTMENT

"The way to encourage private investment in underdeveloped countries is not to create another international lending agency but to secure a general elimination of reduction of the present restrictions in these countries on the repatriation of earnings, on the capitalization of earnings which are not or cannot be transferred, and on the effective control by its owners over equity capital when the majority interest resides outside the underdeveloped countries."

"In the last analysis, international investment and economic development depend upon a change of heart in the underdeveloped countries themselves. I believe this change will be easier if those countries adopt the short-run monetary and exchange-rate policies I have already discussed. Any easing of the dollar shortage by these means will make it easier to transfer interest, dividends, and capital sums out of these countries, and the mere power to withdraw will in turn encourage new investment and thus create a further improvement in the exchange position of these countries. Nevertheless, the will must be there is healthy long-

"Easy" Credit Can Be Costly to Consumer

Three devices, Mr. Muir said, had been available to correct the fall in business which had occurred early in 1952. These were tax reductions, price reductions, and easier credit terms. Despite some reductions in excise taxes, the effect of the 1952-53 budget had been to impose a heavier over-all burden of taxation: price reductions, while they had occurred to some extent, played a relatively small part in the revival of trade which took place towards the half-way mark of 1952.

"It was the third device," he said, "that of easier credit terms, which was apparently chosen by business and government as the means to restore a stronger current of business activity. Consumer credit controls were abolished on May 6th, 1952, and the voluntary restrictions on bank lending were removed, at the suggestion of the Bank of Canada, on May 20, 1952. We are experiencing the buoyant effects of these decisions. Indeed, there is some evidence that the decline in activity has been over-corrected, and that inflation has again become a threat to the economy."

"So-called 'easy' consumer credit can be most costly both to the consumer and to the economy as a whole. The effect on sales is immediate and gratifying to business; but repayment of the debt by the public in the future may well result in an enforced reduction in consumer spending on durable goods to a level quite as low and depressing as that which followed our pre-budget buying spree of 1951. If this reduction were to occur along with other deflationary factors, such as heavy inventories and a reduction or a leveling off in investment expenditure, our present boom might seem, in retrospect, an unsound and temporary one. Indeed, the economic pattern today bears no little similarity to that of 1928 and 1929. Then, as in 1952, the expansion of consumer instalment credit played an important part in increasing sales and maintaining retail prices at a time when raw material prices were on a steady decline. The result then, as in 1952, could only be a concealed inflation with its attendant dangers."

"I believe that a sounder prosperity in 1952 would have resulted from greater use of the two other corrective devices, namely tax and price reductions. These interact with and reinforce one another in promoting a healthy expansion; in other words, the expansion they promote will not be based on the shifting sands of consumer credit."

run investment is to be encouraged; and no plan of assistance programme or investment institution can serve as a substitute.

BASIS FOR OPTIMISM

"Mr. Muir concluded with an appeal to Canadians to exercise discretion when discussing Canada's prospects to their friends in other countries. 'It may be pleasant,' he said, 'to have one's nation regarded as a richly advanced nation; but the boom psychology that prompts even small investors in other countries to rush into Canadian securities should teach us caution. Both good fortune and our long-term prosperity will be far after if we do not overall Canada now. Let us then temper our private optimism with a little public caution, especially when we are talking to Canada's many friends abroad.'"

"Canada made a valuable contribution to the revival of faith in the traditional price mechanism when she freed the dollar in September, 1950, and removed exchange controls a little over a year later. In other countries there are legitimate differences of opinion on whether or not the time has come to make a similar dash for freedom. But there is a surprising amount of agreement that ultimately this is what must be done."

"Our country is young, its economic system is strong, its capacity for growth with our resources of imagination and enterprise to a severe welcome test. This is a country that will come to greatly impress the difficulties still ahead of it. There is little excuse for a young country that stands confidently on the threshold of national greatness."

General Manager Reports Assets Over \$2.6 Billion

T. H. Atkinson, General Manager, in reviewing the 1952 report stated that total assets of The Royal Bank of Canada have now reached the posting total of \$2,614,414,000. This, he said, was a new mark in Canadian banking history, and is the highest ever reported by any Canadian bank. Deposits likewise had reached record totals, said Mr. Atkinson. They now stand at \$2,327,487, an increase of approximately \$176,000,000 over the previous year. "This increase," said Atkinson, "reflects not only a steadily higher balance of the names of former clients, but also a record making number of new names on our books. The number of deposit accounts at the end of the year had increased to 1,762,382 over the previous year. After providing for depreciation and dividends, including an additional \$1,762,382 (at the rate of 1 per share), the bank transferred \$3,000,000 to Reserve which now stands at \$55,000,000. The bank's programme of improvement to branches has gone on steadily since the end of the war, continuing the year to provide the public and staff with modern, up-to-date facilities and surroundings. Some 275 branches have been provided with new or improved premises, 18 new branches opened, and a further series in the course of preparation."

ROYAL BANK ABOARD

Mr. Atkinson reviewed the history of the bank's expansion organization abroad, pointing out that its growth had followed actual or potential changes in Canadian trade development. Offices were established after a careful survey and assessment of whether the field was adequately served and if not, whether the bank could not only service Canadian export trade, but could also contribute something worthwhile to the business community in the particular country, and operate a reasonably profitable business. "The volume of business transacted by our foreign branches remains very substantial and profitable. During the year, our overseas branch again demonstrated its value as an important complement to our Canadian organization, only this time so from the point of record earnings, but contribution made in the operation of business to the Canadian branch through the establishment abroad of a worth while. As has been in our published reports of previous years, through our extensive overseas direct representation plus our world-wide relations with correspondent banks and the specialized departments we operate in Canada, we are proud of services we provide abroad, and the contribution we make towards facilitating trade, value of which can hardly be assessed in a nation which ranks third in world trade."

PRaise FOR STAFF

"It is a daily occurrence in the Head Office to receive word indicating that at one point or another some member of staff has gone out of his way to deal kindly and thoroughly with the problems of a client. Public opinion of the bank is by and large the opinion of individual branches of the bank so that our reputation is largely dependent on the deportment and actions of our personnel. That it is is a fact which is amply evident. "An expanding business inevitably places increased demands on the staff and in past year we are well aware that at many points our staff have been faced with difficulties which at the moment have seemed insurmountable. In no case, however, was there the slightest evidence of a breakdown in service to the public and so, on behalf of the entire staff of the bank, I have a heartfelt "thank you" to staff. In turn, on their part, I have no hesitation in saying the directors and shareholders that the demands of the future will be met by the staff in the efficient, warm, friendly manner they have played in the past."