Prince Rupert Daily News

Monday, June 23, 1952

An independent daily newspaper devoted to the upbuilding of Prince Rupert and Northern and Central British Columbia.
Member of Canadian Press — Audit Bureau of Circulations
Canadian Daily Newspaper Association.
Published by The Prince Rupert Daily News Limited
J. F. MAGOR, President H. G. PERRY, Vice-President

Subscription Rates:
By carrier—Per week, 25c; per month $1.00; per year, $10.00
By mail—Per month, 75c; per year, $8.00.
Authorized as second class mail by the Post Office Department, Ottawa.

Profits Are Distasteful

PROFITS have always been something that we—the public—have viewed with varying degrees of distaste and suspicion. Yet, if our personal earnings do not provide substantially more than is needed to maintain life and security we are filled with a sense of frustration and suspicion.

We expect industry to base its wages and prices on the bare cost of production. We bespeak for ourselves a comfortable residue over absolute needs.

Yet we will not recognize that the one is as surely profit as is the other.

Profit is part of life. Nature itself cannot accept a life force that merely replaces itself. Sooner or later something would disturb so nice a balance and bring life to an end.

Competition, changing human tastes, the need for capital, the recognition of the rights of the worker to participate in benefits and to enjoy securities, and, most of all, the provision for taxes to meet the growing needs of our communities all are factors chargeable against the profits resulting when materials are transformed into commodities.

How small a percentage much profit become before it can be accepted as reasonable?

Business Spotlight

By The Canadian Press

Far-reaching decisions affecting the Alberta government's right to collect royalties on oil, natural gas and coal will be handed down by the Privy Council in London this summer. Some observers say there is more than $200,000,000 in petroleum rights alone involved.

Three cases, two of them directly affecting the rights of the Alberta government and the third a private civil dispute, are to be heard by the Privy Council. They are among the final appeals to go to the council before recent legislation making the Supreme Court of Canada the highest court in the land becomes all-inclusive.

The cases to be heard concern the following dispute:

1. A corporation's claim that Alberta has no right to levy a royalty on oil, gas and coal which the province received under patents from the federal government.

2. Contention of a group of coal companies that the Alberta government has no right to increase royalties which the companies must pay for coal produced in certain areas of the province.

3. A farmer's claim that owners of oil rights on his land cannot expend natural gas to which they do not have the rights in the course of oil production.

Difference Between Oil, Gas Rights

The third case is of broadest public interest. The farmer, Michael Borys of Leduc, near Edmonton, claims that oil and natural gas are separate products and that ownership of oil rights does not give the owner inherent control on natural gas rights. In practice, it is impossible to extract oil without removing natural gas.

Borys won his case in the Supreme Court of Alberta but the decision was rejected in the Appeal Court. Many other farmers who have leased oil rights without the natural gas rights are watching Borys' case with interest.

The first case is based on an agreement made 40 years ago whereby the federal government relinquished to Alberta rights on certain lands in the province. At the time the land grant was made no royalty schedule existed. Now the question is whether the provincial government can impose royalties. The action was initiated by Huggard Assets Ltd., which has rights to some of the lands originally held by the federal government.

In the other case, six coal companies are contesting the validity of legislation passed by the province to increase coal royalties from seven to 15 cents a ton. The original royalties were set by the federal government before Ottawa gave the provinces jurisdiction over the natural resources in 1929.

The coal companies contend the royalties cannot be increased unless all parties concerned are consulted, and they were supported in their contention by the Alberta Appeal Court, which ruled the government's legislation ultra vires.

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Reflects and Reminisces

Spelling matches are said to be coming back. This practice used to be termed "Victorian." But there were no able bodied adults incapable of writing a letter without feeling nervous.

Fast cars in Prince Rupert menace more than citizens. At 2nd Avenue and 2nd Street, Friday afternoon, a good sized rat was observed trying to cross over and to accomplish this required all available agility and judgment. If a rat ever mutters to itself, there's no trouble figuring out what this one was saying.

The Eisenhower family, it is reported, recently purchased part of the battlefield of Gettysburg in southern Pennsylvania. Any old time, with nominations a few weeks off, another speech may be expected. Dwight is also said to be rather brief.

WHERE TO SPEND

There are some who think of tourists as coming from anywhere on earth, except another part of Canada. They see a party of typical strangers, wandering and observing, and immediately put them down for home folks from Kalamazoo, Pittsburgh or Baltimore. They couldn't possibly be from Montreal, Regina or Halifax, concludes Johnny Canuck. Canada's dollars are extra valuable today. It's worth while spending them in Canada. There's a lot of our country we have not seen yet. Ask any school child or adult what they know about Canada.

Federal rent controllers say rent control should be extended two more years—and two more years after that, and two more years after that, and two more years . . . .—Cleveland Plain Dealer.

SEEMS DOUBTFUL

There may be buck privates knocking around who say "you bet" when asked if, in their days overseas, they ever had canned salmon in the rations. We never discovered any but that's not saying there were none. They reply usually, and after a pause, "No. Don't believe I can remember." Just as though he was strongly doubting something or other.

A pipe line is penetrating British Columbia, through to the Pacific. B.C. wells have already produced, but contrasting the immensity of the province with what has actually been found, production has still a long way to go.

Extreme heat, in and around Chicago and the Central States, has taken the lives of about 125 persons. Weather on this placid coast has been fresh, and free of black flies. Also, free of any kind of heat. It's practically unknown, and possibly just as well.

JAPAN'S AMBASSADOR—Sadao Iguchi, second from left, first post-war Japanese Ambassador to Canada, has presented his letters of credence to Governor-General Massey, centre, at Ottawa. Present during the ceremony, left to right, are: J. F. Dulaute, administrative secretary to the governor-general; Mr. Iguchi, Mr. Massey; Dana Wilgress, Under-Secretary of State and H. F. Feaver, Canada's Chief of Protocol. (CP from National Film Board)

As I See It

by Elmore Philpott

Premier Winch?

AS THIS is written it seems likely that the veteran CCF leader Harold Winch will be called upon to form the next government of B.C.

There is, of course, a chance of a big upset on the final counts in the weird system under which the B.C. election was held. If there is an upset, it will probably favor Social Credit — who claim to have the best chance to take second choices, especially from the Conservatives. But the crutineers who actually made the first counts, and who glanced at the remainder going by, say that the percentage of CCF second and third choices was about as high as that of other parties.

Hence the probability that the Lieutenant Governor will call on Mr. Winch.

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I DISCOUNT the suggestion that the Liberals may try to cling to office, even though they emerge from the final count behind the CCF, Social Credit, or both.

There are many clear precedents to govern a situation such as now looms up in B.C. But the chief of these are those which concern the first Labor government in Britain in 1924; and the MacKenzie government of 1925.

The first Labor government came into power in Britain on almost exactly the same background as the CCF or Social Credit may come into office in B.C. next month. That is, Labor lacked a majority. The defeated Conservatives and the Liberals together outnumbered Labor. But Labor had the largest of the three groups. All impartial opinion in Britain turned thumbs down on the suggestion that the two old line parties should gang up on the Laborites.

Labor took office but was defeated in the House in less than a year and went to the country, when it was badly beaten.

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THE FEDERAL Liberals fought the famous election of 1926 on the red-hot constitutional issue. This arose out of a situation much the same as that which now faces B.C. The personally most beloved Governor General that Canada ever had got himself hopelessly in Dutch by picking and choosing favorites among the political parties.

I don't think the Lieutenant Governor of B.C., nor his advisers at Ottawa, would risk a repitition of any such an embroglio. There is no danger of one if the Crown sticks to the solidly established British and Canadian precedents—namely to call on whichever party leader has the largest elected group of followers.

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OPINIONS differ as to whether or not it is an advantage for a party to take over the government when it lacks a working majority. Ramsay MacDonald held that it was an advantage. "Office is power," he said. The government has tremendous powers of initiative which opposition parties lack.

In any event it seems to me a fortunate thing for B.C. that a CCF or Social Credit government is likely to take office when the liquor by the glass system is being inaugurated. The two old parties are alleged to have been deeply involved with the liquor interests for the campaign funds. If that is true, it will be easier for the new government to withstand demands for liquor bars in too many places.

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EVEN if a CCF government lasted long enough only to repeal the outrageous election act that got us where we are today it would justify its existence.

Incidentally, if Social Credit should emerge as the winner there would be no point in setting up any obstacles to formation of the best possible government they are able to form. Even if the Social Crediters were to go to the extreme length of importing their Premier from Alberta I don't think the other parties should kick too much.

The point is, B.C. needs the best and strongest government it can get.

Report From . . .

Parliament Hill

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

Of some interest to Prince Rupert and to Skeena should be the new Northwest Territories Act, now before Parliament. The main purpose of this Bill is to revise and consolidate the Northwest Territories Act which is now contained in Chapter 142 of the Revised Statutes of Canada 1927, and four amending Acts passed in 1938, 1940, 1948 and 1951.

A number of provisions contained in the present Act are dropped, as they are being brought within the legislative jurisdiction of the Territorial Council. These include such subjects are roads, wills, property of married women, coroners and inquests, and sale and possession of intoxicants. Truly, our big northern brother is growing up.

Jimmy Byrne, the Liberal from East Kootenay, gave a very good address on the estimates of the department of labor. He was discussing the problem of 65-year-old people, who, through no fault of their own have been forced to retire on inadequate pensions, and in many cases without any pension whatsoever. Also, in the civil service, only those who have had services with branches of the armed forces are eligible for appointment after reaching the age of 35.

He had one further point to bring to the attention of the minister, although he said it may not deal specifically with the labor department. Jimmy is not one who would say he believes that employees are not turning in a fair day's work for a fair day's pay. But he did feel that taxation was defeating the incentive system.

The annual report of the Fisheries Research Board of Canada for the year 1951 has just come to hand. At the turn of the century the biological board was set up to organize and administer scientific work for the promotion of Canadian fisheries. In 1937 it was re-named the Fisheries Research Board. Membership includes representatives of the Fisheries Department and of the fishing industry, and scientists from Canadian universities.

Included in the membership are W. A. Clemens, M.A., Ph.D., F.R.S.C., Vancouver; K. F. Harding, Prince Rupert (representing the fishing industry); A. L. Pritchard, M.A., Ph.D., director, fish culture development; R. E. Walker, Vancouver, chairman of the Pacific sub-executive committee, and other prominent scientists and business men.

One of the less spectacular but hard working standing committees is our committee on banking and commerce of which Hughes Cleaver is chairman. This committee has been studying the annual report and financial statements of Central Mortgage and Housing Corporation and has reported thereon to the House. Mr. D. B. Mansur, president of C.M.H.C. was a witness before the committee. The committee held 13 meetings during which Central Mortgage matters were considered and evidence adduced thereon.

The prime minister, as you have doubtless heard, recently took the rather unsual course of giving notice orally of a motion he proposed to have placed on the order paper in his name. It read "that the subject of a pension plan for members of parliament after long service based on contributions by all members be referred to the standing committee on banking and commerce."

From time to time over the last few years the question of making some contributory pension provision for members of parliament has been discussed among members of all parties. A plan suggested by a group of private members is that contributions would be made by all members on the same scale as those required under the Civil Service Superannuation Act.

AIR FORCE OFFICIAL — Air Vice-Marshall C. R. Slemon, 48, a native of Winnipeg, is considered the likely choice as successor to Air Marshal W. A. Curtis, 58, who is expected to retire this year as Chief of Canada's Air Staff. Air Vice-Marshal Slemon now is chief of the RCAF's air training command with headquarters at Trenton, Ont. (CP PHOTO)

French Slow in Backing War Ultimatum to Nazis

By EDWIN S. JOHNSON

Canadian Press Staff Writer

LONDON (CP)—Britain and a united overseas Commonwealth came close to meeting the onslaught of Nazi Germany at the start of the Second World War without the aid of France.

Disclosure that only a last-minute decision of the French cabinet had brought an agreement on an ultimatum to Hitler is made by Viscount Simon, Britain's pre-war foreign secretary and chancellor of the exchequer, in his memoirs, "Retrospect" (Hutchinson and Co.).

Lord Simon, who has had the distinction of serving in cabinet capacity under five prime ministers, recalls the difficulties encountered in dealing with the French government as the danger of war grew nearer.

Neville Chamberlain, prime minister at the time of the crisis, had sent an ultimatum to Hitler demanding that German troops be withdrawn from Poland. He had stipulated that a reply must be forthcoming by 11 a.m. on Sunday, September 3, 1939. The hour had been chosen so the House of Commons should be left in no uncertainty when it met at noon that day.

On the previous Saturday morning the cabinet had agreed unanimously that the ultimatum should be sent, Lord Simon writes. Chamberlain and Foreign Secretary Lord Halifax then spent the rest of the day till late at night in a struggle to get the French to take and announce contemporaneous action.

This, he says, the French ministers Bonnet and Daladier were unwilling to do. Backed by their military advisers they argued that the French troops advancing to the Maginot Line would be exposed to premature attack from the air.

"It was of the first importance that Britain and France should be seen to be acting together at the outset of the war," Lord Simon declares. "And it was only at the last moment that the French government was got to agree, not indeed to the identical timetable, but to an ultimatum which in its case would expire some hours later."

Lord Simon also threw new light on Chamberlain's historic flight to Hitler's Berchtesgaden mountain retreat in August, 1938, in an effort to forestall a Nazi march into Czechoslovakia.

PLAN "Z"

The mission, he says, was not a last-minute inspiration, but a long-thought-out scheme known as Plan "Z." If all else failed, Chamberlain decided he would play a final card by paying a personal visit to the German leader. The details had been discussed with Sir Neville Henderson, British ambassador in Berlin, as well as two of cabinet colleagues.

Lord Simon is also of opinion that Chamberlain right in his Munich pol agreement with Hitler.

Those who seek to build legend of weakness and f of Chamberlain and his net at the time of Munich to indicate what was the erable course which, in the cumstances of 1938, Br should have taken."

Had Chamberlain threa to declare war at the ti Munich, there were no gr for believing such action have rescued Czechoslovak led to a united front.

And while Munich ha added to the prestige o western powers, it had pro a vital breathing spell. I also Hitler's violation of Munich pact, Lord Simon that ultimately brought British Commonwealth int struggle as a united force

FAMOUS RESIDENCE

The corner-stone of the House at Washington was on Oct. 13, 1792.

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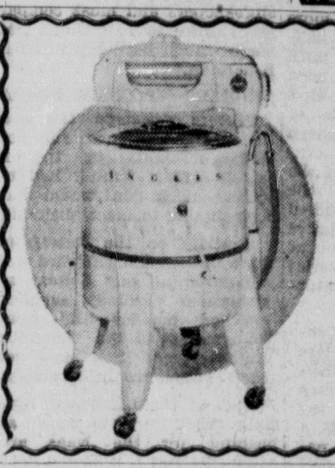

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The Rug Show Is Over

BUT . . . WE STILL HAVE THE RUGS

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