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DRUGS

HEIR BOY! — Johnnie Ray takes time out to conduct a post-Christmas party for 120 of the School for The Deaf and Hard of Hearing in New York. The reason for the delay of Johnnie was in Florida on Christmas Day. The famsd singer distributed gifts, including equipment to all the children.

Public Works Appropriations For District Set at $442,000

Dredging Scheduled At Skidegate Inlet

A total of $442,000 was included in the public works appropriations for the Prince Rupert district contained in the federal government's 1955-56 estimates tabled in the House of Commons yesterday, it was reported today by Canadian Press from Ottawa.

Included is work at the federal government wharf and Cow Bay Floats in Prince Rupert, station building for department of fisheries at Sourdough Bay, completion of dredging at Dodge Cove, Digby Island and dredging and floats at Delkatla slough, Masset.

By far the biggest sum is $223,000 which, according to a wire from E. T. Applewhaite, MP Skeena, yesterday, is scheduled for the dredging of Skidegate Channel between Graham and Moresby Islands, Queen Charlotte Islands.

Other public works appropriations were set out as follows:

Delkatla slough, Masset — Dredging and floats—to complete, $53,000;

Dodge Cove, Prince Rupert—Dredging—to complete, revote $28,000, $36,000;

Prince Rupert wharf and shed, $25,000;

Prince Rupert, Cow Bay—Repairs to floats, revote, $13,000, $14,000;

Prince Rupert, Sourdough Bay—Station building for department of fisheries, revote $50,000.

Nechako Ice Poses Threat At George

Residents Told To Boil Water

PRINCE GEORGE, B.C. (CP)—The Nechako river, which last week flooded the pumphouse of this northern interior B.C. city, last night threatened the bridge linking the city with the John Hart highway to Dawson Creek, B.C., and Edmonton.

Water from the swollen river was backing up, threatening another flood. Planer mills, in operation for two days after a six-day forced-closure, were out of action yesterday when water invaded the pumphouse again.

Chlorinating machinery was removed from the pumphouse as the river rose and residents were warned to boil drinking water.

Last week's flood tore out several hundred feet of protective wire fending around the settling basin for the city water supply. A newly-built dike was still holding Friday night.

No one was injured and the only property loss reported was a quantity of lumber which was swept downstream.

The flood was caused by floe ice riding down the Nechako and piling against the solid ice of the Fraser river where the two meet on the outskirts of the city. The floe ice was also straining supports of the bridge leading across the Nechako to the Hart highway.

—Photos by Van Meer Studio.

ALDERMAN GEORGE B. CASEY, left, is shown being presented with life-membership in the Union of British Columbia Municipalities at the last meeting of Prince Rupert City council. Making presentation is Mayor George E. Hills, who noted that veteran alderman had spent 40 of his 79 years in civic service. Mayor Hills made presentation on behalf of Mayor F. H. Jackson of New Westminster, president of UBCM.

Red China To Fight If Stopped

"Cease-Fire Unacceptable"

LONDON (CP)—Communist China today rejected any suggestion of a cease-fire with the Nationalists and warned she would "strike back with heavy blows" should American forces try to stop her from taking Formosa.

Peiping radio in a broadcast heard here termed the idea of a Formosa cease-fire "absolutely unacceptable" and declared:

"We are determined to liberate Taiwan Formosa. If the U.S. armed forces dare to attack us, we will firmly strike back with heavy blows."

The broadcast quoting an article in The Peoples Daily, an organ of the Communist government, said:

"The so-called cease-fire between the Chinese people and the Chiang Kai-Shek traitors, planned by the U.S. government and its followers is absolutely unacceptable. The Chinese people must eliminate the traitorous Chiang clique.

"Taiwan Formosa is territory stolen by that clique and it must be liberated by the Chinese people. There is no cease-fire to discuss."

FIRST COMMENT

The broadcast, heard here, was the first Red Chinese comment on world-wide moves Friday to arrange a cease-fire between the Peiping regime and the Nationalist Chinese government.

The United Nations Security Council plans to meet Monday to consider a cease-fire debate. The council is expected to ask the Chinese Communists to attend if the discussion is arranged.

President Eisenhower today signed the resolution for defence of Formosa, asserting it is evidence of united American determination to "resist Communist aggression" in an area "vital to the security" of the United States.

The president signed in the presence of congressional leaders and State Secretary Dulles less than 12 hours after the Senate sent the resolution to him by vote of 85 to 3.

The action clears the way for Eisenhower to use American armed forces—notably the 7th Fleet—against any Red Chinese attack directed toward Formosa.

Piled on a previous vote of 409 to 3 in the House of Representatives, the Senate vote gave congressional backing for a measure which supporters say was aimed at keeping the peace.

Critics, however, contend it might signal shooting that would set off a third world war.

Harris Uses Axe To Cut Canada's 1955 Spending

By JOHN LeBLANC
Canadian Press Staff Writer

OTTAWA (CP)—Canada's new finance minister is using both the axe and the scalpel on federal spending.

Hon. Walter Harris, in office 6½ months and faced with the government's first budget deficit in eight years, has slashed and shaved $153,000,000 from the current year's forecast spending in his preliminary estimate of 1955-56 expenditures.

This main appropriations, subject to later increases, call for a 3.3 per-cent reduction from those of the present fiscal year to date, the first cut in seven years at this stage of government financing.

The estimates of the 60-year-old minister-tabled in the Commons Friday as the basic spending program for the year starting April 1—cut both defence and non-defence expenditures by comparison with the current year's spending authorizations.

ESTIMATES DOWN

The 1955-56 estimates were shown at $4,513,800,000 for the current fiscal year to date.

The present year's figures likely will be lifted by supplementary estimates before March 31 and the 1955-56 estimates certainly will. There is no present indication of how much either set will be increased.

Nor does the apparent spending reduction point to reduced taxes. That depends on many elements including how much more money the government will want besides the main estimates, the economic outlook when the taxsetting budget comes down later and the government's view on a surplus or deficit 1955-56 budget.

As Mr. Harris, with an almost-casual manner, tabled in the Commons the 641-pages of blue-jacketed estimates for his first time, he gave no clue to what they might mean in taxes. He said nothing beyond the formalities.

But a few hours later in Vancouver a cabinet colleague—Fisheries Minister Sinclair—indicated any tax cuts in the coming budget won't amount to much.

PREPARED SPEECH

Mr. Sinclair, addressing the Vancouver Board of Trade, said in a speech prepared before the estimates were tabled that the expenditure production shown in them is "perhaps not great enough in itself to justify tax reductions on the scale you would like to see."

Meanwhile, finance department figures issued Friday underlined a growing conviction in Ottawa that Mr. Harris, who assumed his portfolio during a slowdown in the upward surge of the Canadian economy, inherited the first budget deficit in eight years.

The monthly treasury statement showed that the surplus for the first nine months of the 1954-55 fiscal year was down to $45,656,000, against $240,351,000 a year earlier. Bills pile up at the end of the fiscal year. Last year the surplus was $446,800,000.

Finance Minister, Douglas Abbott, now a Justice of the Supreme Court of Canada, budgeted last April for a nominal $1,000,000 surplus, just a balance in view of the size of the figures.

Union Agent Says Charges "Plain Stupid"

VANCOUVER (CP)—The suspension hearing of union business agent George Gee was adjourned here Friday with no report on the outcome from the closed meeting.

Mr. Gee was suspended as business agent of Local 213, International Brotherhood of Electrical Workers (AFL-TLC), with 23 others for what the local charged was working in behalf of the leftist cause.

He is the first to be heard on the suspension and appeared before a panel of union officers headed by John H. Raymond of Toronto, IBEW vice-president for Canada.

The hearing will resume Monday.

The suspended business agent distributed to reporters copies of a statement detailing charges he said had been laid against him by the union executive.

He termed them "malicious, defamatory and some just plain stupid." The statement read:

"It seems very apparent to us that George Gee is quite likely the 'underground' and secret director of the electrical section of the Labor Progressive (Communist) party.

"We consider it works in the interest and direction of Soviet Russia and against the interest of the workers of Canada."

The statement added that although Mr. Gee resigned from the LPP in 1940, "he has in no way changed his political sympathies."

McMillan Denies Using "Golden Egg" Statement

VICTORIA (CP)—H. R. MacMillan, president of MacMillan and Bloedel Limited, has denied he used the Social Credit government's "killing the goose that laid the golden egg" by heavy taxes of industry.

Minister Robert Sommers said the denial in the legislature Friday during a review of the work of his department.

The Canadian Press erroneously attributed the "golden egg" statement to Mr. MacMillan in a report carried Jan. 20 following the annual meeting in Vancouver of MacMillan and Bloedel Limited.

The Canadian Press regrets the inconvenience which may have been caused Mr. MacMillan through publication of the erroneous report.

Mr. Sommers also read a letter sent to Premier Bennett by S. P. Cromie, assistant publisher of the Vancouver Sun, in which he explained:

"The expression 'killing the goose that lays the golden egg' etc., originally appeared in our paper of Thursday, Jan. 20 in the lead of Mr. Bill Fletcher's story on the MacMillan and Bloedel annual meeting. However, the expression was used by Mr. Fletcher as his own and not as Mr. MacMillan's.

Mr. Fletcher is business editor of The Sun.

"After its appearance in our newspaper the story was picked up by the wire services and they, in error, made the expression appear as a direct quotation by Mr. MacMillan . . .

"I can quite appreciate Mr. MacMillan's ire and his eagerness to dissociate himself from the particular expression, as he did in his letter to you.

"We have asked The CP to exercise extreme caution in 'picking up' items from the Vancouver papers for release over their services. They usually do, but I am afraid human frailty let them down on this occasion."

Pair Charged With Theft At Store, P.O.

Two men were remanded for eight days or less this morning when they appeared before Stipendiary Magistrate H. F. Glassey in provincial police court in connection with the robbery yesterday at Nelson Brothers Fisheries store at Port Edward.

Up before Magistrate Glassey were Victor Gordon and Stanley Sawchuk, both charged with breaking and entering and theft of goods from the Nelson Brothers store and also breaking, entering and theft of a sum of money from the federal government post office within the store.

No plea was taken.

In city police court this morning, Kenneth Harris, charged with creating a disturbance by fighting Thursday night in front of a city beer parlor, was found guilty by Magistrate W. D. Vance. Harris who had pleaded not guilty yesterday morning, was given one month's suspended sentence.

HEADS LUMBERMEN

WINNIPEG (CP)—C. H. Clark of Edmonton was elected president of the Western Retail Lumbermen's Association Friday at their 65th annual convention.

Prime Minister, Pearson Arrive

LONDON (CP)—Prime Minister St. Laurent and External Affairs Minister Pearson arrived from Canada by air today to attend the Commonwealth conference.

The prime minister said on arrival that he hopes the conference will make a "worthwhile contribution" to world peace.

He said all the prime ministers "are united in our belief that we can work together towards a surer peace and thus greater happiness and prosperity for ourselves and for all mankind."

American Salmon Canners Says Canadians "Threat"

WASHINGTON (AP) — Three trade associations, representing 95 per cent of the American salmon-canning industry, have asked congress to extend the reciprocal trade agreements act without change.

The request was made in a telegram sent the house ways and means committee by the Association of Pacific Fisheries, Inc.; Alaska Salmon Industry, Inc.; and th Northwest Salmon Canners Association. The committee is holding hearings on extension of the trade act.

The telegram was inserted in the congressional record by Representative Westland R-Wash. who said the industry "is being threatened by continued heavy imports of Japanese and Canadian salmon."

The joint telegram said 165 canneries operating in Oregon Washington and Alaska employ about 40,000 persons and have an investment in equipment of approximately $140,000,000.

The present 15 per cent tariff on importation of canned salmon at a profit from both the rapidly-increasing Japanese supply and the Canadian supply, as cost of production in these countries is considerably less than American production costs."

Longtime Worker At Cannery, Peter Lamb, Dies

Longtime worker for Canadian Canneries, at Capasco, Peter Lamb, 86, died in Vancouver Monday, it was learned here today.

Born in Guelph, Ont., Mr. Lamb who worked for the cannery for 30 years retired about five years ago. He made his home in Vancouver for 51 years. He is survived by his widow at 1036 East 20th, Vancouver; two sons Lawrence and Stewart; one brother James and two grandchildren, Carran and Peter all of Vancouver. Funeral services were held yesterday at Rosslawn Funeral Home, Vancouver, followed by cremation.

PREMIER REAFFIRMS BELIEF IN SOCRED MONETARY REFORM

VICTORIA (CP)—Liberal leader Arthur Laing believes Premier Bennett is in the "ascendancy again" in the Social Credit party.

And Premier Bennett has made it clear he still believes in Social Credit monetary theories.

Mr. Laing said in the legislature Friday that a "clod-in-the-wool monetary reformist" like W. N. Chant (SC-Victoria) did not mention monetary reform in his speech Wednesday.

"So I know the premier is in ascendancy again," he said.

Mr. Bennett rose to "make it clear that the premier is in favor of monetary reform."

THELMA CHANEY looks as if she's just seen Lon Chaney in a werewolf role. A student at the University of Washington, Seattle, she was getting a charge of a Van de Graff electrostatic generator. The current was discharged into the air through her hair, making it stand on end.

Prince Rupert School Rink Out of Championship Play

The Prince Rupert rink skipped by Ken McLean of Booth Memorial High school was knocked out of the championship competition at Nelson in the annual high school bonspiel when it fell prey to the powerful Richard Blewett squad from Penticton 10-7.

Earlier, (see report on Page 4) the McLean rink had beaten the Lorne Loomer rink of Nelson 8-6. The Loomer rink, according to a wire received from the Ho-Me-Hi boys, is in the finals and all games so far have been very close.

The local quartet, which also lost to Kelowna 7-8, are entering the secondary competition.

Yesterday the McLean squad was downed 11-8 by Vedder Crossing.

The Lloyd Chesser rink of Trail with three wins and no losses was still in the championship event and will play the winner of a Vancouver-Kamloops match. Vancouver and Kamloops have two wins apiece.

Dutch Freighter Freed In Fraser

NEW WESTMINSTER (CP)—The 10,000-ton Dutch freighter Bloux, which went aground in the north arm of the Fraser river here Friday, was freed about 7 p.m. after a two-hour salvage operation by the deepsea tug Island Sovereign of the Island Tug and Barge Ltd.

WEATHER

North coast region: Cloudy today and Sunday. A few rain showers mostly along the mainland coast. Little change in temperature. Light winds. Low tonight and high Sunday at Port Hardy, Sandspit and Prince Rupert 40 and 45.

...rve Takes ...kend Trip ...Training

...officers and 11 ratings ...HMCS Chatham reserve ...were aboard the HMCS ... when she sailed for ... at 5 a.m. today ...essel, expected to arrive ...hat at 5 o'clock this ev... will be open for inspec... the public at the tem... wharf at Kitimat. During ...ge down and back, re... personnel will take over ...the duties of the ship ...he supervision of the ...w.

...Cordova will leave Kitimat ...5 a.m. tomorrow and if ...d she will be back here ...n tomorrow night.

...TOR SI DEATH

...YORK — An all-male ...t deliberated more than ...hours Friday night con... Ernest Lee Edwards of ...gree murder in the $1 ...ont slaying of a Brooklyn ...n. The jury made no ...endation for mercy, ...a death sentence manda... Edwards was accused of ... Howard Englander, 20, ...ly 25 on a beach where ...lim was fishing. Eng... was robbed of $1.

SOCCER SCORES

...results in ...Football Association Cup ...Fourth Round ...Bolton W 1 ...Yeovil ...Chester 3 ...Aston V 0 ...Nottingham F 1 ...Manchester U 0. ...Brentford 2. ...Sunderland 3 ...Leicester T 5 ...Fulham C 1 ...Redditch T 1. ...Port V 2 ...Charlton A 4. ...Arsenal 0. ...Scottish League ...Division A ...Rangers 1 ...Aberdeen 1 ...Clyde 3 ...Kilmarnock 1. ...Queen of the S 0. ...Raith R 1. ...Falkirk 0 ...Division B ...Hamilton A 3. ...Dundee U 1 ...Alloa 0 ...Queen's P 2 ...Forfar A 3. ...Dunfermline A 3 ...Morton 1. ...Albion R 3.