

B.C.'s New Mines Help Replace Metals From Orient Bottled Up By Pacific Warfare

22 OIL WELLS NOW DRILLING

(Special to The Daily Province)

CALGARY, Dec. 11.—Despite the completion of two new rigs producing in Turner valley, Royalty 60 and Southwest Petroleum 6, and the placing of Drillers and Producers 1 on steady yield, there are 22 wells being drilled in the field at present, it was announced in the weekly report of the conservation board issued today.

Royalty 60 and Southwest 6 have just finished drilling and are undergoing preliminary tests to determine quotas. Drillers and Producers 1 has an initial yield of 941 barrels daily. Due for completion shortly are Foothills 10, drilling in the line, and Royalty 43, standing cemented in the line.

Outside Turner Valley in Alberta, 9 wells are drilling and six wells are being given production tests. Total Alberta petroleum production during the week ended December 8 was 28,189 barrels daily, compared with 27,720 barrels produced in the corresponding week a year ago.

The Alberta production compares 2,078 barrels of crude from 174 wells in Turner Valley, including three shallow wells; 877 barrels from the Turner Valley absorption plants daily; and 297 barrels of crude from 21 oil wells outside Turner Valley in Alberta.

GREEK VESSEL BORIS STILL PROBLEM SHIP

The Greek freighter Boris, whose crew was a worry at Victoria more than a year ago, is now in Seattle, and the crew continues to be a problem. The ship had 700 tons of scrap steel out of Portland for Japan when her crew refused to take it forward to destination, and the ship was tied up at Victoria.

She remained there more than a year. The scrap was finally sold to Bethlehem Steel at Seattle, and the Boris shifted there. After the cargo had been about half discharged, the crew refused to continue work until the owners had paid them a wartime bonus for the period they were tied up at Victoria.

British Stocks
LONDON, Dec. 11.—(AP)—British stocks closed 1/2 higher. The 100-day consol. bond rose 1/8. The 4 1/2 per cent. gilt edged rose 1/8. The 3 1/2 per cent. gilt edged rose 1/8. The 2 1/2 per cent. gilt edged rose 1/8. The 1 1/2 per cent. gilt edged rose 1/8. The 1/2 per cent. gilt edged rose 1/8. The 1/4 per cent. gilt edged rose 1/8.

PUT WHITE OWLS ON THE CHRISTMAS TREE
WE'RE GAILY WRAPPED AS YOU CAN SEE

PUT WHITE OWLS ON THE CHRISTMAS TREE

WE'RE GAILY WRAPPED AS YOU CAN SEE

THIS COUNTRY'S BEST 5¢ CIGAR

NO CAUSE FOR ALARM

Bank Analyzes National Debt Prospects if War Lasts Long

How much the future burden of Canada's national debt depends on successful readjustment to peacetime conditions is emphasized in the current letter of the Bank of Nova Scotia.

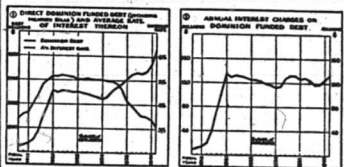
"If the post-war problem can be solved satisfactorily," states the authority, "and it is clear that for a large measure of economic and political co-operation between the British Empire and the United States—then the debt prospect need not worry us unduly. But let us assume the last as followed by a violent decline in prices and by a world-wide failure to deal with economic readjustments, the debt problem will deal considerably to our difficulties."

LAST WAR'S LESSONS

In the last war the size of the debt, the rate of interest and the level of prices and production combined to produce a heavy burden of debt.

The bulk of Canada's war expenditure, like that of other countries, was financed by loans, and the result was a large debt in relation to the scale of the war effort. Moreover, the debt was contracted at what today would be regarded as high interest rates for government borrowings—much of it at 5 per cent. and more.

"Add to that the fact that the debt was accumulated in a period of soaring prices and that the interest had to be paid in the following years when prices had declined sharply. From before the war the debt was in a state of unwholesome expansion."

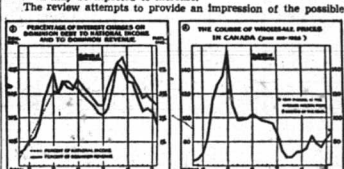


required to the early twenties, the percentage of Dominion revenues to meet interest charges rose from a mere 5 per cent. to over one-third. The proportion which interest charges bore to the national income increased from a small fraction of 1 per cent. to more than 3 per cent.

It is not an exaggeration to say that the methods of controlling these conditions, and the will to control them, are much more developed—and particularly if one thinks in terms of per manent Anglo-American co-operation—the basic states.

It is true that we are accumulating debt more rapidly than in the last war. But in relation to the size of the war effort we are relying, with some justification, on the fact that more of the cost of interest rates, there is a marked contrast. For an average rate on our debt after two years of war is the lowest on record—barely 3 per cent.

Furthermore, Canada is making a determined attempt to prevent a repetition of the inflationary price rise of the last war, for though the United States has not gone so far, her efforts in this direction have not been without an impression of the possible.



increase in the debt burden assuming that the war were to last for five years. With a view of bringing into perspective the factors which would determine the future debt problem, it makes a variety of assumptions with regard to the national income, the scale of the war effort, financial aid to Britain, the level of taxation, the rate of interest, and the post-war readjustment.

On the basis of these assumptions, it suggests that the ratio of debt charges to national income following a five-year war might be around 4 1/2 per cent., or half again as great as the 3 per cent. ratio which prevailed just prior to the war.

TAXES DIVERT 23 PER CENT.

"There is no cause for alarm in such a prospect," the bank claims. "It would imply no more than a moderate increase in the pre-war level of taxation, and it would leave plenty of room for reductions in present rates when the war is over."

Prior to the war, the Dominion tax structure was diverting approximately 12 per cent. of the national income, and the policies described in the review should prove to be anywhere near the actualities. The increase in the national debt would involve adding another 1 1/2 per cent. to the 13 per cent. diverted to the national income. This is an appreciable increase.

It should be remembered that Dominion taxes are today diverting about 23 per cent. of the national income.

It is pointed out, however, that such calculations are not predictions. They serve to show what would happen under a certain set of conditions, and their main value is to give proportion to the relative benefits of the debt problem.

SPECIFIC LICENSES MAY BE ABANDONED

OTTAWA, Dec. 11.—(CP)—All Canadian dealers in all commodities are to be granted a license by the Wartime Prices and Trade Board and a detailed explanation of his general licensing system will be issued soon, the board announced today.

Donald Gordon, chairman, said the board might find it had sufficient control of all branches of industry to enable it to discontinue the specific form of licensing adopted before price ceilinging policy was decided upon.

Until further notice, sellers of foods, feeds, clothing and other necessary goods under an order of October 2 are no longer required to enter on sales slips the buyers' names and addresses and are believed from any obligation that all dealers in these commodities are to be granted a license.

The board's order said that war-time and cold storage plant operations, as well as other essential services, are to be exempt from the board's order.

The board emphasized that the new method of licensing was a simpler method of administration, and that it would be more effective in the long run.

Leaving the names of the sellers and addresses of the buyers operative, the board said that it was not yet decided whether or not it would be necessary to issue individual licenses to each dealer in each commodity.

B.C. PRODUCES TUNGSTEN, TIN

By CHARLES L. SHAW, Business Editor, Vancouver Daily Province.

War in the Far East has suddenly been emphasized the importance of British Columbia's recent development of strategic metals such as tungsten, tin, tungsten and antimony.

Due to war conditions transportation conditions as well as general industry in the Malay territories and Dutch East Indies have been severely dislocated, and unless the situation changes materially will be better during the next few weeks that area can not be expected to maintain the flow of exports at anything like normal volume.

Tin, tungsten and antimony are these metals which are primarily shipped in large quantities from the Malay countries, the East Indies and continental China.

WAR CREATED NEED.

Since war threatened all normal supply sources outside this hemisphere, the search for these metals has been prosecuted, with the result that several new properties were located, and within the past two years brought into production. The Provincial Government and the Chamber of Mines have endeavored to the extent possible to encourage the production of these metals as well as gold, copper, silver.

At the Kimberly concentrator in the East Kootenay district tin is now being produced at the rate of 500 tons annually, despite the fact that tin is not generally produced through the United States and Mexico during the past 30 years.

British Columbia may never produce enough tin to meet the country's full demands, but so far about 15 per cent. of the domestic marketing and export of tin after, and in this day of threatened and real shortages that is an important factor.

ANTHONY FOUND.

Anthony has so far been produced only in small amounts. British Columbia. Pioneer Gold Mines have a property in the Port St. James area, and there are a few others.

Tungsten is now being produced in the Bridge River area and at the Red Rose mine near Smithers.

Mercury, which was not included among B.C.'s districts until after the present war began, is now being produced at Pinch. The quantity of mercury produced is in such amounts that a large part of the Empire's requirements are being filled.

Before the war mercury was largely produced in Asia-dominated countries.

No province of Canada has been able to duplicate the record of British Columbia in developing such a diversity of critical minerals needed for war.

Meanwhile, the disruption in services in the Orient has caused increases in the rubber trade.

CROSSING RUBBERS.

Officials consulting information on Canada's rubber supply were ordered to work through last night to speed the completion of data on which a permanent control order is anticipated.

Fear is expressed that Pacific developments will sharply curtail supplies of rubber to the United States and Canada from the Netherlands, East Indies, Malaya and Ceylon, leaving the only sources of rubber, India.

Original government plans called for restriction to civilian manufacturers of 70 per cent of their normal supply by next February. It is now anticipated the date of restriction will be advanced and smaller amounts made available for domestic purposes.

Eggs and Produce

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Wage Dispute Ends

CHICAGO, Dec. 11.—(AP)—The wage dispute between the Chicago Express Company employes was settled Wednesday when representatives of management and labor signed an agreement accepting a 10 cents an hour pay increase.

City Sailor Believed Lost At Sea Returns

Donald Cox, 60-year-old fireman and cabin steward, returned home to his wife and children in Vancouver. The Christmas present was Donald Cox himself, back from the dead.

Young Cox, the son of the late Harry Cox, chief signalman at Prospect Point for many years, is a native son and he took to sea at an early age. First he was with the coast ships of the Canadian Pacific Railway, then he went a-rafting.

The Spanish war started. His elder brother, also a sailor, died in England as result of injuries received while running the blockades.

The present war started. Donald was a fireman on the freighter S.S. Jose de Larrainga, a ship lost in past years used to visit Vancouver.

A German submarine torpedoed and sank the Jose de Larrainga. Donald was one of two firemen, in August, 1940. The lifeboats put off, and were at sea for two weeks before the Blair Angus came along, bound for New York, and picked them up.

On her voyage, however, the Blair Angus was sunk and her captain killed.

The owners of the Jose de Larrainga, meantime, had notified the next-of-kin of all on board that the ship was overdue, and presumed lost with all hands.

Believing that his mother had received word of his safe arrival in New York, young Donald did not wait. He started home, on a ship, to meet the Blair Angus, to escape cold weather.

In Texas, close to the Mexican border, he was arrested and taken to the United States. He had believed, for weeks, that his younger son was dead in line of duty.

\$10,000,000 Contract For Minesweepers

PORT ARTHUR, Dec. 11.—(CP)—Award of a \$10,000,000 contract for the construction of 10 minesweepers to the Port Arthur Shipbuilding Co. was announced today.

The new contract doubles one announced November 4 for construction of five minesweepers, and boilers at a cost of \$5,500,000.

Gordon McDougall, general manager of the plant, said today the 10 minesweepers are of the Algerine type, larger than the kind generally constructed in Canada.

The plant, which has already built several corvettes, is now completing a contract for six Bangor type minesweepers. McDougall said the Algerine minesweepers are 220 feet in length compared with 120 feet for the Bangor type now being built. It is expected hull work will start within a couple of months, as soon as the present contract is completed.

Mr. How, in his telegram, said, "In view of the latest war developments, the needs of the navy are very pressing. This contract will enable workmen and management of the Port Arthur Shipbuilding Co. to give great aid on this front."

Passes Restricted In Christmas Season

OTTAWA, Dec. 11.—(CP)—Anticipating unusually heavy traffic over Christmas and New Year's, the Transport Commission official said today.

In the case of employees travelling on company business and in a number of other cases where necessary demands, passes may be issued during the holiday period, but the general use of passes has been prohibited.

MARINE AND SHIPPING

Japanese Fishing Licenses May Not Be Renewed in B.C.

As soon as war was declared against Japan, the Canadian Navy proceeded to immobilize the Japanese fishing fleet in British Columbia.

Delayed somewhat by fog on Wednesday, small fleets of the Royal Vancouver Yacht Club patrol have been busy all week on Fraser River taking the Japanese fishing boats to the coast, where Japanese concentrate, other units of the coast patrol force have been carrying out similar work.

There are about 20 points along the Japanese fishing fleet, comprising at least 1000 vessels, ranging from the humble one-man gillnetter to the lordly modern deep-sea steamer, make headquarters. The main centre is on Fraser River, from the mouth to above the bridge at New Westminster.

The patrol party take the capture boats from the fish and take them away. In more peaceful times they will be for two weeks before the Blair Angus came along, bound for New York, and picked them up.

On her voyage, however, the Blair Angus was sunk and her captain killed.

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Frozen Fish Stocks

OTTAWA, Dec. 11.—(CP)—Canadian stocks of frozen fish at December 1 totalled 26,200,000 pounds, the Dominion Bureau of statistics reported today. The total was made up of 22,400,000 pounds frozen fish and 2,800,000 pounds frozen smoked.

Compared with last year's total there was a 4,500,000-pound decrease of frozen fresh stocks and a 600,000-pound increase in frozen smoked. A decrease of 8.3 per cent. in comparison with last month's total was shown in frozen fresh stocks, and a decrease of 7.2 per cent. in frozen smoked.

Blackfish Is Little Helper for B.C. Fishermen

The Gulf blackfish that frequent the Gulf of Georgia, and please tourists by harrassing and blowing and playing around like sea-going elephants, are not commercial prospects, and therefore are not hunted by man.

They don't carry enough blubber to make a profitable subject for reduction. So a blackfish lives a pleasant life, wandering up and down the inside waters, from Queen Charlottes to Juan de Fuca Straits, far to the north and out to sea.

He is the little helper of fishermen, not in their nets, because part of his diet is seals and young sealions. His appetite is large, and each year each individual blackfish accounts for a considerable number of unfortunate sealions and seals.

Big and clumsy as he might appear, the blackfish is agile enough to catch the diet and evade seals.

Recently a fisherman, who found a dead blackfish on the beach, cut the monster open and discovered the remains of 10 seals in its stomach.

Produces Three Tons Steel to One By Axis

NEW YORK, Dec. 11.—(AP)—The American Iron and Steel Institute said today that the United States alone can produce three tons of steel for every two produced by the Axis and Axis-dominated nations.

Combined steel capacity of the United States, the British Empire and Russia is considerably more than twice the Axis total, the institute declared.

TO CHECK ALL FISHING BOATS

VICTORIA, Dec. 11.—All small fishing vessels on the Pacific coast will be subject to examination within the next two weeks, it was announced by naval authorities here today.

The examination will apply particularly to the vessels operated by Canadians of the Japanese race engaged in the fishing industry.

"This is a precautionary measure," naval officials said, "and it appears from the cooperative attitude taken by the Japanese so far that it will be carried through without much difficulty."

But it will be at least two weeks before a survey can be completed owing to the huge task of contacting all vessels in the fishing fleet.

Normal patrols are now being operated between here and the Queen Charlotte Islands in accordance with previously arranged naval plans.

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