

Wage Boost Would Result In Deficit

OTTAWA, June 25 — (CP) — The Canadian National Railways' expected 1948 surplus would be changed into a deficit through wage increases on the scale involved in current negotiations, the Senate banking and commerce committee heard today.

Testimony by T.H. Cooper, C.N.R. vice-president and controller, indicated the deficit for this year would range between \$5,500,000 and more than \$30,000,000, depending on the size of increase granted.

Mr. Cooper's committee appearance, on a bill to provide funds for the nationally-owned line, was the only Ottawa development in the railway-labor dispute threatened with a strike of 140,000 employees of the two major railways.

Labor Department officials apparently were waiting for the next move in the Department's mediation proceedings, expected to resume June 30. On that date, the Government's mediator was to make a renewed effort to bring agreement between the railways and 128,000 members of 18 international unions.

Mediation attempts involving the 28,000-man Canadian Brotherhood of Railway Employees and Other Transport Workers (C.B.R.E.W.) membership has voted to strike to enforce its demands.

The talks between the railways and the other groups were being kept open pending the outcome of a similar vote. This was completed yesterday, but the result has not been announced officially.

Ontario Penny Bank To Cease Operating

TORONTO, June 25 — (CP) — The Penny Bank of Ontario, which once had 208,000 school children depositors, will disappear from the Canadian banking scene Aug. 1.

Final transaction will be the gift of a surplus — estimated at between \$30,000 and \$85,000 — to the Hospital for Sick Children in Toronto.

Accounts of over one dollar will be transferred to the Post Office Savings Bank, Ottawa. Unclaimed accounts under one dollar will make up the gift to the hospital.

The institution traces its history to penny savings banks in Toronto, operated before 1900 by two church missions. They were patterned on a much older system of school savings in Scotland.

In 1900 the first school bank was opened by the Victor Savings Association in a Toronto school. It was so successful, 12 more schools opened others. In 1905 a Dominion charter authorized the Penny Bank of Toronto to take over the assets of the mission banks. The name was changed to the Penny Bank of Ontario in 1922 with the



Pictured above is Commodore Hops, O.B.E., R.C.N., commanding officer, H.M.C.S. Stadacona, Halifax, inspecting the division of the Royal Canadian Sea Cadet Corps Kent at H.M.C.S. Queen Charlotte. Commodore Hops expressed himself as favourably impressed with the keenness and efficiency displayed by the Corps.

Navy And Army Cadet Inspections



In the Ward Room of H.M.C.S. Queen Charlotte are pictured a group of citizens who attended the annual inspection of the Kent Sea Cadet Corps. Left to right: J. J. Morris, Provincial Vice-President, Lieutenant Colonel Leo F. MacDonald, Treasurer; Commodore George J. Tweedy, President; His Worship Mayor B. Earle Macdonald; Mr. C. M. Cummings, Corps Instructor; Lieutenant Colonel Douglas Saunders, commanding officer, Queen Charlotte.



extension of the bank's facilities to Ontario schools outside Toronto.

Key Officials To Be Carefully Screened

OTTAWA, June 25 — (CP) — A hunt for employees who might cause damaging leakages of secret information is under way in three key government departments.

This is one of the chief purposes behind a new series of searching questionnaires that must be filled out by about 23,000 government workers, it was learned today.

The employees are in the Defence and External Affairs Departments—the branches where confidential information falling into the hands of an unfriendly country would be most dangerous—and the National Research Council, the agency dealing with atomic energy.

While government officials are treating any disclosure gingerly, it was admitted that the scrutiny is along the same lines as that of loyalty tests being undertaken in Britain and the United States.

In those countries, the governments have made no bones about the fact that they are engaged in weeding out suspected Communist sympathizers.

In Canada, though considerably more caution is being exercised in discussing the action, the test perhaps goes even further than in Britain.

In the U. K., it is largely confined to employees in key positions. Here, it extends through the three affected departments from top to bottom. The questionnaires start right at the deputy ministerial level and go all the way down.

As officials describe them, their purposes are as follows:

1. To consolidate and enlarge biographical data on employees for personnel records.
2. To ensure that the loyalties of every employee lie with Canada.

One official said the second point was not the "primary" purpose of the inquiries. However, it was regarded as significant that they were confined to the three departments in which major leakages could endanger the state in certain conditions, and that the Royal Canadian Mounted Police had a hand in framing the questions.

It was admitted, too, that in embarking on this course the government gave consideration to disclosures of the Russian spy ring inquiry here in 1946.

Particularly in mind, it was stated, was the case of Emma Workin, an External Affairs Department employee named as having been implicated in the ring. She received three years in prison.

Under the new policy, an official said, an aim will be to see that no "restricted" information comes into the possession of anyone who might be "tempted" to pass out information that comes under the Official Secrets Act.

Greeks Charge 10,000 Children Kidnapped

LONDON, June 25 — (AP) — At least 10,000 Greek children have been taken from their rebellious homeland into Russia's Balkan satellite countries.

The Greek Government charges they have been kidnapped.

Foreign Secretary Bevin, addressing his Labor Party colleagues, spoke of Greek children being "abducted," but offered no estimate of their numbers.

A special investigating committee from the United Nations reported earlier that many children "are being forcibly as well as willingly removed from their homes in Greece."

The committee's report cautiously stated that "part of them are being collected in certain countries to the north of Greece."

Markos Vafsiades, guerrilla leader, sent a note to Trygve Lie, secretary-general, of the United Nations, admitting "a transport of 10,000 children was sent to democratic countries" — meaning mainly Yugoslavia, Albania and Bulgaria.

Markos and Yugoslav leaders have claimed that the children came willingly to escape the horrors of Greece's mountain warfare, which has made an estimated 500,000 persons homeless.

Several weeks ago the Greek Government said Albania, Yugoslavia and Bulgaria were plotting with Markos to kidnap 80,000 Greek children and carry them off for education as Communists.

The Government called the reported plot the "most alarming and unprecedented guerrilla activity" in the two-year-old war.

The Greek Government ordered all children evacuated from areas where guerrilla raids were taking place, or were threatened. More than 10,000 have been taken to safety, but their removal added to the Government's already heavy burden of caring for 500,000 other refugees.

Prices Committee Concludes Hearings

OTTAWA, June 24 — (CP) — Four months — 78 days of public hearings — after launching a cost-of-living probe the prices committee completed sittings today.

The last public session which heard a witness say textile profits were excessive interrupted a private meeting devoted to hammering out a report to present to Parliament. The witness was Sam Baron of the Textile Workers Union of America.

Committee sources say that in their report to Parliament members will state that there have been cases of opportunists making unprecedented profits; that there have been unnecessary price increases — at the expense of the consumer and for selfish benefit; that in some cases profits were put ahead of the consumer's good and the well-being of Canada's economic system.

It also was indicated the committee will report that its activities had a deterrent effect on some firms and individuals, that rising prices had their origins in the war years and that the most important single factor has been foreign prices.

Members indicated that the report will cite by name certain firms which it considers have made excessive profits and should be willing to reduce prices. They expected it also to mention firms whose policy is to reduce prices.

The fruit and vegetable trade is reported to be described in the report as taking greater profits in the last year than were necessary to compensate for the loss of volume involved in import restrictions.

REFUSES NO PATIENTS

HALIFAX — (CP) — The Children's Hospital here has been accepting 3,000 patients a year since 1908 — whether they can pay or not. Every year the hospital runs into the red but it sticks to its slogan: "Where no child knocks in vain."

GIRL FORESTER

HALIFAX — (CP) — Mona Roy, 21, of Halifax, has graduated in Forestry at the University of New Brunswick. She now is employed in the Dominion Entomological Laboratory in Fredericton she stood third in a class of 32 men and herself.

U. S. Transported Troops From N. S. To Middle East

WASHINGTON, June 25 — (AP) — The help the United States gave Britain "short of war" before the Pearl Harbor attack included the transporting of 20,000 British troops from Nova Scotia to the Middle East.

The operation is described in the latest instalment of Harry Hopkins' "secret papers," appearing in Collier's magazine tomorrow.

Robert E. Sherwood, biographer for the man who was personal adviser to President Roosevelt, says this is what happened:

Prime Minister Churchill asked United States help to get 40,000 troops to the Middle East. President Roosevelt refused to send American ships into British ports to do it.

Finally, British ships took 20,000 men to Nova Scotia. Then American ships, manned by American crews, took them through neutral waters to the Middle East.

This was two months before the Japanese attack on Pearl Harbor. Hopkins' notes said the British delegation arrived at the Churchill-Roosevelt shipboard conference on the Atlantic with a paper — which they wanted the Britons, Americans and Dutch to issue — warning the Japanese that if they moved any farther they would face war with all three Western Powers. This was in August, 1941.

Roosevelt objected, and the warning was never issued.

But the "Atlantic Charter," with its promise of four freedoms, was issued. Hopkins said it apparently turned out later to be a "more powerful instrument than the British intended it to be."

He said he thought the British group regarded it only as a "publicly handout" but that Roosevelt took it seriously.

Hopkins' notes contained an estimate of the Roosevelt-Churchill partnership. He said neither leader ever forgot whom he represented. They did get down to frank talk, tremendously stimulated each other, and sympathetically understood each other's domestic political problems.

Hopkins, who was Roosevelt's personal representative to Stalin in July, 1941, suspected that Stalin's power in Russia "was not so absolute as he had first imagined," Sherwood says.

"But he never gained any clear idea as to how the Politburo really operated, and neither did Roosevelt."

"As time went on... they became more and more aware of it (the Politburo) as an unseen, incomprehensible but potent influence on Stalin and thus on all Allied long-term policy."

"President Truman recently expressed the view that Stalin is a 'prisoner' of the Politburo—a view contrary to that expressed by some of his diplomatic advisers."

Ottawa Confirms Report
OTTAWA, June 25 — (CP) — An army spokesman confirmed that Great Britain and the United States pulled off one of the nearest (Continued on page 16)



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SUMMER SCHOOL HELD

CHICAGO — (CP) — The fourth annual summer school for Swedish studies will be held at North Park College, June 28 to August 30. Courses in the Swedish language are offered for beginners as well as advanced students.

CHURCH MARKS BICENTENNIAL

HALIFAX — (CP) — A 350-page illustrated book containing the history of St. Paul's Church from its founding down to the present time will be published to commemorate the 200th anniversary of the church in 1949.

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