

HUGE COAL PROJECT NORTH OF HERE

Mining company deals with gov't to expand BCR

Citizen News Services

A Toronto-based mining company is negotiating with the provincial government to expand the financially-troubled British Columbia Railway in the Peace River area to export vast quantities of coking coal.

Denison Mines Ltd. is negotiating with the government for a 96-kilometre spur line from Chetwynd, to the Quintette coal property. Denison announced earlier in June it had signed a 20-year agreement with Romania to supply 1.3 mil-

lion to 1.5 million metric tons of coal a year starting in late 1982.

The metallurgical coal will come from the company's Quintette coal property, south of Chetwynd, estimated to cost \$500 million to get into production.

A B.C. royal commission, which spent more than a year probing the government-owned railway, concluded last year that it is a \$1 billion millstone around the province's neck and should be sold to Canadian National Railways.

In a final report last November the commission, headed by Mr. Justice Lloyd McKenzie of the B.C. Supreme Court, recommended that long sections of the railway be closed. He said the railway had made a "disastrous plunge into the north" and now has a \$700 million capital debt.

Richard Hermann, Denison's vice-president of coal operations in Vancouver, said in an interview Friday that the project depends on government approval. He said negotiations are

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City Editor
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Local news

under way and include arrangements to transport the coal by rail to the coast. "We are confident there will be a railway there when we start shipping coal," he said.

If the mine goes ahead, 150 new jobs would be created in the initial phase and the railway spur line would provide impetus to development of the province's Peace River coal reserves where several other companies are con-

sidering major projects. The company said that if it sells Quintette's full production of 4 million metric tons by 1984, 1,200 new jobs would be created directly and an additional 1,000 workers would be needed for the construction phase. A new town of 5,000 to 10,000 people likely would be created.

It said that if approval is given, the 100,000-acre mine could be in production by 1981. British Petroleum already is developing a smaller mine in the Peace River area.

Graham Kedgley, B.C. coal co-ordinator for the provincial ministry of economic development, said an agreement on payment for the line is being negotiated.

"Negotiations are going very well and everyone knows we want to develop more B.C. coal," he said.

Hermann declined to speculate on the cost of the spur line.

Kedgley agreed with Hermann that the government and the company should be able to reach agreement

and a decision on the future of the project by the end of this year.

He said Roberts Bank, south of Vancouver, or Prince Rupert on the northern coast could be used to transport the coal overseas. Denison has not released the contract price for the coal.

Quintette is owned 38.25 per cent by Denison, 16.75 per cent by a subsidiary of Imperial Oil Ltd. of Toronto, and 25.5 per cent each by Mitsui Mining Overseas Development and Tokyo Doeki Ltd.

Native assembly convenes in city

The third annual assembly of the United Native Nations begins in Prince George Thursday.

Organizers of this important event for native people hope about 3,000 persons will attend the four-day meeting at the Exhibition Grounds.

"It is a people assembly at which we set the policies of the UNN for the next year," said UNN president Bill Wilson during a recent visit to Prince George.

Delegates to the assembly will start arriving Wednesday. The UNN has chartered buses to bring delegates to Prince George from other parts of the province.

The assembly will open with a board meeting Thursday morning and business sessions will be held all day.

Workshops will be conducted throughout the meeting.

Receptions and dances are planned each night and on the last day of the assembly new officers will be elected.

Wilson said all matters of concern to native people will be discussed.

"It is a major cultural and political event for native Indians," Wilson said. "What the people decide at this assembly will affect the lives of all of us."

The assembly will conclude Sunday about 6 p.m.

Babine band elects chief

BURNSLAKE (Staff) — Ted Lowley, 32, has been elected chief of the Lake Babine Indian Band.

He was elected over seven candidates in voting Thursday night and led his nearest rival Alex West 89 votes to 30.

Lowley was chief councillor for the band three years ago. He has a three-year term.

In Burns Lake, Wilfred Adam, Murphy Patrick, Mark Michell and Leno Michell were elected councillors.

At Topley Landing, Martina Rossa and John Charlie were elected councillors, while at Fort Babine Patrick Michell and Aggi Michell were elected councillors.

Lowley said he was happy with the strong council which has been elected. He promised staff changes and said he would look at giving the councillors specific responsibilities.

Wilfred Adam will look after education for example, and the councillors will be given specific tasks such as health and welfare for their individual communities.

Bottle explodes

SURREY, B.C. (CP) — A bottle exploded in Robert Owen's cupboard, but it wasn't one of the 1.5-litre pop bottles federal and provincial consumer affairs officials have been warning about.

It was a four-litre bottle of commercial British Columbia wine.

They're skating on thin ice

VANCOUVER (CP) — A recent roller-skating craze has turned the seawall that circles Stanley Park into a roller derby route, and park board officials say it's time to crack down.

There is a lane for pedestrians and a lane for cyclists along most of the 10-kilometre walkway and four kilometres of the western side is supposedly for walkers only. Cyclists and skateboarders have long flouted that rule but hordes of rollerskaters have made matters even worse.

"They don't seem to know what they are and just wander from lane to lane," said park board spokesman Terri Clark. "Some of the learners don't have any control and zoom all over the place."



Morris

Morris, the Elvis impersonator born in Williams Lake, played to a capacity crowd of 450 in the Inn of the North Friday. Having just completed a 13-month engagement at the Silver Slipper in Las Vegas, Morris played in Prince George, Williams Lake and Vancouver, before beginning a world tour Monday. He began his Elvis act before the star died and is billed simply as "Morris".

ARSON SENDS PREMIUMS SOARING

Few schools are insured

by JOHN POPE
Citizen Staff Reporter

School fire insurance is virtually non-existent for most British Columbia schools.

The standard \$5-million-deductible policy now carried on the 1,600 B.C. schools is enough to cover only 68 of them.

But the fire which destroyed the Cariboo Junior Secondary School in Quesnel recently underlines the reason for this situation.

Like the blaze which destroyed the Connaught Junior Secondary School in Prince George this year, the Quesnel fire was arson.

And this became the kiss-of-death for insurance coverage after the 1976-77 fiscal year when \$12.5 million in schools burned in B.C.

This made the premium cost of a \$1 million deductible policy prohibitive.

It has been estimated by informed sources that the premium cost at this time would have been \$2.7 million.

And this is for a policy that would require the department of education to pay the first \$1 million of fire damage.

"It's a gamble and we gambled that we could do better than insuring," explained Jack Fleming, assistant deputy minister in the department of education.

"But eventually it didn't matter. We simply couldn't get insurance at any price because the companies didn't want us."

So the government-owned Insurance Corporation of British Columbia took over the coverage with the \$5 million deductible policy that is still in force.

Any losses under \$5 million are handled through the capital expense proposal system in which the cost to rebuild a school is shared by the school district and the department of education.

For a small school district like Quesnel, this means the cost of re-building the Cariboo Junior Secondary School, which has been estimated at \$4 million for school and equipment, would be shared on 90-10 basis with the province paying the lion's share.

It is about 75-to-25 per cent in a larger school district like Prince George.

However the capital expense proposal system has another advantage — flexibility.

Unlike the restrictions of conventional fire insurance, which usually require the school be rebuilt in the same place, the capital expense proposal system means each project must be justified.

Thus a burned-down school may not be replaced or may be built in a different location.

This was the case here when the Fraserview and Vanway Elementary Schools burned.

The Fraserview children were accommodated in empty classrooms in Blackburn while only four of the eight classrooms at Vanway were rebuilt. The rest went to a new school on Haldi Road.

Although the flexibility of the capital expense proposal system is of limited value in the Prince George school district, which is one of the few where the school population is stable, it is a big advantage on the Lower Mainland.

BEAVERDELL Ready to move in Country Home

This lovely 3 BR home, just completed, is situated on 6 acres across from Beaverdel Golf Course on school bus route. Features two fireplaces and one full and two half baths. Attached garage. Newly landscaped. Individual well. Bank appraisal \$63,500. Asking \$81,500 by builder. Mortgage of \$60,000 at 10 3/4% to be assumed. On \$21,500 down payment, builder will accept equity on older home or building lot.

To view contact:
MATTE BROS. CONSTRUCTION
563-0611 days or 964-6289 evenings

This is where there is a dramatic decrease in school enrolment and a growing problem of empty classrooms in schools which can't be justified on a cost-effective basis.

AT LEAST 21 DIE IN B.C.

Young cyclist killed

A 10-year-old boy died in Prince George Regional Hospital about 8 p.m. Friday after he had been struck by a car on Highway 97 near Stoner.

RCMP said Daniel Fredrick Buckingham had been delivering newspapers and was riding a bicycle when the accident took place.

The car was driven by Gordon L. Posein of Sardis, B.C. The boy was one of at least 21 persons to die in accidents during the holiday weekend.

A Canadian Press survey of holiday fatalities lists deaths from 6 p.m. Friday until midnight Monday.

A Calgary couple and two people from Vernon killed when a plane crashed Monday near Vernon were among at least 20 people who died accidentally in British Columbia during the Canada Day long weekend.

Eleven people were killed in traffic accidents, two were killed in fires, one man drowned and three men were struck by trains in separate incidents.

RCMP said pilot Barbara Helen Perrin, 34, David Hartley Dafeo, 41, both of Vernon, and Allan Davison, 39, and his wife Patricia of Calgary all died when a Cessna 172 crashed near the end of the runway at Vernon's municipal airport.

A ministry of transport

City man wins panning contest

A Prince George man won the Great Canadian Open Goldpanning Contest held here Sunday.

Len Harrington came first followed by another Prince George man, Reg Sangster. John Tanasiuk of Edmonton was third and Bill Weaver of Placerville, Calif., was fourth.

In the B.C. Open Goldpanning Championship, Mark Castagnoli of Vancouver came first, with Len Harrington second, Reg Sangster third and Cathy Leahy fourth, all from Prince George.

The goldpanning contest was held Sunday in the Fort George Park stockade and was sponsored by the Prince George Kiwanis Club.

Police planning to lay charges

MACKENZIE (Staff) — RCMP here say charges of break and enter, assault causing bodily harm and dangerous use of a firearm will be laid against four people brought out of Fort Ware Friday.

Circumstances and the names of those involved in the incidents were not available at press-time. Fort Ware is a remote Indian village about 240 km north of here.

The latest ICBC figures show the 1,600 B.C. schools are valued at \$2.5 billion with the majority in the \$2-4 million price range.

Power boats okay on lake

Warren Redekopp, 17, of Williams Lake died Monday from head injuries he suffered Sunday when he fell from a moving car in Williams Lake. He was flown to hospital in Vancouver before he died.

Robert William Schoffer of White Rock was killed Sunday when his motorcycle went out of control and slammed into a parked truck just south of Lake Cowichan on Vancouver Island.

John George Farrell, 21, of Surrey, B.C., drowned Monday while fishing at Lac La Hache north of 100 Mile House in the Cariboo.

A 21-year-old man from Surrey drowned Monday while fishing at Lac La Hache north of 100 Mile House in the Cariboo. His name was not released.

Beatrice Hurst, 73, of Saanich died in a Victoria hospital early Monday from burns she suffered in a fire at her home Saturday night.

Frederick Douglas Christian, 34, of Surrey died early Monday in a trailer fire which was believed to have been started by a smouldering cigarette.

Two Calgary residents — Neil Winchester, 29, and Patricia Moore, 22 — were killed early Saturday in a head-on collision on the Trans-Canada Highway about 65 kilometres east of Revelstoke.

Todd Davenport Wood, 22, of Prince Rupert was killed Saturday when the dune buggy in which he was a passenger overturned on a beach near Masset on the Queen Charlotte Islands.

Mary Cullen, 42, of Langley was killed Saturday in a two-car crash in Langley, just southeast of Vancouver.

Richard Wayne Hamilton of Surrey was killed early Saturday in a two-vehicle accident south of Westbank on Highway 97 in the Okanagan.

The name of a man killed in a two-vehicle accident Friday night in North Vancouver has not been released.

Allan Sandbrook of New Westminister was killed Friday night in a two-vehicle accident

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FRENCH-CANADIAN CLUB OF PRINCE GEORGE
A bi-lingual summer activity program will be offered by the French-Canadian Club of Prince George to children from 6-12 years old. The activities will include physical education, art, singing, folk-dance, and field trips. As well, an animated film will be produced using projects made by the children.
There will be two sessions. One during the month of July and one during the month of August. To assure registration in either session, phone 562-5819 from 9 a.m. to 4 p.m. or 563-2392 after 6 p.m. or come to 2880-15th Avenue from 9 a.m. to 4 p.m. The first session starts July 3 but registration will be accepted during the week of July 3-6 in classes that have not been filled. Registration in only part of the sessions will be considered for those who are unable to attend the whole month.