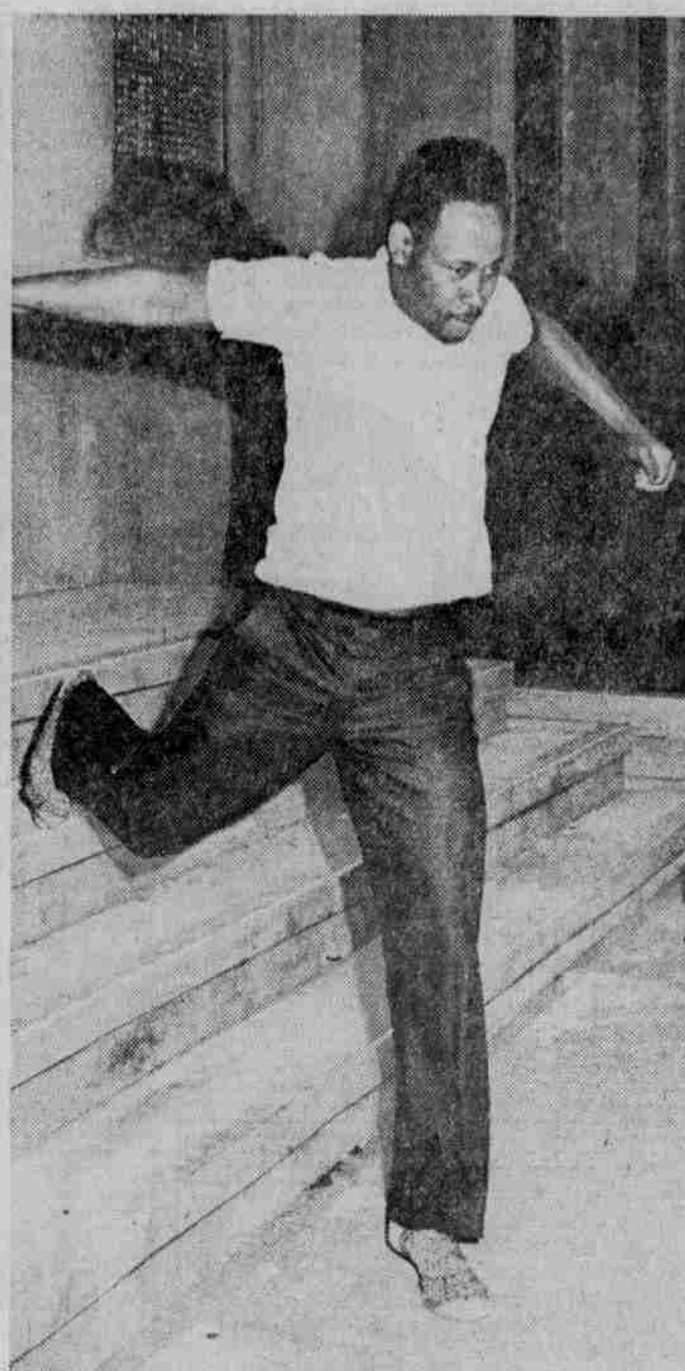




Gunfire, death end Pen siege



—Photos by Brian Kent and Ken Oakes

The 41-hour ordeal is over for these emotion-filled, shoeless hostages as they leave prison after debriefing session

CIA moves in Canada probed by congressmen

By FRANK BUTTER
Sun Washington Bureau

WASHINGTON — Investigations into U.S. Central Intelligence Agency operations in Canada are being conducted by individual members of Congress and may also be pressed by a special Senate committee, it was learned here today.

The investigations came to light following a visit to Washington by John Reynolds, Conservative MP for Burnaby-Richmond-Delta.

Reynolds met members of Congress and lawyers to discuss his concern about what

Ford to act on CIA, page 3

he described in an interview as harassment of John Meier, a former employee of billionaire Howard Hughes, who now lives at Tsawwassen, B.C.

"The members of the Congress seemed as concerned as I was that these things could be happening," Reynolds said.

"They offered their assistance and will be using their staffs in trying to come up with the facts of the matter."

Following statements by Reynolds in the Commons, Solicitor-General Warren Allmand announced that the RCMP would investigate the possibility that the CIA had been operating "illegally" in Canada — that is, without knowledge of the Canadian authorities.

Reynolds met here Tuesday with Sena-

tor Lowell Weicker (Rep. — Conn.), a member of the Senate Watergate committee, and with Representative John Ashcroft (Rep. — Ohio).

In a statement issued later Weicker said his discussion with Reynolds "may well be continued."

Reynolds himself said he expects to discuss the Meier case with the RCMP next week.

At the same time, it was learned that a select Senate committee, headed by Senator Frank Church (Dem.-Idaho) is interested in seeking more information on Meier, and allegations that a man claiming to be employed by the CIA was assigned to find him and to conduct surveillance of him in Canada.

"We have had a number of go-rounds on this subject," said a source close to the committee.

The source declined to comment on any details, but said the committee had been interested in an affidavit filed in a Las Vegas, Nev., court on Meier's behalf.

The affidavit was purportedly signed by one Virgino Gonzalez, who said he was hired by the CIA between 1969 and 1974 and assigned to seek out Meier.

Meier is involved in complicated litigation with the Hughes empire and also faces a U.S. government charge of non-payment of income tax.



—Brian Kent Photo

TRAGIC END TO SIEGE is announced by Jim Murphy, regional director of federal penitentiary service, in press conference.

Gov't would have 'hounded' convicts, PM tells House

Sun Ottawa Bureau

OTTAWA — Prime Minister Pierre Elliott Trudeau said today the federal government was prepared to "hound" three B.C. Penitentiary inmates across the globe had they succeeded in bargaining their way out of the country.

Trudeau said in an interview he feels "very sorry" that 32-year-old prison classification officer Mary Steinhauser was killed after 41 hours at the hands of inmates Andrew Bruce, Claire Wilson and Dwight Lucas.

He said the government had two concerns in dealing with the inmates: First, to ensure the 15 hostages' lives were saved — "which unfortunately didn't happen" — and secondly to get the convicts back if they made their way out of Canada.

"To make sure these guys wouldn't get off with anything . . . we would hound them wherever they were," Trudeau said.

Spill perils beaches

TORQUAY, England (AP) — Tourist beaches along England's southwest coast were threatened today by a six-square-mile oil slick spilled in Tor Bay by a Shell tanker.

A coast guard spokesman said the 18,911-ton tanker Hemitrochus, registered to Shell Bermuda Ltd., spilled tons of heavy fuel oil and lighter diesel oil into the bay.

Royal Navy ships sped into the area loaded with sprays and detergents.

Woman hostage slain by bullet

A woman hostage was killed by a bullet through the heart as the siege in the B.C. Penitentiary ended in a blaze of gunfire early today.

One of her captors was critically wounded but 14 of her fellow hostages were freed safely from the penitentiary vault where they had been held for 41 hours by three desperate inmates.

Mary Steinhauser, 32, had spent most of the 41 hours with an inmate's knife at her throat — but she was killed by bullets fired

More pictures, P. 3, 29;
More on drama, P. 2, 29

when a tactical squad stormed the vault area as the hostages battled the inmates.

New Westminster Coroner Doug Jack reported at noon today that Miss Steinhauser had suffered two bullet wounds.

And although police chief Rod Keary told a press conference she had apparently been stabbed, Jack said no knife wounds were apparent on her body.

The coroner said an autopsy showed that one bullet went through Miss Steinhauser's left shoulder and the fatal bullet penetrated the same shoulder, continued on through her heart and left lung, and lodged on her right side beneath her eighth and ninth ribs.

Jack said he had not determined the calibre of the bullet, but "it is a fairly substantial-looking slug."

Miss Steinhauser was pronounced dead on arrival at Royal Columbian Hospital.

Inmate Andrew Bruce, 26, was admitted to the same hospital in critical condition after being shot during the frantic moments that abruptly ended in inmates' bid for freedom at about 1 a.m.

After surgery on facial and abdominal injuries, Bruce's condition was given as serious. He is expected to survive.

The other two inmates, Claire Wilson, 26, and Dwight Lucas, 20, were taken to New Westminster city jail. Lucas suffered superficial head injuries but did not need medical attention.

The trio — all serving life terms for murder or attempted murder — had held the 15 hostages in the vault since 3 a.m. Monday, threatening to kill them unless the government gave them a helicopter and safe passage out of the country.

Solicitor-General Warren Allmand said in Toronto today the government had made no firm decision to agree to the prisoners' demands. However, he said one country approached by the government had agreed to accept the trio, incarcerate them on arrival, and return them to Canada as soon as possible.

Later, Allmand told the Commons he has recommended that the cabinet order an inquiry, headed by people outside the penitentiary service, into the incident.

Shock and confusion followed the outbreak that brought the long ordeal at the penitentiary to its tragic conclusion.

Police chief Keary said it began with a

"Shots" page 12

Body shop rate \$22.50 cash

Lower Mainland body shop operators will charge customers an hourly rate of \$22.50 on a cash-only basis — even after the current ICBC strike is over.

Before the strike began, ICBC was paying the shops \$15.50 an hour plus \$2.85 an hour for materials. The shops had asked for a raise in the hourly rate, but no decision has been made.

The decision to impose the new cash rate was made by a meeting of 150 body shop operators Tuesday night.

The new rate will be made up of \$20-an-hour for labor and \$2.85-an-hour for materials.

Bob Mussallem, chairman of the body shop division of the Automotive Retailers' Association, said: "We need this money to maintain the same gross profit margin we had under the \$15.50 rate."

"We have been forced to take this unilateral action because ICBC refuse to negotiate with us."

ICBC spokesman Bev Penhall said the insurance corporation did not wish to comment. "The whole situation is rather blurred," she said.

Love for all led her to Pen

By MOIRA FARROW

Love of people led Mary Steinhauser to her job at the B.C. Penitentiary.

And after months of working with prison inmates she became convinced that capital punishment was no use as a murder deterrent.

These descriptions of 32-year-old Miss Steinhauser were given today by her friends, shocked by her violent death early today.

She was killed in the fighting that ended the two-day hostage drama in the prison institution.

"Even if she'd known what was going to happen to her, I don't think she'd have changed her mind about capital punishment," said Mrs. Kathy Penner, a friend and neighbor of the dead woman.

"She felt that people who had committed a crime should be punished. But she didn't think capital punishment was a de-



MARY STEINHAUSER

... "gave everyone a chance"

terrent and I don't think anything would have changed her mind."

According to her roommate, Petra Graves, Miss Steinhauser liked people so much that "she always gave everyone a chance." That was why she went to work at the B.C. Penitentiary.

"Mary was very conscious of social problems — she always wanted to get involved," said Miss Graves in an interview today. She was red-eyed from lack of sleep, knowing that since early Monday her friend had been held as a hostage with a knife at her throat much of the time.

The two women had been friends for about nine years and shared a comfortable duplex home at 5887 Main.

Mrs. Penner said that although Miss Steinhauser enjoyed her job she was very frustrated by her huge caseload.

"She felt she couldn't help the inmates as much as she should because her case-

"Mary" page 2

Index

Bridge	66	Living Today	38
Business	56	Names in News	18
Comics	66	Marjorie Nichols	6
Crossword	66	Sport	49
Entertainment	31	Stanley	30
Gardens	75	Suburbs	10
Ann Landers	41	Theatres	68, 69
Letters	5	TV	30
		Wasserman	31

WEATHER: Sunny Thursday, clouding over in the afternoon. Low: near 7; high: near 21. A frontal system will move inland bringing cloud to the southern regions later Thursday. Details, page 3.



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