

Today's Weather

Prince Rupert—Raining, light southeasterly wind; barometer, 29.98; temperature, 37; sea smooth.

The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

Tomorrow's Tides

High 2:00 a.m. 22.9 ft. 14:15 p.m. 22.6 ft. Low 8:15 a.m. 2.0 ft. 20:32 p.m. 2.2 ft.

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PRINCE RUPERT, B.C., TUESDAY, MARCH 12, 1935

PRICE: FIVE CENTS

CITY FINANCES ARE IMPROVING NOW

GERMANY ANNOUNCES AIM TO CREATE MILITARY AIR FORCE

Treaty of Versailles to Be Violated By Berlin; Formal Notice is Given to Nations

Henceforth Airmen Will be Clad in Reichswehr Uniforms Rather Than Civil Attire—British Government Has Not Yet Taken Action

LONDON, March 12: (CP)—Germany officially notified Great Britain and other great powers today of her intention to create a military air force. This would be a violation of the Versailles Treaty which forbids Germany from having military aircraft. Notice was handed to the British air attaché at Berlin stating that, as from March 1,

ACTION IS DEFERRED

Mayor McGeer Delays Interest Cut Resolution For Another Week

VANCOUVER, March 12: (CP)—If the provincial government refuses to authorize Vancouver to reduce interest rates on bonded indebtedness, Mayor G. G. McGeer announced yesterday afternoon that he will move at the city council meeting of March 18 that the council make an arbitrary reduction to three percent to apply on and after March 31.

The mayor had proposed to submit this demand to the council yesterday but deferred doing so pending possible action at Victoria. During the council meeting yesterday, Mayor McGeer declared the report of Thomas Bradshaw, Toronto expert on municipal affairs, "is not a practical, reasonable or available solution of our difficulties." The mayor said that the government must take over the entire cost of education and relief, and that government grants to the city must be increased.

Morgenthau Urges More Coastguards

Tells United States Congress That Foreign Rum Runners Are Robbing Country

WASHINGTON, D.C., March 12:—Henry Morgenthau, Secretary of the Treasury, in urging upon Congress the advisability of an increase in the coastguard service, estimated that foreign rum runners were doing the United States government out of at least \$30,000,000 annually through evasion of payment of alcohol tax.

LONDON DAILY HERALD CHARGES MUSSOLINI AS INCITING GREEK CRISIS

LONDON, March 12:—In a sensational editorial, the Daily Herald, Labor Party mouth-piece, charges Premier Benito Mussolini with inspiring last week's insurrection in Greece. The newspaper declares that it Duce desires to again set up former Premier Venizelos in power and incite Greece and Bulgaria on one hand against Turkey and Roumania on the other.

OFFICIALS DISMISSED

Shortages of \$15,000 Revealed in Audit of Books of Vancouver General Hospital

VANCOUVER, March 12: (CP)—Two prominent business officials of the Vancouver General Hospital were dismissed following discovery of shortages of approximately \$15,000 in the hospital accounts, J. H. McVety, honorary treasurer of the hospital, announced today after receiving the auditor's report. The names of the officials are being withheld from publication for the time being at least. One of them has had thirty-three years' service with the hospital and the other twenty-five years. Both were bonded for \$10,000.

Estate of Half Million Dollars

Half of His Fortune Left by Oliver Wendell Holmes to His Country

WASHINGTON, D.C., March 12:—The will of the late Oliver Wendell Holmes, former justice of the Supreme Court of the United States, has been filed for probate. About half of the total estate of more than half a million dollars goes to the government without reservation. Valuable etchings and books Holmes left to the congressional library. He bequeathed \$25,000 to Harvard Law School and left \$100,000 to his nearest surviving relative, Edward J. Holmes of Boston.

BAR SILVER

NEW YORK, March 12: (CP)—Bar silver closed at 58 3/4c per ounce on the local metal market yesterday and at 58 1/2c today.

W. M. Watts left on last evening's train for a brief business trip to Terrace.

CIVIL WAR NEAR OVER

Government Well in Control Of Situation in Greece and Revolution Appears Crushed

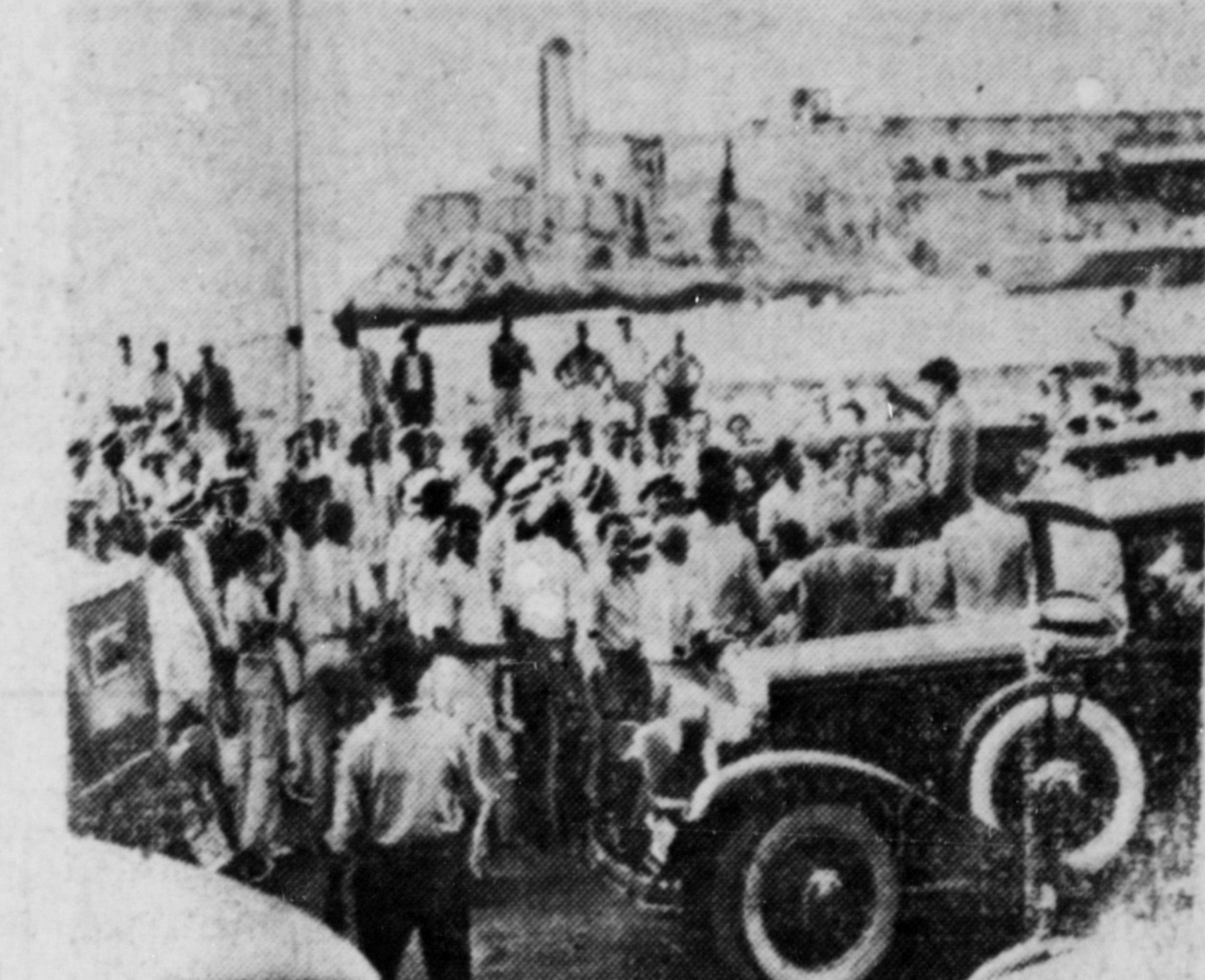
Losses Exaggerated

Avowals of Undying Friendship Are Made by Bulgaria And Turkey

ATHENS, March 12:—An analysis of conflicting reports indicates that the revolution which has agitated Greece during the past week and caused considerable international alarm over possible complications in the Balkans is petering out. There is also reason to believe that considerably exaggerated reports of the extent of the revolt have got abroad, particularly in the United States. There was fighting but not nearly as extensive as some reports might indicate and certainly not with such sanguinary results as some correspondents had reported. The government now appears to be well in control of the situation after a series of smashing victories. Rebel forces in Macedonia, where the most serious clashes took place, are ready to surrender completely. It is said in government quarters. The rebels were bombarded both by land and air in their mountain strongholds yesterday and suffered many casualties, prisoners and artillery being captured by loyal government forces. "All was lost" the rebels were said to have admitted in a message supposedly intercepted by the authorities. Reports of thousands having been killed and wounded in Macedonian fighting were discounted. Former Premier Eliptherios Venizelos, seriously wounded, was reported to be on his way from Crete to Alexandria, Egypt, for refuge.

Rebels' Last Stand The Greek government fleet steamed out of Athens at the weekend, supposedly for Crete to enforce the surrender or destroy warcraft in the hands of the revolutionists there. There was talk of a major naval engagement which, however, failed to materialize. Meantime Crete is now the only point where the government is receiving resistance of any consequence. Meanwhile, reports from the frontiers were to the effect that no untoward motives were involved in the mobilization on considerable scale of Turkish and Bulgarian troops. The two nations were said to have made mutual protestations of undying friendship for each other and peace between them reigned theoretically at least. The concentration of troops on the frontiers was merely for the purpose of protecting national interests in case of serious civil strife in Greece, it was said. The Premier emphatically denied yesterday that it was the intention to restore George II to the throne of Greece after the revolution was crushed. Tonight's train, due from the east at 10:15, was reported this morning to be on time.

Cubans Fighting Again



While leaders of the new revolutionary government seek to prevent American intervention in the Cuban situation, protests against "Yankee imperialism" are being heard in Havana. The photo shows a group of Cuban residents on the waterfront in the capital city hearing speakers denounce the United States. Disorders have broken out anew in the troubled republic.

HITLER TO MOUNTAINS PA DIONNE NOT HAPPY

Nazi Chief Leaves Berlin to Spend Two Weeks Resting in Bavaria

BERLIN, March 12:—Reichsfuehrer Adolf Hitler has left his Bavarian mountain home where he plans on spending a couple of weeks recovering from his "cold," real or diplomatic. Some uncertainty is still expressed as to whether or not the "cold" was entirely responsible for Hitler having cancelled an engagement last week with Sir John Simon, British foreign secretary.

MANY DEAD IN HAVANA

Nearly Twenty Lose Lives as Result Of General Strike Disorders In Cuban Capital

HAVANA, March 12:—The toll of dead in revolutionary strike disorders had reached almost twenty last night. Streets were almost entirely deserted and the city continued under martial law.

Scare Thrown Into Shanghai Mart By Unconfirmed Rumor

SHANGHAI, March 12:—Unofficial reports that China would abandon the silver standard threw the Shanghai Stock Exchange into a virtual panic. All stocks were pegged in a frantic effort to avoid a collapse of securities and some issues were withdrawn from trading altogether.

LOWER CALIFORNIA HOUSE IS IN FAVOR OF TOWNSEND PLAN

SACRAMENTO, March 12:—The lower house of the California Legislature yesterday went on record as being in favor of the Townsend old age pension plan. The vote was 61 to 15.

CHICAGO, March 12: (CP)—A state criminal court last night acquitted Samuel Insull Jr. of a \$66,000 embezzlement charge.

Cheering Statement is Made By Commissioner At Pioneer Gathering

Municipality is Not Borrowing From Bank Any More; Receiving Interest Rather Than Paying; Twenty-Fifth Anniversary Fittingly Celebrated

For the first time in its corporate history, the city of Prince Rupert did not have to borrow money last year from the bank to carry on its affairs pending the collection of the year's taxes. With a substantial balance to its credit in the bank, the city is receiving interest from the bank this year instead of paying it. Half of the year's taxes of the Canadian National Railways have been paid in advance. If the refunding legislation for the city passes the Legislature at its present session as originally drafted, the city stands to save over \$1,000,000 in twenty years at existing rates. Such were some of the announcements made by City Commissioner W. J. Alder last night at the twenty-fifth anniversary banquet of the incorporation of Prince Rupert in a cheering statement on civic finances which it was appropriate enough should be made at that time.

STRIKE IN S. DAKOTA

Martial Law Lifted in Sioux Falls After Being in Force For One Day

SIoux FALLS, S.D., March 12:—Policing of Sioux Falls has been returned to the civil authorities after a day of martial law declared by Governor Barrie as a result of serious rioting which broke out on Saturday following a strike of 600 union workers at a local packing plant in protest at the laying off of one hundred union meat cutters. Finally union officials agreed to withdraw their picketers if the governor would withdraw the militia. This was agreed to by the governor pending negotiations for a settlement of the dispute.

Helen Kane Is Asking Divorce

"Boop, Boop a Doop" Girl Would Part From Max Hoffman, Her Husband of Six Months

CHICAGO, March 12:—Helen Kane, better known as the "Boop, Boop a Doop" girl of the talking pictures, has entered suit for divorce against Max Hoffman, her husband of six months. The petition will be uncontested, Miss Kane's attorney intimated yesterday.

Store Held Up In Vancouver; Nothing Taken

VANCOUVER, March 12:—Two bandits held up a Japanese store at 608 Main Street yesterday afternoon but got nothing, making their getaway in a stolen truck.

Seattle Teamsters' Strike is Now Off

Loading of Steamer For Honolulu With Okanagan Fruit Resumed At Week-End

SEATTLE, March 12:—Following settlement of a teamsters' strike which had held the vessel up for a day or so, loading of a Matson Line steamer for Honolulu with fruit from the American Okanagan was resumed at the week-end. It was agreed at a conference of union officials with representatives of the Seattle Chamber of Commerce to resume normal operations pending a permanent settlement of points of difference. Tacoma and Seattle will be placed on the same basis, it was agreed.

Samuel Insull Is Acquitted

Jury in State Trial at Chicago Frees Him on Charge of Embezzling \$66,000

CHICAGO, March 12: (CP)—A state criminal court last night acquitted Samuel Insull Jr. of a \$66,000 embezzlement charge.

ound Sterling and Canadian Dollar New York Exchange

NEW YORK, March 12:—The British pound sterling was quoted at \$4.78 1/2 on the local market at the end of the week and the Canadian dollar at 99 1/2c, both being up 1/2c.

BRITISH GOVERNMENT UPHELD BY HOUSE ON ITS DEFENCE POLICY

LONDON, March 12: (CP)—A Labor motion of censure upon the National government was defeated 424 to 79 last night in the House of Commons after a debate lasting more than seven hours on the subject of the government's defence policies.