

Today's Weather

(8 A.M.)

Prince Rupert—Sleet, calm; barometer, 29.80 (falling); temperature, 38; sea smooth.

The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

Tomorrow's Tides

High 1:55 a.m. 21.4 ft.
14:03 a.m. 21.3 ft.
Low 8:07 a.m. 4.1 ft.
20:25 p.m. 3.1 ft.

PRINCE RUPERT, B.C. THURSDAY, FEBRUARY 25, 1937

PRICE: 5 CENTS

HAS FIRST SURPLUS IN FIVE YEARS

Few Canadian Born on Relief Lists Here; Englishman With Big Family Has Received Most

One of the striking features of an analysis of relief distribution made by the city over a period of years is the very small percentage of Canadian or British Columbia born appearing on the relief lists. Indeed, their number and the amount they have received is practically negligible.

The largest recipient of relief on the city's lists is a man of English birth, the family consisting of two adults and ten dependents, who has received \$4468.16 during 76 months he has been on relief.

Next largest is an Austrian family of two adults and four dependents which has received \$2643.56 in 63 months.

Others receiving large amounts of relief include a Norwegian family of two adults and three dependents which has been on relief for 57½ months and has received \$1893.80, and two Japanese families which have received \$1263.90 in 35 months and \$1064 in 38 months.

Japanese fishermen represent a very considerable number of those on relief. Scottish-born also appear to be quite well represented.

The largest unmarried recipient of relief here is an Irish fisherman who has been given \$458.70 in 36 months.

Dr. Townsend Found Guilty

Verdict of Contempt of House of Representatives Returned Against Him

WASHINGTON, D.C., Feb. 25.—A verdict of guilty of contempt of the House of Representatives was returned yesterday against Dr. Francis Townsend, father of the Townsend Pension Plan, who some months ago walked out of a federal investigation into the affairs of his organization.

Weather Forecast

(Furnished through the courtesy of the Dominion Meteorological Bureau at Victoria and Prince Rupert. This forecast is compiled from observations taken at 5 a.m. today and covers the 24-hour period ending 5 p.m. tomorrow).

Synopsis—The pressure is low off the British Columbia coast and weather has been showery on the coast, but fair and mild in the interior.

Prince Rupert District—Moderate south to southeast winds, partly cloudy with not much change in temperature.

Queen Charlotte Islands—Moderate southerly winds, fair, increasing southerly winds with showers on Friday.

West Coast of Vancouver Island—Moderate northwest and south winds, mostly fair and slightly cooler.

MADE EVERY POSSIBLE FINANCIAL MISTAKE?

LONDON, Feb. 25.—Speaking here yesterday, Major Douglas, founder of the Douglas Social Credit plan, declared that Premier William Aberhart of Alberta has made every financial mistake it was possible to make. It should have been possible to make a success of Social Credit in Alberta, Major Douglas asserted.

HIGHWAY AT LEAST

Peace River People Favor Prince Rupert Railway But Are Getting Desperate at Unfulfilled Promises

Rancher Speaks

John Soderquist of Grande Prairie, Schoolmate of Olof Hanson, Tells of Need for Outlet

The people of his part of the Peace River country are strong for the railway outlet to Prince Rupert as being the shortest and best route and have been continuously agitating for it but, after being promised over and over that something would be done about it only to have the promises unfulfilled, they are now turning their attention to a highway project in the hope that something in that way may be accomplished, said John Soderquist, Grande Prairie district rancher who was in the city yesterday on his way home to the Peace River country after a trip to Vancouver and Seattle. Mr. Soderquist is located near Sexsmith in Alberta near the British Columbia border on the railway line which terminates at Dawson Creek. Mr. Soderquist comes originally from Sweden and went to school in Tananas with Olof Hanson, M.P. for Skeena, whom he has not seen for twenty years. He arrived here from Vancouver on the steamer Prince George yesterday morning and proceeded east by train last evening. He has been farming for nine years in the Grande Prairie district, having moved there from Southern Saskatchewan.

The highway route which the people of Grande Prairie favor, says Mr. Soderquist, is from Rio Grande through Monkman Pass to strike the line of Canadian National Railways at Hansard east of Prince George. There is a distance of 132 miles of road which would have to be built but its construction would be very easy through country that is ideally suited for road building. Valleys are wide and flat and there would be no snow-slides. Nor would any bridges of any consequence have to be built, the longest, in fact, being at Hansard—only about forty feet long. An automobile concern intends to drive a truck through over the route during the coming spring. Money for the road is being raised among the people themselves who will also provide labor. Financial support is being sought from the federal and the provincial governments of British Columbia and Alberta.

"Such a road," said Mr. Soderquist, "would give us a means of marketing our products and of getting in goods which we cannot now obtain. We have a bumper crop in that district every year. There is room for many more people. The difficulty, of course, is the lack of an outlet. While the railway is the thing, failing that we think we are certainly entitled to a highway at least."

STRIKE BALLOTS REACH THIS CITY

First railway strike ballots have been received in Prince Rupert. The ballot is a rather large document containing a rather extensive statement of the union's claim for a complete restoration of the ten percent cut. The ballot, returnable individually by each employee entitled to vote, has a detachable section in which the employee indicates whether or not he is favorable to striking. The result of the vote, it has been already announced, will be made known soon after the middle of March by which time it is expected all ballots will be in.

FIGHT OVER FREE PORT

Which Shall be so Declared: Vancouver or Victoria?—Dr. Tolmie Active

OTTAWA, Feb. 25.—A dispute is on here as to whether Vancouver or Victoria, if either, should be declared a free port. Hon. Dr. S. F. Tolmie, M.P. for Victoria, is putting up a strong fight to have Victoria so declared. It is the logical place for a free port, he says, and is undoubtedly entitled to be made such.

MARKETING OF HALIBUT

Deputy Commissioner of Fisheries Tells Why Fleet Wants to Come Under Provincial Act

VICTORIA, Feb. 25: (CP)—George F. Alexander, deputy provincial commissioner of fisheries, said yesterday that self-imposed regulations within the Canadian section of the halibut fishing fleet to conform with what is being done by American vessels in spreading out the permissive area catch over the longest possible period was the aim behind requests for a British Columbia marketing scheme for halibut.

Price regulations would not be attempted, Mr. Alexander said, and area catch limits were under sole control of the International Fisheries Commission.

CALGARY TWO ABOVE

CALGARY, Feb. 25.—The temperature in Calgary this morning was two above. The weather is generally milder throughout the prairie provinces.

Canadian Dairy Products To Get Free Entry to U.K. In Terms of New Trade Pact

LONDON, Feb. 25: (CP)—Terms of the new Anglo-Canadian trade agreement were published here tonight.

Canada lowers the British preferential duties on some 150 items and sub-items in Canadian customs tariff lists. These reductions affect some forty percent by value of total imports to Canada of United Kingdom goods at present subject to duty.

British concessions include free entry for Canadian dairy products. Canadian bacon, hams, fat cattle and beef also continue on the free list.

Late Telegraphs

ETHIOPIAN CHIEF EXECUTED
ADDIS ABABA—Res Desta Demtu, son of Haile Selassie and last Ethiopian chieftain to dispute the Italian occupation, has been captured and executed, an official communique announces.

FILM WRITER SHOT
PALM SPRINGS, Cal.—Humphrey Pearson, prominent film writer, was found shot in bed at a desert cottage here at midnight. His wife, weeping and hysterical, was in the same bed with him. She could give no coherent story.

NOTED ACTOR DIES
HOLLYWOOD—Sir Guy Standing, noted British film actor, died suddenly of a heart attack yesterday. Friends said that a black widow spider was probably the indirect cause of death. He had been bitten by one during the filming of "Lives of a Bengal Lancer." Sir Guy was knighted for his service with the British Navy during the Great War.

LOYALISTS BEATEN
MADRID—Government attackers of Oveido suffered one of the most severe reverses of the Spanish civil war yesterday when they were driven back by the insurgents, leaving 2500 dead or dying on the battlefield.

ACCEPTS PENSION
LONDON—The Duke of Windsor, formerly King Edward VIII, it was stated yesterday had agreed to accept a pension of \$100,000 from the Royal Family as his share of the estate of the late King George V., his father. The Dukes of Windsor and Kent met in Vienna yesterday.

LUNDBERGS SAFE
BOMBAY—Col. and Mrs. Charles A. Lindbergh landed here safely yesterday in the course of their flight across India.

NEW RAIL EQUIPMENT

Canadian Pacific Railway to Place Orders For \$20,000,000 of New Rolling Stock

MONTREAL, Feb. 25: (CP)—Expenditure of more than \$20,000,000 for equipment in 1937 was announced yesterday by the Canadian Pacific Railway.

The building program includes fifty locomotives, thirty passenger and express cars and 3600 freight carriers.

The new passenger coaches will be semi-streamlined. British Columbia timber will be largely used.

Overall Deficit For Canada Is Cut in Two During Year, Dunning Shows in Budget Speech Today

Presents Budget



Hon. Charles A. Dunning

TO CONDUCT MINE PROBE

G. L. Fraser Will Investigate Affairs of Hedley Amalgamated Gold Mines

VICTORIA, Feb. 25:—G. L. Fraser, Vancouver barrister, has been appointed to conduct a thorough investigation under the Securities Act into the affairs of the Hedley Amalgamated Gold Mines Ltd. trading in stock of which has been suspended on the Vancouver Stock Exchange after the price had broken in two within a few hours on Tuesday. Every phase of the company's affairs, it was announced at the attorney-general's office yesterday, including the suggestion that samples sent for assay to the government may have been salted. Some doubt is expressed, however, as to the possibility of samples being salted as they had been kept under lock and key.

Trading in the stock will not be resumed until after Mr. Fraser has made his report.

Starts Probe Today

VANCOUVER, Feb. 25: (CP)—An inquiry into the affairs of Hedley Amalgamated Gold Mines Ltd. began here in camera today and will probably continue for a week or ten days. G. L. Fraser is conducting the investigation under the Securities Frauds Prevention Act. Witnesses will testify under oath.

Court of Revision Concludes Sitting

Adjustments of Values on Skeena and Bella Coola River Flooded Lands Are Made

After allowing a few minor adjustments, principally having to do with property of people who suffered damage to their property in the Skeena and Bella Coola River floods of last summer, John Dyb-havn, sitting as judge of the court of revision for the Prince Rupert district provincial assessment roll, following two days of hearings, approved the roll on Tuesday and adjourned the court.

Paints Picture of Improving Conditions But Says Path Of Recovery Has Long Way to go Yet and Warns Against Speculative Adventures

Details of Government's Finances Told to House

Expectations of Improvement Have Been Realized But There Have Been Some Disappointments as Well, Minister of Finance Says

OTTAWA, Feb. 25: (CP)—Over all deficit of \$87,395,000 compared with \$159,989,000 last year was estimated by Hon. Charles A. Dunning, minister of finance, in his financial review for the fiscal year ending next March 31 given at the start of his budget address in the House of Commons today. The minister of finance painted a picture

of improving conditions in most branches of economic activity but voiced a warning against speculative adventures which might cause another collapse such as occurred in 1929.

All figures for the current fiscal year are necessarily estimates, Mr. Dunning said, since the year does not end until March 31.

The minister estimated total ordinary expenditures to be \$51,528,000 less than ordinary revenue, being the first surplus on ordinary account in five years.

The deficit on total revenue compared with all expenditures would be the lowest for any year since 1930-31 and compares with the minister's last year budget estimated deficit of \$100,000,000.

Total ordinary expenditures are estimated at \$391,860,000 and total ordinary revenues at \$443,388,000 out such extraordinary disbursements as Canadian National Railways deficits, unemployment and drought relief and other charges bring the grand total of disbursements to an estimate of \$539,518,000.

The total of all revenues, including an \$8,000,000 credit for the wheat board, refunds on capital investments and other credits, are estimated at \$452,123,000. The revenues are increased \$80,000,000 as compared with the previous fiscal year and were exceeded by 1928-29 only. They were forty-five percent greater than the lowest point of the depression.

Taxation revenues increased \$67,306,000 to \$384,618,000 with the sales tax producing the greatest single increase due to the increase in rate last year from six to eight percent. Income taxes produced the second largest revenue, \$102,000,000 an increase of \$19,290,000.

Expenditures on ordinary account were up \$19,327,000, largely due to New Brunswick and Quebec coming under the old age pension scheme. Capital expenditures were only \$3,447,000, a little more than half the disbursements under this heading during the previous year.

Railway Deficit Lower

The Canadian National Railways deficit is estimated at \$43,000,000 as compared with \$47,000,000 in the previous year. Total disbursements for government-owned enterprises are estimated at \$44,472,000 as compared with \$50,940,000 last year.

The national debt as at March 31, 1937, is estimated at \$3,393,945,000, being increased by the amount of the over-all deficit.

Assets are estimated at \$437,498,000.

The funded debt is estimated at (Continued on Page Two)

ONTARIO MAY BAN WOMEN FROM BEER PARLORS ENTIRELY

TORONTO, Feb. 25.—The government of Ontario is proposing to ban women entirely from beer parlors in the province.