

Today's Weather (8 A.M.)

Prince Rupert—Cloudy, south-east wind, 22 miles per hour; barometer, 30.18; sea moderate.

The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

Tomorrow's Tides

High 10:56 a.m. 19.6 ft. Low 4:47 a.m. 10.6 ft. 17:58 p.m. 5.4 ft.

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PRINCE RUPERT, B.C., FRIDAY, JANUARY 8, 1937

PRICE: 5 CENTS

DIRECT ACTION TO END CIVIL WAR

Great Britain and France Are Becoming Impatient; Moving To Force Isolation of Conflict

London Wants Quick, Workable Peace Plan—German Incursion Into Morocco is Resented by France—Ceuta Being Fortified

LONDON, Jan. 8: (CP)—Great Britain and France are reported in well informed circles to be considering direct action to isolate the Spanish civil war. Urgent need of a quick, workable peace plan is realized by British statesmen. In Paris French officials assert that it is "impossible" for France to permit the reported German incursion into Spanish Morocco and...

New developments in the situation today include the moving of the French Atlantic fleet into Spanish waters, consultation of Army and Navy chiefs over Moroccan defences and the statement of the French Moroccan administrator that German fortifications at Ceuta, just across the Straits of Gibraltar, were going up on a scale to rival the great British rock.

In Berlin Germany is moving quickly to enforce the terms of her ignored ultimatum to Spain demanding the release of the interned cargo of the freighter Palos and a captured Spanish prisoner from that vessel. Germany considers the Palos incident closed and would take action to liquidate the seizure by sale of the vessels Aragon and Marta Junquera belonging to Spain. Expressions of sentiment heard in Berlin indicate that the people have an overwhelming fear of the consequences of warfare and desire to avoid armed conflict.

Meantime Fascist insurgents fought at the bayonet point in Spain to advance toward Madrid at the southern and western edges of the city. At Washington a special resolution embargoing United States munition shipments to Spain became law.

WHEAT IS BAD NEED

Grain Shortage in Germany Will Necessitate Importing of One Million Tons

BERLIN, Jan. 8: (CP)—It is estimated that Germany will need one million tons of wheat to make up the deficiency in the grain shortage which is at present facing the country and, as a result of which, the tariff on grain imports was recently cut sharply. Grain markets have been influenced by the grain shortage in Germany. All possible steps are being taken to conserve the country's grain and flour stocks.

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—Pressure remains high in British Columbia with fine weather and moderate temperature generally from the coast to the Rockies.

Prince Rupert—Strong east and south winds, unsettled with rain. Queen Charlotte Islands—Strong east and south winds, milder and probably showers.

Shake-Up in Germany Imminent

EXPANSION OF TRADE

Agreement with United States Opens Market for Many Commodities

Exports Up

Many Countries Increased Business With Canada Last Year

OTTAWA, Jan. 8: (CP)—The agreement with the United States opening to Canada wider markets for some 60 commodities, undoubtedly encouraged expansion of trade between the two countries during the past year. While the total exports to the United States increased from \$295,000,000 in the first 10 months of 1935 to \$328,500,000 in the same period last year, the inclusion of non-monetary gold somewhat obscures the real significance of the increase. Deducting the outward shipment of non-monetary gold, the export trade to the United States showed a gain of no less than 25.7 percent. A part of the gain in trade was due to the industrial expansion in the two countries during the last 12 months.

OFFICERS GET BUSY

Rumor That Mattson Boy Has Been Released on Ransom Payment Not Confirmed

TACOMA, Jan. 8: (CP)—Federal agents and state police, investigating the Charles Mattson kidnapping, swept into action unexpectedly today and at least four automobile loads of officers vanished from Tacoma. Twenty federal agents dashed out of one hotel at 4:30 a.m., their whereabouts still a mystery six and a half hours later.

BUILDING EXPECTED

Reason to Anticipate Renewed Activity This Year

OTTAWA, Jan. 8: (CP)—The volume of new construction in Canada in 1936 showed a slight gain over the low level of the preceding year, private operations counterbalancing the decline in governmental contracts. Since a large number of industries are now operating near the high levels of the last prosperity cycle, the construction of additional plant and equipment should shortly become an important factor.

ARMY SETS OUT AGAIN

Nanking Troops Resume Westward March in View of Latest Red Outbreak at Sianfu

NANKING, Jan. 8: (CP)—The Nanking government's army is reported to have again taken up its westward march in view of the fresh red outbreak of former Manchurian army troops at Sianfu. This is the army that had been sent out recently in a punitive expedition during the rebellion of Marshal Hsueh-Liang and the abduction of General Kai-Shek.

RECORD PEACETIME DEFENCE FUND FOR UNITED STATES

WASHINGTON, D.C., Jan. 8: (CP)—A record peacetime United States defence fund of nearly a billion dollars, including money for construction of two battleships, is asked by President Franklin D. Roosevelt for the 1938 fiscal year. The budget also announced an estimate of \$1,537,123,000 for relief expenditures during the coming year, a drop of \$786,000,000 under projected outlays for the current year.

SEATTLE ACCIDENT

Two Killed and Fifty Injured When Municipal Street Car Jumps Tracks on Trestle

SEATTLE, Jan. 8: (CP)—Two men were fatally injured and fifty others hurt less seriously when a municipal street car jumped the tracks on a trestle, smashed against a concrete pillar and halting on the railing fifty feet above the ground. The operator said he believed the air brakes froze and caused the accident. The dead are W. A. Court, mechanic, and Leo P. Bow, Seattle fireman.

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REICHSTAG BEING CALLED

To Hear Statement From Hitler of Much Importance

Reichsfuehrer's Position as Head of State Believed to Be Involved—Present Parliament May Be Dissolved And New Constitution Proclaimed

PARIS, Jan. 8: (CP)—A Havas News dispatch from Berlin says it is reported there that the Reichstag has been convoked for January 30 to hear a declaration of major importance from Reichsfuehrer Adolf Hitler. It has been reported that important government changes are imminent involving Hitler's position as head of the state. Other reports say that the Reichstag may be disbanded and a new National Socialist constitution proclaimed for the Reich.

SAD STORY AT INQUEST

Further Details in Connection With Tragedy on Fraser Lake

FRASER LAKE, Jan. 8:—Coroner W. C. Pitts and a jury listened to a sad recital at Fraser Lake on Monday of the tragedy which took the lives of four little Indian boys on New Year's Day, as the little ones were trying to make their way home from the Indian school at Lejac. The victims of the tragedy were Allan Willie, aged nine, and Johnnie Michael, Maurice Justin and Andrew Paul, each eight years old.

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INFLUENZA SCOURGE IS QUITE SERIOUS

Milder Than Epidemic of 1918 But, Nevertheless, Causes Much Inconvenience

NEW YORK, Jan. 8: (CP)—The epidemic of influenza now gripping England and United States is milder by far than the great death-dealing plague of nearly twenty years ago but it is of sufficient seriousness to cause widespread inconvenience. Pneumonia is also rampant and New York City alone has had 227 deaths from the malady during the past week.

NEWSPRINT OUTPUT IS BIGGEST YET

Production in Canada Last Year Very Close to Limit Capacity

OTTAWA, Jan. 8: (CP)—Operations in the forestry industries were greatly expanded in the year just ended. The production of newsprint reached a new high point in history, being close to the practical limit of capacity. An unsatisfactory feature was the low price level which persisted in spite of the higher cost of operations, the realities of supply and demand demonstrating the need for price readjustment. Production in the first 10 months was more than 2,600,000 tons, a gain of 16 percent over the same period of 1935. Timber scaled in British Columbia, a good guide to saw-mill operations was about 2,333,000,000 board feet, a gain of 14 percent over the first 10 months of 1935.

WATER AND ICE ON RAILWAY TRACKS AT PRINCE GEORGE NOW

The Nechako River is rising at Prince George and the railway tracks there are under water, according to messengers received by the provincial police today. The rising water is due to ice in the river causing the stream to back up during thaws. There has also been trouble with the water freezing on the railway tracks.

TODAY'S STOCKS

- Courtesy S. D. Johnston Co. Vancouver B. C. Nickel, 28. Big Missouri, 64. Bralorne, 8.00. B. R. Cons., .05. B. R. X., .09 1/2. Cariboo Quartz, 1.68. Dentonia, 14. Golconda, 12. Minto, 23. Morning Star, .03 1/2. Noble Fire, .06 1/4. Pend Oreille, 3.70. Pioneer, 6.35. Porter Idaho, 12. Premier, 4.15. Reeves McDonald, .93. Reno, 1.30. Relief Arlington, .32. Reward, .06 1/4. Salmon Gold, .09. Taylor Bridge, .07. United Empire, .007 1/2. Wayside, .07. Hedley Amalgamated, .27. Premier Broder, .03 1/4. Toronto Beattie, 1.37. Central Patricia, 4.30. God's Lake, .97. Inter Nickel, 63.45. Lee Gold, .07 1/2. Little Long Lac, 7.25. McKenzie Red Lake, 1.87. Pickle Crow, 8.10. Red Lake Gold Shore, 1.50. San Antonio, 2.30. Sherritt Gordon, 3.01. Siscoe, 5.25. Smelter Gold, .00 1/2. Ventures, 3.03. McLeod Cockshutt, 4.25. Oklend, .72. Mosher, .48. Gilbee, .06. Madsen Red Lake, 1.25. May Spiers, .35. Sullivan, 2.10. Stadacona, 1.01. Frontier Red Lake, .19. Francoeur, 1.38. Manjotoba & Eastern, 12 1/2. Perron, 2.25. New Augarita, .42. Moneta Porcupine, 1.72. Sladen Malartic, 2.05. Bouscadiillac, .59. Morris Kirkland, .64. Rubec, .07 1/2. Thompson Cadillac, 1.75. Ballor, .04 1/2.

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Card of Thanks

Mrs. Ernest Large and family wish to convey sincere thanks and appreciation to all friends who donated cars, sent floral tributes and assisted in any way during their recent sad bereavement.

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