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DAY AND NIGHT SERVICE
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(New 1938 Plymouth)

The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

Tomorrow's Tides

High	11:50 a.m.	19.4 ft.
	23:55 p.m.	21.8 ft.
Low	5:36 a.m.	3.0 ft.
	17:50 p.m.	6.1 ft.

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Vol. XXVII., No. 196. PRINCE RUPERT, B.C., MONDAY, AUGUST 22, 1938 PRICE: 5 CENTS

New Japanese-American Conflict

Rights Of American Vessels In Yangtse River Under Dispute

Uncle Sam May Press Point That Any Brockade of His Ships By Nipponese is Illegal

SHANGHAI, August 22.—Japanese yesterday drove into a new diplomatic conflict with the United States while their armies drew a gradually tightening noose of men and steel around China's provisional capital in Hankow. The dispute with the United States grew out of the refusal of Vice Admiral Koshiro Oikawa, commanding the Japanese Asiatic fleet, to permit the U. S. gunboat Monacacy to proceed down the Yangste River from Kiukiang to Shanghai, thus breaking the Japanese blockade of the international stream about the port of Wuhu, near Nanking. Rear Admiral Harry E. Yarnell, commanding the U. S. Asiatic fleet, who had notified the Japanese the Monacacy would make the trip to replenish supplies, yielded to the Japanese only after the dispute had been referred to the State Department in Washington by American embassy officials in Hankow, according to reliable reports. The United States has not yielded on its contention that American ships have a right to go any where their commanders may desire, it was said, and eventually Washington may press for Japanese recognition of the American contention that any blockade against American ships is illeal.

Halibut Sales

American

Frisco, 9,000, Royal, 9.7c and 6c.

Canadian

Takla, 40,000, Cold Storage, 8.9c and 5c.

Southend, 16,000, Atlin, 8.9c and 5c.

Prince Rupert Wonderful Door To Great Hinterland Says General Hornby Here

Sir Henry Page Croft Explains His Mission—S. J. Hungerford Speaks Briefly at Dinner

"Prince Rupert is a wonderful door to a great hinterland. This hinterland should support a very large population to the advantage of the whole country." This was the opinion expressed by Brigadier General M. L. Hornby, father of the Hornby immigration scheme, at a dinner to Sir Henry Page Croft M.P. of Bournemouth, England, in the Commodore Cafe Saturday evening.

Sir Henry said that he had been a member of the British House of Commons for twenty years and he was here inquiring into the opportunities for immigration from the Old Land. He had worked on a committee making recommendations for a better distribution of the population of the Empire. This committee discussed the potentialities of ten different territories and, of all the countries considered, he could say that British Columbia stood the first.

In the House of Commons nearly three hundred members had assented to a proposal to approach the government of the day with the object of inducing it to discuss this matter with the Dominion government. He was now on his way to Victoria to discuss the matter with Premier T. D. Pattullo and it was hoped to convince him to give his support to the scheme. The political parties were united on it and he found the farmers were also agreed that a flow of British immigration was desirable.

The visitor said he was well aware of the dangers and perils of unorganized settlement. He also knew of former difficulties following unrestricted settlement and he hoped such a thing would never happen again Settlers must all be tested to see if they were likely to make good. Adequate financial resources were necessary and immigration must be carried on under the care and guidance of an organization devoted to that work.

In concluding his address Sir Henry said he hoped the people here would never believe that the British race was decadent or that Englishmen were no good. Since he arrived in the city he had met splendid representatives of his country and, out of five outstanding farms visited on the trip, three were owned and operated by Englishmen. Theirs was a little country and the people were pretty heavily taxed but when threatened they had not hesitated to raise fifteen hundred million pounds sterling to restore their fighting organization to its proper state of efficiency. As a people they were not decadent.

The speaker said they had allowed their fighting defenses to drop in the hope that the world would follow that example. Instead of that all other powers had increased their fighting strength including the collossal German fighting force. However, the mangy old lion was now fat and glossy.

The visitor said that the hearts of the people were sound and one essential to that was that they consider each other's needs. Canada needed population and they could

(Continued on page 2)

General Franco's Reply Received

British Officials Decline, However, to Comment On Its Contents

LONDON, Aug. 22—General Franco's reply to the non-intervention plan for getting foreign soldiers out of the Civil War arrived by plane but British officials decline, however, to comment on its contents.

General Franco Suffers Reverse

FRANCE IS ALL READY

Prepared to Act Both in Defence of Nation and Its Currency Declares Daladier

PARIS, August 22—Premier Eduoard Daladier stated bluntly at the week-end that his country was prepared to act in defence both of the nation and its currency. Police have swooped down on speculators in the franc and the expulsion of a number of foreigners from the country followed.

Play-Off For Title In Golf

Sam Snead and Harry Cooper Tied In Canadian Open

TORONTO, Aug. 22—Sam Snead of White Sulphur Springs and Harry Cooper of Chicago, were tied at 277 for first place aftr 72 holes in the Canadian open golf championship and will play off for the title.

Hungary Regent Visits Germany

Spectacular Welcome is Given Admiral Horthy in Berlin

BERLIN, August 22— Germany gave a spctacular welcome for Admiral Nicholas Horthy, Regent of Hungary, who arrived in the Reich on Sunday on a visit that may have far-reaching effects on the Czechoslovak crisis.

Steamer Off To Pitcairn Island

BALBOA CANAL ZONE, Aug. 22—The British steamer Tamaroa left Saturday night for Pitcairn Island with the first shipment of mail and supplies for that virtually isolated spot in the South Pacific since April 29.

Today's Weather

Terrace—Clear, east wind, temperature 56.
Aiyansh—Clear, calm, 55.
Alice Arm—Clear, calm, 54.
Anyox—Clear, calm, 48.
Stewart—Clear, calm, 42.
Hazelton—Clear, calm, 46.
Smithers—Clear, calm, 48.
Burns Lake—Clear, calm, 41.

Standing Of Candidates

Standing of contestants in Port Day Popularity Contest at 1 p.m. today:

Ida Slatta (Sons of Norway) 16,000.

Alice Gomez (Gyro Playgrounds) 14,000.

Maxine Heilbroner (Cambrai I.O.D.E.) 12,800.

Frances Stegavig (Moose) 11,100.

Creddie Morgan (Rotary) 9,100.

Elsie Johansen (Deep Sea Fishermen's Union) 9,000.

Bulletins

GETS THREE YEARS

Pleading guilty to a statutory chare involving a thirteen year old girl, William Brown was sentenced to three yars' imprisonment in County Court this morning by Judge H. A. Robertson of Prince George.

FRANCO HODS OUT

LONDON—General Franco of the Spanish insurgents, replying to a British peace scheme in the civil war, demands full belligerent rights for the insurgents and makes several other conditions and reservations which government spokesmen say Barcelona cannot accept.

ENGLAND WELL AHEAD

LONDON—England had amassed a huge total of 634 for five wickets when stumps were drawn on the second day's play of England-Australia test cricket match. Leonard Hutton had scored 300, not out, single-handed, the largest score ever compiled by a single English batsman.

NEW BOMBERS FOR COAST

VANCOUVER—Defense Minister Ian Mackenzie announced today that twelve new Blackburn bombers would arrive at the Royal Canadian Air Force station within a fortnight, being transferred from the Trenton, Ontario, station. R.C.A.F. planes are also to be dispatched to Prince Rupert where equipment has already been sent.

INDIA TRAIN WRECK

MADRAS, India— Nearly one hundred persons, mostly religious pilgrims, were reported to have been killed early yesterday when a crowded passenger train rolled down an embankment near Trichinopoly on the River Cavery, thirty miles west of Tamjore, after a cloudburst.

FRENCH CABINET CRISIS

PARIS— Two French cabinet ministers-Ludovic Frossard, public works, and Paul Remadier, Labor, resigned today, bringing on a crisis over Premier Daladier's plan to abolish the forty hour week in French industry and speed up rearmament. The two ministers were replaced within two hours by Anatole de Monzie and Charles Pomoret.

Champions In Tennis

Prince Rupert Association City Tournament Concluded Sunday

The finals of the City Tennis tournament were run off on Sunday with the following teams winning the championships:

Ladies' Singles

Miss Elsie Davis beat Miss Evy Rivett 0-6, 64, 3-4.

Ladies' Doubles

Miss Evy Rivett and Mrs. E. M West beat Miss Elsie Davis and Mrs. Roy Morrison 6-4,3-6, 6-4.

Mixed Doubles

Mrs. W. I. Miller and Don Blake beat Miss Evy Rivett and William Blitch 9-7, 5-7, 6-4.

Men's Singles

C. Norrington beat F. M. Davis 8-6, 6-4, 8-6.

Men's Doubles

W. L. Stamford and F. M. Davis beat Alex Mitchell and Otto Young 6-2, 14-12, 6-8, 12-10.

LOOKS FOR GOOD CROP

Guess of S. J. Hungerford is 350,000,000 Bushels—Interested in Gardens—No Announcements

"Conditions are spotty it must be admitted and I suppose one should not hazard any predictions until threshing gets pretty well under way but I am holding out for a 350-000,000 bushel crop in Canada this year," said S. J. Hungerford, president and chairman of the board of directors of the Canadian National Railways, who arrived in Prince Rupert Saturday afternoon in the course of a western inspection tour Undoubtedly it will be a better crop this year than for several years past, said Mr. Hungerford. He declined, however, to express any opinion as to what volume of the crop may move by way of the Pacific Coast. Nor would he comment on the situation at Prince Rupert following the abandonment of the local government elevator.

"This is merely my annual tour of inspection," said Mr. Hungerford "and I have no announcements to make. On the contrary, I am trying to get information myself and drum up some business if I can."

Mr. Hungerford would not be drawn into any discussion of the hotel situation here and the possibility of the railway company establishing a hostelry at Prince Rupert.

Pleased With Gardens

The railway president, as he has done before, commented on the great imprivement that was being made in the appearance of the city through public and private gardening efforts. He did not seem to be much interested in totem poles, however. Apparently, his tastes do not run in that direction. The gardens did, however, intrigue him and he was not satisfied until he had got his party together to take them around town in cars and show them what was being done along that line, the Canadian National gardens being among beauty spots visited.

Mr. Hungerford, speaking later at the dinner, took exception to a statement made by one of the visitors that he did not find Prince Rupert much changed since his previous visit. He said that a year ago he was shown around the city and again on this occasion and he congratulated the local people on the development that had taken place. The improvement in the gardens had doubled since a year ago. This, he said, would have a profound effect. Not only was it more attractive to tourists but it also contributed to the moral happiness of the people. He was particularly pleased to see it.

Mr. Hungerford arrived by special train from Jasper where he and his party have been spending three or four days and sailed on the steamer Prince Rupert for Vancouver.

Accompanying Mr. Hungerford were R.J. Moffatt of Bradwell, Saskatchewan; B. L. Daly of Montreal, and C. R. Read, Amherst, Nova Scotia, directors; A. E. Warren, vice-president in charge of western lines and other officials.

Miss Irene Lindsay, daughter of Mr. and Mrs. J. A. Lindsay, returned home on the Prince Rupert Saturday evening after a month's visit at Stewart.

Ebro Valley Drive Of Insurgents Has Turned Into Disastrous Rout

So Loyalists Claim as Battle Takes Largest Toll of Lives of Any So Far Fought in Civil War

HENDAYE, Franco Spanish Frontier, August 22.—The loyalist government last night announced that it had administered a personal defeat to Generalissimo Francisco Franco killing more than one thousand of his troops and turning his Ebro Valley counter offensive into a disastrous rout. Six waves of insurgent African moors and Foreign Legionnaires under the personal command of Gen. Franco and led by one hundred Italian tanks were said to have been thrown back on the rutted mountain slopes around Villahba de Los Arcos, six miles north of Franco's Gandesa base where the Ebro follows the western boundary of Catalonia. Frontier reports indicated the fighting around Villahba de Los Arcos was claiming the biggest toll of lives of any battle fought thus far in the civil war.

TODAY'S STOCKS

(Courtesy S. D. Johnston Co.)

Vancouver

B. C. Nickel, .08.
Big Missouri, .31.
Bralorne, 9.45.
Aztec, .06¼.
Dentonia, .05¼.
Golconda, .05.
Minto, .03¼.
Fairview, .06¼.
Noble Five, .02.
Pend Oreille, 1.83.
Pioneer, 1.83.
Pioneer, 3.00.
Porter Idaho, .03.
Premier, 2.32.
Reeves McDonald, .28.
Reno, .43.
Relief Arlington, .15.
Reward, .04.
Salmon Gold, .10½.
Taylor Bridge, .03.
Premier Border, .01.
Silbak Premier, 1.80.
Home Gold, .01½ (ask).
Grandview, .07½.
Indian, .01¾.
Quatsino Copper, .04.
Haida, .02½.

Oils

A. P. Con., .17.
Calmont, .30.
C. & E. 2.30.
McDougal Segur, .15½.
Mercury, .10 (ask).
Okalta, 1.35 (ask).
Pacalta, .06½ (ask).
Home Oil, 1.12.

Toronto

Beattie, 1.32.
Central Pat., 2.60.
Gods Lake, .47.
Little Long Lac, 3.55.
McKenzie Red Lake, 1.22.
Pickle Crow, 5.30.
San Antonio, 1.28.
Sherritt Gordon, 1.26.
Smelters Gold, .03.
McLeod Cockshutt, 3.60.
Oklend, .19.
Mosher, .23.
Madsen Red Lake, .33.
Stadacona, .50.
Francoeur, .33.
Moneta, 1.75.
Bouscadillac, .06.
Thompson Cadillac, .22.
Bankfield, .61.
East Malartic, 2.19.
Preston East Dome, 1.77.
Hutchison Lake, .03.
Dawson White, .04 (ask).
Aldermac, .47.
Kerr Addison, 2.05.
Uchi Gold, 2.25.
Int. Nickel, 49.25.
Noranda, 73.50.
Con. Smelters, 59,00.
Athona, .05½.
Hardrock, 2.20.
Barber Larder, .29.
Dominion Bridge, 36.50.

Mr. and Mrs. P. McCaffery sailed on the Prince Rupert Saturday evening for Vancouver, Mr. McCaffery going south as one of the delegates to the forthcoming Liberal convention in Kelowna.

Two Elements Visit Geneva

Premier of Loyalist Spain and Italian Ambassador to Insurgents Both These

GENEVA, August 22—Both the Premier of government Spain and the Duke of Alba, Italian ambassadors to insurgent Spain, were visitors at the week-end to Geneva. There is speculation as to whether their co-incident visits may have any bearing on the international situation.

United States Dollar Is Off

Bar Gold and Silver Show Decline On London Market

LONDON, Aug. 22—Loss of 3-16 cent in terms of sterling was sustained by the United States dollar in foreign exchange Saturday. The unit closed at $4.80 to the pound. Bar gold was off a penny at 142s. 5½d. Bar silver was down 1-15 at 19 5-16d.

Newspaper Purge In Italy Planned

All Jews To Be Cleared Out of Journalism There

ROME, Aug. 22—Informed Fascists said today a campaign had begun to oust Jews and Jewish interests from Italian journalism. Fascists said a complete purge of newspapers probably would follow as part of the party's new race policy which is similar to Nazi Germany's policy.

Today's Baseball

National League

St. Louis, 2; Cincinnati, 11 (end of seventh inning).
Pittsburg, 4; Chicago, 2.

American League

Chicago, 4; Cleveland, 2.