PROVINCIAL LIBRARY VICTORIA, B.C.

**Tomorrow's Tides**

| | | |
|---|---|---|
| High | 7:20 a.m. | 18.5 ft. |
| | 19:52 p.m. | 15.5 ft. |
| Low | 0:30 a.m. | 7.9 ft. |
| | 13:44 p.m. | 8.1 ft. |


# The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER


**141 Capitol TAXI**

Macey's Coffee House

Vol. XXVII., No. 301. PRINCE RUPERT, B.C., THURSDAY, DECEMBE R 29, 1938. PRICE: 5 CENTS

PROV. LIBRARY, 120 PARLIAMENT BLDGS. 31 Mar 39

# British Ship Bombed On High Sea

## Outlook For Railway Is Much Better; Hungerford Predicts Continuation Of Improvement

MONTREAL, December 29.—Railway results reflect the general level of business activity, said S. J. Hungerford, chairman and president of Canadian National Railways, in a statement today. The first check on the gradual recovery of Canadian National Railways earnings from the low level of 1933 began with the decline in business activity in the last months of 1937, a decline which continued throughout a great part of 1938. The decline was first felt and was most marked on the United States lines of the company.

The operations of the system for 1938 were largely influenced by the necessity of curtailing expenses as far as possible in view of the falling revenues while, at the same time, maintaining the property and its equipment in condition to meet the present and prospective transportation requirements of the country, also to provide for the movement of grain arising from the anticipated improvement in the western crop.

The revenues in the last quarter of the year indicate a cessation of the downward trend and there now appear definite indications of the trend turning upwards again.

The problem of reducing expenses in the face of declining traffic was made more difficult than it otherwise would have been on account of increases in the price of fuel and other supplies, the restoration of wage rates to pre-depression levels in Canada—agreed upon early in 1937 and fully operative on April 1, 1938—and an increase in wages above pre-depression levels on United States lines. These factors, together with a program of creating a reserve of freight cars and locomotives in the expectation of a large crop movement, limited the reduction in operating expenses. The increases in wage rates, resulting from protracted wage negotiations with organized labor in Canada and the United States, alone amounted to several millions of dollars. Notwithstanding these adverse factors, it proved possible to reduce the operating expenses of the system by approximately $4,500,000 from the 1937 level. It is gratifying to be able to record that the steps taken to curtail expenses did not impair the efficiency of the property.

**Net Operating Surplus**

The decline in gross revenues in 1938 was upwards of 15 million dollars, as compared with 1937. Notwithstanding the very difficult operating conditions and the supplying of essential transportation requirements to many parts of the country at heavy expense, the revenues for the year were sufficient to pay all the operating expenses and leave a balance of nearly $7,000,000.

Some new equipment was acquired during the year. Two thousand steel box cars of the most modern design were delivered and have proved valuable in handling high class traffic. Ten air-conditioned buffet sleeping cars, six air-conditioned dining cars, five mail and express cars, twenty-five sand cars and twenty-four snow plows have been added to the company's equipment. Locomotives purchased consisted of six 4-8-4 type semi-streamlined passenger engines, designed for use in the heavy fast passenger train service to and from Chicago, and two diesel switching locomotives for use on the United States lines.

The Canadian National branch line serving the mining development in Northern Quebec between Senneterr and Rouyn, which had been under construction for the past two years, was completed and was formally opened on December

*(Continued on Page Four)*

## Burned Matches Found In Mine

**Men and Officials of Nova Scotia Colliery Worried**

SPRINGFIELD, N.S., Dec. 29: (CP)—Finding of several burned matches, one "good" match and cigarette stubs on the 8,600-foot level of No. 2 colliery of the Dominion Coal Company here, is worrying men and officials alike. Miners are forbidden to carry matches into a colliery under penalty of a fine and smoking underground is strictly prohibited because of the possibility of an explosion.

Company Superintendent Earle B. Paul turned the evidence over to union officials. One result of the discovery was abolishing of the miners' practice of enjoying a last-minute smoke outside the boundaries of the surface plant before going down to work.

The union also decided to ask the mine management to search underground employees at least twice weekly. At present such examinations take place at undetermined times.

Worst explosion in a Springhill mine, more than 40 years ago, took 125 lives, and the toll has been added to from time to time.

## INSURGENTS STILL GAIN

**Nineteen Spanish Government Planes Reported Brought Down In Fierce Air Battle**

SARAGOSSA, Spain, Dec. 29 (CP)—Spanish insurgent quarters report further important gains in the Catalonia offensive. Smashing through an important line of government fortifications, there has been another large advance sixteen miles northeast of Lerida.

Twenty Spanish government fighting planes are boasted in an insurgent communique to have been brought down in one of the fiercest air engagements of the war during the great offensive into Catalonia.

## BANKER IS RANSOMED

**Louis le Beauvier, Britisher, Was Held by Aran Chief Until Friends Paid Money**

JERUSALEM, Dec. 29: (CP)—Louis le Bouvier, British manager of the Ottoman Bank, who had been missing since Monday, arrived here unharmed today and said that an Arab Band had held him for ransom until friends paid for his release.

Le Beauvier brought home a passport assuring him of safe passage. It was signed by the widely known chieftain, Suleigan.

**SMOKE EATERS WIN**

MAMBURG, Dec. 29: (CP)—Continuing their European tour of conquest, Trail Smoke Eaters hockey team defeated an all-star German team here yesterday eight to nil.

## GAMBLER MURDERED

**"Big Bill" Irvine Shot To Death In Hollywood—Body Found in Car**

HOLLYWOOD, Dec. 29:—Weldon L. (Big Bill) Irvine, wealthy gambler and bookmaker, was found murdered in his car here yesterday. The body was found about sixteen hours after he had been done to death. He had $22 in his wallet and was wearing a large diamond ring, indicating that robbery was not the motive for the slaying. There was one bullet in his head and another through his neck, powder burns indicating the gun had been fired at close range.

## Little Hope Is Held Of Trapped Men Being Alive

KIRKLAND LAKE, Ont., Dec. 29. (CP)— Although rescue workers hoped early today to reach two men entombed in the Lakeshore gold mine within a few hours there was believed to be little hope of the men being still alive. They had been trapped 2400 feet underground on Tuesday following an air explosion.

## BOYS RAID U.S. MINT

**Fifteen-Year-Old Orphans Get Into Seemingly Impregnable Premises —"Just For Fun"**

**SAN FRANCISCO, Dec. 29: (CP)— The armor-plated and heavily guarded United States Mint here was raided last night by two fifteen-year-old boys who entered by scaling the wall and raising an unlocked window, police report.**

**The boys are identified as Paul Francis and William Gallagher, orphans. They are being held for the juvenile authorities.**

**The lads said they did it "just for fun."**

## TODAY'S STOCKS

(Courtesy S. D. Johnston Co.)

**Vancouver**

Pacific Nickel, .25 ask.
Big Missouri, .26.
Bralorne, 11.20.
Aztec, .05.
Cariboo Quartz, 2.32.
Dentonia, .05¾.
Golconda, .05.
Minto, .02¼.
Fairview, .03½.
Noble Five, .03⅛.
Pend Oreille, 1.78.
Pioneer, 2.45.
Porter Idaho, .03.
Premier, 2.20.
Reeves McDonald, .24.
Reno, .23¼.
Relief Arlington, .13.
Reward, .06½ (ask).
Salmon Gold, .09½.
Taylor Bridge, .05½.
Hedley Amal., .03½.
Premier Border, .01.
Silbak Premier, 1.75.
Congress, .00½.
Home Gold, .00⅝.
Grandview, .05¾.
Indian, .01¼.
Quatsino, .03½.

**Oils**

A. P. Con., .19.
Calmont, .46½.
C. & E., 2.40.
Freehold, .03¾.
McDougal Segur, .14.
Mercury, .07½.
Okalta, 1.50.
Pacalta, .07½.
Home Oil, 2.88.

## VALUE OF MINERALS IS LOWER

**Production for 1938 is Estimated at $64,250,000 by Department**

## Base Metals Are Down; Gold Higher

**Review of the Mining Industry for the Year 1938**

VICTORIA, December 29.— The estimated value of mine production in British Columbia for the year just ending is $64,250,000, according to a review issued today by the Department of Mines. This shows a decrease of approximately $10,000,000 from the all-time record of $74,475,902 established in 1937. The decrease is due almost entirely to lower metal prices for lead and zinc. Average base metal prices for 1937 were abnormally high and it was not anticipated that such averages could be attained during 1938. It was hoped, however, that the average price for lead and zinc would be somewhat better than has been actually attained. The estimated gross difference in the value of lead and zinc is close to $13,000,000. This has been offset to some extent by increased lode-gold production which may show a greater increase than is estimated.

The following table shows the actual value for 1937 and the estimated value for 1938:

| Kind | 1937 | 1938 |
|---|---|---|
| Gold, lode | $16,122,727 | $19,343,500 |
| Gold, placer | 1,558,245 | 1,276,214 |
| Silver | 5,075,451 | 4,909,624 |
| Copper | 6,023,411 | 6,166,520 |
| Lead | 21,416,949 | 13,886,700 |
| Zinc | 14,274,245 | 8,935,440 |
| | $64,471,028 | $54,547,998 |
| Coal | 6,139,920 | 5,397,500 |
| Structural | 2,098,337 | 2,500,000 |
| Miscellaneous | 1,766,617 | 1,800,000 |
| | $74,475,902 | $64,245,498 |

**Dividends Lower**

Dividends for the year are estimated to be $12,286,598, or a little less than $3,000,000 below the 1937 record.

Employment and the purchase of supplies will compare favorably with 1937 as volume production is at about the same level.

At the moment it appears that production in 1939 will be about the same as in 1938. There will be some difference in the figures for volume and value. Gold may again show an increase whereas lead and zinc may show a volume decrease but the value should be about the same. This anticipates a slightly better average price for lead and zinc throughout the coming year.

## Cannot Force Chamberlain

LONDON, Dec. 29: (CP)— Prime Minister Neville Chamberlain, in a New Year's message to the Conservative party, declared today that, in dealing with other nations, he would make no "concessions to force."

Mrs. Oscar Landrey, Summit Apartments, is planning to leave Prince Rupert as soon as she can make suitable arrangements. She will join her husband who is succeeding the late John Dore as divisional superintendent of Government Telegraphs with head office at Vancouver.

## TELLS OF HIS PLANS

**Tom Mooney Will Have Three-Fold Objective After Obtaining His Liberty, He Says**

SAN QUENTIN, Cal., Dec. 29.— Thomas J. Mooney, who expects to be freed from his life sentence when Governor-Elect Floyd Olsen assumes office next month, says he will have a three-fold objective after he obtains his liberty:

First, to work for unity of the labor movement against Fascism.

Second, to obtain freedom for Warren K. Billings, also serving a life sentence.

Third, to protect his health to be able to carry on the fight for these objectives.

## Detroit Truck Drivers' Strike Is Called Off

DETROIT, Dec. 29: (CP) — A city-wide truck drivers' strike was averted last night when the American Federation of Labor truck drivers' union accepted a compromise settlement arranged by the mayor with the employers.

## TODAY'S WEATHER

Selkirk, Yukon Territory, gave today's lowest thermometer reading at 66 below zero.

**Today's Reports**

The day's weather reports are as follows:

Prince Rupert—Overcast, calm; barometer, 29.60 (falling); temperature, 29; sea smooth.

Triple Island— Snow, northerly wind, ten miles per hour; light chop.

Langara Island—Snowing, easterly wind, 24 miles per hour; barometer, 29.57; temperature 32; sea rough.

Bull Harbor—Overcast, southwest wind, eight miles per hour; barometer, 29.96; temperature, 45; sea rough.

Alert Bay—Raining, fresh south wind; barometer, 29.95; temperature 37; sea rough.

Estevan—Raining, easterly wind, 12 miles per hour; barometer, 29.88.

Victoria— Raining, southwest wind, 24 miles per hour; barometer, 29.90.

Vancouver — Raining, southwest wind, four miles per hour; barometer, 29.90.

East wind, four miles per hour;

Prince George—Snowing, northbarometer, 30.24.

Terrace—Cloudy, strong northeast wind, four above.

Alyansh—Cloudy, calm, six above.

Alice Arm—Cloudy, north wind, 10 above.

Anyox—Cloudy, northeast wind, eight above.

Stewart—Cloudy, northeast wind, seven above.

Hazelton—Cloudy, east wind, two above.

Smithers—Cloudy, east wind, two below.

Burns Lake—Snowing, calm, 10 below.

Selkirk— (Yukon Territory) 66 below.

## Weather Forecast

General Synopsis— The disturbance centred off the Queen Charlotte Islands is causing storm winds on the British Columbia coast with rain and sleet. Weather remains cold in the interior.

Prince Rupert and Queen Charlotte Islands—Strong east winds or moderate gales with snow and sleet.

West Coast of Vancouver Island—Strong south winds, moderate gales, mild with rain.

## Steamer Marionga Is Attacked Near Spain Crew Takes To Boats

**Appears to Have Been an Act of Piracy Between Castellon and Balearics—Bound for Barcelona With General Cargo**

LONDON, December 29: (CP)—Lloyds agent at Gibraltar reported today that an "S.O.S." had been received from the 4,236-ton British ship Marioga which read: "Bombed. Crew took to boats." The steamer's message gave the position as between Castellon on the east coast of Spain and the Balearic Islands, Spanish insurgent air base.

The Marionga was formerly named the Grelstone and the Eddystone. She carries a crew of about thirty. The owners said she was carrying general cargo to Barcelona.

The vessel had, apparently, been bombed on the high seas where such an attack is deemed piracy by the government.

## ATLIN MINE FIRE TODAY

**Loss of $6000 in Early Blaze at Colpe Mining Co. Property**

Provincial police district headquarters here are advised this afternoon of a fire at 4 o'clock this morning which destroyed the shafthouse and equipment of No. 4 diggings of the Colpe Mining Co. on Spruce Creek near Atlin. The fire was caused by an overheated stove in far below zero weather. Loss is estimated at $6000. There was no insurance.

## Screen Beauty Of Earlier Day Takes Own Life

HOLLYWOOD, Dec. 29: (CP)— Florence Lawrence, who achieved screen fame for her beauty years ago in the old silent days as "The Biograph Girl," the height of her career being in 1924, died yesterday of poison self-administered. She was fifty-two years of age. In her day she had also been popular on the stage. She left a note indicating suicidal intent and she was listed as a suicide in police records.

In the farewell note, written a short time before she swallowed the poison, Miss Lawrence said she had been unable to regain her health. "I hope this works," said the note which was addressed to two men

Miss Lawrence was succeeded as "The Biograph Girl" by Mary Pickford.

## Observance Of Sabbath

**Attorney General of Ontario Promises Sympathetic Consideration To Stricter Enforcement**

TORONTO, Dec. 29: (CP)— Attorney General Gordon Conant of Ontario promised a delegation of the Lord's Day Alliance and church bodies yesterday that their request for stricter enforcement of the Lord's Day Alliance Act of 1906 in this province would be seriously considered. Personally he expressed himself as being in sympathy with stricter Sabbath observance. The delegation asked for stricter enforcement of the Act throughout the province.

## WINTER IS STILL ON

**Not Quite So Cold in Some Parts —First Real Snowfall of Season In Prince Rupert**

Weather reports today from various parts of the continent indicate a continuation of wintry conditions although in a number of sections, including Prince Rupert district, it is milder. Since yesterday two or three inches of snow had fallen here and there were indications of a continuation. Elsewhere in the district snow was reported.

From Ontario came word today that howling winds of Monday and Tuesday had blown themselves out although it was cold with snow. Five deaths were attributed to the storm in Ontario and there has been extensive property damage. Communication and transportation has been interfered with, the most severely affected district being around Orangeville which was digging itself out this morning.

Mountainous seas off the Atlantic Coast are reported.

Over the northwest prairies and middle west another cold wave even more frigid than the first this week rolled down with fifteen below zero at Winnipeg and 36 below at The Pas yesterday. It followed in the path of the first, sweeping across the Canadian plains and crossing the border into the Rockies region. In Minnesota and the Dakotas temperatures of from 15 to 20 below zero are reported, the bitter chill also being felt in Iowa, Nebraska, Idaho, Montana, Kansas and Wisconsin.

In British Columbia thirty-eight below zero was reported at Prince George yesterday.

On the lower coast there is hail and rain with heavy snow not far inland.

## Germany Putting In Wheat Stores

**Additional Facilities Being Provided By Government For Laying Up Of Grain**

BERLIN, Dec. 29: (CP)— The German government is providing extensive additional storage capacity for large stores of wheat it is putting in for future use. This is not unlike what is being done in Great Britain and other countries.

## Brokerage Head Is Expelled By Stock Exchange

NEW YORK, Dec. 29: (CP)—The New York Stock Exchange today announced the expulsion from membership of J. A. Sisto, partner in the brokerage firm of that name. The expulsion is based on three general charges.