Today's Weather (8 A.M.)

Prince Rupert-Cloudy, southeast wind, 16 miles per hour; barometer, 30.00; temperature, 40; light swell.

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

PRINCE RUPERT, B.C., MONDAY, FEBRUARY 21, 19 38.

Tomorrow's Tides

6:39 a.m. 17.5 ft. High 20:15 p.m. 14.5 ft. 0:10 a.m. 9.6 ft. Low 13:28 p.m. 7.9 ft.

PRICE: 5 CENTS

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Vol. XXVII., No. 43.

Resigns After Hitler er Fueh er Desires Peace But Is Ready For War, He Asserts

Renews Demand For Return of Colonies-This is Only Point of Difference with Britain-Singles Out Eden for Attack

BERLIN, February 21: (CP)— Germany does not want war but does not fear it. Reich iron and steel is ready to speak if necessary.

So declared Chancellor Adolf Hitler in his speech be-

fore the Reichstag yesterday. There is no point of difference between England and

Germany except on the question of colonies, said Hitler who again de-Ready To Fight manded the return to Germany of colonies lost under the Treaty of Versailles. Each year, with increasing vigor, Germany would demand the return of her colonies, asserted

In the course of his speech, Hitler singled out Foreign Secretary Anthony Eden of England for attack. This was a few hours before Eden resigned after a break with the British cabinet.

Speaking of Austria, Hitler said that all differences with that country which might have ended with catastrophe had been settled by last week's agreement.

As for the Far East, Hitler said Germany had no territorial interest there and only desired to engage in commerce and trade. To maintain that Reich iron and steel was ready, if necessary, to speak. Chancellor Hitler gave Europe's troubled capitals no hint of his next move as leader of rearming Germany. He declare dthat Germany was "entitled to equal rights" with other powers.

His speech was seemingly addressed directly to Great Britain and the threat of possible armed action to protect German minorities on the Reich's border failed to give an answer.

After saying that the Reich has no litigious question of any sort with Great Britain unless it be in connection with colonial demands, the Chancellor hurled his barb at Captain Anthony Eden, on the ground that the Foreign secretary lid not recognize that "Bolshevizea territories are no longer sovereign states but sections of the Muscovite revolutionary centre."

ON JAPS Three-Cornered Endorses Resolution Sent From Fight For Seat

HITLER

Prince Rupert

NEW WESTMINSTER, Feb. 21:

A resolution sponsored by

Prince Rupert Junior Cham-

of Commerce urging an im-

ediate census of Orientals in

titish Columbia with particu-

reference to charges of il-

gal entry of Japanese to the

teen Charlotte Islands was

nvention of the British Col-

mbia Junior Chambers of Com-

here was no Prince Rupert de-

gation at the convention which

so endorsed the completion of

e transCanada Highway at the

It was decided that the an-

ual convention in future should

be held earlier than May.

scaped Convicts

Kingston City

erce here Saturday.

arliest possible time.

itentiary.

at the second annual

CHECK UP

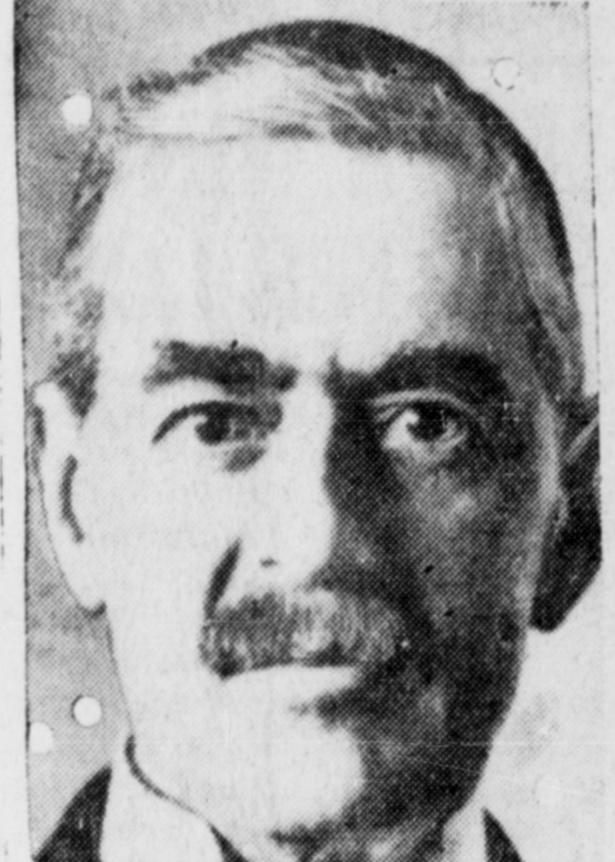
Conservative, Liberal and Social Credit Nominees to Succeed Dr. W. S. Hall

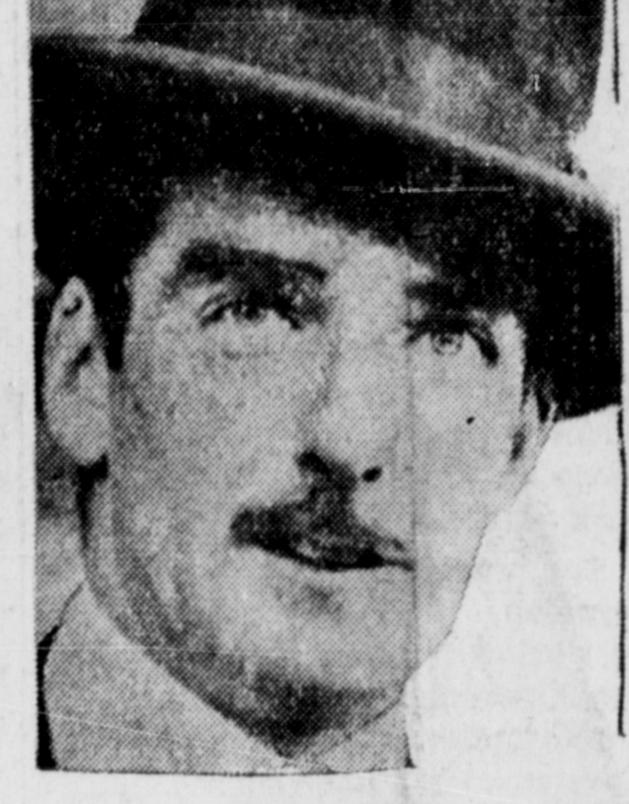
Conservaties on Saturday night nominated a candidate for the byelection to fill the vacancy caused by the death of Dr. W. S. Hall, So-This makes cial Credit member. the third candidate in the field Liberals and Social Crediters having already nominated;

New Buildings For University

Either Additional Accomodation Or Quota System, Says Alberta College Head

W. A. Kerr, president of the University of Alberta, says that new buildings will have to be pro-KINGSTON, Feb. 21: (CP)—Be- vided for the University of Alving them to be in hiding in this berta if students are to be admiting students.





CHAMBERLAIN

EDEN

CHAMBERLAIN-EDEN HEARD BY PARLIAMENT

Prime Minister Announces Intention of Negotiating Italian Agreement—Former Foreign Secretary Favors Stronger Action

LONDON, February 21: (CP)—Conversations for an Anglo-Italian agreement will open shortly in Rome. Meanwhile the Italian government accepts formula on imposing a Fascist control over all they were about to leave town the withdrawal of volunteers from Spain. This formula, to be submitted to the Spanish non-intervention committee, provides that Great Britain shall grant belligerent rights to both sides in Spain when a substantial number of volunteers have been withdrawn.

Prime Minister Neville Chamberlain announced this unexpected sequel to Foreign Secretary Anthony Eden's resignation almost at the close of a speech in which he had a running fight with the Opposition, interruptions and outbursts of jeering and laughing featuring the proceedings.

Chamberlain declared that for Great Britain to rebuff Italy's desires for such conversations would bring relations to a point where "ultimately war between us might become inevitable.

The Prime Minister accused Eden of being "unfair" in implying that he (Chamberlain) succumbed to Italian "now or never" threats.

"What we are seeking to do is to get general appeasement throughout Europe which will give us off. peace," Chamberlain said. "Peace of Europe must depend on the attitude of four major powers-Germany, Italy, France and ourselves.

Chamberlain had conferred with Count Dino Grandi, Italian ambassador, before facing Parliament.

EDEN'S DRAMATIC SPEECH

Captain Anthony Eden, who preceded the Prime | ually closing in on Linfeng, provin-Minister in addressing the tense House, spoke with his right fist dramatically clenched. His voice broke when he declared that settlement of the Spanish issue was paramount to any Italian settlement.

Eden declared that he had resigned rather than deal with Italy in the face of Mussolini's propaganda against Great Britain, which was "rife throughout the world," and Il Duce's "glorification" of Italian victories in Spain.

"Agreements that are worth while are never made on the basis of threats," the former Foreign Secretary

declared. Eden was cheared repeatedly by the Labor benches and some sections of the government majority.

"I do not believe we can make progress in European appeasement if we allow the impression to gain currency abroad that we yield to constant pressure," the young statesman said.

HALIFAX IS APPOINTED

As expected, Viscount Halifax, Lord President of the Council, was named today to take temporary charge of the foreign office.

Funeral Notice

WINNIPEG WHEAT

The funeral of John Desmeules | WINNIPEG, Feb. 21: (CP) - lice, who is critically ill, passed a arch for two young convicts who wise, it will be necessary to introaped on Friday from Kingston duce the quota system in accept. at 9 a.m. from the Catholic half a cent Saturday, May closing mains unchanged, it was announce gold was down 8c at \$35.09 per fine ounce on the New York metallicant. Church, No flowers by request. | at \$1.273/4.

Premier And Foreign Secretary Break Foreign Secretary Breaks With Premier Chamberlain On Issue Regarding Concessions To Italy

BULLETINS

HOLD-UP ALLEGED

and James Bennett, who were

committed for trial at Terrace

ing James Smith's store last week,

Provincial Corporal Harold Ray-

bone, provincial police, returned

train from the interior. The two

men will come before Judge W. E.

Fisher for election. They were

CANADIANS DECIMATED

CORPORATIVE STATES

BUCHAREST-King Carol pro-

for minorities and drastic laws

constitution.

pressed government forces

CONCUD, Spain-Relentless in-

of the Smith store.

Bringing in Ernest Anderson

TOKIO IS

Flowery Kingdom-Political Crisis Over General Mobilization

War Toll Huge

Casualties so Far Well Over Million With Many Dead-Chinese Destroy Bridges

TOKIO, Feb. 21: (CP)-There was near riot in the lower house of the Japanese Diet yesterday. Fisticuffs were engaged in as the gov-; oncharges of breaking and enterernment was criticized for its ex-1 planation of a raid on the headquarters of two political parties.

The Jananese press agrees that to the city on Saturday night's tense political situation exists, over the question of general mobilization for the Chinese campaign. The government is said to favor! arrested at Terrace last week as

fighting forces.

Casualties Estimated SHANGHAI, Feb. 21: (CP)-It is month-old Sino-Japanese conflict has resulted in 260,000 Japanese surgent drives bottled up hardcasualties and 1,000,000 for China. Of the Japanese casualties, 60,000 | Teruel, four miles from here, tohave been killed and 200,000 wound- day as General Franco's headed. Four hundred Japanese are be- quarters broadcast a report that ing slain daily in the fight for the Canadian and American interna-Lunghei Railway with mortality | tional battalions, fighting for the among the Chinese defenders much | loyalists, had been decimated.

Chinese troops on Saturday blasted the longest steel bridge in China and have now destroyed all crossings of the Yellow River in their Roumania last night. He formally effort to prevent the Japanese from | dissolved all political parties and capturing Suchow on the south of parliament will nenceforth be the river, important point on the composed of corporative guilds of Lunghei Railway line which the farmers, workers and intellectu-Nipponese are endeavouring to cut als. There will be equal rights

Again the Japanese were repulsed against corruption under the new today in an attempt to cross the Yellow River just north of Kaifeng. important city on the Lunghai Railway in northern Honan Province. Separate Member Japanese forces are meantime reported to be spreading widely to the west in Shansi Province, grad- For Territories

De Valera In London Again

Government for Trade Accord

LONDON, Feb. 21: (CP)-Premier Eamonn de Valera of the Irish Free State arrived in London Saturday to resume conferences with the British cabinet with a view to again attempting to iron be held today.

MacBrien Passes Fair Night Again

TORONTO, Feb. 21: (CP)-Sie James MacBrien, commissioner of the Royal Canadian Mounted Po-

Viscount Halifax Expected to be His Successor—Viscount Cranborne Also Quits-German and French Reactions

LONDON, February 21: (CP) - Following a break with Prime Minister Neville Chamberlain on foreign policy, Foreign Secretary Anthony Eden resigned yesterday afternoon. His resignation followed one Sunday session of the cabinet. Immediately after, another meeting of the cabinet was held without his presence.

Cranborne, principal Under Secretary of Foreign Affairs, resigned at the same time. Lord President of the Council. Viscount Halifax, is expected to succeed Capt. Eden as

Foreign Secretary. Prime Minister Chamberlain and Captain Eden broke dramatically over concessions to Chancellor Adolf Hitler of Germany who yesterday demanded return of Germany's colonies lost under the Treaty of Versailles which brought the Great War to a close. Chamberlain favored a settlement with Germany. Eden opposed any concessions. Both Chamberlain and Eden, it was announced, would explain their po-

sitions before Parliament today.

The central European crisis, brought about by the Nazi accord following an attempted hold-up between Germany and Austria, was considered of sufficient importance to keep the British cabinet in session both Saturday and Sunday for the first time since the abdication of King Edward VIII. crowds hovered outside No. 10 Downing Street as a three-and-ahalf hour cabinet session was held. No announcement followed on Saturday except that the cabinet would be in session again Sunday by which time the speech of Chancellor Adolf Hitler before the German Reichstag would have been made including an expected stateclaimed a corporative state in ment on Germany policy in regard to Austria, return of colonies and other matters.

Rumors persisted over the weekend that Foreign Secretary Anthony Eden and other ministers would resign rather than negotiate further with Italy unless that country withdrew definitely from the Spanish civil war. It was also reported that there would be united action betweeen Great Britain and France to prevent German-Austrian fusion.

Centralization of Administration At Fort Smith Also Advocated

OTTAWA, Feb. 21: (CP) - A movement has been started Conservatives here with a view to obtaining separate Parliamentary representation for the Northwest Resumes Nogotiations With British | Territories. Centralization of administration for the Territories at | many Nazis as another Hitler tri-Fort Smith is also urged.

Weather Forecast

General Synopsis-Pressure has differences and reach an risen and rain has been general Anglo-Irish trade accord. The first on the coast while moderate temmeeting with the cabinet was to peratures continue over the inter-

Prince Rupert and Queen Char-Islands-Fresh to strong southeast winds, cloudy and mila and rain today and Tuesday.

night; mostly fair with showers and France. and mild.

LONDON GOLD PRICE

Berlin Pleased

BERLIN, Feb. 21: (CP)-Official Germany last night expressed pleasure at the prospect of Viscount Halifax becoming Foreign Secretary of Britain in succession to Captain Anthony Eden. Viscount Halifax last fall conferred with Chancellor Adolf Hitler on the possibility of an Anglo-German agreement.

Eden's resignation is viewed by umph. Some optimists predict that a British-Italian-German - French agreement is just around the cor-

Caller Surrender

PARIS, Feb. 21: (CP)-Premier Camille Chautemps and Foreign Minister Yvon Delbos of France saw in the resignation of Foreign Secretary Anthony Eden of Great Britain a "surrender to Rome and Berlin." Hope was, however, expressed that there would be no West Coast of Vancouver Island break in friendly relations and co--Fresh southeast winds, strong at operation between Great Britain

BAR SILVER

NEW YORK: (CP) -Bar sil-