

Today's Weather

Prince Rupert—Cloudy, northerly wind, two miles per hour; barometer, 30.20 (rising); temperature, 43; sea smooth.

The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

Tomorrow's Tides

High 8:38 a.m. 17.0 ft.
21:19 p.m. 18.7 ft.
Low 2:19 a.m. 7.3 ft.
14:40 p.m. 5.9 ft.

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Difficulties Are Facing Highway

Further Negotiations Required Before Road To Alaska Goes On

Premier Pattullo, However, Has Hopes That Something May Materialize—Would Involve Expenditure Of \$25,000,000

VANCOUVER, May 7, (CP)—Premier T. D. Pattullo said today on his return to British Columbia from the East that "there are difficulties in the way" of commencement of work on the proposed Washington-Alaska highway through British Columbia. He said in a prepared statement that he hoped the difficulties could be overcome "but it will require further negotiations."

The Premier said that, if work was started on the highway project, it would cost \$5,000,000 annually for five years.

Japan-China War Outlook Much Changed

SHANGHAI, May 7, (CP)—With the legend of Japanese invincibility smashed as the invading armies stand deadlocked if not falling back in south Shantung Province and the Chinese imbued with the impetus of an eventual victory, the Sino-Japanese conflict entered its eleventh month today. Interest now centres on Peiping which it is said the Chinese may endeavor to recapture. The rumble of distant artillery and reports of a powerful and well equipped force of Chinese irregulars closing in on the North China capital caused a near panic at Peiping today. All gates of the city were closed and persons entering or leaving are being questioned and searched by the Japanese militarists. Unconfirmed reports say that Chinese Communist guerrillas are in the hills eight miles west and twelve miles east of the city preparing to close in. Unless the Japanese are immediately and effectively reinforced, the outlook is that it will be a long and bloody conflict.

RELEASED AT OSAKA

TOKYO, Japan, May 7, (CP)—Joseph Gilbertson, Vancouver ship's engineer, who had been held at Osaka since April 17 for intruding upon and taking photographs of Japanese warships and fortified zones, having paid a fine of thirty yen, was released from hotel custody last night, it was reported in unofficial but authoritative quarters. Gilbertson was fourth engineer of the steamer Heathcote.

CHAMBER WAS BUSY

Well Attended Gathering At Dinner Last Evening Dealt With Many Subjects

There was a fairly large attendance at the monthly dinner meeting of the Prince Rupert Chamber of Commerce last evening in the Commodore Cafe. President F. A. MacCallum conducting the proceedings, a good deal of business was attended to and three new members were added to the roll. These were Cecil Fitzgerald, the new manager of the Home Oil Company, Axel K. Nelson, barber, and Thomas Wallace, cannery manager. Present at the meeting in addition to the president were Peter Laskie, City Commissioner W. J. Alder, T. J. Williams, Richmond Mortimer, W. J. Raymond, A. K. Nelson, Theo. Collart, John Bulger Sr., J. E. Boddie, C. S. Minns, M. C. Brook, Shelford Darton, C. C. Mills, S. E. Parker, G. W. Nickerson, George Bryant, M. P. McCaffery, J. A. Lindsay, C. V. Eviitt, John Dybhavn, W. O. Fulton, H. P. Pullen, J. J. Little and Arthur Brooksbank.

DROWNED IN RIVER

Member of Parliament Lost His Life While Fishing in Quebec

OTTAWA, May 7, (CP)—The body of Fred C. Betts, Conservative Member of Parliament for London Ontario, who had not been seen since Tuesday, was evidently drowned while fishing in the Blanche River near Buckingham Quebec. His empty roadster was found near the river and an intensive search conducted by the police resulted in the finding of the body today. Mr. Betts was 42 years of age.

LONDON METAL MARKET

LONDON, May 7, (CP)—Losses were general in the London metal market yesterday. Bar gold was off 3c, closing at \$35.04 per fine ounce.

Alaska. He moved that the Juneau resolution be endorsed. The resolution was seconded by J. J. Little. The Chamber also endorsed a move to have the highway east from Terrace completed as a military highway.

ROUTE BY HAZELTON TO ALASKA

Juneau Chamber of Commerce Takes Action and is Backed up By Prince Rupert

The Prince Rupert Chamber of Commerce, at its monthly dinner meeting last night, endorsed a resolution coming from the Juneau Chamber of Commerce asking that the route over which the Alaska highway be constructed be not farther east than by way of Hazelton and Groundhog Mountain. The Juneau resolution read as follows:

Resolution
"It appearing to the members of the Juneau Chamber of Commerce that several routes have been proposed through British Columbia and Alberta, Canada, for the construction of the proposed International Highway between the United States and Alaska;

"That the most westerly route from Hazelton, British Columbia, via the Naas, Bell Irving and Iskut Rivers, would be the most advantageous route to both Americans and Canadians.

"That the next most westerly route from Hazelton, British Columbia, directly northward to Groundhog Mountain, via the upper portion of the Babine River, the east fork of the Naas River and the Klappan Valley, appears from the official reports of the proposed routes to be the least expensive to construct and maintain, and that it would be of more value to the Dominion of Canada, the United States and the Territory of Alaska than any other more easterly route.

"That the two most westerly proposed routes above mentioned would be of the greatest possible value from both an economic and military standpoint; that they connect by navigable rivers, on which transportation lines have been regularly established, with Prince Rupert, Wrangell and Juneau; that these routes are connected by rail with Prince Rupert and Skagway, Alaska, and could easily be made to connect with Atlin, Telegraph Creek and Stewart, B.C., by road, and that tourist travel would be much larger if it is possible for tourists to use motor vehicles, river boats and coastwise steamers in making any one or several alternate route trips, which would certainly be available if either of these western routes are selected.

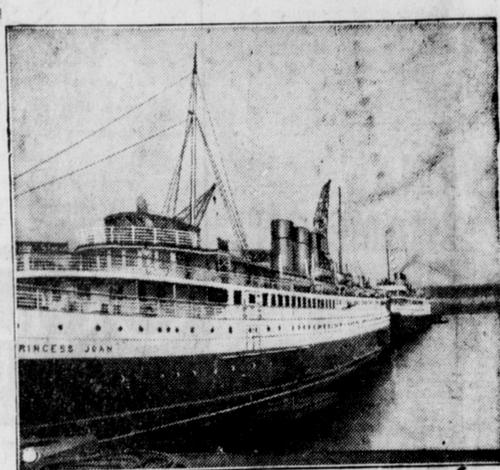
"That from a dominion and territorial defense viewpoint, the proposed eastern routes would be of no value, and that the timber and mineral resources for potential development in the more western area is much greater than in eastern British Columbia or Alberta.

"Now, therefore, be it resolved by the Juneau Chamber of Commerce, at a regular meeting duly assembled this day, that this Chamber of Commerce go on record as opposed to the construction of the International Highway over any route more easterly than the two routes above mentioned, and that copies of this resolution be forwarded to interested civic bodies in Alaska, British Columbia and the State of Washington, and be likewise forwarded to the official representatives of the United States most vitally concerned."

Interest Is Shown

S. E. Parker spoke of the interest being taken in this subject at the present time. Mr. Pattullo had made two trips to Washington in regard to it. The views of local people were in line with those of the people of the Alaskan Panhandle. The Turgeon highway was being built as a mining road and to serve the Peace River and had nothing to do with the route to

Damaged By Fire



S.S. PRINCESS JOAN
VANCOUVER, May 7, (CP)—Considerable damage was done to the interior after part of the steamer Princess Joan when fire broke out aboard the vessel as she lay moored at her dock. Smoke issuing from the vessel's vents and ports drew a large crowd of spectators. It took an hour to extinguish the flames.

REBELS ARE PUSHING ON

Spanish Loyalists Retire Before Driving Offensive of Insurgents In Spain

HENDAYE, Franco - Spanish Frontier, May 7, (CP)—General Francisco Franco's veterans fought their way steadily through driving rain yesterday toward the main Teruel-Sagunto-Valencia highway inflicting heavy casualties upon the loyalists, particularly in the vicinity of Teruel. There were air raids on Valencia and other government seaports.

Government dispatches said that General Miaja's militiamen were withdrawing slowly from fortified mountain peaks before the insurgent offensive.

NO VOTES FOR DOUKS

Amendment Of Dominion Election Act Excludes Them From Enjoying Franchise

OTTAWA, May 7, (CP)—Doukhobors will continue to be excluded from the franchise in Canada if the House of Commons adopts an amendment written in the new Election Act by the committee on electoral matters.

A sub-section unanimously inserted into the clause treating with disqualification embraces Doukhobors although not specifically mentioning them by name.

Twelve Forest Fires Burning

Report of First Week of Season in British Columbia Made by Forest Branch

VICTORIA, May 7, (CP)—The Forest Branch yesterday announced that there were twelve forest fires reported throughout the province during the first week of the fire season—nine in the Kamloops and Prince George districts, two in Prince Rupert district and one in Vancouver.

WINNIPEG GRAIN PRICES
WINNIPEG, May 7, (CP)—Winnipeg grain futures were 1/2c higher to 1/4c lower yesterday. May closing at \$1.15 1/4.

BULLETINS

KENTUCKY DERBY WINNER
LOUISVILLE—Lawrin was first Dauber second and Can't Wait third in the Kentucky Derby today.

WOMEN FOR WAR
LONDON — Rt. Hon. Leslie Hore-Belisha, minister of war, last night intimated that plans were under way for the training of British women for non-combatant service in the event of war.

TRUST TO NATURE
CHICAGO — Chicago parents have refused to submit their child to an optical operation, preferring to "let nature take its course" although surgeons have advised them that an operation for removal of the eyes will be the only means of saving the child's life. Unless the operation is performed, the child cannot live over two months, the doctors declare.

CAPTAIN EDEN SPEAKS
LONDON — Speaking to his Warwickshire constituents last night, Capt. Anthony Eden, former Foreign Minister, urged greater national unity to meet the threat of a totalitarian state. If the people could unite in the emergency of war, they should be able to unite for peace and to preserve liberty which was the British heritage.

BIG SHOW OF MIGHT
ROME—Having seen Premier Mussolini's show of naval strength on Thursday and his army yesterday, Chancellor Adolf Hitler of Germany today witnessed Italy's air force in action. It was an impressive display of aerial military might.

Okanagan Fruit Situation Good

Everything Fine in Southern Interior and Fruit Ranchers are Optimistic

VANCOUVER, May 7, (CP)—The condition of the Okanagan fruit growing industry was never better than it is today, declared Hon. Dr. K. C. McDonald, minister of Agriculture and member of the Legislature for North Okanagan, yesterday. The fruit growers, the minister said, are feeling very optimistic. There is every indication that there will be a complete and satisfactory disposal of the apple crop.

TODAY'S BASEBALL

American League
Detroit 8, New York 12.
Chicago 3, Washington 3 (going into tenth inning).
Cleveland 4, Philadelphia 2.
St. Louis 2, Boston 7. (Grove's fourth win with no defeat.)

National League
New York 6, Pittsburg 5 (Schumacher suffered cracked rib).
Brooklyn 7, Cincinnati 4.
Boston 4, Chicago 5 (ten innings).

Today's Weather

(Government Telegraph)
Terrace—Cloudy, calm, temperature, 48.
Aiyansh—Cloudy, calm, 45.
Alice Arm—Cloudy, calm, 45.
Anyox—Cloudy, calm, 45.
Stewart—Cloudy, south wind, 48.
Hazelton—Cloudy, calm, 50.
Smithers—Part cloudy, calm, 53.
Burns Lake—Clear, calm, 47.

EASING UP ON CZECHS SUGGESTED

Great Britain Asks Germany To Moderate Nazi Demands In Regard To Minority

Franco-British Notes Are Sent

Mussolini Would Give Hitler Free Hand—Der Fuehrer Willing To Join Pact

BERLIN, May 7, (CP)—At the request of his government, Sir Neville Henderson, British Ambassador to Germany, conferred today with Vice Chancellor Herman Goerring in regard to the Czecho-Slovakian situation. He presented British suggestions whereby there might be an easing of the tense situation in regard to the German minority in Czecho-Slovakia. That the German demands on the Czechs be moderated was urged.

The French and British governments, it is officially announced today, had instructed their ambassadors at Berlin and Praha to deliver notes to both Germany and Czecho-Slovakia cautioning against haste in settling the clamor of the German minority in Czecho-Slovakia for increased privileges.

How Italy Feels

ROME, May 7, (CP)—Premier Benito Mussolini, according to German sources, has agreed to give Germany a free hand in Czecho-Slovakia as far as Italy is concerned. Mussolini is said to have promised to bring diplomatic pressure to bear upon Czecho-Slovakia to be "reasonable" in meeting German demands.

It is said the Chancellor Adolf Hitler has intimated his willingness to join a four-power pact involving France, Great Britain, Italy and Germany but has left no doubt that he considers it essential that an Anglo-French-Anglo-German understanding precede such an agreement.

Clashes in Prague
PRAGUE, May 7, (CP)—There were clashes yesterday in Prague, between Czecho-Slovakian capital, between Nazi sympathizers and anti-Nazis.

SURF POINT TRIP PLAN

Chamber of Commerce Proposes Outing on June 9 by Steamer Prince John

The Prince Rupert Chamber of Commerce, at its regular meeting last night, decided to arrange an excursion to Surf Point, if possible, on June 9 by the steamer Prince John. The Junior Chamber will be asked to co-operate.

The details were left for the entertainment committee to arrange. It was also suggested that a trip be made to one of the canneries on the Skeena during the summer, possibly Claxton.

Public Notice

NOTICE IS HEREBY GIVEN that Enforcement Proceedings will be instituted against all squatters on City property in the Cow Bay Area after May 15th, 1938. Please govern yourself accordingly.

DATED at Prince Rupert, B. C., this 4th day of May, 1938.

W. J. ALDER,
City Commissioner.
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