

## For Real Comfort and Wear



**"GREB"**  
Working Boots  
Are Unbeatable

Men's oiled calf. Pancos or leather soles, plain toes or toe caps. Up from

**\$3.95**

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## FAMILY SHOE STORE LTD.

The Home of Good Shoes

### THE DAILY NEWS.

PRINCE RUPERT - BRITISH COLUMBIA

Published Every Afternoon, Except Sunday, by Prince Rupert Daily News Limited, Third Avenue  
E. F. PULLEN - Managing Editor

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DAILY EDITION



Friday, January 6, 1939.

#### BAEYLON IS CHARGED

We have a letter from a gentleman who charges that Prince Rupert is a modern Babylon, full of all kinds of wickedness. We admit that in Prince Rupert there are some people who do things that are not approved by the churches but that is true of every city in every country. We do not think that Prince Rupert is worse than other places in this respect except that we may be a little less hypocritical. What we are sure of is that the people of Prince Rupert are, speaking generally, big-hearted, generous, broad-minded, tolerant, brainy and well able to hold their own anywhere. There have been setbacks to the development of the city but we believe that the foundations of the city have been well and truly laid and that development will be sure and steady. Unfortunately there are among us a few pessimists but only enough to offset the over-exuberant.

Of late there has been a more or less steady infiltration of newcomers bringing in new ideas, fresh enthusiasms, putting new life into the community. This new life is highly desirable because people in the larger centres are more apt to have been in close touch with the newer movements and would be less likely to be affected by local prejudices.

#### NATIONAL DEFENSE

The United States, in view of the present condition of Europe and other countries, has been forced to spend huge sums of money on defense schemes. It is also suggested that Canada may double the amount spent last year in expenditures during 1939, the sum of sixty million dollars being mentioned as a possibility. Included in this sum, it is understood, will be a very considerable vote for Prince Rupert defences. There is a small part of last year's defense vote not already spent but not enough to complete the work at the mouth of the harbor and at Alford Bay. However these works are being commenced at once and the greater part of the money to cover the cost will be taken from the money voted at the coming session of Parliament.

In the present disturbed condition of the world every nation must be ready to defend itself or else it will be open to attack. A number of countries have found that to be true. If they have not been attacked they have been threatened or had to compromise. However, every day that passes, it seems to us, makes it less likely that the arrogance of the dictators will be effective in securing concessions.

If you lose anything, advertise for it.

Fresh Local Raw And  
Pasteurized Milk  
**VALENTIN DAIRY**  
PHONE 487

**J. H. BULGER**  
Optometrist  
Royal Bank Bldg.

#### NEW TRADE AGREEMENTS WERE OUTSTANDING

(Continued from Page One)

only slight falling off from that of 1937, while the larger crops harvested this fall and the steadily increasing activity in the mining industry operated to produce a general improvement, which should continue into 1939.

The agricultural industry is of paramount importance to one-third of the total population of Canada, which obtains its livelihood directly from the farm. For this great basic element in the nation, 1938 was generally a more favorable year than 1937. The yields of our field crops were on the average about 25 per cent in excess of those of 1937, although aggregate values were lower. The wheat crop was estimated at 348,000,000 bushels, or over 50 per cent more than that of 1937, though its value was only \$12,600,000 greater. The stimulating effect of the larger yields was reflected in the railway car-loadings of grain and in retail sales in the Prairie Provinces. The most serious obstacle to further recovery in Canadian agriculture at the beginning of 1939 is undoubtedly the level of world prices of farm products, due to larger world crops. Partly responsible for this situation is the agricultural policy of certain countries which are determined to make themselves independent of food supplies from the outside world, and therefore sacrifice the interests of their consumers in order to provide inducements for their agricultural producers to increase their home-grown crops.

Cattle and hog marketings were lower than in 1937, while prices were lower for cattle but higher for hogs, owing to short supplies and higher prices in the United Kingdom. Butter production was at record high levels with lower prices, while cheese production declined. As regards the future, it may be pointed out that under the new trade agreement our cattle, dairy cows, swine, fresh pork and bacon, milk, cream and cheese will hereafter be admitted into the United States on much more liberal terms. Cheap feed will enable us to take advantage of this opportunity.

The forestry industries were affected in 1938 by the decline in demand in our principal external markets, but the newsprint situation is now improving as the result of the liquidation of stocks accumulated by publishers in 1937. The Canadian lumber industry will benefit materially in 1939 from the operation of the trade agreement.

#### Mining's New Peak

The mining industry attained in 1938 a new high peak of production and of employment afforded, the available statistics indicating a growth of three per cent in physical volume of production and of two per cent in employment as compared with 1937. Production of copper, lead and zinc showed considerable increases and nickel only a slight decline. Gold production established a new high record in excess of \$16,000,000. Coal production was lower, but the production of crude petroleum in the first ten months of 1938 was 167 per cent more than in the same period of 1937, reaching 6,000,000 barrels, a new high record. Canada has at last "struck oil."

Fresh and dried fish exported in the first ten months of 1938 declined 51 per cent in value from the same period of 1937. As a large proportion of the catch is exported, the fisherman's income was probably a little less than in 1937, but improvement is anticipated in 1939 as the result of the new trade agreements.

Production of electric power in Canada in the first ten months of 1938 was 6.8 per cent below the record high figures of 1937; in October, however, the drop was only 1.5 per cent, indicating improvement.

Power made available for ordinary use, computed by deducting secondary power used for electric boilers and exports was

in the ten-month period only slightly below the 1937 level, at 15,200,000 k.w.h. as compared with 15,200,000 k.w.h.

Manufacturing activity in 1938 averaged slightly lower than in 1937, but in recent months has been increasing, the index number of manufacturing production rising from 100.8 to 113.2 between August and October. Production of automobiles in November was 17,992 units as compared with 16,574 in the same month of 1937.

Construction contracts awarded in the first eleven months of 1938, while declining 17 per cent from 1937, were larger in value than in the same period of any other year since 1931; indeed, the November, 1938, contracts were slightly in excess of those of the same month of

1937. In recent years, the construction of new homes and the improvement of existing homes has been stimulated by loans to the amount of \$24,700,000 under the National Housing Act and its predecessor, the Dominion Housing Act. It is estimated the housing loans have provided accommodation for 6,272 Canadian families and that the home improvement loans under the Home Improvement Loans Guarantee Act of 1937, amounting to \$22,300,000, have enabled 56,620 families to improve their homes.

Railway gross earnings of the C.N.R. (Canadian lines) and the C.P.R. in the first ten months were \$126,832,000 and \$117,605,000 respectively, being declines of \$7,165,000 and \$2,445,000 respectively from the corresponding 1937 figures, or a drop of 3.7 per cent in the aggregate figures. Increases were recorded in September and October, in consequence of the heavy movement of grain. The heavy movement of Canadian wheat and United States corn through the canals resulted in new high records of traffic through the Welland ship canal at 12,450,000 tons and through the St. Lawrence canal at 9,231,000 tons up to the end of November. 86,000,000 bushels of wheat and 78,000,000 bushels of corn passed through the Welland canal during the season.

Retail sales in the first ten months of 1938 were two per cent lower than in the same period of 1937, when they were higher than in any of the four preceding years. Wholesale trade in the first ten months of 1938 was about four per cent lower than in 1937, but this decline is not quite as large as the general drop in wholesale prices.

In 1937 tourists from other countries spent about \$295,000,000 in Canada and Canadian tourists about \$125,000,000 in other countries, or a balance of \$170,000,000 in our favor. In the first nine months of 1938 foreign automobiles entering Canada on 60-day permits declined about nine per cent, and on 48-hour permits three per cent, while entries of tourists, etc., as reported by immigration officers declined 86 per cent, so that there was probably a moderate reduction in the 1938 figures of tourists' expenditures.

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