Weather Forecast

Prince Rupert and Queen Charlotte Islands—East winds, cooler with showers at night.

The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

Tomorrow's Tides

High	7:40 a.m.	18.0 ft.
	20:00 p.m.	15.4 ft.
Low	0:42 a.m.	8.0 ft.
	13:50 p.m.	9.0 ft.

Vol. XXVIII., No. 294. PRINCE RUPERT, B.C., MONDAY, DECEMBER 18, 1939. PRICE: 5 CENTS

PROVINCIAL LIBRARY VICTORIA, B.C.

Provincial Library, 31 March 40 120 Parliament Buildings

British Sub Sinks Nazi Cruiser

Agreement For Great Empire Air Training Scheme Now Signed

Prime Minister Tells Details of $600,000,000 Program to Make Empire's Co-ordinated Air Strength Overwhelming—Work All Over Canada

OTTAWA, December 18: (CP)—Agreement was reached Sunday on a three-year $600,000,000 Empire air training scheme which Prime Minister William Lyon Mackenzie King, in an address last night, said was destined to provide Canada, the United Kingdom, Australia and New Zealand with war forces "whose co-ordinated strength would be overwhelming." The agreement runs until March 31, 1943, and may be extended by mutual agreement.

The great majority of the students, the Prime Minister stated, would be Canadians with other countries sending some for advanced training although most of the training will be carried out themselves.

The Dominion will administer the scheme and its share of the cost will be $350,000,000—$48,000,000 up to September 1 next year.

Sixty new flying fields will be established in various parts of Canada and some twenty existing fields will be enlarged. Sixty-seven flying schools of all types will be provided for pilots, observers, gunners, wireless operators and ground and maintenance crews.

The program calls for the turning out of many thousands of pilots annually, about three-fifths as many air observers, a slightly larger number of gunners than pilots. The exact figures were not yet available, Mr. Mackenzie King said.

Canada will provide all the facilities as well as the most of the students.

Forty thousand men will be employed in the scheme including 2700 officers and 6,000 civilians.

Great Britain will provide most of the aircraft engines.

Australia and New Zealand will share in the cost according to the number of students they send for training.

Premier King revealed that Canada's war effort was now costing the Dominion $1,000,000 daily.

JAP SHIP IS SEIZED

Crisis Averted Over Seizure By British of Vessel Laden With German Cargo

LONDON, Dec. 18:— A crisis loomed between Great Britain and Japan as a result of the taking into a British port for contraband control examination of the Japanese steamer Sanjo Maru having on board German potash and machinery loaded at Rotterdam, Holland. The vessel, however, was released when the British authorities were satisfied that the cargo had been purchased before the export blockade went into effect November 27.

Wilkins Offers His Services To Canada For War

OTTAWA, Dec. 16.— Sir Hubert Wilkins, celebrated explorer, has cancelled plans for an Antarctic expedition and instead is offering his services to Canada in war effort in any capacity. In the First Great War he served in the Australian Air Force.

INFANTRY IN ACTION

French Successful In Driving Back Fierce Attack of Germans On Western Front

PARIS, Dec. 18: (CP)—One of the most bitter infantry engagements so far on the Western Front resulted in the driving back of a German attack east of the Moselle. There was considerable hand to hand fighting after the Germans had attempted to move forward under heavy covering fire.

Bulletins

JUGOSLAV LEADER KILLED

BELGRADE— Dr. Edo Markovitch, director general of Jugo-Slav State Export Society, was killed in a pistol duel with police attempting to search his apartment in a series of raids for evidence of foreign sponsorship of Communist demonstrations.

GARNER CANDIDATE

WASHINGTON—Vice-President John Nance Garner officially announces that he will accept the presidential nomination if it is offered to him.

OPENING YANGTSE RIVER

TOKYO—Japanese forces in China have decided to reopen the Yangtse River to third power commerce under military restrictions, the Foreign Office announces. A spokesman however, said that he did not know when the decision would take effect.

War Brings Hopes To Hapsburg Heir

Ex-Empress of Hungary Hopeful of Restoring Archduke Otto to Throne

BRUSSELS, Dec. 18: (CP)—The war has brought new hope to 27-year-old Archduke Otto, pretender to the throne of Hungary who lives in genteel poverty at the Chateau Steenockenzeel, 12 miles from Brussels, with his mother and seven brothers and sisters.

In a setting like that of a romantic novel this ex-royal family has lived for 10 years, planning for the day when Otto could have a crown.

Trips by members of the family have taken them to many countries. Returning they report to ex-Empress Zita, who in the family cabinet fills the duties of foreign minister and minister for home affairs.

Adelaide, Otto's 26-year-old sister, and like him a graduate of the Louvain University, is the family labor and agricultural minister for she holds doctorates in political and social sciences.

Archduke Robert-Charles, 24, is the English "ambassador" and Felix Frederic, 23, is on a lecture tour through Canada and the United States and recently was a guest at Government House, Ottawa.

The castle in exile is owned by the Marquis de Croix who donates it rent free to the family. Despite its lack of modern comforts, the chateau is a godsend for Hapsburg finances are at a low ebb. But so far as it is known, the Hapsburg crown jewels are still in the family's possession. The family lives quietly and sometimes appear at mass at the village church.

War News

LANDING OF CANADIANS

LONDON— "I can announce," said Rt. Hon. Winston Churchill, First Lord of the Admiralty, in an address this afternoon "that a leading division of the Canadian Army has safely and smoothly been disembarked at a British port and will go into training in this country before joining their British comrades on the Western Front."

LOSSES AT SEA IN WAR

LONDON—Three British ships were lost and a fourth abandoned as a result of large scale German air raids on North Sea shipping involving a least thirteen ships last night and early today. The trawler Pearl was abandoned after three of her crew had been wounded by German raiders. Two trawlers, New Choice and Campagnus, and the 487-ton steamship Sernity, operating as a mine sweeper, were sunk. The new phase of warfare pitting planes against small ships also sent the trawler Eileen Wray to port with a damaged hull.

FURIOUS BUT INACCURATE

LONDON—In an address this afternoon, Rt. Hon. Winston Churchill, First Lord of the Admiralty, charged Germany with outrageous tactics of attacking small fishing vessels and merchant ships by air bombers as a retaliation for heavy losses which had been inflicted upon it by the British navy. "The heat of their fury, however, has far overreached the accuracy of their aim," declared the First Lord. He charged the Germans with machine gunning sailors on decks of sinking vessels. The Nazis are now feeling the long arm of sea power on their shoulders," said Churchill. He paid tribute to the personnel of the navy which was bearing the brunt of the war.

NAZIS DRIVEN OFF

LONDON—Nazi war planes appeared at several points off the British east coast today but were successfully driven off by anti-aircraft fire and pursuit planes.

COMMODORE HONORED

LONDON—Knight Commander of the Order of the Bath has been conferred upon Commodore Henry Harwood, commander of the squadron in the Battle of Uruguay. He is now a "Sir." Promotion to the rank of admiral has also been given. Captains of the Ajax, Achilles and Exeter—Parry, Woodhouse and Bell—are also to be decorated.

GREAT BRITAIN AND ITALY

LONDON—Great Britain and France are reported to be negotiating with Italy whereby the latter country would get concessions in North Africa—including a corridor across the Suden to connect Libya with Ethiopia and Somaliland. Italy would, in return, quit the Rome-Berlin axis.

BAD WEEK ON WATER

Losses in War at Sea Were Second Heaviest for Any Week Since Start of War

LONDON, Dec 18: (CP)—Tonnage of shipping destroyed in the war at sea last week totalled 84,000, 51,000 of which was British. Lives lost totalled an estimated 215. It was the second heaviest week since the war began for sea casualties.

Ten more ships were victims on Saturday of the war at sea. The German Tenerite, scuttled to avoid capture by the British, is the forty-first German ship to be scuttled or sunk since the beginning of the war.

TODAY'S EXCHANGE

United States funds— Buying, spot, 10 per cent premium; selling, spot, 11 per cent premium.

Sterling funds— Buying, spot, $4.43; selling, spot, $4.47.

EXETER AT FALKLANDS

Seventy-two British Officers And Men Were Killed In Uruguyan Naval Engagement

LONDON, Dec. 18: (CP)— It is officially announced that seventy-two British naval officers and men were killed in the engagement last Wednesday between H. M. S. Exeter, Achilles and Ajax with the German pocket battleship Admiral Graf Spee off the coast of Uruguay. Thirty-one were wounded seriously and others less seriously. Sixty-one of the dead—five officers and fifty-six men—were aboard H. M. S. Exeter which has reached the Falkland Islands safely. The extent of the damage to the Exeter is not yet made known. A hospital ship is being dispatched from Buenos Aires to the Falklands with doctors and medical supplies to assist in treating the wounded.

"Good Old Nev" British Troops Cry Greeting

PARIS, Dec. 18: (CP)— Prime Minister Neville Chamberlain donned his salmon fishing outfit to trudge through the mud as he continued his visit to the western front. Everywhere he was greeted with cries of "Good Old Nev."

There were air raid alarms as Premier Chamberlain drove up in his camouflaged car to Viscount Gort's headquarters yesterday but the all clear signal was soon sounded.

HELIGOLAND AIR FIGHT

Germany Makes Elaborate Claim Following Raid Yesterday At Mouth of Elbe River

BERLIN, Dec. 18: (CP)—Thirty-four British bombers are said by German authorities to have been shot down in a terrific air battle off the north German coast in the vicinity of Heligoland. Forty-four British aircraft reportedly participated in the attack. Both sides have been claiming increased losses upon the other ever since the battle.

Several of the Britishers broke through in the direction of Wilhelmshafen naval base and dropped bombs but the Germans reported no damage.

Heligoland, a German naval base is an island off the north coast of Germany.

The raid was in connection with the new British "security patrol" designed to deal with German mine laying bases around the Ferisian Islands and elsewhere.

RUSSIANS REPULSED

Military As Well As Moral And Economic Support Needed To Hold Off Reds, Finland Says

HELSINGFORS, Dec. 18:— The Finns claim to have repulsed the invading Russians all along the line except in the far north during the week-end. On the central front two Soviet forces, totalling 20,000 men, are claimed to have been surrounded.

Soviet forces suffered heavily in casualties of men and in losses of mechanized equipment including thirty tanks in the Lake Ladoga section, three of them being of the huge 30 ton type, the pride of Russia's mechanized forces.

Endeavouring to outflank the Mannerheim Line, the Russians were pounded to pieces and hundreds of dead were left in heaps.

Finnish shore guns sunk a Russian patrol boat.

The Finns have sailed out their last reserves—men up to forty years and officers up to sixty.

Bad weather is preventing Russian air activity.

President Kollio of Finland issued another appeal to the world Sunday for material as well as moral and economic support of the nations in the struggle against the invaders.

Russia has ignored the appeal of Foreign Minister V. M. Tanner of Finland, refusing to even admit that such an appeal has been made.

GERMAN PROTEST

Claims Uruguay Violated International Law In Connection With Graf Spee

BERLIN, Dec. 18: (CP)—D. B. N. News Agency (official Nazi) announced today that the German Minister to Uruguay had protested against the order which yesterday gave the pocket battleship Admiral Graf Spee the alternative of quitting Montevideo, where she had sought refuge, or facing internment. The action was termed a "flagrant breach of international law" and the possibility was seen that Germany might claim damages from Uruguay. It is claimed that the vessel was entitled to fifteen days under the Hague convention to repair her damages.

Daring Exploit Carried Out Near Mouth Of Elbe By Undersea Craft

Relatively Small Craft Knifed Her Way Through Defensive Fortifications— 6000-ton Vessel of "K" Class Is Victim

LONDON, December 18: (CP)—While Great Britain was still flushed with pride over the naval exploit leading to the scuttling of the Nazi pocket battleship Graf Spee, the Admiralty announced that a German cruiser had been sunk by a British submarine off the mouth of the Elbe River in Heligoland Bight. The Admiralty said that the Ursula, a relatively small craft of 500 tons, had knifed through a screen of destroyers and past fortifications, and sunk a 6,000-ton cruiser of the Koln class.

The Press Association said it learned authoritatively that this stroke had no connection with the torpedoing and damaging of another large German cruiser last week although both incidents occurred on Thursday last. The Ursula's commander, Lieut. G. C. Finnis R.N., said he identified the sunken cruiser only by silhouette so it might therefore be either the Koln, Karlsruhe or Konigsberg—the three vessels of the class.

Mutiny Reported Among Russians Invading Finland

STOCKHOLM, Dec. 18:—Reports reaching here state that a Russian regiment in north of Finland has mutined, shot its commander and gone over to the Finns. There are also other rumors of dissatisfaction among Russian troops but none of these reports are confirmed.

ADMIRAL GRAF SPEE ENDS CAREER MASS OF BROKEN JUNK IN RIVER BOTTOM

Dramatic Conclusion of German Pocket Battleship—Scuttled by Her Crew on Personal Order of Hitler

MONTEVIDEO, December 18: (CP)—The marauding German pocket battleship Admiral Graf Spee, one of the most modern and highly destructive type of fighting craft in the world, has come to the end of her career, a broken mass of junk in the oozy silt of the mouth of Rio de la Plata. Thus she lies in a depth of twenty feet of water five miles off shore outside Montevideo Harbor after having been scuttled early last evening by her crew on the personal orders of Chancellor Adolf Hitler. Three explosions of time bombs destroyed the ship. Two hundred and fifty members of the crew had been left ashore before she slipped out of this port. The remainder escaped in two tugs and a barge just before the explosions which was soon followed by the sinking of the flaming vessel. Capt. Hans Langdorff and his men face interment for the duration of the war.

The Admiral Graf Spee went down with the Nazi swastika still flying directly in the path of shallow draft shipping between Montevideo and Rio de Janeiro. Her fighting tower still protrudes above the surface of the water.

In scuttling the warship, the German tradition of "strategic suicide" rather than "humiliating surrender" was followed. Interment would not be submitted to for the ship.

Capt. Landgorff, in a statement following the scuttling, declared that the refusal of the Uruguayan government to extend the seventy-two hour period for making of repairs to damage done in the battle last Wednesday with the British cruisers Exeter, Ajax and Achilles had made the action of scuttling necessary. The Spee, he declared, was not in seaworthy condition for the passage home across the Atlantic high seas much less for again engaging in another battle with the waiting British warships. In order to save his men, the only thing to do was to scuttle the ship. Everything possible had been done to make repairs. Capt. Langdorff expressed gratitude for the sympathy and assistance of the Uruguyan government in connection with disposal of the dead and wounded.

Capt. Langdorff and a few of his officers were the last to leave the ship in a launch.

New Explosions Today

New explosions shook the twisted hulk of the Admiral Graf Spee today even as a high Argentine official announced that the crew of 1039 would be interned.

At the same time Uruguay sought to learn how the Nazi crew had sent the ship to the bottom of Rio de la Plata with blasts in her hull by arresting four of the crew for questioning.

Most of the officers and crew went to Buenos Aires by tugboat and barge in the hope that Argentina would treat them as shipwrecked sailors rather than as belligerents but a high Argentine official said they would be interned.

Officers may be granted freedom on personal pledges not to participate further in the war.

Pan-American Nations Protest

Violation of Self-Declared Neutrality Zones Objected To

BUENOS AIRES, Dec. 18:— Pan-American nations will dispatch notes to Germany and Great Britain protesting at the Battle of Uruguay last Wednesday and other naval activities as an intrusion on the 300-mile neutrality zone. Primary responsibility is placed on he pocket battleship Admiral Graf Spee for having attacked shipping in those waters.