

The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

Tomorrow's Tides

High	10:54 a.m.	18.9 ft.
	23:05 p.m.	21.5 ft.
Low	4:40 a.m.	4.4 ft.
	16:50 p.m.	5.1 ft.

Weather Forecast

Prince Rupert and Queen Charlotte Islands — Fresh south to southwest winds, cloudy and cool with showers.

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PRINCE RUPERT, B.C., FRIDAY, MAY 17, 1940.

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"Die Before Yielding" --- Gamelin

Germans Continuing Advance With Possibility Of Being Drawn Into Trap

Belgian Government Moves From Brussels to Ostend—French Deny That Maginot Line Is So Far Affected

With the Belgian government abandoning Brussels as a precautionary measure against aerial action and moving to Ostend, the German army, with violent mechanized and air attack, continued its advance against the Allies in central Belgium and northern France today. A French military statement declared it was a "great inaccuracy" to say that the Maginot Line had been pierced at any point. Except for recouping activity, the Maginot Line has not even been affected by the fighting in a defensive area to the west of it. This statement was made in Paris in reply to exultant Nazi claims in Berlin to the effect that the Maginot Line had been punctured at several points along a sixty-mile front and that the Germans were now only seventy-five miles from Paris, east of which city Berlin predicted there would be a major battle. The Nazis even went so far as to predict the fall of Paris during the month of June.

In Belgium it is announced that the Allied forces have withdrawn to new positions in calm and good order in spite of heavy engagements and relentless enemy attack. "The Army is intact and maintains its high morale," said an official Belgian communique. Liege was being shelled.

In Berlin it was stated that the German divisions were moving forward relentlessly, looking for traps and with due preparation for counter-attack.

The course of the campaign continues to follow that of 1914 and, like then, the possibility is seen by some observers of the issue being settled in the Marne region.

The Germans claimed a "major defeat" for the Allies south of Sedan but there was no admission by this of the Allies. If the Germans had formed a pocket, they had placed themselves in a position where effective action could be taken against them, the French war ministry suggested.

The German claims of victories were particularly extravagant today. They said that 12,000 French prisoners, including two generals, had been taken in the Sedan sector, that there had been an Allied retreat from Antwerp to Sedan, that Dutch islands of the Zeeland group had been captured and that there had been Nazi victories on both land and sea with one cruiser sunk and other Allied naval losses both off the Dutch and Norwegian coasts. One statement was that fifty-nine Allied aircraft had been destroyed with fifteen Germans missing.

There were German planes off the southeast coast of England last night but they were driven off before they attacked. There was also an air raid near Paris, one plane dropping high explosives before it was driven off. Whether or not there had been damage or casualties was not immediately known.

The British government again warned that continued setbacks might be expected before the major and decisive battle was joined. It was pointed out that the Allies had made no final concerted stand as yet and that the great battle was yet to come.

Given Life For Assault

TORONTO, May 17:—Life imprisonment and twenty lashes were sentences imposed by Mr. Justice Mackay on Tony Bello and Leonard Bill, convicted of criminally assaulting the wife of a Royal Canadian Air Force officer. Bill's brother, David, received fifteen lashes on a similar charge.

ROUMANIAN RELIEF IS BLITZKREIG DOMINION FUNCTION

All Set But Date, It Is Said—Oil Shortage Forcing Desperate Nazi Effort to Win

BUDAPEST, May 17: (CP)—Germany is reported to be massing whole divisions of mechanized forces on the Slovakian frontier of Hungary pointing at Roumania, 140 miles away. Unconfirmed reports from Vienna said that all but the date was set for a lightning march through Hungary.

Roumania, with 1,600,000 troops mobilized, has ordered oil companies to store at their own expense fuel to meet army needs, possibly around 2,000,000 tons. It is believed this would virtually halt shipments to Germany which is already reported to have received only half of its orders. German stocks are believed to be dwindling and authoritative sources suggest this is why Germany must win or lose the war in two months.

Commission Report Deals With Responsibility for Social Welfare

OTTAWA, May 17: (CP)—Canada's experience in the last 10 years provides ample proof that unemployment relief should be made entirely the responsibility of the Dominion government, the Royal Commission on Dominion-provincial relations asserted in its report yesterday.

The system under which local authorities are held primarily responsible for relief could only be continued at the price of "financial chaos and enormous waste." The commission considered it essential also that the Dominion be given jurisdiction—or even concurrent jurisdiction—to establish unemployment insurance, when it seemed advisable, and that a national employment service be set up.

Other welfare services would remain a provincial responsibility but the provinces would be placed in financial position to perform those services adequately. The commission's financial plan was designed to that end.

"Provincial responsibility for social welfare should be deemed basic and general," the report set out. "Dominion responsibility, on the other hand, should be deemed an exception to the general rule and as such should be strictly defined. But the Dominion should be given adequate jurisdiction to perform efficiently whatever responsibilities are entrusted to it."

Reviewing the devastating effects of unemployment relief on provincial and municipal finances, the commission concluded that the load "has seriously strained the credit reserves of at least eight of the nine provinces, and it would appear doubtful whether they can carry indefinitely even their present shares of relief burdens."

London Says Allied Position Serious Though Slightly Better Than It Was Earlier In Week

Protest Over Victoria Ship

LONDON, May 16: (CP)—The Soviet ambassador to Great Britain, Ivan Maisky, protested at the Foreign Office today against the detention of a Russian-chartered Norwegian ship at a Canadian Pacific port. The ship left the United States for Vladivostok and touched at Victoria where she was held by contraband control authorities.

Unemployment Insurance

OTTAWA, May 17: (CP)—In explanation of the forecast in the Speech from the Throne of enactment of unemployment insurance at the present session of Parliament it is stated that legislation is proposed "as a contribution to industrial stability in time of war and to social security and justice in time of peace."

A resolution will be introduced first for amendment to the British North America Act to empower Parliament to enact such legislation.

Members were informed they would be kept "fully informed as to Canada's action both in the military and economic field."

Parliament will be asked, the Speech from the Throne said, to "consider measures deemed essential for prosecution of the war and for social and economic requirements of the country." Warm tribute was paid to the late Lord Tweedsmuir and a cordial welcome was promised the Earl of Athlone.

British Forces Holding in Belgium East of Brussels—Belgians Contesting Every Foot of Nazi Advance

WAR STATEMENT AT OTTAWA
OTTAWA, May 17: (CP)—Latest war advices in government hands indicate that the Germans have continued penetration along the flank of the Franco-Belgian border but it is expected the situation will be stabilized soon by the Allies, Prime Minister William Lyon Mackenzie King told Parliament today. The communique was read after Hon. R. B. Hanson, Leader of the Opposition, had requested official information in view of "serious developments of the last few hours."

PARIS, May 16: (CP)—General Maurice Gamelin, Allied commander-in-chief, tonight ordered French troops to "die on the spot" rather than cede further ground to the German invaders. In an order of the day, Gamelin evoked Marshal Joffre's words at the Marne in 1914, saying: "Any unit which cannot advance should permit itself to be killed on the spot rather than to abandon an inch of national soil entrusted to it." Gamelin said the fate of the Fatherland, that of our Allies and the destiny of the world depends upon the battle now in progress.

Allied forces were reported tonight to have fallen back along a 115-mile front from Antwerp to Sedan but, despite withdrawals, a military spokesman said the situation in Belgium was "slightly better" for the Allies than yesterday. The Press Association said that authoritative London quarters "do not attempt to disguise the opinion that the situation is of extreme gravity" and cautioned against "false optimism."

Allied troops were reported to be still covering Brussels, an official announcement saying that the British Expeditionary Force was at present dug in along a canal running south of Brussels.

Meanwhile in France, the French forces are said to be holding well but the situation is "fluid" with the main German column separated into smaller columns. Latest news in Paris tonight was that the Germans were attacking with extreme violence at the foot of a pocket northwest of Reims, the advance point of the German drive in France. This is about 100 miles northeast of Paris.

Powerful German armored divisions attacked at dawn against reinforced Allied troops holding them in a huge pocket driven well into northeastern France and against the British-Belgian forces holding the line north of Namur in Belgium. Yesterday the Allied forces succeeded in bottling up the Germans in the pocket which is bounded on the north by the Sambre River and on the south by a line running from a point north of Reims, France, to the Sedan area. The French spokesman said the operation was carried out satisfactorily.

In London an authoritative British source said the military situation from the Allied standpoint, "though very serious" may be regarded as very slightly better than yesterday or Wednesday.

No official information is available regarding the latest developments concerning the British front in Belgium but there appears to have been little change in the last twenty-four hours and the British line east of Brussels is apparently intact.

The German High Command at Berlin said German troops had marched into Brussels tonight but the claim was not confirmed by Allied sources and dispatches from the British Expeditionary Force in Belgium indicated that the British forces were holding firm east of Brussels.

At Ostend, where the Belgium government has been established since yesterday after leaving Brussels in complete secrecy, Minister of the Interior Van der Porren assured the country that Allied troops were contesting the German advance foot by foot and were counter-attacking in numerous sectors.

A German High Command communique asserted that, "south of Maubege the Maginot Line had been broken through on a width of sixty-two miles to Callignat, south of Sedan." This was not confirmed in Allied quarters who have stated repeatedly that the Maginot Line is intact.

A German news agency claimed late today that German forces were at the outer fortifications of Antwerp but the claim was not confirmed in Allied quarters.

War News

NEW BATTLE DEVELOPS
PARIS—A great battle is raging at Avesnes, north of St. Quentin, a French High Command communique disclosed late tonight. It said that the German attack developed today in a "massive manner."

MOVING CHILDREN TO WALES
LONDON—Authorities announce that children removed from London to Suffolk on the east coast are to be moved Sunday to Wales as a precaution against the possibility of German air raids.

DUTCH HARBORS BLOCKED
LONDON—British naval forces, acting in co-operation with the Dutch, blew up Holland's oil reserves and sealed the entrances to main Dutch ports before the Germans took control. It has now been disclosed.

AIR LOSS CLAIMS
LONDON—The Air Ministry said that Germany has lost over 1000 aircraft since the invasion of the low countries began. Allied losses are set at a fraction of the 1462 planes claimed by the Germans.

USING BIGGER TANKS
PARIS—A military source today disclosed that in the break through the Sedan area the Germans used new tanks, larger than those in Poland.

BEACHING OF SHIP DESCRIBED
LONDON—Beaching of the Belgian liner Ville de Bruges, bombing attack three days ago, was described today by crew members. The crew included sixty-two Canadians of whom two were killed.

AUSTRALIANS TO EGYPT
CAIRO—Great Britain's army in the Near East was swelled today by the arrival of a second contingent of Australians.

CHURCHILL IN PARIS
PARIS—Prime Minister Winston Churchill of Great Britain attended the meeting of the Allied Supreme War Council here yesterday.

NATIONAL DAY OF PRAYER
LONDON—King George yesterday designated May 26 as a Day of National Prayer for the Empire, its Allies and the cause in which they were united.

MINE FIELD OFF CAPE
PRETORIA—It is announced that a mine field has been discovered off Cape Agulhas, at the southern extremity of Africa, in waters through which British shipping diverted from the Mediterranean would pass.

SOVIET TAKES HAND
MOSCOW—Soviet Russia is moving to draw up an alliance of eastern European nations from Sweden on the north to Turkey on the south. This is said to account for an invitation for Swedish officials to attend "important meetings" in Sweden.

WOMEN PARACHUTISTS
LONDON—Refugees from Holland reveal that even young women were among the parachutist forces which dropped upon Holland during the occupation of the Netherlands.

Pressure Of Relief
The combined pressure of relief and depleted revenues "destroyed, temporarily at least," the credit of the four western provinces.

"Nothing in the history of our Canadian government has contributed more to the breakdown of our system of public finance or has been productive of greater waste than the attempt to hold local governments primarily responsible for unemployment as well as other relief," the commission declared.

"Now that the economic structure of the country is fundamentally national with respect to the attainment of economic welfare and opportunities for employment, it can no longer be compartmentalized for the purpose of meeting the costs of widespread destitution and unemployment—except at the price of financial chaos and enormous waste."

"The extent of the unemployment in any industry or area has virtually no relation to purely local conditions. The local municipality or province can do practically nothing to ameliorate the problem nor to hasten its disappearance. Nor is the province or the municipality a convenient authority for spreading the risks of unemployment over a term of years, by insurance methods or otherwise."

The planning of public works and developmental expenditures, an intelligent and co-ordinated use of credit, foreign exchange, trade, transportation and taxation policies are powerful instruments with which to combat unemployment and to reduce fluctuations in income. The Dominion is the only

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Bulletins

COBOURG CRASH FATAL
OTTAWA—Three and possibly four Royal Canadian Air Force men died early today in a plane crash near Cobourg, Ontario. The victims have been identified as Flight Lieutenant Harvey Jasper of Winnipeg, Flying Officer G. E. Auld of Windsor, Flying Officer Pidcock of Montreal and Aircraftsman J. R. Kean of Windsor.

LOCAL PASTOR SELECTED
VANCOUVER—Rev. J. C. Jackson of Prince Rupert was selected at the British Columbia United Church Conference here last night as one of five ministers who will attend a meeting of the United Church General Council at Winnipeg in September.

NEW CHIEF JUSTICE
OTTAWA—Rt. Hon. Ernest Lapointe, minister of justice, today announced the promotion of Mr. Justice M. A. Macdonald of the British Columbia Court of Appeal to be Chief Justice of British Columbia.

NORMAN ROGERS HOME
QUEBEC—Hon. Norman Rogers, minister of national defence, returned to Canada yesterday from a trip to England and France.

B.C. WARNED TO INSURE AGAINST RESOURCES DROP; PRECAUTIONS ADVOCATED

Commission Says Province "Living on Its Capital," Urges Debt Amortization in Report Made Public Yesterday

OTTAWA, May 17: (CP)—The financial security assured the provinces under the fiscal plan of the Royal Commission on Dominion-Provincial Relations would provide British Columbia with insurance against the day when its exploitable resources begin to show serious depletion, the commission on Dominion-provincial relations suggested in its report released yesterday.

British Columbia enjoys government services of superior standard, provincial revenue being nearly double the average, but, "to an important extent, the province has been living on its capital," the commission stated.

"Overhead government costs that

LOTS OF KEYS
MANCHESTER, Eng., May 17: (CP)—When he pleaded guilty to eight cases of motor-car stealing, Thomas Wilson, 28, was sentenced to 12 months. There were 92 car ignition keys in his possession.