

Weather Forecast

Prince Rupert and Queen Charlotte Islands—Fresh easterly winds, cooler with show...

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The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

PRINCE RUPERT, B.C., FRIDAY, JANUARY 5, 1940.

Tomorrow's Tides

High 10:47 a.m. 21.0 ft. 23:55 p.m. 18.4 ft. Low 4:34 a.m. 9.0 ft. 17:38 p.m. 4.1 ft.

Two Million Reds Take To Field

FINNS RECAPTURE SALA IN ANOTHER SMASHING VICTORY OVER SOVIET

Stung By Severe Reverses and Facing Danger of Defeat By Its Little Enemy, Russia is Throwing Two Million More Men Into Field

HELSINGFORS, January 5: (CP)—The Finnish high command tonight reported continued successes on eastern fronts with the Finns killing four hundred Russians and taking forty prisoners in two encounters. Earlier the Finnish forces were reported to have won another smashing victory against Russian troops on the Salla front, 125 miles north of Lake Kianta where the 163rd Division was virtually destroyed. The Russians were said to be fleeing from Salla towards Kandalaska. The victory may enable the Finns not only to cut the Murmansk Railway but to destroy it.

HELSINGFORS, January 5.—Stung by the severe reverses it has been suffering on all fronts during the past few weeks and alarmed at the imminence of defeat at the hands of a nation one-fiftieth of its size, Soviet Russia has decided to throw two million more men into the field against Finland in a desperate attempt to win the war.

One million of the new forces will be sent against the strategic Karelian Isthmus and north of Lake Ladoga while the other million will be kept in reserve back of the main line. News of the heavy Russian reinforcements was received with no surprise by the Finnish authorities in Helsinki.

Meantime, after two days of fierce battle, it was announced by Finnish authorities today that another smashing victory had been scored by the Finns 125 miles north of Lake Kianta. The city of Salla had been recaptured and another entire Russian division had been almost annihilated, its remnants fleeing in disorder toward the Soviet frontier. The Russians resorted to the use of huge motor sledges in the effort to break up the Finn lines but these proved ineffectual. In the defeat of the additional Russian division, eighteen thousand Russian troops were surrounded by the Finns.

The Murmansk Railway has now been cut in five places and the Finns, by their crossings of the Russian frontier at various points, have put themselves in a position not only to attack but to destroy the railway.

WARNING TO GT. BRITAIN

United States Will Hold Her Responsible For Detaining American Ships—One Taken Into Kirkwall

WASHINGTON, D. C., Jan. 5: (CP)—The United States government has warned Great Britain that it will hold her responsible for damages resulting from "losses and injuries" if American ships are forced into British control ports, it was revealed in the text of a note released by the Department of State.

At the same time it was disclosed that the American ship Moormassun, enroute to Bergen, had been taken into Kirkwall, one of the British control ports within the area forbidden United States vessels by the neutrality act.

Dr. Frank Shutt Of Ottawa Dies

OTTAWA, Jan. 5: (CP)—Dr. Frank T. Shutt, aged 80, former Dominion chemist and assistant director of the Dominion Farm, died here today.

Month's Timber Scale Higher

Timber scaling in Prince Rupert forestry district for December 1939 totalled 4,309,390 board feet as compared with 877,331 board feet in the same month last year.

BULGARIA AND REDS

Sofia Hopeful That Negotiations Now In Progress In Moscow Will Be Successful

FACT CONCLUDED MOSCOW, Jan. 5: (CP)—Russia is reported to have concluded a commercial treaty with Bulgaria dealing principally with a Black Sea shipping accord. Similar negotiations have begun with Japan and are being continued with Germany.

SOFIA, Bulgaria, Jan. 5: (CP)—Increasing trade with Russia was expected here yesterday in confidence that negotiations in progress in Moscow would be successful.

New Head Of P.G.E. Still To Be Named

VICTORIA, Jan. 5: (CP)—Ben Hethey, secretary to Premier T. D. Pattullo, who was not available, said yesterday that there was no announcement ready yet in regard to the appointment of a new general manager of the Pacific Great Eastern Railway in succession to Robert Wilson, who died recently. In Vancouver Canadian National Railways officials were sought but they were absent at Vernon.

CUSTOMS COLLECTIONS

Customs and excise revenue at the port of Prince Rupert for the month of December totalled \$8,787.66.

War News

CHICAGO — The Marquess of Lothian said last night before the Chicago Council of Foreign Relations that, in the British view, "everything points to the probability that Germany will attempt in the early spring to gain a decision against England and France by a terrific attack on land, sea, and air in which she will use every weapon in her armory." The British ambassador to Washington said that the Allies were ready to meet the attack. "We believe we will be successful and, if so, it will not be long before Hitlerism is defeated."

FRANCE TO AID FINLAND PARIS — A French military mission has left for Finland to ascertain how most effective aid may be given to Finland in the war against Russian invasion.

RUSSIAN ADMISSION MOSCOW—The official Soviet newspaper Pravda admits that some portions of the Russian army have been unable to stand the rigors of the winter military campaign in Finland.

HELIGOLAND RAIDED LONDON—British bombers, it is announced, have made further successful raids on Heligoland and other German naval bases, returning without losses to themselves.

GENERAL RECALLED MOSCOW — Another Soviet general has been recalled on account of the continued failure of the Finnish campaign. This time it is General Gregory Stern who has been in charge for little more than a week. It is revealed that Stern is actually a Finn, having been born on the Aaland Islands. His father was a Finnish army officer who evacuated from Helsinki at the start of the war.

New Archbishop Has Been Named

WASHINGTON, D. C., Jan. 5: (CP)—Pope Pius has appointed Most Rev. Samuel A. Stritch, Archbishop of Milwaukee, as Archbishop of Chicago, succeeding the late Cardinal Mundelein.

Alaska Governor Going To Ottawa

GRUENING TO ATTEND INTERNATIONAL SESSIONS IN CONNECTION WITH HIGHWAY

JUNEAU, Jan. 5: (CP)—Governor Gruening of Alaska sailed last night on the North Coast for Seattle enroute to Ottawa to attend joint meetings of the Canada-United States Alaska Highway Commission. Governor Gruening, who is accompanied by his wife, will also visit Washington, D. C.

To Assist British Shipping Ministry

George Stephen, Vice-President Of C. P. R., Named Assistant To Sir Edward Beatty

MONTREAL, Jan. 5: (CP)—Sir Edward Beatty, Canadian representative on the British shipping ministry, announced the appointment of George Stephen, Canadian Pacific Railway vice-president in charge of traffic, as assistant representative.

Britain Aiding Finland Now By Shipping Arms

LONDON, Jan. 5: (CP)—The Evening Standard said last night that British arms plants had started shipments of arms and munitions to Finland. It said that British convoys assured safe arrival at Finnish ports.

WHAT KIND OF PLANES?

British Made Ships Believed Used By Finns In Raiding Arctic Ports Now Held By Russians

BERGEN, Norway, Jan. 5: (CP)—Unidentified bombing planes were said in reports from Linahamari, Finnish Arctic port occupied by the Russian invaders, to have raided the port for the second time yesterday, later vanishing over the sea.

The planes were described as being of a type, possibly British, heretofore not used by the Finnish army. Speculation over the identity of the raiders led to rumors, which are without substantiation, that they might be British operating from an aircraft carrier.

The Russian port of Murmansk and other places along the Murmansk Railway line were air raided by planes which the Russians are said to have definitely identified as being British and Italian, fifty of the former and twenty of the latter.

SUCCESSOR NOT NAMED

No Announcement Yet In Regard To New City Administration At Prince Rupert

VICTORIA, Jan. 5: (CP)—Hon. A. Wells Gray, municipal affairs minister, said yesterday that the question of a successor to W. J. Alder as city commissioner at Prince Rupert had not been considered as yet. The minister added that Mr. Alder might need an extension of time to finish some work being done under his supervision.

HELP REDS TO GIVE UP

Finns Issue Instructions To Facilitate Surrender—Paying For Weapons

HELSINGFORS, Jan. 5:—Finnish reconnaissance planes dropped leaflets back of the Russian lines again today, reaching as far as Leningrad.

The leaflets gave instructions to the Russians in order to facilitate their surrender. They should form in groups of six to eight men, fastening the muzzles of their rifles downwards and holding their hands aloft.

Rewards as follows are offered for the surrender of arms: Pistols, 100 roubles. Rifles, 150 roubles. Machine guns, 100 roubles. Tanks, 10,000 roubles. For each undamaged airplane turned over, \$1,000 in American money will be paid and the pilot given free transportation to any place in the world.

Bulletins

MRS. NATIONS DIES Mrs. Helen Nations passed away this morning at the Prince Rupert General Hospital after an illness of several weeks. She had resided in Prince Rupert since 1910 and for years was proprietress of the Commodore Rooms. Funeral arrangements, in the hands of B. C. Undertakers, will be announced later.

BELGIAN SHAKE-UP BRUSSELS—Premier Hubert Pierlot submitted his cabinet's resignation today and was immediately asked by King Leopold to form a new ministry.

COLD IN MID-WEST CHICAGO—A cold wave, with sub-zero temperatures, has clamped down on the mid-West with thermometer readings of five to twenty below. The cold wave has come out of the Rockies and extends from the border to southern Iowa. Bismark, North Dakota, is coldest point with twenty below. St. Louis has ten below, Chicago, four below, Kansas City has seven below and Minneapolis, six below.

TODAY'S STOCKS

(Courtesy S. D. Johnston Co.) Vancouver Big Missouri, 13 1/2. Bialorne, 10 65. Cariboo Quartz, 2.45. Dentonia, 01 1/2. Fairview, 01 1/2. Gold Belt, 24. Hedley Mascot, .53. Minto, 01 1/2. Noble Five, 01 1/2. Pend Oreille, 2.20. Pioneer, 2.15. Premier, 1.39. Privateer, .93. Reeves McDonald, 28. Reno, .55. Relief Arlington, .14. Salmon Gold, .02 1/2. Sheep Creek, 1.20. Cariboo Hudson, .03 1/2.

Oils A. P. Con., .18. Calmont, .43. C. & E., 2.20. Freehold, .02 1/2. Home, 2.95. Pacalta, .05 1/2. Royal Can., 18 1/2. Okalta, 1.26. Mercury, .06. Prairie Royalties, 19 1/2.

Toronto Aldermac, .36. Beattie, 1.10. Central Pat., 2.50. Con. Smelters, 48.50. East Marlartie, 3.80. Fernland, .05 1/4. Francoeur, .63. Gods Lake, .67. Hardrock, 1.42. Int. Nickel, 46.00. Kerr Addison, 2.60. Little Long Lac, 3.20. McLeod Cockshutt, 2.43. Madsen Red Lake, .57. McKenzie Red Lake, 1.39. Moneta, .90. Noranda, 78.00. Pickle Crow, 4.20. Preston East Dome, 2.29. San Antonio, 2.39. Sherritt Gordon, 1.15. Stadacona, .10. Uchi, 1.01. Mosher, .09. Oklend, 13. Smelters Gold, .00 3/4. Dominion Bridge, 39.50.

Today's Exchange

United States funds—Buying, spot, 10 percent premium; selling, spot, 11 percent premium. Sterling funds — Buying, spot, \$4.43; selling, spot, \$4.47.

Mineral Production For 1939 Shows Slight Increase Over 1938; More Gold, Copper, Coal

Table with columns: Quantity, Value, 1938, 1939. Rows include Gold, Silver, Copper, Lead, Zinc, Coal, Structural materials, Miscellaneous metals and minerals, Totals.

VICTORIA, January 5.—The value of British Columbia mine production in 1939 is estimated to be \$64,939,300, an increase of \$453,749 over 1938 it was announced by Hon. W. J. Asselstine, Minister of Mines. The increase is due largely to greater production of lode-gold, copper and coal, which have offset estimated decreases in silver and lead.

Germany Alarmed

BERLIN, Jan. 5: (CP) — Deep concern over developments in Scandinavian countries was expressed in Germany today as Sweden and Norway were warned in a new press campaign against permitting British and French military aid to pass through to Finland. The two northern countries were told to "clarify their positions."

NAMED TO CABINET

Murphy Goes To Supreme Court Of United States—Jackson New Attorney General

WASHINGTON, D. C., Jan. 5: (CP) — President Franklin D. Roosevelt yesterday nominated Attorney General Murphy as an associate justice of the Supreme Court of the United States. Solicitor General Jackson was named attorney general and Judge Francis Biddle was nominated solicitor general. Congress must approve the appointments.

Hungary And Italy Going Into Huddle

ROME, Jan. 5: (CP)—Count Stephen Osaky, Hungarian foreign minister, arrived in Venice today to discuss Balkan problems tomorrow with Foreign Minister Ciano of Italy.

Co-Operative Marketing Of Fur Proposed

WINNIPEG, Jan. 5: (CP)—Formation of a co-operative fur selling agency for Western Canada under the Dominion Agricultural Products Co-operative Marketing Act was announced here yesterday.

lead. Placer-gold production appears to be somewhat lower than in 1938 but, when final returns are received, it is possible that an actual increase may materialize. Lode-gold production has increased again and the estimated value is very close to the all-time record established by lead in 1937. The gold production for the year totalled 636,000 ounces in volume and \$22,712,996 in value, leading all other minerals.

Silver is estimated to have fallen off slightly in volume and more appreciably in value. Copper production is estimated to have increased both in volume and value with an average price for the year slightly better than in 1938. Lead production appears to have decreased somewhat in volume and materially in value as the average price for the year is estimated to be nearly 2-10 of a cent lower than in 1938. Final returns may improve the situation somewhat in regard to lead.

Zinc production appears to have reached an all-time high in volume, slightly exceeding volume production for 1938, and the value, due to a slightly lower estimated price, will be about the same as 1938.

Coal production is estimated to be greater than last year, with a corresponding greater value. Small increases in the value of structural materials and miscellaneous metals and minerals are anticipated when final returns are received. It was estimated at the beginning of 1939 that mine production for the year would show a decrease of approximately \$5,000,000. This decrease was estimated on the basis of slightly curtailed production in lead and zinc, with lower current metal prices and an offsetting of certain new gold mining operations by others that had recently closed down or were expected to close down during the year. The gold mining industry, in spite of certain operations closing down, has been able to show a marked increase in production. Lead and zinc prices have depreciated somewhat during the year, and with the advent of war, capacity production has offset, to a great extent, the anticipated decrease. The mining industry has had a very prosperous year and has maintained production at a high level.

Dividends for the year are estimated to be \$11,157,870. Employment and the purchase of supplies will compare favorably with 1938.

1940 OUTLOOK CLEARER The outlook for mining in 1940 is perhaps clearer than at the beginning of 1939. A year ago world conditions were uncertain and still are, though now we are at war, one

(Continued on Page Three)