XXIX., No. 49.

Tomorrow's Tides 4:40 a.m. 21.0 ft. 17:25 p.m. 18.0 ft. 11:14 a.m. 4.5 ft.

NORTHERN AND CENTRAL BRITIS H COLUMBIA'S NEWSPAPER

PRINCE RUPERT, B.C., TUESDAY, FEBRUARY 27, 1940.

23:20 p.m. 5.8 ft.

More Jernan Flanes Are Downed CREAT INCREASE IN WAR COST SHOWN BY FINANCE CAPTURED MINISTER, COL. RALSTON British Warship Foiled Attempt to

penditure in Naval Effort Ten Times Higher-Huge Air Outlay Now Whereas in Last War There Was None

OTTAWA, February 27: (CP) - Canada's present r is costing much higher than the First Great War beanse the 1914-18 effort was almost wholly manpower the this time it is men and machines, Hon. J. L. Ralston, hister of finance, said last night in an election speech

A division this time costs prob-

Canadian air force in the last war

full fiscal year ending March 31

Vigorous And Effective

administration."

One of the most serious tasks

undertaken by the government

in the economic part of the war

effort was to expand national

income, the minister of finance

continued. In this regard na-

which has been achieved is the

FOR RARE OLD SMOKE

until this war is over too.

Canadian Broadcasting Corpora-OT DOING ably twice as much at least as in the last war, Col. Ralston said. Es-

dinavian Nations Want to See war are \$197,000,000. tosso-Finnish War Over But Deny Finland Official Aid our naval equipment and person.

nel composed two light cruisers PENHAGEN, Feb. 27: (CP)- and 1,500 men and for the first work expressing hope after full fiscal year of the last war the week-end conference that the naval service spent less than \$4 .could be 000,000. This time we have six ght to a peaceful solution thousand officers and men in the th preserves full independence navy. We have six destroyers and Inland, foreign ministers of a flotilla leader with five naval den. Denmark and Norway took minesweepers and twenty auxiliary ation to give further aid to their craft. Naval estimates for the first year of the war are not \$4,000,000 abor country, Finland.

results of the conference of as in the last war but \$40,000,000. three Scandinavian nations There is, as a matter of fact, decisions to "support each building program on which orders mutually in negotiations with have already been placed or tengreats' and to "raise serious ders called for ninety additional tions to "violations of inter- vessels totalling nearly \$50,000,000. hal law in naval warfare.

-Dollar Co. Said To Be Conaplating Logging On Queen Charlotte Islands 1941, will be around \$100,000,000." mine.

J. R. Morgan, A. P. Allind T. A. Kelley Logging Co. Col. Ralston said that it was his operating full blast, it is "very sincere opinion" that the ted that the Smith-Dollar Co. Conservative leader, Hon. Dr. templating opening up a R. J. Manion, had no justification logging operation in the for characterizing Canada's war a River valley on the north effort as weak, inefficient or dragof Moresby Island. It would ging, "On the contrary, I think it is of Skidegate.

degate Inlet.

been forced to lay of tional unity was essential and or a couple of months ow-"I believe that national unity o a severely sprained arm, dd McVicar arrived in the result in no small degree of n the Princess Louise yespatience, wise tolerance and farafternoon from the Atlin! sighted Canadianism of our prewhere he is engaged with Forbes of Alice Arm in the sent Prime Minister." Rose Creek a tributary of co-operation with the United to Germany. profit and success.

MAORIS AGGRIEVED

WELLINGTON, N. Z., Feb. 27: A petition from east coast! s alleging injustices breach- WEDGEPORT, N. S., Feb. 27: the Treaty of Waitangi by (CP)—When the war is over, Nery New Zealand was ceded by Doucet will have a smoke. A Maoris to the British Crown, friend gave him a cigar before he

NAZI SHIP

Allied Losses Light

Churchill Speaks

Predicts That Even Greater Sea Effort May Be Expected to be Made By Enemy

ANOTHER SUB SUNK PARIS, Feb. 27: (CP)- The French destroyer Simoun has destroyed a German submarine off Cape Finisterre, it was disclosed tonight. It is in that region where a number of merchant ships have been torpedoed during the past week.

LONDON, Feb. 27: (CP)- The timates for Canada's militia servic-German freighter Wahehe, 4707 es alone for the first year of this tons, which attempted to run the British blockade from Viggo. Spain, "At this stage of the last war to a home port was brought to a British port by a warship which! foiled her in a scuttling attempt. It was the twenty-fifth German vessel to be captured by the Allies so far' in the war. An additional twentyeight have been scuttled.

The British steamer Clan Morrison, 5936 tons, hit a mine in the North Sea and sank with one member of the crew lost. Iast week shipping losses were the lowest since the:

Rt. Hon. Winston Churchill. First Lord of the Admiralty, speaking in Parliament today, stated that the of from two to four a week. Yester-"There was no such thing as a This time the Royal Canadian Air most certainly another.

Force comprises over eight thousand officers and men. But that does not take account of the air training scheme. The estimate for ing and aircraft might be expected.; God.' Canada's share of this up to Sep-He predicted an increase in German, tember 1 was about \$50,000,000 but the estimate for our share for the

New Battleships

The First Lord of the Admiralty, introducing a navy appropriation bill, details of which were not disclosed, said that five huge new battleships of the King George V. class will be completed

efficiency but of a sound and fair mentioned.

Blockade Effective

of economic warfare, answering Premier Benito Mussolini after the questions in the House, said there German, French and British con- themselves there is no unanimity. W. R. Devenish, the new vicewas no serious leakage of supplies, ferences. to Germany through the British' Yesterday, following his meet- ation has told Congress that exam- Railways in charge of western blockade either by way of Russia, ings with Premier Mussolini and ination "fails to disclose any meas- lines, succeeding the late A. E.

opment of a promising placer To make national income best holes in the Allied blockade which autographed message from Presi- kets with competitive commodities." Morrison, district engineer, Van- visto Islands which are armed the Koiproperty. The property is known meet the needs of the situation, would permit the shipment of Un
the Blue Conversely is known meet the needs of the situation, would permit the shipment of Un
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the Blue Conversely is known meet the needs of the situation, would permit the shipment of Un
the Blue Conversely is known meet the needs of the situation. he Blue Canyon and is located the Dominion was working in close ited States or other neutral goods lini.

> maximum assistance to our allies." and French naval craft, on one over the Allies overshadow every- "Does this indicate injury?" he Arthur Roy Saunders and Binder It will only be a matter of time, hand and German and Russian, on thing else at this time. the other, are reported to have been co-operating.

BAR GOLD -

\$37.54 per fine ounce.

Bulletins

JUGOSLAV CONSPIRACY ZAGREB, Jugo-Slavia-Secret police arrested thirty Croat separatist leaders today, charging that they plotted to break up JugoSlavia. The group was identified as members of an organization blamed for the assassination of King Alexander in

CALIFORNIA FLOODS

SAN FRANCISCO- Dozens of families evacuated lowlands in widely separated sections of northern California today as normally dry creek beds flooded after three days of torrential rains.

CONFIDENCE IN DALADIER PARIS-The Chamber of Deputies today voted confidence in Premier Edouard Da'adier, 450 to one, after the Premier requested the vote following criticism of French censorship and propaganda.

United States Ambassador Vatican Presents His Credentials -Ilope For Permanent Peace Expressed

VATICAN CITY, Feb. 27: (CP) British Navy was continuing to dis- Myron C. Taylor, President Frank- is hammering at the agreements. pose of German u-boats at the rate lin D. Roosevelt's special envoy to the Vatican, today handed Pope day, he said, at least one enemy Pius an autographed letter ex- touch largely upon the fact that submarine was destroyed and al- pressing the President's hope for the agreements, unlike actual treat-"re-establishment of more per- ies, do not have to be ratified by Mr. Churchill warned that great-| manent peace on foundations of the United States Senate. Under the shipping by submarines, mine lay-land integrity of all nations under er the rate of the Smoot-Hawley

u-boat building and said: "We see our way to mastering" the magnetic WELLES TO

Departure For German Capital -Discussions Kept Secret

ROME, Feb. 27: (CP) - Under Mr. Churchill told the House that Secretary of State Sumner Welles is too much "log-rolling"—trading keep out of wan with the Allies, large logging railway opera- has been vigorous and effective. I the battleship Barham had been conferred today with the French between one industrial minority it is reported that the Soviet Recently C. C. Smith of the do not for a minute suggest that damaged by a torpedo and the bat- and German ambassadors prepara--Dollar Co. made an inspec- there have not been mistakes but, tleship Nelson had struck a mag-|tory to entraining at midnight for ; of the company's extensive as the minister of national defence netic mine last December. In con-Berlin where he will meet Channg holdings in the Deena val- says himself, I do say that errors, nection with the Barham it was dis-cellor Adolf Hitler and Foreign ing accompanied by E. C. when they are discovered, are closed that on December 29 that Minister Joachim von Ribbentrop. corrected and we are seeing to it battleship had been damaged by a On the way to Berlin, it is expect- Throughout the farming west and A. P. Allison Logging Co.'s that they are not repeated. To be torpedo. Both the Barham and ed that Mr. Welles will stop briefly ay is now into Skidegate Lake ready to correct an error or rem- the Nelson reached port under their at Berne, Switzerland, to meet Sumshewa. Skidegate Lake is edy an injustice is, it seems to me, own steam and were now being re- Swiss authorities. Mrs. Welles is leway between Cumshewa Inlet not evidence of indifference or in- commissioned. Casualties were not remaining in Italy while her husband visits Germany, France and "flooded" by competitive goods. Italy and it is understood he will Rt. Hon. Ronald Cross, minister return to Italy and again meet

> Norway, the United States, Italy, Foreign Minister Count Ciano, Mr. urable injury to American Agricul- Warren, who died last fall, will Belgium or Holland. Attention was Welles worked on a report at the ture," while the National Grange arrive in Prince Rupert on an exnow being turned to the possibility United States embassy. There was says it "does not make sense to pay tra train tomorrow evening in the of shipments to Germany by way of no disclosure as to the details of x x x American farmers to reduce course of his first tour over this Siberia with Russian co-operation, the conversations which were not acreage and then enter into agree- line in his new capacity. He will The government assured the House as long as might have been anti- ments with other nations making proceed to Vancouver on that there were no serious loop- cipated. Mr. Welles presented an it easier for them to glut our mar- Prince George Thursday night. S. terday acknowledged officially that

the Creek near its headwaters. Kingdom, Col. Ralston declared. There was no confirmation here that the German government half years of the Smoot-Hawley Act wer drill is being used. Bed "Our endeavour has been and is of a naval engagement in the Archas yet to be reached but to plan in such a way as to be tic Ocean off the Finnish coast in proposals that Mr. Welles might 200,000,000 in 1929 to \$4,700,000,000 in Review to plan in such a way as to be tic Ocean off the Finnish coast in proposals that Mr. Welles might 200,000,000 in 1929 to \$4,700,000,000 in Review to plan in such a way as to be tic Ocean off the Finnish coast in proposals that Mr. Welles might 200,000,000 in 1929 to \$4,700,000,000 in Review to plan in such a way as to be tic Ocean off the Finnish coast in proposals that Mr. Welles might 200,000,000 in 1929 to \$4,700,000,000 in Review to plan in such a way as to be tic Ocean off the Finnish coast in proposals that Mr. Welles might 200,000,000 in 1929 to \$4,700,000,000 in Review to plan in such a way as to be tic Ocean off the Finnish coast in proposals that Mr. Welles might 200,000,000 in 1929 to \$4,700,000,000 in Review to plan in such a way as to be tic Ocean off the Finnish coast in proposals that Mr. Welles might 200,000,000 in 1929 to \$4,700,000,000 in Review to plan in such a way as to be tic Ocean off the Finnish coast in proposals that Mr. Welles might 200,000,000 in 1929 to \$4,700,000,000 in Review to plan in such a way as to be tic Ocean off the Finnish coast in proposals that Mr. Welles might 200,000,000 in 1929 to \$4,700,000,000 in Review to plan in such a way as to be tic Ocean off the Finnish coast in proposals that Mr. Welles might 200,000,000 in 1929 to \$4,700,000,000 in Review to plan in such a way as to be tic Ocean off the Finnish coast in proposals that Mr. Welles might 200,000,000 in 1929 to \$4,700,000,000 in Review to plan in such a way as to be tic Ocean off the Finnish coast in proposal to the plan in such a way as to be tic Ocean off the Finnish coast in proposal to the plan in the p McVicar is confident of ulti- able from week to week and from which a German vessel was reportmonth to month over the hard ed to have been sunk by Allied nav- tive source said that he would find 000,000 by 1938, excusive of governyears that lie ahead to give al craft. In those waters British Germany insistent that a victory ment benefit payments.

WAR LOGGERS FROM NFLD.

Secretary Cordell Hull Valiant Defender of Roosevelt's Trade Agreements With Many Lands

By H. M. PETERS Canadian Press Staff Writer NFW YORK. Feb. 27: (CP)-Months ahead of the formal opening of the 1940 presidential campaign, a torrent of argument is in flow throughout the United States about the Roosevelt Administra-

tion's reciprocal trade agreements. Regardless of whether or Congress in the coming spring excountries, the effect of the 22 agreemente now in existence will be argued right up to election day, No-

Spearhead of those who defend the agreements is Cordell Hull. Tennessee veteran who has devoted his whole political career to the dissemination of the gospel that the freer international trade is the better for the world.

M". Hull, secretary of state since 1933. may vet head the democratic ticket in the election, in which event the agreement over trade rolicies would become of even To greater importance than it is now The Republican Party, traditionally a high-tariff party drawing its main support from the great industrial states which swung to - Franklin Roosevelt in 1932 and 1936

Comment on Agreements Their many-sided arguments Tarriff Act (a Republican measure)

ductions by other countries. That, say the Republicans, is too much power for the administration tor. to wield without congressional supervision. A 50 per cent change in tariff can lay whole industries open Visit To Italy Ends Tonight With to drastic foreign competition, they

by as much as 50 per cent in ex-

change for compensating tariff re-

Mr. Hull and his supporters answer that history has shown that when tariffs get into Congress there group and another-and that the will be prepared to "lend a

national interest suffers. Principal of the agreements attained under the act are those with New Railway Vicesouth speaker after speaked ham- President Coming mers at these two agreements, particularly the Canadian. on the ground that the United States is

Farmers Divided

But even among the farmers'

that the program has hurt the Devenish. From Berlin came word today farmer. He says that after two and a

FROG ON DETOUR

PACTS ARE Two Henkel Bombers Dropped To Earth In Firth Of Forth Raid

Most Extensive Reconnaissance Flights So Far in War Made By British Over Germany—Paris Visited And Six Wounded

LONDON, February 27: (CP)—The British Air Ministry announced today that two raiding German planes had been shot down off the British coast as the Germans tends the administration's nower apparently resumed widespread coastal raiding. Both to make such agreements with new ships-Henkel bombers-were brought down off the Firth of Forth leading to the Edinburgh

lowing Roumanian assurances in pursuit. that Germany would not be favered in exports of Roumanian

PRESSING FOR PEACE BERLIN-Germany is pressing KOIVISTO Moscow to accept mediation in the war with Finland. Now that she appears to be saving her face with definite victories over ready ear" to peace proposals.

W. R. Devenish To Be Here Tomorrow Night In Course Of Inspection Tour Over Western

The American Farm Bureau Feder- president of Canadian National |

In Ottawa Today

CARLISLE, Feb. 27: (CP)-Par- AMHERST, N. S., Feb. 27: (CP) Roy Saunders and Harry and Louis where in the Russo-Finnish war ties of Newfoundland lumberjacks _A huge bullfrog that should have Binder, charged under the Defence has quietened down. LONDON, (CP)—The Montreal are engaged in felling trees in been in hibernation for the winter of Canada regulations with print- Soviet warplanes have attacked Igned by 80 tribal representative went to France in the First Great price of bar gold on the London various parts of northern Engineer will be used for a literature will be used for the lite A Royal Commission may in- War but Doucet won't smoke it market was unchanged today at land. The timber will be used for post office by wedging itself in literature, were remanded for a troop concentrations, a Russian war purposes the building's main water inlet. week on appearing in court today, communique states.

and Rosyth naval base. The Air Ministry also announced that the Royal Air Force had made the longest reconnaissance flights of the war over Germany. A communique said: "Our aircraft reconnoitred important seaports in WAR PLANES FOR ROUMANIA northern Germany and the Baltic." BUCHAREST - Three agree- The Baltic is nearly five hundred ments whereby France would | miles from the English coast. Other supply Roumania with large planes penetrated central Germany quantities of war planes, machine | as far as Berlin and flew over westguns and other armaments are ern Germany and Heligoland. One reported. Great Britain is also plane failed to return from the reported to have already flown | Heligoland flight but all others got sixty Spitfire gursuit ships and home safely. They reported that Bristol Blenheim bombers to large numbers of German Messer-Roumania. The French and Bri- |chmidts were sighted on the ground tish action is described as fol- but none made a move to come up

There was a good deal of aircraft lactivity over night and from Paris it was reported that six Parisians were wounded by an anti-aircraft INCREASED ARTILLERY ACTION | shell fired last night at German BRUSSELS-Increased artillery planes scouting the environs of the fire is reported to be shaking city. Massed German squadrons the houses of frontier villages followed scouting planes early this er attacks than ever upon Allied freedom and assurance of the life present law the president can low- in neutral Lexembourg while morning, prompting the first air heavy German troop movements | raid of the year which started at are sighted agross the Moselle 4:30 a.m. and lasted for fifty-seven River. Observers could not say minutes, no bombs, however, being if German troops were moving dropped. Last night when the southward, manoeuvring or re- planes appeared there were no air inforcing troops in the Saar sec- raid alarms although anti-aircraft guns barked.

GIVEN UP

Official Announcement By Finland -More Russian Advances

REDS ADVANCING

HELSINGFORS, Feb. 27: (CP) The Finnish high command acnowledged today that, in addition to falling back on the Karelian Isthmus, Finnish forces are also withdrawing to new defensive positions after an all-day Russian assault in the Petsamo region. In the south, the communique reported, the Russians are driving across the Bay of Viipuri, attacking islands in the south-western part of the bay after occupying Koivisto. There are still heavy Soviet casualties re-

HELSINGFORS, Feb. 27: (CP)the The Finnish High Command yesoring the western end of the Mannerheim Line, to the Russians.

> The Russians today claimed further advances in the campaign on the Karelian Isthmus. Nineteen Finnish planes, it was stated, had been shot down.

the Russians of the ruined city of Viipuri is effected.

OTTAWA, Feb. 27: (CP)-Arthur | Meantime, land fighting else-