NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

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COMMISSION REFORT PROPOSES EXTENSE CHANGES IN FILE S

Provinces Would Give Up Income, Corporation Taxing Authority: Dominion Would Assume Provincial Debt

OTTAWA, May 16: (CP)-A revamped Confederation set-up to smooth the path for full realization of objectives laid down in 1867 was envisioned today in a historic report of the Royal Commission on Dominion-Provincial Relations presented at opening of Parliament. Four commissioners, bolstered by a staff of experts which in-

Bulletins

OTTAWA IN SESSION

OTTAWA -- Enactment of a

measure "to establish unemploy-

ment insurange on a national

scale" was the only specific legis-

lation forecast contained in the

by Sir Lyman Duff, Administra-

tor of Canada in the absence of

the Governor General. Premier

William Lyon Mackenzie King ap-

pealed for support and co-opera-

tion of all members in the gov-

ernment's heavy task of carrying

on the war and received prompt

assurance of aid from Hon, R. B.

Hanson, the new Conservative

WASHINGTON, D. C .- An ar-

mada of fifty thousand warplanes

was advocated by President

Franklin D. Roosevelt in a per-

sonal message to Congress today

asking \$1,182,000,000 emergency

national defence program for the

NELS AMOTH DIES

55, formerly of Prince Rupert,

died here yesterday. He was with

the Fishermen's Naval Reserve in

the boat Takla. Naval honors will

be accorded at the funeral in Es-

TO RESCUE OF MONTREAL

troduced a bill in Legislative As-

sembly today placing the city of

Montreal, long beset by financial

troubles, under "surveyance and

Safeguards Future

QUEBEC-The government in-

VICTORIA-Nels Amoth, aged

a modern, well-equipped army.

United States. He also aims for

House leader.

cluded some of the best brains of the country, presented a simplified financial course for the Canadian ship of state. It was the product of an examination that started in November, 1937.

The report records Canada's progress to nationhood. It outlines a broad plan calculated to remove causes of friction and financial difficulties and to permit the preservation of the ideals of the Fathers of Confederation.

For the first time in 73 years the Speech from the Throne read to people of Canada had a chance to the opening of Parliament today look at themselves. In its report, the commission recommended the bringing up to date of the machinery through which the Fathers of Confederation sought to obtain their ends of national unity and progress.

Appointed in August, 1937, the reporting commission was composed of four distinguished Canadiansto format circle Quere c. professor d constitutional and administratim law at Laval University, chairmin: John W. Dafoe, editor-in- ASKS BILLION DOLLAR PLANES thief of the Winnipeg Free Press; Dr. R. A. MacKay, Halifax, profesfor of government at Dalhousie University, and H. F. Angus, Vancouver, professor of economics at University of British Columbia,

Its original chairman, Hon, Newton W. Rowell, retired on account of ill health after most of the public hearings had been completed. Another original member, Mr. Justice Thibaudeau Rinfret of the Supreme Court of Canada, retired because of illness before the hearings began, being succeeded by Dr. Sirois. The commissioners worked for more than a year compiling their lengthy report after sitting in pubblic for the last time in December,

Federal Control

commission's long-range plan, in general, would shuffle the financial powers and responsibilities of Canada's various governments for the attainment of "real autonomy" for the provinces in lo- commission. cal matters and give effective federal control in fields where national interest is paramount. Jurisdictions grants, as they are termed, would, are also clarified.

which is the core of the commis- of the commission's research staff sion's proposals, would cost the after appraising the economies; Dominion government approxi- and taxable capacities of the nine mately \$40,000,000 a year under provinces. present conditions.

for relief of unemployed employ- reviewed every five years, emer- ments: \$50,000,000 in 1939. It also calls for provinces. They would be reviewed Paymaster General — Viscount Victualling Assistant Dan McDonthe federal government taking over every year. At present Saskatch- Cranborne. all existing provincial debt, involv- ewan is the only province eligible | Lord Advocate-Thomas M. Cooping service charges of around \$60,- for such additional aid, because er. 000,000 a year. To compensate the Dominion, ket conditions, in the commission's Jowitt.

the provincial governments would view. be asked to withdraw from the income, corporation and inheritance The financial scheme would im- Overseas Trade- Harcourt Johntax fields, which could be expect- prove the position of every proved to yield about \$65,000,000 a incial government, although in year. They would also give up varying degree, the report claimed. their present right to subsidies It would provide a secure and re- rison. from the Dominion which average latively stable financial future for 'the provinces, since the most flucaround \$20,000,000 a year.

Where this transfer did not en- tuating taxes would be absorbed able all provincial governments to by the Dominion with its broader provide a national standard of tax base. services and balance their budgets, This tax transfer would permit without excessive local taxation, a much simplified public finance the federal authority would pro-structure which in turn would vide supplementary funds to take permit more unified fiscal, mone-

care of the deficiency. These national adjustment (Continued on Page Six)

FINAL BULLETINS

THREE TO ONE FOR BRITISH

LONDON-The Air Ministry announced today that the "toll inflicted on enemy aircraft is working out at more than three to one in our favor" in western front fighting. This statement was made co-incidentally with another declaring that the Royal Air Force has unleashed the greatest bombing attack on military objectives in Germany east of the Rhine and has thrown its power into Belgian fighting with extensive attacks on Nazi troop concentrations and communication lines." Many tons of bombs" were released "in attacks that lasted throughout the night," the Air Ministry announced. Sixty German plane were brought down during the night's raiding. The e madions were sent out, each with definite objectives. One British squadron lost one plane. Another lost two.

GUARD AGAINST PARACHUTISTS

LONDON-The Ministry of Home Security said that "there now is risk of enemy parachutists attempting to land in this country' and warned motorists to keep their cars out of German hands. All car owners should see from dusk to dawn that vehicles cannot be taken away. The ministry recommended locking gars in garages and removing spark plugs. Meantime the round-up of enemy aliens between 16 and 60 years of age has been extended from certain areas along the east coast to all of England. Up to an early hour this morning 2000 alleged "fifth columnists" had been taken into custody in London alone.

GOT MUCH GOLD

BERLIN-It is claimed here that, in the conquest of Holland, the Germans seized \$104,000,000 of Dutch gold.

SWISS SITUATION TENSE

SHAFFHAUSEN, Switzerland-Swiss and German military authorities closed the Swiss and German frontier on the Rhine on bood sides from Basel to Lake Constance. A Zur ch dispatch said that a Swiss anti-aircraft battery had hit a German bombing plane over Swiss territory but the plane had landed in Germany. Britons residing in Switzerland have been asked to leave the country. The British legation at Berne has burned its records.

GERMANY STAKES ALL

PARIS-The Allied Supreme War Council met here today. Premier Paul Reynaud told the Chamber of Deputies that Germany has "decided to stake its all" on a western front offensive and will be defeated." He declared that the German thrust through the low country was aimed "at the heart of France," "When all can seem lost," declared Reynaud "the world will see what France is capable of." He said: "Life counts for nothing. Only one thing counts. That is to maintain France."

MEANTIME IN BALKANS

ATHENS-Greece poured troop reinforcements today into the mountainous frontier region facing Albania. The Greek Premier, George Mataxas, has taken the lead in an effort to keep the Balkans out of war. Russia would support such a move.

ITALY AND UNITED STATES

WASHINGTON-United States diplomatic authorities advised American citizens to leave Italy as soon as possible. Ambassador William Phillips yesterday delivered a message from President Franklin D. Roosevelt to the Italian authorities. The message, believed to have been sent personally to Premier Mussolini, is said to be in an effort to prevent the spread of war by Italy's entry.

control" of the Quebec municipal

By Premier Churchill

of drought and world grain mar- Solicitor-General- Sir William

Secretary for Mines- David R. and 7.5c.

Secretary of the Department of and 7c to 10.1c and 7c.

Re-Appointments Postmaster General-W. S. Mor-

Womersley. Somerwell.

Solicitor General for Scotland-James C. S. Reid.

Financial Secretary to the Treasury-Capt. Harry Crookshank. Civil Lord of Admiralty-Austin U. M. Hudson.

Reservists

The sweeping financial plan, present, according to calculations Further Appointments Announced the local unit of the Royal Cana- again that the Maginot Line has make way for the German occu- atmosphere was tense in the Beldian Naval Volunteer Reserve left, been neither pierced nor outflanked pation applies to all but one of today for Esquimalt to go into near Sedan. training at naval barracks. They A new threat to the Allied lines Dutch commander-in-chief, Gen- German air bombardment which LONDON, May 16: (CP)—Prime were Able Seamen William Mur-came yesterday from a German eral Winkelman, was to lay down had been threatened in a Berlin In addition to these basic ad- Minister Winston Churchill com- dock and Norman McLeod, Ordin- thrust between Namur, Belgium, arms everywhere but in Zeeland announcement. The Nazi high The plan calls for Dominion as- justment grants, which would be pleted the new government last ary Seamen James McG. Irvine, and Sedan, ten miles inside of in the hope of saving "at least command threatened to bomb.

The plan calls for Dominion as- justment grants, which would be pleted the new government last ary Seamen James McG. Irvine, and Sedan, ten miles inside of in the hope of saving "at least command threatened to bomb."

The plan calls for Dominion as- justment grants, which would be pleted the new government last ary Seamen James McG. Irvine, and Sedan, ten miles inside of in the hope of saving "at least command threatened to bomb." sumption of eritire responsibility irreducible as first calculated and night with the following appoint- C. E. Irvine, C. E. Mills, M. J. T. France. An earlier French counter- a small part of our beautiful Fortune, George Brown, Robert attack was checked by a German country." ables, which would have meant an gency grants would be provided Secretary for Petroleum (a new McKay, J C. Shelford and R. C. advance across the river south of A radio address yesterday by and work on fortifications in the added Dominion expenditure of to meet temporary crises in the post)—Geoffrey Lloyd.

McNab., Stoker H. C. Ross and Sedan and reduced a ten-mile Ger- Queen Wilhelmina from London city be suspended immediately.

HALIBUT SALES

Summary American-40,000 pounds, 9.6c

Canadian

Pacific. Helen II, 14,500, 9.9c and 7c, At-

Polaris M., 5,000, 9.6c and 7c. Reward, 10,500, 10c Edmunds & Walker.

and penetrated the French defence system were supported by planes have occupied Amsterdam and other Dutch cities.

Allies Are Holding Out All Along Line Today With Nazi Attacks Having Huge Losses

NAZIS ARE WILLSTOOD

Gunfire of Terrific Battle in Belguim and France Shake Houses As Far Away as Deal, England

British Air Force Might

Is Proving One of Most Embarrassing Stumbling Blocks in Way of German Drive

ficial bulletin from the British War Office announced that the British Expedit onery Force in Belg um, afwith tood a series of German at-

Gunfire from battles raging in Belgium and France shook houses at Deal on the southeast coast of England.

East of the Rhine the British Air Force started late yesterday and Sounds Out continued all last night the heaviest air attack so far in the war, in- Greek Stand flicting heavy damage upon the enemy's lines of communication and troop concentrations. The German advances were definitely slowed down.

tween Namur and Sedan the Nazis in the event of an Italian attack. es to the enemy. are being held in check as the full-

capital again.

The regular bridges had been des- French. troyed and it had not been believed that such ponderous war mach- forces than previously against the and artillery on both sides was inery could have been transported Meuse line between Namur and busy. across on pontoon bridges.

'The campaign generally is assum- in the Sedan area where the tion to Liege fortress defenders toing the aspect of open warfare. break-through occurred. Another draft of members of Military spokesmen emphasize The Netherlands surrender to utmost for the Fatherland. The

have made at least three crossings barbarous invasion of an inoffen- Lieut. James Bryant R.C.N.V.R., north of the main passage of the sive and peace-loving nation, transferred to Victoria in the naval Meuse River near Sedan.

day "penetrated deeply into the tinue at the side of the Allies. I cess Adelaide tomorrow night. Canadian- 59,000 pounds, 9.8c French defence system" at Sedan, the French High Command anlaunched a "war of movement," it Nornen, 8,000, 10.1c and 7c, Stor- was stated. German tanks broke through the Allied positions on the Minister of Pensions-Sir Walter | Advance II, 11,500, 10.1c and 7c, west bank of the Meuse and Allied forces withdrew to new positions. Attorney General-Sir Ronald Mother II. 10,500, 9.8c and 7c, A war ministry spokesman at that time said: "The critical situation is serious but not critical."

Details Of Meuse Situation which broke through near Sedan concentrations and blocked the roads. The German motorized forces

French General at Sedan Claims His Forces Are in Complete Control-British Assist Belgians in Throwing Enemy Out of Louvain

PARIS, May 16: (CP)-The French general in immedi-BY ALLIES ate command of the Sedan sector advised headquarters tonight that his forces "are complete masters of the situation" and will regain full control of their front within one week. A war ministry spokesman said that the Germans are under counter attack by French air forces and

French Port of Bordeaux Rather

Than Genoa

"non-belligerency."

and planes then began.

German columns will be "rounded up shortly." Major Allied and German forces came into contact last night between Antwerp and Na-Ty mur along a line that runs roughly least of Louvain to Gembloux and Namur, opening a second large scale battle concurently with the conflict still raging along the Meuse, a general staff spokesman said today.

The northern sector front now lies between the Scheidt River at Antwerp and the Meuse at Namur, GENEVA, May 16: (CP)-The Un- a distance of some sixty miles. Ger-LONDON, May 16: (CP)-An of- ited States consulate has been in- man forces, hurled against this line, structed by Washington to advise were repulsed at all points, the Americans leaving European coun- spokesman declared.

tries for home to concentrate at On the front between Namur and ter hard fighting, had successfully Bordeaux instead of Genoa, appar- Sedan, German motorized divisions ently lest Italy should abandon thrust forward from several bridgeheads established by them on the left bank of the Meuse, moving ahead without supporting infantry. Regarding this sector, the High command's morning communique said the battle has "assumed character of a war of movement with motorized and air forces participating on both sides." In the highest interest of the conduct of operations, no precise information on ac-BELGRADE, May 16: (CP) - tions in progress can be given at

Yugo-Slavia is reported reliably to present." In Belgium Liege forts are still have sounded out Greece on what On all fronts the Germans are

holding out. All along the line be- assistance the Greeks might give now being held with enormous loss-Meantime it was reported from

the British Expeditionary Force in fledged war movement develops, and a general battle involving Ger- Belgium that hand-to-hand fight-Heavy Allied counter attacks con- man and French tanks, infantry ing of the fiercest kind swept through Louvain this morning as Unless resistance from Brussels is A military spokesman said it was picked troops counter - attacked discontinued, the Germans have possible the German motorized col- three times to throw out the Gerthreatened to bomb the Belgian umns had advanced fairly deeply mains who gained a foothold on into the French defences but he the eastern fringe of the town. In Paris admits that the Germans said, they were not backed by large late afternoon the British were busy have succeeded in getting thirty infantry forces since the German digging in after a day of furious ton tanks across the Meuse River. infantry was engaged by the combat in which an early German advantage was overcome. Germans the Germans threw even greater had withdrawn outside the town

> Sedan, making the greatest effort King Leopold issued a proclamaday urging them to "resist to the Brusse's unless troop movements

which had made every effort to service, left today for the south. German motorized units yester- preserve its neutrality, would con- Mrs. Bryant will leave on the Prin-

Resolute, 40,000, 9.6c and 7.5c, new situation the French had Allied Planes Effective In Breaking Up Enemy Tank And Iroop Concentrations In War

LONDON, May 16 .- The Air Ministry announced that 150 Allied planes attacking German formations in the Low Countries broke up large tank and troop

A Reuters' despatch announces that the Germans