

The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

PRINCE RUPERT, B.C., SATURDAY, MAY 18, 1940.

PRICE: 5 CENTS

Weather Forecast

Prince Rupert and Queen Charlotte Islands—Fresh southeast to south winds, unsettled and cool with occasional rain.

Tomorrow's Tides

High 11:50 a.m. 19.8 ft.
23:54 p.m. 22.3 ft.
Low 5:40 a.m. 2.8 ft.
17:46 p.m. 4.9 ft.

XXIX, No. 118.

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"Situation Favorable" Says Paris

German Attacks Are Slowing Up, Possibly Because Of Air Action Pushed Against Enemy By Allies

Slight Progress Being Made Around Virvins—Thrusts Around Sedan Stopped Dead—"Strategic Movement in Belgium"

PARIS, May 18: (CP)—A French military spokesman said tonight that "the general situation today is favorable." North of the Sambre River in Belgium a "vast strategic movement" of the Allies continues without being hampered by German pressure. Between the Sambre and Aisne Rivers in northeastern France hard fighting is taking place around Avesnes and west of Verdun but German attacks are being repulsed as violent as yesterday. A spokesman said it is possible the Germans are facing difficulties because of Allied air activity.

Despite fury of the Nazi assault in two main areas—around Avesnes and in Virvins—sector—the Germans have made only slight progress, the spokesman said. Less powerful thrusts in the Sedan area to the west and against the fortified position of Montmedy have been stopped dead.

In Northern Belgium, the Allies' attack was described as a "strategic movement," evacuating the Dyle River line and taking the Germans were then driven to enter Brussels. The spokesman said the withdrawal has been carried out without being particularly hampered by the Germans and in conformity with a general strategic plan of the Allied High Command which remains absolute master of the situation.

Earlier in the day the German Command threw three thousand tanks into a tremendous attack against Allied lines between the Sambre River and Sedan.

French military spokesman, describing the German drive, said the French ground troops, standing on their own soil "conquer or die" and pouring thousands of tons of bombs and shells into enemy armored columns.

Reprise of German attacks in the Province by Belgian troops was announced in official Belgian communiqués with heavy losses inflicted on the enemy.

London an authoritative spokesman declared the situation of Allied troops on the western front "is very serious but certainly not worse and possibly a little better than yesterday. The German advance in the "Battle of the Sambre" in Northern France, the spokesman said, "has very much slackened, perhaps only temporarily, but exhaustion of German troops taking part in the operations is apparent."

Antwerp Abandoned
A German News Agency claim that German forces had entered Antwerp was confirmed from Allied sources. An official Belgian communiqué tonight confirmed abandonment of Antwerp. Forts Liege and Namur, however, although surrounded by German troops are "continuing their heroic resistance," the announcement said.

SEAMEN ARE NEEDED
LONDON, May 18: (CP)—It is announced the Admiralty is unable to establish a general scheme to leave to men for farm duties planting time and harvest in Britain.

NOW HERE'S AN IDEA
DAVENTRY, Eng., May 18: (CP)—This Northamptonshire town has set for \$17.80 for Red Cross funds for German guns captured in the West Front.

Bulletins

CHURCHILL AND CHAMBERLAIN

LONDON — Prime Minister Winston Churchill has written to Former Prime Minister Neville Chamberlain expressing hope that that the latter will continue in the leadership of the Conservative Party which Mr. Churchill says he will be unable to assume himself although a member of the party.

STOP FIFTH COLUMN

VICTORIA—Premier T. D. Pattullo said yesterday that fifth column activities in British Columbia would be discussed by him when he visits Ottawa next week. Mayor Telford of Vancouver and Mayor Hume of New Westminster are strong behind the move to take precautions against possible alien sabotage. A home defence corps, which might also be useful against parachutists, is being considered.

PROGRAM APPROVED

WASHINGTON—Taking speedy action, the Senate appropriations sub-committee yesterday approved President Roosevelt's \$1,600,000,000 preparedness program. Former President Herbert Hoover agrees with the need for speedy action.

PASS GIBRALTAR

GIBRALTAR—Two Italian liners—the Rex inbound from the United States and the Comte de Savoie outbound — passed Gibraltar yesterday without being stopped by the British contraband control. This is taken by some as an indication of easing up of relations between Italy and Great Britain.

FOEIGNERS EJECTED

BUCHAREST — All foreigners without working permits have been ordered to leave Roumania at once or be interned. Some ten thousand persons are affected.

MOSCOW TO BERLIN

MOSCOW—The Soviet government has sent a note to Berlin bespeaking Reich influence in preserving the status quo of Jugoslavia.

BRITAIN AND RUSSIA

LONDON—Informed persons report that the British government, reinforced by inclusion of Liberal and Labor elements, is seeking a "new and more friendly" approach to improving relations with Russia.

WHEAT PRICES PEGGED

WINNIPEG—J. T. Irving, assistant secretary of the Winnipeg Grain Exchange, announced today that wheat futures on the Winnipeg market had been pegged at yesterday's closing quotations. He said that the action had been

CABINET SHUFFLE

Premier Reynaud Takes Over Personal Direction of War—Marshal Petain Named Vice-Premier

PARIS, May 18: (CP)—Premier Paul Reynaud today announced a shake-up in French diplomatic posts to give "new direction to French policy abroad."

Reynaud himself takes charge of the war ministry, naming Marshal Henri Petain, hero of Verdun, as Vice-Premier.

Former Premier Edouard Daladier is made foreign minister. George Mandel is named minister of the interior.

Louis Rollin is minister of colonies and Leon Baret, minister of commerce.

In a broadcast address, announcing the cabinet reorganization, Reynaud said the military situation was "grave but not desperate."

TODAY'S STOCKS

(Courtesy B. D. Johnston Co.)

Vancouver	
Big Missouri, .08	Bralorne, 8.50
Cariboo Quartz, 2.15	Dentonia, .01½
Fairview, .01	Gold Bell, .20
Hedley Mascot, .35	Minto, .02½
Noble Five, .00¼	Pend Orielle, 1.07
Pioneer, 2.10	Premier, .95
Privateer, .50	Reno, .22
Relief Arlington, .05	Sheep Creek, .95

Oils

A. P. Con., .10	Calmont, .25
C. & E., 1.32	Freehold, .02½
Home, 1.51	Royal Can., .16
Okalta, .75	Mercury, .03½

Toronto

Aldermac, .16½	Beattie, .95
Central Pat., 1.90	Cons. Smelters, 32.00
East Malartic, 2.90	Fernland, .02
Francouer, .28	Gods Lake, .32
Hardrock, .67	Int. Nickel, 30.25
Kerr Addison, 1.95	Little Long Lac, 2.10
McLeod Cocksutt, 1.40	Madsen Red Lake, .30
McKenzie Red Lake, 1.05	Moneta, .55
Noranda, 55.75	Pickle Crow, 2.55
Preston East Dome, 1.69	San Antonio, 1.70
Sheritt Gordon, .67½	Uchi, .40
Bouscadillac, .03¼	Mosher, .05
Oklend, .04½	Smelters Gold, .00½
Dominion Bridge, 25.00	

taken at the request of the Dominion government after prices had dropped as much as 23c per bushel following Germany's invasion of the lowlands. May wheat was quoted at 70½c at yesterday's close.

REPORT ON RAILWAYS War News

Co-Operation is Cure for Grave Transport Ills

OTTAWA, May 18: (CP)—Overlapping of rail and highway transportation facilities has become so grave a problem that it "constitutes a menace to the financial solvency and to the economic well-being of Canada," the Royal Commission on Dominion-Provincial Relations declared in its report yesterday.

The question, the commission said boiled down to one of establishing and maintaining co-operation between the Dominion, which has jurisdiction over railways and the provinces, which regulate the highways.

"The present division of powers may easily lead to chaos unless the policies of the Dominion and the provinces can be co-ordinated."

"But, given a disposition on the part of the various governments to co-ordinate their controls over transportation and their financial aid, so as to leave to each type of transport a chance to perform on remunerative terms those classes of service which it is best adapted to perform, the Canadian transportation problem may not be insoluble," it stated.

The form that co-operation should take depended on what agreement can be reached but a fundamental necessity was "continuous and comprehensive planning of the whole field of transportation," by a special body set up for the purpose.

The provinces might adopt substantially uniform controls over highway carriers, co-ordinating this with Dominion control over railways; or jurisdiction to control highway carriers might be transferred to the Dominion, the commission suggested. The first method was recommended by the Duff Commission in 1932.

"The fact remains that the interests of the Dominion government as the trustees of the national interest in railway transportation and of provincial governments as the trustees of provincial interests in highway investment, are to some extent competitive and there is no assurance that the regulatory authorities of the Dominion and provinces will co-operate or respect each other's interests."

Railways Necessary

The alternative was a common transportation authority but it was felt jurisdiction over motor carriers would have to be extended to that authority only to the extent of granting franchises to operate and regulating services performed and rates charged. Other matters, might better be left to the provinces.

The commission recognized the highway and the motor vehicle as "a highly efficient agency of transportation" but contended that trucks are usable for only certain kinds of traffic.

"Railway freight services remain indispensable to the Canadian economy and must be supplied. This is an unchallengeable fact which cannot be overlooked in the consideration of this question," it said, noting that trucks compete chiefly in merchandise traffic.

This new competition not only divided tonnage but destroyed the rate structure on which the railways depend for their revenue.

"The provinces are now engaged in developing means of transportation which may destroy the possibility of solvent operation of the railways; and there is the likelihood that over-investment in transportation facilities which in the past, through too lavish provision of railway facilities, imposed so heavy a burden upon the Canadian economy, may be duplicated, perhaps upon an enlarged scale, in the highway development now taking place."

HITLER'S PEACE OFFER

LONDON—It was reported both here and in Berlin today that Chancellor Adolf Hitler is about to make a peace offer on terms that France detach itself from Great Britain. In Paris it was said in official quarters that any such approach would be immediately rejected and that France would fight with Great Britain until the end.

KING AT WAR OFFICE

LONDON—King George visited the War Office yesterday and studied war maps and plans in France and Flanders. Later His Majesty received Prime Minister Winston Churchill at Buckingham Palace.

AUSTRALIAN PREMIER

CANBERRA—The arrival of another division of Australian troops in Egypt yesterday again proved British sea mastery, declared the Prime Minister of Australia yesterday. "We were by Britain's side when the war began and we are still with Britain in the hour of crisis," he declared.

IN NORWAY

NARVIK—The Allied forces continue successful action with a view to recapturing Narvik for the Norwegians. German troops have retreated from certain points.

WHAT MOSCOW THINKS

LONDON—A dispatch to the Evening Standard from Moscow reports the opinion of a Moscow newspaper that the imminence of United States entering the war on the side of the Allies has prompted Chancellor Adolf Hitler to speed up the offensive on the western front.

GOEBBELS MIXED UP

LONDON — The British Air Ministry suggests that the German radio, in claiming that 1500 Allied planes have been brought down, had figures mixed with its own losses.

INVASION UNJUSTIFIED

PANAMA—Twenty-one American republics today declared "unjustifiable and cruel" the invasion by Germany of Belgium, Holland and Luxembourg. A protest has been prepared for delivery to Germany against the attacks on those three countries.

GUARD AGAINST SABOTAGE

LONDON—All government offices, headquarters of the British Broadcasting Corporation and key positions throughout Great Britain were placed under armed guard today against possible sabotage by fifth columnists or parachutists.

SPEED UP WAR

OTTAWA—Speeding up of the war effort and plans for civil re-establishment after the war were urged by Hugues Lapointe, Lotbiniere, Quebec, and James Sinclair, Vancouver North, on moving and seconding the address in reply to the Speech from the Throne yesterday. Hon. Norman Rogers, minister of national defence, was given an ovation on entering the House following his trip to England and France.

Major and Mrs. E. L. McKay sailed last night on the Princess Adelaide for Vancouver. Major McKay has been in charge of the District Supply and Transport Office of the local garrison area for the past few months.

ALLIES HOLDING WELL AGAINST JUGGERNAUT OF NAZIS IN FRANCE

Hitler Continues Attempt to Bring War to Speedy Culmination With Blitz Drive Toward Paris—Is Working Against Exhaustion

LONDON, May 18: (CP)—While certain further withdrawals have been made to conserve strength and consolidate defence positions in the face of Hitler's lightning drive to bring the war to a speedy culmination before certain vital resources in the Reich become exhausted, the Allies, according to today's war reports, are withdrawing effectively the mighty Nazi mechanized juggernaut in the most terrific and desperate test of armed strength the world has ever seen. Enemy attacks, a Paris statement today declared, have been definitely stemmed, for the present at least, eighty-five miles north of Paris as heavy French reinforcements are being moved up to the front between Avion, Avesnes and Verdun.

In a battle unparalleled in history, mechanized monsters clash with seemingly endless waves of machine gun attacks under a rain of thousands of tons of aerial bombs. The Nazis, it is estimated, are using a least one-half of their entire tank strength in their desperate bid for a blitzkrieg victory by a thrust at Paris, the heart of France. For such gains as the enemy have been making, the Germans have continued to pay dearly in material such as mechanized equipment and tanks and men, declares the Belgian foreign minister.

At one point alone the Allied halted an advance of three thousand German tanks. Resisting the repeated heavy tank attacks, lightning counter-attack after counter-attack have been launched by the French forces while the Allies evidently co-ordinated their plans for one enormous counter-attack to smash the German offensive.

Formidable results continue to attend the attacks of the British Royal Air Force on strategic points in Germany, especially Cologne and Hamburg. In an air engagement over France the Royal Air Force drove off eleven German bombers after bringing down nine, the British suffering not a single plane themselves. British pursuit planes over France alone, since the present battle commenced, have brought down 159 planes including twenty-one yesterday.

While land guns and aircraft have succeeded in downing many enemy aircraft, heavy damage has been done by the Royal Air Force to enemy lines of communication and troop concentrations behind the lines. The fierceness and effectiveness of the air attack has focused the enemy to complain further about civilian bombing and to threaten recriminations by way of air attacks on open cities and towns in England and France.

With battle along the Dyle defence line in central Belgium now in progress, the British War Office announced last night that British troops had withdrawn to positions west of Brussels but stated "there is no question of collapse or break through in this sector." Many operations have been successful and all withdrawals being made by the Allies are purely strategic, carried out in a normal and orderly way, with a view to meeting enemy moves.

A British spokesman last night admitted that the situation was serious but not critical or catastrophic and there was no cause for dismay. The need for courage and determination was stressed.

What Berlin Says

In Berlin it was claimed today that the Germans had marched into Antwerp, that two Zealand Islands had been surrendered by the commander with 2000 Dutch and French soldiers being taken, that two Allied divisions had been

HANSON IS GRIT WHIP

Is Third Parliament In Which Local Member Has Served In This Post

OTTAWA, May 18: (Special to Daily News)—Olof Hanson, M. P. for Prince Rupert, last night was unanimously chosen Liberal whip for British Columbia at a caucus of the ten government supporters elected to the House of Commons in the recent general election.

The motion for the re-election of Mr. Hanson was made by Thomas Reid, New Westminster, and seconded by Alan Chambers, new member for Nanaimo.

Selection of the Prince Rupert representative marks the third Parliament in which he has been chosen for the post since his entrance into the House of Commons in 1930.

WEDDED AT ALDERSHOT

Capt. Fred Kergin Married on May 13 to Mmie. Susanne Speleers of Antwerp

Announcement has been received in the city of the marriage at Aldershot, England, of Mmie. Susanne Speleers, only daughter of M. and Mme. W. M. Speleers of Antwerp, Belgium, to Capt. Frederick G. Kergin F.R.C.S. (London) of the Royal Canadian Army Medical Corps. The ceremony took place on May 13 and Capt. and Mrs. Kergin are now residing at Aldershot. The groom is the younger son of Dr. and Mrs. W. T. Kergin, formerly of Prince Rupert, and one of this city's best known pioneer boys. He has already distinguished himself in the medical profession. News of the marriage will be received with much interest here.

GOING STRONG, ANYWAY

WETHERDEN, England, May 18:—With the slogan "Onions are Bullets" the 431 inhabitants of this Suffolk village have started an intensive campaign to make the place self-supporting in vegetables.

smashed in Northern France along the Sambre and Oise Rivers, that there had been further advances south of Sedan. The Germans admitted losing twenty-six more planes in action in France. They complained of the air attacks on Hamburg particularly, claiming that the British bombs had killed twenty-one civilians and wounded fifty others.

The French Admiralty in Paris officially declared "untrue" German claims of having sunk one French destroyer and damaging a cruiser and a merchant ship by aerial attack off Dunkirk, Belgium.