PROVINCIAL LIBRARY VICTORIA, B.C.

Weather Forecast

Prince Rupert and Queen Charlotte Islands— Fresh north to northeast winds, cloudy and cool with some light rain or sleet.

The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

Tomorrow's Tides

High ..... 5:32 a.m. 18.0 ft.
18:58 p.m. 15.2 ft.
Low ..... 12.32 ap.m. 6.9 ft.

Vol. XXIX., No. 64. PRINCE RUPERT, B.C., FRIDAY, MARCH 15, 1940. PRICE: 5 CENTS

Provincial Library, 31 March 40, Parliament Buildings

Economic Warfare Being Extended

Allies Are Moving To Meet Fresh Threat Of Totalitarian Countries

Tightening Hold on Foreign Exchange—Marshalling Resources of Colonies—Preventing Germany From Selling Securities

LONDON, March 15: (CP)— Great Britain has brought three new weapons into the economic front line to meet the threat of the German-Russian-Italian bloc aimed at capturing her trade. To tighten her hold on foreign exchange Great Britain has banned the private importation of canned and bottled fruits. To organize Anglo-French colonial co-operation, Dominions Secretary Malcolm MacDonald will confer in Paris soon with Georges Mandel, French minister of colonies. To end large scale selling in Great Britain of securities, chiefly negotiable bonds on behalf of German interests, the Stock Exchange has warned members to "exercise the greatest caution in accepting and executing orders." These moves coincided with reports in Belgrade that German Foreign Minister Joachim von Ribbentrop had suggested to Italy the formation of a German-Italian-Russian economic bloc "with all small nations between these powers."

HOTEL FIRE— THREE DEAD

Avonmouth Hostelry in Toronto is Destroyed Early This Morning

TORONTO, March 15 (Canadian Press)—Mrs. Nellie Gibson of Toronto, James Hart of Toronto and Donald Chester of Richmond Hill, Ontario, were burned to death in a $40,000 fire in the Avonmouth Hotel here early this morning. Ten persons were injured.

MUNICIPAL FINANCES

Satisfactory State of Affairs Indicated in Auditor's Report

The annual report of the auditor of the finances of the city shows that there had been a capital issue on water main replacements up the end of December of $28,288, financed from a Dominion government loan of $40,000 at two per cent interest.

Arrears of taxes at the end of the year were $313,636. The percentage of 1939 taxes paid was 82.8 and local improvement 31.1. This was better than the previous year. Arrears of taxes paid in 1939 amounted to $27,423 of general taxes and $46,714 local improvement. This included $40,000 paid by the provincial government on account of arrears due on properties held by them.

There seems to be considerable outstanding money on water, scavenger and teleprone accounts, the total amounting to $10,165.

There is a sum of 332,626 due to the sinking fund but to offset this there is a balance due the city on

(Continued on Page Two)

NO PEACE EXPECTED

Allies Show Little Disposition to Accede to Overtures on Berlin, Moscow or Rome Terms

LONDON, March 15—With the Russo-Finnish conflict over, there was renewed talk of peace in Europe today but it centred in such capitals as Berlin, Moscow and Rome and there appeared little likelihood of any terms being proposed which would be acceptable to the Allies. It was said in London today that odds were 1000 to 1 against any negotiated peace being reached at this time.

The Daily Express today published a dispatch stating that Chancellor Adolf Hitler of Germany and Dictator Joseph Stalin of Russia were contemplating the possibilities of a "blitz" peace drive and that German Foreign Minister Joachim von Ribbentrop would shortly visit Moscow in that connection.

Co-incidentally from Rome reports that Premier Benito Mussolini would launch a peace offensive in April on the possible basis of altered and more moderate German war aims.

There is nothing, however, to indicate that the Allies have any intention of relaxing their war aims and for that reason there appears to be little likelihood of any peace negotiations at the present time meeting with success.

Western Front Is Quiet Again

Only Light Artillery Action Along Rhine River Yesterday

PARIS, March 15.— Except for some light artillery action along the Rhine, it was quiet on the Western Front today. Stormy weather held fighting down to a minimum of patrol activity and held aircraft on the ground. There were some skirmishes in the Vosges Mountain area. The French denied that the Germans had taken fifteen prisoners in an ambush but admitted two soldiers were missing. Warfare on sea is also quiet today.

LIBERAL GOVERNMENT WAR EFFORT—
September 1st—8600 Permanent Force
September 10th—45,000 soldiers under arms
TODAY, SIX MONTHS LATER—
70,000 Active Service Force
9,000 Royal Canadian Air Force
6,000 Royal Canadian Navy
VOTE FOR HANSON
Skeena Federal Liberal Association of Prince Rupert, B.C.

AS WELLES MET ADOLF

Der Fuehrer Sat Under Bust of Bismark—No Designs on Western Hemisphere

BERLIN, March 15.—During his recent meeting at the Chancellory with Sumner Welles, Under Secretary of State for the United States and fact-finding American envoy, Chancellor Adolf Hitler sat under a bust of Bismark. Foreign Minister Joachim von Ribbentrop introduced Welles to Der Fuehrer. Alexander Kirk, United States charge d'affaires, accompanied Mr. Welles on all his visits to German leaders including, besides Hitler and von Ribbentrop, Vice Chancellor Herman Goering and Rudolph Hess.

When Mr. Welles left Berlin for Lausanne, Switzerland, where he spent a few days before proceeding to Paris and London, German Foreign Office and United States embassy officials gathered at the train to see him off. During the train journey to Lausanne, Welles passed through part of the Western Front. At Lausanne, the envoy spent most of his time at a hotel preparing reports on his trip up to that stage.

Hitler, it has become known, assured Welles that Germany had no designs on the western hemisphere. It was resolved, however, on an ending of British and French domination and the setting up of a Germanic "Monroe Doctrine" in Europe. Nothing was said of mediation in the war.

Bulletins

CHARLOTTE, South Carloina—Six persons were killed and nine injured, several critically, when an early morning fire swept through Guthery Apartments here. The dead include four women and a child.

MEDICINE HAT WRECK

MEDICINE HAT — Eleven persons were injured in the collision of a Canadian Pacific train on the main line near here early this morning. Cars telescoped and a mail car and contents burned.

MASTER MARINER DIES

VANCOUVER— Capt. George B. Shepherd, veteran master mariner of the coast, died here yesterday at the age of 70 years. He had been here for 45 years.

TRAIL WINS

TRAIL— Trail Smoke Eaters went one game up in the West Kootenay Hockey League playoffs last night by defeating Nelson Maple Leafs 4 to 3. The Smoke Eaters have now won two games and Nelson one.

SWEDEN BUYING PLANES

NEW YORK—A Swedish purchasing delegation now in the United States is making arrangements to buy 144 pursuit planes at a price of ten million dollars The United States Department of the Navy is also being interviewed.

CAPT. HEWISON DIES

VICTORIA—Word is received here of the death in Shetland Islands where he had been living for years in retirement of Gapt. J. M. Hewison, formerly of the salvage ship Salvage King. One of his important jobs was the salvage of the steamer Prince Rupert at Swanson Bay twenty years ago.

POLICE SHOOTING

VICTORIA—In a provincial police markmanship contest, Victoria division was the winner. Nelson was second and New Westminster third.

Trawler Sinks German U-Boat

LONDON, March 15 — An armed British trawler, after a thrilling seventeen hour running battle, finally sank a German submarine off the northeast of Scotland in the North Sea, the admiralty announced last night. The trawler first damaged the submarine with a depth charge and chased the U-boat with an exchange of gunfire. The engine room crew worked in water knee deep as they stepped the vessel's speed up from normal fifteen knots to eighteen-and-a-half to carry on the pursuit which culminated in a final salvo after which the submarine settled down and a dense oil patch appeared. There were no survivors. Battered and damaged, the trawler finally returned safely to her base. The engines had shifted five inches it was found due to the strain and it had been a narrow escape for the crew. Capt. Harry Westernden has been awarded the Distinguished Serving Order.

War Contracts In Past Week

Orders for Week Ending Last Saturday Totalled $3,500,000

OTTAWA, March 15 (CP)—The War Supply Board today approved contracts with a total of $3,500,000 during the week ending March 9th.

ANOTHER SCUTTLE

Big German Steamship Suicides Rather Than Submit to Capture by British

LONDON, March 15—The German steamship La Coruna, 7414 tons, was scuttled on Wednesday when intercepted by a British warship. The crew was rescued. The broken and blazing hulk was finished off by guns from British warships to remove a menace to navigation.

The vessel, which had left Rio de Janeiro on February 23 with the evident intention of endeavoring to use Norwegian territorial waters in the attempt to reach Germany, was the third German merchantman to be put out of action by Allied patrols this week.

Secret Session Of French Senate On Conduct Of War

PARIS, Mch. 15 (CP)—The Senate voted unanimously yesterday to go into immediate secret session to hear Premier Edouard Daladier explain conduct of the war to date. There ensued a three-hour session in which former Premier Pierre Laval and four senators fired questions at the administration on war matters The debate continues today with a vote expected tonight.

BAR GOLD

LONDON. (CP)—The Montreal price of bar gold on the London market was unchanged today at $37.54 per fine ounce.

War News

FINNS EVACUATE

HELSINKI—One hundred thousand Finns, by trains, trucks, sleighs but many on foot and driving their stock ahead of them, are on the march from the areas which have been ceded to Russia, choosing to cut new homes for themselves out of the interior of the country rather than be subject to the tyranny of Stalin and the Soviet. They are struggling through heavy blizzards and freezing temperatures. The Russians staged a "glorious" march of victory into Viipuri today to "liberate" the Finns but they found the city in a shambles with less than one per cent of the population there and those about to leave. The island of Hanko is also being evacuated and Russian troops, in accordance with the peace treaty, are withdrawing from the Petsamo area. President Kyosti Kallio today submitted the Russo-Finnish peace treaty to the Finnish Parliament and it was formally ratified.

WAR POTENTIAL DEPLETED

LONDON—It is estimated that Russia, as a result of the Finnish campaign, has exhausted one-third of its war potential for the time being at least. This will affect the aid that Russia may be able to give Germany in the war against France and and Great Britain.

RESTRICT IMPORTS

WASHINGTON—Lord Lothian, British ambassador to the United States, issued a formal statement today from the embassy declaring British restrictions on imports to Great Britain of certain United States products solely as a war measure and "not in any way intended to cause a permanent diversion of trade." Negotiations by the Allies for purchase of additional thousands of United States war planes were suddenly suspended today. The move is believed to be connected with a forthcoming congressional inquiry into sale of airplanes to belligerents. Meantime it is reported that the Allies are negotiating with United States for purchase of $100,000,000 of powder, shells and high explosives.

TO FREE CZECHS

LONDON—Speaking on the occasion of the annexation of Bohemia and Moravia by the Reich, Foreign Secretary Lord Halifax assured CzechoSlovakia that the Allies were firmly resolved to restore the freedom of that country and there would be no peace until this aim was accomplished. Meanwhile, on orders from Berlin, stores and factories in Prague and elsewhere were closed to celebrate the anniversary. Vice-Chancellor Herman Goering called on Germans to give to the state everything they could spare in the way of bronze, copper and lead articles as a means of offsetting the Allied campaign to starve the Reich metallically.

SUPREME SOVIET COUNCIL

MOSCOW—The Supreme Soviet has been called into session March 29 to approve the Russo-Finnish treaty, to authorize the new republic to include newly won territory.

MORE ACTION DEMANDED

PARIS—The newspaper Le Temps joined yesterday in what seems to be a growing demand for more decisive action against the enemies of the Allies. The newspaper said that the time had come to end the policy of economic siege and to launch a grand offensive against Germany.

DALADIER IS ENDORSED

PARIS—The Daladier war effort was given a 240 to 0 vote of confidence by the Senate today after a two-day secret session.

ATHENIA CASE

NEW YORK—The Donaldson-Atlantic Line, owners of the liner Athenia, sunk off the Irish coast on the first day of the war, supposedly by a German torpedo, are seeking an order out of federal court here exonerating them from responsibility and asking that, if any liability should be attached, it be limited to $200,000. It is announced that 100 damage claims have been made amounting to $732,000.

ALBERTA RESULT MAY BE DELAYED IF VOTES CLOSE IN POLL FIGHT

With "PR" and "STV" Systems in Provincial Election March 21 Tabulations Take More Time

By LORNE BRUCE
Canadian Press Staff Writer

EDMONTON, March 15: (CP)—Close contests in the March 21 Alberta general election could delay final results for several days and it might be a week before Albertans know what party will form the new government. Under the single transferable vote method in the 47 single-member ridings and proportional representation in the five-member constituencies of Calgary and Edmonton, numerous counts are possible. S.T.V. provides for recounts until one candidate has a majority and under P. R. the ballots are reallocated until candidates have reached a quota depending on the total vote.

Since S.T.V. and P.R. replaced the "X" method of voting in Alberta in 1926, there has been little delay because the winning party in all three general elections was chosen with a decided margin. Most of the candidates were elected on the first count. In 1926 there were 17 recounts in rural ridings, in 1930, seven, and in 1935, 10.

For Second Count

The first count usually is completed as quickly as in other provinces where the "X" system is used. But before a second count is made in Alberta, all ballot boxes must be shipped to a central point in each constituency where the returning officer is stationed. The count cannot begin until all boxes are received.

Thus the second count will not begin until the next day at the earliest. Ballot boxes from isolated spots in the large constituencies in Northern Alberta were not received by the returning officers for 10 days and more in 1935.

The day following the 1935 general election, final results had not been obtained in 20 ridings and four days later 10 were still in doubt. It was two weeks before all were received. However, the Social Credit landslide had given enough candidates for that party majorities on the first count and established which party had won the election.

In Calgary and Edmonton in 1935 the election of two or three candidates was known election night. In Edmonton 23 counts were needed and counting was not completed until 60 hours after the polls closed. In Calgary, where there were 18 counts, the counting was finished 18 hours after the polls closed.

TODAY'S WEATHER

General Synopsis— A moderate depression is centered southeast of Vancouver Island and the pressure is relatively high over the State of Idaho. The weather is unsettled throughout this province with rain on the coast and sleet over the interior.

West Coast and Vancouver Island—Strong southeast winds or moderate gales. Unsettled and mild with rain.

RESULTS DELAYED

Dominion Elections Act Forbids Early Publication or Broadcast of Returns Where Polls Still Open

OTTAWA, March 15 (CP)—Election returns, flashing over Canadian Press coast-to-coast wires on Dominion election night, March 26, will lie unpublished in newspaper offices for varying times because of a new rule against publication or broadcast of returns in any province before its polls are closed.

The rule aims to prevent returns from the eastern part of the country influencing voting on more westerly sections where the polls close later because of Canada's four time-zones.

Polls close at six o'clock local

(Continued on Page Five)

Was Up To Finland To Seek Help

LONDON, March 18 (Canadian Press) — Criticisms of Rt. Hon. David Lloyd George and Rt. Hon Leslie Hore-Belisha were heard after Prime Minister Chamberlain had told the House of Commons, in describing the Russo-Finnish settlement, that it "always had been understood it was for the Finnish government to decide the course of action it considered best suited to their interests in the light of all available knowledge. As I informed the House on Monday we had made preparations to throw the full weight of all available resources into the scales on hearing that this was in accordance with the wishes of the Finnish government."