HEARS ABLE SUMMATION

Presidential Report of McAfee - Industries and Activities Re & Stote of Warning

"The year 1941 was one "The year conomic progress of Prince Rupert," said the repair of Commerce last night. "This satisfacto." dition has been dition has been nade possible by three things, all veloping logically rom the central factor of war. Recognition of this area a strategic defense point has is of as high a standard as anyto the expenditure of large where in Canada. ims of public monies on defense "The city for some years !las suffered from a housing shortage

behind schedule.

"Some criticism of the building

must be remembered that it

first and foremost a part of the

some revenues which it might not

otherwise obtain. A good deal of

permanent improvement has been

secured and at no time should pri-

sanitary inspector was urged on

it is hoped that, in due course,

Traffie Conditions

"The city was asked to improve

"A resolution was forwarded to

an increase in rowdiness and dis-

order on the streets at night and

instances of wilful damage to pri-

mittee was appointed to bring the

matter to the attention of various

authorities with a view to im-

"A request from the Museum

Board for support in their appli-

cation for new quarters was en-

"In view of the greatly in-

creased sale of tax reverted lots,

the city was asked to establish a

reasonable policy covering such

"Postal authorities were request-

ed to improve the wicket facilities

at the Post Office in order to re-

lieve the congestion at certain

hours brought about by the in-

Fisheries Problems

discuss with representatives of the

fishing industry problems relating

to the fisheries. Full data is now

being gathered and a report will

secure the appointment of a per-

manent radio inspector for the

Continued on PAGE FOUR

"Vigorous efforts were made to

be forthcoming at an early date.

"A committee was appointed to

crease in population.

provement.

some of these briefly.

piects. Gradually expanding to s full productive power, the lo-I shipbuilding industry has now payroll approximating \$160,000 onthly. The insatiable demands war have meant a stepping up, to remedy this situation, appeal intensification of effort, in our rimary industries.

But I feel that it is my duty to arn the members of this chamer that there is no guarantee of ermanency in any of these ings. It is our duty to give some ought now to the nature of the oblems which will inevitably nfront us in the transition from ar to peace-time economy. "The city's financial position has

mproved noticeably during 1941. ax collections at 90 percent of he levy reached an almost unrecedented high. A considerable mount of reverted property was old during the year. An amount \$18,000, incurred as a loan for nemployment relief in 1932, was epaid the government. In 1940 e total cost of relief in the city as \$16.597.60. In 1941 this cost opped to \$10,911.67, and it should taken into account that an inease of 10 percent to individual cipients was made effective last ctober. It is considered that ose receiving assistance at the esent time are largely in the tegory of unemployables.

"Building permits for 1941 reach- ment in sanitary conditions. An a total of \$347,848, compared th the 1940 figure of \$62,494. building program included items as Wartime Housing, National Defense transport pot, and military hospital; but ish Columbia. is noteworthy that about \$100,of permits were issued to prite concerns and individuals.

Business Improved

por! set a new record high at put in place; that there be stricter 50,502, compared with \$223,410 enforcement of traffic bylaws, and 1940. Wholesale and retak that the police force be augsiness in the city largely bene- mented. Following a conference ted from improved conditions. with the Attorney-General and ollections generally were good. the Commissioner of Police, it was ere was a marked increase in agreed to add to the force and to nking transactions. Coastal send Inspector Hood to Prince assenger and freight traffic was Rupert for the purpose of carrying good volume through the year, out a survey of traffic conditions. While the decennial census The survey was duly completed ves Prince Rupert a bare 400 in- and forms the basis of changes to ease in population over 1931, the be effected by means of a new byure 6644 established by the cen- law now under consideration by is misleading. It does not the city. into account to any extent embers of the armed forces and been given to the desirability of ny others who work in the city improving road conditions between were of necessity considered the city and Seal Cove, with partiiciled elsewhere by the cen- cular regard to Sixth Avenue East. takers. It is estimated that So far no decision has been reachpopulation of our city at the ed. The matter is in the hands of a special committee. esent time is not far below 9000. 'From the beginning of the year namber worked from the deep the Post Office site on terms satisfactory to the city. nviction that the facilities offed by the Canadian National's ince Rupert dry dock and ship- of the Chamber that there was rd should be utilized to the full extent, not primarily with w to benefitting the city but vate property were cited. A comth a view to contributing ou aximum effort to the replaceent of shipping losses. You wi call the grave emergency creed by the serious loss of tonnage ffered by the Empire from 16eated enemy attacks at sea. Folving the spring announcement at the government was about to vard contracts for 10,000-ton erchant vessels on the Pacific ast, strong representations were ade by letter and telegram to C. D. Howe, R. C. Vaughan Olof Hanson urging that ince Rupert participate in the ogram. Confirmation that such ips would be built here was re-

ved with satisfaction. Shipyard Plays Part

Shipbuilding has become Brit-Columbia's leading war indusand it is gratifying to feel that local shipyard is playing its There has been criticism fered from time to time of meand policy. Some of this iticism has been fair, some unbut I have been assured that work turned out in this yard

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PRICE: FIVE CENTS

11:05 a.m. 22.1 ft.

17:51 p.m. 2.6 ft.

omorrow's Tides

and it was recognized that, unless More Thousands of Japanese Cassters were taken to alleviate this ualties as Battle of Chungcondition, no industrial expansion sha Ends. could take place. In an attempt

CHUNGKING, Jan. 13: - The was made to the government and Chinese are scoring further vic-Wartime Housing Ltd. Following tories over the Japanese invaders our statement of position, Mr. of South China. Eight thousand Parmenter, official of the housing more of the enemy have been program, visited the city and, on slain or wounded and one thouthe basis of his report, a contract sand taken prisoners eight miles was let during the summer for the north of Chungsha. construction of a commissary, two

In Hunan Province the Japanstaff houses and 151 individual ese have lost another two thoudwellings. This construction is sand men. well under way but considerably

Chinese puppet troops are deserting from the Japanese forces, going over with their arms to the program has been heard but it Chinese. It was announced today that the Chinese had launched an offensive against four more imwar effort. The city is deriving portant South China cities, the battle there now being over, the Chinese declare, with utter smashing of an army of 100,000 Japanese.

vate rentals be adversely affected. "Many other matters received HIS BODY he attention of the chamber durthe attention of the chamber during the year, and I shall touch on "Appointment of a responsible

the city with a view to bringing Remains of Captain of Sunken about a much-needed improve-Fish Packer Recovered From Shore of Balaclava Island appointment has been made and

full-time public health unit will Atlin Fisheries here, received a the transport vessel Cleveden. be established here in the interests of health in Northern Britvivors of which were landed here street and traffic conditions. Sug-Sunday morning by the steamer Princess Norah which rescued RULE OUT gestions were made that brush be cut down; that street signs be inthem from a rocky islet in Chris-Customs and excise revenue for stalled; that more stop signs be tie Pass, just south of Queen Charlotte Sound, had been found dead on the beach of Balaclava Island.

A Canadian Press dispatch received by The Daily News today from Alert Bay said that provincial police last night had recovered the body of Captain Graham, which has been taken to Alert Bay. He had been drowned, the dispatch said, while attempting to swim to nearby Scarlet Point lighthouse from the rocky pinnacle in Queen Charlotte Strait to which he and the three survivors of the crew clung after the craft found-"Through the year attention has

> The survivors-Marcean Dansereau, Charles Soini and Arvid Maki -are doing well at the Prince Rupert General Hospital.

Along the coast of Norway there "It was drawn to the attention all.

New Theatre Project Here :

According to current re- + * ports, definite confirmation * of which may be expected + soon, a new theatre is to be + + erected in Prince Rupert on + * the northeast corner of Sec- * ond Avenue and Fifth Street • * next to the old Prince Rupert * + Club building now used as an + officers' mess. The new house * will have a capacity of 450 or * * 500 persons. Allan Carolan, * * Stewart theatre man, will * + build and operate the house. +

DIED HERE TODAY

W. C. B. Wood, a native of Scotland, who had been employed at of the city engineer of Calgary.

ALASKA SHIP BURNS

WASHINGTON - The United States government announces the James L. Lee, manager of the loss by fire in Alaskan waters of wire last night advising him that 7,000-ton ship. The vessel and Hector Graham, captain of the cargo are a total loss but the crew sunken Canadian Fishing Co.'s wa ssaved. The fire was not causfish packer Skedans, three sur- ed by enemy action, it is declared.

IADABITOR

Canadian Waters or Serve on Canadian Fish Boats.

ottawa, Jan. 13:
Persons SALUM IS
f Japanese origin are prohibof Japanese origin are prohibited from fishing in Canadian waters or serving on Canadian fishing boats under an orderin-council made public today by Hon, J. E. Michaud, minister of fisheries.

The order also forbids the issuance of fishing licences to persons of Japanese origin. Further details of the government's policy for dealing with the Japanese are expected shortly.

Twenty-three of Oslo's 31 schools is very little enthusiasm for car- are still being occupied as bardry dock committee of the Ottawa recommending the sale of fishermen know the Germans. As late as take the most of the fish, if not were available for educational purposes.

FAR EAST SITUATION

Further Ground Lost in Malay-Singapore Heavily Bombed-East Indies Invasion.

WASHINGTON HOPEFUL WASHINGTON, Jan. 13:-Washington is still hopeful that the enemy will be successfully held by the Allied forces in the southern Pacific before a withdrawal to Australia would be necessary which would be the case in the event of Singapore

and the Philippines being lost.

SINGAPORE, Jan. 13: - It was officially announced by British Far East headquarters here last night that Kuaia Lumpur, importo the enemy had been destroyed. tending the ship's captain said There was an orderly withdrawal over the main road.

the dry dock for the past year lashing ahead of enemy troops unknown. An actual check of the and a half, died at the Prince Ru- about 150 miles to the north, lit- casualty list is difficult because pert General Hospital this morn- erally shook Singapore again to- many of the survivors were Chiing. He was unmarried and is day with bursting bombs, but pre- nese and unable to speak English. reported to have been a brother liminary surveys showed little This torpedoing is the closest ap- Russians Commence Drive Against and intense anti-aircraft barrage since the war began. shook buildings in several parts of the city and rattled windows.

The situation of Borneo and TO FLOAT
Celebes Islands of the Netherlands Celebes Islands of the Netherlands East Indies, where the Japanese have made four invasion landings, is obscure although the Dutch defenders are reported to be offering stubborn resistance. The oil island of Tarakan has been completely over-run by an overwhelming force of 20,000 Japanese, it being doubtful if even remnants of the defence garrison escaped.

On the Philippines, Gen. Doug las MacArthur's forces on Bantan Peninsula and in Corregidor for-Will Not Be Allowed to Fish in tress are still taking heavy punishment.

Axis Forces Being Cleared Out of That Area—8,000 Enemy Isolated.

CAIRO, Jan. 13: (P)—Capture o Salum, thus tightening Britain's encirclement of hold - out Axis troops in the Halfaya sector, was announced today as Imperial vanguards, more than three hundred miles to the west, pressed upon the retreating enemy's heels. Between seven and eight thousand Axis troops were believed isolated in the area near the Egyptian-Libyan frontier. With the holdout Axis garrison at Salum now disposed of, the British can concentrate on Halfaya Pass. A sandstorm is still delaying British op-erations against the enemy be- WAR RISK tween Agedabia and El Aghelia but the Royal Air Force is pounding away between the Gulf of Cirte and Tripoli as well as on the outposts near the Egyptian fron-

Is Opposed to Daylight Saving

The Prince Rupert Chamber Commerce, at its meeting last posal coming from the Vancouver would be advisable to adopt day- had refused war risks. light saving.

did not think that advantages lies. voted down.

Large Steamship Is Torpedoed 150 Miles East of Nova Scotia

Ninety Persons Believed to Have Perished and Some Eighty Rescued After Harrowing Experience in Lifeboats.

AT AN EAST COAST CANADIAN PORT, Jan. 13: (CP)—An undetermined number of persons, estimated at about ninety, lost their lives when an enemy submarine torpedoed a large steamship without warning 160 miles off the Nova Scotia coast. More than eighty surtant rubber centre, capital of the vivors, who endured a twenty-hour spell in lifeboats in

Federated Malay States and sec- near zero temperature before beond largest city of Malay, had been given up after everything of use tending the ship's captain said OFFENSIVE that 181 crew members and passengers wre aboard the vessel but Japanese bomber formations the exact number of rescued is damage done. Bomb explosions proach to the shores of Canada

Vancouver Men Arrive Here to Make Arrangements for Conducting of Campaign. TO RAISE \$600,000,000

OTTAWA, Jan. 13: — The amount of Canada's second Victory Loan, to be placed before the Canadian public next month, will be \$600,000,000, it is announced today by Hon. J. L. Ilsley, minister of finance.

visional organizer; Lorne Aggett, Russia.

divided into three units-one with Smolensk is some 200 miles west headquarters at Prince Rupert, of Moscow. The entire German one at Prince George and the third position west of Moscow is now in the Cariboo. The division ex- seriously threatened. The British tends from Prince Rupert on the Broadcasting Corporation reportwest to the Alberta border and as ed today that the important city far north as the Yukon border. of Orel, 200 miles southwest of Queen Charlotte Islands and Moscow, had been recaptured. Ocean Falls, will be taken care of Meanwhile the great Russian by a mobile marine division on counter-offensive may now be this occasion.

INSURANCE

Chamber of Commerce to Ask Ottawa What Is Being Done in Case of War Losses.

The question of war risk insurance was discussed by the Prince Rupert Chamber of Commerce at Chain Letter its annual meeting last night and Chain Letter it was decided to write to Ottawa asking if anything had been done night, refused to endorse a pro- to provide for suitable coverage. The matter was introduced by Board of Trade that, in view of Theo Collart who suggested that the possibility of blackouts, it most of the insurance companies

T. W. Brown thought it very One of the city merchants point- important that something should ed out that daylight saving would be done at once. Alfred Rivett be a distinct advantage in case thought the matter was in hand blackouts were ordered for five and that steps were being taken by the government in collabora-Other members of the Chamber tion with the insurance compan-

were commensurate with the dis- S. E. Parker said that for maadvantages and the proposal was rine insurance a rate of \$1 per hundred had been set.

EXTENDING

Enemy in Far North-Nazi Position Serious in Centre.

LONDON, Jan. 13: (P)-Waves of crack Russian troops, paced by tanks and motorized infantry vanguards, were reported storming Orel today as the Red Army pressed against sagging Nazi lines on three main Soviet fronts.

Russian sources said that the important city of Orel, 200 miles southwest of Moscow and one of the key outposts of the capital's defences, was already by - passed and flanked while the British Broadcasting Corporation said it understood officially that Orel had already been taken.

An Exchange Telegraph Agency dispatch carried a declaration Organization of Northern Brit- from Switzerland that Chancellor ish Columbia for the Second Vic- Adolf Hitler had moved his field tory Loan campaign is being com- headquarters from Smolensk to menced by Geoffrey Wootten, di- an unidentified city in South

unit organizer, and C. R. Bowen, Having smashed their way assistant unit organizer, who have through the intended winter line arrived in Prince Rupert from of the Nazis between Vyasma and Vancouver to take up their head- Bryansk, 130 miles west of Mosquarters for the next couple of cow, the Russians are now driving with accelerated pace towards Prince Rupert division will be Smolensk on the central front.

truly said to extend from one end of the great Russo-German front to the other—from the Arctic Ocean to the Black Sea. The Soviet forces are now driving in the far north, 250 miles above the Arctic Circle, towards the Finnish port of Petsamo which has been used as an entry for supplies by the Germans.

There is heavy fighting in the Crimea where the Reds are also pushing the Nazis back.

Is Protesting

VICTORIA, January 13: - A chain letter of protest against the continued freedom of Japanese in British Columbia is being circulated throughout the province. The petition is directed to Ottawa. and asks the internment of all Japanese for the duration, and their deportation to Japan after

Butter rations in Norway have been reduced to 30 grams per person per day.

WAR NEWS

STOCKHOLM-Typhus, spread by lice because the Germans have been unable to wash the heavy clothing they have been wearing in the hasty retreat in Russia, is said to be ravaging the Reich troops in eastern Poland, the Baltic States and occupied Russia. An army of doctors and nurses is being dispatched from Germany to fight the disease.

INVASION BY BRITISH STOCKHOLM - German troop movements towards western Europe and Norway in particular are regarded as significant. It is believed the Reich anticipates an invasion attempt on the continent by the British. If such an invasion should occur, there is no doubt the Norwegians would rise with all power possible to

LONDON-The Admiralty announced today that a 5,222-ton Italian supply ship had been torpedoed, another Axis supply ship of medium size set afire by gunfire and an Italian minesweeper

LONDON-Concentrations of German forces in southern Italy indicate to British military observers that an air-borne invasion of Malta may be planned. It may come within ten days or three weeks. There is an increase in the number of air raids on Malta.

TYPHUS SERIOUS

assist the British.

AXIS SHIPPING HIT sunk by British submarines in the Meriterranean.

ATTACK ON MALTA