

Never Twice the Same

Handwriting experts claim that most people are changing their writing from day to day, and, moreover, are unable to sign two identical signatures.

The Globe and Mail

THE WEATHER
Probabilities: North winds; cold at first, becoming slightly milder.
Sun rises at 7:15 a.m. and sets at 5:50 p.m.

VOL. XCIV. NUMBER 27,194.

TORONTO, WEDNESDAY, FEBRUARY 17, 1937.

Established 1844 28 PAGES

BRITAIN BARES \$7,500,000,000 ARMS PLAN

Probe of Dominion Economic Structure Announced

SIR A. SALTER IS SUGGESTED AS CHAIRMAN

May Ask Prominent British Economist to Head Royal Commission

HELP FOR THE WEST

Measures to Be Taken for Temporary Aid Till Findings Ready

(By WILLIAM MARCHINGTON, Staff Writer, The Globe and Mail.)

Ottawa, Feb. 16.—The Dominion Government is endeavoring to secure the services of an eminent British economist—Sir Arthur Salter's name has been suggested—as Chairman of the Royal Commission which is to examine the whole economic structure of Confederation.

Announcement of the decision to appoint a Royal Commission which was made in Parliament today by Prime Minister Mackenzie King, is the sequel to disclosure of the financial plight of the Provinces of Manitoba and Saskatchewan.

Made Every Effort. Pending completion of the investigation and submission of remedial proposals, the Dominion Government will extend temporary aid to the embarrassed Provinces, and it was later announced by Hon. Charles Dunning the Dominion Cabinet is prepared to sit down and co-operate with any other Province in the formulation of policies which will solve its financial problems.

Decision of the Dominion Government to assist Manitoba and Saskatchewan is based upon several considerations. In the first place it is admitted that these two Provinces have made every effort by taxing their reluctant assets, and by stern measures of economy to meet their obligations. Manitoba, for example, has imposed taxation to the limit of the Dominion field, since it requires wage earners receiving as little as \$10 a week to pay 2 per cent. of their relation to the Provincial Government.

Right Hon. R. B. Bennett, indignantly representing apparent discrimination against the Province of Alberta, was met by Mr. Dunning with the statement that a year has elapsed since the Federal Government received the report of the Social Credit Province of Alberta.

SIR A. SALTER. (Continued on Page 2, Column 4.)

C.N.R. Office Workers Given First Increase

One Per Cent. Raise Effective Tuesday Said Initial Step in Implementing Recommendation of Conciliation Board

Montreal, Feb. 16 (CP).—Office workers of the Canadian National Railways today got a 1 per cent. salary increase, first step in implementation of the Mackenzie King Conciliation Board majority report that brought on a general strike last week among 117,000 Canadian railway workers.

The board, named to adjudicate claims of the employees for return of 10 per cent. cuts, recommended in its majority finding that a 1 per cent. raise be returned Feb. 1 and two more before Nov. 1. For the office workers, today was the first pay-day since the railway management decided a fortnight ago to accept the report.

C.N.R. officials could not say how many men were affected on what the aggregate rise would run to. It was, though, the highest pay for the office men since 1931.

Meanwhile, heads of seventeen railway labor unions went ahead with their coast-to-coast ballot for the strike in protest against the partial cut restoration recommendation. Ballots were on the way to virtually all railroad centres.

In Montreal, the ballots were to be received tomorrow. They had been delayed by a shortage of printed forms.

Your Morning Smile

Old Lady—I want some cigars for my nephew. "Certainly, madam," said the tobacconist. "What particular brand does he smoke?" "Oh, dear," said the old lady, "I really forget the name, but it's the one advertisements speak of so highly."

New Deal for West Seen Likely Result Of Royal Commission

Frozen Water Mains Are Subject Of "Derby"

Twisp, Wash., Feb. 16 (AP).—Citizens of Twisp sized up seven blocks of frozen water mains and backed their judgment with dollars today in the second annual "spring thaw" derby. An electrical device fastened on a frozen fire hydrant will record the minute a trickle of water travels through the pipe. Ice derby entrants attempt to guess the exact day and hour of thaw. Each also contributed a dollar to a derby pot.

MINISTER RAPS COCKTAIL HABIT

Evangelism Secretary Says Women Indulging More in Strong Drink

GAMBLING CONDEMNED

Chatham, Feb. 16 (CP).—Rev. Hugh Dobson, Associate Secretary of the Board of Evangelism and Social Service of the United Church, addressing the Kent Presbytery at its quarterly session here today, said there was increasing indulgence by women in strong drink. He criticized the "cocktail habit."

Gambling was condemned in a resolution passed by the Presbytery. The gambling mania is becoming so prevalent in society and its consequences are so disastrous, the resolution said, ministers should recognize their responsibility in combating it.

The resolution deplored dangers involved in "the current widespread development of bingo and keno, the pernicious nature of which is far more serious than many realize." It contended: "We also urge that a concerted effort be made in all our communities to rid themselves of slot machines and such devices as foster the element of chance."

SIR A. SALTER. (Continued on Page 2, Column 4.)

Peace Claimed Better Than Air-Raid Helms

London, Feb. 16 (CP).—Brigadier-General F. P. Crozier doesn't think much of the air-raid precautions. Speaking at a British Commonwealth League luncheon, he said: "Air-raid precautions are not going to save us because the bomber always gets through. The only way is to keep out of war."

Racketeering To Be Probed

Montreal to Chase Underworld, Says Mayor J. A. Raynault

Montreal, Feb. 16 (CP).—Mayor J. Adhemar Raynault announced today plans for a sweeping probe into racketeering and commercialized vice in Montreal.

The investigation will follow along the lines of New York's famous Dewey inquiry, the Mayor indicated and he disclosed that a lawyer had been sent to New York to study the methods of Prosecutor Thomas E. Dewey and confer with Mayor La Guardia.

At the same time, Mayor Raynault announced that the city planned appointment of a District Attorney head of a permanent bureau directed against racketeers. Primary object of the investigation, the Mayor declared, would be to shut down houses which make a business of luring tourists with women and gambling, men doping and robbing them. But it will go beyond that by turning the spotlight on all underworld activities, he said.

TRANS-OCEAN AIR-MAIL TEST FLIGHT NEAR

Imperial Airways States All Arrangements Made for Experiment

FORESEE SERVICE SOON

Passenger Facilities Follow as Soon as Possible, Says Announcement

London, Feb. 16 (CP-Havas).—The first experimental transatlantic flight for the projected regular air service linking Great Britain and North America will be attempted shortly, it was announced by the Imperial Airways tonight.

"Establishment of the passenger service will follow as soon as possible," the statement added. "The financial provision that has been made by the Government of the United Kingdom for the operation of a transatlantic air service is in conformity with plans that have been the subject of discussions and negotiations for some time," the company said.

"The Undersecretary for Air (Sir Philip Sassoon) announced in the House of Commons July 30, 1936, that discussions had taken place at Ottawa between representatives of the United Kingdom, the Irish Free State and Newfoundland regarding the establishment of an air service across the North Atlantic.

"The discussions were followed by the Imperial Airways. It is expected the company will be in a position to operate an alternate experimental air mail service by the time the Government is ready to operate. The establishment of a passenger service will follow as soon as possible."

LABOR HEAD HITS SIT-DOWN STRIKE

No Danger of It Spreading to Canada, Declares P. M. Draper

Quebec, Feb. 16 (CP).—There is no danger of the sit-down strike spreading to Canada, said P. M. Draper, Ottawa, President of the Trades and Labor Congress of Canada, when he arrived here today to head a delegation which will propose new labor legislation for the Province of Quebec.

"We believe in policies of negotiation, conciliation and arbitration of all disputes affecting wages and working conditions," said the labor chief. "If the employers will recognize the right of the workers to organize in bona-fide trade and labor unions, there will be no fear of the sit-down strike method spreading to Canada."

Draper will appear before the Provincial Cabinet tomorrow with a delegation of Trades and Labor Congress representatives from Provincial municipalities.

OLDEST OFFICER DIES

Devonport, England, Feb. 16 (CP Cable).—Paymaster-in-Chief J. P. Shapcott, believed to be the oldest retired officer of the navy, died today of influenza, aged 99.

Index to Inside Pages

BRITISH AND FOREIGN. Twenty-six Nations Agree to Plan to Isolate Civil War, Portuguese Refusal Offering Principal Snag to Blockade Effectiveness—Page 15. British Public Astounded by Vastness of Government's Re-arrangement Plan—Page 2. CANADIAN. Radio and Aviation Revolutionize Fur Trading—Page 15. Transport Bill Meets Heavy Opposition in Senate Committee—Page 15. Unfairness in Parole Methods Charged at Guelph Reformatory—Page 15. LOCAL. Prime Minister King Will Confer With Board of Control on Relief Works Program—Page 4. Probe of Lumber Camp Labor Conditions Urged in Legislature—Page 4. FEATURES. Handwriting With Roly—Page 8. Handwriting—Page 5. Home Features—Pages 25-27. Comic Beautiful—Page 24. SPECIAL PAGES. Births, Marriages, Deaths—Page 7. Contract Bridge—Page 25. Editorial—Page 6. Farm and Produce—Page 19. Financial News—Pages 19-20-21-22-23. Homemaker Department—Page 10. Osgoode Hall—Page 3. Racing—Page 18. Radio Programs—Page 24. Sports News—Pages 16-17-18-19. Voice of the People—Page 6. What Women Are Doing—Pages 10, 12, 13.

Liberals First Waver, But Are Finally Firm On Defense Program

France to Levy Fines On Persons Raising Prices Unduly

Paris, Feb. 16 (AP).—The Government will take action shortly to stabilize prices of necessities and keep down the cost of living, authoritative quarters indicated tonight.

Charles Spinasse, Minister for National Economy, was expected to present a bill providing fines up to 100,000 francs (\$4,600) to be assessed by special courts against persons found guilty of raising prices unduly. From these courts' decisions there would be no appeal.

STONE BARRAGE MARKS STRIKE

One Man is Arrested After Rocks Hurlled at Chatham Strike-Breakers

WINDOWS ARE BROKEN

Chatham, Feb. 16 (CP).—One arrest was made today following an outbreak of stone-throwing by strike sympathizers at the plant of the Motor and Coach Company here.

When a man hurled a stone at a window, the man was arrested. Following a shower of rocks that shattered the windows of the plant and struck strike-breakers scurrying for cover, no one was injured although Alec Davis, foreman on the job, said he was forced to remove his men from the walls of the plant when several of them were struck by the stones.

Fifteen men hired for the job of wrecking last week, at wages ranging from 25 to 30 cents an hour, were out on strike when they were hired for 40 cents an hour.

Company's Answer Awaited. It is said that time there have been no further details of the debate.

While the debate thus appeared to indicate the Government's certainty of mounting the first hurdle encountered by the enlarged defense policy—the vote on the MacNeil resolution—it also forecast trouble for the policy when the estimates themselves come under discussion.

All the Liberal members who spoke in critical vein of the course which the Ministry is pursuing, but which they considered a necessary confidence in the Government, it reserved the right to criticise the items as they were brought forward.

The opposition in Parliamentary circles, however, reached Thursday night, when the Minister of Defense, Mr. Mackenzie King, it is expected, will deliver a speech on the program.

Further details of the debate are expected.

Mons Honor Its Deliverer

Belgian Town He Freed to Be Represented at Rites for General Loomis

Montreal, Feb. 16 (CP).—A town does not forget. The little Belgian town where the first World War came to an end continues to remember the Canadian General who marched into the beleaguered settlement on Armistice Day with the 3rd Canadian Division and brought lasting peace.

Major-General Sir Frederick Loomis died here last night. Today the Ontario of the McGill University of Music announced it had been asked by cable from the Burgomaster of Mons to represent the town at Sir Frederick's funeral tomorrow.

One that was reoccupied by the French troops of the Last summer he brought back earth from Mons to deposit in the memorial to Sir Arthur Currie, Commander-in-Chief of Canada's war forces.

Conditions Urged in Legislature. (Continued on Page 3, Column 3.)

Attitude of House Appears to Bode Trouble for the Government When Estimates Are Discussed in Detail

VOTE LIKELY THURSDAY

(By NORMAN MACLEOD, Staff Writer, The Globe and Mail.)

Ottawa, Feb. 16.—Ranks of Government supporters in the Commons showed their first signs of wavering on the defense issue today—only finally to hold firm.

Liberals from Quebec and Manitoba started in by freely expressing their suspicions of the Ministry's proposed enlarged expenditures, but ended up by declaring their intention to vote against the war-of-confidence motion of Grant MacNeil (C.C.F., Vancouver).

Increases Opposed. The afternoon-long spectacle of the near-rebels in the Ministerial camp, talking one way and then attempting, by ingenious postscripts to their remarks toward their close, to justify themselves in voting another, afforded somewhat spectacular evidence of the confusion into which the defense issue has thrown some of the extreme sections of the Government's following.

Broadly, the attitude taken by the Quebec Liberals—as well as by J. F. Thorsen of Selkirk, Manitoba—was that they were opposed to the increases which the Government was making in its armament appropriations, but that they could only vote for the MacNeil resolution by, at the same time, voting want-of-confidence in the Government. This attitude was not assumed to take.

Sturmount First Obstacle. While the debate thus appeared to indicate the Government's certainty of mounting the first hurdle encountered by the enlarged defense policy—the vote on the MacNeil resolution—it also forecast trouble for the policy when the estimates themselves come under discussion.

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Legislation on Hydro Held to Be in Error

House Should Debate Lack of Protection Provided for Municipalities Should Judgments Affect Commission, Says Authority

Vienna, Feb. 16 (UP).—Photographs showing the bodies of children allegedly killed in rebel air raids on Madrid were distributed today by Austrian radio as receipts for donations to the Spanish Popular Front.

No protection was provided for the Hydro municipalities in the event of judgments being rendered against the Hydro Commission, he declares in this second and final article on the present Hydro situation in the Province.

The municipalities are the actual owners, but it is only the Commission, which he terms the "trustees" of the owners, which has been protected, Mr. Reid declares. This "serious omission," he states, should be debated at the present session of the Legislature.

Not Government Department. "The Privy Council, in the year 1930, in the appeal of the City of St. Catharines against the Hydro-Electric Power Commission of Ontario, decided that the Hydro Commission was a statutory corporation created by the Legislature of Ontario, with limited powers, and could not be regarded as a government department, so as to treat an agreement entered into by the Hydro Commission as an agreement entered into by the Government. And, in the case then under consideration, the Commission was described merely as a trustee," says Mr. Reid. "Now, the Hydro has no beneficial interest in the project."

LEGISLATION HELD. (Continued on Page 3, Column 3.)

Parole Board to Sit At Reformatory While Probe On

Guelph, Feb. 16 (CP).—Investigation now in progress into the Jan. 17 riot at the Ontario Reformatory will not interfere with the monthly sitting of the Ontario Parole Board, which will be held at the institution tomorrow. Approximately 75 cases will be reviewed.

No charges will be laid against the rioters until the conclusion of the Madden probe, but the cases of several inmates suspected of being implicated in disturbances are expected to be included in the number considered.

LEFTIST FRONT IS BELIEVED NEAR COLLAPSE

Reports to Gibraltar and London Say Position is Now Desperate

CHIEFS REPORTED SILENT

Gibraltar, Feb. 16 (UP).—Madrid loyalists today mobilized hundreds of fresh troops for service in main front trenches as the fortunes of war appeared to be turning strongly in favor of the rebels.

British Consular officials were informed that the eight-months-long struggle has put the loyalists in a desperate position. They pictured a feeling of uneasiness and alarm among Government officials as military leaders, particularly due to the dissension among heads of the various "popular front" factions in Valencia.

Reports said the Madrid loyalists still had ample war materials and other supplies in that the domination of the Madrid-Valencia highway by the rebels made the getting of new supplies uncertain.

After the shelling of Valencia Saturday, British officials considered withdrawing their Nationals. Madrid reports said there have been 5,000 casualties in the Loyalist and rebel fighting, but no demonstration of the "elements" referred to in the "elements" list.

The first anniversary of the "Popular Front" victory, which led to the revolution, was celebrated in Madrid today with grave solemnity. There were no demonstrations and no equipment, but balloons and equipment for balloons are being manufactured; stocks of respirators and other equipment are being accumulated to provide against the contingency of gas attacks; increased protection for overseas bases against aircraft attack will be provided.

HOME DEFENSE. Two divisions of the Territorial Army are to be reformed for anti-aircraft defense; new, more efficient type of guns are being manufactured with large numbers of searchlights and other equipment; balloons and equipment for balloons are being manufactured; stocks of respirators and other equipment are being accumulated to provide against the contingency of gas attacks; increased protection for overseas bases against aircraft attack will be provided.

LEFTIST POSITION. (Continued on Page 2, Column 3.)

Prime Minister King Attends McKay Rites

Ottawa, Feb. 16 (CP).—Prime Minister Mackenzie King, member of the Cabinet, other distinguished Parliamentarians and citizens from all walks of life today attended the funeral services here for Dr. Matthew McKay, Liberal member of Parliament for North Renfrew, who died Sunday. Following the service, conducted by Rev. Norman Rawson of St. James' United Church, the body was taken to Pembroke, Ont., where burial will take place tomorrow in the United Cemetery there. Honorary pallbearers were Mr. King, Senator George P. Graham of Brockville; Justice Minister Lapointe, Postmaster-General Elliott, Senator J. H. King, and Dr. J. J. McCann, member of Parliament for South Renfrew.

Films Cause House Uproar

Suggestion Made in British Commons U.S. Movies Better Shouted Down

London, Feb. 16 (UP).—Angry cries today greeted a suggestion in the House of Commons that American motion pictures were better than those made in England.

Jeffrey Mander, Opposition Liberal Leader, asked whether the Board of Trade realized that all Britain's principal film companies soon would pass into American control.

"I have no such information," Dr. Edward Leslie Burgin, Parliamentary Under-Secretary of the Board of Trade, replied. Campbell Stephen, Independent Laborite from Glasgow, interrupted to ask: "Is the Minister aware that United States films are much better than the British ones?"

As soon as shouts of "No, no," had died down, Dr. Burgin replied flippantly: "I am informed regarding the British film industry."

SEA POWER EXPANSION IS STRESSED

Three Capital Ships on 1937 List in Addition to Two Now Under Way

ARMY INCREASES BIG

Huge Development of Air Force Ground Services and Training Laid Down

(By GEORGE HAMBLETON, London, Feb. 16 (CP).—Great Britain proposes to spend \$1,500,000,000 (\$7,500,000,000) on defense during the next five years.

In the words of a Government white paper issued tonight: "It would be imprudent to contemplate total expenditure on defense during the next five years. The white paper proposes as part of the 1937 program:

NAVY: Three capital ships, seven cruisers, two aircraft carriers. These are all in addition to two capital ships, seven cruisers and two aircraft carriers provided for in the 1936 program.

Existing capital ships and cruisers are to be modernized. Anti-aircraft defense is to be improved. The strength of the navy personnel is to be increased.

ARMY: Two new infantry battalions to be raised in the near future for maintaining overseas garrisons; army increases will include two new army tank battalions, of which one is to be raised in the near future; recruiting is to be stimulated by a scheme which will be announced shortly; more regular army more attractive. Mechanization is to be accelerated. Equipment will be modernized.

AIR FORCE: The program includes acquisition and preparation of large numbers of new aircraft with the building of more than seventy-five operational squadrons, of which 25 are at home and abroad; the personnel of the air force has already risen from 33,000 in 1934 to more than 50,000 in 1936. A further large increase is contemplated; over and above expansion of capacity of the existing aircraft factories steps are to be taken to build shadow aircraft factories. These factories are to be available in any emergency to provide aircraft in large quantities.

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Hockey Results

NATIONAL LEAGUE (TUESDAY)
Canadiens . . . 0 1
Amerks . . . 0 1
Rangers . . . 1 0
Boston . . . 1 0
Big Seven Junior Play-offs
St. Mike's . . . 3 0
Y. Rangers . . . 7 1