

NEGOTIATIONS UNDER WAY FOR SEA WAY PLAN

MAXIMS
OF A
MERE MAN

Distrust and caution are the parents of security.



MAXIMS
OF A
MERE MAN

A double-minded woman makes trouble all round.

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EIRE TO COMBAT I. R. A.

Gigantic Scheme Will Open Lakes For Sea Traffic

Unlikely Legislation Would Be Presented To Parliament This Session Is Belief.

OTTAWA, Jan. 3.—(CP)—Prime Minister MacKenzie King gave official assurance today that negotiations once again are underway between Canada and the United States looking toward agreement on the long-considered plan of a gigantic seaway and power development of the St. Lawrence River and Great Lakes water system.

Following discussions which have been proceeding between the Dominion and Ontario governments since last October, seeking agreement on methods of procedure by Canada, the Prime Minister said "informal" discussions had been opened with the United States government.

It is not generally believed that negotiations will reach the stage where legislation may be presented

adrian governments, no action was taken.

However, early last October Dr. Thomas Hogg, chairman of the Ontario Hydro-Electric Commission, started discussions with federal engineers looking toward agreement between the federal and provincial governments and it is now a summed such agreement has been reached.

27-Foot Seaway

The proposal, in brief, is to provide a 27-foot seaway from the ocean to the head of the Great Lakes by dredging present channels and deepening existing canals. At the same time dams would be constructed to provide some 2,000,000 horsepower of electric energy for use of Canada and the United States.

The seaway would open the Great Lakes to about 90 percent of the world's shipping. The power development would provide electric energy for unlimited industrial development.

Huge Cost

Cost of the project has been variously estimated but would total well over \$500,000,000. Canada's expenditure on the Welland Canal and other works undertaken years ago when it seemed an international agreement was imminent, would be credited to the Dominion.

Latest proposals from the United States would allow Canada until 1949 to complete her part of the construction while the United States might proceed with deepening operations and dam building at once.

Opponents of the measure have expressed apprehension that the seaway would handicap railways by taking away business, and that it would be a setback to Canadian ocean ports.

Vatican Paper Comments On "Red" Failures

VATICAN CITY, Jan. 3.—(CP-HAVAS)—The Russian Army "is an army without ideas because it is enslaved by dictatorship and guided by incompetents," the Vatican Newspaper Osservatore Romano said tonight in a long article on the shortcomings of the Soviet military machine.

"Soviet prestige will be noticeably diminished on the chess-board of Europe," the Osservatore commented after recounting recent Soviet defeats, which "seriously diminish the military prestige of the U. S. S. R. and reveal the great deficiencies of the Soviet Army."

The Osservatore attributed the Russian failure to the following deficiencies:—
1. Lack of patriotism among the fighters.
2. Lack of efficient officers and specialists on the military staffs.
3. Chronic lack of military supplies.
4. Lack of lines of communication and of means of supply.

Behind all these deficiencies, the Osservatore said, lie the leveling of the individual and the class struggle—the two essential objectives of communism, which result in "doing away with individual heroism and extinguishing the idea of the nation."

For the rest, Mr. Roosevelt pledged anew his determination to keep the United States out of war. He said the budget tomorrow would include a reduction in most important items excepting national defence.

House and Senate and crowded galleries heard the President's message with evident interest and intentness. There was a great cheer as he entered the packed house of

AIRPORT SITES STILL UNDER CONSIDERATION

Thanks Tendered City Council For "Very Generous Offer."

The following communication, intimating that the offer of the use of the Charlottetown airport in the Empire air training plan is under consideration, has been received by His Worship Mayor Foster:

Ottawa, Dec. 29, 1939
"Dear Sir:
"The Department of Transport has forwarded us a copy of your letter dated December 12, and I wish to thank you for your very generous offer of the use of the Charlottetown airport for the duration of the war.
"The selection of airdromes for the British Commonwealth Air Training Plan is now receiving consideration, and when a decision has been reached you will be advised."
(Signed)
"K. S. MACLACHLAN
"Acting Deputy Minister
"Naval and Air"

Tweedsmuir To View Effort At First Hand

HALIFAX, Jan. 3.—(CP)—Lord Tweedsmuir arrived in Halifax tonight to view at first hand the part this eastern port is playing in the Allies' war effort. He was accompanied by Lady Tweedsmuir.

A busy program faces the Governor-General, here on his first visit since their Majesties concluded their North American tour at Halifax last June.

His Excellency will acquaint himself with the work of the Royal Canadian Navy. He will visit the naval dockyard and various naval establishments and will inspect naval defenses.

The Governor-General will visit various units of the home defence forces stationed in the district and also will look over land defenses. The program includes a visit to the Royal Canadian Air Force Station.

While in Halifax Lord Tweedsmuir will visit recreation facilities for the fighting services, a member of the Vice-Regal Party announced. Only one formal social function is scheduled during the visit. His Excellency will hold a dinner party for heads of the navy, army and air force.

CONGRESS GETS OUTLINE OF FUTURE POLICY

President Roosevelt Makes Plea For Calmness and Co-operative Wisdom.

By Richard L. Turner
Associated Press Staff Writer
WASHINGTON, Jan. 3.—(AP)—A stronger national defence financed by new taxes, a contribution of new steel policies, and a national unity reinforced by "calmness, tolerance and co-operative wisdom," were urged upon Congress today by President Roosevelt, in a message to the newly convened session.

These things, backed by an extension of the administration's authority to reduce tariffs by agreement with other countries, should be sufficient, he said, to protect the United States against any tendency toward dictatorship at home and "worldwide forces of disintegration" as well.

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Fins Take Stalin 'For a Ride'



A huge picture of Stalin sits amid the confusion of a Russian supply wagon captured by Finnish troops somewhere on the fighting front. Fur-clad Finnish soldiers examine other supplies seized in attack. This is an exclusive photo by NEA Service Staff Photographer Eric Calcraft, who already is famed for his first pictures of the bombing of Warsaw.

Two Enemy Planes Downed By French

More German Bound Merchandise Intercepted By Con- band Control.

PARIS, Jan. 3.—(CP-HAVAS)—Destruction of two German planes in aerial combat, coupled with successful French patrol and scouting operations on land, was reported tonight by the French command.

Meanwhile, the French contraband control service reported the stopping of 10 ships and the interception of 27,000 tons of contraband merchandise in the week ending last Sunday.

(In London the Ministry of Economic Warfare announced the interception of 28,800 tons of contraband merchandise presumed destined for the enemy in the week ending last Saturday.)

Tonight's army communique said:—
"During the day, our patrols and scouts successfully accomplished missions at various points on the front."
"At the end of the morning two enemy planes were shot down by our pursuit aircraft."
"This morning's communique said merely: "There was nothing to report."
"Since the beginning of the war, the French contraband control has stopped 227 ships and intercepted 429,000 tons of merchandise. In the same time the British have intercepted 537,000 tons.

Premier Daladier, accompanied by Navy Minister Cesar Campinchi, Admiral Jean Darlan, Naval Commander-in-Chief, and other defence officials, visited warships and the naval establishment at Cherbourg.

LONDON, Jan. 3.—(CP)—All ranks of the British expeditionary force home on leave may wear "civilian" if they wish, the war office announced tonight. The full dress and mess dress of the front may be worn on any occasion during the war.

On Russia's Side?
The press did not say that Germany might find herself on Russia's side in the north, but, judging by past practices of German propaganda, today's comment was regarded by observers to be intended as a "spade-work" for a subsequent and more positive attitude of support for the Reds.
It is known that British and

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Italian Gets Cool Sendoff From Russians

MOSCOW, Jan. 3.—(AP)—Augusto Rosso, Italian Ambassador to Soviet Russia, took a train for Rome tonight, apparently ignored by Soviet officials, none of whom was seen to bid him goodbye.

Leaving by the same train was Dr. Karl Ritter, chief of the German Economic Delegation in Moscow, who was given a "farewell" at the station by Vladimir N. Barkoff, chief of protocol in the Soviet foreign office.

U. S. Approves Sale Of Ferry To Island

WASHINGTON, Jan. 3.—(AP)—The commission announced it had approved an application from The Washington Trust Company of yesterday for sale to Northumberland Ferry, Ltd., of Charlottetown, P. E. I., of the steamship Sankaty and transfer to Canadian registry. The vessel will be used during the summer as automobile ferry between Prince Edward Island and the Nova Scotia coast.

Finnish Ski Troops Pick Off Defeated Red Army Survivors

(By Thomas F. Hawkins)
Associated Press Staff Writer
WITH THE FINNISH FORCES NEAR LAKE KIANTA, Jan. 3.—(AP)—Swift and silent Finnish ski troops struck in the border snows today to pick off, one by one, the handful of survivors of Russia's defeated army in their frozen north country while their comrades in the south stood their ground against massed Soviet thrusts.

Victors in the greatest single battle of the war, the hardy Finnish lumberjacks had easy pickings finishing off the 2,000 wandering, half-starved remnants of the 17,000-man Red Russian division which tried to sever Finland's waistline and failed.

Matching these operations, the Finnish High Command announced that a heavy Soviet infantry attack on the Karelian Isthmus had been repulsed with heavy losses.

This Soviet thrust in the south appeared to bear out reports in Finland that the Red Army, chafing under repeated setbacks, was massing seven divisions—about 185,000 men—for an attempted knock-out blow against the Finnish Mannerheim Line.

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Special Powers For De Valera Are Considered

Rumors Of Possible Disorders Circulate In Country

Shooting In Cork.

DUBLIN, Jan. 3.—(CP)—Prime Minister De Valera's special powers bill to combat the outlawed Irish Republican Army was passed in third reading by the Dail Eireann tonight and will go to the Senate tomorrow afternoon. The vote was 82 to 9.

Senate approval will make the bill law. While rumors of possible disorders circulated in the country, Justice Minister Gerald Boland asked the special session of the parliament to adopt bills granting power to intern I. R. A. suspects without trial.

He asserted that police and military authorities had unearthed these facts concerning the I. R. A.:—
1. That at least 100 persons were involved in a raid on the Phoenix Park Arsenal Dec. 23 in which more than 1,000,000 rounds of ammunition were seized.

2. That the I. R. A. had a well-equipped explosive laboratory in the Killiney district of Dublin where men were taught how to make bombs.

3. That the I. R. A. had large sums of United States money and large quantities of ammunition at its disposal.

William T. Cosgrave, former president of the Irish Free State and leader of the Fine Gael, the opposition party, claimed the measures the government was asking were unconstitutional, he said. Prime Minister De Valera should ask for a constitutional amendment instead.

Thereupon the government announced the Dail Eireann (parliament) would act through the night if necessary so the bills could be pushed through the final stages.

De Valera's Program
Mr. De Valera's program to combat the I. R. A. is a 26-line emergency powers act by which any person "whose liberty may be a menace to public safety" may be interned by the government without trial.

Mr. Cosgrave in his attack on the bills declared the government now is "reaping the fruits of seeds sown in the last 17 years" and should resign because it was "the laughing stock of the world."

Mr. De Valera's own goal and that of the I. R. A. are basically the same—union of northern Ireland (Ulster), now a part of the United Kingdom, with Eire. Mr. De Valera, however, shuns the violent means adopted by the I. R. A. and has been seeking to maintain good relations with Britain.

Mr. Boland said that sometimes it was said the I. R. A. intended to raid Ulster and sometimes it was reported they intended to bring off a coup in Dublin.

"We can't say what their intentions are," he said, "but we want to get hold of the arms and ammunition."

(Continued on page 9, Col 8)

Toll From Floods Increasing In Turkish Areas

ANKARA, Jan. 3.—(AP)—Death and destruction from raging rivers in earthquake-stricken and flood-ravaged Turkey increased hourly tonight as torrential rains fell again throughout the nation.

Another major disaster appeared in the making for Turkey as the Euphrates river broke its bank and swept through rich valleys. Whole settlements were carried away.

EVEN IF SOME GIRLS USED GUN POWDER THEY COULDN'T MAKE A HIT



TORONTO, Jan. 3.—(CP)—Minimum and maximum temperatures:

Dawson	18	20
Vancouver	44	49
Edmonton	10	14
Regina	14 1/2	2
Winnipeg	15 1/2	0
Toronto	16	23
Ottawa	2	16
Montreal	6	15
Quebec	10	18
Saint John	10	20
Halifax	16	22
Charlottetown	10	17

FORECAST
Maritime East: Strong but decreasing west and northeast winds; partly cloudy and cold snow near Cape Ereton.

Synopsis: The weather has been moderately cold in Ontario with light snow occurring in a few districts while in the Prairie Provinces it has been generally fair and cold. High tide this morning at 6:05 and this evening at 6:03.

Sun sets this afternoon at 4:31 and rises tomorrow morning 7:38. New moon Jan. 9, 9:53 p.m. Summerside tide 18 minutes later than Charlottetown.

THE CAN FERRY SAILINGS
Leaves Borden 9:45 A.M. 1:00 P.M.
Leaves Tormentine 11:00 A.M. 1:05 P.M.
SATURDAYS ONLY
Leaves Borden 4:45 P.M.
Leaves Tormentine 7:00 P.M.

TORONTO, Jan. 3.—(CP)—Premier Mitchell Hepburn today said he understood that an agreement between Ontario and the Dominion government regarding cost division of the St. Lawrence waterway project, was "virtually completed."

"If we are to become the arsenal of the British Empire we must have more power," Mr. Hepburn said.

at the forthcoming session of the Dominion Parliament.

The Prime Minister said he believed the first debate on the subject would arise in the United States which rejected an earlier agreement reached by Canada and the United States on this subject.

Informal Discussions

The Prime Minister did not elaborate on the seaway situation on which he was questioned briefly during the course of a press conference this afternoon. He said reports of recent discussions with Ontario were accurate and that what he called "informal" discussions were going forward between Canada and the United States officials.

For years the question of development of this inland seaway and power project has flared into public notice at intervals. I had been more or less dormant for a year when, soon after the outbreak of war, Premier Hepburn of Ontario announced a change of attitude on the part of his government which in the summer of 1938 declared the project unjustifiable on economic grounds.

In May 1938 fresh proposals for agreement came from the United States. It is a project dear to the heart of President Roosevelt.

But, since Ontario is the Canadian Province most concerned, and Mr. MacKenzie King has declared he would not make the project a subject for quarrels between Can-

Coming Events

Rate for Notices in this column 3 cents per word.

**We buy geese and duck feathers, not mixed. Henry MacFarlane & Co. L-204-12-7-11.

**Reserve Saturday Jan. 13, for C. W. L. Cake Sale at Holman's. L-300.

**Opening skate Milton Rink Thursday night also Junior League hockey meet. L-297.

**Mr. Farmer: We are buying live and dressed chickens, fowl daily, paying highest market prices. Swift Canadian Co., Ltd. L-108-12-28-10.

War — 25 Years Ago Today

(By The Canadian Press)
JAN. 4, 1915—Allied infantry in Belgium made progress in the sand dunes in front of Neuport. Rains drove thousands of Canadian soldiers from Salisbury Plain camp to billets in nearby towns and villages.

Quality Counts Most
"SALADA"
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