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CHINESE PUSH BACK INVADERS IN NORTH

\$553,000,000 NAVAL PROGRAM FOR U. S. Japanese Rush Troops To Halt Counter-attack

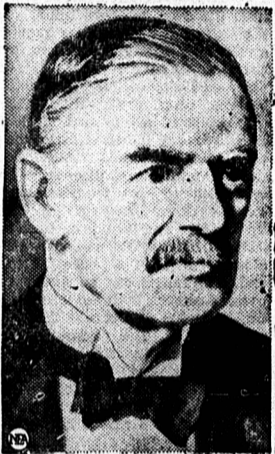
Soviet Chief Blasts Japan in Speech

MOSCOW, Jan. 17—Andre Alexandrovitch Zhdanoff, one of Joseph Stalin's right hand men, called on the Commissariat of Foreign Affairs today to take "drastic measures" to end Japanese "hooliganism."

Addressing the Supreme Soviet, Russia's new Red Parliament, Zhdanoff said Foreign Commissar Maxim Litvinoff deserved credit for carrying out "the Soviet policy of peace" but that he was too lenient toward "the hooligan agents of Japan in her puppet state, Manchoukuo."

"I believe it is our common opinion," he declared, "that drastic measures should be taken which would put an end once and for all to the hooliganism of the agents of Japanese Imperialism."

Anglo-Irish Conference Deadlock On Partition



PRIME MINISTER
CHAMBERLAIN
GREAT BRITAIN



PRIME MINISTER
DE VALERA,
EIRE

By GEORGE HAMBLETON
Canadian Press Staff Writer

LONDON, Jan. 17—(CP Cable)—After a four-hour talk, the Anglo-Irish conference adjourned tonight until tomorrow in an atmosphere that holds small promise of success in solving the outstanding problems between the United Kingdom and Eire.

From the outset the two delegations broke sharply over the partition of Ireland into north and south. As the opening session, held at 10 Downing Street, adjourned neither had changed its attitude nor, it is intimated tonight, is there any likelihood of a change.

CLAIMED ESSENTIAL

Prime Minister de Valera of Eire told the United Kingdom delegation that in the opinion of his colleagues and in his own opinion, the ending of partition, and restoration of unity to Ireland, was the essential foundation for establishment of a real understanding and friendship between the two peoples.

Withdrawal Of Ambassador Not Important

LONDON, Jan. 17—Japan's announcement she was withdrawing her ambassador to China will not greatly alter the present situation in China from the practical viewpoint, government quarters believed here today.

The foreign office is studying the Japanese announcement, made Sunday.

The breach of diplomatic relations, it is remarked, does not imply a formal declaration of war.

The Times (Independent) in an editorial says:

"In normal circumstances the refusal of the government of one state to recognize the government of a neighbor is a grave business, pregnant with material and psychological implications. In this case it has no meaning at all."

Will Participate In New York Fair

OTTAWA, Jan. 17—(CP)—Canada has reserved 40,000 square feet at the New York World's Fair which will be held in 1939, it was announced today.

The reservation was made by officials of the department of trade and commerce who are working on plans for an effective exhibit.

Reach Settlement In Halifax Strike

(By The Canadian Press)
HALIFAX, Jan. 17—A meeting of the Halifax Fish Handlers and Cutters Union tonight accepted terms of a settlement announced by Premier A. L. Macdonald of Nova Scotia and decided to return to their jobs at the Maritime-National Fish, Limited, tomorrow.

Over Score Lost In Gale Which Swept British Isles

LONDON, Jan. 17—(CP Cable)—A total death list of more than 30 was estimated tonight following a weekend of violent storms that spread destruction in coastal waters of the United Kingdom and Ireland.

Bodies washed up on the shores of Scotland and Wales told of the sinking of two vessels and possible loss of another.

The 1,525-ton freighter Glan Rhyd was known to be lost with 17 men aboard. Many of the bodies were recovered after two other lifeboats were found ashore near Swansea, Wales.

The body of D. Martin, chief engineer of the freighter Lovshira was washed up in Scotland and that craft was believed lost. The 325-ton Fermanagh sank Saturday off Pembrokeshire, the captain losing his life but others on board being saved.

Others killed were carried off ships by mountainous waves or fatally injured in accidents ashore caused by high winds.

Debris-strewn flood waters rose over low-lying farmlands in the wake of the storm. Tides were exceptionally high in the usually placid Thames.

The Transatlantic liner Aquitania reported hundreds of passengers were seasick.

CHAUTEMPS SELECTED TO FORM CABINET

Alarm Expressed Over Lengthening Governmental Crisis In France.

PARIS, Jan. 18—(Tuesday)—(CPH:vas)—Efforts of Camille Chautemps, Radical Socialist statesman, to form a modified Popular Front coalition cabinet, to succeed his government which resigned last Friday, appeared doomed to failure today by Socialist and Communist opposition to the form of his proposed ministry.

PARIS, Jan. 17—(AP)—Camille Chautemps today attempted to form a modified Popular Front Government without Communist support.

The Radical-Socialist leader was called to succeed himself after four days of fruitless effort by former Premier Leon Blum and Georges Bonnet. Chautemps' cabinet fell last Friday in the face of Communist and Socialist opposition to his labor and financial policies.

He accepted "in principle" the invitation of President Albert Lebrun while awaiting a decision by the Socialist Party whether it would enter his cabinet or at least support him in the chamber of deputies.

The National Socialist Council scheduled a night session to weigh the question. Chautemps' success or failure rested mainly with its decision, just as the resignation of Socialist ministers precipitated his downfall.

Deputies said there was a possibility of dissolution of the lower house and new elections if Chautemps should fail to form a cabinet as Blum, Socialist leader, and Bonnet, a Radical-Socialist finance minister, had done. Approval of the President and Senate would be necessary for dissolution. The present parliament was elected in the spring of 1936.

Chautemps told Radical-Socialist deputies he would not invite Communists into his cabinet.

Meanwhile, the press redoubled expressions of alarm for interior and exterior peace, which they declared were menaced by the lengthening crisis.

Murder-Hearing Will Open Today

SHELBURNE, N. S., Jan. 17—(CP)—Preliminary hearing of Ennis Ross of Stony Island, charged with murder of his cousin, Warren Brown, a merchant on the isolated spot, will open tomorrow before Stipendiary Magistrate W. T. Lewis.

The 41-year-old storekeeper staged a valiant struggle for his life in hospital, where physicians found more than 50 pellets from a shotgun had entered his abdomen. He died Jan. 7 and Ross, then held on a charge of attempted murder, was charged with murder.

Wildcat Killed Near Woodstock

WOODSTOCK, N. B., Jan. 17—Skiing on the St. John River today, three boys saw a large wildcat making difficult progress through the snow. The animal showed fight when hit by a ski pole but another blow stunned it and the boys then had no difficulty in killing it.

The lads, John Shaw, 12, Allison Haley, 12, and Lloyd Haley, 10, triumphantly took the 25-pound trophy home. Their parents were pleased with the youngsters' courage and annoyed at their recklessness. The trio will collect a government bounty of \$3.

Liner Speeds To Assistance Of Freighter

NEW YORK, Jan. 17—(AP)—The German Liner Europa steamed at 26 knots tonight to the assistance of the British Freighter Cragpool, which was leaking badly in mid-Atlantic after weathering a severe blow.

The Radiomarine Corporation picked up the vessel's first SOS at 5:45 P.M. AST and three hours later the Europa radioed she was 270 miles from the Cragpool's position, approximately 1,800 miles northwest of Boston.

Other vessels were believed in the vicinity of the British ship, which reported she was "not in sinking condition."

A radio message to the Europa, intercepted by Radiomarine's Chatham, Mass. Station, said "circulating pump door carried away, admitting water into engine room, but keeping in check at present. Will advise progress."

LIBERAL IS RETURNED IN BY-ELECTION

Bonnier Given Stiff Battle By Houde For St. Henry Seat.

(By The Canadian Press)
MONTREAL, Jan. 17—Joseph A. Bonnier, an undertaker with a strong urge for politics, held the St. Henry seat in the House of Commons for the Liberal Party today in a three-cornered by-election contest.

The big factory district in Montreal's west end gave Bonnier, a city alderman, a plurality of 4,513 over Camilien Houde, former Montreal Mayor and one-time leader of the Quebec Conservative Party who campaigned as an Independent on an "anti-armament" platform.

O. L. Gingras, running as an Independent Liberal, was nowhere in the fight for the seat vacated by the election of Paul Mercier, Liberal member for St. Henry, to the Montreal Circuit Court. He polled a scant 325, against 16,482 for Bonnier and 11,949 for Houde.

For a time, it was a close fight as tabulators chalked up the returns from 250 polls, scattered through the large constituency sprawled along the banks of the Laehne Canal. The official Liberal jumped into a short lead at the start, but he soon yielded it up to Houde.

The dynamic and magnetic former Mayor, the "personality boy" of Quebec politics for many years, did not hold his advantage long.

The 59-year-old alderman went into the lead soon afterwards, and slowly but steadily drew away from Houde. Within two hours

(Continued on page 7, Col. 1)

No Fireworks?

WINNIPEG, Jan. 17—Little controversial legislation will be introduced by the Manitoba Government when tomorrow, Hon. W. J. Major, K. C., Manitoba Attorney General, said tonight.

A bill will be introduced to make possession of pinball machines illegal, legislation to promote a great highway safety will be discussed and an act will be introduced making provincially incorporated trust and loan companies subject to provincial inspection.

INCREASE IN AIRFORCE ALSO PLANNED

Measure For Construction Of 18 New Warships Meets Committee Approval.

(AP. By Guardian's Special Wire)
WASHINGTON, Jan. 17—An appropriation of \$553,266,494 for United States navy won approval of the House Appropriations Committee today after that body had heard the chief of naval operations call world conditions "more threatening" than at any time since the Great War.

The committee sent to the House the regular naval supply bill, providing funds for Navy Department expenditures in the fiscal year beginning next July 1. The total involved was \$26,723,286 more than the navy's appropriation for the current year. It included funds to start construction of 18 new warships and four auxiliary vessels.

The measure, scheduled to be debated in the House of Representatives tomorrow, also carried funds to reopen the torpedo manufacturing plant at Alexandria, Va., and to recommission the ammunition ship Pyro so it would be ready for service "to meet any possible need."

The bill's total was \$11,139,907 less than in the budget bureau recommended.

Although the committee did not mention the international situation in reporting the bill to the House, Admiral William D. Leahy, chief of naval operations, said during secret committee hearings that "political conditions in the world were distinctly worse than a year ago."

He warned his listeners that the United States could not reduce its means for national defence "without jeopardizing our national security."

The committee learned from Rear Admiral A. B. Cook, chief of the Bureau of Aeronautics, that the bureau had stepped up its plane building program, hoping to have 2,050 planes in service by 1941. The earlier goal was 1,910 planes.

Arguments Before Court Concluded

OTTAWA, Jan. 17—(CP)—Lawyers had their last words today on the Alberta constitutional references and decisions on the questions referred to the Supreme Court of Canada as to the validity of three Alberta bills and the powers of the governor general and lieutenant governor respectively to disallow or reserve Alberta legislation rested tonight with six judges.

O. M. Biggar, chief counsel for Alberta, completed his argument on the three bills and after brief replies from opposing counsel, Alme Geoffrion for the Dominion Government, W. N. Tilley for the banks and Hon. J. L. Ralston for the newspapers, the court reserved its decision.

Death Follows Blow On Kneecap

EASTVIEW, Ont., Jan. 17—Injuries received when struck on the knee by a skate two days ago, caused death yesterday of Gerard Humesell, 13 year old son of Mr. and Mrs. Ferni Humesell of this Ottawa suburban municipality.

Skating with chums, young Humesell fell and was struck on the knee-cap by a blade. Complications set in and he was taken to hospital where he died.

(Continued on page 7, Col. 8)

Japanese Rush Troops To Halt Counter-attack

Russian-made Planes And Pilots Raid Japanese Airfields—Tokyo Cabinet Shakeup Rumored.

(By The Associated Press)
SHANGHAI, Jan. 18—(Tuesday)—Japanese today rushed reinforcements to Hangchow, capital of Chekiang Province, in an effort to halt a strong Chinese counter-attack.

This development came as Chinese reported they were pushing back the invaders on the northern, central and Yangtse Valley fronts.

It was disclosed that at least 100 Russian-made planes and 100 Russian pilots were operating from Hangchow, capital of Kiangsi Province, raiding Japanese airfields and military concentrations.

Japanese Army spokesmen, who previously denied reports of fighting in the Hangchow area, admitted 7,000 Chinese troops advanced to "within a few miles" of the city and that gunfire was audible in Hangchow, 125 miles southwest of Shanghai.

They said "heavy reinforcements" were being sent to "the new battlefield" by the Japanese.

CONFIRM REPORTS

The statement was considered confirmation of Chinese reports that Japanese had not been able to penetrate the area beyond Hangchow.

Meanwhile, it was disclosed fighting broke out in the Pootung Peninsula, across the Whangpoo river from Shanghai.

Japanese stated that 3,000 Chinese irregulars in that area, who failed to withdraw when Shanghai was occupied "were being mopped up". The major portion of Shanghai's food has come from that area in recent weeks and the supply was interrupted by the new fighting.

Retake Chwansha

Chinese reported they captured Chwansha, across the river from Shanghai. Japanese said that they had no information on the capture but that "it is possible."

Hong Kong dispatches quoted Chinese newspapers as saying 600 Japanese troops landed at Chungshan, 45 miles east of Hong Kong Sunday under cover of a naval and aerial bombardment, but were unable to make any headway against Chinese forces.

Chinese Army spokesmen at Hankow, one of the provisional capitals of China, said Chinese land and air forces made a counter-attack on Wuhu, Yangtze river city, Sunday inflicting heavy damage on Japanese forces. They said the battle lasted three hours.

"INCREASINGLY GRAVE"

TOKYO, Jan. 17—(AP)—Premier Fumimaro Konoye today was reported to have told Japanese political leaders frankly that the war against China was becoming increasingly grave.

Domest (Japanese News Agency) said Prince Konoye informed leading members of both houses of parliament that failure to bring China to terms had "compelled the government to resort to another course of a serious nature." What this might mean was not disclosed.

It was learned authoritatively that yesterday's governmental statement on policy had not disclosed the full scope of the decisions.

The official statement said Japanese cabinet, military and naval authorities were in complete accord on pursuing the war until complete "pacification" of eastern Asia was achieved. Japan with-

REBELS LAUNCH NEW ATTACK

Powerful Offensive Opened Against Teruel.

MADRID, Jan. 17—(AP)—A powerful insurgent counter-offensive tonight suddenly struck back at Spanish Government battalions who clipped off the insurgent salient at Teruel, 135 miles east of Madrid.

Five insurgent and two Government warplanes were shot down in a large-scale sky battle, while below the new attack forced Government lines back slightly at one point.

An official government communique disclosing the counter-offensive reported that two of the downed insurgent planes were of Italian manufacture.

"After a truce forced by their heavy losses," the communique said, "the enemy launched a new counter-offensive in the direction of Teruel. The attack began about 10 A.M. (6 A.M. AST) with a powerful attack upon the heights of Celada, aided by heavy artillery and a large concentration of airplanes."



TORONTO, Jan. 17—Minimum and maximum temperatures:

Dawson	22b 2b
Victoria	42 44
Edmonton	8b 4
Regina	zero 6
Winnipeg	8 14
Toronto	9 13
Ottawa	2b 4
Montreal	4b 2
Quebec	12b 2
Saint John	6 10
Halifax	8 16
Charlottetown	4 8

Forecasts:
Maritime Provinces: Fresh north and northeast winds; mostly fair and cold.
High tide this afternoon at 12:41 and tomorrow morning at 12:22.
Sun sets this afternoon at 4:48 and rises tomorrow morning at 7:33.
Last quarter moon Sunday, Jan. 23, 4:09 a.m.
Summerside tide eighteen minutes later than Charlottetown.

THE CAR FERRY

Leaves Borden 9:45 a. m., 1 p. m.
Leaves Tormentine 11 a. m., 2:35 p. m.

Fresh from the Gardens

"SALADA" TEA

Glace Bay U. M. W. Suggests Boycott Of Island Goods

(By The Canadian Press)
GLACE BAY, N.S., Jan. 17—Angus B. Macdonald, president of United Mine Workers Victoria local said tonight his organization was planning to suggest to other locals in the district a boycott of Prince Edward Island goods unless residents of the Island "decided to use Nova Scotia-mined coal."

The local's action would be based on information received here that a number of Island coal dealers had cancelled orders for Nova Scotian coal, he said.

Meanwhile merchants of the colliery district said commercial travellers from Halifax and

mainland centres were seeking to impress local wholesalers with the fact their firms were using coal mined in the province. Some of the salesmen were reported to have displayed duplicates of their firm's coal orders to back up their statements.

Publicity was given the importation of coal into the province when John A. McIntosh, member of the Glace Bay school board, criticized the City of Halifax for purchasing foreign fuel, several weeks ago. The school commissioner was the first to suggest a boycott of Halifax goods in the colliery districts as a retaliative measure.