

NOTICE TO ADVERTISERS
In order to ensure changes, copy must reach this office not later than 9 a.m. on the day of publication.

The Daily Mail

WEATHER
Fresh winds fair and continuing cold today and Friday.

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The Central Bank is Likely to Provide Credit Facilities

Legislation For New Financial Institution Now Being Drafted at Ottawa—Will Not Deal Directly With the Public—Will Have Control of Credit and Will Purchase Bonds.

OTTAWA, Jan. 4—New credit facilities will be created through the medium of the central bank, the legislation for which is now being drafted. Incidentally, the one and two dollar bills now in circulation will be replaced by bills of the central bank, but it will issue many other denominations including the largest ones. Reports come here of a demand, particularly in the west, that the new bank should provide general credit either through itself or the chartered banks. The proposed enactment does not contemplate a central institution dealing directly with the public. At the same time it is proposed to create deposits for the banks and for Federal and Provincial Governments and in this way cash reserves are designed to be increased. The custom is for banking credit to be, in about the ratio of ten times the reserves.

To Manage Credit

The main function of the central bank will be the control of credit, making it elastic in times of depression and applying some restraint in periods of boom. It will be designed to maintain a price level which will not be too high or too low.

One of the functions proposed for the new bank will be the purchase of bonds. The proceeds, going into banking deposits, would correspondingly expand credit processes.

MANY MINERS TRAPPED BELOW THE SURFACE

Shocking Disaster Reported From Czechoslovakia—Sixteen Bodies Recovered.

Duchcov (Dux), Czechoslovakia, Jan. 4—Fire broke out early today in the "Nelson III" coal mine, where a fearful explosion trapped 1400 miners in the workings.

One hundred and twenty men still in the mine faced certain death, relief experts feared, if they have not already been killed by poisonous gases.

The flames started shortly after midnight, almost seven hours after rescue crews began frantic efforts to reach the imprisoned men.

Sixteen bodies have been recovered and four exhausted and stupefied survivors climbed 1,000 feet to the surface before smoke and flames issuing from the doomed galleries forced a halt to rescue efforts. Until the fire is smothered there will be no further chance to proceed.

The toll of death, including the bodies recovered before the fire, was almost certain to be 136. Among the bodies recovered was that of a washer-woman employed in the shafthead.

The four miners who escaped by climbing to the surface were too stupefied from the effects of gas and by exhaustion to talk.

Plan Investigation

So strong was the blast that all houses in this city of 13,000 shook and it appeared that the whole mine had caved in. It was feared that every man underground was killed.

Duchcov lies in a rich coal field in the extreme northwestern part of

GOOD RESULTS ACHIEVED BY N.B. POTATO MEN

Edmundston, N. B., Jan. 3—Alphonse Dionne, agriculturalist, reports that co-operative selling of potatoes attempted last month by a group of farmers of St. Hilaire, N. B., has met with excellent results.

Early in December, the farmers, realizing that their chances of selling large quantities of potatoes were slim on account of the scarcity of purchasers in Madawaska county, got together and on Mr. Dionne's recommendation shipped five hundred 80-pound bags, of carefully selected stock to a Montreal agency. These potatoes shipped according to regulations, reached their destination in perfect condition and were classed as No. 1 Green Mountains. They sold for 72 cents a bag, notwithstanding the fact that the Montreal market was fairly well flooded. After paying for transportation charges, a commission to the selling agency and other minor expenses, the farmers netted 44 cents a bag, or 88 cents per 160-pound barrel.

Mr. Dionne pointed out that the experiment shows that substantial profits may be derived by co-operative selling, which such selling is done in an intelligent manner and in conformity with regulations.

Mr. Dionne stated that in view of the success attending the first potato shipments, similar shipments from other districts of Madawaska county will follow soon.

Hon. Lewis Smith, Minister of Agriculture is a guest at the Barker House.

Czechoslovakia. It is 35 miles north-west of Praha, and, besides its mines has important glass factories.

FOREIGN NEWS AT A GLANCE

DUBLIN—A military tribunal decided to comply until further notice, with a court order prohibiting it from proceeding with its case against Gen. Eoin O'Duffy, co-leader of the United Ireland party, charged with inciting to kill President De Valera.

HONGKONG—Dr. C. C. Wu, Chinese minister to the United States in 1929-1931, died suddenly of cerebral embolism at 46.

ROME—Italy's new corporative system, which will be placed in effect this month, will bring a divorce between politics and business, government leaders claimed.

PARIS—France rushed her reply to Hitler's arms demands, it was said, to frustrate attempts by some other nation to induce the French Government to alter its strong stand against German rearmament. The reply was presented yesterday. It had been expected to be handed over in Berlin Jan. 6.

VIENNA—Dynamitings and spectacular demonstrations were interpreted by many in Austria as the Nazis' way of announcing they expect to gain control this year.

THE COLLECTION OF TAXES BY LEGAL PROCESS A SUBJECT FOR DISCUSSION THIS MORNING

County Council Given Legal Opinion of County Solicitor on Important Matter—Coun. Doherty Tried Unsuccessfully To Have Letter of R. B. Hanson Added to the Minutes.

The York municipal council spent the greater part of this morning's sitting in discussing matters of taxation and the method of procedure in case of default, County Solicitor McNair gave his opinion on the assessment of wild land in the Parish of North Lake, brought up yesterday by Coun. Wetmore. He also gave an opinion in regard to the secretary-treasurer's power to seize and sell the property of a defaulting ratepayer.

The minutes of the last meeting were read by the County Solicitor.

Coun. Doherty moved, seconded by Coun. Briggs, that the letter of R. B. Hanson, M. P. to the secretary-treasurer on executions for taxes be added to the minutes.

On a vote being taken the motion was defeated by a vote of 16 to 5. Coun. Doherty insisted on the names being recorded which was done.

On motion of Coun. Graham the minutes were then approved.

Wild Land Taxes

Mr. McNair, raised on the question of wild land taxes said by Coun. Wetmore that according to the rates and taxes act the assessors were not bound by the county valuation. In regard to the matter of the secretary-treasurer's right to sell real estate under an execution. His view was that personal property should first be sought and if the execution issued against it was returned unsatisfied then proceedings could be taken against the real estate. He quoted from the Rates and Taxes act in support of his opinion.

Coun. Doherty took issues with the views of the solicitor, claiming that they were at variance with those expressed by Mr. Hanson.

Mr. McNair said that lawyers some-

THE C. N. R. IS STILL A CAUSE FOR ANXIETY

A Deficit of Nearly Fifty Million Dollars Is Reported

EARNED \$6,000,000

Will Try Out Legislation of Last Year's Session

Ottawa, Ont., Jan. 4—While in the light of the annual statements, the Canadian Railway situation is still such as to cause concern, any legislation on the subject does not figure in the calculations of the Government at this stage for the coming session.

It is known that the prospective Canadian National Railways deficit of some \$49,000,000 over and above \$6,000,000 operating surplus is a continuous source of apprehension to the Cabinet but the probabilities are against any new legislative move, seeing that the new Board of C. N. R. Trustees was sworn in yesterday. The intention is to try out the legislation passed last session and explore the possibilities of further co-operative economies. If it should be found that in such direction little more can be accomplished in the way of financial saving, then some new policy will have to be considered. This would especially be so if in the meantime the roads failed to prosper through national business recovery and its effects on earnings.

It was recalled today that the legislation of last session specifically forbids corporate amalgamation.

Italy to Recruit And Train Young Fascist Militia

Two Million Boys Are To Be Trained By Mussolini For Possible Emergencies—Plans Discussed With Sir John Simon For Ending Armament Deadlock.

ROME, Jan. 4—Italy wants to recruit 2,000,000 boys, aged 7 to 18, into the Balilla and the Avanguardisti — organizations of young Fascist militia.

Renato Ricci, Under-Secretary of Education, announced yesterday the recruiting plan today as "preparing the new generation for possible emergencies."

Sir John Simon and Eric Drummond, former Secretary-General of the League of Nations, met with Premier Mussolini to discuss plans for ending the disarmament deadlock and to reorganize the League.

Meanwhile the Chamber of Deputies considered a navy budget report which declared that only a four-power pact can save the world from a naval armament race of the worst kind.

The report, signed by Marquis Giacomo Medici del Vascello, committee reporter, and accepted as a statement of Il Duce's own viewpoint, warned that the principal world powers "are already arming at sea."

If the big European nations were to get together on some step looking toward disarmament, world tension would be relieved and the way opened for a broader agreement on arms—including naval as well as land and air—Vascello said.

A CANADIAN KIDNAPPER IS BEING SOUGHT

Believed That Sankey Had Planned To Kidnap Jack Dempsey and Babe Ruth.

St. Paul, Minn., Jan. 3—New evidence which he said caused him to believe Verne Sankey, former Canadian railroader now sought as an alleged kidnapper, not only might have been implicated in the murderous abduction of the Lindbergh baby but also contemplated kidnapping two sports celebrities, was disclosed today by County Attorney M. F. Kinkead.

The evidence, the prosecutor said was discovered in Sankey's ranch home at Gann Valley, South Dakota. Babe Ruth and Jack Dempsey are the sport figures Kinkead believes Sankey sought to capture and hold for ransom.

A Western Man

The sensational evidence against the man who formerly worked for the Canadian National Railways, out of Melville, Saskatchewan, was unearthed, Kinkead said, during attempts to run down the abductors of Haskey Bohn, son of a local manufacturer, Bohn was kidnapped and released after payment of \$12,000 ransom.

Sankey is under indictment here for that crime and also is wanted in Denver for the \$60,000 ransom abduction of Charles Boettcher II.

Kinkead some time ago asserted a comparison of ransom notes in the Lindbergh, Boettcher and Bohn kidnappings showed they might all have been written by the same person.

"We found in the basement of Sankey's house," Kinkead said today, "a complete account of the Lindbergh kidnapping case. We also found a sort of letter file that contained full

ROOSEVELT STAND COMES IN FOR PRAISE

Berlin, Jan. 4—President Roosevelt's message to Congress was given wide prominence in Berlin morning newspapers, which hailed his utterances against the world's "armament delusions."

The Berliner Tageblatt said: "It is now clear America will look on with crossed arms to see how the play of powers in Europe regulates itself."

Referring to economic measures, the Vossische Zeitung said they meant "a cold revolution without constitutional changes."

In Rome

Rome, Jan. 4—President Roosevelt's willingness, expressed in his congressional message, to co-operate in any practical world disarmament plans was welcomed in semi-official circles as Premier Mussolini and Sir John Simon, Britain's secretary for foreign affairs, prepared to hold their second conference on the subject today.

accounts of Jack Dempsey's earnings and those of Babe Ruth. One sheet contained a picture of Babe Ruth with the notation on the bottom, "Will present this."

The Babe's Reaction

Despatches from New York said Babe Ruth listened incredulously to the information that he might be an intended kidnap victim.

"Well," he was quoted as saying, "I sure hope the yeg that guy. I never got any letters from him or anything, but I don't want him coming my way unless I can get my hands on a bat."

Justice department officials at Washington admitted they wished to question Sankey in the Boettcher case but refused either to confirm or deny his possible connection with the Lindbergh case.