

Aberhart Cabinet In Emergency Conference As Dominion Disallows Bank and Court Acts

Ships, Planes Bomb Chinese As Mob Amok

Crowd Beats, Kills Natives
Suspected of Water
Poisoning Plot

NIPPON IS DESPERATE

Japanese Strive to Check
Irresistible Advance
of Chinese

SHANGHAI, Aug. 18.—Japanese aircraft and warships began a concerted bombardment of Chinese positions north and east of Shanghai Wednesday in an effort to check the steady advance of the Chinese.

Outnumbered on land almost four to one, Japanese marines and blue-jackets were reported slowly giving way before the sheer mass of the Chinese advance in the northeastern sector of the international settlement. The combined Japanese third and first fleets and all available aeroplanes were thrown into the fray.

The bombing attack continued by moonlight. It was the first night raid of the six days of fighting.

Meanwhile, undisciplined mobs stole through the streets of Shanghai, searching, beating and killing natives they suspected of plotting to poison the city's water supply, while thousands of homeless refugees clamored for food at the barricaded gates of the international settlement.

Native newspapers had carried rumors, unconfirmed, that Japanese tried to influence natives to poison the city's water supply.

Infuriated, menacing mobs acted upon the rumors and many natives were killed or beaten. Scores of Chinese were stopped and searched by the raiding gangs. If they pos-



Major-General Shozo Kawabe, commander of the Kawabe force of the Japanese army now fighting against Chinese troops in North China.

Eskimos Heard Plane's Engine

Tell Pilot Bob Randall of
Incident "Four or Five
Days Ago"

FLIER AT BARROW

BARROW, Alaska, Aug. 18.—Bob Randall, Edmonton airman seeking the lost Russian transpolar fliers, said late Tuesday Barter Island Eskimos told him they heard what they believed was an aeroplane's engine "four or five days ago." Last

No Secession, Says Aberhart At S.C. Picnic

Premier Rebukes Follower
Who Cries "Give Us
a Gun"

FIGHT IS PROMISED

Doesn't Want Bloodshed,
Urges Constitutional
Battle

One lone voice in the crowd shouted "Give us a gun" when, in the middle of a Social Credit meeting at Lakeview Tuesday afternoon, Premier Aberhart announced that he had just received from THE JOURNAL word that the Alberta legislature's banking acts had been disallowed by the dominion government.

"No, no! None of that," cried the premier as the man in front called for gunplay.

"This is not bloodshed. This is constitutional. We will stand by the constitution and fight it through." Applause greeted his statement, and he continued:

"May I suggest that you never allow anybody to tell you that we are going to secede from our great dominion. We have no desire to leave the home of our forefathers. We may disagree with their prejudices and systems, but we stand together and fight together and try to solve our difficulties. Surely one should be allowed to fight out our differences in our own real home as members of a great dominion."

"Will you keep steady and go ahead on the lines we have always stood for? It is a constitutional fight and we will carry it on."

At the end of his speech he called for a voice vote for support of the



Hon. Ernest Lapointe, minister of justice, upon whose recommendation Premier King disallowed Alberta's banking legislation.

Order Sinking Sub Attackers

British Navy Authorized
to Exact Speedy
Vengeance

CABINET PERTURBED

LONDON, Aug. 18.—The royal navy was authorized Tuesday to counter-attack any submarine attacking a British merchantman without warning.

The admiralty issued orders to the fleet upon instructions from His Majesty's government which stated it was perturbed at the increasing number of attacks upon shipping in the Mediterranean sea.

"This promiscuous sinking of ships is getting a bit steep," an admiralty spokesman said.

Alberta's Violation of Constitution, Refusal Co-operate In Court Review Left Veto Only Course, Says King

Prime Minister Voices
Regret Over Attitude
of Alberta

"MUST BE ORDERLY"

Solutions May Be Found
Without Violating Con-
stitution, He Says

OTTAWA, Aug. 18.—Alberta's bank-control act plainly is unconstitutional, Prime Minister Mackenzie King advised Premier Aberhart Tuesday night, reporting to him the federal government's action in disallowing the legislation.

At the same time the prime minister expressed his regret the Alberta government would not co-operate in testing the constitutionality of the legislation in the supreme court, thus forcing the dominion to exercise its power to veto. He expressed the federal government's willingness to co-operate with the Aberhart administration in solving economic problems but emphasized his belief solution could be accomplished through orderly processes and without violating the constitution of the right of recourse to the courts.

The prime minister's telegram to Premier Aberhart read as follows:

"I am in receipt of your telegram of Aug. 16, rejecting the proposal of the Canadian government that the government of Alberta agree to facilitate hearing of a reference to the supreme court of Canada of certain legislation enacted at the recent session of the provincial legislature of Alberta and

Dominion Responsibility Under B.N.A. Act 'Clear'

OTTAWA, Aug. 18.—Constitutional responsibilities placed upon the federal government by the British North America act left no other course than to disallow the Alberta banking legislation, Prime Minister King declared in a prepared statement issued Tuesday night.

Section 90 of the B.N.A. act which confers the power of disallowance, "casts a clear responsibility upon the federal government," the prime minister said. The legislation in question, he believed, "constitutes a clear invasion of the federal field of responsibility."

Appropriate and legal means existed, the prime minister said, by which the constitution could be amended, as against "arbitrary and unilateral action." He was convinced the people of Canada wished the orderly method to prevail.

The government, however, recognized the need to consider in the light of developments since confederation, need for changes in the constitution, the prime minister

Acts Unmistakable Invasion Of Federal Field--Lapointe

Minister of Justice Gives
Opinion of Alberta
Legislation

DETAILS CRITICISM

said, and to that end had appointed a royal commission to study and report so that a permanent solution might be reached.

The prime minister's statement follows:

"At the recent session of the legislature of Alberta, three acts were passed which are of the utmost concern to the people of Canada."

"The main purpose of these measures is to bring operations of banks chartered by the dominion of Canada under provincial authority and

(Continued on Page 5, Col. 1)

Twins Together As Tonsils Cut

PITTSBURGH, Aug. 18.—Six-year-old Ruth Weber refused Tuesday

Not Time for Haggling
Over Constitutional De-
tails—Aberhart

COURSE UNDECIDED

Talk of Special Session
of Legislature Is
Heard

Five-hour meeting of the Alberta cabinet on Tuesday night to consider the Ottawa announcement of federal disallowance of the banking legislation passed at the recent session of the Alberta house wound up with Premier Aberhart and cabinet ministers maintaining silence as to the next step.

The meeting opened in the premier's suite at the Macdonald about 8:00 p.m., and continued until shortly before 1:00 a.m.

Questioned at the close of the meeting, Premier Aberhart said he had no statement to make.

Admitting that he had received the telegram from Premier King making known the federal government's decision to disallow the acts, Premier Aberhart said this had been considered.

While the matter had been discussed, there was no statement that he could make, said the premier.

Premier Aberhart stated Wednesday that another meeting of the cabinet would be held during the way, but the time had not yet been set.

"We will have meetings from time to time said the premier. "At the same time

Endorses Action Federal Cabinet

(Special to The Journal)

DRUMHELLER, Aug. 18.—While Drumheller's business men Tuesday were passing a resolution congratulating Prime Minister King on his veto of Alberta bank-control legislation at a board of trade meeting in one hotel, 35 Social Credit-ers were devising a resolution two doors away in another hotel asking Premier Aberhart to ignore the dominion ruling on the bank legislation and proceed with plans to license banks and bank officials.

Social Credit meeting represented zone one in the Drumheller constituency comprising about four groups. Full text of the resolution passed unanimously by the board of trade meeting was:

"We heartily endorse action taken on the Alberta bank acts. It will help stem run on our banks, restore shaken confidence of business generally and encourage reverence for principles of justice and national authority. No other aswer could be given to arrogant nullification of national law and seditious defiance of national authority. Business men 100 per cent satisfied."

Social Credit resolution, while sketchily outlined, was left to zone officials to draft.

The Weather

Edmonton Weather			
Tuesday		Wednesday	
3:00 p.m.	68	1:00 a.m.	50
4:00 p.m.	66	2:00 a.m.	49
5:00 p.m.	65	3:00 a.m.	43
6:00 p.m.	64	4:00 a.m.	43
7:00 p.m.	60	5:00 a.m.	43
8:00 p.m.	56	6:00 a.m.	44
9:00 p.m.	52	7:00 a.m.	47
10:00 p.m.	52	8:00 a.m.	52
11:00 p.m.	51	9:00 a.m.	59
12:00 mid.	50		
Maximum temperature Aug. 17, 68.			
Minimum temperature Aug. 17, 43.			
Barometer reading at 9:00 a.m. 27.60.			
Average temperature Aug. 17, 55.5.			
Average temperature same date last year, 56.			
At Edmonton sun rises 5:20; sets 7:54.			
Highest temperatures from 6:00 a.m. to 1:00 p.m. Tuesday; lowest from 6:00 p.m. Monday to 6:00 p.m. Tuesday.			
H L		H L	
Edmonton	68 44	Halifax	78 64
Prince Rupert	60 46	Chicago	88 76
Vancouver	74 52	Victoria	68 56
Prince George	70 40	Kamloops	68 60
Lethbridge	84 44	Calgary	76 40
Jasper	60 42	Medicine Hat	92 46
Banff	70 33	Swift Current	92 48
Battleford	80 38	Prince Albert	72 48
Saskatoon	84 44	Moose Jaw	94 46
Regina	94 44	Brandon	82 46
Winnipeg	82 46	Kenora	77 52
Port Arthur	72 50	London	84 66
Cochrane	72 50	Kingston	90 72
Parry Sound	80 68	Montreal	84 72
Toronto	86 68	St. John	72 58
Ottawa	84 66	Charlottetown	84 68
Quebec	84 70	St. Paul	82 68

Forecast			
Alberta: Partly cloudy; probably scattered showers; cooler in southern portion.			
Northern Temperatures			
Following northern temperatures at 8:30 a.m. Wednesday were supplied by government telegraph service:			
Hudson Hope	49	Notikewin	58
Ft. St. John	52	Falher	50
Dawson Creek	56	Grouard	52
Pouce Coupe	54	Slave Lake	52
Beaverlodge	55	Mirror Ldg.	60
Gde. Prairie	56	Athabaska	52
Spirit River	56	McMurray	54
Fairview	57	House River	52
Peace River	50	Calling River	53
Ft. Vermilion	54		
Far North Readings			
Aklavik	48	Ft. Norman	52
Dawson	44	Ft. Simpson	56
Mayo	48	Ft. Smith	50

kinos told him they heard what they believed was an aeroplane's engine, "four or five days ago." Last definite word from the fliers was received by radio stations early Saturday.

Barter Island is about 750 miles east of here on the North Alaska coast. It is on the 144th meridian, about 175 miles from the 148th meridian which the Soviet fliers had been expected to traverse from the North Pole to Fairbanks.

Randall, who flew here earlier Tuesday from Aklayik, returned to Barrow late Tuesday and said he had made many landings along the bleak northern stretches in quest of Sigismund Levanefsky and his five companions.

"Whenever I could find a native to talk to, I stopped," he said.

The Barter Island natives claimed they heard engines four or five days ago. They believed at first it was a boat, but they were unable to locate any boat so decided it must have been an aeroplane engine.

"There is a possibility this might have been the Russian aeroplane," Randall said.

Tuesday's flight was made through

(Continued on Page 11, Col. 6)

Say Britain Seeks Peace In Shanghai

PARIS, Aug. 18.—Havas news agency, in a dispatch from London, stated it was understood in well-informed sources that the British government had decided on an 11th hour move, in which France and the United States would be asked to co-operate, to free Shanghai from Sino-Japanese fighting.

The dispatch stated the project was described as follows:

Britain would make simultaneous representations to Tokio and Nanking, asking both to withdraw their military forces from the metropolis.

It would be understood that the combatants' acceptance of this appeal would be contingent upon a promise by Britain, France and the U.S. to protect Japanese interests in Shanghai's international sections.

London would call on Paris and

(Continued on Page 11, Col. 8)

POULTRY RACKETEER GIVEN FOUR YEARS

NEW YORK, Aug. 18.—Arthur "Tootsie" Herbert, named by Special Prosecutor Thomas E. Dewey as head of the poultry racket in this city, was sentenced Tuesday to from four to 10 years in Sing Sing prison.

Herbert, business agent of the Chicken Drivers, Chauffeurs and Helpers' union, Local 167, pleaded guilty to eight counts in an indictment charging embezzlement of \$25,000 union funds.

AUSTRIA COMBATS SPREAD OF NAZISM

VIENNA, Aug. 18.—(CP-Havas)—Austrian government Tuesday night created an "army of patriots" to combat spread of Nazism which has caused Chancellor Kurt Schuschnigg increasing alarm.

Youths were advised special barracks would be installed throughout Austria to train patriotic "Sturm-korps", volunteers who will receive intensive instructions on means of combating what is regarded by Vienna as the "Nazi menace".

(Continued on Page 2, Col. 1)

Blackmore Pledges Aberhart Backing

(Special to The Journal)

LETHBRIDGE, Aug. 18.—Seen Tuesday en route to Calgary where he is meeting the federal Social Credit members in a caucus Wednesday, John H. Blackmore, M.P., Social Credit house leader, said that the federal parliamentary group "stood solidly behind Premier Aberhart and his cabinet in the present constitutional crisis."

"The disallowance of the Bank acts by the federal government is not surprising to me but it raises one of the greatest constitutional issues in the history of the British empire. In that issue we stand by the government of Alberta," said Mr. Blackmore. He added that the government has its plans of procedure in mind. He scouted the idea of an early general election in the province.

Invalidating of the acts was met in Lethbridge with general approval in banking and business circles generally. George W. Green, manufacturer and president of the Lethbridge Constituency Conservative association said, "the action of Prime Minister King meets with my approval. I am behind him. I think he has done the right thing in taking such a positive stand for the constitution. His duty was clear and he did it."

Meanwhile, Social Credit-ers generally declare they will stand behind Premier Aberhart. Albert Wright, Social Credit leader, said, "We expected it. I am not surprised but instead of weakening our ranks it has strengthened them. Premier King has made a grave mistake and his action has only solidified the Social Credit forces and made them more determined to carry out their program."

CLAIM CONFESSION IN TRUNK MURDER

NEW YORK, Aug. 18.—Detective Captain Edward Mullins announced Tuesday night a man booked as Joseph Ogden, 36-year-old unemployed cook and dishwasher, had confessed the slaying of George Sinecal, whose nude body was found in a trunk delivered to an express agency Tuesday afternoon.

Detectives said they traced the trunk to a dealer who said he sold it Monday.

Sinecal, known to police of Seattle, Los Angeles and Boston as well as of this city, had been shot once through the back of the head.

Apparently in an effort to prevent identification, his killers cut away a large tattoo mark on the outside of his right forearm. They overlooked a small five-pointed star tattooed on the inside of the same arm.

Today's Scratches

FIRST RACE—Spring Violet, Mexican D., Milandra, Island Square, Olivia D.

SECOND RACE—Flaming Lizzie.

THIRD RACE—Blackwhit, Bernice Van, Tilenada, Sid Lea, Lobella Ellsworth.

FOURTH RACE—Burning Gorse.

SIXTH RACE—Voltear.

SEVENTH RACE—Grandma's Girl, All Feet, Peglius, Popcorn.

Weather cloudy, track very slow,

is getting a bit steep," an admiralty spokesman said.

The action followed a meeting of ministers called primarily to consider the grave far eastern situation but which also gave consideration to the rising number of Mediterranean incidents involving shipping and growing out of the Spanish civil war.

"We are simply telling the world we will take action," the spokesman continued. He said the decision was limited to Spanish troubles.

"That's flat," he declared. "If one of our ships is attacked without warning we will sink whoever did it. That's it in a nutshell."

The following statement was issued after the ministers' meeting:

"His Majesty's government has been seriously perturbed at the increasing number of attacks upon shipping which have occurred of late in Mediterranean waters and at the extension of the area in which these incidents now are taking place."

"His Majesty's government has issued instructions through the admiralty that if any British merchant ship is attacked by submarine without warning. His Majesty's ships are authorized to counter-attack the submarine."

Sees Market Rise To New 1937 High

(Member New York Stock Exchange)

NEW YORK, Aug. 18.—Opening prices Tuesday reflected an overnight accumulation of selling orders resulting from both the disturbing far east situation and the fact that prices Monday tended lower rather than higher. I was impressed by the manner in which the market took the selling. Its performance one hour after the opening was all that could be asked for and implied in a convincing fashion that the market was well under control.

I see no reason for deferring, postponing and revising constructive operations in the market. The market has not yet completed its current phase of advance. The advance will not culminate until the industrial averages make a strenuous effort to establish a new high market for 1937. I believe the effort will be successful.

CALLS ON LAWYERS GIVE LEADERSHIP

TORONTO, Aug. 18.—Lawyers of Canada were called upon to give leadership to the people and help in the creation of a sane and sensible public opinion, by Hon. H. H. Davis, justice of the supreme court of Canada, in his presidential address at the opening Wednesday of the 22nd annual meeting of the Canadian Bar association.

Roosevelt's Son Squirts Champagne In Mayor's Face In Return For Hospitality Extended By French City

CANNES, France, Aug. 18.—John Roosevelt, son of President Roosevelt of the United States, squirted champagne in the face of Mayor Pierre Nouveau and roughed him with a bouquet of flowers during the annual "battle of flowers" Sunday night, city officials said Tuesday.

Roosevelt, Harvard student and youngest son of the president, with

acted at the recent session of the provincial legislature of Alberta, and not to take any steps toward enforcement of these measures pending the determination of the referendum.

"My colleagues and I regret that the government of Alberta has declined to co-operate in this reasonable course. We have accordingly had to consider what action is required on the part of the government of Canada in the exercise of its powers and duties as established by law."

"2. We are advised that there is no possible doubt that the measures purporting to control banking and credit by a body or bodies appointed by the province of Alberta, and seeking to enforce that control by

(Continued on Page 2, Col. 1)

Starting Crisis Believes Douglas

(Special to Edmonton Journal and Associated Southern Newspapers)

LONDON, Aug. 18.—In an interview here today, Major C. H. Douglas, founder of Social Credit, declared "the action of Premier King in disallowing the banking acts of the Alberta legislature is undoubtedly precipitating a constitutional crisis in Canada."

"Moreover, according to information I received during my official visit to Alberta in 1935, the power of disallowance is vested in the governor-general personally and not in the federal cabinet as such. It is a power distinctly personal to the governor-general under the British North America act. On the other hand, as I understand it, if Canada is operating under the Statute of Westminster then nobody has the power of disallowance."

Major Douglas added the situation in Alberta is now developing satisfactorily from a Social Credit point of view.

The Financial News, leading London paper, said:

(Continued on Page 5, Col. 4)

SELASSIE REFUSES BE PUPPET KING

LONDON, Aug. 18.—Philip Jordan, political commentator, writing in the News-Chronicle Wednesday, said Emperor Haile Selassie twice had been asked by agents of Mussolini to return to the throne of Ethiopia as an Italian-dominated monarch, but had refused to negotiate except through the League of Nations.

The article said Haile Selassie had recalled Crown Prince Asfaw Wasan from Jerusalem, where he had taken up residence, because Italian agents repeatedly asked the youth to help assure Rome's authority over the Ethiopian natives.

DETAILS CRITICISM

OTTAWA, Aug. 18.—The Alberta statute to force bankers to take out licenses and subscribe to provincial control is "an unmistakable invasion" of the legislative field of the dominion parliament.

Justice Minister Ernest Lapointe laid down that opinion Tuesday when recommending to the federal government disallowance of the statute and two others concerning access to the courts. His recommendation was adopted and the three laws vetoed.

The acts, the minister of justice found, "conflict with dominion laws and virtually supplant dominion institutions designed by parliament to facilitate the trade and commerce of the whole dominion."

Operation of the Alberta laws would lead to "confusion and injury to the public interest of Canada."

The minister of justice, in concluding his review of the legislation, laid down this general opinion of the power of disallowance:

"While the undersigned is of the opinion that no project of policy of a provincial legislature should be interfered with by exercise of the power of disallowance merely on the ground that measures to promote

(Continued on Page 2, Col. 5)

Youth Is Missing After Car Crash

(Special to The Journal)

DRUMHELLER, Aug. 18.—Search is being made, so far without discovery of a single clue, for 17-year-old Stanley Baillie, who disappeared after a motor collision near here late Monday night. He wandered away from the scene of the collision before police arrived, and there is as yet no indication of what has become of him.

Baillie, in a sedan, collided head-on with a loaded oil truck a few miles south of Morrin. A Kidder of Morrin was with him in the car and was severely injured in head and throat. He was taken to Drumheller hospital, where his condition is thought not serious.

When the cars struck the force of impact smashed the sedan into junk, and the oil truck, carrying over 1,200 gallons of gasoline, was also badly shattered in front. The truck was driven by Samuel Blood, of Isham, Sask., with Carl Olsen of Eston, Sask., as a passenger.

Baillie is thought either to have been dazed or to be suffering from loss of memory or to be hiding from fear of having to face a serious charge in case of Kidder's death. He is described as about five feet seven inches in height, heavy set, dark hair and blue eyes. Search for him has been made constantly since the accident and is continuing.

bucket on the carriage floor and squirted the contents in the mayor's face.

Then, the executive's assistants related, Roosevelt seized a bouquet of flowers and brought them down over the mayor's head.

The mayor "retired as gracefully as possible," his spokesmen avowed, adding that his suit was ruined,

old Ruth Weber refused Tuesday to be different from her twin sister Esther—even by a couple of tonsils.

Ruth was taken to a hospital for the operation but wouldn't have her tonsils removed unless Esther underwent the same treatment.

Now the twins are alike and "doing splendidly," a nurse reported.

Beatty Says East Should Help West

SUDBURY, Ont., Aug. 18.—Sir Edward Beatty told the board of trade here Tuesday three-quarters of Canada was showing "excellent recover," but that the other quarter needed help. He said he believed "that help should be generous."

Based on his own observations, the president of the Canadian Pacific railway said the Maritimes were enjoying exceptional prosperity; in Quebec and Ontario conditions were good with slight labor difficulties; in Manitoba crops were good; in Saskatchewan conditions were bad and in Alberta crops were spotty; British Columbia was showing great recovery.

"We in eastern Canada have no excuse for not giving the west our support," Sir Edward said. He held hope the drought had been broken, adding: "At least it has shown that it can rain."

He said Canada could never be completely prosperous without agriculture.

One of the major problems of the day, he said, was redistribution of financial responsibilities between the federal and provincial governments.

"I hope it will be more equitable than it is today," he said in referring to expected distribution which may follow royal commission investigation of the dominion financial set-up.

Asked concerning the statement in the federal premier's telegram in which he expressed readiness of the dominion to meet Alberta representatives to discuss Canadian problems, Premier Aberhart said that had not been reached at the Tuesday night meeting.

Asked whether it would do to suggest that the dominion decision might result in the calling of another special session of the house, the premier

(Continued on Page 11, Col. 8)

Dominion S.C.'s In Caucus Here

Caucus of federal Social Credit members opened here Wednesday, called by J. H. Blackmore, Lethbridge, leader of the S. C. party in the house of commons.

Among those who arrived Tuesday night for the meeting was Norman Jacques, M.P. for Wetaskiwin.

According to a recent announcement by Mr. Blackmore, the caucus was called to discuss the party's plans for the next session of the house of commons.

200 GERMAN PLANES IN SANTANDER FIGHT

HENDAYE, Franco-Spanish Frontier, Aug. 18.—Insurgent army described by the Spanish government as built around the Italian "Black Arrow" brigade and bolstered by 200 German aeroplanes, battered toward Santander Wednesday in what may prove the crucial campaign of Spain's civil war. Columns operating on parallel highways were reported within 25 miles of Santander's outskirts.

ENGLISH BISHOP DIES

MANCHESTER, Aug. 18.—Rt. Rev. Cecil Wilfrid Wilson, suffragan bishop of Middleton, Manchester, died suddenly Tuesday night. He was 62.

same time, the work of the government must be no so that the ministers will require to give some time to their departments."

"This is such a serious matter and the need of relief for our people is so pressing that we are doing our utmost to try and obtain a clear understanding of the federal government's viewpoint," said the premier.

"When we have a desperate situation in this province and the people in serious need, it is not the time for haggling over constitutional points," he observed.

"Is the government likely to send representatives to Ottawa to talk the situation over with the dominion?" the premier was asked.

"That has not yet been given consideration," he replied.

It was regarded as possible that a cabinet meeting would be held Wednesday morning, previous to the premier's departure at midday for Colinton where he and G. L. MacLachlan, M.L.A., chairman of the Social Credit board, are scheduled to speak at a Social Credit rally.

In case the premier returns from Colinton in time, there may be another cabinet meeting Wednesday night.

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(Continued on Page 11, Col. 8)

Today's Markets

WINNIPEG, Aug. 18.—Grain opening: Wheat—Oct. 1 to 3/4 lower at 128 to 128 1/4; Dec. 1 1/2 to 1/2 lower at 125 to 125 1/4; May 1 1/2 to 1/2 lower at 126 1/4 to 126 3/4. Oats—May unchanged at 45 1/4. Barley—Oct. unchanged at 57 1/4; Dec. 1/4 lower at 55 1/4. Rye—Oct. 3/4 to 3/4 lower at 89 1/4 to 89.

NEW YORK, Aug. 18.—Canadian dollars eased 1-64 per cent to 99 31-32 cents. Pounds sterling gained 3-16 cent to 84.99 15-16 and French francs .00 1/2 cent to 3.75 1/2 cents.

TORONTO, Aug. 18.—Western oils were higher. Calgary-Edmonton gaining 10 cents. Nickel, Smelters and Waite-Amulet gained at the stock exchange opening.

MONTREAL, Aug. 18.—Price Brothers, St. Lawrence Corporation, General Steel Wares and Nickel gained in early stock market proceedings.

NEW YORK, Aug. 18.—Anaconda, Chrysler, Douglas Aircraft, General Motors and Sears Roebuck were in demand at the opening.

MONTREAL, Aug. 18.—Silver futures opened unchanged.

EDMONTON, Aug. 18.—Street prices on grain here at Wednesday's opening: Wheat down one at 108, oats and barley unchanged at 34 and 38, respectively, rye 1/2 lower at 68 1/2, flax unchanged at 149.

CHICAGO, Aug. 18.—Grain opening: Wheat—Sept. 11 1/2 to 11 3/4; Dec. 11 3/4 to 11 3/4; May 15 1/4 to 15 1/4. Corn—Sept. 98 1/2 to 99; Dec. 67 1/4 to 67 3/4; May 68 1/2. Oats—Sept. 29 1/4 to 29 1/4; Dec. 29 1/4 to 29 1/4; May 31 to 31 1/4.

Daily Reminder

MAIL REMINDER

Great Britain

Duchess of Bedford sails from New York Aug. 22; mails close here Aug. 18.

Queen Mary sails from New York Aug. 25; mails close here Aug. 20 (letters).

Transpacific

President Jackson sails from Victoria Aug. 28; mails close here Aug. 26.

Antipodes

Aorangi sails from Vancouver Sep. 1; mails close here Aug. 30.

No Course But Disallowance of Alberta Acts Open, Says King

Dominion Premier Explains Position On Bank, Court Laws

Prime Minister Voices Regret Over Attitude of Alberta

"MUST BE ORDERLY"

(Continued from Page 1)

depriving individual citizens of their established right of appeal to the courts, are beyond the powers of the provincial legislature and constitute an infringement upon the recognized powers of the dominion. The fact that under the constitution from which both the federal and the provincial legislatures derive their jurisdiction, the field of money and banking falls to the federal authority, has never been seriously questioned in the 70 years since confederation.

Refers to Statement

"It is not necessary at this time to enter upon any discussion of a banking and monetary policy. You refer to a statement of mine that 'credit is a public matter, not of interest to bankers alone but of direct concern to every citizen.'"

"The truth of that statement is, I think, beyond question. The system of banking and currency established by law in any country is a matter of vital concern to all the citizens of that country and to the parliament elected to carry out their will. In the case of Canada, it is the citizens of the whole dominion who are concerned, and the federal parliament which is entrusted with the duty of regulating and controlling the system of banking and currency. In the recent amendments to the Bank of Canada act, parliament has accepted the principle of public control of credit. It is the function of the central bank, not the chartered banks, to control and regulate the volume of credit and currency in Canada, and the chartered banks carry out the ordinary business of banking within the framework of control and regulation established thereby and under other dominion legislation in regard to banking.

Shun Dictatorship

"4. We cannot accept any attempt to confuse the issue involved by references to financial tyranny or plutocratic opposition. The government of Canada has no sympathy with any form of tyranny, whether exercised by bankers or by any other body, nor do we believe that the people of any part of Canada are prepared to accept plutocratic or any other type of dictatorship.

"If it is felt that changes should be made in the banking or currency laws of the dominion, it is open to any citizens of the dominion residing in Alberta, or in any other province, to seek to have those changes made by the only body which has the due authority. The issue in the present instance is that a direct attempt is being made to infringe

14-Ounce Baby Dies In Chicago

CHICAGO, Aug. 18.—Chicago's "cigar box" baby, a three-day-old girl weighing 14 ounces, died Tuesday night in hospital a short time after a blood transfusion, effected in an attempt to generate heat in her tiny body.

Since her birth Sunday, 2½ months prematurely, to Mrs. Laura Schmoeller, wife of a truck driver, the baby's temperature had been below normal.

raignment of the banks and the banking system, a defence of the provincial legislation to license banks, coupled with condemnation of the dominion government, and a eulogy of the provincial government for the position it had taken on the question of the validity of the legislation.

While Mr. Manning was still speaking, Premier Aberhart was handed the note telling him of the news flash from Ottawa saying that the banking legislation had been disallowed.

When Mr. Manning sat down beside him and Chairman A. E. Goodwin occupied the platform for a time, Mr. Aberhart said nothing to his provincial secretary about the message. But although Mr. Manning had had no whispered word of it from the premier, he evinced no surprise when, a few minutes later, Mr. Aberhart read the message aloud to the crowd.

The audience itself, numbering 350 and grouped around the beach in front of the Lakeview pavilion while Mr. Aberhart and other speakers occupied the top landing on the steps of the pavilion, had evinced attention but little enthusiasm in the first few paragraphs of Mr. Aberhart's speech. When he announced the dominion's disallowance of the legislation there was little change of expression on the faces of the crowd.

"Give Us a Gun"

"You see what we are up against," said Mr. Aberhart.

"Give us a gun," shouted the one unidentified man near the front of the crowd.

"No, no!" said the premier. And the rest of the crowd remained silent; some members of it chuckled at the talk of a gun.

At the end of the meeting, Chairman Goodwin asked the crowd whether, as a constituency Social Credit organization, it wanted to send a telegram to the dominion government condemning the disallowance of the legislation, as other Social Credit organizations had done when the dominion asked the provincial government to co-operate in testing the acts' validity. The audience agreed, and Mr. Goodwin said the telegram would be drafted later.

"When we received the wire from the dominion government and the

said "the banks have curtailed the credit of the dominion of Canada from 1929 to 1937 by \$766,000,000 so that you could not distribute the stuff you produce."

"We have the people and the wealth, but someone says 'We won't give you any more tickets. I am going to take some more away from you.' And in the last eight or nine years they have reduced your tickets \$766,000,000.

"I say that all you have to do is to be convinced in your own soul that you should have these things. You are not going to ask us to take it from someone to give to you. We will take it from no one to give to you. Don't you think that you should be able to buy stuff at cheaper prices? Why can they buy your flour in Ireland cheaper than you can buy it here? Can't you see that we may not know how to do it, but we have experts and they know how to do it?"

Unity Stressed

"It is only a matter of keeping together. Don't let them separate you and drag you out into a number of different groups. They must not divide us. We may have differences of opinion but we must work together and have a united front to get more purchasing power and reduce the cost of living. If we can't keep together we don't deserve anything. I think our people know enough to keep their heads together. You just stand solid together and tell us what you want and keep telling us and when anyone comes forward and says you can't get it, you immediately tell him you are going to have it and they will find they cannot resist the will of the people.

"No constitution was meant to be iron-clad. The constitution was made for the people—not the people for the constitution. We had better keep that in mind. The British constitutional strength lies in the fact that the will of the people is the law of the land in the province of Alberta. So long as you don't interfere with the other provinces, you shall have what you want to have."

Talking about the natural resources of the province, the premier again made the statement that available in the McMurray tar sands "there are 100,000,000 barrels of oil, on an average of 125 feet deep; it covers 32,000,000 acres. There are 35,000,000 barrels of gas, but it cannot all be got out today. There is enough gas to keep the world going for 100 years. It is astronomical."

He commented: "We have all these things, but look at our roads. There are the tar sands and there are the oil and the gas and here are the men looking for work. Why can't we do it? Because someone won't issue the tickets and let you do it."

Tells of Experts

The government, said Mr. Aberhart, "got 'experts' to examine the wealth of this province so that they could tell us if we can do what you have asked us to do. After their examination of this question the men have placed on my desk the figures to show that it is quite possible, if no one interferes with us, to give you the two things you want.

"I said to them: 'How much wealth has Alberta?' They totalled it up: \$7,906,000,000, they say. Look at agricultural products; \$157,000,000 raised on the farm last year. In 1927 we had 171,000,000 bushels of wheat. In 1936 we had 67,000,000



George W. James, editor of the Canadian Statesman, of Bowmanville, Ont., was elected president of the Canadian Weekly Newspapers association at its annual convention in Halifax.

is going to manipulate the financial policy, what good are those rights to you?" Mr. Manning asked.

The provincial secretary referred to the statistical summary of the Bank of Canada, issued last month, and said that according to figures in it the people of Canada had \$2,837,000,000 on deposit in chartered banks in 1929. At the same time, he said, there was "in circulation in the form of public loans, etc., a monthly average of \$1,722,000,000." He demanded, "if the banks had out at that time so much money, how was it that the people still had \$2,837,000,000 of their accounts in the bank? If the bank was going to expand its credit and loan out the money of the depositors, then the accounts of the depositors would be reduced," he asserted. "But the deposits were up to this figure and the bank credit in the form of loans was \$1,722,000,000."

In April this year, he said the bank circulation of credit as represented by loans had dropped to \$956,000,000, and deposits had increased \$28,000,000.

"In other words," he said, "the credit of the dominion had been withdrawn to the extent of \$766,000,000 between 1929 and 1937. You tell me banks don't create money. They have drawn all that money back to themselves, out of circulation, and the deposits of the people have only increased \$28,000,000.

"How do you square off this discrepancy? This is not the credit that comes from currency. It is the credit accrued by the stroke of a fountain pen, issued in the form of short and long term loans.

"It was in the interest of the financial class or the bank to have the credit contracted in the interest of themselves. It was in their own interest and not in the interest of the common people of the province. It was withdrawn for the banks—not for the people.

"We have fired the first shot. We insist that within the boundaries of the province the government shall have a voice in the control of financial policy—that our credit shall not be expanded and contracted at the will of the bankers, but at the will of the people and in terms of pur-

so difficult for us to have someone write the figures in another book and the result would be the same when it was all worked out.

"Don't be scared of all the terms of finance and all the suggestions as to what might happen to the credit of your country. The God of Heaven has put wealth in our natural resources. Don't let them scare you with remarks about the figures in the book."

Mr. Baker, as representative of the Clover Bar riding in the house, urged that everyone in the gathering sign the "true blue unity" pledges which were circulated among the crowd, to "let the government know that you are determined that nothing shall stand in the way of freedom."

"The King of England," he said, "urged that something should be done to help the people. Then in the speech from the throne we heard that the government was going to do something to help the people, and why should that not be done?"

Urges Backing

"Let's raise our views to a higher plane and believe that we can enter into a new social order where our people shall be free. So I urge you all to get behind your government."

Mr. Baker spoke of the personnel: "Mr. Aberhart is willing to lead and the opposition he has had has been terrific. Yet some people say: 'Why don't you go faster?'"

"Well, I feel that we might have made a terrible mistake had we gone too soon. The time to take the plunge is now, and let nothing turn us back. Your government is determined to go forward. They have cut away all their deadweight now, I think. They are here to benefit the people. It is all they have in mind. It is up to everyone to see to it that they do their part and sign that True Blue Pledge, and to do everything we can. Tell your neighbors and everyone else. Don't let people get away with anything.

"You have heard of the People's League, no doubt. When they send their telegrams to Ottawa, by the name they use they try to make Ottawa think the people are behind their movement. They are, as a matter of fact, made up of financiers, mortgage companies, lawyers, etc., and financial interests are backing up this league. It is not the common people.

"We ask you to do everything you can to support your government."

Acts Condemned By Hon. Lapointe

(Continued from Page 1)

such project or policy are of doubtful constitutional validity, a distinction is to be made where the legislature deliberately attempts to interfere with the operation of dominion laws and to substitute laws and institutions of its own for those legitimately enacted and organized by parliament and this is particularly true where the legislature has denied recourse to the courts of justice."

The partial text of his recommendations to the cabinet was as follows:

"The undersigned has the honor to report that he has had under consideration authentic copies of the

tions, which powers are to be exercised without restriction or guidance except such as may hereafter be provided by regulations of the provincial credit commission with the approval of the provincial government.

"The second mentioned statute, which is cited as 'the bank employees' civil rights' provides by its recitals and by section three thereof as follows:

Preamble Quoted

"Whereas bank deposits and bank loans in Alberta are made possible mainly or wholly as a result of the monetization of the credit of the people of Alberta, which credit is the basis of the credit of the province of Alberta;

"Whereas the extent to which property and civil rights in the province may be enjoyed depends upon the principles governing monetization of credit and the means whereby such credit is made available to the province and to the people collectively and individually of the province;

"And whereas it is expedient that the business of banking in the province shall be controlled with the object of attaining for the people of Alberta the full enjoyment of property and civil rights in the province.

"3. Any person who is an employee of a banker and who is required to be licensed pursuant to any provision of the credit of Alberta regulation act shall not, while unlicensed, for any reason whatsoever be capable of bringing, maintaining or defending any action in any court of civil jurisdiction in the province which has for its object the enforcement of any claim either in law or equity."

Penalty Noted

"It is to be observed that the penalty to be suffered by a bank employee for failure to comply with the credit of Alberta regulation act' is the loss of his civil rights. It is complementary to the 'credit of Alberta regulation act' as is the third-mentioned act to amend the judicature act, which provides as follows:

"2. The judicature act, being chapter 72 of the revised statutes of Alberta, 1922, is hereby amended by inserting therein immediately after section 27B the following new section:

"27C. No action or proceeding of any nature whatsoever concerning the constitutional validity of any enactment of the legislative assembly of the province shall be commenced, maintained, continued or defended, unless and until permission to begin or maintain or continue or defend such action has first been given by the lieutenant-governor-in-council."

Contention Denied

"These statutes were apparently enacted upon the assumption that the authority of the provincial legislature to legislate in relation to property and civil rights in the province is unrestricted by the terms of the British North America act. This is not the case. Under the constitution of Canada the provincial legislatures are empowered to legislate in relation to property and civil rights only to the extent that the power to legislate in relation to this subject matter has not been assigned to the parliament of Canada. Parliament has wide powers in this respect, notably the following:

"The regulation of trade and commerce;

true where the legislature has denied recourse to the courts of justice.

"The undersigned therefore recommends that the said statutes of Alberta be disallowed and that a copy of this report, if approved, be transmitted to the lieutenant-governor of the province of Alberta for the information of his government.

"Respectfully submitted, (Signed) Ernest Lapointe, Minister of Justice."

Disallowance of Acts Is Final; No Appeal

By Charles Bishop (Special to Edmonton Journal and Associated Southern Newspapers)

OTTAWA, Aug. 18.—Disallowance by the federal government of the recent Social Credit legislation of the Alberta legislature is in the nature of finality. There is no appeal to any tribunal. There is no requirement of ratification by parliament.

Any administrative act of the government, such as this, can be brought up on the floor of the house but for nothing more than ordinary discussion. When an act is disallowed by the governor-in-council the order is absolute. So, the legislation in question is "out." It will not appear on the statutes of Alberta.

The necessary proclamation was promulgated in an "extra" of the Canada Gazette Tuesday night. The subject has been under consideration here for the last two weeks though officially the authentic copies of the act had to be awaited.

Some variety of views found expression. The action finally taken by the government was what was strongly favored from the start by some of its members and by a large and influential body of public opinion outside. Certain laymen and politically minded persons, however, counselled a course of greater caution. The final cabinet sitting devoted to the subject took three and a half hours.

No doubt the minister of justice and the legal staff who are known as law officers of the crown favored only one course—disallowance. In order, however, to avoid any appearance of acting arbitrarily, it was considered wise to suggest a reference to the supreme court and Premier Aberhart was invited to facilitate that process, by joining in it, and meanwhile, suspending enforcement of the recent acts.

Alberta Resident Dies Of Injuries

BELLINGHAM, Wash., Aug. 18.—Fran Stevens, 32, of Vermilion, Alberta, died at noon Tuesday from a fractured skull suffered Sunday when two automobiles collided near

Blaine, Wash., injuring nine. He failed to regain consciousness.

VERMILION, Aug. 18.—Fran W. Stevens, aged 37, prominent Vermilion business man who died in Bellingham, Wash., Tuesday had gone to Vancouver on Tuesday of last week for a short vacation, intending to spend a week in the B.C. city and a week in Seattle.

Deceased was manager of Stephen's department store. He was also a prominent member of the board of trade and a strong supporter of baseball and hockey.

He is survived by his mother, Mrs. H. N. Stephens; two sisters, Margaret of Vermilion, and Mrs. Bert Bowman of Los Angeles, and three brothers, Gerald of Vermilion, Dr. Clive Stephens of Paradise Hill, Prof. H. Stephens of Minneapolis.

HE WAS ALWAYS TIRED AND ILL

Three Complaints Gave Him a Miserable Time

Suffering from three complaints—disordered kidneys, sciatica, and rheumatism, how could this man be anything else but always tired and ill? This is what he writes:—

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ince, to seek to have those changes made by the only body which has the due authority. The issue in the present instance is that a direct attempt is being made to infringe upon a field of jurisdiction universally recognized as falling to the dominion, and to buttress this action by denying any question of the constitutionality of this section in the courts, except, I gather from your telegram, after acceptance of such illegal infringement.

"5. A reference to the supreme court of Canada, coupled with an agreement by your government to refrain from action pending the decision, would have met the immediate case. But agreement to suspend action not being forthcoming, a simple reference to the courts would not be enough to avoid confusion and disturbance. We have therefore upon full consideration found no alternative to exercising the responsible duty conferred upon us, by disallowing the acts in question. I am sending you a copy of the recommendation made to the governor-general-in-council by the minister of justice and duly approved today.

Willing to Consult

"6. I wish in conclusion to express the entire willingness of the government of Canada to consult with your government as to any measures which may be found practicable and effective in solving the problems which beset Canada in common with other countries. We recognize the difficulties which face the people of Alberta, and of other sections of Canada as the result of the legacies of war, changes in the price structure, the disturbance of world trade and the prolonged depression. These difficulties we have been endeavoring to take our part in solving. They can, we believe, be solved by orderly process, without violation of the clear provisions of the constitution, as it stands at present or as it may be amended, from which both federal and provincial authorities derive their powers. We believe, moreover, they can be solved without violation of the free recourse to the courts which is essential to the maintenance of our democratic institutions and the preservation of the hard-won rights and liberties of individual citizens.

(Signed) "W. L. Mackenzie King, Prime Minister."

Against Secession, States Aberhart

(Continued from Page 1)

Alberta government and asked "those who want us to go forward in the face of the disallowance of the federal government" to say "aye."

A chorus of agreement went up and, reminded by a voice from the platform behind him, the premier called for votes in opposition. Just one man spoke up in a clear voice near the back of the audience: "Nay." The premier swept one pointed finger over the audience in search of the dissenter — then laughed.

Manning Present

It was at the picnic of the Clover Bar constituency association of the Alberta Social Credit league. Floyd M. Baker, secretary of the Alberta Social Credit board and member of the legislature for Clover Bar, and Hon. E. C. Manning, provincial secretary, had just completed an ar-

resting the acts in question, the audience agreed, and Mr. Goodwin said the telegram would be drafted later.

"When we received the wire from the dominion parliament and the prime minister of Canada asking us to hold off our horses and not go any faster until they had time to take our legislation to the supreme court," said Premier Aberhart as he began his speech, "we at once had to consider it and we have done so very seriously.

"We tried to get into our hearts and souls what you want us to do, so we took time to draw up the wire. We told Rt. Hon. Mackenzie King that we were quite assured that we were within our legislative jurisdiction. We had passed the acts with great care and were not trespassing on the rights of Manitoba or Saskatchewan or any other province.

"Demanding Action"

"We were trying to solve our own difficulties within our own boundaries. We told him that our people were demanding that something be done. We reminded him of what he had said before the election and in the parliament house at Ottawa since the election, so that he might know that we were standing on the same ground he had said he stood on.

"We were surprised to find when the wire came that he had asked us to do such a thing as that. Respectfully we submitted to him that we could not agree to withhold enforcement of our act but that if the banks would fulfil the conditions of the act when the act was in force, we would give them a chance to challenge the act in our own courts, and to go even higher than that if they wished.

"We concluded by saying that we could not possibly agree to join him in testing our acts in the supreme court.

"I have got something serious to say to you now. I have just received a note which contains a phone message from THE JOURNAL, which tells me that a Canadian Press flash from Ottawa says that our banking legislation has been disallowed by the dominion government this afternoon and that they presume it means the three acts. You see what we are up against."

He continued:

"It is a constitutional fight and we will carry it on, and the results will follow, for I am persuaded that the British constitution is the greatest in the world and I am satisfied there is some means in the British constitution for bringing to our people food, clothing and shelter that they need in this land of abundance."

"True Democracy"

He termed Alberta "the greatest example of true democracy the world has ever seen; by this I mean a government elected by the people, who are elected for the purpose of carrying out the will of the people." The people, he said, "must, with full information, knowing their capacity, declare what they want done." The government, he added, "must, if they are faithful to the charge which they have accepted, do everything under Heaven that man can do and, with faith in God, go forward to get you what you asked for."

He told the audience to "go and do your farm work; we are the experts. You don't want to let details bother you. Ask for results. It is not your business to be an expert."

After talking about the natural resources of Alberta and claiming a shortage of "purchasing power," he

stated that the province had up to 1927 we had 171,000,000 bushels of wheat. In 1936 we had 67,000,000 bushels of wheat. That is hardly a third of the crop. They said: 'give the farmers a chance, supply them with credit and they could easily produce twice as much as last year.' We did not eat half as much as we produced last year; yet clinics tell us that children are undernourished and haven't got enough to eat.

"Why should you have anyone in your midst without enough to eat when production is like that? Is it because of your farmers? No! There is a party preventing you from selling your crops and the other fellows from buying them from you because they won't issue credit."

Alberta, said the premier, has one-seventh of all the coal in the world, "and still some people in our climate are shivering with cold. What is the matter with us? Who is it said we could not keep our people warm? All we have to do if we don't want to abide by the constitution is to walk out and get the coal, but we can do it constitutionally, and we will. We have three-quarters of the coal of the British empire and seven-eighths of the coal in Canada. They will have to come to our doors for coal some time before long. There are 40,000,000,000 tons of coal in this province."

Reads Messages

He read to the crowd telegrams or cables from Social Credit organizations in Meeting Creek, Willingdon, Vermilion, Veteran, Adelaide (from the United Democrats of Australia), and Sydney (from the chairman of the All-Australia convention on money reform).

Mr. Manning, who, while he was speaking, was unaware of the dominion's disallowance of the Alberta banking legislation, reviewed the history of the Social Credit movement in Alberta, describing the "education stage" of the first two years, then the "entrenchment stage" in the year after the election.

Arrival of G. F. Powell and L. D. Byrne, Major C. H. Douglas' envoys here, marked the beginning of the "third stage, the one we are in at the present time," said Mr. Manning.

"I would call this period the period of offensive, or the time of attack," he said. "You have come to the place where a definite attack must be made on the enemy that is blocking your enjoyment of the things which you as citizens of this province have the right to enjoy. It comes to the attack. . . . Your enemy is the men or group of individuals who have control of the financial policy not only of this province but of Canada, and for that matter the rest of the civilized world.

"Your quarrel is not with the local banker or business man or with the man whom you have perhaps felt was blocking you from getting the things you wanted to have. Your quarrel must be with those who have control of the financial policy of your country.

Power Described

"The body of men who have authority to contract and control financial credit exert a power greater than that exercised by other individuals no matter what their rights may be or what powers may be vested in them. The control of financial policy over-rules anything else. You have not a property or civil right you can exercise without depending upon money or financial credit to exercise that right. If someone else

the financial text of his recommendations to the cabinet was as follows:

"The undersigned has the honor to report that he has had under consideration authentic copies of acts of the legislature of the province of Alberta entitled: 'An act to provide or the regulations of the credit of the province of Alberta,' 'an act to provide for the restriction of the civil rights of certain persons' and 'an act to amend the judicature act.' The said acts having been assented to on Aug. 6, 1937, and having been received by the secretary of state on Aug. 10, 1937, with reference to the said acts, the undersigned begs to advise as follows:

Terms Quoted

"The first-mentioned act is cited as 'the credit of Alberta regulation act.' (Here the minister quotes the terms of the act to license banks and bankers and place them under control of local boards.)

"It is to be observed that the chartered banks of Canada organized and established under dominion laws for the purpose of receiving deposits, providing media of exchange in the form of bank notes, bills of exchange, cheques and promissory notes, making commercial advances and generally facilitating the trade and commerce of Canada, are excluded from Alberta except upon condition of being licensed by a provincial credit commission. The condition of this license is that the licensee shall not restrict or interfere with the property or civil rights of any person in the province," the report continues.

May Revoke License

"The license may be revoked at any time by the provincial credit commission if (it would appear) in its opinion, the licensee has restricted or interfered with the property or civil rights of any person in the province. The licensees are to be supervised, directed and controlled by one or more local directorates responsible to a Social Credit board. The supervision, direction and control being for the purpose of preventing a licensee from restricting or interfering with the full enjoyment of property and civil rights of any person within the province." The persons affected are deprived of their rights of recourse to the courts of justice of the province to test the constitutional validity of these enactments.

Wording Seen Vague

"The 'property and civil rights' thus sought to be protected are not specified nor is any clue afforded as to what act of the licensee would constitute a restriction or interference with such rights.

"The effect therefore is to vest in provincial institutions, namely, the provincial credit commission and the Social Credit board absolute power to fix the terms upon and the manner in which these dominion institutions shall perform their func-

Real Credit Supreme

Cries of "blue ruin," said Mr. Manning, should be met with the knowledge that no institution can ruin the real credit of the country, "as long as you have a body of citizens who believe they can produce things they require from their natural resources, you will have real credit; you should notice that the only organization that can impair financial credit is the bank; if it is impaired, it will be the fault of the financial interests themselves, for they are the only ones who can do it.

"Financial credit," said the provincial secretary, "is only writing figures in a book, and if the banks want to take their books and the figures out of the province, it would not be

liament of Canada. Parliament has wide powers in this respect, notably the following:

"The regulation of trade and commerce;
"Currency and coinage;
"Banking, incorporation of banks and the issue of paper money;
"Savings banks;
"Bills of exchange and promissory notes;
"Interest;
"Legal tender.

"To parliament, the British North America act thus confided powers to establish and regulate the monetary system of Canada and the powers thus assigned are exclusive and paramount and the provincial legislatures are wholly without authority to interfere with the exercise of such powers.

"Unmistakable Invasion"

"The statutes of Alberta in question constitute an unmistakable invasion of the legislative fields thus assigned to parliament. They conflict with dominion laws and virtually supplant dominion institutions designed by parliament to facilitate the trade and commerce of the whole dominion.

"Owing to the vagueness of the terms of the legislation and the arbitrary powers vested in bodies responsible only to the government of Alberta, the effect will be to produce confusion and injury to the public interest of Canada if these statutes are left to take effect according to the terms.

"While the undersigned is of opinion that no project or policy of a provincial legislature should be interfered with by exercise of the power of disallowance merely on the ground that measures to promote such project or policy are of doubtful constitutional validity, a distinction is to be made where the legislature deliberately attempts to interfere with the operation of dominion laws and to substitute laws and institutions of its own for those legitimately enacted and organized by parliament and this is particularly



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Make "Profession" Of Banking, Powell

Registration of bank staffs is proposed under the licensing legislation in order to enable these employees to secure recognized status as a profession, according to G. F. Powell, the Douglas envoy here, who is acting as one of a board of three temporary commissioners to administer the Social Credit act.

Reports that the purpose of one or more recent conferences with bank employees was to form a union or guild were denied by Mr. Powell, when questioned on Tuesday.

No Guild Here

"Banking should be recognized as a profession just as much as accounting, surveying and other lines," said Mr. Powell.

"Is the object to form a union or guild?" he was asked.

"No," he answered.

"What we propose to do is to enable bank employees to establish themselves as a profession," Mr. Powell added.

"We are considering a recommendation of that kind to the government," he said.

Elaborating his point, Mr. Powell said it would be simply a matter of registration for professional purposes.

When the employees had registered, they would be in a position to form their own council to function for themselves as a profession, as is done by other organizations.

Fee "Nominal"

Mr. Powell stated that the application for a license would in effect be an application from the employee to register in the organization creating the profession.

"What would be the fee?" he was asked.

"It is a nominal amount," said Mr. Powell.

The commissioner said the draft application form was under consideration and should be completed within a few days.

G. L. MacLachlan, M.L.A., chairman of the Social Credit board, declined to make any statement, stating that the matter was being handled by Mr. Powell.

Mr. Powell called three members of the staff of one Edmonton bank branch to his room at the Macdonald last week, it was stated.

That conference was to be the first of a series of invitations issued by Mr. Powell to "intermediate" employees of Edmonton banks, it was understood at the time, but since that meeting Mr. Powell has invited no more bank employees to go and see him.

Bank officials, as well as the staff-members who took part in last week's visit to Mr. Powell's hotel room, refused to give any information on the meeting. It was discovered, however, that after Mr. Powell's first greeting—"Will you have a spot of tea, some Scotch or some beer, boys?"—the plan of organizing was the chief proposal presented by him to the bank employees.

Neither senior officers nor juniors of the banks were invited to the conference. Clayton Adams, chairman of the provincial government's industrial relations board, was reported to have made the first overture to the banks for the conference, specifying that Mr. Powell wanted to talk to only "middle-class" members of the staffs.

Bank managers offered no resistance whatever to the conference plan, and gave employees no instructions whatever whether to go or stay away, or what to do during the conference.

CRUSHED TO DEATH

WINGDAM, B.C., Aug. 17.—Tired rescue parties ended a frantic 15-hour search early Tuesday when they discovered the body of Hugh F. Cameron, timberman, crushed under piles of gravel in the Wingdam mine on Lightning creek in the Cariboo district.