



By ALROY WEST

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CHAPTER IX
LONE PURSUIT

Until sundown Peter Drew followed the Arabs. The route which they took led slightly inland along a valley which was comparatively rocky, although in many places it had been invaded by the sand. They were travelling southwards so that every step he took increased the distance between him and the Russian steamer. Apart from the danger of being detected by the Arabs there was the risk of encountering Wicks and a search party. If Wicks blundered into the Arabs it would mean a massacre and would probably result in the Arabs keeping a closer watch. On the other hand, if it became possible to warn the captain, it was practically certain that he would refuse to help the girl who was being taken into captivity. Peter was determined to rescue her if it was at all possible.

Grimly determined, he plodded along in the wake of the small party, keeping as near to the boulders as possible in case one of the Arabs should climb a mound in order to look for possible pursuit.

They were always two or three bends ahead of him, and it was not until they came to a halt at sundown that he was able to draw close to them. From a place of concealment he watched them light a fire and erect three tents. One of them, exceedingly small, he felt certain was for the girl. He was correct in his assumption, for just as it was getting dark he saw two Arabs hustle her towards it. The light from the fire was sufficiently good for him to see them fling her inside and pull down the flap. One of the Arabs, rifle in hand, began to pace backwards and forwards. The wretched blacks were on the far side of the fire, huddled together in order to keep warm. Already the sand near to Peter was losing its warmth. One by one the Arabs settled down to sleep, leaving the guard to his lonely watch.

Peter made himself as comfortable as possible and took a much needed rest. He had something to eat, and took another sip or so of water. Then, considerably refreshed, he took stock of the situation.

If the girl was to be rescued it was obvious that the rescue would have to overpower the guard. He decided that the best plan was to wait until the present one awakened one of his companions. A man awakened from a short sleep was often still drowsy and

might be tempted to rest for a little longer.

As a preliminary Peter started to crawl nearer to the encampment. He had no weapon apart from his knife, but he had this ready so as to make good use of it should the occasion demand prompt action.

Hours seemed to pass before the sentry threw some more wood on the fire, aroused one of his companions and settled down to sleep.

The man who relieved him was obviously tired. He stayed by the fire for a time and then walked slowly towards the small tent and listened carefully. Evidently satisfied that the girl was asleep he went back to the fire. Thoroughly warmed, he moved away and squatted down by a boulder, against which he leaned.

Peter gave a grim smile. Things were going well. He crept forward, an inch at a time. His main worry was that the beating of his heart would be heard by the Arab. As the minutes went past he edged nearer and nearer to the boulder.

At last, holding his breath, he came to it and raised himself. The Arab was asleep, with his rifle placed on the ground beside him. For a moment Peter drew his breath. Then he dropped on the man, getting a hand over his mouth in order to prevent an outcry. The Arab, roused violently from sleep, was confused and not quite as quick as he might have been. Peter wrenched a knife from him, having dropped his own as useless. A quick stab and the struggle was over. The Arab crumpled up.

For a moment he waited by the fire and then moved across to the small tent. He went round to the side which was in the shadow and then hesitated for a second. He didn't know how on earth to release the girl without scaring her. He decided that the best thing to do was to speak first. He placed his head near to the canvas and spoke softly.

"Don't be frightened," he said. "It's a friend."

RUSSIAN SHIP AGAIN

It occurred to him that this was foolish. Very probably the girl was not English. Anyway, if not, there was just a chance that she might know a few words of English, or realize that it was not an Arab speaking.

To his delight a soft voice replied in the same tongue.

"You'll have to cut your way in. I'm fastened up."

Instantly he cut a gash in the side of the tent and entered it. It was dark inside, but he could just make out the blacker shadow of her figure.

"My hands, and legs are tied," she whispered.

He moved across to her and freed her.

"Have you had any food?" he asked.

"No. They wouldn't even give me water."

He passed her the flask.

"Better have it before we get clear," he said.

She took a quick drink and returned it to him.

"There isn't time for food," she said calmly. "I'll have it later."

"Very well. Come along."

He helped her to get up. She spent a few seconds rubbing her legs.

"I'm ready," she announced.

They slipped through the gap in the tent and stood upon the sand together.

"We'll head for the dunes," Peter said in little more than a whisper.

She nodded her head and they moved across. Peter kept the rifle ready for instant use. He noticed that one of the Arabs moved uneasily, and promptly covered him.

The girl touched his arm.

"Don't shoot if you can help it," she warned. "There are others."

He lowered the weapon and they hurried on to the rocky valley.

"Where are the others you mentioned?" Peter wanted to know.

"Further north. They looted the 'Tovarish Rykoff,' which ran aground. They were camping near to her. This party started earlier, because they were anxious to get me away from the coast as quickly as possible."

Peter's heart sank.

"That's the steamer that's aground, isn't it?" he asked.

"Yes! I'm her captain—Alla Bariova. We had trouble in the recent gale. The steering went, and there was a mishap in the engine room."

"We'll have to make for the 'Lucky Lady' then," Peter said thoughtfully.

They hurried on into the night. It was overcast, and he frequently had to strike a match in order to consult his compass.

"I'm afraid our troubles are by no means over," he said gloomily as they had a short rest after walking for about two hours.

"They're not. The Arabs will be after us soon. We should have obtained another gun. One between the two of us is not good enough. Are you a good shot?"

"I've never had much practice," Peter confessed.

"Then you'd better let me do the shooting—if there is any," Alla said calmly. "I was taught how to shoot."

"It seems strange to think that you were the captain of a ship," said Peter irrelevantly.

"YOU CAN FALL IN LOVE"

"Why shouldn't I be? I wanted to go to sea. My father was a seaman. He was English. Only my mother was Russian. My father spent nearly all his life in Russia and changed his name. It used to be Barlow. I went to the Vladivostok Technical School. It's a naval school, you know. I graduated there and then served as mate on a small tramp steamer. After that I had a ship of my own, and then I was moved to the 'Tovarish Rykoff.' She was larger, but not so seaworthy. I should like to make trouble about her condition when I get back."

Peter gave a wry smile.

"Not much chance of getting back," he said gloomily.

"But are we not going to this ship you mentioned the 'Lucky Lady'? Surely that was what you said?"

"I did. She's called the 'Valdivia' now. She's a trawler with slightly better cabin accommodation than most. And she's bound for either Central or South America."

Alla showed her teeth in a flashing smile.

"That would be an interesting adventure," she remarked. "I'd like to see America."

"Not much hope of getting there," Peter said. "Come on—it's time we moved again. I'll tell you more as we go along."

"Very good. That will make the journey easier. You must help me up—I'm terribly stiff."

He laughed as he gave her a hand.

"I thought that girls who captained ships were very self-sufficient," he told her.

She shook her head.

"I'm not a captain now—I'm a slave. The Arab purchased me. I don't think he was going to keep me. I had an idea that he wished to sell me to somebody else. I'm so grateful for what you did that I'm not able to thank you yet. One of these days I will."

Peter felt uncomfortable.

"There's no need to thank me," he said. "I saw that the Arabs had a European girl as a prisoner—and I was determined to do something about it. What else could I do but follow and have a shot at releasing you?"

She placed a hand on his arm.

"You're very chivalrous and old-fashioned, aren't you?" she asked. "All the same, I wish there were more like you. No, I don't. There couldn't be anybody else quite like you. But I should like you better if you threw away that wretched blanket stuff. I don't like being reminded of Arabs. They killed very member of my crew. I intended to save the last shot for

Canada Northern Power Output at New High Peak

Notwithstanding Reductions in Power Rates and Increase in Taxation, Higher Earnings for 1937 Reported. Many Mining Companies Planning Additional Operations in Territory Served

The consolidated annual financial statement of Canada Northern Power Corporation, Limited, for the fiscal year ended December 31st, 1937, covers a period of great activity for this utility company, and reveals impressive gains in power output, number of customers served and earnings. Reference is made in the report to important reductions effected in the company's domestic and commercial rates for power. Mine power rates were reduced \$2 per horsepower during the year; a further reduction of \$4 per horsepower will be effective January 1st, 1938, and a further reduction of another \$4 per horsepower effective January 1st, 1939, has been announced.

Gross revenues for the year amounted to \$4,985,680 as against \$4,572,817 for the preceding year. Operating expenses, which include taxes, maintenance, purchased power and operations, showed an increase of \$316,138, leaving net earnings for the year amounting to \$2,901,639, as against \$2,804,914 for 1936. After deducting bond interest, bad debts, and making an allowance of \$739,000 for depreciation, earnings on company's preferred stock were equal to \$24.63 per share as against \$23 for the previous year. After payment of preferred dividends at the rate of 7%, there remained the equivalent of \$2.23 per share on the 400,000 shares of common stock outstanding, as against a comparative figure of \$1.97 for 1936 and \$1.87 for 1935.

The balance sheet reveals that a strong working capital position has been maintained. Current assets total \$3,481,681, with current liabilities of \$1,303,135. Fixed assets show an increase of \$654,185, reflecting the improvements and additions to property necessitated by the increasing demand for power. Marketable securities are shown at \$1,315,956, with a market value of \$1,778,550. Cash on hand and in banks total \$600,246, call loan \$255,000, other investments at book value of \$413,419, and notes receivable \$110,000. During the year the company retired \$633,000 of its 5% bonds from the operation of the sinking fund and the sale of some of its securities.

Power output for 1937 shows an increase of 54,370,313 k.w.h., the total for the year reaching the record figure of 649,123,556 k.w.h., while the number of customers served increased by 2,274 to 15,782.

In submitting his report to the shareholders, Mr. A. J. Nesbitt, the president of the company, says in part:

"Heavy additions to the demand for power in all the mining areas in Northern Quebec served by the company required substantial increases in the transformer capacity at each of the substations in those districts. At Blouin Lake the seven 1,000 k.v.a. transformers are being replaced by seven 3,000 k.v.a. transformers, thereby making ample provision for the load supplied from that point, while the number of transformers at Cadillac substitution was increased by four 1,000 k.v.a. transform-

ers. At Noranda three 1,000 k.v.a. transformers were added to that substation's equipment, while a new substation was installed at Provencher, consisting of four 2,000 k.v.a. transformers, for the purpose of accommodating the growing group of properties in Boischatel Township to the west of Noranda. In Ontario, transformer capacity at Timmins substation was increased by the substitution of three 1,500 k.v.a. transformers for three of the six 500 k.v.a. transformers formerly in operation. Preparations were also made during the year for the construction of an auxiliary high tension transmission line between Noranda and Blouin Lake.

"In addition to the foregoing works, several short 12,000 volt feeders, varying in length from half a mile to five miles, were built in order to supply new mines under development.

"The properties of seven new mining customers were connected with the company's system during 1937, as follows: Payore Gold Mines, Limited, Quebec, Manitou Mines, Limited, and Quebec Mining Co., Limited, in the area to the east of Blouin Lake; Wood Cadillac Mines, Limited, Amm Gold Mines, Limited, and Pandora Cadillac Gold Mines, Limited, in the Cadillac area; and Harricana Amalgamated Gold Mines, Limited, in the Bourlamaque region. In the Malartic district, Sladen Malartic Mines, Limited, has increased its power demand by the installation of a 250 ton mill and further development at the mine; East Malartic Mines, Limited, has under consideration the installation of a 500 ton or 750 ton mill, which will increase its power demand; and there is general activity throughout the entire mining area of Northern Quebec and Ontario.

"In March, 1937, the franchise under which service is maintained in Rouyn, P.Q., was renewed by the municipal council, while in November a franchise was secured providing for the establishment and operation of a distribution system at Lorrainville in the Ville Marie agricultural district. In Ontario at the municipal elections at the end of the year, the electors of Cobalt, Halleybury, New Liskeard and Englehart approved, by large majorities, of ten-year renewal franchises.

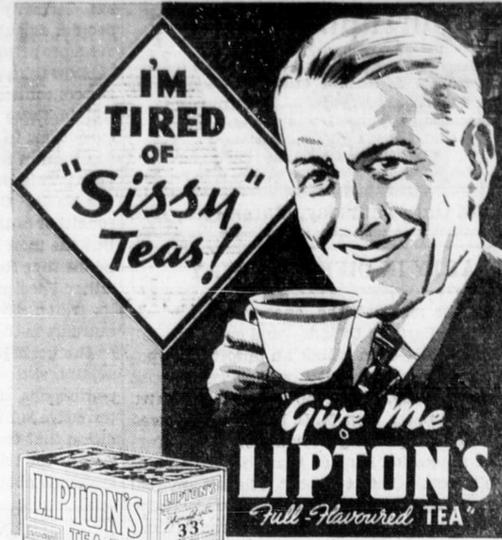
"Sales by the Merchandise Department made a record in 1937, reaching a total of \$251,571, exceeding those of the preceding year by \$65,965, or 35.5 per cent. A retail store was opened in the town of Rouyn, in March, bringing the total number of stores to eleven, operated by the company for the benefit of the customers, for the sale of electrical appliances, etc.

"The item of taxation continues to bulk largely in the problems with which your company has to contend. Each year the amount absorbed under this head increases, making still more apparent the unfair discrimination endured by privately-owned companies and their customers, who are compelled to bear a greater portion of the cost of administering the affairs of the country than do those who are served by publicly-owned institutions. It is pointed out to the shareholders that more than ten and eight-tenths cents (10.8) were exacted during the year as taxes payable by your company, and amounting to \$538,543, to say nothing of taxes on bondholders' interest and shareholders' dividends.

"The substantial and ever-increasing contribution by our customers towards the administration of the country is shown by the following figures for ten years:

Year	Taxes	Net Earnings	Percentage
1928	\$281,576	\$2,198,737	12.9
1929	296,351	2,178,420	13.6
1930	304,275	2,190,477	14.0
1931	335,000	2,280,104	14.7
1932	365,191	2,389,081	15.28
1933	394,467	2,590,812	15.22
1934	437,045	2,712,730	16.1
1935	477,955	2,770,678	17.2
1936	517,429	2,804,914	17.44
1937	538,543	2,901,639	18.5

The foregoing figures do not include many miscellaneous taxes, among



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which are: Tax on gasoline, licenses for automobiles and trucks, motor inspection taxes, tax on telephone bills, sales taxes, (federal and municipal), tax on meals, tax on railway fares, customs duties, etc.

"Further reductions were made in the rates to domestic and commercial customers during the year, and mine power rates were reduced by \$2.00 per horsepower. Announcement was also made of a further decrease in power rates, amounting to an additional \$4.00 per horsepower, effective January 1st, 1938. Since the close of the fiscal year December 31st, 1937, announcement has been made of a further reduction in power rates, effective January 1st, 1939, of an additional \$4 per horsepower. From that date, the rate per horsepower will be \$3.33 net, for the next 3000 horsepower, \$1.67 net. These reductions are proving to be of great value to the mining industry and emphasize the fact that the company is co-operating with the mining companies with a view to stimulating the development in the districts served.

"When the item of taxation is taken into consideration, it will be found that the cost of power supplied by the company is as low as the cost to the users of power furnished by any organization supplying similar service on the continent, as will be seen by a comparison of the total kilowatt hour output with the gross electric revenue of the company, which shows that we receive seventy-five one hundredths (75/100ths) of a cent per kilowatt hour before considering taxes, and after taxes amounting to \$538,543 are deducted, only sixty-seven one hundredths (67/100ths) of a cent per kilowatt hour.

"The high standard of efficiency of the various plants and equipment of the company has been maintained throughout the year, all being in first-class condition.

"The annual general meeting of the shareholders of your company will be held at Room 103, 355 St. James street, west, Montreal, on Tuesday, March 22, 1938, at 3 o'clock p.m."

Waterloo Chronicle:—The Rowell Commission has given facts to show that the belief that the Canadian West could support twenty to thirty million is wrong. Much of the land is light soil and not suited for farming and settlers would be unable to take out a living.

Communism Much More Tyrannical Than Fascism

(From Orillia Packet-Times)

Two brilliant speakers recently discussed the question "What Can Happen in Canada?" Well, apparently anything might happen. Out in Alberta the people still endure the insanity of Social Credit. In Quebec it has come to this, that the distribution of the Bible and the holding of Bible Society meetings in private homes have been banned in the city of Quebec. In Ontario, the threat comes from a different quarter, indicated by the fact that the Communist chief was almost elected as a Controller in the city of Toronto. For between Fascism and Communism there is, fundamentally, little difference. Both rule by force and both deny liberty to the individual. Another "purge" is now in progress in Russia, where Stalin is proving to be the most ruthless tyrant in modern history. A score of Russia's leading men are expected to face firing squads in the next few days. Col. George Drew recently stated that there are more political prisoners in one concentration camp near Moscow than in all the concentration camps in Germany. He said, however, that the canal recently built between Volga and the Dnieper was dug by political prisoners, in other words, by slave labour. The same, he said, is true of the double tracking of the Trans-Siberian railway. In other words, in Russia they are still using the methods by which the pyramids were built. And yet there are Canadian writers and speakers, some of them ministers of the Gospel, who hold up Russia as a model for Canada.

UNDER THE MANAGEMENT OF
POWER CORPORATION OF CANADA

Canada Northern Power Corporation, Limited

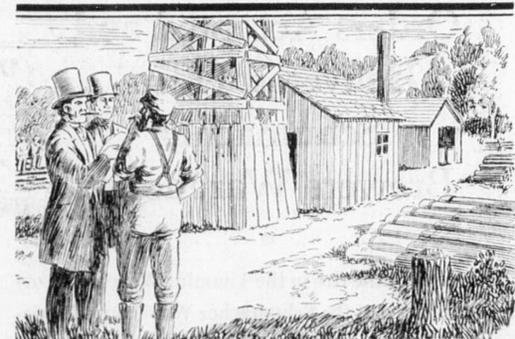
Noticed Dividend No. 53

NOTICE is hereby given that a Dividend of 1/2% (being at the rate of 7% per annum) has been declared on the 7% Cumulative Preferred Stock of CANADA NORTHERN POWER CORPORATION LIMITED for the quarter ending March 31st, 1938, payable April 16th, 1938, to shareholders of record at the close of business on March 31st, 1938.

By order of the Board,
L. C. HASKELL, Secretary,
Montreal, February 22nd, 1938.

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