

A HAPPY NEW YEAR TO ALL

MAXIMS
OF A
MERE MAN

Never the old year ends but some-
body thinks of somebody, of old
days, old times, old friends.

MAXIMS
OF A
MERE MAN

God requires the past—old friends,
old wood, old books, old and broken,
recollections.

THE CHARLOTTETOWN GUARDIAN

The People's Paper Read by Everybody

Covers Prince Edward Island Like the Dew

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ITALY WITHDRAWS SUPPORT FROM REBELS

POWERS POISED FOR NAVAL RACE IN 1937

INTERMEDIARY STIRS KIDNAP RANSOM RUMOR

Police Seek Labatt Kidnap Suspect In Abduction Of Tacoma Lad.

TACOMA, Wash., Dec. 30—The mysterious activity of an army reserve officer—a likely intermediary in the Charles Mattson kidnaping—was coupled today with a report that police working on the case were on the lookout for a man wanted in connection with the John Labatt snitch in London, Ont.

The suspect's name was not revealed to the Los Angeles sheriff's office notified authorities at Tacoma the man was recognized from a photograph and was last seen on a train bound for the northwest.

\$38,000 Ransom

A spokesman for the Mattson family, whose 10-year-old son was taken from his pretentious Tacoma home by a dark, bearded man Sunday night, reiterated his prediction a \$38,000 ransom payment would be arranged shortly.

First steps toward a "pay-off" were taken, a reliable source said, after the appearance of a classified advertisement in the Seattle Times. The source said an answer to the ad was expected soon in the same newspaper.

Lt. Col. Gus B. Appleman, "closest friend" of the abducted boy's father, sped away from the Mattson home on an undisclosed mission after a 40-minute conference with the family.

COMING EVENTS

**Skate to music, Montague rink New Year's night, 8 to 10. L-1918.

**Geo. Leightner Co., (next Queen Hotel) now buying all kinds of dressed poultry. Try us. L-954-12-2-rt.

**Loading live hogs at Elmira and Baltic, Jan. 4th, and 5th. Harding Fraser. L-1924.

**Hockey and skate at Marshall, Friday night, January 1st. Dunstaffnage vs. Mill Cove. L-1923.

**Poultry—Buying Poultry all kinds, daily. Paying highest market prices. Island Cold Storage Co., Ltd. L-1628-12-30-1f.

**St. Mary's Alumnae Novelty Dance in Knights of Columbus Hall, Souris, January 4th. Everybody welcome. L-1905-12-31-1f.

**Notice to Farmers. I am not buying hogs again until Thursday, January 7th at Albany and Friday, January 8th at Emerald until noon. G. C. Green. L-1631-12-1wt-1f.

**Livestock Marketing Board loading hogs, lambs and calves at railway stock pens, Charlottetown, Tuesday, Jan. 5, until 3 p. m. Sell your stock co-operatively and get highest market returns. L-1916-12-31-1f.

**Livestock Marketing Board wishes all its members, occasional patrons, yes and all livestock producers an abundant measure of happiness and prosperity during the year 1937, one resolution we recommend is that of committing yourself to the practice of marketing your livestock co-operatively throughout the year and help maintain highest prices. L-1916-12-31-1f.

**Livestock Marketing Board loading during week of Jan. 4, as follows: Tuesday forenoon, Kensington, Charlottetown; afternoon, Murray River, Ulga, Elmira, Souris, Cardigan, Montague; Wednesday forenoon until train time, York, Winsloe, Hunter River, Bradabane; afternoon, 12 to 3, Borden Line at Albany. Markets are higher this week and promising for first of the year. Ship co-operatively and make sure of every increase in prices. L-1916-12-31-1f.

Relief Grants Will Remain Unchanged

OTTAWA, Dec. 30—(CP)—Relief grants-in-aid to the provinces for the final quarter of the fiscal year ended March 31 will remain unchanged, Hon. Norman Rogers, Minister of Labor, announced tonight.

"To avoid future misunderstandings, however," the Minister declared, "it will be the policy of the Dominion Government to make progressive reductions in the grants-in-aid to the provinces during the coming year."

As in the past, revisions would be made after each quarterly review of employment conditions throughout the Dominion, he said, with the grants being adjusted according to the varying degrees of business improvement in the several provinces.

Emergency Freight Surcharges Will Terminate Today

SAINT JOHN, N.B., Dec. 30—Of interest to Maritime shippers and the ports of Saint John and Halifax, emergency freight surcharges covering traffic between points in the United States and Canada will terminate tomorrow, according to a memorandum issued by the Transportation Commission of the Maritime Board of Trade.

The effect will be a reduction, proportionate to the emergency charges, in present rail rates from and to United States points, on export and import traffic now subject to the charges.

The memorandum was in the form of a special circular under the signatures of James D. McKenna and Rand H. Matheson, chairman and transportation manager for the Commission, respectively.

It was pointed out that "from the Maritimes, fish is probably the most important traffic subject to these emergency charges. The removal of these charges consequently will mean a reduction in the present rail rates to the United States."

Carriers in the United States had applied for extension of the present rates until the hearing of the petition for general revision of rate structures, set for Jan. 6, 1937.

New Year Greetings From Premier Campbell To "Guardian" Readers

A HAPPY NEW YEAR!

We have reached the end of 1936, and stand at the portal of another new year.

During the past twelve months our Province, in common with the rest of Canada, has enjoyed a marked improvement in economic conditions. We approach the beginning of 1937 with the confident hope that these improvements shall be continued and progressive.

We must not be unmindful that there are many who have not been able to enjoy the renewal of prosperity, and many who have been recently called upon to undergo great sorrows. To those who mourn, the Christmas season has brought the promise of a special blessing, that they shall be comforted. May this blessing be fulfilled during the coming year.

POPE PIUS XI CONTINUES TO LOSE STRENGTH

Relatives Of Pontiff Summoned To Be Within Close Call At All Times.

(A. P. by Guardian's Special Wire)

VATICAN CITY, Dec. 30—Pope Pius weakened tonight in "slow but continual decline," Vatican prelate said. Relatives were summoned to be within close call at all times.

Alma's concern was expressed over disappearance of a blood clot from his paralyzed left leg, and physicians feared it might pass through the blood stream into the heart or brain—with probably fatal consequences.

Absolute silence was ordered within the Papal apartments and the staff of nursing brothers increased its vigilance.

Rallied Slightly

The 79-year-old Pontiff, ill of partial paralysis of the legs and circulatory disorders, rallied very slightly earlier in the day and disappearance of the blood clot was said to have lessened somewhat the pain in his left leg.

The Vatican newspaper Osservatore Romano, however, spoke of the Pope's "acute torment" and only Eugenio Cardinal Pacelli, Vatican Secretary of State, could visit him today—for a brief period.

Dr. Amanti Milani, his personal physician, remained in constant attendance.

Displays Fortitude

His Holiness desires, the Osservatore Romano said, to bear his suffering "like a Pope, that is like the father, patient and universal teacher, to bow to the Lord with readiness and generosity which serves as an example for all, to the Lord who visits his most faithful son with special pains, with trying immobility, with momentary deprivation of his beloved audiences."

Prelates said the Pope hopes to live until he can see the procedure for canonization of Pius X begun. For this, he received Cardinal Laurenti, Prefect of the Congregation of Rites, yesterday.

The Pontiff is an enthusiastic admirer of Pius X and chose his name when elected to the Papacy.

BOSTON, Dec. 30—(AP)—Jane Withers, freckle-faced little star of the screen, has been threatened with death unless her parents pay \$50,000, it was revealed here tonight.

"It was supposed to be kept a secret," asserted Jane's mother, Mrs. Ruth Withers, when questioned about the extortion demands.

"I don't know how it leaked out. An armed bodyguard accompanies Jane everywhere she goes and sleeps in a bedroom next to her's in our suite here."

Jane is making a personal appearance in a Boston theatre.

Mrs. Withers declared she received two anonymous notes at her Hollywood home five weeks ago warning that Jane would be kidnapped unless \$50,000 was forthcoming.

Marine Tragedy Death Toll Placed At 32

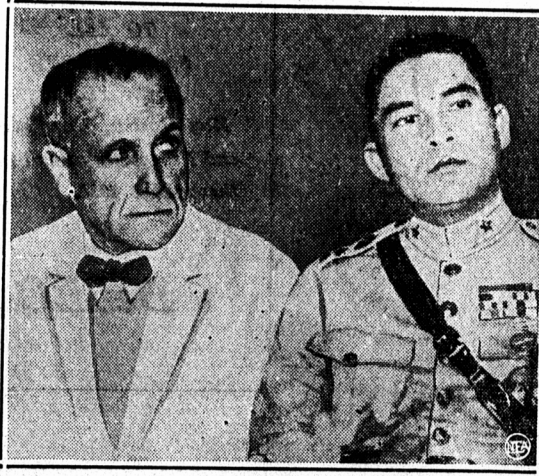
(C. P. by Guardian's Special Wire) KINGSTON, Jamaica, Dec. 30—Government estimates placed the death toll in Kingston's Christmas disaster at 32, it was learned today when it was announced Governor Sir Edward Denham would attend a memorial service for the victims on Sunday.

Bodies of four persons believed to have been aboard the overloaded excursion launch Zepher when she capsized 3-4 miles off shore Christmas day, have not yet been recovered.

PREMIER CAMPBELL

the compliments of the season, and a very happy and prosperous New Year. THANE A. CAMPBELL Premier.

Dictate Destiny of Cuba



Evidence of the army's complete dominance in Cuba is the succession to the presidency of Laredo Bru (left), following impeachment of President Miguel Gomez for refusal to support a taxation measure sponsored by Colonel Fulgencio Batista, whose victory makes him virtual dictator. Bru is the ninth president of Cuba since Dictator Machado was deposed.

Link Soviet Russia With U.S. Plane Shipping Firm

(A. P. by Guardian's Special Wire) WASHINGTON, Dec. 30—A story linking Soviet Russia with the Jersey City company which is preparing to ship airplanes and motors to the embattled Spanish loyalists was uncovered today in the files of United States congressional investigators.

The Vilmaert Company, Ltd., whose president has obtained a license to ship \$2,777,000 worth of planes and motors to Spain against President Roosevelt's wishes, was mentioned in the 1936 congressional inquiry into alleged Communist activities in this country.

Basil W. Delgass, former vice-president of Amtorg, the Russian Trading Corporation in America, testified in that inquiry that Vilmaert was an organization maintained here to repair airplane engines bought from the United States Government and shipped secretly to Soviet Russia.

His testimony was recalled as President Roosevelt arranged with congressional leaders to speed new legislation which would give him discretionary power to forbid munitions shipments to nations, suffering internal strife.

A denial that Soviet Russia had anything to do with the proposed plane shipment to Spain was made by Alexander Troyanovsky, Soviet Ambassador.

Executors Seek Will Of Eccentric Lady Houston

LONDON, Dec. 30—(CP-Havas)—The eccentricity that marked the career of Lady Houston, continued tonight as her executors searched for her will, and authorities disagreed about her legal residence.

The Hampstead and Jersey homes of the suffragist-philanthropist who died last night at the age of 70, leaving a fortune estimated at about \$35,000,000, failed to reveal the will.

Her brother-in-law, A.H. Wrey, said funeral arrangements could not be made until the will was found, since Lady Houston's wishes in the matter were unknown. Lawyers and relatives continued to ransack her papers.

Meanwhile a dispute arose between authorities as to whether Lady Houston had been legally domiciled in the Isle of Jersey, in which case death dues can not be levied by the British Government.

Channel Island legal authorities deny Lady Houston was legally resident in Jersey, since she was not a native and had lost her acquired right of domicile through prolonged residence elsewhere. The question will probably have to be settled in court.

Death of Lady Houston at her Hampstead home after a brief illness not only removed from British life one of its most determined imperialists, but also one of its most spectacular journalists.

Will Lecture On Canada And U. S.

LONDON, Dec. 30—(CP Cable)—Eric Newton, art critic of the Manchester Guardian, is sailing in the Manhattan tonight for a series of lectures in Canada and the United States. His initial lecture is scheduled for Ottawa Jan. 11.

LIMITATION PACTS PASS WITH 1936

Britain, France, Italy, Germany And Japan Plan Wide Fleet Expansions.

(A. P. By Guardian's Special Wire)

LONDON, Dec. 30—Great Britain on New Year's day will lay the keels for two new battleships. Naval limitation treaties expire at midnight tomorrow and the next day two 35,000 ton craft will be begun.

The date was the earliest possible after the end of the Washington and London 1930 agreements denounced by Japan, Dec. 27, 1934, and the early building program was regarded as a reflection of the British view that the pacts gave other powers vital advantages in the past and that this now must be remedied quickly.

14-INCH GUNS

An admiralty spokesman emphasized the new ships, the Prince of Wales, to be started at Blyth, and the King George V, to be built on the Tyne, would mount 14 inch guns "regardless of what other nations may do."

He referred to a prediction by Jane's fighting ships Gazetteer, that two new United States battleships would carry 16 inch guns, despite the 1936 London agreement giving Japan until April 1 to decide whether to agree to restrictions of battleship armaments to 14 inches.

NO NAVAL LIMITATIONS

Regardless of future agreements, the first few days of 1937 at least will find no naval limitations of any kind—because Britain and France who joined with the United States in the 1936 treaty have not yet ratified it.

Unless Japan consents by tomorrow to continuation of article six of the now dying Washington Treaty, there will be no remaining restrictions to prevent a race to build up fortifications in the Pacific.

In addition to the two battleships to be begun Friday Britain early in 1937 will start construction of seven cruisers, two aircraft carriers, 25 destroyers and eight submarines.

And for the new fiscal year beginning April 1, Britain already has asked bids on two additional battleships. She is considering, also, the desirability of constructing 10 more cruisers.

(Continued on page 10)

Il Duce Advises Nazis Dictator To Follow Lead

Franco's Delay In Winning Civil War Said Motive. Hitler Ponders Next Move.

BERLIN, Dec. 30—(AP)—Premier Mussolini has dropped the Spanish Fascists from his friendship list because of their delay in winning the civil war, reliable sources said tonight, and has advised Chancellor Hitler to do likewise.

Confronted with a crisis over Franco-British demands that enlistment of foreign volunteers to Spain be stopped, German leaders gathered here tonight to confer with Hitler on a charge of action without the support of the Italian Premier.

Army leaders, recalling the German-Italian agreement to consult each other on European policy and that the two nations jointly recognized the Fascist Junta of General Francisco Franco, were openly bitter.

Mussolini, sources close to Rome said, had recognized Franco's Government when it appeared he was near victory and could establish quickly a Spanish Fascist regime.

IRKED WITH DELAY

Now, with the war dragging along with little indication of advances by either Franco or the Government, Mussolini was represented as having decided to drop any interest he may have had in the Spanish civil war.

He had suggested that Hitler follow a similar course, it was stated here. (There was no official comment in Rome, but previous expressions have pointed out that Italy now views the Spanish war with "differential reserve.")

Conferees believed called by Hitler, after the funeral of General Hans Von Seeckt, organizer of the army of the republic, included the commanding generals of every German army corps—12 in all.

All were here to pay tribute to Von Seeckt, and it was believed they planned a series of army-political conferences.

A definite stand on the question of volunteer enlistments to Spain would be forthcoming shortly, reliable informants predicted.

QUESTION UNANSWERED

The question of regaining the cargo and a Spanish passenger of the German freighter Palos still was unanswered. Although the freighter was released yesterday, the German Government was determined also to force return of

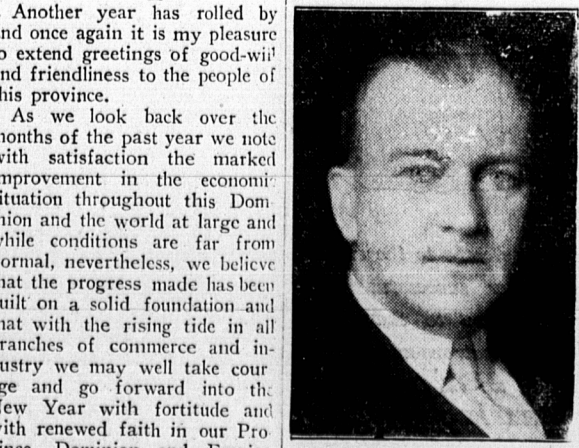
(Continued on page 10)

Sino-Japanese Disputes Settled

TOKYO, Dec. 30—Japan and China today settled their differences arising from the killing of Japanese subjects at Chengtu and Fakhol, remote Chinese cities, in August and September. Issues growing out of the killing had strained relations between Tokyo and Nanking almost to the breaking point for weeks.



Lieut. Governor DeBlois Extends Cheery Greetings For The Coming Year



Another year has rolled by and once again it is my pleasure to extend greetings of good-will and friendliness to the people of this province.

As we look back over the months of the past year we note with satisfaction the marked improvement in the economic situation throughout this Dominion and the world at large and while conditions are far from normal, nevertheless, we believe that the progress made has been built on a solid foundation and that with the rising tide in all branches of commerce and industry we may well take courage and go forward into the New Year with fortitude and with renewed faith in our Province, Dominion and Empire.

MINIMUM AND MAXIMUM TEMPERATURES

Dawson	25 2
Victoria	36 40
Montreal	8 36
Quebec	6 20
Saint John	6 30
Halifax	2 28
Charlottetown	8 20

Forecasts
Maritime East: Fair and cold at first, followed by increasing south-easterly winds and becoming milder with some snow or rain.
High tide this afternoon at 1.26 and tomorrow morning at 1.09.
Sun sets this afternoon at 4.28 and rises tomorrow morning at 7.38.

Last quarter moon Monday, Jan. 4, 9.22 a.m.
Summerside tide eighteen minutes later than Charlottetown.

THE CAR FERRY
Leaves Horden 9.15 a. m. 1 p. m.
Leaves Tormentine 11 a. m. 2.55 p. m.
Daily except Sunday.

Friday being
NEW YEAR'S DAY
and a public holiday
the next issue of
THE GUARDIAN
will be Saturday,
January 2

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