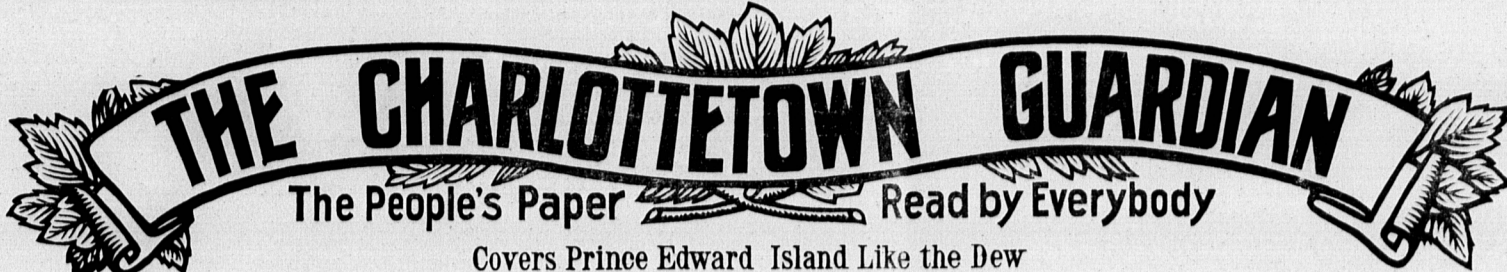


NEWSMAN DESCRIBES AIR RAIDS ON GERMAN CITY

MAXIMS
OF A
MERE MAN

Craft must be at charge for clothes, but truth can go naked.



The People's Paper Read by Everybody
Covers Prince Edward Island Like the Dew

MAXIMS
OF A
MERE MAN

A Father is a treasure; a Brother a comfort; a Friend is both.

Charlottetown Guardian Two Cents
Morning Edition Founded 1887

CHARLOTTETOWN, CANADA, WEDNESDAY, JULY 3, 1940

10 PAGES

Annual Subscription Delivered \$5.00
By Mail—P.E.I. \$1.00; Canada and U.S. \$2.00

NAZIS MAY HELP RUMANIA

Oil Tanker Rates Slide On East Coast

NEW YORK, July 2.—(AP)—Reduction in oil tanker rates along the east coast because of Europe's decline as a market for American petroleum, was announced today. The new rates for shipments on the Atlantic coastal routes are only slightly higher than those prevailing last August, just before the war began. Gasoline tankers, for instance, which a few months ago charged as much as 75 cents a barrel along the coast, now can be had for 35 cents. Rates started to slide when Germany invaded France and declined still more when Italy's entrance into the war closed virtually all Europe to American tankers.

Coming Events

Rate for Notices in this column 3 cents per word.

Talkies—Murray River Thursday.

Talkies—Eldon Friday.

Don't forget Festival and Dance, Brookfield, July 3rd.

Wanted—well fleshed bulls and cows for Bologna Island Cold Storage Co., Ltd.

Bingo and dance, Kelly's Cross Hall Wednesday, July 3rd.

Union Road festival, July 28th. Proceeds for war purposes.

Reserve Tuesday, July 9th for Barn Dance at Fortune Road.

Reserve Wednesday, July 9th for Milton Tea near Milton school.

See "Civil Service" by Little Pond Dramatic Club in Little Pond Hall, July 3rd.

See Kingston Players in St. Catherine's Hall July 3rd. Proceeds for war purposes.

Fox Meat beef tripe 3c. Horse meat 5c. Ground meat 5c. Island Cold Storage Co., Limited.

Come to Hunter River United Church Ice Cream Festival Thursday, July 4th.

Picnic and Bingo at Corran Barn July 10th. Good meals from 4 P. M. on. If not fine, first fine day following.

South Shore Ice Cream Festival and Bingo to be held at Rocky Point Wednesday, July 10th.

North Winslow W. I. Cake Sale at Rogers Hardware Store, Saturday afternoon.

Come to the Ice Cream and Dance at Eldon Hall, July 4th. Proceeds for War Funds.

Yorkshire Field Day at Experimental Farm, Friday, July 5. Program commences 10:30 a.m. Standard Time.

Ice cream social, dance, Webster's Corner School, July 9. Good music.

Ice cream festival and dance at St. Ignace School, Maryfield, Wednesday, July 3rd. If not fine, Thursday.

Ice cream and dance in Donagh School, Friday evening, July 5th.

Annual Meeting Kensington Shipping Club will be held Thursday night, July 4th at 8 o'clock, King George Hall, Kensington.

I am now paying \$8.00 for good suckling pigs 25 lbs. Will also handle small ones. Envy Thursday till noon at Fredericton. Knud Jorgenson.

Notice—Our places of business will be closed Wednesday afternoons during July and August. Signed N. Aubrey Cutcliffe, W. C. MacEachern, Patrick Cosgrove.

Buying live hogs every week Thursday at Albany, Emerald Friday forenoon Albany, Emerald district with G. C. Green Thursday, Mail or phone collect. Signed G. C. Green.

Queen's County L.O.L. and L.Q.B.A. parade and divine service will be held at Brookfield Presbyterian Church, July 7th at 7:30 p.m. A.S.T. All Lodges requested to attend. L-31-6-29-July-2-6-31.

District Convention Parkdale, Spring Park, South Milton, Harrington, East West and Central Green Wednesday, Emerald Hall, East Royalty, July 4th, 2:30 P.M. and 8 P.M. Standard Time. Evening speaker Mr. W. R. Shaw.

Populace Tells Of Frequent Raids By British Planes

Make Nightly Visits To Industrial Centres In Rhur Valley.

NAZI NAVAL PRIDE BOMBED WHILE IN DOCK

British Stage Highly Successful Raid on Kiel Canal.

LONDON, July 2.—(CP)—The Air Ministry announced tonight that, for the third time in the war, the 26,000-ton German battleship Scharnhorst has been seriously damaged. The battleship was heavily bombed last night when the Royal Air Force staged a raid on the Kiel Canal, important Nazi naval base and communication channel between the North Sea and the Baltic. Four direct hits on the Scharnhorst and on the floating dock in which she was being repaired, were scored by one plane. Another dropped three bombs which exploded in a row across the battleship and started a fire.

The raiders struck through a curtain of anti-aircraft fire. They caused fires on the naval base and battleships that were still visible when the planes were 85 miles away on their homeward journey. One British plane was hit repeatedly but managed to return home. The attack on Kiel was pressed continuously for an hour. A series of explosions, the Ministry said, was followed by half a dozen fires throughout the dockyards which, from aloft, appeared to be a solid mass of flames covering as much space as a big airfield. "We could see the Scharnhorst perfectly," said one pilot. "We definitely scored hits, and were so excited that we circled round for some time before leaving."

The R.A.F. also heavily attacked the Hamburg oil refinery, A viaduct at Hameln, an important military objective at Duisburg, and a blast furnace at Meiderich, as well as the airplane factory at Delchshausen, near Bremen, and airdromes at West Cologne and Varel. The seaplane base at Texel was also "effectively attacked," while a raft of the fleet air arm attacked barges and river traffic near German-occupied Rotterdam. From all these operations, four British craft failed to return, the Ministry announced. During the day heavy explosions heard on the French side of the English Channel signalled the probability of a new R.A.F. bombing raid on the German-occupied French coast.

COOPERATIVES MEET

WINNIPEG, July 2.—(CP)—Representatives of co-operative societies and organizations in Saskatchewan, Manitoba and Ontario today opened a three-day convention here of the annual congress of the Co-operative Union of Canada. Delegates from other provinces are expected to arrive shortly. Effect of the war on co-operative societies will be discussed by the convention.

News Briefs

NEW YORK, July 2.—(AP)—Mackay radio said tonight it has intercepted an S.O.S. from the Italian tanker Melady, saying it had been torpedoed and was asking for "immediate assistance."

The ship gave its position as 47°24' degrees north latitude and 16°49' degrees west longitude, about 400 miles southwest of the Irish coast.

BUCHAREST, July 2.—(AP)—Scores of persons were reported injured tonight, some perhaps fatally, in widespread riots between Jews and anti-Jewish groups in the capital and other Rumanian cities.

SOEFA, Bulgaria, July 2.—(AP)—Two Rumanian warplanes flew over the Bulgarian Danube River port of Ruse today and were fired at by Bulgarian anti-aircraft. Nevertheless, Bulgaria remained completely calm with no indication of extensive military preparations similar to those taken by Hungary in pressing her claims upon Rumania for Transylvania.

Will Stay In England



LONDON, July 3.—(Wednesday)—(CP)—The King and Queen have firmly rejected suggestions from influential quarters that Princess Elizabeth, 14, and her sister, Princess Margaret Rose, be sent out of the country to one of the Dominions because of the danger of a German invasion. Repeated efforts to persuade their Majesties to send the two Princesses to a safer land have received this answer in effect: "We all face a common peril. Thousands of parents in this country are compelled to keep their children at home. We would prefer to share whatever family perils there may be with parents of this country."

Britain Has Heaviest Air Raids Of War

LONDON, July 3.—(Wednesday)—(CP)—The Ministry of Home Security announced early today that 12 persons were killed and 123 injured in German raids last evening on northeast coast towns. It was the heaviest list of casualties since the Nazis started their raids on Britain two weeks ago, first at night and yesterday and today at the twilight hour. A bulletin issued by the ministry of home security said that "according to later reports 12 persons were killed and 123 injured as the result of raids on northeast coast towns yesterday evening."

Claims Tuber Market Cornered By N. B. Minister

OTTAWA, July 2.—(CP)—Market for seed potatoes in Cuba had been "more or less cornered" by the Minister of Lands and Mines of New Brunswick (Hon. F. D. Pirie). Conservative Leader Hanson charged in the House of Commons today. In his speech on the budget Mr. Hanson referred to the war's effect on Canadian products and the extent to which national income would be decreased as a result of lost markets. "And what about the New Brunswick potato crop?" Mr. Hanson asked. "There is a market for seed potatoes in Cuba but just at present that market is more or less cornered by the Minister of Lands and Mines of New Brunswick who by some means unknown to me, has apparently obtained control of that market for himself."

Results prove BLOSSOM OF CANADA FLOUR BEST FOR ALL BAKING!

Situation In The Balkans Fraught With War Danger

Hungarians Pour Troops To Border. May Use Arms To Enforce Demands. Germans Seek To Maintain Peace To Protect Oil Resources Of Rumania.

DEBRECEN, Hungary, July 2.—(AP)—Highways from this army corps area headquarters to the Rumanian frontier a score of miles away were jammed tonight with tanks, heavy artillery and motorized equipment. Railway lines to the frontier also were choked with military traffic. The flow of traffic was eastward, toward the border. Almost every private house in Debrecen and neighboring towns was taken over to billet soldiers while the hotels were crowded with staff officers. Private automobile traffic was almost impossible on main roads, with drivers forced to take to country by-paths if they wished to move at all. In the stifling heat, all roads were vast dusty deserts over which military machines rumbled through heavy clouds of their own making.

BUCHAREST, July 2.—(AP)—Foreign Minister Constantine Argetoianu today gave a hint that Rumania expects German aid in regaining the Provinces of Bessarabia and Bucovina she lost to Soviet Russia. He told the Foreign Affairs Committee of the Chamber of Deputies that the provinces "are still and will remain Rumanian," and added that "one of the main reasons for our consent to Russia's demands was that we found ourselves without friends and without support."

RUMANIA SWITCHES ALLEGIANCE

This was taken as substantiating reports that Germany would not heed Rumania's appeal for help until King Carol's Government cut its ties with the Allies and agreed to enter the German sphere of influence. When Rumania did so, German bombing planes arrived at Brasov last night. "The insecurity of our frontiers with Hungary and Bulgaria forced us to relinquish Bessarabia and North Bucovina," said the Foreign Minister.

The Government, he claimed, found that the Franco-British guarantees of Rumanian independence "hampered us instead of helping us." While Argetoianu spoke, the Russians were reported pouring engineers, agricultural experts, OGPU (secret service) officers and fresh divisions of the Red army into Bessarabia and North Bucovina to put the stamp of Communism as rapidly as possible on the now completely-occupied territory.

On the other hand, Germany's special plenipotentiary, Richard Beubacher, former Mayor of Vienna, left for the Bessarabian frontier by automobile to look after the interests of German residents and property owners forced out of the "lost provinces."

BLAME HUNGARY

Rumanian Government sources charged that Hungary is trying to foment a revolution among the 1,500,000 Magyars in Transylvania to facilitate the eventual entry of the Hungarian army into the big, rich province. Rumanian police and gendarmes are understood to have begun widespread raids on Hungarian homes and business houses in Transylvania in a search for arms. Sources close to palace and cabinet here charged that the Hungarian Government is smuggling rifles, hand grenades and machine guns into the territory. They expressed fear lest this influx of weapons put the Magyar minority in a position to attack Rumanian officials and hamper defence by the Rumanian army should the Hungarian troops cross the frontier.

HITLER MAY OFFER PROTECTION

As a whole, however, Government quarters pinned their hopes for peaceful settlement of Rumania's territorial disputes with Hungary and Bulgaria on pressure by Germany. They expressed the belief that Hitler may be ready to offer "protection" to Rumania in return for control of Rumania's economic life—in order to safeguard the Reich's interest in Rumania. Russia, clipping off Bessarabia and North Bucovina from Rumania by the ultimatum method, now is on the Danube, Hungary wants Transylvania back and Bulgaria wants southern Dobruja returned. But Germany wishes to keep Rumania for the present more or less intact and peacefully at work feeding Germany. Some reports were that

Prohibition As War Measure Is Advocated

Retrenchment in Govt. Non-Essential Services Urged by Conservative Leader.

OTTAWA, July 2.—(CP)—Prohibition of sale and consumption of liquor for the war's duration was advocated today by Conservative leader Hanson in the House of Commons in the course of his speech on the budget. Computing Canada's drinking bill at \$200,000,000 Mr. Hanson said prohibition should be initiated "as a purely economic measure" but he realized this may not be feasible "for reasons I shall not enlarge upon." First speaker when debate on the budget was resumed after the holiday adjournment, Mr. Hanson declared his belief in "a reasonably limited amount of inflation" as a war measure but in view of the danger of inflation rising beyond limits he did not blame the Government for avoiding this method. Generally approving the budget Mr. Hanson criticized only certain parts of its application. He regretted there was no tax on liquor and declared a tax of at least one cent a gallon on gasoline was expected and should have been imposed.

Income Tax Unseen

Income tax impositions did not bear evenly on the people, Mr. Hanson declared. About 22,000 people of the \$5,000-to-\$50,000 salary brackets were being called upon to pay an additional \$500,000, which he believed was far removed from "equality of sacrifice" which Finance Minister Ralston had named as his objective.

Costly Appointments

Appointment of L. W. Beckwith of Winnipeg, as war historian

(Continued on page 3, Col 5)

A BRUSH A DAY KEEPS THE DENTIST AWAY

TORONTO, July 2 (CP)—Minimum and maximum temperatures

| | | |
|---------------|----|----|
| Dawson | 48 | — |
| Victoria | 55 | 70 |
| Edmonton | 69 | 87 |
| Winnipeg | 51 | 74 |
| Toronto | 52 | 69 |
| Ottawa | 52 | 69 |
| Montreal | 54 | 71 |
| Quebec | 55 | 72 |
| Saint John | 49 | 72 |
| Halifax | 48 | — |
| Charlottetown | 53 | — |

Maritime East: Moderate winds partly cloudy with light showers in a few districts; not much change in temperature.

Synopsis: The weather has been fair and warm in the Prairie Provinces and fair and comparatively cool over the greater part of Ontario. High tide this evening at 9:55 and tomorrow morning at 9:15.

Sun sets this evening at 7:59 and rises tomorrow morning at 4:18.

New moon July 5, 7:28 a.m. Summertime tide 18 minutes later than Charlottetown.

THE CAR FERRY SAILINGS

| |
|--|
| Leaves Borden 7 A.M., 9:45 A.M., 1:00 P.M., 4:45 P.M. |
| Leaves Tormentine 8:15 A.M., 11:00 A.M., 3:15 P.M., 6:20 P.M. (A.S.T.) |

SUNDAY SERVICE

June 16th to September 28th inclusive—Leaves Borden 9 A.M., 7 P.M. Leaves Tormentine 10:15 A.M., 8:10 P.M. (A.S.T.)