

MAXIMS
OF A
MERE MAN
The security for human life depends upon the reverence for human life.

THE CHARLOTTETOWN GUARDIAN

The People's Paper Read by Everybody

MAXIMS
OF A
MERE MAN
He will always be a slave who does not know how to live upon a little.

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BRITONS HEAR WAR BUDGET

ROYAL NAVY DEFEATS NAZI AIR MENACE

Strikes Deep Into Pockets Of All Classes

Nation Shoulders Staggering Burden Cheerfully As Part Of Three Year "Win The War" Policy

Answers Hitler's Peace Pleas.

(By J. F. SANDERSON)

(Canadian Press Staff Writer) LONDON, Sept. 27.—(CP)—Adolf Hitler had his answer tonight from Great Britain to any peace plan he may be formulating. A British budget which geared the fiscal affairs of the nation to the three year "win the war" policy of the Chamberlain Government.

Sir John Simon, the Chancellor of the Exchequer, brought news of astonishment from members of the House of Commons when he announced the heaviest tax burden ever shouldered by a free people to finance war against a common foe.

While staggered at the sacrifices demanded of everyone, rich and poor—and even the dead—the nation tonight accepted it in that spirit of grim determination which has characterized Great Britain from the day war was declared.

Strikes At All Classes

Striking ruthlessly across the whole social and economic structure of the nation, Sir John made drastic increases in income taxes, surtax and death duties, added to the already high imposts on whisky, wine, beer, tobacco and sugar, and for good measure tacked on a 60 per cent excess profits tax to guard against profiteering.

Through taxation and borrowing the nation will be asked to raise £2,000,000,000 (\$8,940,000,000) this year. Of that colossal sum 51 per cent will be raised by taxation which is almost double the ratio of any fiscal year in the last war.

The Chancellor summed up his whole budget, his whole plan for hidden drains of wealth and to harness them to the war effort in these words:—

"If the price of victory be high, it is a price worth paying. It is the price of our liberty and all that makes life worth living in Europe and for ourselves."

He described finance as "the fourth arm of defence" and said it is the prop that sustains "the whole of our war effort."

The budget called for a 35 per cent basic rate on taxable income until next March 31, when the fiscal year ends. For 1940-41 the rate will rise to 37.5 per cent, until 1942 it was 27.5 per cent.

Surplus incomes of more than £2,000 (\$8,940) were raised so that in 1940-41 that portion of an income in excess of £30,000 will be taxed at 95 per cent.

The burden on the poor was in-

Gasoline Price Up 1-2 Cent Per Gal.

TORONTO, Sept. 27.—(CP)—Oil company officials announced here tonight that effective tomorrow the retail price of gasoline will increase one-half cent per gallon throughout Ontario, Quebec and the Maritimes.

The new price for a gallon of standard grade gasoline in Toronto will be 25 1/2 cents. Of this sum eight cents goes to the Ontario Government as a tax.

Officials said exchange differences between United States and Canadian currency was primarily responsible for the increase, which follows the upward trend of other commodities as a result of the war. There is a 10 per cent buying premium on United States currency in Canada.

Other factors were the increase of tanker rates and the high cost of war-risk insurance on cargoes from foreign ports, it was said.

Coming Events

—O—
Rate for Notices in this column 3 cents per word.

- Talkies—Eldon Friday, 1-157-9-27-28.
- Talkies—Murray River Thursday, 1-157-9-27-28.
- Dance Coran Bann Thursday, September 28th, 1-816-9-27-28.
- Dance at MacMillan House, Stanhope, Friday night, 1-886-9-28-11.
- Last Dance of Season at Fortune Hall, Friday, September 29th, Burke's Orchestra, Clifford Peters, Pianist, 1-870-9-28-29.
- Dance in Glenfinnan School Friday 29th, Good music, Refreshments, 1-198-9-28-29-31.
- Don't forget Dance at Borden Thursday night, Music by O. K. Presby and his Charlottetown Band, 1-435-Thu-Fri.
- New Glasgow Hall play "The Path Across The Hill" by Seaview Players, Friday, Sept. 29, 1-531-9-27-29.
- Bingo, Dance and Free Lunch in St. Patrick's School, Friday night, September 29th, if not fine, Monday night, October 2nd, 1-884-9-30-11.

Plane Sprays Hamlet With Machine Gun

LONDON, Sept. 27.—(CP)—The British Press Association reported tonight that a mystery plane twice today sprayed the hamlet of Ballachantle in Argyshire with machine gun bullets and escaped each time.

No one was injured, though a number of bullets were picked up around the Ballachantle Hotel.

Ballachantle is situated 10 miles from Campbeltown, Argyshire.

It is so small that it is not listed in most Gazetteers. The hamlet is on the Peninsula of Kintyre which extends southward from the Scottish mainland toward the Irish Coast. Between the Peninsula and Argyshire lies the Isle of Arran.

U. S. SHIP OPERATORS LODGE PROTEST

See Reduction Of Business In Pending Neutrality Resolution.

(By Richard L. Turner, Associated Press Staff Writer) WASHINGTON, Sept. 27.—(AP)—United States ship operators, fearing a reduction in their business under the pending neutrality resolution, lodged a protest today to congressional leaders in charge of that measure.

Their requests for changes in the resolution were met, it was said with a firm "no" and a statement that the legislation was intended to keep the United States out of war, with other considerations secondary.

The congressional leaders further told the shipping people that if, by January, when congress meets in regular session, the act should appear to be working to their serious disadvantage, legislation could be enacted then for relief of the shipping people.

The protest came, it was said, from United States lines, from the British lines from firms operating from their own ships to Central America and the islands of the Caribbean, and from Pan American Airways.

Germans Claim Surrender Of Polish Capital

(By Alvin J. Steinkopf, Associated Press Staff Writer) BERLIN, Sept. 27.—(AP)—Besieged Warsaw, reported last night by bomb, shell and fire, surrendered unconditionally tonight, the Nazi high command claimed.

The German communiqué reporting capitulation of the Polish capital after 29 days of misery shared attention tonight with the expectation in informed quarters that a far-reaching German-Russian accord would result from the flying visit of the Nazi Foreign Minister, Joachim Von Ribbentrop, to Moscow.

Warsaw probably will be handed over to the besieging Nazi Army Sept. 29, the high command said. General Johannes Von Blaskowitz has been ordered to arrange terms of surrender.

(The Warsaw radio, which almost throughout the siege had been on the air with exhortations to Warsaw's citizens and soldiers to resist the invaders, was heard in Budapest as late as 2:45 p.m. today—4:45 a.m. A. S. T. Its announcer insisted the city still held out and would resist to the last.)

The surrender in the German view, marked the end of the short but furiously fought war which started 27 days ago.

The German high command, after the first brief announcement, issued a second communiqué as follows:—

"Warsaw has capitulated unconditionally. Formal surrender of the city to the German Army command will take place Sept. 29.

It is established the military garrison (Polish) occupying the city exceeds 100,000 men.

It was regarded likely the Germans have exacted effective guarantees to prevent attack by the civilian population upon the occupying force, and have a military government ready to enforce such measures, to remove prisoners, relieve distress and stamp out any incipient epidemics.

Hitler Reported Massing Troops As Peace Pressure

(By TAYLOR HENRY, Associated Press Staff Writer) PARIS, Sept. 27.—(AP)—Adolf Hitler was reported tonight to be speeding concentration of Nazi troops on the western front prior to an attempt to induce Great Britain and France to discuss proposals he will advance as peace terms.

Advises reaching Paris from Germany through neutral countries indicated Hitler was preparing to make a formal offer of peace based on the status quo resulting from partition of Poland between Germany and Soviet Russia.

Germany and France are officially and repeatedly on record with the declaration there will be no peace until the Hitler regime has been destroyed and Poland's independence restored.

Most military as well as diplomatic signs, however, pointed to the possibility of a German offer—perhaps before the end of this week.

It is for this reason that Hitler was believed to have sent his Foreign Minister, Joachim Von Ribbentrop, to Moscow today ostensibly to put the finishing touches on the partition of Poland.

Actually Von Ribbentrop was reported in Paris to be trying to persuade Joseph Stalin to sign, or at least give the im-

Hitler Reported Massing Troops As Peace Pressure

pression that he is willing to sign, a Military Alliance which Germany could use as a threat against Britain and France unless they were willing to end the war on his terms.

It was for the same reason that Hitler was believed to have issued urgent orders to his High Command to break up remaining resistance in Poland quickly so there would be no semblance of resistance left there to which Britain and France could point.

Trains were said to be moving in a steady stream across Germany, pouring more and more troops into the Siegfried fortifications. Squadron after squadron of warplanes were reported shifted to the west.

Military advisers indicated these transfers of men, guns and planes now practically had been completed under Hitler's continuous demands for speed.

Operations on the western front tonight showed German artillery is concentrating its fire on the four main salients which the French have driven into Nazi territory.

As the same time, the German tactics appeared to be to try to keep the French high command constantly aware of the immense German forces being held in reserve as well as the ever-present possibility that they might be turned loose in a major offensive.

R.C.M.P. To Organize Defence Unit

(By WIT HANCOCK, Associated Press Staff Writer) MOSCOW, Sept. 27.—(AP)—The Soviet Government tonight announced the sinking of a Russian vessel off the coast of Estonia by an unidentified submarine as part of German-Russian diplomatic talks were opened at the Kremlin.

The announcement that the 4,000-ton freighter Metallist had been torpedoed and the five of her crew of 24 were missing came while the Soviet press sharply attacked Estonia, accusing the little Baltic nation of harboring naval bases for foreign powers.

Arrival of the German Foreign Minister, Joachim Von Ribbentrop, for conferences with Soviet officials coincided with the coming of the German Foreign Minister, Karl Selzer, for a second visit here in three days, and with talk among diplomats that a German-Soviet military pact might be in the making.

The presence in Moscow of the Turkish Foreign Minister, Sakir Saracoglu, led diplomatic quarters to speculate that Russia might spring another surprise on war-torn Europe, following the now-historic Russian-German non-aggression pact signed Aug. 23 during Von Ribbentrop's visit on the eve of Germany's invasion of Poland.

(In Helsinki, Finland, sources close to Estonian officials said the Baltic State was submitting to Soviet demands for transit rights across Estonia and commercial and naval concessions on the Estonian coast.)

Von Ribbentrop held the first conference of his second visit to

Situation At A Glance

(By The Canadian Press)

LONDON—Great Britain imposes heaviest taxes in history to finance war; new budget hits all classes; Admiralty reveals German air attack on naval gudget; announced "no British ship was hit" and says one German plane shot down, another badly damaged.

BERLIN—High Command claims unconditional surrender of Warsaw; air force reports raiding British fleet, "destroying" an unnamed airplane carrier and damaging a battleship.

BUDAPEST—Warsaw radio says capital a "destroyed inferno"; asserts 3,000 civilians killed in day's bombardment.

MOSCOW—Soviet Government announces torpedoing and sinking of Russian ship off Estonian coast; German and Soviet Foreign Ministers confer; reported unofficially Russia demanding concessions in Baltic Sea.

PARIS—Germany reported by French to be speeding troops to western front to force discussion of peace on status quo basis.

BASEL—German patrols reported to have broken into French advance lines near Wissembourg.

PANAMA—Uruguay fights ban on shipment of materials destined for civil populations of warring nations.

WASHINGTON—Congressional leaders reject protests of ship operators in framing neutrality legislation.

Goebbels Making Promises?

BUDAPEST, Sept. 27.—(AP)—A Polish officer who flew here from besieged Warsaw today told newspapermen that on some "captured" German prisoners he found pamphlets promising them that by Christmas propaganda Minister Goebbels would speak to them from London.

The officer was Lieut.-Colonel Mateusz Izycki.

SOVIET NAZI TALKS MAY BE FAR REACHING

Developments May Rival Non-Aggression Pact Is Belief Held In Some Quarters.

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Labor Congress Urges Assistance To Fishermen

(By The Canadian Press) LONDON, O. T. Sept. 26.—(CP)—Two resolutions intended to improve the living conditions of Atlantic coast fishermen were endorsed today by the convention of the R. C. M. P. and labor congress of Canada. Both were sponsored by J. A. Sullivan of Montreal, president of the Canadian Seaman's Union.

One resolution asked that the federal government assist fishermen in establishing co-operatives for the processing and sale of fish.

The other asked that freight rates for fish on government vessels and on lines subsidized by the government be cut approximately in half.

Nazi War Planes Driven Off In North Sea Raid

German Effort Against British Fleet Described As "Complete Failure" - Two Planes Lost.

LONDON, Sept. 27.—(CP)—Great Britain tonight hailed the Admiralty's claim of victory against the first mass attack of German aircraft on British warships as a satisfactory reply to the question of whether British sea-power could withstand war from the air.

(A Berlin communiqué, however, asserted the Nazi air force "successfully attacked British capital ships in the North Sea, "destroying" an aircraft carrier and scoring severe hits on a battleship.)

British tacticians called yesterday's German aerial raid on a home fleet squadron in the North Sea "a complete failure." Naval circles held there was no fear for Britain's continued mastery of the seas in the face of this new German effort to break it.

The British version of the engagement was given to the House of Commons by Winston Churchill, First Lord of the Admiralty, after an inquiry by Mr. Alexander (Labour) as to the truth of a German communiqué claiming Nazi aircraft had destroyed a British airplane carrier, scored "several" severe hits on one battleship and escaped unscathed.

Mr. Churchill said the home Fleet Commander, Admiral Sir Charles Forbes, reported 35 approximately a score of German planes attacked a squadron of British capital ships together with an aircraft carrier, cruisers and destroyers.

"No British ship was hit and no British casualties were incurred," said Mr. Churchill. "One German flying boat was shot down and another was reported badly damaged."

The House cheered vociferously, and then he added that another German plane came down in the North Sea and with her crew of four was picked up by a British destroyer.

The German attack on the British Fleet was the second major engagement of the war between sea and air forces. On Sept. 5 Britain reported a flight of its planes raided German warships at Wilhelmshaven and Kiel, inflicting heavy damage by dive-bombing.

British accounts of the latest attack 150 miles off the Norwegian Coast, attributed the failure of the Germans to score hits on their reluctance to dive low in the face of British anti-aircraft fire.

Naval men here asserted it is extremely difficult for aircraft to score direct hits on ships at sea. They direct hits on ships at sea carry out zigzag manoeuvres and bring into play anti-aircraft guns of such calibre as to make low flying attacks "suicidal."

The Ministry of Information announced that 25,000 tons of contraband, chiefly iron ore and petroleum products, had been seized since the beginning of the war, including more than 70,000 tons taken during the week ended yesterday.

Mr. Churchill also told Commons that the German man liner Bremen, unreported since sailing from New York Aug. 30, was "believed to be in a north Russian port." Earlier the Bremen had been reported to have reached Murmansk, Soviet Arctic port.

German Patrols Capture Rail Junction, Report

BASEL, Switzerland, Sept. 27.—(AP)—German patrols were reported in advance reaching Basel tonight to have forces through French advance lines east of Wissembourg to gain control of an important railroad junction in that area of the western front.

The reports said the junction apparently concerned was the point where three rail lines—from Lauterbourg, Landau and Haguenau—join before entering Wissembourg.

The new positions, according to these advices, also gave the Germans fire control over a network of highways and roads behind Wissembourg.

Military observers said the objective of the Germans might be either to reach the strategic Hochwald Forest heights southwest of Wissembourg or simply to cut under the Lauterbourg—defences in the Rhine-Lauter triangle.

The latter move, these observers said, would bring the war down along the Rhine where reports received here said increased military preparations were noticed on the German side.

Large bodies of troops were reported moving along this line. The elaborate German preparations were under way in full sight of Basel's suburbs.

Rumania Seizes Half Polish Gold

BUCHAREST, RUMANIA, Sept. 27.—(AP)—Rumanian authorities reported tonight to have seized half of Poland's gold shipped into this country before the flight of the Warsaw Government.

Half of Poland's treasure was shipped to London on a British tanker 10 days ago from Constantia. The remainder, after being hidden near Zaleski until the Polish Government fled to Rumania, was en route to Constantia when seized, Bucharest reports said.

Rumanian authorities were to have claimed they would keep the gold either as payment or security for the large sums Rumania would spend caring for the thousands of Polish refugees.

Plan War Time Food Production At Conference

OTTAWA, Sept. 27.—(CP)—Plans for placing Canada's food production on a wartime basis to meet both the immediate and future needs of the Allies and the people of Canada were further discussed here today at conference of Dominion and Provincial Agricultural officials.

The Agricultural Supplies Committee, composed of heads of the several divisions in the Dominion Agricultural Department, met Provincial Ministers and Deputy Ministers of Agriculture and other Dominion Agricultural officials in a round-table conference aimed at a general exchange of views which would be helpful in formulating policy.

Agriculture Minister Gardiner warned that what might be necessary now in connection with food production might not be what would be required at some later date, since conditions might change radically as the war proceeded.

The Agricultural Supplies Committee had been set up to devise plans, in cooperation with Provincial Governments and other organizations, to insure supplies being available when needed.

Do Your Best But Not Your Friends!



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Maritime Provinces: Fresh to strong winds; unsettled with occasional rain.

High tide to night 10.32 and tomorrow morning at 10.50. Sun sets this evening at 5.48, and rises tomorrow morning at 5.54. Summerside tide eight minutes later than Charlottetown.

THE CAR FERRY SAILINGS

Leaves Borden 9.45 A.M., 1.00 P.M., Leaves Tormentine 11.00 A.M., 3.05 P.M.

SATURDAYS ONLY
Leaves Borden 4.45 P.M., Leaves Tormentine 7.00 P.M.