

MAXIMS OF A MERE MAN  
Only the Church to which God means everything can make Him mean anything to mankind.

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

MAXIMS OF A MERE MAN  
It is a sacred duty to commemorate formally the beneficent providences of God.

Charlottetown Guardian Two Cents Morning Edition, Founded 1887  
CHARLOTTETOWN, CANADA, SATURDAY, MARCH 19, 1938 14 PAGES  
Annual Subscription Delivered \$5.00 By Mail—P. E. I. \$4.00; Canada and U. S. \$5.00

# POLAND AND LITHUANIA ON BRINK OF WAR

## BRITAIN MOVES TO EASE BALTIC TENSION Memel & Danzig Under Shadow Of Nazi Heel

### CLOSE CONTACT MAINTAINED IN NEW CRISIS

#### Seek Peaceful Settlement Of Poland-Lithuania Dispute.

(C. P. by Guardian's Special Wire) LONDON, March 18—Britain today swung the weight of her diplomatic influence into an attempt to achieve a settlement of the Poland-Lithuania dispute without a clash of armed forces.

Prime Minister Chamberlain told the House of Commons the United Kingdom was in close touch with both Governments and that the British Ambassador at Warsaw, Sir Howard Kennard, had impressed upon the Polish Government the hope the ultimatum presented to Lithuania would not be used as a pretext for making wider demands.

Mr. Chamberlain declined to depend on League of Nations action to prevent the situation from flaring into war.

"His Majesty's Government are not at present satisfied that the course suggested by the honorable gentleman would be sufficiently speedy or absolutely practical," he said when Philip Noel Baker, Labor, asked the Government to summon the League Council.

Mr. Noel-Baker pointed out that the League had been established to prevent a conflict between Greece and Bulgaria was taken "largely on the initiative of Sir Austen Chamberlain," then British Foreign Secretary and the late half-brother of the Prime Minister.

Mr. Chamberlain, pressed by his opposition to take a strong, clear stand on European affairs, said he would make a statement of foreign policy to Commons next week.

Mr. Chamberlain expressed "horror and disgust" over the Spanish and German bombing of Barcelona which claimed more than 600 lives. Britain and France had agreed, he said, to appeal to belligerents in the civil war to direct their attacks at civilians rather than military objectives.

"The French Government have

### Mexican Govt. Takes Control Of Foreign Oil Properties

(A. P. by Guardian's Special Wire) MEXICO CITY, March 18—President Lazaro Cardenas tonight announced expropriation of the Government of foreign oil companies operating in Mexico.

The President announced in a broadcast that the Government was taking over the properties of the 17 British and United States oil companies, representing investments of \$400,000,000.

The announcement was made less than two hours before the scheduled start of the Mexican oil workers' syndicate's nation-wide "folded arms strike" as the outcome of months of labor dispute.

The President's office, immediately following Cardenas' unannounced and unexpected broadcast, said the Government would proceed to issue a decree setting forth the terms for nationalization of the industry and new bases for its operation.

No announcement was made as to the amount the companies would be paid as indemnification for their properties. Under Mexican law, such indemnification must be made within 10 years.

Cardenas' decision was made after a three-hour meeting of hastily-summoned cabinet.

### Crew Abandon Sinking Ship

(A. P. by Guardian's Special Wire) NEW YORK, March 18—The Radio Corporation of America reported tonight it had received a message from the German steamer "Clay Boge" which was sinking 75 miles west of Hornsby Lightship and that the crew had abandoned the craft in lifeboats at 8:10 p. m. AST. No further details were immediately available.

Lloyd's register lists the Clay Boge as a 2,340-ton vessel out of Hamburg, Germany. Built in 1936, the steamer is owned by Johann M. K. Blumenthal.

R. C. A. gave the lightship's position as about 10 miles north of the coast of Denmark, where charts show a Horn's reef.

### MR. D.K. CURRIE LAID TO REST

#### Interment Yesterday At Summerside.

The body of Mr. D. K. Currie, 82-year-old associate editor of the Guardian who died in Charlottetown Wednesday after a short illness, was laid to rest in the Pines Cemetery, Summerside, yesterday. The Rev. William Verwof conducted the committal service at the graveside.

The remains arrived in the western Capital by railway train and were met at the station by old friends and members of the Town Council and Board of Trade.

The Pioneer, of which Mr. Currie was editor for 27 years, and the Journal newspapers were represented by Messrs. A. R. Brennan, J. P. MacInnis, Louis Taylor and J. P. MacInnis.

Mourners were: Messrs. Thomas MacInnis, Malcom, Clemens, Caruthers, North Bedque, J. R. Burnett and Ian Burnett, Charlottetown, and Stephen Pond, Summerside.

Funeral services were: Messrs. Mayor Brunswick, Messrs. MacKay, Donald Baker, Thomas Johnson, A. R. Brennan and J. P. MacInnis.

### FCA Act Repeal Urged In House

(By The Canadian Press) OTTAWA, March 18—Repeal of the Farmers' Creditors Arrangement Act in Ontario and New Brunswick was urged on the Government in the House of Commons tonight while western members pressed for its retention.

The House was considering amendments to the act which would empower the Government to re-open operation in provinces but there was no indication from Finance Minister Dunning what use will be made of the power.

Fred Beits (Con. London) urged repeal in Ontario and W. G. Clark (Lib. York-Summary) said the same thing about New Brunswick. They argued the act had dried up rural credit and in its operation today was a detriment to farmers.

D. A. McNiven (Lib. Regina City) said the act still was necessary in Saskatchewan and suggested it be enlarged to cover householders and small merchants in the towns and cities.

### New Anglo-Italian Trade Pact Effective March 28

LONDON, March 18—Great Britain and Italy entered into a new trade agreement to become effective March 28.

The pact, signed at the Foreign Office, provides for an increase of about 27 1/2 per cent in British goods to be sold to Italy over the goods to be sold in 1936.

Provision was made for settlement within six months of old trade debts due from Italy to Newfoundland, Burma and the Colonies Empire.

The commercial agreement provides for continuation of the existing quota for Newfoundland codfish and the second agreement between the two nations since the declaration of sanctions against Italy during the Ethiopian war cut Anglo-Italian trade.

A clearing agreement was also signed, effective March 26. It was explained the latter was not connected with plans for Anglo-Italian negotiations on larger issues.

Britain's textile quota was increased from 18,000,000 lire (about \$1,200,000) a year. Cotton, linen, hemp and jute were increased from 50 to 70 per cent of the lire value of the 1934 trade.

Italy last year bought less than 30 per cent of the amount of textiles she obtained from Britain in 1934.

The clearing agreement increased payments for current exports to Italy from 70 to 87 per cent.

On the basis of Italian imports in 1938, totaling \$7,000,000 (\$35,000,000), the new percentages will suffice for exports of coal to Italy of \$750,000 (\$3,750,000) and for other exports to the value of \$2,870,000 (\$14,350,000).

### INSURGENTS RAIN BOMBS ON BARCELONA

#### Death Toll Mounts In Air Attacks — 1-vance On Catalonia.

(By The Associated Press) BARCELONA, Spain, Mar. 18—Insurgent bombers pelted Barcelona today with a rain of bombs in a 42-hour series of raids to 600 and the number injured to 1,200.

Seven attacks today alone killed more than 100 and wounded an estimated 180.

An unknown number of persons lay buried in the wreckage of the blood-soaked city which the insurgents converted from a gay capital to one of mourning.

Tonight the populace either moved into subways or fled to the suburbs in expectation of more attacks to come.

The United States Embassy and Consulate temporarily were transferred to the outskirts of the city as were other foreign embassies.

Vice Consul Killed

The French Vice Consul was killed and a Consul injured in yesterday's raids.

The raiders today skipped the central section and concentrated on the southwestern portion of the city near the former exposition grounds.

Attacks began at 1:10 a. m. By 8:40 a. m. the day's death list stood at 60. Twelve bombs dropped in a raid at 1 p. m. killed approximately another 50.

The special anti-aircraft defence service reported an insurgent three-engine bomber was downed at sea shortly after a 3 p. m. raid.

Febus, Spanish Government news agency, said a captured Italian pilot said the insurgents had 700 planes, mostly made in Italy and Germany and flown by Italians, Germans and Spaniards.

### Heavy Ice And Freezing Rain Delays Traffic

#### Car Ferry Takes More Than Twelve Hours For Round T

Tightly packed drift ice in Northumberland Strait, putting the powerful icebreaking car ferry S.S. Charlottetown hours behind schedule, and freezing rain grounding Canadian Airways planes greatly disrupted traffic to and from Prince Edward Island yesterday.

The car ferry docked at Borden at 8:40 a. m. and took more than 12 hours for the round trip to Tormentine. She sailed from the Prince Edward Island terminal at 11:00 yesterday morning and passengers and mails. Encountering very heavy ice, she pushed hard against the mainland shore by strong easterly wind, the powerful ship did not reach Borden until 8:44 last evening. Conditions had greatly improved on the return trip, however, and the crossing was made in an hour and 37 minutes. The train reached Charlottetown at 2 o'clock this morning. Earlier in the night a train picked up local mails and passengers for Charlottetown.

Freezing rain kept the Charlottetown-Summerside-Moncton service grounded here until about 3 o'clock. Then with a rising temperature Pilot H. S. Jones took off with the twin-engine, twin-motored Dragon with one passenger on board, enroute to Moncton the pilot found the wings of his big monoplane icing so heavily that he had to ditch at Shediac. He took off again after a brief stop and landed at Moncton without mishap. The eastbound flight was cancelled when rain continued with low visibility. If conditions permit, regular schedule will be resumed early today.

Ice conditions Thursday were fairly good and it was hoped aerial crossings could be made during the night to clear rapidly accumulating freight at the mainland terminal. Easterly wind, however, rapidly pushed heavy drift ice against the New Brunswick shore and the boat, leaving Borden at 10 o'clock Thursday night was unable to reach Tormentine. She returned to Borden at 10:43 and passengers and mails were turned again towards the New Brunswick shore where she docked nine and a half hours later.

Meanwhile 170 freight cars were on track at Tormentine last night, consigned to points in this province. About 90 were empty retrailers. Freight on the side was almost clear.

After landing mails and passengers at Borden last night the ferry took on a full load of 16 freight cars and left immediately for Tormentine. She was scheduled to operate all night.

### Hepburn Presents Balanced Budget

(G.P. by Guardian's Special Wire) TORONTO, March 18—Premier Hepburn today presented his second successive balanced budget in the Ontario Legislature. He reported a surplus of \$978,702 in ordinary account for the fiscal year ending March 31, based on 10 months' actual figures and two months estimated. The Premier's prediction the province would finish the 1937-38 fiscal year "in the black" came on the heels of a \$9,813,938.54 surplus recorded last year before his government was returned to power in the October election. For the next fiscal year Mr. Hepburn budgeted for surplus of \$288,677.99 on the strength of recent expenditures and revenue.

"There will be no increases in taxation nor any new forms of taxation for the coming fiscal year," he declared. Nevertheless the government would spend more money and embark on a broad policy of agriculture, education and health services particularly.

### Concessions Made To Czech-Germans

PRAHA, Czechoslovakia, March 18—(Saturday) (A. P.)—Autonomy for Germans in Czechoslovakia came nearer realization today when the cabinet council decided to grant a broad policy of concessions to Czech-Germans have demanded self-rule for Czechoslovakia's 3,500,000 of German descent.

The cabinet council's step was taken as a sequel to an earlier government order granting Germans 22 per cent of administrative posts, that being the proportion of Germans to the total population.

### Japanese Forces Drive Towards City Of Suchow

(By The Associated Press) SHANGHAI, Mar. 18—(Saturday)—Japanese asserted today they were forcing a wedge into the coastal side of China, central front behind artillery and aviation bombardments.

One column, they said, was well past Suchow, within 50 miles of Suow, objective of the offensive, where the north-south Tientsin-Pukow and the east-west Lanchow railroads cross.

They said the other, converging from a wide angle, had driven Chinese from Linzi, about 70 miles northeast by east of Lincheng, and expected momentarily to capture the town.

Chinese denied they had been forced back. They declared fighting still was going on at "Fengshien, about 20 miles north of Lincheng, after a "temporary withdrawal" from the walled city.

### SAYS AUSTRIAN COUP AVERTED BLOODSHED

Hitler Makes Implied Warning To Czechs In Upholding Conquest.

(By The Associated Press) BERLIN, March 18—Reichsfuehrer Hitler tonight held up Austria's fate as an implied warning to Czechoslovakia.

He said the Reichstag at its farewell meeting for "another four years that I may create the tasks ahead in the greater Reich."

Before Hitler began his 38-minute speech, Field Marshal Hermann Goering as President of the Reichstag announced its dissolution and called legislative elections for the new Pan-Germany for April 10.

The Fuehrer as he completed his address announced all Germany—not only Austria—would vote in a cheering Reichstag which included for the first time on its government bench the new Governor of Austria, Arthur Seyss-Inquart, and other representatives of what is now a German province.

Justifies Seizure?

Justifying his swift seizure of Austria, he said his decision to march into the land of his birth was dictated by the realization that otherwise bloody civil war would break out.

"It was determined to spare Austria the fate of Spain," he declared.

(Kurt) Von Schuschnigg can thank God I acted—for my decision saved him and 10,000 others their lives."

Speaking slowly and emphatically each word, the moulder and master of the greater Germany declared the time was past when Germans just across the border could be mistreated.

"There comes a time when it is

### Granddaughter Of Pioneer Cleric Dies

NEW GLASGOW, N. S. Mar. 18—Miss Charlotte MacGregor, a granddaughter of the pioneer Presbyterian missionary to Nova Scotia, and Prince Edward Island, Rev. James Drummond MacGregor, died here today after a brief illness.

She was 70 years old.

Her twin sister, Helen, predeceased her two months ago. Only one granddaughter remains in the survivors of the eminent cleric whose 150th anniversary of coming to this province was celebrated two years ago. She is Miss Laura MacGregor, a cousin of Miss Charlotte MacGregor.

Miss Charlotte MacGregor was a cousin of Hon. James D. MacGregor, Lieutenant Governor of Nova Scotia from 1910 to 1915. Included in the surviving relatives are Judge George Patterson of Pictou County, and Mrs. Harold Oxley of Halifax.

### SAYS AUSTRIAN COUP AVERTED BLOODSHED

Hitler Makes Implied Warning To Czechs In Upholding Conquest.

### Polish Demands

Poland demanded that Lithuania renounce any claim to Wilno, once her capital, but now held by Poland, and re-establish relations with Poland that have been broken for 18 years.

There has been no exchange of diplomats and army leaders on either side of the Lithuanian frontier since Poland seized Wilno and about one-third of Lithuania's territory Oct. 9, 1920.

The issue flared up anew over the killing of a Polish guard March 11 on the frontier which Lithuania insists merely is a demarcation line.

Besides Germany, the situation was watched with particular interest by Soviet Russia and by the little Baltic states to the north—Latvia and Estonia, who wondered whether they, too, would be sunk by a wave of territorial rearrangement that Germany's annexation of Austria set in motion.

### Drought Area Is Flood-Stricken

(C. P. by Guardian's Special Wire) REGINA, March 18—Saskatchewan drought area along the international boundary apparently is getting a respite. Rivers rose five feet in four days; cattle were marooned and schools closed because of floods.

From Maymont, Woodrow and Estevan areas came reports today of the unprecedented flood conditions, with water covering flats that have not produced crops, even hay for years. The first two districts farmers were using boats to take feed to animals marooned in river islands. Teachers were dictating lessons over the telephone.

Word from Shaunavon area indicated farmers were heartened by the fact there was little spring run off and water apparently was soaking into the ground.

At Estevan the Souris River rose five feet in four days but there was no danger of a flood in the town, as the water was backing over hay flats west of the town.

### Influx Of Transients Blamed For Unemployment In B.C.

By CARL REINKE  
VICTORIA, March 18—British Columbia would have no unemployment if it were not for the influx of transients apparently attracted by the mild coast climate, Hon. George S. Pearson, provincial minister of labor, today informed the Rowell Commission.

The province's penalty of having an attractive climate was to attract transients from the prairies and eastward, most of them young, who took the jobs of middle-aged British Columbia residents or became directly a charge on the province, Mr. Pearson said. If it were not for this there would be "no shortage of jobs" in this province.

The labor minister stressed that phase of the relief problem as the provincial government advocated the Dominion substantially enlarge

### Memel & Danzig Under Shadow Of Nazi Heel

### Europe Tensely Awaits Lithuania's Answer To Polish Ultimatum Today.

WARSAW, Poland, March 18—(AP)—The danger of war between Poland and Lithuania hung over Europe tonight more ominously than ever.

Peace depended on Lithuania's acceptance of a Polish ultimatum that will expire at 3 p. m. EST tomorrow. One Lithuanian offer already had been rejected.

Poland, with an army 13 times the size of Lithuania's, moved troops to the border throughout the day to back up her ultimatum with force. Her preparations were said to be complete.

Authoritative reports in Berlin said Germany had agreed to keep hands off if Poland would acquiesce to Germany's seizure of the Free City of Danzig.

The possibility also was raised that hostilities might lead to German annexation of Memel, a former German city and now a Lithuanian port, and the Polish corridor.

All three are territories that Germany lost after the Great War and which contain minorities over whom Reichsfuehrer Hitler has proclaimed himself protector.

### STUDY REPLY TO ULTIMATUM

#### Lithuania Cabinet Discusses Grave Issue.

(A. P. by Guardian's Special Wire) KAUNAS, Lithuania, March 18—Little Lithuania's President, Antanas Smetona, met tonight with his ministers and army leaders on the eve of a special parliament session to face an ultimatum from Poland.

By 4 p. m. AST tomorrow, according to the version here of the Polish demands, Lithuania must agree to re-establish diplomatic relations, rail, air and other traffic non-existent since October, 1920. A semi-official appeal was broadcast exhorting the people to remain calm in face of the Polish stroke and the massing of Polish troops near the Lithuanian frontier.

Reports that Lithuania refused to surrender her claim to Wilno were described here as premature. Apparently no decision had been placed here as yet.

Despite reports of mass troop movements across the border, no extraordinary military activity was observed on the Lithuanian side.

Throughout the day, Lithuanian diplomats in the capitals of the great powers—particularly Great Britain and Russia—sought counsel and aid.

Britain, France and Russia all were reported to have made representations both at Kaunas and Warsaw urging the dispute be settled amicably.

### Bible Reading Value Stressed

(C. P. by Guardian's Special Wire) TORONTO, March 18—The habit of regular Bible readings has been of "incalculable value" in strengthening national character of the people of the British dominions and of the United States, Lord Tweedsmuir said tonight in an address here to the British and Foreign Bible Society.

"I am inclined to think that if the Bible was the habitual text book of statesmen today, there would be more wisdom and charity in the world," he added.

### You Notice The Guy With Money To Burn Never Carries Any Matches!

TORONTO, Mar. 18—Minimum and maximum temperatures:  
Saint John 26 32  
Halifax 28 36  
Charlottetown 18 34

Forecasts: Fresh to strong winds with rain, probably part sleet. High tide this afternoon at 12:44 and tomorrow morning at 1:26. Sun sets this evening at 6:10 and rises tomorrow morning at 6:05. Last quarter moon Jan. 23rd, 9:03 p. m. Summerside tide eighteen minutes later than Charlottetown.

### THE CAR FERRY

Leaves Borden 9:45 a. m. 1 p. m. Leaves Tormentine 11 a. m. 2:55 p. m.