

World peace is the long run depends upon a universal will to peace.

The ministry devoid of the educational element has a palpable weakness.

Charlottetown Guardian Two Cents Morning Edition, Founded 1887

CHARLOTTETOWN, CANADA, WEDNESDAY, MARCH 2, 1938

8 PAGES

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

AUSTRIAN POLITICAL SITUATION INTENSIFIED

GOERING RATTLES SABRE IN DEFIANT SPEECH

OBSERVES ANNIVERSARY OF AIR FORCE

Warns Reich Ready "To etc Germans On Our Borders."

(By Louis F. Lochner) (Associated Press Foreign Staff) BERLIN, March 1—Germany's only active field marshal, Hermann Goering, today raised the 12-year-old Reich's air force...

THUNDERS WARNING

Raising his voice to a high pitch and pronouncing every word with studied emphasis, the Air Minister thundered to an audience composed largely of aviators...

COMING EVENTS

- *Milton Rink tonight, All-Stars vs. Grammes, playoff game. L-503
*Remembrance sale St. James Church Hall Lamentation Saturday, March 5 at 6.30. L-448-3-2-31.
*Bruckley Club Concert, Harrington Hall, Thursday, March 3rd. Admission 25c and 15c. L-464-3-1-21.
*Box Social and Concert under auspices Melville L. O. B. A. at Hampton Hall, March 3rd. Admission 15c. L-488-3-2-11.
*Poultry prices are high. We need large quantity, ship or bring your chicken or fowl to Royal Poultry Co. L-372-2-25-121.
*Buying live hogs at Friday 4th until noon. G. C. Green. L-487-3-1-21.
*Junior playoffs at New Glasgow tonight, Hope River vs. North River; South Rustico vs. New Glasgow, doubleheader. L-510.
*Box Social and Concert under auspices Melville L. O. B. A. at Hampton Hall, March 3rd. Admission 15c. L-488-3-2-11.
*Pownal Rink tonight 8.30 sharp. sudden-death playoff game between Sunday Bearcats and Cornwall C. O. S. Skate after. L-508.
*Come to the Moccasin Dance March 3rd at Marshfield Rink. W. R. Godfrey's sound system and violinist from Charlottetown. L-506-3-2-21.
*Hockey Victoria Rink Friday, March 4th, second of intermediate semi-finals, Victoria Unions vs. Kensington All Stars. Admission 25 and 15 cents. L-504-3-2-31.
*Action and Rummage Sale in aid of Y. M. C. A. Saturday, April 2nd. Friends of the Association requested to save donations of all kinds. Watch for later announcement. L-491-3-2-11.
*Loading live hogs Thursday 4.30 sharp, as follows: Summerdale until 2 p. m.; Kensington until 2 p. m.; Nicholson Bros., and Merry Bulman at Hunter River Friday till noon. McEwen and Campbell. L-484-3-1-21.
*Come on down South—Hear the Sunny South Minstrel at the Baptist Schoolroom, Thursday evening. Darkey songs, dia ogue and instrumental music. Hear those black-face comedians, Mueh, Hank Tambo and Bonnie. Admission twenty-five cents. L-470-3-1-21.

Second Ransom Note Received

NEW ROCHELLE, N. Y., March 1—A second note—written on a cheap "dial" typewriter—commonly sold as toys for children—was disclosed today as the parents of the 12-year-old Peter Levine, missing since last Thursday, frantically waited to contact the boy's abductors...

Snow Blankets Annapolis Valley

(C.P. By Guardian's Special Wire) KENNYVILLE, N. S., March 1—Nearly six inches of snow, driven by a fresh westerly wind covered the Annapolis Valley in Nova Scotia today, blocking highways and causing one known accident...

Pair Convicted Of Robbery With Violence.

LONDON, March 1—(CP-Hav)—Despising public protests, David Wilmer, 24-year-old man-about-town, was flogged in Wormwood Scrubs prison today as part of his court sentence, following the beating and robbing of a 67-year-old jeweller in December...

Ulster Parliament Formally Opened

BELFAST, March 1—The newly-elected Parliament of Northern Ireland was formally opened today by Governor the Duke of Abercorn. H. G. H. Mulholland, Unionist, was unanimously re-elected Speaker of the House of Commons. Most of the Nationalist members of the House, including their leader, T. J. Campbell, took the oath of office at today's session...

Increased Tax To Wipe Out Gasoline Price Cut In N.B.

FREDERICTON, March 1—(CP)—Reports that he had successfully negotiated with oil companies for a reduction in the price of gasoline and that the Government proposes to increase the gasoline tax by a like amount were firmly denied tonight by Premier Dwyer. The Premier said that the decrease in price would approximate two cents a gallon and that the tax increase under consideration probably would be two cents; so no material difference in the price to the consumer would result. It was roughly estimated this would bring the provincial treasury another \$20,000 per annum in revenue. Primary cause for the contemplated increase in the gas tax, which is now eight cents a gallon, is ascribed to need of providing for the heavy expenditure incurred in the re-surfacing New Brunswick's trunk highways. About \$9,000,000 was expended in the last fiscal year on this program. In addition pressure is being brought on the Government for larger expenditures for the care of tuberculosis and other social services and youth training. Premier Dwyer revealed that negotiations for the decrease in the gasoline price had been going on for some time, and that he had had conversations with officials in Nova Scotia where action along the similar line is being taken. The gas tax increase is said to be contemplated by the Government as a move toward balancing the 1938 budget which is to be brought down in the legislature by provincial Secretary C. T. Richard, a week from today.

REVISED BILL ON TRANSPORT BEFORE HOUSE

New Measure Ignores Highway Traffic And Limits Shipping Control.

(C. P. by Guardian's Special Wire) OTTAWA, March 1—The House of Commons today gave first reading to the Government measure to convert the Board of Railway Commissioners of Canada into the Board of Transport Commissioners and extend its jurisdiction to include carriage of passengers and freight by water and air. There was no debate when Transport Minister Howe moved the preliminary resolution and introduced the bill. Unlike the similar measure introduced in the Senate last year and defeated, the bill does not deal with highway traffic, nor does it apply to bulk cargoes on the Great Lakes or shipping wholly confined either to the Atlantic seaboard, Hudson Bay, or the British Columbia coast. It does cover shipping between the Atlantic and Pacific coasts of Canada. These changes from last year's bill are expected to meet the strenuous objections that came from all parts of Canada when the Senate measure was in committee. Mr. Howe said the highways control clause was dropped because of the limited jurisdiction of the Federal Government over this form of transport. One addition to the powers of the present board of particular interest to railroads is in a section which would enable the Board of Transport Commissioners to negotiate special agreements between carriers and shippers for agreed charges under certain circumstances and conditions. The bill would give the board authority to approve rate tariffs and by-laws of carrier corporations and regulate in a general way the carriage of passengers and goods by rail, water and air. All carriers would be licensed and heavy penalties are provided for violation of the board regulations. The board will retain all the rights and responsibilities held by the present board. The bill provides that before the Transport Minister issues a license for the transport of goods or passengers the board shall determine whether public convenience and necessity require such transport, and that any license issued of service likely to be furnished by the applicant. License fees shall be fixed by the board subject to approval by the Governor in Council. Liability To Fine Fines imposed under the act shall be paid to the receiver general of Canada and if any corporation is guilty of a breach of the act for which a fine is imposed, every director or officer of such corporation, who is privy to such breach, shall be liable on summary conviction to a fine not exceeding \$1,000. Licences may be issued to one or more vessels in the name of the owner when the minister has been provided with a certificate of the board as to qualifications, and the licence shall be issued in respect of a ship other than British, hereafter imported into Canada, which was constructed more than 10 years before such importation. Penalties are provided for transport of unlicensed vessels. Owners of such unlicensed vessels, who are liable, on summary conviction, to a fine in respect of goods so transported.

WARRIOR-POET DIES IN ITALY

(C.P. By Guardian's Special Wire) GARDONE RIVIERA, Italy, March 1—The death of Italy's great warrior-poet, symbol of Italian nationalism and President of the Academy of Italy, died unexpectedly today in his villa in the mountains. A cerebral hemorrhage caused his death. He would have been 75. The body of the warrior-poet, who defied his own government to capture and hold Fiume after the Great War and who later became a symbol of the Nationalist dream of Fascism, lay tonight in the death chamber he built for himself in his villa on the shores of Lake Garda. Accustomed ceremony marked the opening of the legislature. A salute boomed from Citadel Hill as Lieut. Governor Irwin opened the House for the first time since his appointment last May. Brightly uniformed officers added color to the sombre walls of old Province House. L.C. Gardner, first chosen speaker of the House in 1934, again was elected to that office. D. B. MacLeod again was appointed sergeant-at-arms and, as a kilted Highlander, carried the gilded mace across the floor of the chamber. The speech which listed improvements in lumbering and agriculture noted a marked decrease in the numbers receiving unemployment relief, a greater decline than that recorded by any other province. The number receiving aid had been reduced from 75,000 in 1933 to 6,587.

Search Garage Ruins For Blast Victims

(A. P. by Guardian's Special Wire) BATH, Me., March 1—Firemen searched ruins of an explosion-wrecked garage and automobile building tonight for possible victims of a blast which took two lives, injured many others and shook a large section of the city today. A check of employees and patrons of the razed building, indicated no others had died in the explosion but firemen continued the search. Tangled wreckage of 15 automobiles and trucks, bricks, girders and other debris from the two-story structure impeded the search.

Re-elected Mayor Of Glace Bay

(C. P. by Guardian's Special Wire) GLACE BAY, N. S., March 1—Daniel W. Morrison, President of District 26 of the United Mine Workers of America, was returned as Mayor of Glace Bay today by a majority of approximately 1,500 votes over his only opponent, Hector MacDonald. With the exception of 1932 Morrison has won the mayoralty contest every year since 1921.

NOVA SCOTIA LEGISLATURE IS OPENED

HALIFAX, March 1—Improved economic conditions in Nova Scotia were reported in the speech from the throne today as Lieut. Governor Robert Irwin opened the province's 18th Legislative Assembly since Confederation. The general economic conditions throughout the province during the year have, on the whole, been very satisfactory. Few, if any, parts of the Dominion reveal more substantial improvement than does this province, the House was told. Following closely on the reading of the speech and addresses of the mover and seconder in reply 23 bills were introduced, believed to constitute a record for the opening of the Legislature. Several of the bills were forecast in the speech which mentioned legislation to amend the Education Act, the Motor Vehicle Act, the Gasoline Tax Act and the Trades Union Act would be considered.

Improved Economic Conditions Cited In Speech From The Throne.

Coal production in the province during 1937 had exceeded 7,000,000 tons with output of gypsum, gold and salt bringing the total value of Nova Scotia's mineral products to \$3,000,000 for the year. A high production level in the Sydney steel mills and "substantial increases in wages and salaries" were noted. Value of fish production was slightly greater than that of 1936, although the condition of this industry still leaves much to be desired. Appointment of a provincial director of fisheries, as had been suggested in the province's submission to the Rowell Commission would result in "extremely valuable work."

Amendment To Narcotic Drug Act

OTTAWA, March 1—(CP)—Amendments to the opium and narcotic drug act designed to control the production of Indian hemp from the leaves of which the Marijuana drug is obtained will be made effective by proclamation, it was decided in the House of Commons today. The amendment bill stands for third reading and was reported from committee today after a clause was inserted to make it effective on proclamation. The amendments forbid the cultivation, gathering or production of the plant except on licence from the federal department of health. The intoxicating effect from the Marijuana drug usually results from smoking cigarettes made from dried hemp leaves. The hemp stalks are harmless and are used as fibres.

Squires Flays N. B. Government

(By The Canadian Press) FREDERICTON, March 1—Alleged lack of action by the Government in dealing with the educational problems of the province was strongly criticized by Opposition Leader F. C. Squires as he opened the debate on the address in reply to the speech from the throne in the New Brunswick Legislature today. Speaking for an hour and three quarters, he attacked the administration from many angles. He condemned a "dilatory feeling-out program" of the department of education. He asserted that there had actually been a deficit in the last fiscal year of \$189,000 instead of the Government announced surplus of \$29,000 on current accounts. He charged that the increase in stamp duty had disorganized and imperilled the whole lumber situation and "thrown thousands out of employment"; that the people of the province are up in arms against the Government as regards the manner in which old age pensions are being administered; and that the Department of Federal and Municipal Affairs should have made a stronger attempt to obtain for the port of Saint John the additional facilities needed to cope with the business which is offering.

NOVA SCOTIA LEGISLATURE IS OPENED

Improved Economic Conditions Cited In Speech From The Throne.

HALIFAX, March 1—Improved economic conditions in Nova Scotia were reported in the speech from the throne today as Lieut. Governor Robert Irwin opened the province's 18th Legislative Assembly since Confederation. The general economic conditions throughout the province during the year have, on the whole, been very satisfactory. Few, if any, parts of the Dominion reveal more substantial improvement than does this province, the House was told. Following closely on the reading of the speech and addresses of the mover and seconder in reply 23 bills were introduced, believed to constitute a record for the opening of the Legislature. Several of the bills were forecast in the speech which mentioned legislation to amend the Education Act, the Motor Vehicle Act, the Gasoline Tax Act and the Trades Union Act would be considered.

Amendment To Narcotic Drug Act

OTTAWA, March 1—(CP)—Amendments to the opium and narcotic drug act designed to control the production of Indian hemp from the leaves of which the Marijuana drug is obtained will be made effective by proclamation, it was decided in the House of Commons today. The amendment bill stands for third reading and was reported from committee today after a clause was inserted to make it effective on proclamation. The amendments forbid the cultivation, gathering or production of the plant except on licence from the federal department of health. The intoxicating effect from the Marijuana drug usually results from smoking cigarettes made from dried hemp leaves. The hemp stalks are harmless and are used as fibres.

Squires Flays N. B. Government

(By The Canadian Press) FREDERICTON, March 1—Alleged lack of action by the Government in dealing with the educational problems of the province was strongly criticized by Opposition Leader F. C. Squires as he opened the debate on the address in reply to the speech from the throne in the New Brunswick Legislature today. Speaking for an hour and three quarters, he attacked the administration from many angles. He condemned a "dilatory feeling-out program" of the department of education. He asserted that there had actually been a deficit in the last fiscal year of \$189,000 instead of the Government announced surplus of \$29,000 on current accounts. He charged that the increase in stamp duty had disorganized and imperilled the whole lumber situation and "thrown thousands out of employment"; that the people of the province are up in arms against the Government as regards the manner in which old age pensions are being administered; and that the Department of Federal and Municipal Affairs should have made a stronger attempt to obtain for the port of Saint John the additional facilities needed to cope with the business which is offering.

Fascist Heimwehr Army Revived To Meet Nazi Menace

Few Issues Call To Disbanded Organization — Nazis Stage Parade In Graz.

GRAZ, Austria, March 1—(AP)—An estimated 20,000 Austrian Nazis paraded noisily by torchlight through Graz tonight as a further obstacle—revival of the Heimwehr as a political force—rose in the path of Nazi ambitions to dominate Austria. Many wearing German storm trooper uniforms, the shouting Nazis welcomed a visit from Arthur Seyss-Inquart, the Hitler-approved minister of interior. They demanded a speech from him, but all they got was a proclamation, read by other leaders, saying "a representative of our leader who is Hitler is with us." Graz authorities offered no resistance to the demonstration. Soldiers and gendarmes remained in their barracks. Seyss-Inquart gave the Nazi salute from a window as the procession went past. Major Emil Fey, former Vienna chieftain of the Fascist Heimwehr, returned to national prominence with a call for former Heimwehr members to join him in fighting "for the administration and for Austria."

DISBANDED IN 1936

The Heimwehr, once the private army of Prince Ernest Rüdiger von Starhemberg, was disbanded in 1936. Another faction entered the picture when it was announced thousands of peasants under Josef Reiter, former minister of agriculture, planned a rally to demonstrate their backing of Chancellor Kurt von Schuschnigg.

Draw Up "Demands"

While armed units maintained order throughout the country, racial Nazis in Graz drew up five "demands" with which to confront the new Interior Minister Arthur Seyss-Inquart. These demands: 1. Permission to enlist members freely. 2. The Government must consider the results of the Nazi membership drive as a plebiscite. 3. Federal and provincial governments must be organized on a basis of the membership campaign. 4. The constitution of 1934 guaranteeing free speech, must be carried out. 5. Socialists and Communists should not be entitled to organize.

White Paper On Second Year Program To Be Submitted To House Today.

(AP. By Guardian's Special Wire) LONDON, March 1—The second year of Great Britain's £1,500,000,000 (\$7,500,000,000) five-year arms expansion program will be introduced tomorrow with publication of a white paper on defence. At the same time, the government's 1938-39 plans for the Royal Air Force will be outlined to the House of Commons. Army plans will be submitted Thursday and the Royal Naval program Friday. Then with the whole program before it, the House of Commons will open debate Monday on the mounting defence structure. Prime Minister Chamberlain announced he would open the debate himself. Espionage and sabotage will figure in the debate, it was indicated today when questions were submitted asking the government how it intended to protect rearmament secrets.

Shediac Alternative Terminus For Trans-Atlantic Air Route

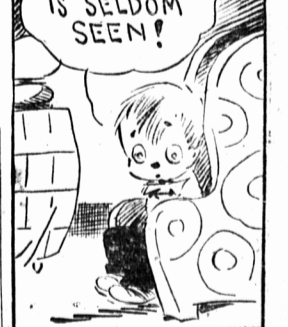
OTTAWA, March 1—Shediac, N. B., will be an alternative terminus to Montreal on the proposed trans-Atlantic air route, Transport Minister Howe told the House of Commons today as his bill to amend the trans-Canada Air Lines Act received third reading. Montreal would be the regular terminus but in case of bad weather flights would stop at the New Brunswick city. When trans-Atlantic planes stopped at Shediac, the Minister said, trans-Canada planes would pick up passengers there and take them on westward. Capital stock of trans-Canada Air Lines is still all owned by the Canadian National Railways, Mr. Howe told the House. The trans-Canada Air Lines Act authorizes the sale of shares in the company to other companies or individuals interested in aviation but so far no sales have been made. Mr. Howe said several other aviation companies had approached the Government about purchase of stock but none had come forward with a complete cash offer. The bill will authorize the company to acquire Canada's share in the proposed trans-Atlantic airline and to extend its operations outside Canada. Mr. Howe said the trans-Atlantic company would be formed to operate the services across the ocean after Imperial Airways had demonstrated the feasibility of the service and completed the pioneering work.

BRITAIN WILL ACCELERATE REARMAMENT

White Paper On Second Year Program To Be Submitted To House Today.

(AP. By Guardian's Special Wire) LONDON, March 1—The second year of Great Britain's £1,500,000,000 (\$7,500,000,000) five-year arms expansion program will be introduced tomorrow with publication of a white paper on defence. At the same time, the government's 1938-39 plans for the Royal Air Force will be outlined to the House of Commons. Army plans will be submitted Thursday and the Royal Naval program Friday. Then with the whole program before it, the House of Commons will open debate Monday on the mounting defence structure. Prime Minister Chamberlain announced he would open the debate himself. Espionage and sabotage will figure in the debate, it was indicated today when questions were submitted asking the government how it intended to protect rearmament secrets.

MUCH THAT IS HEARD IS SELDOM SEEN!



(Canadian Press) TORONTO, March 1—Minimum and maximum temperatures: Dawson 44 52, Victoria 22 32, Edmonton 22 32, Regina 12 38, Winnipeg 20 32, Toronto 11 40, Ottawa 6B 28, Montreal Zero 28, Quebec 4B 20, Saint John 16 20, Halifax 5 18, Charlottetown 10 14

FORECAST

Maritime Provinces: Fresh to strong west and northwest winds; mostly fair and cold; probably scattered snowflurries. High tide this morning at 11:15 and tonight at 11:13. Sun sets this afternoon at 5:48 and rises tomorrow morning at 6:36. New moon March 2nd, 1.40 a. m. Summer tide eighteen minutes later than Charlottetown. TIEE CAR FERRY Leaves Borden 9.45 a. m., 1 p. m. Leaves Tormentine 11 a. m., 2.55 p. m.