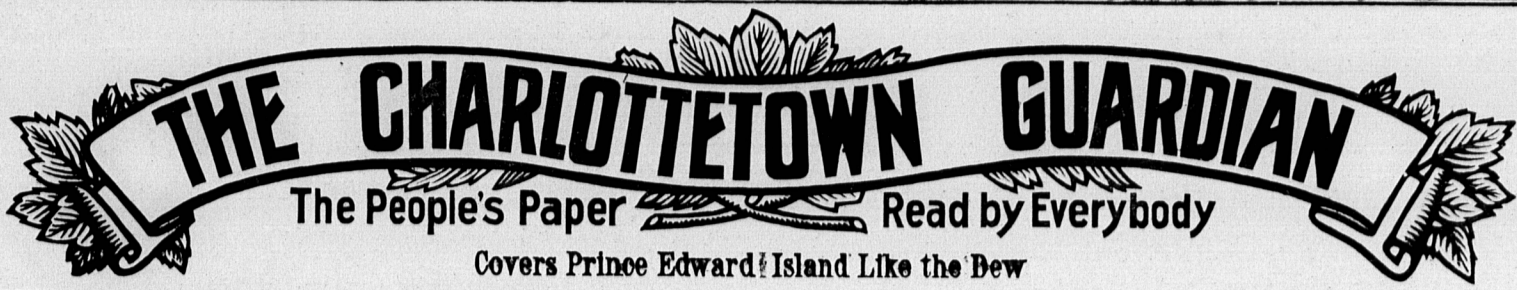


U. S. SOURCES COMMENT ON NAVAL ACTION

MAXIMS
OF A
MERE MAN

Better in a 1940 with content than
much with content.



MAXIMS
OF A
MERE MAN

What maintains one vice would
bring up two children.

Charlottetown Guardian Two Copies
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BRITISH TAKE 250 FRENCH CRAFT

British Serve Final Notice Of Determination Put To End Vagrant Peace Rumors Heard Recently.

By Kivko L. Simpson
Associated Press Staff Writer

WASHINGTON, July 4.—(AP)—Britain has served final notice on Germany, on a defeat-bowed France, and upon the world that she scorns peace talk and is resolved to fight it out with her Nazi foe. That is the lesson to be read first of all into stern British action to seize or destroy the French fleet. It was the essence of Prime Minister Churchill's accounting to Parliament and to the world for the order that loosed British guns against that part of the French navy that resisted the surrender-or scuttle ultimatum. The immediate result made July 4 a tragic date in Franco-British annals. It marks complete rupture between Britain and the "Bordeaux government" of France—a government which surrendered to Germany on terms that Mr. Churchill and his cabinet deemed a knife thrust in the back of its British ally.

International At A Glance

(By The Canadian Press)
LONDON — Royal Navy destroys, seizes or makes useless virtually entire French fleet in series of strokes without precedent; Prime Minister Churchill tells Commons government's "sincere sorrow" of action regarded as necessary against former Allies; fleet of German bombers apparently in retaliatory move attacks naval base at Port-au-Francais, destroying three small vessels and causing undetermined number of casualties; Nazi planes in night raid.

BERLIN — Hitler gives Petain government of France permission to scuttle remaining ships if necessary to keep them from British.

BUCHAREST — Rumania puts its destiny in German hands with formation of nationalistic, pro-German, anti-semitic government which announces foreign policy adapted to Rome-Berlin Axis; unconfirmed reports heard of new Russian demands.

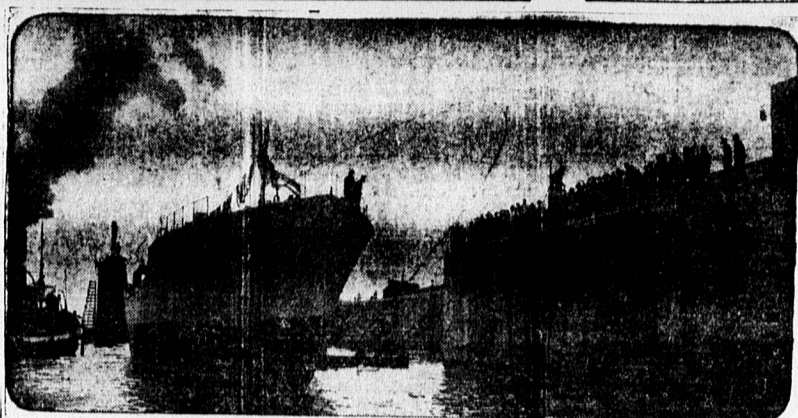
TOKYO — Japanese naval spokesman says United States must abandon "unwarrantable interference with" Japanese Far East policies if "grave concern" over relations between two nations is to be relieved.

WILL CONTINUE LIQUOR SALE

TORONTO, July 4.—(CP)—Sale of liquor and beer in Ontario will not be suspended during anti-time. Acting Premier H. A. Nixon said today, in commenting on an address in the House of Commons by Conservative Leader Hanson, who discussed prohibition throughout the dominion as a war measure.

Coming Events

- Ice cream festival, Kingston, tonight. L-186.
- Hunter River festival postponed until Saturday, July 6th. L-192.
- Remember the date, July 17th Sunday School picnic and supper at Cornwall. L-191.
- Wanted—well fleshed bulls and cows for Belgonia. Island Cold Storage Co., Ltd. L-997-6-28-tf.
- Fox Meat beef tripe 3c. Horse meat 8c. Ground meat 5c. Island Cold Storage Co., Limited. L-881-6-26-tf.
- Reserve Tuesday, July 9th for Barn Dance at Fortune Road. L-98-7-3-31.
- Don't forget Hampshire Picnic Wednesday, July 10th in Lorne Park field. L-166-7-5-9.
- Ice Cream Social at Mt. Mellick School July 8th, in aid of Mt. Mellick W. I. L-128-7-5-11.
- Come to Ice Cream Festival at North Rustico School grounds Saturday night July 6th. Proceeds for Ambulance Funds. If not fine Monday night. L-164-7-5-21.
- Special Union District Meeting in Lion Lodge, Uigg, Monday, July 8th for the purpose of organizing July 12th celebration. Arch degree conferred. By order of W. E. District Master. L-173-7-5-11.



The sleek little sub-chaser, shown above getting her first taste of water, was launched from a Montreal shipyard, while officials and workmen cheered. The craft was constructed of Canadian materials by Canadian craftsmen and will serve under the ensign of the Royal Navy soon after she is outfitted.

HOUSE HEARS PROPOSAL TO BORROW MORE Nazis Enraged By Success Of British Action

Conservative Claims "Pay-as-You-Go" Policy Not Possible For War Policy. Canadians May Man French Naval Units

OTTAWA, July 4.—(CP)—Declaring it would be worth \$20,000,000,000 to the United States if the British forces could safeguard American shores until this continent completes arming, Dr. H. A. Bruce (Con. Toronto-Parkdale) today urged the Government to borrow more and tax less to pay for the war effort. Speaking on the budget in the House of Commons, Dr. Bruce urged Finance Minister Ralston to explore the possibility of borrowing in the United States. He claimed it was impossible to achieve a "pay-as-you-go" policy. "A patient might as well try to remove the appendix while the operation was proceeding as for us to try to pay for this war as we go out of current earnings," Dr. Bruce declared.

Budget Debate Drags Debate on the budget dragged slowly through the afternoon with seldom more than 50 members in their seats. At the start of the sitting Prime Minister Mackenzie King announced the opening of passport offices at a number of points to facilitate travel to the United States. He said the Government was doing everything possible to remove unnecessary delay. Justice Minister Lapointe tabled an order in council declaring illegal the organization known as "Jehovah's Witnesses."

May Send Mosley To Dominion LONDON, July 4.—(CP)—Sir John Anderson, Home Secretary, told the Commons today the Government is considering the removal of Sir Oswald Mosley and other imprisoned friends of Fascism to the Dominions to place them beyond the reach of rescue by possible invaders.

Germans Claim Airplane Carrier Is Torpedoed BERLIN, July 4.—(AP)—The German High Command communique today claimed: "A submarine commanded by First Lieut. Endrass effected a torpedo hit on the newest British airplane carrier Illustrious." (The Illustrious is one of Britain's six new aircraft carriers due to be completed this year. Possibly the Germans, in claiming to have hit her, are hoping that the British Admiralty will reveal whether she has yet been launched. In making claims, the Germans frequently are digging for information.)

Report Of Third Term Decision Stirs Capital WASHINGTON, July 4.—(CP)—Reports that President Roosevelt had decided to accept a third term nomination, and had picked State Secretary Cordell Hull as his vice-presidential running mate, excited Capitol Hill and the camps of other presidential aspirants today. Supporters of Senator Burton Wheeler, Montana Democrat, made clear, however, that they were disinclined to accept this decision as final. Until this week, Wheeler has said he would not be a candidate if Mr. Roosevelt ran. The Montanan announced last Tuesday, however, that his name would go before the convention in any event.

ALIEN IS ARRESTED FORT ERIE, Ont., July 4.—(CP)—John Hunkin, 32, formerly of Nova Scotia (district not available), was taken into custody by Royal Canadian Mounted Police at this border town today, charged with leaving his territory without police consent. Police said he is registered as an enemy alien of German origin.

WAR—25 Years Ago Today JULY 5, 1915—Russians retreated before Austrian advance between the Vistula and Bug Rivers, as Germans made inroads in southern Poland. French lost trenches near Meuse River on Western Front, but repelled other German attacks.

Quality Counts Most "SALADA" TEA

Dramatic Scene As House Hears Of Naval Action

Petain Government Orders French Vessels To Fight Way Home—Orders Them To Stop British Merchantmen. LONDON, July 5.—(Friday)—(CP)—The Daily Herald said today that "nearly 250 French warships—the greater part of what was the second biggest fleet in Europe—have fallen into British hands."

LONDON, July 5.—(Friday)—(CP)—The Press Association reported early today it "understood" more French war vessels are at anchorage in Scottish waters.

(By J. F. Sanderson, Canadian Press Staff Writer) LONDON, July 4.—(CP Cable)—The Royal Navy has seized or destroyed the great bulk of the French fleet to prevent it from falling into German or Italian hands, Prime Minister Churchill revealed to the House of Commons today.

The white ensign of the Royal Navy fluttered tonight from scores of French warships—battleships, cruisers, destroyers, submarines and small craft. Others were damaged, destroyed or dispersed by British gunfire in the wierdest and most melancholy sea battle of all times. Informed observers predicted a rupture of diplomatic relations between Britain and Marshal Petain's Government of France as a result.

CHURCHILL TELLS STORY His voice tight in pride and sorrow, Mr. Churchill told the House of Commons how with aching hearts the British Government had seen to it that the French capitulation cabinet would never carry out its promise to turn over its fleet to Germany.

He told this story:— The British Government ordered a battle squadron to the Moroccan port of Oran where a French squadron, including the Dunkerque and Strasbourg, 26,500-ton battleships, lay at anchor.

When a six-hour ultimatum expired, flashing guns of the Royal Navy blazed away at ships which a few days ago were fighting against the common enemy, and naval planes dropped bombs on their erstwhile comrades in arms.

It was civil war of the sea; Allies fighting one another. When the smoke had cleared away over the blue Mediterranean the Dunkerque or the Strasbourg had escaped to Toulon, French mainland naval base, but with a hole in her hull caused by a British torpedo. The other of this powerful pair of battleships was damaged and ashore.

A battleship of the Bretagne class had been sunk and a sister ship was heavily damaged. Two French destroyers and the seaplane carrier Commandante Teste were sunk or burning.

Meanwhile in British ports, landing parties boarded two French battleships, two light cruisers, submarines and 200 small craft and took possession of them.

At Alexandria, in the eastern end of the Mediterranean a French battleship, four cruisers and a number of smaller vessels were told to surrender or to try to fight their way past a British squadron.

British losses have been exceedingly small. No British ship was lost and in the Oran engagement only one officer and one man were wounded and the crew of one aircraft missing.

Mr. Churchill told this bizarre story to the House in the most dramatic scene Westminster has witnessed since the outbreak of war.

(Continued on page 8, Col 1)

PETAIN PLANS TOTALITARIAN GOVERNMENT

OLBREMONT-FERRAND, France, July 3.—(AP)—(Delayed) War-broken France, marooned in a stern new totalitarian continent, moves grimly toward reorganization of its political structure on enforced "modernity" lines. The new regime of iron will be characterized by its powerful executive branch, an entirely new constitution, and a parliament designed to function with the minimum of talk.

A statement published tonight said Marshal Henri Petain, who assumed power in the dark hour of French defeat, had definitely decided to break away from "routine formalism" and inaugurate drastic reforms.

These reforms, the statement said, will extend to the very fundamentals of the nation's life. They will be designed to eliminate "internal quarrels, political fussing and interminable discussions in parliament."

The present French Chamber of Deputies and Senate will meet soon to convene a national assembly for the creation of a new constitution. The national assembly will give way to a new "elected assembly or assemblies" destined to replace the present parliament and differentiate the new legislative body from a national assembly.

(A cooperative form of representation probably will be safeguarded the rights of "work, family and country.")

It will ensure continuity of executive power, the statement explained, guard against "fascism and plutocracy" and prevent the return of "political parasites."

In its social aspects the new regime will be "modern and hard" and apparently totalitarian.



TORONTO, July 4.—(CP)—Minimum and maximum temperatures:

Dawson	—
Vancouver	60 70
Edmonton	48 68
Regina	59 —
Winnipeg	56 81
Toronto	53 73
Ottawa	50 66
Montreal	57 72
Quebec	55 67
St. John	51 58
Halifax	52 66
Charlottetown	52 69

FORECAST Maritime East: Fresh winds, partly cloudy with scattered showers, not much change in temperature.

Synopsis: The weather has been generally fair today in the Prairie Provinces, quite warm in Manitoba and Saskatchewan, but somewhat cooler in Alberta. It has been moderately warm in Ontario with showers in a few districts.

High tide tonight at 11:27 and tomorrow morning at 10:52. Sun sets this evening at 7:50 and rises tomorrow morning at 4:19.

New moon tonight at 7:28 a.m. Summer 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 8th inclusive:— Leaves Borden 9 A. M., 7 P. M. Leaves Tormentine, 10:15 A. M., 8:10 P. M. (A. S. T.)