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Fair Play prevails until some selfish interest interposes.

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# NATIONALISTS NEAR UNDEFENDED MADRID

## FRANCE WANTS ITALY TO CLARIFY CLAIMS

### DALADIER TO MAKE SPEECH ON WEDNESDAY

#### New Decrees To Strengthen Armed Force Of Nation Are Issued.

PARIS, March 28—(Tuesday)—Premier Daladier was reported today to have obtained support of a majority of his cabinet in refusing to talk terms with Premier Mussolini until Italy states her exact claims on France.

Informed circles said the Premier overruled a proposal by Foreign Minister Georges Bonnet and four other ministers that France open negotiations with Il Duce on the basis of his speech Sunday. Every effort was being made to keep Daladier's decision on Italy an open question until his much-publicized speech Wednesday.

#### No Definite Claims

In his speech Mussolini did not define precisely Italy's claims, merely referring to French-ruled Tunisia, Djibouti and the Suez Canal as "problems". The French Government advanced a long step nearer to a firm footing yesterday, apparently strengthening her position for possible negotiations with Italy.

Five new decrees were issued in a cabinet meeting—more than 100 hours which considered Premier Mussolini's indication yesterday that the next move was up to France.

They were issued under the Government's new central authority and were concerned primarily with the navy although one affected frontier defences and another completed financial arrangements for industrial mobilization. The full scope of the measures (Continued on page 7, Col 2)

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### Anglo-French High Commands To Confer Today

#### Britain Does Not Intend To Apply Economic Pressure On Germany Premier Tells Commons

BY J. F. SANDERSON (Canadian Press Staff Writer)  
LONDON, March 27—(CP Cable)—Commanders of the British and French Armies will confer in Paris tomorrow, giving the Anglo-French Entente every appearance of a military alliance.

Lord Gort, V.C., chief of the Imperial General Staff, will visit General Maurice Gamelin, supreme commander of the French Army, Navy and Air Force, called by Frenchmen their "second Napoleon". Lord Gort will take three senior officers with him, suggesting there will be staff talks on the joint use of the military strength of the two democracies in wartime. The British Commander will watch French military manoeuvres and the fortifications of the Maginot line.

The War Office issued the following communique tonight covering the military consultations: "General Viscount Gort, chief of the Imperial General Staff, at the invitation of General Gamelin his opposite number in the French Army, is to spend a few days in France during which time he will see the fortifications of the Maginot line. The invitation was given personally by General Gamelin when Lord Gort passed through Paris last month on his return from Egypt."

Lord Gort will leave London tomorrow for France by plane tomorrow at 2 P. M. and will be accompanied by Major General H. R. Pownall, director of military operations and intelligence, Major General Carr, director of Staff Duties, Brigadier-General F. E. Hobbs, Deputy Director of Staff Duties, and Major D. W. Gordon, military assistant to the chief of the Imperial General Staff.

Unconfirmed Reports  
Meanwhile all sorts of rumors and unconfirmed reports circulated about a split in the cabinet over military manoeuvres, which is rapidly moving to the front as a major political issue. Informed sources admitted there was a difference of opinion within the Government but said there was no sign of a cabinet rupture.

According to these sources, the Prime Minister definitely is opposed to a preliminary agreement which is being urged by Viscount Halifax, Foreign Secretary, and Leslie Hore-Belisha, war secretary. Another member of the cabinet, the Chancellor of the Exchequer, who resigned from the Government over the Great Depression, is reported to be in conflict with the Prime Minister on this question.

It is simply a reflection of the disharmony existing generally in political circles. Even those urging conciliation cannot agree on the form—some insisting on full military conscription and continental army conscription, others recommending a compulsory national register, and still others declaring in favor of passive defence work or a few months' annual training of youths from 18 to 21.

### HUGE POLISH DEFENCE LOAN IS ANNOUNCED

#### Move Follows Reported Demands Made By Hitler On Polish Government.

WARSAW, March 27—(AP)—Poland today announced a huge extraordinary national defence loan to "assure new successes for Polish arms" should difficulties arise with growing Germany or any of her neighbors.

While the belief increased in Warsaw that Nazi Germany was planning a new blow in Danzig, where Poland has sworn to protect her minority and her maritime rights, the issue of an internal loan of 1,200,000,000 zloty (\$225,000,000) was announced by President Ignace Moscicki for warplanes and air defence.

Announcement of the loan came as it was persistently reported that Reichsmarshal Hitler had brought to the attention of the Polish Government a four-point list of demands relating to Danzig and the Polish Corridor.

The statement in the light of these reports, was interpreted to mean that Poland is ready and willing to fight in a desperate attempt to form a "stop Hitler" bloc, with iron-clad guarantees of military assistance.

It was persistently reported Germany had indirectly indicated she would be pleased to get Polish consent to the following proposals: 1. Outright annexation of Danzig by Germany. 2. A German highway across Pomerania and the Polish Corridor from Germany to East Prussia. 3. German control of the important commercial junction of Bohumin, now in Polish hands. 4. Increase of Polish-German commercial exchanges, with Poland exporting 60 per cent or her agricultural products to the Reich.

Alberta Debt Act Disallowed By Dominion  
OTTAWA, March 27—(CP)—For the third time since the Alberta Social Credit Government began its attempt to remake the financial and economic structure of that province the weapon of disallowance was used by the Dominion Government today to bring Alberta legislation to a state of nullity.

Justice Minister Lapointe announced in the House of Commons that the Alberta Act to amend the Limitation of Actions Act 1935 (Chapter 26, statutes of 1935) had been disallowed. Its effect was to outlaw all debts contracted prior to July 1, 1936, unless action for recovery were started before July 1, 1940, or the debts are revived by new agreements.

### Will Attempt To Re-float Freighter

#### Passenger Traffic Discussed At Board Of Trade Meeting Last Night—Mr. A. A. Gardiner Guest Speaker.

Preliminary arrangements for an attempt to re-float the 1,150 ton Norwegian freighter Nandi aground on south-west point, not far from O'Leary were complete last night. Engineers, firemen, pumpmen and crew for the freighter were scheduled to arrive April 8 and later the cargo of potatoes was being loaded on the freighter to pull the ship into deep water before work was abandoned to await for spring.

Belief was expressed then the Nandi would weather the winter unharmed. She was hard and fast on the beach with her bow high and her stern in six feet of water. The freighter was en route to Charlottetown in ballast to load a cargo of potatoes when caught by the roaring gale and driven on the sand beach which stretches out five miles into Northumberland Strait.

Sparseness of passenger traffic, not only in this Province but all across Canada gave rise to many problems, the speaker said. He compared conditions here with one potential passenger to each mile of railroad to the United States with its 17 per mile.

Although he was incapable of putting out his hand and saying "let there be light" with regard to railway problems in Prince Edward Island he assured the Board of Trade he would take problems brought to his attention to the proper authorities for consideration.

Mr. C. N. Bissett, president of the Senior Board presided. Mr. Justice A. E. Arsenault introduced Mr. Gardiner as a friend of long standing. Concluding his address Mr. Gardiner declared he believed if he heard constructive criticism from Board members it would be more profitable than if he did all the talking.

Mr. Bissett referred to the unsatisfactory arrangement whereby afternoon passengers bound east between Summerside and Charlottetown were forced to wait at Emerald Junction for the arrival of the train from Borden bringing mails and passengers from the mainland. During the winter season when ice conditions delayed the ferry passengers were almost sure to have to wait some time, frequently up to two hours. Type of coach provided was also below standard. During the winter passengers from east of Summerside wishing to leave the Province were forced to spend an extra day in either Charlottetown or Summerside.

What he had in mind was a complete separation of passenger and freight traffic. Mr. Bissett said. A speeded-up and efficient service would result in increased traffic, he predicted. (Continued on page 7, Col 4)

## Speedy Fall Of Long-besieged Capital Looms

### Thousands Of Veteran Defenders Of City Surrender To Nationalists Leaders In Flight

HENDAYE, March 28—(Tuesday)—Madrid, capital of Republican Spain and besieged for nearly 29 months of the 32-month civil war, lay undefended today—ready for occupation by the armies of Nationalist General Franco.

As General Franco's columns moved north from Toledo, and prepared to move south from Guadalajara toward the capital, thousands of veterans in the Republican trenches who had defended the city in long, wearing months of shot, shell and air bombings marched out to the Nationalist lines under white flags and lay down their arms.

A host of Republican political and trade union leaders fled the city toward the coast, hopeful of escaping from what they feared would be the wrath of the Nationalists who have threatened civil penalties against those responsible for prolonging the war, and rigorous prosecution of those guilty of "criminal activities."

Escape Impossible  
But at Valencia, principal seaport remaining to the Madrid regime, there was no means of leaving the country. At Burgos, the Nationalist capital, General Franco's troops might march into Madrid before 24 hours.

A series of rapid marches, Nationalists said, had put their forces in possession of Almazan, centre of valuable mercury mines 150 miles south of Madrid. Moves by the National Defence Council of Gen. Jose Miaja in Madrid made it appear the capital's occupation by Franco was imminent. At Valencia it was rumored that Gen. Miaja himself had fled to that city.

CIVILIANS EVACUATED  
MADRID, March 27—(CP)—The National Defence Council announced tonight it had started evacuation of civilians from Madrid. This was taken to mean that peace negotiations with Nationalist General Franco had broken down completely, and the Council was preparing for an attack on the capital.

A short time later the Government announced the demolition of recruits who had been called up but who had not yet joined the defending army, indicating a speedy fall for the city. Several officials addressing the people on the radio indicated peace negotiations had been at a standstill since Sunday night when they said defence measures were being taken against expected Spanish Nationalist offensives. Those negotiations broke down, officials of the Defence Junta said, when the Nationalists in conversations last Thursday insisted upon delivery of the Republican air force by last Saturday.

The Republicans said this "token" surrender proved impossible because of the short time allowed for treatment of all persons in Republican territory except "criminals" and those "responsible for continuing the war" had proved satisfactory. General Franco yesterday opened a new offensive south of Madrid after the Defence Junta had promised delivery of its air fleet today. Despite these developments the Defence Junta had indicated early today it would continue to attempt to carry out its purpose—the obtaining of an "honorable peace."

OTTAWA, March 27—(CP)—When Britain is at war there is "no such thing" as Canadian neutrality, Conservative Leader Manion declared in an interview here today. Neutrality was for the enemy to decide.

### "Budget Balancers" Prove Most Extravagant Government In History Of The Province

The extravagance of the Campbell Government, pledged "by reduction of expenditure to balance the budget annually", is strikingly shown in the following figures taken from the comparative statistics tabled in the Legislature last week. The figures are for expenditure under the heading "General Government" and represent totals which are detailed in the comparative statement. The years 1934 and 1938 are quoted as representing a fair comparison between both party administrations:

	Year 1934	Year 1938	Increase
Ministers	\$ 12,348	\$ 13,011	\$ 661
Departmental offices	68,707	84,824	16,117
Registry and land title offices	7,856	8,923	1,067
Pensions to public servants	1,500	2,500	1,000
Miscellaneous grants	4,100	2,500	-1,200
Miscellaneous expenditures	1,991	6,229	4,238
Total General Gov't	96,502	118,387	21,885
Total Ordinary Expenditures	1,666,260	1,974,248	307,988

It will be noted the only reduction in the above expenditures is for Miscellaneous Grants. The Campbell Government cut out the Maritime Transportation Board grant of \$100, also a similar grant to the Maritime Province Club, and \$1,000 previously voted for Sundry Grants, and reduced the Queen Square Gardens grant by \$100. While demonstrating their penny-wise economy at this end, they revealed their pound-foolish extravagance in increased ministerial and departmental expenditures to the highest figures of any administration in the history of the Province.

### COMING EVENTS

- Rate for Notices in this column 3 cents per word.
- Trinity Mission Band Concert, Tuesday, April 11th. L-1332-3-28-4-11.
- Greenvale Community Concert in Brookfield Hall Friday, March 31. L-1424.
- We require a quantity of well fleshed cattle. Write phone Island Cold Storage Co., Limited. L-1291-3-22-ft.
- Borden Line Club leading hogs 12 to 5. L-948-12-M-2-5-ft.
- Rummage sale St. James Sunday School Tuesday, March 28, at 2 o'clock. L-1400-3-27-21.
- Due to arrive feed and seed oats. Book your orders now. McGuigan & Boyle, Hunter River. L-1365-3-25-31.
- Come to the concert and pageant in Zion Hall tonight, March 28. L-1420.
- Horse races at New Glasgow River, Tuesday, March 28th. Three good classes. L-1421.
- Buying live hogs at Albany Thursday 30th. Emerald Friday until noon. G. C. Green. L-1461-2-twt-ft.
- Notice—Owing to scarcity of wheat Crosbys mill will operate on Thursdays and Saturdays only till April 15th; after that date crushing Thursday only. L-1378-3-25-28-31.
- Hear variety concert and basket social in Community Hall, Covehead, Wednesday, March 29th. Admission 25 and ladies with baskets free; if stormy Wednesday following Friday. L-1399-3-21-21.
- Loading Hogs Kensington Thursday, March 30th till 3 P. M. Summerside same date till 1 P. M. Nicholson Bros. and Mervyn Bulman, Hunter's River, Friday till noon. McEwen & Campbell. L-1414-3-28-11.
- Reception for Hunter River Royals in Masonic Hall, Thursday, March 30th. Presentation of Borden's Trophy. Card Party and Dance. Todd's Orchestra in attendance. Lunch served. Admission 25c. L-1408-3-28-30.
- Cornwall York P. W. I. Variety Concert in Cornwall Hall, Thursday night March 30th. Sale of lunches. Admission 10 and 15 cents. If no fine, the following night. L-1423.

### INITIAL WHEAT PAYMENT SET AT 60 CENTS

OTTAWA, March 27—For the 1939-40 crop year starting next Aug. 1, will be paid a guaranteed initial price of 60 cents a bushel, basis No. 1 Northern at Fort William, instead of the 80-cent minimum on the same basis, paid during the 60-cent provision was proposed in an eagerly-awaited bill introduced in the House of Commons today by Trade Minister Blair amending the Canadian Wheat Board Act. At the same time, the Minister also introduced a voluminous bill to amend the Canada Grain Act, making minor amendments to 70 sections of the act.

The Wheat Board Act amendment repeals the provision that the board shall fix a price to be paid wheat producers simply to note cause, as an explanatory note states, the board to fix the price to be paid.

OTTAWA, March 27—(CP)—A full-dress debate on foreign affairs, involving Canada's position in the event of war involving the Empire and the question of conscription, likely will be staged in the House of Commons next Thursday.

### Agricultural Experts Meet

MONTREAL, March 27—(CP)—Agricultural experts from Canada's five eastern provinces will gather here tomorrow for a one-day conference aimed at solution of marketing problems, stimulation of export trade and assurance of a reasonable price for the farmer. Called at a preliminary meeting more than a month ago, the meeting will be attended by delegates from Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island and the Chambers of Agriculture of Ontario, Quebec and the Maritime Provinces.

Main object of the conference will be to seek better cooperation in the marketing of products and to organize the field in quantity and quality of produce needed at home and abroad. Coordination will be sought to prevent the work of one province from conflicting with that of another.

On Thursday, Quebec delegates will split into four sections—dairy, livestock, poultry and fruit and vegetables—for discussion of particular problems. Reports will be heard Friday. The delegates will be welcomed by Hon. Bona Dussault, Quebec minister of agriculture, while preliminary remarks will be made by Hon. P. M. Dewar, Hon. A. C. Taylor, Hon. J. A. McDonald and Hon. W. H. Dennis, agriculture ministers of Ontario, New Brunswick, Nova Scotia and Prince Edward Island, respectively.

Utmost In Quality

# "SALADA" TEA

### Track Down And Slay Rebel Chief

JERUSALEM, March 27—(AP)—British troops tracked down and killed Abdul Rahim Haq, Mohand, self-styled "commander-in-chief of the rebel forces" in Palestine. His chief lieutenant, Suleiman Abou Kheifiah, was wounded and captured.

The Arab chief was killed when he attempted to escape through a military cordon placed about the Arab village of Samaria, where a large rebel force was reported to have concentrated. The Royal Air Force assisted land forces in the hunt. Abdul Rahim directed revolutionary activities against the British from headquarters in the hills.

Japanese Claim Capture Of Strategic City Of Nanchang  
SHANGHAI, March 28—(Tuesday)—(AP)—The Japanese Army late last night announced capture of the important Kiangsi Province city of Nanchang, describing it as a "crushing blow" to General Chiang Kai-Shek.

The city's fall came as the climax of a seven-day, 40-mile wide drive constituting the greatest Japanese offensive in the last five months of the Chinese war. Japanese said that between last Wednesday and Friday alone 3,700 Chinese were killed and 770 captured. The Chinese early yesterday said a single counter-attack in 1,000 Japanese and 500 Chinese deaths. Occupation of Nanchang, the Japanese said today, resulted in severance of the Chekiang-Kiangsi Railway, which runs to the coast, and meant: 1. That eastern China now is cut off from important Chinese munitions plants in Hunan Province, just west of Kiangsi. 2. That troop reinforcements now are lost to Chinese forces which the Japanese admit are still present around the eastern cities of Hangchow and Nanking. Japanese aerial observers reported Nanchang was deserted as the Japanese soldiers entered. They said important buildings and bridges were dynamited by the Chinese and many fires were set, laying waste vast areas in the traditional "scorched earth" policy.

### PROVISIONAL PROGRAM OF ROYAL VISIT

#### King George And Queen Elizabeth To Spend Almost Four Hours Here.

The following provisional programme of the visit of their Majesties King George and Queen Elizabeth to Charlottetown was released yesterday: June 14th, 12:30 p. m. arrive Marine Wharf. Their Majesties proceed accompanied by Provincial Escort from Marine Wharf to Province Building via Great George Street. Great George Street to be reserved exclusively for School Children who arrive under School discipline via routes to be named. At Province Building the Premier to read an Address of Welcome to their Majesties. The reply to be handed to the Premier. The Mayor will present an Address of Welcome to their Majesties.

Route to Government House  
Leaving Province Building move east on Richmond Street to Prince Street—north on Prince Street to Easton Street—west on Easton Street to Great George Street—south on Great George Street to

(Continued on page 7, Col 2)



METEOROLOGICAL SERVICE, Toronto, March 27—(CP)—Minimum and maximum temperatures: Dawson 18 32, Vancouver 20 34, Edmonton 16 49, Regina 18 40, Winnipeg 6 28, Toronto 32 37, Ottawa 23 33, Montreal 26 35, Quebec 24 34, Saint John 30 46, Halifax 30 42, Charlottetown 24 35. Maritime Provinces: Fresh north and northeast winds; fair and cold. High tide this afternoon at 2:50 and tomorrow morning at 5:08. Sun sets this evening at 6:21 and rises tomorrow morning at 5:45. Full moon March 28, 8:16 a. m. Summerside tide 18 minutes later than Charlottetown. THE CAR FERRY SAILINGS: Leave Borden 8:45 a. m. 1 p. m. Tormentine 11 a. m. 2:35 p. m.