

**MAXIMS OF A MERE MAN**

Spite and ill-nature are among the most expensive luxuries in life.

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Morning Edition, Founded 1887

# THE CHARLOTTETOWN GUARDIAN

The People's Paper Read by Everybody

Covers Prince Edward Island Like the Dew

**MAXIMS OF A MERE MAN**

God gives every bird its food, but does not throw it into the nest.

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# NEW INCOME TAX PLANS ADOPTED

## Soviet Advance Is Continued

### German Resistance Has Slowed Great Russian Offensive.

LONDON, March 2—(CP)—The Red Army, which has marched 400 miles in three months, continued to advance against the Germans on the three main fronts south of Moscow today despite the mud of early spring thaws and despite Nazi reinforcements rushed from Holland to the front west of Kharkov.

The Moscow Tuesday midnight communique told of continuing Soviet successes west of Kursk and Kharkov, in the Upper Donets Area, west of Rostov and in the Caucasus, although the Germans put up stiff resistance and obviously had allowed the Red Army from the pace maintained in the opening months of the winter offensive.

## Violent Duel Cross-Channel Last Night

FOLKESTONE, March 2—(CP)—One of the most violent sea-channel duels of the war was fought last night between British and German big guns hurling salvo after salvo over the misty waters of the English Channel.

Bursts of British shells, which appeared to be exploding in the air, could be heard plainly on this side of the channel. British batteries started the shooting and the Germans responded after a short time.

During the heat of the long-range firing shells were whistling across the strait from both sides at the same time.

The roll of gunfire was continuous at the height of the bombardment, sounding like heavy thunders. Most of the German fire came from the Cap Gris Nez and Boulogne areas.

## Lord Winster Is Critical Of Sea Policy

LONDON, March 2—(CP)—Declaring that Britain's handling of the U-boat menace had been "such a failure that only American ships" would be able to get out of the Atlantic, Lord Winster criticized admiralty methods in a House of Lords speech today.

The frequent critic of Britain's sea warfare, Lord Winster asked that the Government outline its policy on swifter fighters as a means of beating the undersea raiders. He said it was idle to try to build more tonnage than was sunk and declared that "we have got to find a way to destroy the U-boat, and speed may be part of the answer to that problem."

Complaining that Prime Minister Churchill was "far too optimistic" about the U-boat danger, he said that if the German battleship Tirpitz got loose in Atlantic shipping lanes "we shall gain the shipping war."

He also criticized the "beat-it-up" policy of the last six months which might be wiped out in one foray.

## War—25 Years Ago Today

(By The Canadian Press)

March 2, 1918—Soviet Russia and the Central Powers signed peace treaty at Brest-Litovsk. Sweden protested against German occupation of Finland. Brits captured prisoners in patrol encounter northeast of Front Wood on the Western Front.

## Il Duce Withdraws 10 Divisions From Russia

LONDON, March 2—(CP)—Mussolini has ordered the withdrawal of 10 divisions, forming the Italian 10th army, from the Russian front in the Caucasus region.

It is believed that the Italian troops were to face "extraordinary tests" in the Caucasus region, which was carried by the Berlin radio.

"You have given numerous decisive proofs of your tenacity and your courage in the heavy fighting shoulder to shoulder with the German and Allied armies on the Italian front," Il Duce said in a broadcast.

"You have fought against numerous superior forces of the enemy to the limit of what is possible and you have dedicated the flag of your division with blood."

## N.B. House Opens Session

FREDERICTON, March 2—(CP)—The fourth session of New Brunswick's 39th Legislature opened this afternoon with a minimum of ceremony.

Lieutenant-Governor Q. G. Clark inspected his guard of honor, read the speech from the Throne and, with Mrs. Clark held a reception after the House adjourned.

Only indication in the Throne Speech of forthcoming legislation was a statement that "measures for reform of the law and for effecting improvements in various services" would be submitted.

R. J. Gill, (Lab. Northumberland) moved the address in reply to the Speech and Samuel E. Moore, (Lib. Restigouche), was seconded. Hugh MacKay, leader of the Progressive Conservative Opposition, will speak in the address debate tomorrow.

## Four Sentenced In Fraud Case

MONTRÉAL, March 2—(CP)—Canada's first war-contracts fraud case of this year ended in court of King's Bench here today when four men were sentenced for conspiracy to defraud the federal government and three companies of \$320,000.

These were the accused and the sentences they received from Mr. Justice Wilfrid LaSalle:

Patrick T. Lynch, 33-year-old sportsman and former president of Engine Works and Trading Incorporated—three years in penitentiary and fine of \$50,000, or an additional year imprisonment.

Patrick Norman, 37, engine works paymaster—two years' imprisonment.

Daniel Taucher, 27, clerk for the company—nine months in jail.

Donald Lynch, 21, son of Patrick Lynch and former Engine Works production manager—two months in jail.

All four were charged with conspiracy to defraud in connection with war sub-contracts undertaken for the munitions department with Sorel Industries Limited, Sorel, Que., the Hamilton Bridge Company, Hamilton, Ont., and the Northern Electric Company, Montreal. They were convicted Feb. 24 of a four-week trial.

Today, before being sentenced on the conspiracy charge, they also pleaded guilty to five other charges, involving falsification of company books and records, mentioned in the preferred indictment. The penalty there will apply to the five additional charges, all sentences running concurrently.

## Tire Shatters In Extreme Cold

WASHINGTON, March 2—(AP)—It got so cold today that a synthetic rubber tire wouldn't bounce. Instead, it broke in pieces like a shattered phonograph record.

Such a life in the winter states Army's new ordinance winter proving ground at Shilo, Man., where the temperature often falls 50 degrees below zero, and the average temperatures are lower than those officially reported from Russian battlefields.

At Shilo, 800 soldiers of the U.S. Army's Ordnance Department, dressed like Eskimos, subject to rigorous winter test the war machines and ammunition which may be used by the Russians or American and Canadian fighters in the Arctic regions.

The test was disclosed today for the first time by the Ordnance Department.

## Butter Stocks Show Decline

OTTAWA, March 2—(CP)—Stocks of creamy butter held in nine Canadian cities at March 1 were only slightly more than one-third of the amount held at the same date last year, the Dominion Bureau of Statistics reported today.

The holdings were 4,552,277 against 13,139,464 pounds. There was a drop of more than 2,000,000 pounds from Feb. 1 when holdings were 6,552,277 pounds.

Following are the figures for March 1 (with figures for March 1 last year in brackets):

Quebec 21,782 (1,091,744); Montreal 709,215 (5,611,773); Toronto 970,962 (2,239,078); Winnipeg 834,197 (1,094,572); Regina 366,599 (306,730); Edmonton 451,815 (660,714); Calgary 332,781 (398,646); Vancouver 778,412 (1,366,513).

## Butter Ration In Armed Forces

OTTAWA, March 2—(CP)—Members of the armed forces receive a butter ration of 10 1/2 ounces a week, said a return tabled in the Commons today for Dr. H. A. Bruce (Prog. Con. Toronto Parkdale).

The return said the army and navy issue rations of nine ounces of beef a day, two ounces of bacon and one-half ounce of cheese.

The meat and fish ration of the R.C.A.F. is three pounds, 15 ounces a week.

## War Situation Last Night

By Kirke L. Simpson, Associated Press War Analyst

Reports from Moscow declaring that the Red Army has broken through Nazi lines between Lake Ilmen and the Valdai hills tend to indicate that the tide of battle in Russia is shifting from the thaw-bound south to the still frozen north.

However, the strategic significance of that development is far from clear. There are circumstances suggesting that the task assigned Marshal Timoshenko is more defensive than offensive. While he is approaching the upper reaches of the Lovat River at recaptured Demansk, further exploitation of that stream in a westerly direction would be extremely difficult.

A tremendous sweep of marshlands fed from the Lake Ilmen drainage lies ahead of him to the west. If the new red drive means the opening of a massive offensive, it presumably must turn southwest down the Lovat toward Vellike Lake, which has been regained by the Russians, or northward to outflank Staraya Russa and renew that threat to the Pskov gateway.

Viewed as a defensive manoeuvre, however, Timoshenko's stroke from the Valdai Plateau has already further relieved the still-ominous long-dormant Nazi threat to Moscow. While enemy forces cling to the railroad, they must be a continuing menace to communications between Leningrad and Moscow. They also might launch a flanking thrust at Moscow from the north via the Valdai hills.

## Eyewitness Gives Graphic Account Of Rescue Of Airmen

Member Of Car Ferry Crew Pays Warm Tribute To Courage And Endurance Of Stranded Flyers.

(Special To The Guardian)

On Board S.S. Prince Edward Island:

One of those dark, dim nights, that one sees so frequently over the ice in the dark, dim nights, because of the lowering fog settling against the snow-capped peaks of the jagged mountains. Midnight, and our ship goes out grinding and grinding the almost irresolvable ice-packs.

Suddenly over the Marconi phone comes the warning, "somewhere in the vicinity of France Edward Island, four men have fallen out from their plane, watch and advise soon."

We are gripped at once with the thrill of watching. Notwithstanding that the coming and going of planes above us for many months have been a deep excitement, a friendly music to our daily routine, yet we are keenly conscious of the perils of the air and the deep.

## News Briefs

**ALLIED HEADQUARTERS NORTH AFRICA, March 2—(AP)—** Four Japanese ships in a convoy of 14 off New Guinea have been sunk or damaged by Allied bombers. It was announced today in the noon communique.

**MONTRÉAL, March 2—(CP)—** Navy Rev. Dr. John H. Dixon today was elected Anglican Bishop of Montreal on the third ballot. Dr. Dixon, Dean of Montreal and rector of Christ Church Cathedral, succeeds Rt. Rev. Arthur Carlisle who died two months ago.

**TORONTO, March 2—(Wednesdays)—(CP)—** The Globe and Mail today in a newspaper story today that Mitchell Hepburn "today will resign as provincial treasurer in the Conant Cabinet" and liquor board chairman A. St. Clair will be sworn in as his successor in the treasury portfolio.

**MONTRÉAL, March 2—(CP)—** Navy Minister Macdonald will be available for St. Lawrence River and Gulf work this year than last. Navy Minister Macdonald said in an interview tonight.

"If we can keep the River open with reasonable safety, we will go," he said in answer to a question.

## Allied Shipping Gains On U-Boats

MONTRÉAL, March 2—(CP)—Navy Minister Macdonald said tonight that Allied shipping showed an increase of 1,250,000 tons during the last six months of 1942 in comparison with the first six months of the year when Britain was never able to build as many ships as were sunk.

In a speech prepared for delivery to the Maritime Provinces Club here, Mr. Macdonald outlined the importance of convoy protection, which he said now extends over 3,000 miles.

The most vital route was the North Atlantic on which 12,000 ships had sailed in convoy since the beginning of the war, carrying a total tonnage in the neighborhood of 70,000,000.

Illustrating the extent to which convoy protection is necessary, Mr. Macdonald said there were always some 2,000 British ships at sea.

In the first Great War Britain's shipbuilding program had lagged behind submarine losses. In 1917 Britain lost 3,500,000 tons of shipping and launched 1,200,000.

"In this war, however, the Allies had at the end of 1942 more ships than they had six months previously," Mr. Macdonald said. "They had gained 1,250,000 tons on the submarines."

## City Goes Over Top In Red Cross Drive

Subscriptions Reported Last Night Totalled \$27,532.05; Drive To Be Almost Completed Today.

At the supper meeting at the Y.M.C.A. last evening culminating the first full day's collection in the Red Cross campaign in Charlottetown total subscriptions reported for the city amounted to \$27,532.05.

The objective set for Charlottetown was \$25,000. There are still a very considerable number of cards to be reported. Several of the "special names" team did not report at last night's meeting, but it is certain that the first day's total will be largely augmented by the additional returns at to-morrow's evening meeting, when the city campaign will be very nearly complete.

The first division, commanded by Mrs. A. J. MacPherson carried off the day's honors by collecting 224 per cent of the objective set for it, and was presented with a Union Jack, kindly to take by Mr. J. McNair. The individual team which carried off the day's honors was the Freight Shed team of the sixth or railway division. This team consisting of Messrs. J. J. McDonald, captain and John King, E. W. Beer and E. A. Lange turned in receipts totalling 491 per cent of the objective set for it.

Several other teams gave them a close run. Members of the orchestra from Beach Grove training centre entertained the large and enthusiastic group of workers with a number of very enjoyable selections and Mr. Charles Earle sang several of his popular songs, a topical reference to the many art.

## Car Shortage Still Ties Up Tuber Shipments

With Ontario dealers shouting for both table stock and seed potatoes Prince Edward Island dealers and farmers still have approximately 2,000 cars on their hands which they are able to ship only as they get refrigerator cars through the transportation bottleneck at Tormentine-Borden, it was learned last night.

The seed remaining in the province must be moved in the next six weeks to be in time for the Ontario market, it was learned.

One dealer said he believed that for the next few weeks 150 cars a day, approximately one for each loading point in the province, would not be enough to meet the demand.

The ferry Prince Edward Island has been making good time on crossings recently but the capacity of the boat is not enough to handle the traffic at present. The present ferry has only five-and-a-half carrying space of the Nova Scotia coast two years ago.

Yesterday up till 9:30 twelve empty refrigerator cars had been brought to the Province.

Dealers here said the demand from Ontario for table stock potatoes was very keen. Buyers there telegraphed to see every car available at the cutting price. There was no such a thing as asking for quotations. Keep the cars rolling was all the Ontario dealers were interested in.

In addition to potatoes there is a strong demand for turnips, especially in the United States, but again the shipping situation is holding up deliveries.

Increased production this year is contributing to the transportation difficulties at the ferry. Last year's potato production was estimated at 2,800 cars and this year at approximately 5,000. In addition there has been increased shipments of livestock and an increase in certain types of incoming freight, further cutting into the number of refrigerator cars it is possible to move.

Last year in the four months, March to June, a total of 1,500 cars of potatoes were shipped to the province, but only 66 in June.

In the same period 228 cars of turnips were shipped.

## Work & Save Says Ilsley In Budget Speech

OTTAWA, March 2—(CP)—Adoption of a "pay-as-you-go" income tax system similar to the "Ruml plan," increased liquor taxation designed to increase the price by \$4 a gallon, and a one-cent increase in letter postal rates except for mail to servicemen overseas were main features of the 1943-44 budget presented tonight in the House of Commons by Finance Minister Ilsley.

Making "work and save" his watchword, Mr. Ilsley increased taxes only on liquor, smokes, entertainment and postage, in his search for increased revenue to meet an estimated expenditure of \$5,500,000,000 in the next fiscal year.

He estimated changes in the taxation system would increase revenues by \$136,000,000 in the next fiscal year to a grand total of \$2,752,200,000.

This would leave \$2,748,000,000 to be raised by borrowing, and the minister said he would urge people to appreciate the critical need for increased saving and for retaining their war bonds to the end of the war.

In cases where special depreciation has been allowed on immovable assets, not including equipment or machinery, and such assets are subsequently sold at a price in excess of the depreciated value, the increased price shall be payable to the treasury in the extent to which special depreciation was allowed. This applies to any sale made after 1940-41.

(Continued on Page 7, Col 2)

## Berlin Has Heaviest Air Raid Of War

By ALAN RANDALL  
Canadian Press Staff Writer

LONDON, March 2—(CP)—British and Canadian airmen, handing out repayment many times over for the Germans' blitz on London, scoured Berlin last night. They smashed the German capital with two- and four-ton block-busting bombs which collapsed buildings as if they were giant blocks of match sticks and left fires that Canadian airmen saw when they were 150 to 200 miles from Berlin on the way home.

"Berlin got it heavier than it has ever had so far," said Capt. Harold Balfour, Under-Secretary of State for air.

It was the sixth consecutive night attack of the non-stop aerial offensive concentrated on German holdings in the preliminaries to an officially promised allied invasion of Europe.

Best estimates were that 800 tons of bombs were scattered on Berlin or twice the weight of bombs dropped by the Germans on London in any single night of the raids of 1940-41.

Late tonight the Germans reported 191 persons were killed and 268 injured in the raid, acknowledged through various channels that heavy damage was done and threatened reprisals "one day" against both Britons and Americans.

## Germans Lose Heavily In Men, Material

By WES GALLAGHER  
Associated Press Staff Writer

ALLIED HEADQUARTERS NORTH AFRICA, March 2—(AP)—Defeat of a series of German attacks in Northern Tunisia, in which the Allies suffered heavy losses in material were very high, was announced today at Allied Headquarters, while the Allies in Central Tunisia continued their successful advance after their capture of Sbeitla.

These troops, pushing forward behind the retreat of Field Marshal Erwin Rommel, had occupied not only Sbeitla but Kasserine and Feriana as well. Sbeitla is 18 miles northeast of Kasserine; Feriana is 20 miles southeast of that point.

The Allies had now regained about a third of the territory lost in south central Tunisia as Rommel continued falling back toward the coast.

## Airman Tells Of Ordeal On Drifting Ice

MONCTON, March 2—(CP)—Four airmen who spent five days on drifting ice and an increase in fragments of biscuits left when they were rescued Monday in Northern Atlantic, told of their ordeal for tonight's hockey game. In top spirits after the ordeal, he wanted (Continued on Page 7, Col 4)

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High tide this morning at 9:20 and tonight at 8:41.

Sun sets this evening at 6:49 and rises tomorrow morning at 7:31.

New moon March 6, 6:43 a.m.

Summerisle 102 15 minutes later than Charlottetown.

**CAR FERRY SERVICE**  
DAILY EXCEPT SUNDAY  
From Borden—Leave 9:05 a.m., 11:40 a.m., 2:00 p.m., 4:30 p.m., 7:00 p.m.  
Leave Cape Tormentine—10:30 a.m., 1:15 p.m., 3:05 p.m., 5:35 p.m., 8:15 p.m.

**DAILY AIR SERVICE**  
(EXCEPT SUNDAY)  
Charlottetown—St. John's—Moncton  
Leave Charlottetown 8:30 a.m., 12:30 p.m., 4:30 p.m.  
Arrive Charlottetown 1 p.m., 5:45 p.m., 7:05 p.m.

Help The Red Cross "SALUDA" TEA