

MAXIMS
OF A
MERE MAN

No man can be sure of a friend
until he is unhappy.

THE CHARLOTTETOWN GUARDIAN

The People's Paper Read by Everybody

Covers Prince Edward Island Like the Dew

MAXIMS
OF A
MERE MAN

Do not mention cheese in the
house where there are mice.

Charlottetown Guardian Two Cents
Daily Guardian, Founded 1887

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BRITISH FREIGHTER SUNK BY INSURGENTS

HITLER TAKES COMMAND OF ARMED FORCES

Sent To Bottom In Aerial Attack; Crew Are Saved

Bombing Occurs As Ships Are
Rushed To Mediterranean
To Curb "Piracy."

Are Confident of Election Outcome

BELFAST, Feb. 4.—(CP cable)—Leaders of the Unionist (Conservative) Party tonight estimated that when the last ballot is counted in next Wednesday's general election in Northern Ireland the Government's majority will be little changed.

Assumes Army Control



CHANCELLOR ADOLF HITLER

Who has assumed control of the German Army in the greatest administrative and cabinet shake-up since he took office in 1933. The changes have greatly strengthened the radical Nazi element in the Government.

SAYS FEDERAL POLICIES CAUSE OF ENERVATION

N. S. Premier Urges
"Direct and More
Progressive" Tax
System.

(By Carl Reinke, Canadian Press Staff Writer)
HALIFAX, Feb. 4.—(CP)—Taxation in Canada can be made more equitable, efficient and productive, only by greater dependence on a direct and more progressive tax system for the country as a whole, Premier Angus L. Macdonald of Nova Scotia submitted today before the Royal Commission on Dominion Provincial Relations.

June Wedding



John Roosevelt, youngest son of the U.S. president, is to marry Mrs. Anne Lindsay Clark June 18. The bride-to-be is a Boston debutante and the daughter of P. Haven Clark. The president and Mrs. Roosevelt will journey to the Nahant, Mass., Episcopal church to attend the ceremonies.

ANNOUNCES SHAKE-UP IN NAZI CABINET

Convokes Reichstag
for Feb. 20—Blomberg and Fritsch Ousted.

LONDON, Feb. 5.—(Saturday)—(CP-Havas)—The Daily Herald (London) and several other morning papers reported today that Chancellor Hitler of Germany had General Werner von Fritsch, retired Reichswehr Commander-in-Chief, arrested Tuesday for fear that he would stage a military coup d'état.

The arrest, the paper said, was made by Heinrich Himmler, chief of the Gestapo (secret political police), in person.

BERLIN, Feb. 4.—(CP-Havas)—Chancellor Hitler tonight announced by decree a drastic reorganization of the German Cabinet and Army which removed the last traces of Army independence from control by the Nazi Party.

He assumed personal command of the nation's armed forces, appointed Joachim von Ribbentrop as Foreign Minister; promoted General Hermann Goering to Reich Marshal and made sweeping changes in the Army High Command.

The shake-up, regarded as a new contribution of all forces of the nation—political, economic and military—was regarded as a victory for the National Socialist Party over the old Army Command.

LOSE POSTS
Field Marshal Werner von Blomberg, war minister, and General Werner von Fritsch, commander-in-chief of the Reichswehr, lost their posts. Their resignations, handed in some time ago, were accepted.

Goering, who with von Blomberg's retirement becomes the only active German field marshal, was believed to have been elevated to the rank of Reich Marshal, a high unknown figure, will be subordinate in grade—despite his title—to the heads of the three armed forces. His duty will be to coordinate them.

General Walther von Brauchitsch, commander in the East Prussia military region, was named commander-in-chief of the Reichswehr, succeeding General von Fritsch.

General Wilhelm Keitel was named commander-in-chief of the German armed forces, and given the rank of minister. Keitel, a little-known figure, will be subordinate in grade—despite his title—to the heads of the three armed forces. His duty will be to coordinate them.

COMING EVENTS

- Announcements are inserted in this column at 2 cents per word strictly payable in advance.
- *Skate Victoria rink tonight. L-823-1-15-22-29-Sat-Tf.
- **Buying dressed chicken and fowl daily. Correct grading. Top prices. Island Cold Storage Company. L-475-12-30-Tf.
- **Hockey tonight at New Glasgow. Rustico Haugens vs. Rustico Maple Leafs. L-3434-2-5-11.
- **Borden Line Club leading hogs lambic calves every Tuesday. Hours 12 to 3. L-348-12-M-2-5-Tf.
- *Cake Sale at Prowse Bros. Saturday Feb. 5, auspices of Catholic Womens League. L-3374-2-3-31.
- **Rummage Sale Trinity Church Social Hall Saturday February 5th at 6 o'clock. Girl Guides. L-3435-2-5-11.
- **Hockey at Marshfield tonight. Frenchfort vs. Dunstaffnage. 8:30 after with music. L-3435-2-5-11.
- **Fancy dress carnival and Valentine's night. Montague Tuesday, February 15th. Prizes awarded. L-2245-1-29-31.
- **Kingston Crystals vs. Hunter River Maple Leafs. Wiltshire rink tonight, league game. L-3454.
- **Huskies vs. Hornets Milton Rink tonight, game starts at 8 o'clock, skate after. L-3433.
- **Pantry Ice West Royalty Womens Institute Holman's this afternoon. L-3456.
- **Cake sale Trinity Young Peoples Union, Moore and MacLeod's Saturday afternoon, February 5th. L-2282-1-31-31.
- **Come to the Carnival at Highfield Rink Saturday February 6th. No prizes awarded to costumes that have taken prizes before in Highfield Rink. L-3427-2-4-21.
- **Hockey match Victoria Rink Monday night, Summerside Soviets vs. Victoria Unions, skate after, admission 24 and 14 cents. L-3457.
- **Annual Meeting of the Stanley Bridge Dairymen will be held at the Masonic Hall, Stanley, on Tuesday, February 8th, 1938, at 2 P. M. H. S. MacEwen, Secretary. L-3365-2-3-31.
- **All assessments due Borden School District No. 84 unpaid will be given to the Clerk of County Court for collection at March term of County Court. Borden School Trustees District No. 84. L-3392-2-4-21.
- **Hot Chicken Dinner, Tryon Banquet Hall, under auspices of B. Y. P. U. Saturday evening, February 12th. If Saturday is stormy, supper will be served Monday. L-3437-2-5-11.
- **Buying live and dressed poultry Wednesday, December 15th. Paying highest market prices. Signed Matthew McLean, Bridgetown. L-693-12-8.
- **It is the intention of the Pipe Band of the P. E. Island High School (Black Watch) by special permission of Lt. Col. C. C. Thompson, to put on a Scotch concert in Prince of Wales College Hall on Feb. 18. Please watch for further notice. L-338-2-3-31.
- **Livestock Marketing Board leading hogs, lambs, and calves through local shipping clubs, week of Feb. 7th, as follows: Monday afternoon, Baltic, Souris, St. Pelers, Morell, Murray River, Melville, Charlottetown and Alma County. Tuesday forenoon, Prince County, Bedford, Charlottetown, Kensington, Wiltshire, Hunter River, Bradalbane, afternoon, 12-3. Albany Hog markets show further improvement this week, and if you care anything about high net returns, you will sell co-operatively. There is a good demand for good veal calves. L-3468.

Concern Expressed In Britain Over Nazi Developments

NEW GLASGOW, N. S., Feb. 4.—(CP)—The New Glasgow Board of Trade was told today by Don F. Fraser, former member of the Nova Scotia Legislature, that the Board's members should not oppose the proposed ferry service between Carleton Place, N. S., and Wood Island, P. E. I.

Chief Party Whips Are on Sick List

OTTAWA, Feb. 4.—The chief whips of both the Liberal and Conservative parties are ill. Conservative Whip A. C. Casselman is in hospital here with a recurrence of a back injury suffered in the war while Liberal Whip Ross Gray is confined to his Sarnia home with influenza.

Chinese Battle Desperately To Cover Retreat Northward

SHANGHAI, Feb. 5.—(Saturday)—Chinese are fighting a desperate rear guard action along the frozen banks of the Hwai River to cover the retreat of their main army northward from Japanese-conquered Pengu.

CLAIMS BENEFITS

Apart from greater efficiency and productivity, such a scheme would carry certain benefits to the weaker provinces, he added. It would reduce the chances of taxes being shifted to the outlying regions. It would overcome the difficulty of collecting taxes from companies which do business within a province but are not registered there. It would offset the present preferred position of the central provinces regarding inheritance taxes.

On this latter point, Premier Macdonald said in 1934 Ontario collected 59.1 per cent of all succession duties collected in all provinces, Quebec collected 24.4 per cent and the other seven provinces 16.5 per cent.

"Subsequent years will show an even greater disproportion," he said. "If the succession duties were part of the National Tax scheme, the redistribution of the tax burden would be on a more equitable basis, and therefore to the advantage of the weaker provinces."

CITES CHANGE

Premier Macdonald attributed much of the difficulty in provincial budgeting to the change in social philosophy. The marked increase in welfare and social services was linked in most countries with the growth of a "progressive" taxation.

Two Robbers Slain in Battle With Police

COLUMBUS, O., Feb. 4.—(AP)—Two bank robber suspects were killed and five persons, including three detectives were wounded in a bullet-blazing police raid on a gang hideout today.

Five Miners are Crushed to Death

SUBURBY, Ont., Feb. 4.—(CP)—Five miners were crushed to death today when the shaft timbers and the skip carrying them and 10 companions to work on the 950-level of the International Nickel Company's Levack mine, 25 miles north of here, collapsed.

RUNS AMUCK, KILLS FOUR

Hospital Patient An- gered by Fellow Patients.

TWICKSBURY, Mass., Feb. 4.—(AP)—Firing as he ran from bed to bed in the crowded wards of the Twicksbury State Infirmary, a giant patient today killed four patients and critically wounded one other with a mail order pistol.

Will Not Contest Federal Byelection

SAINT JOHN, N. B., Feb. 4.—(CP)—The Conservative executive of Saint John-Albert tonight decided not to contest the Dominion byelection in the constituency Feb. 28.

King And Queen May Visit Canada Prior To India Durbar

LONDON, Feb. 4.—Rumors are circulating in London that the King and Queen may visit Canada prior to their visit to India for the Durbar but no confirmation is available immediately.

Would Welcome Investigation Says Canadian Fascist Leader

OTTAWA, Feb. 4.—(CP)—The Dominion Government "will cause an investigation to be made," will be taken by any provincial authority, cause an investigation to be made.

DOMINION TO DECIDE STATUS OF QUEBEC LAW

LaPointe Declares Parliament Should Have Right to Amend B.N.A. Act.

OTTAWA, Feb. 4.—(CP)—The Dominion Government will decide in the next few weeks whether it will disallow the Quebec Padlock Law, it was announced in the House of Commons today by Justice Minister Lapointe.

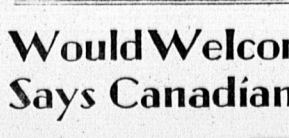
Three or four days ago, a petition for disallowance was received by the Government, the Minister of Justice declared, which must be considered before the end of March, the limit of the year in which the Dominion may veto the Provincial Anti-Communism Law.

In a speech covering many phases of public questions, the Minister of Justice gave his opinion on Canada should have power to amend the British North America Act and criticized the attitude of the Duplessis Government of Quebec on unemployment insurance.

Following him in the address de-

(Continued on page 11, Col. 4)

LISTENING TO THE BRIGHT SAYINGS OF MANY A BACHELOR OF WANTING TO GET MARRIED!



Maritime East: Strong north-west winds; partly cloudy and colder with snowflurries.

METEOROLOGICAL SERVICE
TORONTO, Feb. 4.—(CP)—Minimum and maximum temperatures:

Dawson	33	41E
Victoria	38	44
Edmonton	20B	6B
Regina	4	12
Toronto	30	33
Ottawa	18	28
Montreal	20	34
Quebec	20	34
Saint John	24	40
Halifax	24	31
Charlottetown	14	40

BARCELONA, Feb. 4.—The British freighter Alcira was pounded into a flaming hulk and sunk today off Barcelona by two Spanish insurgent bombing planes.

The ship's officers said the Alcira displayed five British flags besides the European non-intervention pennant attesting her neutrality.

The 1,387-ton vessel was the second British craft to be sunk within five days in an attempt to run the insurgent blockade of the Spanish Government coast with a load of coal—legitimate cargo under the 27-nation non-intervention accord.

Most of the Alcira's crew of 25 and an observer for the Non-Intervention Committee—all British—abandoned ship in lifeboats, but several seamen were hurled into the sea by the concussion of one of the bombs.

All were picked up and brought to Barcelona by Spanish coast guard vessel and fishing boats. The attack took place within view of observers at Montjuich, a Government fortress overlooking the Mediterranean just south of Barcelona.

Five bombs struck the vessel. The attacking seaplanes, tri-motored Savoia-San Giorgio, roared over her at 100 feet to drop the first three, then wheeled about to strike the Alcira twice more. She sank within 15 minutes.

Most of the crew was asleep when the two planes, bearing the black crosses of Spanish insurgency, roared out of the dawn, apparently from Palma, Mallorca, the Balearic Island naval and air base.

Machine gun bursts warned the freighter of the attack to come. The Alcira's radio operator picked up a radioed order from the two circling planes that the crew abandon ship.

But while half-dressed seamen lowered the lifeboats the first three bombs scored direct hits. One struck a fuel tank in the fore-cabin, setting a fire that quickly licked at the battered superstructure. The second hit the cabin of the non-intervention observer, Peter Drysdale. The third fell in the ship's funnel but failed to explode.

Skipper Describes Attack
The skipper of the Alcira, M. McCracken of Glasgow, said: "The Alcira was steaming within the route set by the Nyon (anti-piracy) agreement. Mate David Harkness and six of the crew were on duty. The others were asleep. We were attacked about 6:30 a.m."

"We were flying the British flag and the British colors were painted plainly on both sides of the ship. The planes could not have helped knowing our nationality. It all happened so fast that some of the men who had been sleeping did not have time to dress. Fifteen minutes later the Alcira sank."

An hour and a half after the sinking insurgent planes, also from the direction of Palma, dropped 20 bombs on Tarragona, on the coast about 50 miles south-west of Barcelona. There was at least one fatality.

EXTEND PATROL SCHEME
LONDON, Feb. 4.—(AP)—Italy, at request of Great Britain and France, agreed tonight to their program for stepping out pirate attacks on Mediterranean shipping.

Count Dino Grandi, Italian Ambassador to Great Britain, gave Foreign Secretary Eden Italy's consent to the Franco-British proposals which were understood to

(Continued on page 11, Col. 2)

High tide this afternoon at 1:53 and tomorrow morning at 2:12. Sun sets this afternoon at 5:12 and rises tomorrow morning at 7:15. First quarter moon Monday, Feb. 17, 8:32 p. m. Summerside tide eighteen minutes later than Charlottetown.

THE CAR FERRY
Leaves Borden 9:15 a. m., 1 p. m., Leaves Tormentine 11 a. m., 2:35 p. m.