

**MAXIMS**  
OF A  
**MERE MAN**

When experience has not as much things as himself in the things.

# THE CHARLOTTETOWN GUARDIAN

The People's Paper Read by Everybody

Covers Prince Edward Island Like the Dew

**MAXIMS**  
OF A  
**MERE MAN**

All adverse fortune can be overcome by enduring it.

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## SOVIETS TELL OF NEW VICTORIES IN CAUCASUS

### Size of U. S. Budget Makes Congressmen Gasp

#### Roosevelt Asks For 109 Billion

Non-War Expenditures To Be Pared To The Bone.

#### INTERNATIONAL AT A GLANCE

(By The Canadian Press)

**RUSSIA** — Reds take six Caucasian cities on road to Rostov and three lesser points as Nazi retreat increases speed.

**SOUTH PACIFIC** — U. S. announces aircraft carrier lost in Santa Cruz battle was the Hornet and identifies three cruisers and seven destroyers previously reported sunk; Americans increase pressure and advance on Guadalcanal.

**NEW BRITAIN** — Allied torpedo planes believed to have sunk Jap cruiser or destroyer off Gasmatia.

**WESTERN FRONT** — R.A.F. attacks railway network in France while Nazis raid East Anglia causing damage and small number of casualties.

**UNITED STATES** — President recommends spending of \$109,000,000,000 in 1943 war budget message, \$100,000,000,000 for war.

#### Prince Bernhard Arrives In Canada

OTTAWA, Jan. 11 (CP)—Prince Bernhard of the Netherlands arrived at Montreal late today from the United Kingdom, en route to Ottawa to be with his wife, Princess Juliana, when their third child is born around the end of the month.

The Prince arrived in Canada by plane today and flew to Montreal from an east coast airport. He planned to spend the night in Montreal and proceed tomorrow to the capital where his wife and two small children have been living. Excitement ran high in the Ottawa home where Princess Juliana lives. She did not know until two days ago that her husband would be with her during her confinement. Members of her household said she was "naturally delighted" at the prospect of the visit.

Prince Bernhard will assist in making arrangements for the arrival of his child, but while he is on this side of the Atlantic—probably for several weeks—he will visit Netherlands military camps in Canada and the United States. He is on active service with Allied air forces in Britain.

#### Relief Ships Load Supplies

SAINT JOHN, N.B., Jan. 11 — Four white Swedish ships, carrying a large red cross on its side, stand out against the dull, overcast sky as they load supplies to be carried to Greece under safe-conduct rights granted by the belligerents.

To the starving Greeks the ships will carry Canadian grain, supplied by the Canadian Government, and Red Cross supplies to carry the supplies throughout the distressed areas will be among the freight loaded.

#### Conspiracy Trial Opens

MONTREAL, Jan. 11 (CP)—Constable Louis Pelletier of the Royal Canadian Mounted Police was the first witness to testify today in the Court of King's Bench at the opening of the trial of four men charged with conspiracy to defraud the Government and three companies of \$200,000 through false pretences in connection with war sub-contracts for the Munitions Department.

The constable was called to the stand shortly after a jury had been impaneled in the presence of the accused: Pat Lynch, Fredrick, Pay General Manager of Engine Works and Trading Corporation Limited; his son, Donald, former Production Manager; Patrick Noonan, Paymaster, and Daniel Tagher, Clerk. First to testify, Crown Prosecutor Gerald Paulsen, K.C., told the jury in his opening address that the Crown will attempt to prove that "there was fraud" in the company's system of handling sub-contracts; that there was manipulation of costs; that indirect labor was charged as direct labor and that expenses were charged at times when no money was spent. He said that the Crown will also try to prove that hours on original time sheets were sometimes increased as much as 10 times and that the payroll contained the names of persons who did not work for the company.

#### Coming Events

- East Royal rink tonight, St. Avards vs. East Royal. Skate after. 1-12-11
- Reserve Wednesday, January 20th, Card Party, Holy Name Hall. 11-12-11.
- Loading live hogs for Davis and Fraser at Vernon on Thursday, January 14th. Edison Nelson. 1-12-24.
- Loading hogs this week at Albany Thursday afternoon. Emergent Friday until 1:30 A. M. G. O. Green and A. C. Green. 1-13-31.
- We are buying live and dressed chickens and fowl daily, paying top market value. Phone or write for prices. Island Old Storage, Ltd. 12-15-11.
- Farmers: Keith MacKinnon's truck collecting hogs for Davis & Fraser, Tuesdays and Fridays. Leaving Monday 10:30. Vernon River 11:30. Please bring hogs to highway. 1-11-31.

#### Black Dragon Charges Found Unwarranted

By C. R. BLACKBURN  
Canadian Press Staff Writer  
OTTAWA, Jan. 11 (CP)—Judge C.A. Cameron of Belleville, Ont., reporting as a commissioner who investigated statements that the Japanese Black Dragon Society was operating in Canada, said today that such statements are "a totally unwarranted conclusion."

Judge Cameron's report was made public here by the Labor Department. It followed hearings in Vancouver where the News-Herald last September and October published reports a Japanese Fascist-like gang directly affiliated with the Black Dragon Society was associated with the authorities charged with evacuating Japanese from the coastal areas.

The newspaper articles had mentioned particularly Eisui Mori, a naturalized Japanese who headed a small liaison committee which voluntarily co-operated with the Royal Canadian Mounted Police and British Columbia Security Commission in the evacuation operation.

After hearing 45 witnesses Judge Cameron, in a 50 page report to Justice Minister St. Laurent, said he had found no evidence that Black Dragon activities ever were carried on in Canada, and no evidence to damage the character of Mori.

He found that the authorities had not been "complacent" but had carried out their task of evacuating the Japanese "in a most efficient and humane manner."

The News-Herald, in the words of the commissioner's report, had said Mori was "a gambler and racketeer" and used gangster methods to enforce his will on the Japanese community; that he was an officer of "Sokokukai," a Japanese organization said to be directly affiliated with the Black Dragon Society of Japan; and that he was disloyal to Canada and should be interned.

#### 516 Students Subject To Call

(By The Canadian Press)

Six large Canadian Universities, embarked on a program of weeding out students with unsatisfactory academic records, have made 516 subject to military call-up as a result of poor showings at Christmas examinations. This action is in conformity with national war service regulations declaring students with unsatisfactory standing no longer exempt from compulsory military service.

About 14 other Canadian Universities where mid-term examinations are held after Christmas have not yet reported the number of students whose military deferments will be cancelled but it is expected their officials will follow the same procedure.

#### Employers To List Employees

OTTAWA, Jan. 11 (CP)—Reports will be required from employers every three months on the number and occupations of their employees, under labor department regulations soon to be announced, officials said today.

Names of the employees will not be asked, but information as to their age groups and the types of work on which they are engaged will be obtained from employers by local National Selective Service offices.

The periodical reports from employers will permit a check on the "drift" of workers from job to job and assist in planning the use of the national labor force, one official said.

#### British, Nazis Trade Air Blows

LONDON, Jan. 11 (CP)—The R.A.F. and the German Air Force traded cross-channel aerial blows today, Spitfire fighters ranging widely over northern France and enemy bombers dropping bombs on Eindhoven.

The railway network in northern France, one of the weak links in Hitler's armor, was the chief target in the R.A.F.'s daylight raids. Other squadrons of fighters swept 60 miles along the French coast from Dunkerque to Abbeville. One fighter was lost.

**TO INCREASE HOME AIR FORCE**

TORONTO, Jan. 11 (CP)—Canada's air program for 1943 calls for the bringing of the home war establishment of the R.O.A.F. up to the state of efficiency considered sufficient by chiefs of staff to meet any anticipated scale of attack on Canada, Air Minister Power said today in an address prepared for delivery to the Canadian Club.

#### War Situation Last Night

(By Kirke L. Simpson, Associated Press War Analyst)

Weather prospects in northern Tunisia for the next few weeks make any decisive ground action unlikely but southward a new phase of Anglo-American air attack is developing. This tends to support the view of the British Air Ministry that Hitler faces his 1943 campaigns with "the key air supremacy wrenched from his grasp" on all fronts.

To supplement Anglo-American air attacks on Axis forces in Tripolitania from the east, planes from Lt.-Gen. Dwight D. Eisenhower's forces to the west are rushing at Nazi communications east of Tripoli. An aerial squeeze play to harass Field Marshal Erwin Rommel's rear guard facing the British 8th Army is indicated. Whether Rommel intends to complete a further 200-mile westward retreat, abandoning Tripolitania entirely to British French-built defenses near the Libyan-Tunisian border, or stand and fight again eastward of that position still is uncertain.

There are many indications, however, that the weather in southern Tunisia is less a hindrance to Allied action by air or on the ground than it is in the north. Allied east-west shuttle bombing on the southern sector again suggests that some joint Anglo-American plan of action may be nearing fruition in that theatre, perhaps a combined east-west ground attack, before the rains let up in the north to bring on the final struggles for Bizerte and Tunis.

#### Britain, U.S. Sign Treaty With China

LONDON, Jan. 11 (CP)—Britain and China signed an agreement today under which Britain renounced its extraterritorial rights in the republic and the two countries agree to see a new treaty of friendship, commerce and navigation within six months of the end of the war.

A foreign office spokesman explained that most of the areas in which extraterritoriality applied now are in possession of the Japanese or the Puppet Government of Wang Ching Wei.

However, he said, henceforth British subjects charged with crimes in China will be tried in Chinese courts instead of in British consular courts as heretofore.

(The United States signed a similar treaty with China, Canada and other dominions have announced that they wished to relinquish extraterritorial rights.)

The agreement will not apply to leased territories such as Kowloon and the Suburban area adjoining which are legally considered portions of Hong Kong.

(These provisions have no question concerning Hong Kong—now in Japanese hands—as the Chinese said immediately after the fall that they intended to restore it to British rule.)

The treaty announcement came as no surprise as London and Washington both announced last Oct. 10, China's national patriotic holiday, that they wished to relinquish extraterritorial rights.

#### Richelieu To Be Refitted

ALLIED HEADQUARTERS, NORTH AFRICA, Jan. 11 (CP)—The 35,000-ton French battleship Richelieu, now lying at Dakar, will be refitted and "within a few days" will be ready to resume its role in the fighting with the Allies, Vice-Admiral William Glasford, U. S. N., said today.

Glasford, head of an American naval mission in North Africa, said American divers and technical experts had arrived at Dakar to supervise recommissioning of the Richelieu which was damaged earlier in the war when the British fleet and free French forces made an unsuccessful attempt to take the west African port.

"Glasford said French ships already are travelling with British convoys along the African coast."

#### No Decision Yet In Meat Rationing

OTTAWA, Jan. 11 (CP)—Food requirements of people in other lands probably will decide whether meat rationing is applied in Canada, it was learned today.

Amidst a swirl of speculation whether meats will follow sugar, tea, coffee and butter into the sphere of coupon rationing in the Dominion, informed sources said the final decision still has to be made.

It will depend largely on what North America has to do for the other United Nations in the provision of essential foods.

#### KILLED IN MINE

SPRINGHILL, N.S., Jan. 11 (CP)—Herman E. Weirich, 31, was killed today in an accident in No. 2 colliery of the Cumberland Railway and Coal Company. He was killed when his arm caught in a "tugger rope" which was hauling a string of coal cars.

Join the Host of Home Bakers who use

## BLOSSOM FLOUR

of CANADA

Exclusively



Tank Corps Tommy sitting beneath gun muzzle in Benghazi finds Italian propaganda book accurately describes the objective of allied forces fighting in Africa.

#### City Council Undertakes To Clear Pond

Efforts will be made by the Street Department to keep Government Pond and some suitable east end pond in condition for outdoor skating, it was decided at the monthly meeting last night of the City Council.

A motion to this effect was moved by Coun. B. Earle MacDonald and seconded by Coun. R. C. Chandler and unanimously carried.

In introducing the resolution Coun. MacDonald said he had received hundreds of requests from good citizens to have the pond flooded, and he believed it would be money wisely spent for the recreation of the young people and the service men in the city.

Coun. Chandler said he fully agreed with Coun. MacDonald. He had seen children and air force boys skating on the pond from time to time but the ice surface was very small and that suitable skating rinks for the winter would be offered within the next few days at the giant Arvida, Que., plant of the Aluminum Company of Canada Limited because of a dispute over union recognition.

The matter of renting the Fish Market was introduced by Coun. Butler, chairman of the Market Committee. He recommended that tenders be advertised for leasing the Fish Market to a tenant who will be required to pay in advance, install fixtures for maintaining fish in proper condition, and pay for cleaning and painting.

After considerable discussion it was decided to have Mr. H. A. Messervey, City Engineer, draw up the specifications for complete installation of equipment necessary for keeping fish properly, such information to be secured from the Fish Market Rental.

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#### Send Supplies To Russia

TORONTO, Jan. 11 (CP)—Twelve carloads of warm clothing and hospital supplies will be shipped to Russia this week by the Canadian Aid to Russia Fund, J.S. McLean, National chairman, announced today.

Contributions collected by all branches across Canada up to Jan. 9 totalled \$69,000 with a total of 35,000 individual contributions recorded, Mr. McLean said.

The campaign which opened in November is being promoted in 100 communities across the Dominion.

More than 50 of the daily newspapers of Canada are actively promoting the fund, Mr. McLean stated, and the motion picture war services has established a special committee to help publicize the fund. Radio stations are co-operating too, he reported.

### 6 Cities Taken In Biggest Bag Of Winter Drive

#### Germans Said Retreating Hastily Towards Rostov.

(By Henry C. Cassidy, Associated Press Staff Writer)  
MOSCOW, Jan. 11 (AP)—Six Caucasian cities along the road to Rostov, including Georgievsk, Mineralnye Vody and Pyatigorsk have fallen to the Russians in their biggest bag of the winter offensive, the Soviets announced late tonight in a special communique.

(By William Smith White, Associated Press Staff Writer)  
The Russian forces of the Caucasus, reporting the re-occupation of three major points on and along the main railroad to Rostov, were moving forward last night with such rapidity as to indicate that the Nazis now are in urgent retreat in an effort to reach and hold that possible door of exit for the German armies engaged against the primary Soviet weight along the Lower Don.

There were indications that the momentum of these Red offensives some 60 miles north of Rostov, contrary of the position in the Caucasus, had been materially reduced by desperate German counter-attacks, but the speed of Hitler's Caucasian withdrawal reflected his fear that these doubtful barriers could not be long maintained.

The German Foreign Office commentary service, in a broadcast heard in Italy but almost certainly not in the Reich itself, observed gloomily:—

"The most rigid reserve must be maintained regarding the fighting in Russia, as the Russians are displaying their greatest strength now."

The fighting in North Africa, which in the grand Allied plan is closely related to the majestic drama now unfolding on the far Russian plains, was confined principally to the air but there it took on the appearance of a correlated British and American offensive extending from Tunisia clear to Tripoli and Libya.

Rommel, it appeared in all accounts, has resumed his retreat and is racing westward in an attempt to join up with the Axis forces in Tunisia, presumably leaving Tripoli to be engulfed.

The war for the Pacific, which had been highlighted during the week-end by heavy destruction of Japanese planes and ships wrought by the Allies in raiding the invader's attempt to reinforce upper New Guinea, brought these major developments:—

Out Jap Communications  
An announcement that United States planes had smashed the central part of the bridge over the Irrawaddy River near Mandalay.

A disclosure by the United States Navy that the American ground forces on the Guadalcanal in the Solomon Islands had made small advances into enemy territory over resistance officially described as weak.

#### May Be Another Naval Ship The Charlottetown

The following letter from Defence Minister Col. J. L. Ralston was read at last night's meeting of the City Council.

His Worship Mayor B. Roy Holmes, Mayor of Charlottetown, Charlottetown, P. E. I.

Dear Mayor Holman,  
With reference to our conversation, I am glad to be able to tell you that the Minister of National Defence for Naval Services advises me that he sees no reason why there should not be another ship called the "Charlottetown."

May I take this opportunity of expressing to you my personal regards and extending to you my very cordial wishes for a happy and satisfying New Year.

Yours very truly,  
J. L. RALSTON

#### Appeal Board Hears Many Applications

In this Province as in other parts of Canada a growing number of applications for postponement of military service is being heard by the Board appointed to deal with this matter, The Guardian was informed by a Board official yesterday.

This is due, it was explained, to the fact that the groups being called up are becoming progressively older.

As might be expected in an agricultural province, by far the greatest number of applicants heard are farmers.

Probably the greatest number of postponements granted is in the class of unmarried farmers in the age group between 30 and 40 years. Many of these men are the mainstay on the farm, as the age of the father, if living, precludes him in most cases from carrying on full farming operations himself.

Not longer than a year's postponement is granted to anyone except bona fide farmers, who may be granted indefinite postponement.

#### WINS MEDAL

MONTREAL, Jan. 11 (CP)—Capt. Arthur J. Pedersen of the Royal Norwegian Mercantile Marine was presented today with the Norwegian War Medal for "gallantry at sea" when his ship was torpedoed in North Atlantic late last year.

#### Board Personnel

The Board appointed to grant postponements for military enlistments in this Province has been functioning since the summer of 1940. Its chairman is Hon. H. L. Palmer, Judge of Probate. The two other original members were Judge A.L. Fraser, Souris, now retired, and the late Judge D. Edgar Shaw, Summerside. Judge C. St. Clair Trainor has succeeded Judge Fraser. Judge Shaw's place has not yet been filled.

Officials in attendance at Board meetings are Major J.R. Paton, who, as representative of the D.O.C. of Military District No. 6 represents the Department of National Defence.

(Continued on page 6, Col 2)

**MONEY ISN'T EVERYTHING IN THIS WORLD — BUT IT TAKES A GUY WITH DOUGH TO BELIEVE IT**



High tide this afternoon at 4.30 and tomorrow morning at 4.44. Sun sets this afternoon at 5.46 and rises tomorrow morning at 8.39. First quarter moon, Jan. 13, 3.48 a.m. Summer tide 18 minutes later than Charlottetown.

**CAR FERRY SERVICE**  
DAILY EXCEPT SUNDAY  
From Horden—Leave 9.05 a.m. 11.00 a.m. 2.00 p.m. 4.30 p.m. 7.00 p.m.  
Leave Cape Tormentine — 10.31 a.m. 1.15 p.m. 3.05 p.m. 3.45 p.m. 8.15 p.m.

**DAILY AIR SERVICE**  
(EXCEPT SUNDAY)  
Charlottetown-Summerside-Moncton  
Leave Charlottetown 8.30 a.m. 12.30 p.m. 4.30 p.m.  
Arrive Charlottetown 1 p.m. 3.45 p.m. 1.05 p.m.