

CHINESE REJECT JAPANESE ULTIMATUM, HOSTILITIES CONTINUE, MANY CASUALTIES

Eight Thousand Italians Landed Near Cadiz, Spain

Mussolini's Apparent Determination To Remain In Spain Said To Be Worrying France

SEEKS UNDERSTANDING WITH BRITAIN

Great Britain Sticks To Her Plan of Non-Intervention

(Special to Daily Mail) VALENCIA, July 8—According to report of insurgent deserters within the past few days eight thousand Italian troops and seven hundred Moors have landed at Cadiz and been sent to the front to reinforce insurgent forces. This seems to prove if true that Mussolini is still giving active support to General Franco and has no immediate intention of falling in with the wishes of Britain and France to withdraw volunteers from Spain.

Heavily reinforced Spanish government troops struck a shattering blow at the insurgent siege lines west of Madrid last night to capture two strategic villages in one of the heaviest government offensives in the almost year-old civil war.

In Madrid the government announced Villaneuva de la Canada, due west of the capital, had fallen before the assault of General Jose Miaja's troops.

Brunete, a key point nearby, was already in government hands, official dispatches said, but the insurgent command denied that Brunete had been occupied.

It is reported General Francisco Franco has communicated to Great Britain, through the medium of Portugal, a note expressing uneasiness over the political character of Italy's intervention in behalf of his Spanish insurgent administration.

The Spanish insurgent generalissimo affirmed his desire to maintain his country's independence and integrity, Havas says it learned, and to detach himself from any foreign attempt to upset the present equilibrium in the Mediterranean.

Franco further expressed a wish to reach an understanding with Great Britain with a view to obtaining economic and financial support in London toward Spain's reconstruction after the civil war, according to Havas.

Informed sources said last night that Great Britain, standing on her non-intervention policy and demands for withdrawal of foreign volunteers from Spain, will put the next move squarely up to Germany and Italy.

(Continued on Page Four)

PALESTINE WILL BE DIVIDED INTO THREE PARTS

LONDON, July 8—Palestine, the national homeland of Jewry, the Holy Land of Christians and the native land of nearly 1,000,000 Moslem Arabs will be divided into three parts if the recommendations of the Palestine Royal Commission are approved by the League of Nations.

The commission was appointed by the British government to investigate the causes of repeated disturbances and conflicts between the Jews and the Arabs. In effect it found the conflicting national aspirations of the two races could not be harmonized within a single state.

Its proposals, endorsed by the British government in a white paper issued along with them, involve the creation of independent Arab and Jewish states and the erection of a third zone under British administration which will include Jerusalem and Bethlehem and exercise powers over certain localities within the Arab and Jewish states.

The plan involves revocation of the League of Nations mandate unless (Continued on Page Four)

LINDBERGH NOW IN DUBLIN WILL ADVISE AIRWAYS

DUBLIN, July 8—Col. Charles A. Lindbergh landed today in Dublin, having flown to the Irish Free State Capitol from his home in England. It is said that his coming to Ireland was on account of his technical experience and advice being sought in final mapping of routes for the Pan American Airways trans-Atlantic flights.

Queen Street Traffic

ACCORDING to the discussion which took place at the City Council this week, the matter of our congested traffic in Queen Street is entirely in the hands of the Police Commission. The City Aldermen under present conditions are in no way responsible for traffic regulations and they are in no way responsible for any serious accident that should take place owing to faulty traffic conditions.

Some months ago The Daily Mail made a suggestion which might go a long way towards relieving congested traffic on Queen Street. The suggestion was that all horse-drawn vehicles and heavy moving motor trucks be routed up or down either Campbell street or King street. If a horse-drawn load of hay, for instance, wanted to come to the market from the lower parishes below Fredericton or from Maryland, the driver could take Campbell st. or King st. If the driver of a horse-drawn load of hay, Square, or he could proceed up King street in Westmorland and down Campbell. Any slow moving vehicle coming from the direction of Kingsclear could easily make the block between the head of town and Westmorland street and then down to the market.

There are many times when traffic on Queen Street is held up because of these slow moving vehicles making it impossible for cars driving behind to get by. There are times when the situation caused by these conditions is extremely dangerous. It is up to those who for the present at least, have charge of traffic conditions, to make such regulations as will give general satisfaction to the public and which will avoid serious accidents taking place.

The suggestion in regard to routing traffic via Campbell or King streets should be favored by the drivers of the horse-drawn vehicles who would no doubt feel much more comfortable if they could drive in peace, undisturbed by fast moving cars on a comparatively narrow street.

REOPENING MARINE PLANTS EXPECTED TO BE OPPOSED

NEW YORK, July 8—Three big marine plants in the New York maritime area, employing 30,000 men have been closed for the past month due to labor troubles. The owners plan to re-open them tomorrow. The plants which include Kitchen and Longs plant at Hoboken and the Robin Marine Co. are a present patrolled by C. I. O. labor pickets. It is anticipated that their re-opening will be strongly opposed by labor elements.

TWELVE BOMBERS DISPATCHED TO PANAMA CANAL

(Special to The Daily Mail) BALBOA, Panama Canal Zone, July 8—The United States Government has dispatched twelve bombers to the Panama Canal Zone and twelve more are under order to proceed next week to the same destination. While no official reason is given for their dispatch and it is represented as a routine matter, shrewd observers are inclined to believe that it has a connection with the somewhat troubled condition of political affairs in the Pacific zone, with particular reference to the east.

She Would Have Wanted To Die In This Manner

(Special to The Daily Mail) LOS ANGELES, July 8—George Palmer Putman, husband of Amelia Earhart, in a statement of the Press today said if my wife has died she has died in the manner of which she would have wished. However, Mr. Putman still clings to the hope that she will yet be rescued.

NEW MENACE FACES CROPS

WINNIPEG, July 8—The rust scourge now threatens crops in Manitoba, particularly the southwestern corner of the Province, which has been harassed by six successive crop failures from drought and grasshoppers, a report from the Dominion Rust Research Laboratory here indicated today.

Infection of stem rust, at present of a light character, reached 75 per cent in wheat fields of the Lyleton and Melita districts in Southwestern Manitoba. Diminishing reports were received from those points eastward to the Red River Valley, where there is scarcely a trace of rust.

Dr. B. Peterson, Assistant Plant Pathologist of the laboratory, who toured the Province last week, said he could not ascertain how much the rust would spread in the next three weeks, but cooler weather would slow down propagation of rust spores.

Dr. Peterson found only a trace of rust in Durum wheat and non-Thatcher or Renown varieties, the report stated. No rust damage was found on the oat crop.

35,000 Employees Threaten To Tie-up Clothing Shops

(Special to The Daily Mail) NEW YORK, July 8—Fifteen hundred metropolitan shops are faced with the possibility of a business tie-up as thirty-five thousand employees in the clothing manufacturing business threatened a strike unless their demands are met by their employers. Their main cause of dissatisfaction is the fact that alterations made in manish style of garments are sent out from the shops to be done as piece work. They demand this class of business be held in the shops and be done by employees. The employers claim that to agree to this demand means an increase in overhead equal to \$1,150,000 daily. The prospects for an amiable settlement are unfavorable.

SAY PRELIMINARY MORE ENCOUNTERS EXPECTED OF CHINA

Heavy Artillery Moves Through Tokio On Way To Front

TOKYO, July 8—Several hundred heavy field artillery pieces rumbled through Tokyo before dawn today following renewed clashes between Manchukuoan and Soviet patrols on the Siberian border.

Destination of the Japanese artillery was secret, but its movement aroused keen speculation as to whether it was bound for the Soviet-Manchukuo border as a result of the fresh crisis there.

The latest border flare-up which followed settlement of the Amur river crisis which had the entire Far East on edge last week, drew a protest from Moscow and an assertion by the Soviet government that both Soviet and Manchukuoan troops were killed and wounded in the clashes.

PEKING, July 8—The clash which occurred last night between Chinese and Japanese troops has proved only a preliminary to other encounters. The highly trained Japanese forces forced a Chinese retreat in which the Chinese suffered losses of 17 killed and three wounded. The Japanese casualties are placed at 10 killed.

Following the clash the Japanese issued an ultimatum giving the Chinese one hour to tender their submission. In the interval the Chinese received re-enforcements and rejected the demand. Hostilities continue.

The Japanese who have six or seven thousand soldiers in this area are receiving constant re-enforcements of men, tanks, field-pieces and munitions.

The Japanese under the Boner Protocol signed in 1901, have the right to maintain armed forces in his district to keep communications open between Peking and the Sea.

The Chinese on the other hand claim that the trouble began when two Japanese in civilian clothes fired on the Chinese garrison.

They state that the affair is a political incident manufactured by their enemies to force a close to negotiations between their envoys and the Chinese commissioner, who has refused to accede to their demands or even proceed with the negotiations.

The battle seems to centre around the vital line of communications between Peking and Harkon.

County Councillors Protest Against Fed. Fisheries Regulations

Say Federal Government Conceding Fishery Rights Along St. John River

RESIDENTS MAKE PROTEST

Government Claim Action Is Taken To Protect Salmon In Spawning

HOPE GROWS DIM AS SEARCH BRINGS NO SIGN OF FLIERS

HONOLULU, July 8—After a two hour search today the three long distance cruising planes released from the battleship Colorado returned to announce no trace found of Miss Earhart and her companion. They took off again at once to renew their search in another area.

It is generally believed that by Monday if the search has been fruitless hope must be abandoned for Miss Earhart and her companion.

PORK IS TAKING PLACE OF BEEF

OTTAWA, July 8—Pork is the favorite meat on the Canadian menu. Figures published today by the Dominion Bureau of Statistics on meat and dairy products consumption during 1936 show pork has supplanted beef.

Beef and veal consumption fell from 723,679,000 pounds in 1935 to 665,390,000 in 1936, while pork jumped to 748,005,000 pounds from 678,070,000.

Total meat eaten in Canada was less in 1936 than the preceding three years covered in the Bureau's survey. For each unit of population 134.10 pounds were consumed, compared with 134.55 in 1935, 140.25 in 1934 and 136.66 in 1933. The 1936 total was divided among 60.34 pounds of beef and veal, 67.83 of pork and 5.93 mutton and lamb.

The proposed action of the federal government in cancelling rights to fishing along the Saint John River above Crock's Point was strongly protested by the York Municipal Council here this morning. A delegation, representing residents along the river, appeared before the council and asked for the support of the municipal body in lodging a protest to the federal department, C. A. McNally, former inspector of fisheries, who acted as spokesman for the delegates, outlined the circumstances of the case and urged that the council support any action to prevent the proposed action from taking effect. The council unanimously endorsed the motion that the council appoint a special committee to draw up a resolution of protest against the measure.

It was pointed out by Mr. McNally that the government proposed to take away the fishing rights of the people living along the river in the territory described. He described this "measure" as being unfair and an act of discrimination against the rights of the people.

Members of the council, speaking on the question, described the proposal as an unfair action. It was brought out that the fishing privileges enjoyed at the present time were not extensive, only covering brief periods in each month during the fishing season.

Some of the speakers charged that the measure was taken flagrantly disregarding the rights of the people. It was contended that the proposed action was being adopted for the purpose of benefitting sportsmen who control fishing rights on the Tobique.

A suggestion was made that all residents along the river, who will be affected as result of the proposed action, write to Hon. J. E. Michaud, Minister of Fisheries, voicing their

(Continued on Page Four)

Marijuana Cigaretts Cause of Many Murders in the U. S. Not Menacing Canada Yet

W. T. Great Help Upbuilding and Development Women

(Special to The Daily Mail) VANCOUVER, July 8—Mrs. W. Beveridge of Australia in an address today to Canadian women said "The Women's Institute founded many years ago at Stony Creek, Ontario, has been an inspiration to Canadian women, has spread throughout the world and has been a great help and assistance in the upbuilding and development of fine Australian women.

EXAMINATIONS START

Examinations on Extra Mural courses started at the University of New Brunswick this morning. A large number of students are writing, but the exact number is not at present available.

Only Infrequent Smuggling or Peddling Of Murder Inspiring Narcotic, Say Mounted Police Probers.

TORONTO, July 8—Marijuana, the narcotic evil which is rapidly becoming one of the major drug problems of the United States, has not found its way across the border into Canada to any serious extent, although there have been a number of cases scattered over the past four years, a check-up with police authorities disclosed yesterday.

This drug, used in the form of cigarettes, is said to have been the cause of thousands of crimes in the United States, particularly murder. The marijuana weed grows profusely in most States of the Union, but curiously enough, it has not been found in the Dominion.

Royal Canadian Mounted Police, who are responsible for enforcement of the Federal Narcotics Act in Canada (Continued on Page Four)

MAE WEST WEDDED TO FRANK WEST 26 YEARS AGO

(Special to The Daily Mail) HOLLYWOOD, July 8—The usually uncommunicative Mae West made a frank statement to the papers today in which she admitted her marriage 26 years ago to Frank Wallace. When questioned concerning previous denials she stated that these had not been official and that her present statement presented the true facts of the case. Frank Wallace has for some months been advancing his claim as her former husband which has now received recognition by Mae West. Miss West also stated that Frank Wallace has since remarried without having gone through the formality of obtaining a divorce from her.

BLISTERING HEAT WAVE SEARS SASKATCHEWAN

Temperature Soars To 110 in Regina, 109.5 in Moose Jaw and Hotter Weather Expected.

REGINA, July 8—A heat wave has scared Southern Saskatchewan this week after a blistering week-end and crop prospects dwindled.

In mid-afternoon temperature in Regina soared to 110 degrees in the shade, marking the hottest spot in the Canadian West. Moose Jaw ran a close second with official reading of 109.5 degrees in the shade.

Adding to the discomfort of the terrific heat, high winds swept the Regina-Moose Jaw district in late afternoon, causing bad dust storms.

Drizzling rain fell in Edmonton throughout the day and the skies were overcast at Calgary. Temperatures in both cities were around 62 degrees. Prince Albert, in Northern Saskatchewan, experienced a slight rain, but skies cleared later.

SENSATIONAL GUN BATTLE IN CITY STREETS

NEW YORK, July 8—Police captured a young gangster named Marowitz this morning in a sensational gun battle fought on one of the busiest sections of Broadway. The bandit and the police exchanged shots amid the screams of frightened pedestrians and the crash of plate glass as revolver bullets drilled into fashionable Broadway store fronts. Marowitz had just held up a cafe and looted the cash register of \$200 when captured.