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The Weather

Weather: Occasional snow today and Thursday.

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DEFIANT SPEECH BROADCAST BY GERMANY'S ACTIVE FIELD MARSHAL HERMAN GOERING

Belief Agreement Was Reached Months Ago By England And Italy

Negotiations in Rome This Week Viewed By Many as Largely Stage Play

LIVE AND LET LIVE UNDERSTANDING

Next Important Step To Bring France Into Plan For Settlement

WASHINGTON, March 2—The Anglo-Italian negotiations which Lord Perth, British Ambassador in Rome, and Count Ciano, Italy's Foreign Minister, are holding, probably will be largely stage-play.

There is reason to believe that the British Prime Minister, Neville Chamberlain, and Premier Mussolini already have reached an agreement in principle on the fundamentals of a rapprochement.

A live-and-let-live understanding covering the entire basin of the Mediterranean was reached between the two statesmen last year. As long ago as last summer I was told, both in London and Rome, that Britain would recognize Italy's position in Ethiopia as soon as the way could be paved.

Mussolini already has renounced all territorial aims in Spain, the Balearic islands and elsewhere in the Mediterranean area. The most important unfinished business between Britain and Italy just now is to bring France into the entente.

The clash between Britain and Italy long has been regarded by responsible leaders in both countries as bootless. They realized it had reached the point where only two alternatives were left—an early settlement or eventual war.

In Rome the highest officials told me frankly that neither country had anything to gain by war, and that each had everything to lose. In London one of the most influential members of the Conservative party, a supporter of the then Foreign Minister Anthony Eden, admitted the truth of this and added:—

"Either Britain must make friends with Italy or fight her. We must have security in the Mediterranean one way or the other."

The quarrel dates back to the World War. In 1915 Italy, though an ally of Germany and Austria, was still hesitant to cast her lot on their side. The Entente Powers—Britain, France and Russia—very much wanted her on theirs. And they deluged her with promises. On April 26, at London, she signed a secret treaty with the three other powers accepting their offers.

In the event of victory, Italy was promised Trentino, all southern Tyrol up the Brenner Pass, Trieste, Gorizia, Udine, the provinces of Istria and Dalmatia, and all the Austrian islands in the Adriatic.

In addition, Italy was to have Afoana and the region thereabouts, subsequently.

SEVERAL BILLS ARE INTRODUCED IN THE PROV. LEG'LATURE

Notices of Enquiry For Friday Given By Opposition Members

(By Mrs. J. L. Neville)

The debate on the address in reply to the speech from the Throne was opened yesterday afternoon by the Opposition Leader, Hon. F. C. Squires. Mr. Squires made a good speech and was given close attention.

Notices of inquiry for Friday next were given by Hon. Mr. Squires and Perry of Carleton County and McAllister of Saint John. Bills introduced given first reading are as follows: By Hon. W. S. Anderson, to authorize Newcastle to issue debentures.

By Hon. C. T. Richard, to authorize Hotel Dieu de L'Assomption to issue debentures.

By E. J. Henneberry, to fix the value for assessment purposes of Jas. Pender & Co., Ltd., Saint John.

By R. J. Gill, to authorize Newcastle to guarantee bonds of the Anderson Manufacturing Co., Limited.

Hon. C. T. Richard introduced a bill providing for the redemption of \$300,000 provincial debentures falling due in 1938. It received first reading.

Annual reports of the Fair Wage Officer and the Board of Public Utilities were tabled by Hon. J. B. McNair.

The Clerk of the House reported a (Continued on Page Four)

PASSENGER PLANE REPORTED MISSING IN CALIFORNIA

(Special to The Daily Mail)

FRESNO, California, March 2—A passenger plane carrying nine passengers and three officials has been reported missing. It is feared that the plane has crashed not having been heard of since midnight. The pilot John Graves reported that he would have to make a forced landing as he was flying dry in a terrific storm.

Mr. Squires' Speech

HON. FRED C. SQUIRES, Leader of the Provincial Opposition, delivered his address in reply to the Speech from the Throne yesterday afternoon. Mr. Squires spoke for an hour and three-quarters but his contribution to the debate did not seem to be a very valuable one. He naturally criticized the financial situation and as is usual with Opposition speakers no matter what Government is in power, claims that the present government has spent more money than any other since Confederation. This year again he criticized the action of the present Government in increasing some of the salaries of the officials at the Departmental building. Mr. Squires criticized the nine million dollars spent by the Government last year but he neglected to tell the House and the country that the bulk of this money was spent in connection with the building of hard-surfaced roads in this province. The building of these roads not only provided employment for many men who would otherwise have been on relief, but it also provided the needed public work for the province. Mr. Squires and those associated with him will have to recognize the fact that the hard-surfaced roads have come to stay and that they will not only pay for themselves in the money flowing into the province from increased tourist traffic but will be of benefit to the farmer, the merchant, the doctor, the clergyman and others who have occasion to use the roads of our province. The only difference between the present Government and the party which Mr. Squires tamely followed in the Legislature is that the other Government sought legislation to build roads and were afraid to tackle the proposition whilst the Dysart Government had courage and foresight enough to go on with the work. The investment of nine million dollars about which Mr. Squires wails can well be defended by the Government and cannot successfully be condemned by those who are opposed to the present administration. The Dysart Government is to be congratulated on its vision and courage in proceeding with the ambitious road program which is now being carried out.

Mr. Squires' criticism of the Old Age Pensions Department will fall flat even amongst his most ardent supporters and will not be appreciated by the twelve hundred persons who are today receiving Old Age Pensions under the scheme introduced by the Dysart Government. In addition to this the Government a few weeks ago established a system of pensions for the blind under the efficient administration of R. H. Scott, one of the commissioners of the Old Age Pensions Board. At the present time seventy-five blind persons are receiving pensions and within the next few weeks all those who have applied and who are eligible for pensions will be receiving the same.

Mr. Squires' criticism of our educational system was hardly consistent with the remarks which he made last year. Last year Mr. Squires defended the old system of education and was not in favor with any drastic changes. This year he seems to think that the educational system cannot be changed fast enough. The proposed changes in our educational system undertaken by Hon. Dr. Paterson will be of untold benefit especially to the rural districts of this province. Already the people of the rural districts are beginning to show their appreciation of the new system of adult education and leaders in the different districts, including those in Mr. Squires' own county of Carleton, are applying for trained teachers to take up the work.

The record of the Dysart Government is a record of achievement. The administration has made material progress in providing work and wages, and in eliminating direct relief, in restoring the credit of the province, in reviving industry and in advancing social benefits and improving trade connections of New Brunswick not only within the Dominion but with the opening of export mar-

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HON. F. W. PIRIE, M.L.A., Minister of Lands and Mines, who is addressing the House this afternoon

STAGE AND RADIO PERFORMER WILL LEAD VACATIONERS

(Special to The Daily Mail)

MONTREAL, March 2—Francis X. Bushman, stage and radio performer and one of the pioneer actors of early motion pictures will lead a group of vacationists on a 50 day tour of Europe this summer sailing from Montreal July 1 in the Canadian Pacific liner Duchess of York. The trip, operated by American Express Travel Service, will visit England, Holland, Belgium, Germany, Switzerland, Italy and France, before returning to Quebec August 19 in the Empress of Australia.

In a statement to "all my friends of stage, screen and radio," Bushman, who since his early roles in motion pictures has contributed greatly to the standard of Hollywood entertainment, urged "don't read about travel, nor seek it in the movies, when you can live it."

From Liverpool the party will proceed to Leamington and on to London spending two days there before crossing to Antwerp, in Belgium. Brussels also will be visited and in Germany, Cologne, Wiesbaden and Heidelberg. Five days will be spent (Continued on Page Five)

FOUR PERSONS KILLED TRAIN COLLISION

(Special to The Daily Mail)

STRATFORD, Ont., March 2—Four persons were killed in a car accident today when the automobile in which they were travelling crashed into a moving train. The victims have not yet been identified.

Germans Must Be Treated As Hitler Thinks Should Be

Warns Chancellor Schuschnigg to Give Austrian Nazis Liberty Of Action

ALSO WARNS CHAUTEMPES

"Men Of Iron With Will To Action" In German Air Force

WILL OF LATE HON. DR. ROBERTS WAS PROBATED TUESDAY

SAINT JOHN, March 3—In the Saint John probate court yesterday, the will of Hon. Dr. W. F. Roberts, late minister of health in the provincial government, was proved and letters testamentary granted to the widow, Lillian Genevieve Roberts, and the Maritime Trust Company as executors and trustees.

The will disposed of an estate the total probate value of which was \$49,400 of which \$5,000 was real estate and the balance personal property.

FREDERICTONIANS PASSENGERS C. N. S. "LADY DRAKE"

SAINT JOHN, March 2—The liner Lady Drake, Canadian National steamships, Captain R. A. Clarke, arrived at this port yesterday with passengers returning from a round voyage to the Leeward and Windward Islands, Barbados, Trinidad and British Guiana, via Boston and Bermuda.

Passengers on board included H. Daley, Miss B. Daley, N. R. Walsh, for Toronto; R. Stollmeyer, Montreal; M. Aldous, Winnipeg, Man.; Mr and Mrs. M. W. Black and daughter, Fredericton; Mr and Mrs. G. W. Wilson and C. W. Rayworth, Saint John.

The Lady Drake will sail from Halifax, on Thursday, March 10th next, on another month long round voyage to the Leeward and Windward Islands, Barbados, Trinidad, and British Guiana, via Boston and Bermuda, and will carry an extensive list of passengers bound for these vacation resorts of the Caribbean.

BERLIN, March 2—Germany's only active field marshal, Herman Wilhelm Goering, today rattled the sabre as he warned the Reich's Air Force was ready to protect the "10,000,000 Germans on our borders."

If Premier Milan Hodza of Czechoslovakia, which has 3,500,000 Germans, and Chancellor von Schuschnigg of German-speaking Austria did not hear him, it was not his fault.

His defiant address commemorating the third anniversary of the Air Force, which he as air minister created, was broadcast.

And if British Prime Minister Chamberlain and French Premier Chautemps do not see the complete text with all his strong words, it also will not be Goering's fault since the speech letter was officially released verbatim.

Raising his voice to a high pitch and pronounced every word with studied emphasis, the air minister thundered to an audience composed largely of aviators.

"And so, my comrades, we have all helped lay the foundations of that force which no longer permits Germany to be exposed to impotence and violation of her national rights.

His Threat (Chancellor Hitler) in his Reichstag speech (of Feb. 20) presented the proud record of achievement and used those proud words that we no longer can tolerate the mal-treatment with impunity of 10,000,000 Germans on our borders, then you members of the Air Force know that if need be you must go the limit to make good these words of the fuhrer."

That was plain language: 1. Warning Hodza to treat the Sudeten Germans in Czechoslovakia as Hitler thinks they should be treated. 2. Warning von Schuschnigg to give Austrian Nazis the liberty of action Hitler demands for them. 3. Warning Chautemps not to encourage Czechoslovakia too much by, as one semi-official commentator put it, "clinging to the doctrines of Geneva and adhering to military pacts with other powers."

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Austrian Factions Unite To Keep Independence

Nazi Foes of all Parties Really To Support of Schuschnigg

COUNSEL SAYS PARLIAMENT CAN DECIDE THE COST OF LOAN FEES

VIENNA, March 2—Leaders of important sections of Austrian public opinion rallied today to the support of Chancellor Kurt Schuschnigg in his attempt to maintain the independence of his country.

Thousands of persons telegraphed the Chancellor, pledging support against Nazi penetration.

Baron Friedrich von Wiesner, Monarchist leader, put aside party aims temporarily in the interest of Austrian independence.

Rabbi Taglicht, prominent Jewish leader, pledged to Herr Schuschnigg the support of 140,000 Jews.

Socialists in Line (Continued on Page Four)

OTTAWA, March 2—It appears that Parliament has the power to fix the maximum gross cost of loans, including expenditures by the borrower on demand of the lender, F. P. Varcoe counsel of the Department of Justice, said to the banking and commerce committee of the House of Commons today.

Mr. Varcoe summarized the effect of various Dominion statutes and said: "If the views expressed are correct there would seem to be no doubt that the money lenders might be required by Parliament to be licensed."

Varcoe said that any legislation short of full control of money lenders would be useless.

The committee resumed its hearing on the small loan business in Canada and Varcoe presented a draft of regulations that might be incorporated in Federal legislation. Fixed maximums would be allowed for interest service charges and disbursements, and charges in excess of these would be punishable under the Criminal Code.

If Parliament fixed a gross maximum charge on small loans, any amount in excess of this might be construed as excessive and usurious interest, Varcoe said.

BRITISH POLICY SHOCKS C. C. F. SAYS WOODSWORTH

OTTAWA, March 2—The National Council of the C.C.F. today cabled C. Attlee, British Labor Party leader, protesting that the British Government's foreign policy "disregarded the interests of the Dominions," and was a "betrayal of democracy." The cable was signed by J. S. Woodsworth, leader of the left wing group in Parliament, and M. J. Coldwell, National Chairman. It read: "Large numbers of Canadians deeply shocked by recent developments in British Government's foreign policy which entirely disregard interests of Dominions and betray democracy. We look confidently to Labor Party to champion genuine collective security and 'constructive peace policy.'" In an all-day session the Council canvassed Dominion problems. According to a statement issued at 6 o'clock the "policies of Premier Maurice Duplessis and Premier Mitchell Hepburn received special attention and they were designated as chief leaders of reaction in Canada." Miss Agnes Macphail (U.F.O.-Labor, Grey Bruce) attended the caucus. It was her first attendance since the U.F.O. withdrew from C.C.F. activities.

MONTREAL WILL BE THE REGULAR TERMINUS WITH SHEDIAC AS ALTERNATIVE

OTTAWA, March 2—Shediac, N. B., will be an alternative terminus to Montreal on the proposed trans-Atlantic air route, Transport Minister Howe told the House of Commons today as his bill to amend the Trans-Canada Air Lines act received third reading.

Montreal would be the regular terminus, but in case of bad weather flights would stop at the New Brunswick town. When trans-Atlantic planes stopped at Shediac, the minister said, Trans-Canada planes would pick up passengers and take them on westward.

Capital stock of Trans-Canada Air Lines is still all owned by the Canadian National Railways, Mr. Howe told the House. The Trans-Canada Air Lines act authorizes the sale of shares in the company to other companies or individuals interested in aviation, but so far no sales have been made. Mr. Howe said several other aviation companies had approached the government about purchase of stock but none had come forward with a complete cash offer. The bill will authorize the company to acquire Canada's share in the proposed trans-Atlantic airline and to extend its operations outside Canada. Mr. Howe said the trans-Atlantic company would be formed to operate the service across the ocean after Imperial Airways had demonstrated the feasibility of the service and completed the pioneering work.