

MOVES TO BLOCK ENGLAND

Hitler Makes Surprise Move To Check Britain's Encirclement Policy

Offers Concessions To Scandinavian Countries to Persuade Them From Allying Themselves With "Bloc"

BERLIN, May 3.—Chancellor Adolf Hitler today made a surprise move to check the encirclement policy of England and to prevent the nations in the northern part of Europe from allying themselves with Britain and France and the other "bloc" nations against the German state.

Hitler's newest move was looked upon with great importance by London today, while Russia has made representations to Finland against proposed fortifying of strategic Baltic Sea islands as a part of Finland's policy in the neutrality bloc.

Representations have been made to Norway, Denmark, Sweden, Finland, while it is reported that Lithuania and Latvia have also been offered German concessions to join.

Two major points of importance are seen in Hitler's new move. One is to solidify recent German attempts to tie up Poland, and the other is to offset the encirclement policy. The offer to the Scandinavian countries is not in the form of the British offer to Poland and Rumania of armed support against aggression and is said to be cleverly more attractive to the northern countries than any others yet broached.

Russia has made definite representations to Finland, declaring that the nation's participation in the neutrality bloc and its fortifying of Baltic islands would endanger Leningrad.

Observers attached considerable importance, in view of the Russian fears concerning the bloc, to the statement of an officer of the Russian high naval command today that the Russian fleet is ready and able to withstand any threats to Russian power or rights by any of several capitalistic nations. The Russian fleet today completed manoeuvres in the Black Sea, and the Admiral in command, in making the foregoing statement, described the manoeuvres as highly successful.

In Brief

LONDON, May 3.—Trouble over the Free City of Danzig and its port facilities so valuable to the Poles would be settled peacefully as it was held likely that Poland will accept joint control of the City with Germany.

OTTAWA, May 3.—Opportunities for young Canadian flyers are available with the Imperial Airways, who are looking to Canada for pilots for their air lines because of the rapid expansion of the Royal Air Force. Few Canadians at the controls of the liners are maintaining a reputation that more are wanted.

MONTREAL, May 3.—More draft beer will be demanded by patrons in Quebec it was believed because of new regulations imposing a new tax on beer that resulted in a two-cent raise by retailers on the price of the quart bottle.

URGES BETTER MARKETING AND QUALITY FUR

LONDON, May 3.—Regulated marketing as well as better quality were stressed by J. D. Forbes, of the Dominion department of agriculture, so that Canada might lead the fur market here. He said that the present tension has adversely affected the fur market and served to bring out the problems of the producer in Canada.

TO REGISTER MEN IN UNION OF SOUTH AFRICA

PRETORIA, May 3.—Beginning May 8, national registration of men in the Union of South Africa between the ages of 17 and 60 will be started, it was stated by the department of defence. It was also announced that oil and other commodities would be controlled and rationed and moves will be made to prevent profiteering.

LOANS \$7,500. TO RUMANIA TO AID BUSINESS

BUCHAREST, May 3.—Rumanian industry and business will benefit by \$7,500,000 loaned to their country by Great Britain as arrangements were made by the British economic commission who have been arranging a new trade treaty with the country.

Bank of England officials and business experts are included in the commission which came here to look into the possibilities of increasing trade between the two countries shortly after the Rumanian-German trade agreement was concluded.

R.C.M.P. Honor Veteran N.W.M.P. In Funeral Service

The late James S. Mullan, veteran of the Northwest Mounted Police, was honored by his old force, now reorganized into the Royal Canadian Mounted Police, in the funeral service here yesterday. Four members of the "J" Division, in the scarlet coats and stetsons of the dress uniform, were honorary pallbearers.

The late Mr. Mullan enlisted with the original "Mounties" years ago and served with the force in the Yukon in the days of its early development. He was with the first detachment of police at famed White Horse Pass. For some years he had been a resident of this city. Death came Sunday.

Service was conducted at the late home, 161 Regent Street yesterday afternoon. The body was taken to Woodlands, Ontario, for interment.

Pallbearers were: William Manzer, Harold Young, Clare Young, Watt Craig, Walter Craig and Fred Mawer.

Honorary pallbearers were: Corporal Sirr, Lance-Corporal Springer, Constable Shultz and Constable Thompson.

MARRAKECH, May 3.—When a French air liner crashed near this Morocco City last night three of a crew and six passengers were killed. Ice and snow are blamed for the accident.

SAYS CANADA OFFERS FIELD FOR EXPANSION

Sir Edward Beatty Speaks Before Annual Meeting of Shareholders of the Canadian Pacific Railways

MONTREAL, May 3.—The effect of the uncertain international position has been especially marked on this continent and consequently it was impossible to hope for a major restoration of normal business activity in any country until general peace between nations is established. Sir Edward Beatty, G.B.E., K.C., LL.D., Chairman and President Canadian Pacific Railway told the annual meeting of the company's shareholders here today. "Yet," Sir Edward said, "the advantages in the situation are that Canada still offers one of the greatest remaining fields in the world for the expansion of population and development of natural resources."

It is reasonable to forecast that with a sound policy of elimination of unnecessary railway duplication and of reasonable control and taxation of competing forms of transport, the Canadian Pacific may look forward with greater confidence to the immediate and distant future than railways in most other countries. In summing up the outlook for 1939 Sir Edward pointed out that the company's passenger business, international travel overseas could not but reflect present disturbances.

Expositions being held in New York and San Francisco and the Royal Visit would serve to stimulate domestic travel. Internal business conditions in Canada remained disturbed and in some respects depressed. Manufacturing activity were maintaining a fairly satisfactory volume. The mining industry was continuing to show steady expansion. The paper industry was suffering to some extent from failure of business in the United States to show anticipated recovery. The great agricultural industry of eastern Canada which actually employed more workers and capital with a greater production value than agriculture in western Canada was not markedly prosperous but was in a sound economic position.

Two industries, namely construction and western wheat growing presented outstanding difficulties. The construction industry was failing to show reasonable expansion, with the present small volume resulting chiefly from expenditure of government money. There was need for a large amount of low rental housing.

In the west there was reason to hope for definite improvement in the grain crop for 1939. The small crops of recent years were sold at low prices. The company's earnings de-

(Continued on Page Five)

WHEAT PRICE LEGISLATION SAID AMENDED

OTTAWA, May 3.—There was a buzzing of rumor on Parliament Hill today as the House awaited the government's decision on wheat price and on the acreage bonus.

It is reported that the government has amended the wheat price legislation and that new bills are at present being printed. Usually reliably informed sources state that the guaranteed price of wheat will be increased from 60 cents to 70 cents per bushel, in the face of Western Canadian demands for 80 cent wheat. The basis of the wheat prices is reported to be No. 1 Northern Wheat, at Prince William. In the matter of acreage bonus, it is understood the acreage will be cut down.

HUNDREDS ARE MISSING AND SEVERAL DEAD

TOKYO, May 3.—Several hundred are missing and 19 are known dead, a check-up of investigators showed following the earthquake which destroyed 70 houses of the Aikawa village said to have been eclipsed by the sea. In the district more than 1000 homes were destroyed.

The center of the earthquake was 300 miles north of Tokyo and was followed by floods and fire as well as breaking watermain and pipes. The embankments of the Fukakawa Reservoir was also broken down and millions of gallons of water escaped to engulf several homes.

Marysville Council In Special Session

At a special meeting of the Marysville Town Council held last night a general discussion of town affairs was carried on. The necessary means were taken to cope with some of the more pressing problems. Drastic measures will be taken to curb reckless driving in the town limits. The finance committee report they will be forced to adopt stern methods to collect taxes. A motion on the books to issue executions for those whose taxes are in arrears will be enforced.

The town council will ask for more co-operation from the people in keeping the streets and their premises clean and sanitary. The coming Royal Visit was discussed to some length. The banners and decorations have already been purchased. The street light poles will be painted.

During some discussion re a concrete sidewalk on Morrison street, it was seen that it is not in favor with the majority of the council.

MAY ATTAIN GREAT SPEEDS BY DISCOVERY

LANGLEY FIELD, May 3.—Realization of war planes and air liners of 500 miles per hour may become a reality in a short time because of the latest advances of science.

Discovery of how to prevent shock waves in the air by designing of planes has brought the mark almost into actuality. Shock waves are the compressing of air until it beats like a powerful hammer against objects which pass through it. It causes the whine of a rifle bullet.

Only recently a German pursuit plane travelled more than 460 miles an hour by extreme stream lining and rounding of other parts of the plane and wings. The next discovery may lead to speeds of as high as 710 miles an hour.

C.N.R. REVENUES SHOW DECLINE

MONTREAL, May 3.—The gross revenues of the all inclusive Canadian National Railways system for the 5-day period ending April 30th, 1939, were \$4,207,472 as compared with \$4,339,899 for the corresponding period of 1938, a decrease of \$132,427.

Stock Market Quotations

(Supplied by W. C. Pitfield & Co., Limited at 1.30 p.m.)
New York

American Locomotive	17 1/2
American Radiator	12
American Smelters	41
American Tel & Tel	157 1/2
Anaconda	24
Bendix Aviation	21 1/2
Bethlehem Steel	55 1/2
Boeing Aircraft	22
Briggs Manufacturing	20
Chrysler Corp	65 1/2
Columbia Gas & Electric	6 1/4
Consolidated Edison	30 1/4
Curtiss Wright	6
Curtiss Wright "A"	26 1/4
Douglas Aircraft	60 1/2
General Electric	34 1/2
General Motors	43
Goodyear T & R	25 1/4
Int Pap & Pow	8
Int Pap & Pow Pfd	30
Kennecott Copper	32 1/4
Montgomery Ward	46 1/2
National Cash Register	18
New York Central	14 1/4
Pennsylvania Railroad	17 1/4
Radio Corp	6 1/2
Republic Steel Corp	15 1/2
Socony Vacuum	11 1/2
United Aircraft	37 1/2
United States Steel Com	46 1/2
Western Union	18 1/2

(Continued on Page Five)

Provincial Highway Bulletin

Traffic must proceed with caution on all highways on account of the frost conditions now prevailing. All paved sections are passable and in fair condition, except for the usual cracks and distortions due to frost action. These distortions will not subside to normal position for some time. Frost conditions on gravel roads are variable, and new soft spots may appear at any time. Caution should be observed on gravel highways until all soft places have been repaired or thoroughly dried out.

Route No. 1—St. Stephen-Saint John. Paved except 4.0 miles in and near village of St. George.

Route No. 2—Quebec Boundary-Nova Scotia Boundary. Paved except approximately 10.0 miles north of Westfield. Bridge under construction at Sussex Corner. Temporary bridge in use.

Route No. 2-A—Oromocto-Westfield. Passable.

Route No. 3—St. Stephen-Fredericton via Long's Creek. Passable, frost beginning to come out in numerous places.

Route No. 4—Thomaston Corner-St. Croix. Fair.

Route No. 5—Woodstock-U. S. Boundary (Houlton). Fair.

Route No. 6—Florenceville - U. S. Boundary (Bridgewater). Passable.

Route No. 7—Andover-U. S. Boundary (Fort Fairfield). Paved.

Route No. 8—Fredericton-Boiestown. Passable.

Boiestown-Newcastle. Paved.

Route No. 9—Fredericton-Sussex via Jemseg. Road impassable through Mungerville and across Jemseg Flats.

Route No. 10—McGowans Corner—Starkeys Corner via Chipman. Passable.

Route No. 11—Matapedia-Bathurst. Paved except 4.0 miles in and near Dalhousie. Bathurst-Newcastle via Caraque. Passable, frost conditions bad at each end of road.

Route No. 11A—Bathurst-Newcastle via Sherb. Route. Impassable.

(Continued on Page Five)

ROOSEVELT MAY MAKE SHARP REPLY

WASHINGTON, May 3.—It was expected in the United States capital today that President Roosevelt will sink his hooks into Adolf Hitler when he replies to the German Chancellor's recent speech in which he castigated the President for his action of intervention. It was almost certain here today that the President would reply to the statements.

Another report, based on reliable information, stated that the secretary of state will present on Saturday proposals of establishing the "cash and carry" armament selling policy and invoking the neutrality act to allow such measures. Such a measure is at present before the Senate committee on foreign relations, it is reported.

The United States answer to Hitler would mean that in the event of a war in which the United States was not involved but which included Britain and France, the U. S. could supply needed war materials to the allied nations. These would be the two nations with the capital to buy on the cash and carry plan. The scheme is also based on the presumption that the British and French naval forces would control the seas.

Poland Increases Tempo of Defence Measures Following Reports of Hitler's Latest Move

(Special to The Daily Mail)

LONDON, May 3.—British observers today carefully watched various capitals in the northern part of Europe, and waited anxiously for their reply to the surprise move of Adolf Hitler seeking to enter them into a neutrality bloc to balance the British-French encirclement program.

From Copenhagen it was reported that the statement of Denmark, Norway and Sweden are carefully considering the Hitler proposals. No statement has been made to this date, but it is reported that there is a possibility that the proposals may be accepted. Denmark, however, is the only nation of the three that has a Nazi front in its political picture. Some observers, however, felt that

the Scandinavian nations could continue their present policy of neutrality without making any concessions to Hitler or linking themselves with him in any way. An official statement is expected at a later date.

It was reported that Finland was most favorably considering the new proposals. The effect of Russia's representations however could not be judged.

If anything, the Hitler move merely acted to increase defensive activity in Poland. Preparations for the defence of the nation are being rushed in every quarter. An increasing tension is felt in this Polish capital as the world awaits the statement of Foreign Minister Beck on Friday.

It was reported here today that

Beck has completed his reply to Hitler's Polish demands. Although little inkling of the contents of the statement is available, it is reported from reliably informed sources that the Foreign Minister will tell Hitler that Poland will continue to allow German passage across the famed corridor for economic purposes, but that the Polish nation will not cede a foot of land in the corridor or any of her rights to the area. The Hitler demand for a German area across the corridor is seen as a military measure of considerable danger to the Polish state. There is no indication that Beck will announce any plan of establishing a Polish protectorate over Danzig.