

# The Daily News

NORTHERN AND CENTRAL BRITISH COLUMBIA'S NEWSPAPER

PRINCE RUPERT, B.C., WEDNESDAY, SEPTEMBER 27, 1939.

## Weather Forecast

Prince Rupert and Queen Charlotte Islands — Fresh to strong northwest winds, shifting to west. Cloudy and cool with occasional showers.

## Tide

High 5.0 a.m. 20.0 ft. 1.30 p.m. 20.8 ft. Low 5.1 a.m. 5.1 ft. 4.3 p.m. 4.3 ft.

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# Big War Bill Is Facing Britons

## Heaviest Taxes Yet Are Imposed; Income Tax Over One-Third

Increases in Imposts on Beer, Whiskey, Tobacco, Sugar, Wines, Death Duties, Income Surtaxes and Excess Profits

LONDON, September 27: (CP)—Britons are faced with the heaviest taxes they have ever known in war or peacetime to meet an estimated minimum of £2,000,000,000 outlay in the present financial year for the country's war effort. Sir John Simon, Chancellor of the Exchequer, presented his first budget in the House of Commons today. It increased the standard income tax rate for the next full year to 35 per cent of the total income of over seven shillings six pence in the pound—or an increase of just ten per cent. For the remainder of the year the current rate is 35 per cent of seven shillings in the pound. The fiscal year ends March 31.

At the same time the Chancellor announced direct tax increases all over the line on beer, whiskey, tobacco, sugar, wines, death duties, income taxes, surtaxes and excess profits. The tax was untouched. These were sacrifices the heavy-duty direct taxpayer of this country has ever had to bear.

The Chancellor told of the increased costs of war material. Warships and aircraft cost many times more than during the last war. The cost of outfitting the men and keeping them in the field was increased. In all departments the war costs were higher. However, the government was determined to keep the costs to a minimum and to prevent any excessive war profits. It was making a great effort but had to look to the future as well as the present. It was budgeting for a three-year war.

The only objection made by the labor group to the budget was the tax on sugar.

## PROJECTILES IN BELGIUM

German Shells Fall There By Accident—Massing of Reich Troops On Border Denied

BRUSSELS, September 27: (CP)—Four projectiles from German anti-aircraft guns are reported to have fallen in Belgian territory a mile inside the frontier yesterday. It is believed, however, to have been merely incidental to aerial combat operations on the nearby western front. The Belgian government officially denies reports of German forces massing along the Belgian frontier.

## Gun Practise

Gun practise will be carried out from Barrett Rock between the hours of 3 p.m. and 8 p.m., September 27 and 28. Arc of fire, between North Rachael Island and Genn Island at ranges up to 20,000 yards.

## KEEP PEACE IN BALKANS

Italy Working On Plan To Keep Southeastern Europe Out of War Some Disturbing Factors

ROME, September 27: (CP)—Italy is believed to be endeavouring to negotiate an agreement which would preserve the status quo of the Mediterranean Sea and at the same time keep the war from spreading into southeast Europe. This, it is suggested, might be accomplished by the organization of the Balkan nations—Turkey, Greece, Jugoslavia, Bulgaria and Roumania—in a peace union under the eagle eye of Russia and Italy. However, there are obvious obstacles in the way of such a setup. Nazi Germany is known to desire free access to the Balkans. Concern is expressed at the Vatican that Russia may desire to assert the role of protector of the Balkans and that Joseph Stalin may cherish the old Russian dream of control of the Dardanelles.

## Hitler Back From Poland

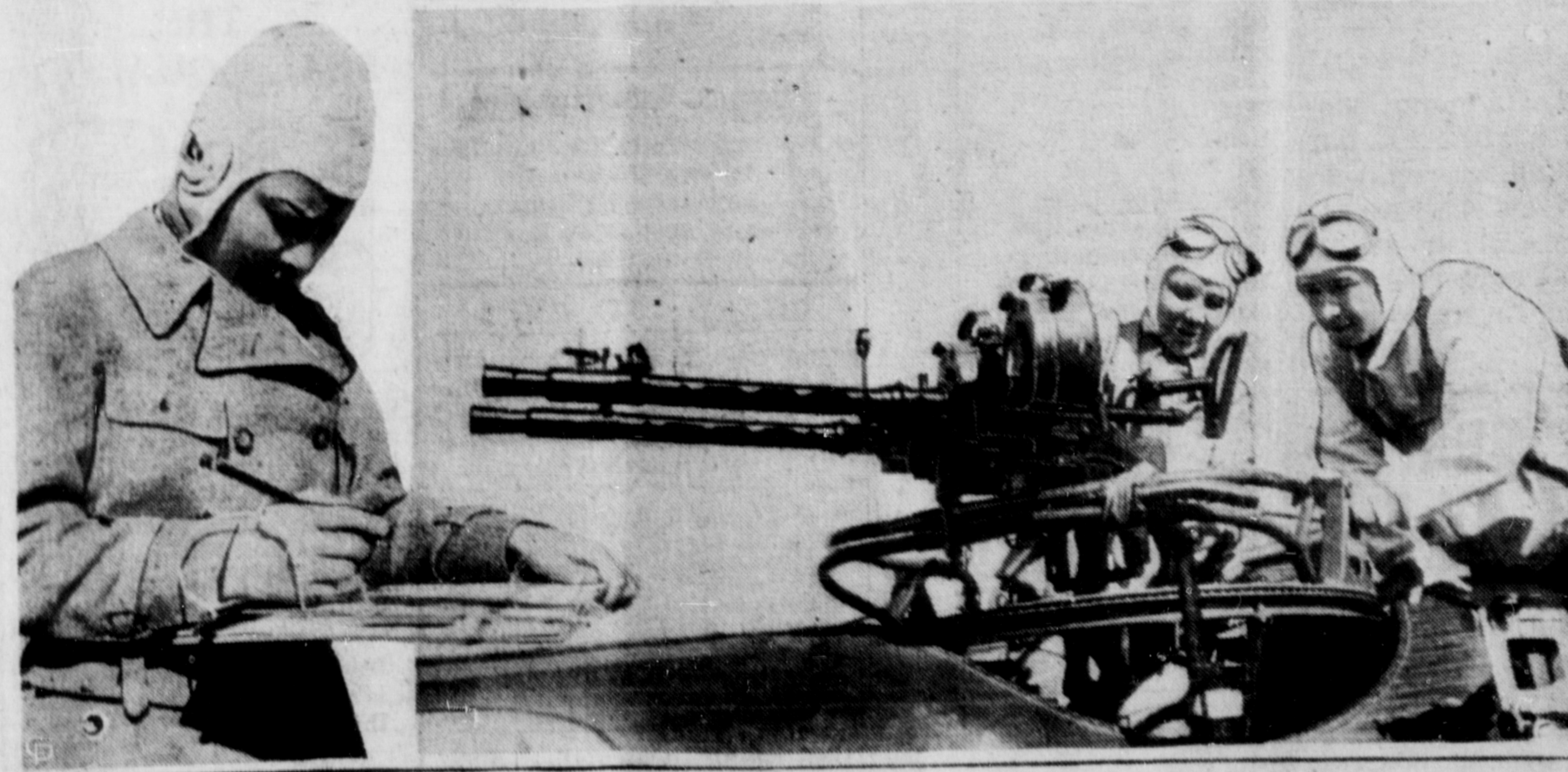
BERLIN, Sept. 27.—Accompanied by his staff, Chancellor Adolf Hitler returned to Berlin yesterday from Poland. How long Der Fuehrer will remain here it is not known. He is now busy conferring with his advisors. It is now expected he will devote most of his attention to the western front. The Chancellor is said to be very irritated over the British naval blockade.

## PATTULLO IS SILENT

Has Nothing Yet To Say About Cabinet Reorganization

VICTORIA, September 27: (CP)—Premier T. D. Pattullo has no announcement yet to make regarding cabinet reorganization following the appointment of his minister of public works, Hon. F. M. McPherson, to the board of transport commissioners. There will have to be a by-election in Cranbrook, which was Mr. McPherson's seat in the legislature.

## TURKEY'S 'FLYING AMAZON' ONLY WOMAN TO HOLD AIR FORCE TITLE



Turkey's "Flying Amazon," Flight Lieutenant Sabiha Guechen, the only woman in the world to hold that title in the regular army air force of a nation, is shown at the left, as she checks her observations after a reconnaissance flight. Miss Guechen, adopted daughter of the late President Kemal Ataturk of Turkey, at 23 has participated in actual warfare and is said to have taken part in the recent bombing of rebel tribesmen in Turkey when several tribes were completely wiped out. The youthful flyer is shown at the right, inspecting the armament of her fighting aeroplane during recent manoeuvres. All Turkey is proud of the girl who wears the Diamond Air Force Medal for "conspicuous gallantry." She was trained in the army air force school and now handles all types of aeroplanes.

## German Air Squadron Attacks British War Ships; Two Are Dropped

LONDON, Sept. 27: (CP)—Rt. Hon. Winston Churchill, First Lord of the Admiralty, announced in the House of Commons today that a squadron of British warships had been attacked in the North Sea yesterday by twenty German planes but none of the naval units had been hit.

Churchill said: "No British casualties are reported but one German flying boat was shot down and another damaged. Another German aircraft came down and we sent destroyers to collect her and her crew of four who were brought in as prisoners." The First Lord of the Admiralty said that Sir Charles Forbes, commander-in-chief of the Home Fleet, had wirelessed thus: "Yesterday afternoon in the middle of the North Sea a squadron of British capital ships, together with an aircraft carrier, cruisers and destroyers, was attacked by about twenty German aircraft. No British ships were hit and there were no British casualties incurred."

Berlin reports claimed an attack on a warship was "successful." The battle took place in the North Sea about 150 miles off the coast of Norway.

## WARSAW FALLEN TOOK HIS OWN LIFE

Expected City Will Be Handed Over on Friday, Berlin Reports

BERLIN, Sept. 27.—The German high command reported "Warsaw has capitulated unconditionally," adding "The handing over of the city will probably occur on September 29."

The announcement came several hours after an earlier communication declaring that the Warsaw defenders under a thrust from a German assault begun yesterday had offered this morning to surrender.

The German announcement came at the end of the twentieth day of the Warsaw siege. As late as 2:45 p.m. (5:45 PST) a Warsaw radio was heard in Budapest, the announcers declaring the city was still holding out and would resist to the last.

## FRENCH BREAK THROUGH SIEGFRIED LINE; FIRST TIME SINCE WAR BEGAN

Germans Reply With Furious Counter-Offensive—Light Artillery Proved Effective Yesterday, Causing Heavy Casualties—Reich Tanks Fail

PARIS, September 27: (CP)—Early today French artillery were reported to have blasted their first breach in Germany's Siegfried Line on the western front near Saarbruecken which is now in allied control. The Germans then launched a furious counter-offensive along the entire frontier as they endeavoured to mend the gap which had been shattered in the line.

French outpost troops, armed with light automatic rifles and machine guns, supported by fire of light field artillery, drove back a fierce German thrust in the centre of the western front yesterday and inflicted extremely heavy casualties upon the enemy.

Earlier in the day the Germans started a tank attack against the French lines but found anti-tank guns of the French too effective and desisted.

French infantry moved up further toward the West wall under the protection of the artillery barrage.

Overhead French and German war planes clashed but the French held their own despite superior numbers.

## SHIPS TO BE ARMED

Another Measure To Protect British Vessels From German Submarine Attacks

LONDON, September 27: (CP)—In the course of his report to the House of Commons yesterday on British Navy war activities, Rt. Hon. Winston Churchill, First Lord of the Admiralty, intimated that British merchant ships were being armed to meet the threat of submarine attack and augment the convoy system which was already working effectively.

No German submarine activity whatsoever was reported yesterday following a weekend during which two Swedish and two Finnish ships were sunk, leading to vigorous protests by those countries and the threat by Sweden to cut off iron ore to Germany which derives seventy per cent of its supply from Sweden.

Berlin reports said that Vice-Chancellor Goering was furious over the sinking of the Swedish ships and was in dispute with the admiral-in-chief of the German navy over the matter.

## WHAT NEXT IN MOSCOW?

Three Possible Developments From Visit of Von Ribbentrop

MOSCOW, Sept. 27:— Three possible developments are speculated upon in connection with the visit here of German Foreign Minister Ribbentrop who arrived today:

1. Signing of a German-Soviet military agreement.
2. Formation of a Balkan-Near Eastern bloc under guidance of Turkey and Russia.
3. A joint German-Soviet request that Turkey act as intermediary in attempts to negotiate peace in western Europe.