



BRITAIN, RUSSIA SIGN AGREEMENT

Fred Peart, right, British minister of agriculture, watches Soviet Ambassador Aleksandr Solzhenitsyn wet his pen to sign an Anglo-Soviet agreement for co-operation in agricultural research. The ceremony was in London Wednesday. (AP Wirephoto via cable from London)

P.E.I. Potatoes Sought To Steady Prairie Price

WINNIPEG (CP) — At least one dealer is looking to Prince Edward Island potatoes to apply a stabilizing influence on the potato market here.

Kenneth Todd, manager of Scott Fruit Co. and president of the Manitoba Fruit and Vegetable Wholesalers Association, estimated Wednesday current retail prices of 60 to 70 cents a 10-pound bag compare with about 40 cents two months ago.

"I think the big jump in prices has a stabilizing effect," Mr. Todd said. He suggested the present price would permit the importing of P.E.I. potatoes, and that these would have a stabilizing influence.

Some P.E.I. potatoes have already appeared on the market here. The island had a good crop this year.

Increased demand and poor potato crops in Alberta and Saskatchewan were responsible for the increases here, he said.

rocket, Cyril O. Johnson of Barnwell, past president of the Alberta Potato Growers Association, said Wednesday. The current price is twice that of a year ago.

Harvey Ash, manager of Edmonton Potato Growers Limited said the price increase is due to exports from the Edmonton area to the south and north.

The price of unwashed number two grade potatoes increased \$1 to \$5.25 a 100 pounds Wednesday to Edmonton wholesalers.

In Saskatoon prices rose to 90 cents for 10 pounds, believed the highest price ever charged there at this time of year. Fifty-pound bags sold for \$3.79.

In spite of reported shortages, the federal government's latest report shows a Canada-wide increase in potato production.

Major increases in Eastern Canada and Manitoba crops have resulted in the national total being two per cent higher than last year.

However, Eastern potatoes have little effect on the Western

market, due to freight costs and poor shipping qualities of many varieties.

At the retail level, Lechbridge supermarkets Tuesday charged 79 cents for a 10-pound bag of washed no. 2 netted gem potatoes. At this time in 1963 local housewives got 25 pounds for 60 cents.

Brig. Knight Is Retiring

WINNIPEG (CP) — Brig. A. F. Knight, 54, of Winnipeg, New Brunswick commander, retires this month after 25 years service, the army announced Wednesday.

Brig. Knight was commissioned in 1936 in the 19th Field Battery of the Royal Canadian Artillery in Winnipeg and went overseas in December, 1939.

In 1947 he became one of the first members of the directing staff of the National Defence College at Kingston, Ont.

British Shocked To Discover Price Boost Is Threatening

LONDON (CP) — Lulled by the Labor government's assurances it soon will be able to work out agreements to keep prices steady, Britons are suddenly shocked to find instead of stability, their country is threatened by serious price inflation.

An increase in milk prices may be the next blow to hit housewives as they watch spiraling costs for food and other family needs.

Economics Minister George Brown dashed off letters Wednesday to a number of trade associations demanding reasons why prices have been increased for scores of grocery items and other consumer products.

In London's northeastern suburbs, where he is campaigning in a Leyton by-election, Foreign Minister Patrick Gordon Walker assured voters a prices review body, which the government is trying to develop, will stop all improper price increases.

The Daily Telegraph suggests that Brown is merely trying to shut the barn door after the horse has fled.

British industry found its cost burden increasing. Road haulage fees and railroads fares went up. So did prices for furniture, clothing, glassware and hundreds of grocery items, and the end is not in sight.

The Evening Standard says milk is likely to be hit next. Milk now costs nine pence (11½ cents) a pint. It was increased by a half-penny last March and may go up by a similar amount soon unless the government provides dairy farmers with an equivalent amount from the public treasury.

The Yorkshire Post says: "For cool, unblushing cheek, there has never been a government like this one. Its policies have already made price rises inevitable."

The Post, a Tory supporter, says it is right that the government should go after profiteers "but the government cannot expect the huge cost of its own mistakes to be absorbed in full by industry."

'CANNOT SHUT DOOR'

"He cannot shut the door, let alone recapture the horse," the Conservative newspaper says in an editorial blaming the socialists for the increases.

Soon after it came into power last October, the Labor administration slapped an extra 75-per-cent tariff on imports of manufactured and semi-manufactured goods. It increased the gasoline tax and boosted the central bank's interest rate to the peak seven per cent.

While negotiating with Labor and management to support a so-called incomes policy, designed to hold the line on prices, profits and wages, unions demanded and got higher wages in a number of industries.

Boston Strangler Said Locked Up

BOSTON (AP) — Assistant Attorney General John S. Bottomly says a man believed responsible for part of a wave of stranglings in Greater Boston has been safely institutionalized.

Bottomly said that of the 11 unsolved stranglings in the area, six are believed the work of other individuals.

Bottomly's report was the latest in a searching examination of clues surrounding the deaths of women.

Bottomly said the man believed responsible is "single, who has a mother complex, is 30 years of age and comes from the Boston area."

Bottomly said the investigation resulted in a master file of 500 suspects for use in future strangling cases.

He said investigators are continuing investigation of the murders believed attributed to others.

Free Trade Agreement Expected Soon In Cars

Reduction In Price Will Come Gradually

By ARCH MACKENZIE
WASHINGTON (CP) — Canada and the United States hope to reach final agreement next week on establishing a free-trade arrangement in motor vehicles and parts going into new vehicles.

The main unsettled point, informants said Wednesday in both countries, is a firm commitment from General Motors Corporation to the Canadian government on the share of the American market it will allocate to its Canadian plants.

The objective of the negotiations begun last summer has been to give Canada a wider market for its auto and auto-parts industry. One eventual by-product would be cheaper vehicles in Canada since the tariff differential between the two countries now is about 17 per cent.

But a reduction would come gradually. Motor industry spokesmen and others Wednesday objected sharply to any speculation a sudden price cut would follow.

The arrangement, it has been emphasized, would lead toward a price reduction which might take five to 10 years to achieve in maximum form.

This does not, of course, rule out the possibility of prices increasing in each country beyond existing levels, if manufacturers feel production costs justify such a step.

But in Canada, if the free-trade arrangement means what it proposes, cars should still be cheaper over the long haul than if the arrangement didn't exist.

The Canadian industry as a whole would benefit in theory from being able to expand output for a continental market but considerable adjustment by auto and parts makers would still be necessary, with specialization one likely consequence.

Essentially, the concept might be extended to replacement parts as well, it has been suggested.

The arrangement grew from talks seeking an alternative to the export-incentive scheme initiated by Canada as a way to diminish an auto-trade deficit with the U.S. of more than \$500,000,000 annually.

Farm Price Index Up Here In Nov.

OTTAWA (CP) — Canada's index of farm prices of agricultural products declined 3 per cent in November to 240.4 from 241.1 in October, the bureau of statistics said Wednesday.

The decline was attributed in most part to lower prices for livestock that more than offset higher prices for potatoes.

November indexes by provinces with the October figure in brackets: Prince Edward Island 225 (214.6), Nova Scotia 231.7 (232.7), New Brunswick 241.2 (236.2), Quebec 277.7 (277.3), Ontario 266.4 (266.3), Manitoba 223.3 (223.9), Saskatchewan 201.6 (204.1), Alberta 222.1 (224.8) and British Columbia 269.6 (268.1).

Trust Co. Head Dies Suddenly

Ralph M. Jones of 51 McGill Avenue, vice-president of Eastern Securities Limited, died suddenly last evening in Charlottetown. He was in his 58th year.

Mr. Jones had just left the ice after participating in a curling game at the Charlottetown Curling Club when he collapsed. He was attended by Dr. W.T. Hooper and Dr. W.L. MacDonald and an ambulance was sent for, but he died before the ambulance arrived.

He is survived by his wife, the former Margaret Donald, two daughters, Louise and Marsha, and a son, Peter, all of Charlottetown. A sister, Helen, Moncton, and a brother, Douglas, Montreal, also survive.

Funeral arrangements have not been completed.



RALPH M. JONES

Financier Given Bail

SAN ANTONIO, Tex. (AP) — Harry S. Stonehill, international financier, arrested Monday night as he stepped off a plane from Mexico, was released from jail Wednesday after posting a \$100,000 federal bond.

An examining trial scheduled for Wednesday was postponed until 9:30 a.m. Friday to allow time for legal documents involved in the case to get here from federal court in New York.

Stonehill gained freedom as he posted the bond with a \$40,000 cashier's cheque from New York and three \$20,000 money orders from California. Two were from Beverly Hills and one from Los Angeles.

Terms of the bond stipulate that Stonehill must stay in the jurisdiction of the Federal Court of the western district of Texas.

Viet Cong Disengages After Raid

SAIGON (AP) — The Viet Cong force that attacked 10 days ago appears to have disengaged effectively after inflicting on U.S.-supported government units their worst mauling of the war.

Vietnamese troops have been unable since Monday to develop any important contact with the Communist fighters in the vicinity of Binh Gia, 40 miles east of Saigon.

Officials announced Wednesday U.S. casualties in Viet Nam for 1964 totalled 1,173, including 136 killed, against 615 casualties, including 107 killed, in the previous three years of American involvement.

Controversial Aircraft Has Second Flight

FORT WORTH, Tex. (AP) — The world's most controversial aircraft, the supersonic F-11H, better known as the TFX, soared off without apparent incident Wednesday on its second test flight.

The multi-purpose fighter, built amid a congressional investigation, took off into virtually clear skies.

A spokesman for General Dynamics, which built the plane, called the take-off "highly successful."

Canada To Join Multi-National Anti-Sub Group

By DAVE MCINTOSH
OTTAWA (CP) — The North Atlantic Alliance next month will form a multi-national anti-submarine destroyer squadron in which Canada will participate, it was learned Wednesday.

Formation of the four-ship flotilla with destroyers from Canada, Britain, the United States and the Netherlands has a connection whatever with a proposed NATO seaborne nuclear strike force.

It was emphasized the squadron will be strictly an anti-submarine unit.

The Canadian ship joining this unit will be the destroyer Columbia.

Housecleaning Action Urged On Liberals, Conservatives

TORONTO (CP) — Philosopher Marcus Long called Wednesday on the Liberal party to clean out corruption and urged the Progressive Conservatives to ditch their leader, John Diefenbaker.

"Our nation is like a disabled ship in a storm with the captain so concerned with the morals of his junior officers he cannot concentrate on navigation," the University of Toronto professor told a meeting of the Electric Club.

Prime Minister Pearson at the same time is "bothered by a rival (Mr. Diefenbaker) who insists we can only keep the

Three Killed At Crossing

POINTE DU LAC, Que. (CP) — The wife and two sons of this community's mayor were killed Wednesday when their car and a CPR passenger train collided at a railway crossing here.

The mayor, Philippe Dugre, also was in the car but managed to leap to safety. He was reported not severely injured.

Killed in the accident were Mrs. Dugre, 45, Fernand, 18, and Gilles, 18.

Captain Blames Panic For Loss Of Freighter

NEW YORK (AP) — The captain of a storm-sunk freighter Wednesday blamed the loss of his ship on the panicky abandonment of the vessel by its crew.

Capt. Frederick Mobile, 59, of New York, testified for a second day at a three-man court martial hearing into the sinking of the freighter Smith Voyager Dec. 27. The ship broke up about 700 miles from Bermuda with the loss of four lives.

"Do you think the ship could have been saved if more men had remained aboard, particularly more engineers?" Mobile was asked.

"Yes, definitely for the engine room had stayed dry," the skipper replied.

Mobile said he had ordered four of the crew into a life boat to keep it from smashing apart against the side of the Smith Voyager. Unknown to him, he added, the other 54 of the crew also piled into the life boat.

"Did you make any effort to keep the crew aboard?" he was asked.

"I only gave orders for four men to get into the boat," Mobile said. "If we had more seamen and less actors we could have brought the ship to a safe place."

"ABANDONED SHIP"

"Is it your contention that most of the crew abandoned ship?"

"Yes, sir," Mobile replied. "I didn't give the order to abandon ship."

A dramatic series of photographs, taken by a German seaman on a rescue merchantman, show the freighter's crew scrambling in the swamped lifeboat and clinging to it after it capsized.

The photographs were made available to the Long Beach (Calif.) Press-Telegram by the merchantman arrived Monday and were distributed by The Associated Press.

The coast guard board asked Mobile "how do you account for 38 people going into a lifeboat?"

"When a panic starts, they go," the skipper replied.

Capt. H. R. Tilley Heads 7th Sqdn.

OTTAWA (CP) — Capt. Harold P. Tilley, 41, of Ottawa and Halifax, will become commander of the 7th Canadian Helicopter Squadron at Halifax later this month the defence department announced Wednesday.

He now is captain of sea training on the staff of the flag office Atlantic Coast at Halifax.

HELD AT AIRPORT

Federal Bureau of Investigation agents arrested the former U.S. army sergeant and now a millionaire living in Canada as he stepped off an airliner that brought him from Mexico.

J. Myers Cole, FBI agent in charge here, said Stonehill was arrested on a June 23, 1964, warrant issued by a U.S. court in the southern district of New York.

Fire Damages Blanket Firm

GRANBY, Que. (CP) — Fire of unknown origin Wednesday caused an estimated \$100,000 damage to the Edmund Hill Blanket Company in this community 50 miles southeast of Montreal.

There were no injuries.

Police said the fire started at 8:30 a.m. and late in the afternoon some 30 men were still pouring water on the smouldering ruins of the four-story building.

"At the height of the blaze the roof collapsed."

BRITAIN READIES SUNDAY PUNCH

A Royal Air Force Victor V-bomber drops 35 1,000-pound high-explosive bombs during practice. This official

British photo was released yesterday in London with announcement that a further element of these bombers is in a state of readiness for action if necessary to support Malaysia against an Indonesian attack. Some of the same type planes already are there. (AP Wirephoto by cable from London)

Sir John A. Anniversary Sparks Little Enthusiasm

OTTAWA (CP) — Is John A. Macdonald, Canada's first prime minister, a political embarrassment to his successors nearly 100 years later?

Celebrations next Monday of the 150th anniversary of Macdonald's birth seem to be limited only to Kingston, Ont., where he had his beginnings in the political life of the country.

Little enthusiasm for the event is being shown by either the federal or the provincial governments.

Prime Minister Pearson earlier accepted an invitation to attend a civic-state banquet in Kingston on Monday. But he is continuing his holiday in Florida and sending E. J. Benson, Kingston's Liberal MP and the cabinet's most junior member, to represent him.

Opposition Leader Diefenbaker, who is a devotee of Macdonald's political legacy, plans to go to the dinner if he can the day after his return from a Christmas holiday in the West Indies.

Premier Jean Lesage of Quebec sent his regrets. Premier Robarts of Ontario—whose gov-

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