

Means Test Is Claimed In Pension Legislation

Additional \$30 Provided Needy

OTTAWA (CP) — A government resolution providing up to \$30 a month for needy old age pensioners was approved by a vote of 65 to 18 in the Commons Monday night and followed immediately by first reading of the government's bill.

The resolution was supported by 56 Liberals and nine New Democrats in a standing vote requested by the government. It was opposed by 18 Conservatives.

The vote ended a day-long debate on the resolution, with opposition critics and one government supporter—James Brown (L—Brantford)—complaining that the measure included a means test.

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Mr. Diefenbaker noted that an appeal process is provided that means that statements made by pensioners would not necessarily be used.

"There will be snoots on every hand. The plan couldn't operate otherwise."

The Conservative leader also said all Canadians pay for the pensions and all should get it. There already was a strong indication that income tax would be raised, to meet the added pension costs.

British PM Moves To Invoke UN Trade Bar For Rhodesia

LONDON (AP)—Prime Minister Wilson has ordered Foreign Secretary George Brown to fly to New York today to invoke compulsory United Nations sanctions against rebellious Rhodesia.

The British leader, reporting to the House of Commons Monday night on his collapsed efforts at a compromise solution with Rhodesian Premier Ian Smith, said Britain's UN delegate, Lord Caradon, has called for an early meeting of the UN Security Council on the point.

Wilson gave an account of events aboard the British cruiser Tiger in the Mediterranean during the weekend contradicting the Monday version made public in Salisbury by Smith earlier Monday night.

He claimed Smith, leader of a white-minority government, had agreed to steps to restore legal rule in the breakaway-central African colony even to the point of heading a new and broader-based government with two Negroes in it.

In a packed chamber, Wilson said any agreement reached with Smith would have been underwritten by a treaty lodged with the UN.

"Any breach of this treaty would require us to seek from the United Nations mandatory sanctions," he said, "and not necessarily confined to economic sanctions."

Wilson said he had warned Smith if a second unilateral declaration of independence took place Rhodesia no longer could assume that Britain would rule out the use of force to suppress it.

He said the Rhodesian leader had insisted his regime should continue until the views of majority black and minority white Rhodesians had been tested on whether the projected new constitution was acceptable.

"It was clear," said Wilson, "that if the verdict went against him he would insist on maintaining his present illegal powers indefinitely."

(Smith had seized independence from Britain in November, 1965, rather than submit to British demands for eventual Negro majority rule in Rhodesia.)

REJECTS AGREEMENT

Wilson spoke two hours after the Smith cabinet in Salisbury rejected the provisional agreement the cruiser Tiger in their 48-hour Mediterranean encounter.

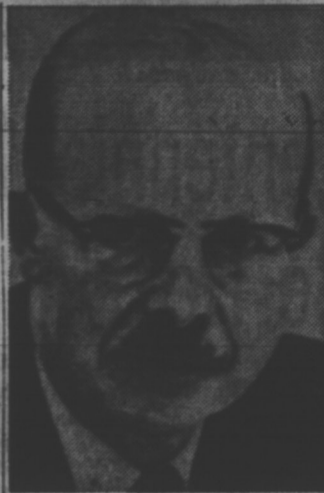
The Rhodesian leader had been warned, Wilson said, certain inevitable consequences would follow a rejection.

Edward Heath, leader of the Opposition Conservatives, commented when Wilson had completed a prepared statement:

"It will be a bitter blow to millions in this country and far beyond that it has not yet been possible to reach a negotiated settlement."

To this Wilson replied:

"The only sacrifice we asked him (Smith) to make was the sacrifice, not of independence, but of the surreal dream-world of white-minority independence recognized by no one except themselves (the white Rhodesians)."



MR. DENNISON

Toronto Has New Mayor

TORONTO (CP) — William Dennison was elected mayor of Toronto Monday in the only major upset of elections held throughout Metropolitan Toronto.

Mr. Dennison, a veteran member of the city's board of control, took an early lead over Mayor Philip Givens and built on it, steadily. Controller William Archer placed a strong third.

Mayor Givens conceded the election two hours after the polls closed and wished the new mayor "all the luck in the world."

Plans For Divorce Denied

NEW YORK (AP) — Ailing Hutton denied Monday she plans to divorce her seventh husband, Prince Raymond Doan Vinh of Laos.

The much-married American multi-millionaire was carried from a plane from Paris in the arms of a friend, Colin Frazier. She was cordial with reporters until asked whether she had left the prince a \$3,000,000 cheque as a divorce settlement.

"No," she snapped.

"Then there are no plans for a divorce?"

Miss Hutton answered: "That's correct."

Miss Hutton stopped at Kennedy Airport en route to Mexico City where friends had said she planned to get a divorce.

She said the prince "is coming after me" to Mexico.

British-Approved Pact Scorned By Rhodesians

SALISBURY (AP) — Rhodesia's white-minority government has scorned the British-approved pact for ending the Rhodesian crisis.

Revealing for the first time that the pact called for British control of the Rhodesian armed forces, Prime Minister Ian Smith announced the rejection Monday night to 1,800 cheering white Rhodesians and vowed: "The fight goes on."

The decision hit London as Prime Minister Wilson's government was holding talks with Commonwealth high commissioners on Britain's next step in the dispute — requesting the United Nations to impose mandatory trade sanctions on Rhodesia.

The "conditional agreement on the future of the African colony, whose regime seized independence from Britain last year, was signed by Wilson and Smith aboard the British cruiser Tiger in the Mediterranean off Gibraltar around midnight Saturday."

Wilson hurried back to London and won his cabinet's approval of the Tiger pact Sunday, clearly with the idea of putting the onus on Rhodesia for any rejection. Wilson made clear at the time he wanted a prompt yes or no from Salisbury.

POWER FOR GIBBS

Furthermore, Smith continued, the governor would be given power to appoint cabinet ministers, including no less than five from outside the government's Rhodesian Front party "and no less than two of whom must be Africans (Negroes)."

Another point was that the Rhodesian Parliament would be dissolved and the legislative powers would be invested in

Islanders Involved In Crash

TORONTO (CP) — A young member of a folk-rock band from the Maritimes and a Toronto construction worker were killed Monday when a van crashed into a guardrail on the Queen Elizabeth Way.

Dead in Gordon Fredericks, 26, of RRI Boutilliers Point, Halifax County, N.S., and Matteo Pasculli.

The driver of the van, Willard Keith Coffin, 31, of Charlottetown, and another member of the five-man band known as The Outcasts, Douglas MacLean, 34, of Halifax, are in serious condition in Toronto Western Hospital.

Three of the musicians, Ronald Dillman, 18, of Halifax; Barry Harrison, 16, of Charlottetown; and Brian Morrow, 20, of Sydney, N.S., were taken to hospital and later released.

Construction workers installing the guardrail on the median strip of the highway said the truck skidded into the west end of the rail. It was sliced open by the steel railings before it hit a construction worker, throwing him about 25 yards.

25-YEAR PIN PRESENTED

The Charlottetown Branch of the Royal Canadian Legion held its Christmas party last night. During the evening Mrs. Gladys Bent, president of the Women's Auxiliary, was presented with a 25-year pin by Legion president, Charles Ryan.

MR. SHAW COMMENTS

Premier's Suggestion Is Described As Absurd

Walter R. Shaw, leader of the opposition, last night described the idea of appointing a Royal Commission as absurd.

Mr. Shaw was commenting briefly on a statement made Monday by Premier Alex Campbell who said he was aware of "public confusion created by the remarks of Dr. J. Cyril Sinnott." Dr. Sinnott, M.L.A., represents the Fifth District of Kings.

Premier Campbell had said "should the opposition, through the leader of the opposition, express agreement with the statements made by Dr. Sinnott, then the government will give consideration to the appointment of a Royal Commission to investigate and report to the public with respect to the causes of the financial difficulties at Georgetown."

"I think the whole idea is absurd. If the premier wants to have a Royal Commission then that is his own business," stated Mr. Shaw.

CAME AS KNOCK

"The activity of the government in closing the plant (Gulf Garden Foods Limited) has been a distinct shock to me and a blow to further industrial expansion of the province," said the leader of Prince Edward Island's Progressive party.

NOTES CONCERN

The premier went on to say "I am aware of the growing concern of the general public, expressed editorially in newspapers that the government is not providing enough detailed information about the finances and problems at Georgetown."

"I have suggested on previous occasions that it is not appropriate at this time to make public the details of the external audit and other matters, which have contributed to the present problems at Georgetown."

"I am convinced that if negotiations are to be continued in good faith with Mr. Moo, his (Continued on page 3 col. 3)

Offawa At A Glance

MONDAY, Dec. 5, 1966

Health Minister MacEachen introduced legislation providing a supplementary payment of up to \$30 for needy old age pensioners.

Opposition Leader Diefenbaker proposed an amendment asking that the government increase the flat pension to \$100 a month.

NDP spokesman Stanley Knowles supported the Conservative move, saying it would cost no more than the government plan.

Prime Minister Pearson said the government plans an announcement shortly on the Cape Breton coal industry.

Mr. Diefenbaker said the immigration department has ordered the deportation of two Yugoslav seamen who sought political asylum in Canada.

Mayor Don Reid was re-elected for a three-year term in civic elections.

TUESDAY, Dec. 6

The Commons meets at 2:30 p.m. to resume clause-by-clause study of the government's medical care legislation. The Senate stands adjourned until Dec. 13.

Vast Storm In Western U.S. Piles Up Heavy Snow Drifts

SAN FRANCISCO (AP)—Rain and snow, whipped by violent winds, whirled across the western U.S. Monday as a vast storm piled up drifts in the California Sierras.

In Juneau, Alaska, winds of more than 115 miles an hour ripped off a section of roof from a warehouse of the Alaska Steamship Co., causing damage estimated at \$35,000. But other damage was slight.

Travellers' warnings of heavy mountain snows were in effect for the Sierras of central and northern California and the mountains of Utah, Nevada and southern Idaho. Heavy snows fell in the Cascade Mountains

Higher Taxes And Austerity Hinted In Manitoba Speech

WINNIPEG (CP) — Higher taxes and a touch of austerity in government spending appeared likely for Manitobans as the first session of the 28th legislature opened Monday with the speech from the throne.

As expected, the speech said nothing about a retail sales tax and did not state that any new levies would be introduced.

But the province's revenue position was presented starkly in a section of the speech roundly criticizing the federal government for its new tax equalization program which, it said, did not include the recommendations of the tax structure committee.

"In the situation thus created... my ministers must ask you to consider the serious problems of rising costs for education, health and other services... the budget proposals to be placed before you will make clear the necessities of the situation to be faced."

The speech, read by Lt.-Gov. Richard S. Bowles, devoted a page of the five-page address to the October federal-provincial conference which it described as "abortive" and said it has caused item-by-item review of departmental spending.

"This will make it possible to effect downward adjustments of services and the rescheduling of new programs that may be called for in the light of the revenues available to the province."

It added that Manitoba will seek another federal-provincial conference "at an early date" to try again for better terms.

SOME BELT-TIGHTENING

Although the speech forecast a general belt-tightening, it also predicted "a most substantial increase" in spending on education.

This is to provide for generally increasing costs and to permit the province to take over a greater share of the education costs from the local taxpayer.

The speech said a new cost-sharing formula and foundation grant program will be recommended to facilitate the shift.

Railway Rate Threat Feared In Maritimes

HALIFAX (CP)—The chairman of the Halifax port commission warned Monday that proposed federal railway legislation could have sinister implications for the economy of the Atlantic region.

J. W. E. Mingo told delegates to the Atlantic Ports Day conference that the pending freight rate legislation is "all in favor of the railways."

"If we in the Atlantic provinces are to share in the national development of the country, we must expand our secondary manufacturing base and it is very difficult to do this when freight rates favor central Canadian producers."

The Maritime Freight Rates Assistance Act currently permits a 30-per-cent discount on goods travelling east-west in an area east of Lewis and south of the Cape Diamond line in Quebec.

This allowance was designed to give price parity to Eastern

Pension Fund Report Given

OTTAWA (CP)—The armed forces' pension fund earned twice as much in interest last year as it paid in pensions.

A written Commons reply tabled Monday said the fund held \$2,194,209,822 as of last March 31. Interest in the preceding year, paid at four per cent, was \$83,251,648 while payments totalled \$38,945,752.

The information was requested by Stanley Knowles (NDP—Winnipeg North Centre).

Docto Reveals Fresh Layoffs

SYDNEY (CP) — Dominion Steel and Coal Corp. Monday announced additional layoffs at its steel plant here as a result of declining steel orders.

A company statement said 200 to 300 employees would be laid off because "export and domestic orders that were anticipated are not materializing."

The announced cut is over and above 144 men laid off during the weekend because of falling demand for steel.

Island To Share Park Expansion

HALIFAX (CP) — A number of future national parks have been delineated so that the most intensive national park development in 35 years may be centred in the Atlantic Provinces.

B.L.M. Strong, regional national and historic parks chief, said Monday night.

He was addressing the annual meeting of the Conservation and Outdoor Recreation Association of Nova Scotia.

Dr. David Benson, newly-elected president, spoke of the growing attack on the dwindling national seashore and said there was no need for removal of beach sand or gravel because there are sufficient deposits of glacial sand and gravel in land areas.

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BRITON SAILS ALONE TO SYDNEY

Lone British yachtsman Francis Chichester, 65, sails his ketch, Gipsy Moth IV, through heavy seas Monday in Bass Strait between the Australian mainland and the island state of Tasmania as he nears his destination, Sydney.

He waved to seamen who flew over and seemed happy to see the first faces since he left Madeira, off Portugal 12,000 miles away, more than three months ago. Chichester is expected to reach Sydney late Wednesday. A photographer for the Melbourne Herald made this aerial view. (AP Wirephoto by radio from Melbourne)