

### Nfld. Gov't To Spend 3 Million On Housing Project

ST. JOHN'S, Nfld. (CP)—Welfare Minister Abbott announced in the legislature Wednesday the Newfoundland government plans to spend almost \$3,000,000 on a 192-unit apartment project for St. John's workmen.

He said 46 units will be built in the centre of the city where slums have been removed. They would contain two, three or four bedrooms and be rented to families earning between \$1,200 and \$3,600 a year.

The rent would be approximately 20 per cent of the tenant's income and would not be based on the size of the family or the amount of room needed.

A family earning \$1,500 would pay \$2 a month.

Cost of this project was estimated at \$675,000.

More than \$2,000,000 would be spent to build 146 units near the city's modern Elizabeth Avenue section.

There would be 40 four-bedroom units, 76 three-bedroom units, 10 two-bedroom units and 10 one-bedroom units.

The one-bedroom units would be for older married couples without children. All would be rented to those in the \$1,900 to \$3,600 income bracket for about 20 per cent of their salary.

Both projects would be carried out under a federal-provincial partnership agreement with Central Mortgage and Housing Corporation.

"It is hoped that bids for construction can be called immediately so that work can commence early in the spring of this year," Mr. Abbott said.

Since 1949 the government has helped build 400 dwellings for workmen.

### INTERPRETING THE NEWS

#### British Get-Tough Money Policies Bring Protests

By ED SIMON  
Canadian Press Staff Writer

The British government's rejection of a request by London's bus drivers for a committee of inquiry into their claim for a wage increase bears a direct relationship to the recent resignation of Peter Thorneycroft as chancellor of the exchequer.

In their anxiety to heal the breach in Conservative ranks caused by the departure of Thorneycroft and his treasury associates, government leaders have pledged themselves to continue his tough financial policies aimed at curbing inflation and safeguarding the value of the pound.

If the government had given any sign of willingness to countenance a pay increase for employees of a nationalized industry, it would have run into a new storm of protest from the substantial number of its own supporters who sympathized with Thorneycroft in his bid to curb expenditure of public funds.

**OTHER HORN**

But outright refusal to discuss the matter with the bus drivers is likely to thrust the government onto the other horn of its financial dilemma.

The transport and general workers' union is known to have had considerable difficulty persuading the drivers to agree to forgo the regular strike-vote procedure in favor of a committee of inquiry.

Taken on its merits, the drivers' claim to a pay rise is far from incontestable. But the indication that the government intends to fight all wage increases without regard to the issues involved is unlikely to encourage the trade unions to exercise moderation in labor disputes.

In arguing for a rigid ceiling on government expenditure at its present level, Thorneycroft relies

### Old Vehicle Starts P. M. Reminiscing

OTTAWA (CP) — Prime Minister Diefenbaker started reminiscing when he saw the red and blue "prairie schooner" type of wagon-sleigh pull up in front of Parliament's Peace Tower.

"It must have been built before 1890," he said as he examined the yellow printing on the blue tailgate.

The inscription read "G. M. Diefenbaker, builder, Hawksville, Ont." The builder was the grandfather of the prime minister.

"It must be more than 65 years old," he said. "It was built before the old man dropped the 'C' from the family name—about the time of the death of Sir John A. Macdonald."

The sleigh was presented to the prime minister by Tom Bell, MP for St. John-Albert, N.B., and national president of the Young Progressive Conservative Association, and Peter McDermaid of the Dalhousie Law School, president of the Progressive Conservative Student Federation.

Mr. Diefenbaker said he wasn't quite sure what would be done with the sleigh, but he hoped it would be preserved in a historical museum.

The vehicle was found after the 1957 federal election on the farm of David Bauman, near Elmira, Ont., by Kingsley Brown of the Hamilton Spectator.

### WIDOW GETS ALL

NEWPORT, R.I. (AP) — Robert R. Young, rail magnate who was a Newport summer resident, left all his property valued at more than \$6,000,000 to his widow, Anita (O'Keefe) Young, according to his will filed in probate court Friday.

The will of the New York Central Railroad chairman, who shot and killed himself last Saturday in his Palm Beach, Fla., home is expected to be probated Feb. 13.



CHARLES STORKWEATHER ARRESTED

Charles Starkweather, right, is being returned to Nebraska by accused of murder, is led out of nopp, sheriff of Lancaster County, a automobile to face murder the Converse County sheriff's of- Lincoln, Nebraska. Starkweather charges. (CP Wirephoto)



### HAVANA IS GREYNA GREEN

Britain's runaway couple, Dominic Elwes and his heiress bride, the former Tessa Kennedy, honeymoon in a swanky Havana hotel after their marriage in the Cuban capital this week. Elwes, 26-year-old son of a British society painter, and his bride, 19, flew to Cuba from Bri-

tain after Tessa's father obtained court writs to prevent the marriage in Scotland or England without his consent. (AP Wirephoto)

### CCF Speaker Critical Of Gov't Deal With Provinces

OTTAWA (CP) — Deputy CCF leader Stanley Knowles accused the government Wednesday of dealing unfairly with the country by not disclosing its future policy on federal-provincial fiscal arrangements.

In the absence of a clear statement, Mr. Knowles said, there is the suggestion that the Progressive Conservatives apparently will follow traditional policies and abandon the principle of equalization of provincial revenues.

He spoke shortly before the Commons gave final approval to a government bill increasing to 13 per cent from 10 the provinces' share of federal personal income tax revenues and providing \$25,000,000 a year in special grants to the Atlantic provinces.

The proposal, made to the provinces Friday night in telegrams from Prime Minister Diefenbaker and announced in the Commons Saturday, cleared the House after a three-day debate this week and now goes to the Senate.

**DIFFERENCE IN POLICIES**

Mr. Knowles said the Conservatives' traditional policy was to share tax revenues with the provinces, with the result that the large central provinces with big populations and many corporation head offices would get the bulk of tax revenues and the other provinces little or nothing.

The CCF, whose policy was fol-

lowed closely by the Liberals, Mr. Knowles said, called for agreements with the provinces whereby the Canadian tax pot could be distributed fairly to all sections of the country in order that all Canadians could obtain a standard level of services.

J. W. Pickersgill, former Liberal immigration minister, said the country has a right to know whether the principle of equalization payments, devised by the former Liberal government, will be adhered to by the present government. Equalization is an attempt to distribute Canada's wealth more evenly across the country through special federal payments to "have-not" provinces.

The government "is quite content to be judged in what we have done," Finance Minister Fleming said.

Mr. Pickersgill retorted that the Conservatives intend to give Ontario "the lion's share" of tax revenues. The Conservatives "believe they can pay off their friends in Ontario and forget the rest of the country."

**NOT TELLING COUNTRY**

Mr. Knowles said that despite last year's election promises and an unfulfilled pledge to reconvene last autumn's federal-provincial conference early in 1958, the government is preparing for an election without telling the country what its long-term fiscal arrangements policy will be.

Mr. Fleming replied only that "the bill carries forward the equalization principle further than ever before."

Mr. Fleming said it had been impossible to call a new federal-provincial conference this month as planned because of the protracted parliamentary session and because provincial treasurers now were engaged in preparing their budgets.

The interim measure was needed quickly to enable the provinces to plan their spending programs for the coming year.

Jean Lesage, former Liberal resources minister, said the increased share of federal income tax should be offered to the provinces in a way that would not leave open the risk that a decline in the tax revenue would result in a decline in payments to the provinces.

Conceivably, he said, a sharp decline in federal income tax revenues could eliminate any benefit the provinces get from the increased sharing.

Mr. Fleming said if there is any such decline in payments to the provinces, the fault is not with the present government's new proposal but in the Liberal-created tax-sharing formula. There was no floor written into the formula guaranteeing the provinces set payments.

### Jobs Provided For 270,000

TORONTO (CP)—Labor Minister Starr said Thursday night the Progressive Conservative government has provided jobs for 270,000 persons who might otherwise have been laid off this winter.

He said the government program against unemployment included the slowing down of immigration last July, an extra \$300,000,000 spent on housing which brought an 87-per-cent increase by December of last year compared with December, 1956, cash advances for grain and subsidies to the Britannia mine in British Columbia.

Mr. Starr said in a speech re-

### Says Cuban Showgirls Flown In To Entertain Jimenez

CARACAS, Venezuela (AP)—A Venezuelan airline pilot said Friday ousted dictator Marcos Perez Jimenez flew in Cuban showgirls for entertainment at his luxurious La Orchila Island hideaway.

The pilot, Capt. Ramon Castillo Mena, took reporters to the island 100 miles northeast of Caracas to see the \$4,000,000 resort. The layout includes 23 modernistic redwood bungalows, swimming pools, beaches, a casino, three dance floors and huge dining rooms.

Castillo Mena said about a dozen pretty women were flown in repeatedly from Havana to entertain the fallen dictator and his aides. The pilot said he transported some of the show girls after their arrival in Caracas.

Venezuela's new ruling junta has seized the properties at La Orchila and stationed a guard on the island.

A naval investigating commission headed by Capt. Hector Abdelnopp reported the facilities at the resort included a fleet of expensive automobiles, huge stocks of the finest foods and liquors and extensive wardrobes for women.

**GIRLS BY PLANELOAD**

Francisco Vitale, one of the employees on the island, said "airplanes filled with women and men in the former president's confidence landed almost weekly" at La Orchila.

Another worker, Profeta Eisack, said the celebrations at the island usually ended in "great drunken brawls on the beach."

He said Perez Jimenez feared being poisoned and brought in his own chefs from Caracas for the parties.

### Says Cuban Showgirls Flown In To Entertain Jimenez

ported some of the show girls after their arrival in Caracas.

Venezuela's new ruling junta has seized the properties at La Orchila and stationed a guard on the island.

A naval investigating commission headed by Capt. Hector Abdelnopp reported the facilities at the resort included a fleet of expensive automobiles, huge stocks of the finest foods and liquors and extensive wardrobes for women.

**GIRLS BY PLANELOAD**

Francisco Vitale, one of the employees on the island, said "airplanes filled with women and men in the former president's confidence landed almost weekly" at La Orchila.

Another worker, Profeta Eisack, said the celebrations at the island usually ended in "great drunken brawls on the beach."

He said Perez Jimenez feared being poisoned and brought in his own chefs from Caracas for the parties.

### HFC solves over 1/2 million money problems a year

More people borrow from HFC than any other consumer finance company. Reason: HFC has an 80-year reputation for helpful advice on money management and prompt, friendly service on loans. You can borrow up to \$1,000 from HFC with repayment terms you choose.

TRAVEL AUTO REPAIRS SOLVED HOME REPAIRS MEDICAL BILLS

Modern money service backed by 80 years of experience

**HFC HOUSEHOLD FINANCE**  
Corporation of Canada

117 Queen Street . . . . . Telephone 7395  
150 Great George Street . . . . . Telephone 8517  
CHARLOTTETOWN

### Yanks Smooth Rift At Ankara With 10 Million

By JOHN EARLE  
ANKARA, Turkey (Reuters) — The United States Wednesday smoothed away some of the tension of an American-Iraq rift with a \$10,000,000 donation to the Muslim members of the Baghdad Pact.

The American grant, which still hinges on congressional approval, was made toward a joint communications project by Iraq, Iran, Pakistan and Turkey.

Awni El Khalidy, secretary-general of the five-power pact, said it will be spent on a telecommunications network linking the capitals and chief cities of member countries.

The United States, although not a full pact member, made a donation of \$12,500,000 to the alliance last year. Britain is the only member from outside the pact area.

U.S. State Secretary Dulles' announcement of the donation helped cool ruffled tempers after a heated exchange between the United States and Iraq at a closed meeting Tuesday.

Conference sources said Dulles and Gen. Nuri Al Said, the leader of the Iraqi delegation, became involved in a stormy argument over Nuri's demands that Israel be forced back inside the borders laid down in 1947 by the United Nations.

But Dulles flatly rejected Nuri's arguments, the sources said, declaring the problem should be settled by the United Nations and is not a matter for discussion at the pact meeting.

Dulles held private talks with the delegates of Iraq and Turkey Wednesday in a bid to heal the rift. But Iraq was expected to press for the inclusion of the Israeli problem in the pact's closing communique today.

The pact's ministerial session ended its formal work Wednesday but delegates continued their closed meetings, analyzing the international situation. The conference will end with an open meeting this morning.

Khalidy quoted Dulles as saying that Western aid to Middle Eastern countries is actually several times greater than aid from Russia. He said so-called Russian low-interest rates are unreal because the Soviet Union fixed artificial prices on its goods and the actual cost of its aid is much higher than Western loans.

Soviet figures also included trade exchanges, which were not announced as aid by Western governments, Dulles said.

### Will Name New Chairman In Rail Dispute

OTTAWA (CP)—A new chairman will be named for the federal conciliation board inquiring into the contract dispute between the railways and 140,000 non-operating employees following union protests, it was reported reliably Friday.

The unions have objected to Hon. Charles P. McTague of Toronto, former Ontario Supreme Court justice and former chairman of the National War Labor Board, because of his business connections.

Informants said Mr. McTague is withdrawing from the chairmanship in the light of the 15 unions' complaint to Labor Minister Michael Starr.

An announcement to this effect was expected Monday.

Meanwhile, there was no information on a possible successor, and one well-posted source said none has been chosen.

### Khrushchev Would Agree To Talks Delay

LONDON (Saturday) (AP) — Nikita Khrushchev is quoted as saying Russia is agreeable to postponing a summit meeting if the date proposed by Moscow—within the next two or three months—is too soon for the West.

But the secretary of the Soviet Communist party says he does not like the idea of having a preliminary meeting of foreign ministers. Some foreign ministers are like "midwives who are not interested in ensuring the birth of the child," he comments.

Khrushchev's remarks are contained in an interview with Vevach McDonald, foreign editor of the London Times, published Friday.



Keeping in step with Canada's growth

Yesterday, February 2nd . . . . . marks the joining of the Maritime Microwave network with the Trans-Canada microwave network.

Halifax, Sydney, Charlottetown, Moncton, Saint John and Fredericton now join the existing network extending as far west as Lethbridge, Calgary and Edmonton.

This forward step by The Island Telephone Company Limited increases Long Distance telephone facilities for all telephone users in Prince Edward Island and also provides facilities for Television programs

Completion of the network marks another advance as the Telephone industry keeps in step with the growth of Canada.

**The Island Telephone Company Limited**