



SURROUNDED by fellow members of the City Council who have just been sworn in to office in a body Councillor Allison Gillis takes a separate oath as being elected on a rental rather than property qualification. The oath was administered by His Worship Mayor A. Walthen Gaudet, who was himself sworn in for his second term by Mr. Justice George J. Tweedy of the Supreme Court last week. Shown in the semi-circle around Mr. Gillis and the

Problems Facing Council Outlined By Mayor Gaudet

A meeting with the provincial government this week will be sought by City Council in order to present important civic matters to the cabinet before the Treasury Board has completed its sittings to set the budget for the year.

Heading the delegation from the Council will be Mayor A. Walthen Gaudet while with him will be Deputy Mayor Walter Cox and Councillor H. E. Hyndman, chairman of the finance committee.

Among the matters for discussion, Mayor Gaudet said, will be the problem of the city dump. The situation is "something desperate." His Worship said, noting "we are moving closer to 1964 and there is no much point in asking people to put up decorations and leaving something like that out there."

He said they would ask the government to purchase another site "inland." This would have to be done immediately, he said, as a year would be needed to clean up the present site and make it an attractive area.

FIRST MEETING
The Mayor was addressing the first meeting of the recently elected City Council whom he had just sworn in and to whom he administered the oath of allegiance. Present for the ceremony and also sworn in by His Worship were the three members of the Commissioners of Sewers and Water Supply.

Other matters to be discussed with the government will include the problem of "no man's land," an area adjacent to both the old Spring Park village and the city which was not included in the amalgamation. Children there are being educated in the city schools and Council noted the district is building up as families move into it.

MEAT INSPECTION
The question of inspection of meat sold in the city will also be brought to government attention as a delegation from the Canadian Consumers Association recently waited on the Mayor to ask action regarding the meat sold here which is not killed under government inspection.

Mayor Gaudet stated it was impossible for the city to do anything as such meat was

from animals slaughtered outside the city. He said the only slaughter house here was that of Canada Packers and it was government inspected.

Councillor William MacNeill recalling his own long experience in the meat business said that he believed between 25 and 30 per cent of meat sold here came into the city from outside slaughtering houses. He thought any trouble which might develop would come not so much from the meat itself as from by-products such as liver.

PARK BREAStWORK
His Worship said the delegation would also seek financial

THIS MAN SINGS AT HIS FUNERAL

PETROLIA, Ont. (CP)—Edwin Fletcher, 86, former mayor of this western Ontario town, sang at his own funeral Monday.

A baritone in St. Andrew's Presbyterian Church choir, he had requested that a tape recording of his rendition of The Holy City be played at his funeral.

The tape was played Monday.

Meeting Is Held With Insurgents

PARIS (Reuters)—A top-level meeting between France and the Algerian insurgents aimed at working out a peace agreement in the seven-year Algerian nationalist insurrection took place Monday at a secret rendezvous near the Franco-Swiss border.

Before any public announcement is made of the results of the talks, government sources said, both sides will report to their home regimes and then reassemble next week.

Repairmen Rush Work In Nfld.

By THE CANADIAN PRESS
Repairmen struggled against the elements Monday to restore public services in storm-battered Newfoundland. Damage ran into the hundreds of thousands of dollars.

Telephone and power poles, weighted down by ice and wind-driven snow, toppled like matchsticks. On Bell Island more than 200 poles were down, leaving the Conception Bay Island mining community without electricity. It was expected to be days before crews, reinforced from St. John's, would have service restored.

Also along Conception Bay on the eastern side of the province, 100 poles were down in Harbor Main and another 125 toppled in the Carbonar area.

Canadian National Telegraphs said 30 per cent of its wires were down in one part of the Avalon Peninsula. Superintendent A. C. Ferrell estimated repairs would cost \$100,000.

LINES COATED
Repair crews reported the lines were coated with ice two inches thick. Two-foot icicles hung from the cross pieces.

For about 3½ hours Monday morning telegraph and telephone communications between all of Newfoundland east of Gander and the mainland were broken by microwave damage at Heart's Content.

Snow followed by freezing rain and then rising temperatures blocked many highways and washed out others. Both highway routes between St. John's and Argentea were at one time washed out but one route was later opened. Hundreds of basements were flooded as water cascaded down St. John's streets.

WHERE-TO-FIND-IT

Announcements, notices	10
Births, deaths, etc.	2-10
Classified	10
Comics, features	3
Sport	1
Finance Markets	11
Editorial	6
Prince Co.	2
Summerside	2
Kings Co.	4
City, Queens	4
Women's	7

Federal Works Spending Shows Increase For P.E.I.

Letter Carrier Service Authorized For S'ide

CAPITAL BUREAU OF THE GUARDIAN
OTTAWA — Letter carrier service has been authorized for Summerside and the adjacent community of St. Eleanor's, it was announced here Monday by Dr. O.H. Phillips, member of parliament for Prince.

Forms will be distributed to the patrons concerned, asking them to provide the necessary facilities for the receipt of their mail. They will also be advised that service will not commence until 80 per cent of the homes

CURLER SUFFERS MATCH MISHAP

NEWCASTLE, N.B. (CP)
It was enough to unnerve the steadiest of competitors. Last year's New Brunswick curling champion, John MacDonald of Campbellton, was barely on the ice Monday morning for the first round of the provincial bonspiel when it happened.

His trousers ripped in the rear.

Envoys dashed off to the nearest store for replacements. In the meanwhile his opponent Gordon Malcolm of Saint John Thistle was rolling up a five in the second end.

MacDonald lost 12-5.

More Than One Million Listed In Estimates

CAPITAL BUREAU OF THE GUARDIAN
OTTAWA — Public works projects totalling more than one million dollars are planned for Prince Edward Island in the 1962-63 fiscal year. This was revealed Monday when Finance Minister Donald Fleming tabled his annual estimates in the House of Commons.

Largest single item is a vote of \$470,000 for the completion of harbor repairs and improvements at Wood Islands. Second largest amount is for a boat harbor at Egmont Bay in the amount of \$102,000.

DIEFENBAKER WOULD GO

U.S. Rejects Red Move For 18-Nation 'Summit'

WASHINGTON (CP)-AP — State Secretary Dean Rusk rejected Monday night Soviet Premier Khrushchev's bid to open the forthcoming disarmament conference with an 18-nation summit meeting. But he left the way open to a top-level gathering later.

Rusk said also he does not think the Soviet release of U-2 pilot Francis Gary Powers "moves us very far in the great issues that divide the Communist and the free world."

The White House disclosed earlier Monday that President Kennedy and Prime Minister Macmillan proposed to Khrushchev last week that the U.S.

CAUSEWAY VOTE

Of special interest to Prince Edward Island is an amount of \$50,000 toward the investigation to determine the feasibility of constructing a proposed causeway across Northumberland Strait. This total includes the opening of a test quarry to determine the availability of the suitable type of rock fill for the proposed causeway. The \$50,000 vote is a split one and shows up in the public works estimates for New Brunswick as well.

OTHER PROJECTS

The other Prince Edward Island projects planned for the coming fiscal year are: Alberton harbor improvements, \$83,000; Annandale harbor repairs, \$34,000; Bay Fortune, wharf repairs, \$29,000; Graham's Pond, improvements, \$45,000; Jude's Point, improvements, \$46,000; Launching Pond, breakwater extension, \$41,000; Miminegash harbor improvements, \$50,000; North Lake, landing extension, \$29,000; Rustico North harbor improvements, \$40,000; Summerside harbor improvements, \$66,000. Total value of all 13 P.E.I. projects is \$1,095,000.

NO BUILDING VOTE

However, it is noted that the estimates of the public works department do not contain any vote for the construction of any public buildings in Prince Edward Island. The Island is the only Canadian province which will not have public federal buildings, such as post offices, constructed. Public buildings construction and services ranges from a low of \$180,000 in Newfoundland to a high of \$6,220,000 in Ontario, not including Ottawa where the government plans on spending \$16,225,000 on public buildings in the coming year.

NATIONAL PARK VOTE

The department of Northern affairs and national resources plans to spend \$73,376 less on the Prince Edward Island National Park in the coming fiscal year. The vote for administration operation and maintenance is higher at \$193,088 as compared to \$166,609, but the vote for construction or acquisition of buildings, land, works or equipment is down from \$367,635 last year to \$267,200 in the coming fiscal year.

New Record Expected In Federal Spending

OTTAWA (CP) — An increase in federal spending to record levels was indicated Monday as the government put before Parliament a basic program of \$6,276,211,594 in budgetary expenditures for the coming fiscal year.

The blue book of spending estimates, tabled in the Commons by Finance Minister Fleming, is just a beginning for the 1962-63 year starting April 1.

Another \$736,700,000 in estimated costs of enlarged old age pensions program will boost the basic over - all spending forecast to \$7,012,911,594. Supplementary outlays as the year progresses could add many millions to that.

The basic budgetary spending program compares with one of \$6,123,758,182 put before Parliament in January last year for the 1961-62 fiscal year. Old age pensions, not counted in budgetary expenditures, boosted this to \$6,730,328,182 in total spending.

NEW TAX DEAL
The increase of \$282,583,412 in over-all spending would be much larger if it were not for the new Dominion - provincial tax deal this year which ends tax-rental payments to the provinces. The saving on this is an estimated \$279,300,000, and tax revenues will be down by a corresponding—possibly greater—amount as the provinces begin levying their own per-

BALLOON SPENDING

Pensions, administered separately from budgetary accounts, are financed by special three-per-cent income taxes of personal and corporation income taxes under the new deal.

Monday's blue book lays the foundation for Mr. Fleming's budget speech—the statement of government tax and financial policy which will come before or after the next election. The finance minister hasn't said which it will be.

The degree to which the total spending program of \$7,012,911,594 may be inflated by supplementary expenditures as the 1962-63 year progresses is seen in the record of the current year. The original 1961-62 program has so far been boosted by \$355,888,112 in supplementary outlays to a total \$7,086,216,289.

In his last budget speech June 20, Mr. Fleming forecast actual spending of \$7,021,570,000 including old age pensions.

The pensions, paid to all aged 70 and over, aren't included in the estimates of budgetary expenditures. With the new \$10 increase to \$65 a month, combined with increased numbers of pensioners, Health Minister Monthey estimated last week the program's cost will rise to \$736,700,000 next fiscal year from \$696,570,000.

Magdalen Is. Youth Loses Life In Blaze

GRINDSTONE, Magdalen Islands (CP) — A 17-year-old youth perished in a fire Monday which wiped out a section of the main business district in this Gulf of St. Lawrence town early Monday.

Dead is Ron Gaudet who resided with his family in the Aberdeen Hotel, one of the buildings destroyed.

High winds quickly spread the flames, engulfing the Aberdeen and Gaudet hotels, a dry goods store, a grocery store, a vacant store and a barn. The town's fire department and residents could do little to prevent the spread.

Early reports did not indicate in which building the fire started or its cause.

Residents of apartments over the dry goods and grocery stores escaped.

About 15 persons were in the hotels. Most of them were permanent residents, including the owners and their families.

At 4 p.m. the ruins were still smoldering in the centre of the town. The fire also disrupted telephone communications with the islands as well as outside circuits. Grindstone's power was also cut.

The islands, which exist on a fishing economy, are 100 miles north of Charlottetown.

John L. Marks 82nd Birthday

WASHINGTON (CP)—John L. Lewis, once the top U.S. labor leader as the founder of the CIO, celebrated his 82nd birthday Monday. Lewis retired two years ago as president of the United Mine Workers but still remains active as chief trustee of the union's big welfare fund.

Parliament At A Glance

By THE CANADIAN PRESS
MONDAY, Feb. 12, 1962
Finance Minister Fleming tabled 1962-63 spending estimates totalling \$6,276,211,594 and indicating another record spending year.

Associate Defence Minister Sevigny admitted that he was wrong in pinning a Communist tag on the governments of British Guiana and Ecuador.

Prime Minister Diefenbaker announced a appointment of Charles Ritchie, 56-year-old diplomat, as Canadian ambassador to Washington.

Legislation authorizing the CNR to build extensions to Alberta and Manitoba mineral developments went through the first stages.

Bills were introduced extending the scope of civilian war pensions and broadening education assistance to children of war dead.

The Senate gave second reading—approval in principle—to three of the government's four new pension measures.

TUESDAY, Feb. 13
The Commons meets at 2:30 p.m. EST to debate government legislation. The Senate sits at 3 p.m.



OH YEH!
Trooper R. D. Clover (left) of Bow Island, Alta., is only four feet eight inches in his army boots but he doesn't let his size prevent him from an argument with anyone.

Here he holds his own with Cpl. C. E. Defoe of Creston, B.C., at the Special Militia Training Unit in Medicine Hat, Alta. Trooper Clover is a member of the South Alberta Light Horse and the militia armored regiment claims he is the shortest soldier in Canada's reserve army. Cpl. Defoe is with the Royal Canadian Engineers.

26 Are Known Dead In Three-Day Storm

LOS ANGELES (AP) — Three San Diego boys were suffocated in a cave-in and parked cars were cascaded down a Hollywood street Monday as southern California's six-day rain storm reaped its final toll before subsiding.

The suffocations brought to 26 the total of known and presumed dead in the storm. On Sunday two persons were killed by mud slides that crunched into their homes.

Intermittent sunshine followed pre-dawn cloudbursts that created lakes up to seven feet deep in Los Angeles areas. The weather bureau forecast only partly cloudy skies through today. But a new storm may bring an inch more rain between Wednesday and Saturday.

Meanwhile, floods that hit broad areas of Idaho, Wyoming and Utah drove hundreds from their homes. Cattle were drowned and highways were cracked.

The California cave-in occurred in a rain-softened, sandstone ocean-front cliff at the San Diego suburb of Ocean Beach. Killed were Glenn Halstead, 14; George Stanley, 15, and John Finlay, 14.

Steve Vesley, 13, who managed to dig himself out, said the boys dug the cave during the Christmas holidays for a meeting place.

In the Los Angeles area a raging torrent of water stranded 150 residents in the hills above suburban Sunland. Firemen shot a line across 100 feet of boulder-strewn rapids to deliver food and medical supplies, a basket at a time.

Letter Seeks Ransom For Return Of Bonds

JOLIETTE, Que. (CP) — Police said Monday they are trying to trace a letter sent to a 69-year-old Joliette widow by a man claiming to have taken the \$42,500 worth of bonds stolen from her house last month.

The letter, purporting to be from an address in the Montreal suburb of Verdun, demanded \$20,000 in quarters for the return of the bonds.

Police declined to give the name with which the letter was signed. They also declined comment when asked if the letter might be a hoax.

The bonds taken from Mrs. J. Menard Lafortune, widow of a prominent Joliette businessman, were bearer bonds that require no endorsement when they are cashed, traded or offered as security.

They were part of the property left to Mrs. Lafortune by her husband. Their serial numbers have been sent to financial institutions throughout North America and Western Europe.

Mrs. Lafortune kept the bonds in a fibre-board suitcase under her bed.

The bonds apparently were stolen Sunday, Jan. 21, while Mrs. Lafortune and her sister, Miss Armandine Laliberte were at mass in Joliette, 35 miles northeast of Montreal.

The theft was not discovered until Feb. 1, when Mrs. Lafortune opened the suitcase to find a few coupons that had come due.

Estimates Highlights

- Signs of record government spending in the 1962-63 fiscal year.
- Budgetary spending estimated at \$6,276,211,594 against 1961-62 year estimate of \$6,123,758,182.
- Future additions for 1962-63 in supplementary estimates; possibly \$40,000,000 for water works, maybe another \$42,000,000 in Prairie acreage payments, added veterans' benefits, other outlays.
- Biggest cut: \$279,300,000 in scrapped tax-rental payments for provinces.
- Federal share of national hospital insurance up \$35,000,000 to \$325,000,000.
- University grants up \$6,305,500 to \$26,305,000 with recent increase in per-capita amount.
- Penitentiary construction nearly double at \$10,644,000.
- Family allowances up due in population growth; by \$13,000,000 to \$356,000,000.
- Public debt charges up \$13,056,844 to \$788,181,300.
- Defence spending up \$60,155,023 to \$1,675,792,172.
- Wheat storage costs down \$19,000,000 to \$30,000,000.
- Works department estimates down \$4,463,343 to \$217,451,000.
- Subsidy of \$14,000,000 to CNR for Great Slave Lake railway.
- CBC radio - TV operating grant up \$4,576,000 to \$74,984,400 and capital grant up by \$632,000 to \$10,572,000.
- Preliminary \$5,700,000 for planning 1967 centennial.
- Federal half-share of provincial unemployment relief costs up \$43,134,000 to \$68,350,000.