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The Guardian

Clear becoming overcast in the afternoon; snow beginning by evening; milder, light winds, Low-high 5 and 20.

"Covers Prince Edward Island Like The Dew"

CHARLOTTETOWN, CANADA FRIDAY, JANUARY 4, 1957

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Fuel Shortage Threatens In The Annapolis Valley

By THE CANADIAN PRESS
A fuel shortage threatened Nova Scotia's Annapolis Valley. The grain industry began to wait and hope that export requirements would not be affected.

These were the major effects reported Thursday 24 hours after 3,000 locomotive firemen employed by the Canadian Pacific Railway went on strike and the CPR closed down its operations in eight provinces.

Coal and oil stocks in the Annapolis Valley, already depleted by zero temperatures, began dwindling further in towns along the Dominion Atlantic Railway, a CPR subsidiary. Dealers reported six to 10 days' supply of oil and coal. At the big RCAF base in Greenwood, N.S., only a five-day quota of fuel oil was on hand.

Trucks were marshalled to transport fuel but many communities fear it would be inadequate if the strike is prolonged.

In Winnipeg a grain trade source said the strike has halted grain shipments from some 1,000 prairie points and paralyzed ship-

ment of 9,500,000 bushels already in transit.

Officials of the Canadian wheat board would not comment on the possible effects on exports, farm deliveries or quotas.

CONDEMNNS STRIKE
Premier D. L. Campbell of Manitoba denounced the strike. He said the interests of "the forgotten public" were paramount, overriding any rights of the company or union.

In Vancouver seafarers, longshoremen, teamsters and other unions represented in the Vancouver Maritime port council pledged "all-out support" for the striking firemen. It threatened a tie-up of the CPR's Pacific Coast steamship services.

Unemployment insurance commission officials in Ottawa estimated about three-quarters of the 73,000 CPR employees thrown out of work by the strike would be eligible for out-of-work payments. This means that after the customary one-week waiting period the country's \$917,000,000 unem-

ployment insurance fund will be depleted at the rate of at least \$1,000,000 a day—not counting benefits paid to other workers indirectly affected by the strike.

LAY-OFFS BEGIN
Lay-offs were threatened among 2,000 longshoremen at the CPR eastern terminal in Saint John, N.B., among construction workers in Ontario's uranium fields, among grain elevator operators at the head of the Great Lakes.

No food, fuel or communications crises have yet been reported from any of the communities which are isolated on the CPR line, although all are apprehensive. CPR officials said telegrams to and from these centres will be relayed through towns with telephone offices not in railway stations.

Neither union or railway officials have planned any special relief to the isolated communities, although the railway said it would give fuel to hospitals and schools in emergencies as long as its own supply lasts.

Says Rot Threatens Potatoes In Maine

FRESQUE ISLE, Me. (AP)—A potato industry spokesman said Thursday that many of the potatoes remaining in Maine storage are in danger of rotting because of a field frost last Oct. 12 before they were dug.

But Frank W. Hussey, executive vice-president of the Maine Potato Council, said quick detection of bad spuds will save good ones in the same bins. In a survey, he said that despite heavy damage there would not be a dearth of table potatoes in the United States.

Maine harvested more than 40,000,000 bushels.

Potatoes brought \$2.25 a barrel (165 pounds) in Aroostook County Thursday, close to the same as last year on this date.

CABINET WILL MEET AGAIN MONDAY

Federal Gov't Has Not Yet Decided On Strike Action

Tension Seen As Congress Meets

WASHINGTON (AP) — A new United States Congress that faces foreboding foreign policy problems and a touchy civil rights issue opened for business Thursday. Democrats took control after a dramatic moment of Senate uncertainty.

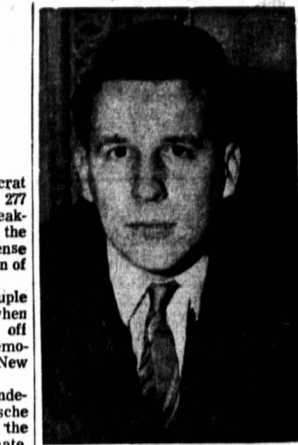
Behind a facade of the customary goodwill and harmony of opening day, touches of tension were apparent over the grave question of granting President Eisenhower's request for power to send American troops into a hot spot against any Communist aggression in the Middle East.

Out of the first round of activity of the 85th Congress came a decision that the president will address a joint session of Senate and House of Representatives Saturday.

First, the Senate is going to put in seven hours today leading up to a climactic vote at 6 p.m. EST. The result will determine how far a band of northern and western senators of both parties will get in rewriting the rules and curbing the filibuster — and thus make it easier to push through civil rights legislation.

Even members of the coalition conceded it was a pretty futile fight. In the lineup against the civil rights legislation were the rival party leaders of the Senate, Democrat Lyndon Johnson of Texas and Republican William Knowland of California.

GUN FOR IKE
Some members of both parties already are gunning for Eisenhower's proposal to fight if need be to defend the Middle East against Communist attack. Yet the president is expected to get just about what he wants in the way of foreign policy support as the session of Congress winds into the summer.



ALSO DIPLOMAT

Geoffrey Pearson, 23, son of External Affairs Minister Pearson, also is in Canada's diplomatic service. He is stationed at Paris as second secretary in the Canadian embassy. His specialty is keeping Ottawa informed on French domestic politics.

CP form AP

Prime Minister Says He May Have Decision By Next Week

OTTAWA (CP) — The federal government has not yet decided on any action in the CPR firemen's strike, Prime Minister St. Laurent indicated late Thursday after morning and afternoon cabinet sessions.

"Whenever we have decided on any measures that would affect the duration of the strike, I'll be happy to announce them," he told reporters at the end of the sittings.

He said the cabinet will meet again Monday morning—the day before Parliament reassembles—and there might be something to announce after that session.

The prime minister refused even to admit that the cabinet—meeting immediately on his return from a Quebec City holiday—had discussed the crippling tie-up of the CPR's trans-continental system that started Wednesday.

He had stated before the meetings that he expected to receive a report from Trade Minister Howe and Labor Minister Gregg, who made attempts to get the CPR and its union into agreement.

The appointments would be announced shortly, he said.

Mr. St. Laurent went into session with the cabinet 1½ hours after stepping off the train that took him here from Quebec City.

In response to another question, he said it probably would take longer to build new lines into points served by the CPR than the "stubbornness" of those involved would last.

The prime minister did not elaborate on the remark.

HAVE SERIOUS EFFECTS
Of the effects of the strike on the Canadian economy, he said that any major stoppage of work would have detrimental economic effects.

He said the government is going to try to get mail to persons served by the CPR, though he did not say how.

Apart from the rail matter, Mr. St. Laurent said the cabinet agreed on the draft of a speech from the throne to be read by Governor-General Massey at the parliamentary session opening Tuesday and also approved some appointments.

The appointments would be announced shortly, he said.

Mr. St. Laurent went into session with the cabinet 1½ hours after stepping off the train that took him here from Quebec City.

Sterling Area's Reserves Higher

LONDON (Reuters)—The sterling area's gold and dollar reserves rose by \$168,000,000 in December, following Britain's emergency withdrawal of \$561,000,000 from the International Monetary Fund. Announcing the figures today, the treasury said the reserves on Dec. 31 stood at \$2,133,000,000.

This put the reserves \$133,000,000 over what many economists regard as the minimum safety level of \$2,000,000,000.

In the heavy fall of \$279,000,000 in November the total reserves went down to \$1,965,000,000.

Britain's gold and dollar reserves are used to finance the sterling area's trade with the dollar area. All Commonwealth nations, except Canada, are part of the sterling area. In addition, several other countries with currency linked to the pound also are members of the sterling bloc.

Publisher Sees New Boost In Newsprint Prices Unjustified

NEW YORK (AP) — The head of the American Newspaper Publishers Association said Thursday it is hard to understand an increase in the price of newsprint by Abitibi Power and Paper Company "in the light of the large net earnings reported by the concern."

William Dwight, president of the ANPA and president of the Holyoke, Mass., Transcript-Telegram, also said that "publishers in the U.S. will be called upon to increase their newsprint expense in 1957 by approximately \$23,000,000 if other newsprint producers follow the example set by Abitibi."

Dwight's statement was released by the ANPA offices here.

Abitibi, one of Canada's largest newsprint makers, announced Wednesday an increase of \$4 a ton in the printing paper, effective March 1. The boost, making Abitibi's price \$134 a ton, New York, was the first by any manufacturer since a general rise of \$4 a ton a year ago. In the past, an increase by one producer usually has been followed by an increase by all within a short time.

Abitibi said the new rise was made necessary by increased

costs, including higher freight rates. The premium on the Canadian dollar also was regarded as a factor.

Dwight's statement said: "In the light of the large net earnings reported by Abitibi in 1955 and the first six months of 1956, it is hard to understand the \$4 increase in newsprint price effective March 1.

Potato Prices In P. E. I. Advance \$125 Per Car

Potato prices on P.E.I. advanced about \$125.00 per carload yesterday, dealers at Summerside reported. The advance was due to the combined effects of the strike tie-up of the C.P.R. and a period which restricted movement of potatoes by truck, the C.P.R. strike is said to have a direct effect on the shipment of potatoes from a large portion of the potato producing area in New Brunswick.

Potato dealers in Summerside said yesterday that the reduced movement of potatoes during the Christmas and New Year holiday season also added to the factors contributing to market demand and the increased price. They said, however, that with the freezing temperatures prevailing yesterday, few, if any potatoes could be loaded.

Potato Shipments Reported Down

HARTLAND, N.B. (CP)—Rail shipments of potatoes from three centres in the St. John River Potato belt during a five-month period from August to December, 1956 were 23 per cent below the same period last year.

A survey of major potato shippers in Hartland, Bath and Pleasantville shows 63 carloads were moved during the survey period, 77 per cent of the 845 moved between August and September, 1955.

6,000 HOMELESS

BANGKOK THAILAND Reuters About 6,000 persons were left homeless Wednesday when a fire destroyed 500 houses in the town of Pitsanuloke, about 360 miles north of Bangkok.

Increasing Numbers Of British Want To Emigrate To Canada

LONDON (CP)—A London lawyer who is giving up a secure job and a princely salary to emigrate to Canada gave his reasons in a single sentence.

"I've got four children and I think they'll have a better chance in Canada."

The solicitor, who earns £3,000 a year—high by British standards—one of many who have made up their minds to start over again in Canada. In the last two months or so, the number who have done the same thing has caused a tremendous rush at immigration offices across Britain.

Thursday, long lines formed outside the Canadian offices in Mayfair.

Recently the number taking medical examinations has risen to some 6,000 weekly, a big increase over figures under the 1,000 mark in August and September.

MAY GET OUT OF HAND
Canadian officials fear the situation may get out of hand if the

rush continues.

At first, the Canadians in charge of examining and processing the intending emigrants thought it was an artificial stampede, induced by developments in Suez. Now they are not so sure.

A reporter who spoke to several Britons outside the Mayfair office was told Thursday that they had made up their minds before the Anglo-French intervention. In some cases, however, Suez acted as the final straw.

Others spoke of rising prices, financial restrictions and fear of unemployment.

One of the worries most often mentioned is rising prices. In the last few months, there have been significant increases in the cost of a wide range of foods, including such staples as bread, milk, potatoes and sugar.

Fear of unemployment is particularly acute in the industrial midlands, where short-time working is being introduced in many plants.

Calls Newsprint Price Increase Fair, Reasonable

QUEBEC (CP) — A. C. Price, president of Price Brothers and Co. Ltd., said Thursday his company feels the action of Abitibi Power and Paper Co. Ltd. in boosting the price of its newsprint \$4 a ton effective March 1 is "fair and reasonable."

Mr. Price, head of one of the largest newsprint manufacturing firms in Quebec province, said his company "as yet has made no decision" on a price increase.

Donnaco Paper Co. Ltd., said, through a spokesman at Donnacona, 30 miles west of Quebec City, that it has taken no decision with respect to an increase.

Nehru Views Eisenhower Doctrine With Anxiety

LONDON (Reuters) — President Eisenhower's doctrine for the Middle East was viewed with anxiety by India Thursday but received qualified backing from British and West German newspapers.

Indian Prime Minister Nehru was reported worried by the plan which proposes sending American troops to the Middle East if necessary, to repel Soviet penetration and also to grant economic aid to the area.

British newspapers greeted the plan cautiously although the Conservative London Daily Mail urged the United States to "move fast" to bring order to the explosive Middle East.

West German newspapers welcomed the plan but there was some criticism that it did not come before Britain and France decided on their armed intervention in Egypt.

In New Delhi, political circles said Nehru believes intensification of the cold war in the Middle East can only be prevented by filling the vacuum created by the eclipse of Britain and France in the area. He wants the Middle East should be kept free from big power domination.

Proposes 5-Year Development Program For N. S. Agriculture

HALIFAX (CP) — Agriculture Minister Haliburton Thursday proposed a five-year development program for Nova Scotia's agriculture industry which he said would eventually add \$25,000,000 to the industry's value.

He outlined the proposed program at an agriculture conference here and said an effort would be made to increase farm production by at least 10 per cent a year, and production goals would be set in certain fields.

"Our approach to the plan would have to be carefully planned and methodically carried out just as a sales campaign might be by a merchandizing Corporation."

Farms would be classified and divided into categories. Farmers would be taught farm management and representatives of the Agriculture Department would be turned into "reasonably effective farm management experts."

Farmers would specialize in certain fields and attempts would be made to introduce new lines that can be economically developed in the province.

Oil Man Will Risk His Life To Recover Radium

BAHREIN (AP)—Robert Faure, 31-year-old French oil man, threw a party Thursday night.

Fifteen secretaries and merry ruffians were among the merry group. None knew that in 48 hours Faure is going out to risk his life.

He will try to recover a deadly radioactive element from an offshore drilling rig in the Persian Gulf, abandoned in a storm.

If it falls into the sea, the oil detecting element could remain dangerous for an indefinite time.

Faure will not wear protective clothing. If the \$1,000 element is without its protective case, Faure can be fatally burned if he touches it for an instant and can die if he remains within three feet of it for a minute.

The Shell Company's drilling "island," used to probe for oil beneath the gulf, was abandoned by 250 oil workers when the storm hit, but 20 others are presumed dead.

Refugee Ship Docks At Saint John After 13-Day Crossing

SAINT JOHN, N.B. (CP)—The ice-coated Italian liner Castel Bianco slid easily into her berth here late Thursday night but few of the 1,124 Hungarian refugees aboard braved the near-zero temperatures to greet their new homeland.

Except for a thin line of refugees who stood bundled on deck in their familiar leather coats, most were below decks. Many were probably suffering from seasickness after their 13-day journey across an angry Atlantic. No official welcome was planned.

The refugees will remain aboard ship overnight and be disembarked shortly after 8 a.m. today.

The Castel Bianco originally due New Year's Eve, carries 1,100 Hungarians.

About 400 refugees are expected to arrive Monday aboard the Empress of Britain.

The Arosa Star is scheduled to dock Jan. 8 with 850 more Hungarians, putting a heavy strain on Canadian National Railway facilities. They are usually moved to transit centres elsewhere in Canada by Canadian Pacific Railway whose equipment now is tied up by a strike of locomotive firemen.

The CNR announced Thursday that four "freedom trains" will carry refugees from Halifax Saturday and Sunday. An estimated 1,500 Hungarians are scheduled to arrive in the Nova Scotia port aboard the liner Venezuela early Saturday.

The contingent will be broken into groups of 200 each and dispatched to Quebec, Montreal, Toronto, Regina and Edmonton with 300 destined for Winnipeg. Two

Chrysler Reports 1956 Sales Record

WINDSOR, Ont., CP—Chrysler of Canada Thursday announced an "all-time" sales record for 1956.

Chrysler produced more than 100,000 cars for the second straight year and the figure represents an increase of 74.8 per cent increase over two years ago.

President Ron W. Todham said there is not the slightest doubt that retail sales figures will be the highest in the company's 31-year history.

NEW DELEGATION HEAD

LONDON (Reuters) — Allan Noble, new minister of state for foreign affairs, will leave today for New York to assume leadership of the British delegation at the United Nations General Assembly.

Big Asbestos Mining Project Is Planned In Newfoundland

ST. JOHN'S, Nfld. (CP) — Advocate Mines announced Tuesday that a major deposit of high grade asbestos has been blocked out by extensive diamond drilling on its 1,575-square mile deposit concession in northern Newfoundland.

In a statement released here through Newfoundland government Advocate president M. J. Boylen said a \$5,000,000 mill and a \$17,500,000 mining-milling project are proposed.

He said 13,500,000 tons of ore has been established with an estimated grade running in excess of \$8.50 a ton compared with a \$5.75 average grade mined by asbestos producers in Canada in 1954.

The deposit is ideal for open pit mining, he said. The occurrence was near Bale Verte on the Burlington Peninsula between Notre Dame Bay and White Bay on the northeast coast. Mr. Boylen said 12 diamond drilling rigs are operating in a program to expand reserves to 50,000,000.

PROBED 120 HOLES
One hundred and twenty holes had probed 40,000 feet of the deposit and indicated a fibre-bearing peridotite body one mile long and ½ mile wide to date. The favour-

Predict New Government For Hungary Probably Next Month

BUDAPEST (Reuters) — Hungary is expected to have a new coalition government next month if present political plans go through smoothly, usually well-informed sources said here Thursday.

Talks between the Communist party and other political parties about the composition of a new government are expected to begin in about six weeks.

Afterwards, parliament will meet in a special session to endorse the new government and a new prime minister, the sources said.

There was speculation in some political quarters that a non-Communist might take the place of the present Soviet-backed premier—Janos Kadar.

Meanwhile the government newspaper Nepszabadsag said Kadar's Communist party—the Hungarian Socialist Workers' party—has recruited just 103,000 members in its two months of existence.

CAN'T BUILD STRENGTH
The party, established a few days before Russian troops put Kadar in power Nov. 4, has been making frantic efforts throughout the country to build up its strength.

In spite of protests from workers, party recruiting organizations were set up in factories. But, the party has had little success among

the workers and the campaign seems to have produced most members among government functionaries and white collar workers.

It appeared that the outlawed Budapest Central Workers' Council had scored a related victory. The trade union newspaper Nepszabadsag reported that the "preparatory committee of workers' autonomy" had endorsed the idea of workers' councils in "non-productive enterprises" such as the post office and railway.

The Budapest council, ordered dissolved by Kadar when martial law was declared in Hungary, had urged formation of these councils, but had been ignored by the Kadar government.

Political wheels will start turning as soon as the Kadar government announces its long-awaited and twice-postponed policy declaration which, government sources say, will provide the basis for a broader government, including non-Communists.

Immediately after the plan is published, seven committees of experts, including persons belonging to non-Communist parties and independents, will go to work to draw up a program for individual sectors of the country's economic life.

The individual programs will be co-ordinated into one over-all plan and then inter-party talks will start.

OTHERS USUALLY FOLLOW

In the past an increase by one company has been followed by an increase by all.

Abitibi's \$4 increase would make the price \$134 delivered in New York. The Canadian price is customarily \$4 lower.

The last general increase was \$4 a ton and went into effect early last year.

The Quebec legislature at the time passed a bill to set up newsprint production, sales and price controls. The Quebec government, however, has not used the legislation.

The measure provided that price of newsprint to Quebec publishers would be frozen at the September, 1955, level until March 1, 1957. Abitibi's new increase is to take effect March 1.

Premier Duplessis has made no comment on the new increase. It was learned Thursday he may hold a press conference Friday.

TO VISIT INDIA

DAMASCUS, Syria (Reuters) — Syrian President Shukri El Khatib will leave Monday for a 10-day state visit to Pakistan and India. It was announced here Thursday.



BOUND FOR MIDDLE EAST

Soldiers and sailors from all parts of Canada were on board HMCS Magnificent when she sailed for the Middle East recently.

Shown above becoming acquainted prior to the ship's departure were various projects considered among other projects considered were various combinations of British turbo-prop engines and American airframes.

Mr. McGregor said a jet plane's only advantage over the Vanguard would be its superior speed.

"We expect to be able to operate it at remarkably low aircraft miles and seat-mile costs," said Mr. McGregor.

OPEN GAS DRIVE

PARIS (Reuters)—Police Thursday opened a drive against the illegal use of rationed gasoline obtained for essential purposes but used instead for pleasure driving.

BOUND FOR MIDDLE EAST

Reginald Salmon, Saskatoon, Sask., and Cpl. Willard Carruthers of Howland, P. E. I., Canadian Army Photo.