



MORTGAGE being cremated at the annual banquet of the Charlottetown Branch of the Canadian Legion held in the Clover Club last evening. Extreme left, Comrade Charles Sinclair, extreme right, Comrade V.J. Bowlan, pres-

Local Canadian Legion Branch Burns Mortgage At Ceremony

"The Canadian Legion is not a pressure group" stated Major Norman Lowther, M.M., "but... with just cause... is not afraid to stand up to any government." Comrade Lowther was guest speaker at the annual banquet of the Charlottetown branch of the Canadian Legion, held last night at the Clover Club.

Highlight of the occasion was the ceremonial burning of the mortgage. This ritual was carried out very effectively by the branch President, Comrade Vic Bowlan, assisted by Comrade Charles Sinclair.

Major Lowther traced the history of the Legion in Charlottetown, commencing with the for-

ident of the branch. Background, left to right, Lt. Col. John A. MacDonald, Dominion representative; Rev. R. Phelan, R.C. Padre; Comrade Charles Hogan, Provincial president; Hon. A.W. Matheson, Premier of the Province.

Two British Auto Firms On Full Time

LONDON (Reuters) — The all-British automobile industry took heart Thursday in announcements that two major manufacturers — Vauxhall and Jaguar — will return to full-time working next Monday.

Full-time operating is being restarted because a new factory is about to start production.

About 1,800 workers were laid off at Vauxhall's when the Suez Canal crisis and gasoline rationing hit sales. Jaguar Motors returns to full time shifts at Coventry because of big export orders.

Urgent Conferences Held On Crisis In Middle East

UNITED NATIONS, N.Y. (CP) — Secretary-General Dag Hammarskjöld held urgent conferences Thursday on the Middle East crisis as United Nations diplomats were reported working on plans to give him more authority.

There was an air of anxiety among a number of delegates over a possible renewal of the conflict unless Israel hastens her withdrawal.

But Israel was reported standing firm on her resolve to keep her forces in the Gaza Strip and the Gulf of Aqaba until the UN gives guarantees.

Hammarskjöld's latest efforts, in which he is to report today, are said to have reached an impasse. He was reported disturbed by Premier David Ben-Gurion's reiteration in the Israeli parliament Wednesday night that Israel will not withdraw her forces from the two key areas without guarantees.

A number of leading delegates including Canada's L. B. Pearson were reported working on a new resolution to present to the General Assembly extending Hammarskjöld's powers.

This might take the form of the assembly authorizing the secretary-general to send the UN Emergency Force into Gaza and the Gulf to take over from the Israelis.

MUST MOVE AHEAD

Pearson said he knew of no new resolution, but his view has been all along that there must be no return to border hostility.

Canada voted last week for the resolution which reaffirmed the

Gardiner Promises Probe Into Sharp Decline In Egg Prices

WINNIPEG (CP) — Agriculture Minister Gardiner has assured the Canadian Federation of Agriculture he will investigate a recent sharp drop in the floor price for eggs.

In a question period at the CFA's convention here delegate Ken Retzner of Waterloo Ont. asked:

"Could the federal government consider some other means of supporting the floor price on eggs?"

Egg prices, he said, were being quoted in Montreal at 33 cents a dozen by the marketing service, a price considerably below the floor price. The difference would have to come out of the producers' pocket.

Mr. Gardiner replied that there was pressure being put on to bring down the price of eggs in Canada. He would look into the matter on his return to Ottawa today.

Bank Interest This Week Unchanged

OTTAWA (CP) — The Bank of Canada interest rate remained unchanged this week at a record 3.97 per cent.

The new high was reached last week the second consecutive week in which a new record had been set. The rate two weeks ago was 3.95.

The rate now is fixed at one-quarter of one per cent above the week's average treasury bill rate which this week was 3.72.

Army Plans Sweeping Shakeup Of Units For Atomic Warfare

OTTAWA (CP) — The army is getting set for a sweeping atomic shakeup.

First move is a reorganization which would be disbandment of two, possibly three, of 15 infantry battalions and formation of a third armored regiment.

Speculation is that one or two battalions in the Regiment of Canadian Guards and one battalion of the Royal 22nd Regiment (Van Doos) will be disbanded.

The reduction would leave each of the six infantry regiments with two battalions. The Guards, senior regiment though formed in 1853, now have four battalions and the Royal 22nd three. All others — the Royal Canadian Regiment, Princess Patricia's Canadian Light Infantry, Queen's Own Rifles of Canada and Black Watch — have two battalions.

WILL BE FRENCH

One Guards and the three Royal 22nd battalions are French-speaking. One of the four is likely to be abolished but the number of French-speaking units in the army would be maintained by making the new armored regiment French-speaking.

The two tank outfits now in existence are the Royal Canadian Dragoons of Camp Petawawa, Ont. and Lord Strathcona's Horse of Calgary.

An infantry battalion comprises some 800 men and an armored regiment about 800 men and 64 tanks.

The planned reduction of infantry units will still leave the standard nine battalions in the 1st Canadian Infantry Division and three in the mobile striking force. But it would mean disappearance of the 4th Brigade, successor to the force which fought in Korea.

Formation of the new armored regiment will provide each of the three 5,000-man brigades in the 1st Division with their own tanks.

This is a forerunner to the current army plan to break down a division into small combat teams of about 300 men each with its own tank, artillery and mortar support.

Five Children Die In Quebec Fire

JOLIETTE Que. (CP) — Five children died Thursday when fire roared through a clapboard cottage on the outskirts of this town 50 miles north of Montreal.

A sixth youngster was severely burned and the 43-year-old grandmother of four of the victims had to be treated in hospital for shock.

The dead: Serge, Claude, Mannon and Francine Perreault, aged 5, 3, 2, and 1, respectively, and Pierrette Pelouquin 8.

Injured was Andre Pelouquin 11. The Perreault children lived with their grandmother, Mrs. Arsene Perreault, who occupied part of the home of Leo Fleury. She also looked after the Pelouquin children.

Police said the fire apparently was caused by an overheated stove.

Israeli Minister Ill

NEW YORK (Reuters) — Mrs. Golda Meir, Israeli foreign minister, has been admitted to a New York hospital for treatment and observation, the Israeli delegation to the United Nations announced Thursday. Mrs. Meir was taken ill Wednesday. The nature of her illness was not disclosed.

Princess Grace Recovers Rapidly

MONTE CARLO (AP) — Princess Grace nursed her new baby for the first time Thursday and got out of bed twice. Her doctor said she was "delighted" to find that her trim figure has returned.

The blonde, 26-year-old former Hollywood star became a mother Wednesday. The doctor, Emile Hervot, said it will be several days before it can be determined whether the new baby girl will continue to be breast fed. Until the first nursing today she had received only sugar water.

Dr. Hervot told a press conference that the baby, Princess Caroline, gets her looks from her handsome father, Prince Rainier. She "has his expression, that of the Grimaldis," he said.

BEER FOR GRACE

The 376-acre principality enjoyed its second day of champagne celebration but the mother gets a glass of beer with each meal.

"It's good for young mothers and anyway she likes beer," the doctor told reporters.

Dr. Hervot said Princess Grace is recovering rapidly.

Princess Grace and the baby are in a private room in the personal apartment within the palace. Little Princess Caroline lies in a crib which Prince Rainier himself once used.

Dr. Hervot said Princess Grace will be ready to make her first public appearance in about eight days, possibly at a special mass for the baby.

ALL THREE BIRDS KILLING

Magistrates trying poachers Thursday considered the case of a pheasant shot illegally. Key witnesses were Wilfred Partridge and Joe Bird.

CFA Officers Re-elected

WINNIPEG (CP) — All 1956 officers of the Canadian Federation of Agriculture were re-elected Monday to another year's term.

They were: President, H. H. Hannam, Ottawa; vice-presidents, W. J. Paker, Winnipeg, and J.B. Lemoine, Montreal; secretary-treasurer, David Kirk, Ottawa; and federation economist, Dr. E. C. Hope, Ottawa.

German Gen. Will Command NATO Land Forces In Europe

BONN (AP) — Lt-Gen Hans Speidel, dubbed "the charmer" for his ability to talk Hitler out of his tantrums, is about to assume a NATO top command.

The West German defence ministry said Thursday Speidel will become commander of the North Atlantic Treaty Organization's central European land forces. He will be the first German officer to hold such high rank in the Atlantic alliance, to which West Germany is pledged to contribute 500,000 troops.

While formal announcement had not yet been made at NATO's military headquarters near Paris, his selection was considered a foregone conclusion.

The NATO council has already approved naming a German to the post, and West Germany had been asked to make nomination. All NATO defence ministers must give their approval.



LT-GEN. SPEIDEL

Strength Of Armed Forces

OTTAWA (CP) — Strength of the armed forces at Dec. 31, 1956, stood at 117,177, a defence department spokesman said Thursday.

This number is 462 more than at Dec. 31, 1955. During 1956, navy personnel strength declined by 218 to 19,005 while the army's increased by 470 to 47,632 and the RCAF's by 210 to 50,540.

The services added some 1,200 men to their roll-calls in the last six months of 1956 to pull them up from a strength of 115,962 at the end of July, the lowest figure in two years. Peak peacetime strength is 118,077 set in March, 1955.

The manpower ceiling set for the armed forces is 120,000-20,000 for the navy, 49,000 for the army and 51,000 for the RCAF.

Find Body Of Missing Airman

SQUAMISH, B.C. (CP) — The body of FO Roderick Atkins of Vancouver, one of two RCAF reserve airmen missing since the crash of two T-33 jets near here Jan. 13, was found Wednesday.

The body was still in the aircraft seat.

A ground party of 15 men began a concentrated search of the area, seeking the body of Lt. L. Burton H. Patkau of Toronto and Vancouver, the other man aboard Atkins' plane.

MIGS IN SYRIA

JERUSALEM, ISRAEL (AP) — The Jerusalem Post said Thursday Syria soon will have several squadrons of MIG-17 jet fighters and two Soviet-equipped armored divisions. The newspaper said both will be commanded by Russians.



ARCIC TRAIL

ONTARIO WILL PARTICIPATE

Hospital Insurance Plan One Step Nearer Reality

At Least Four Dead, 27 Injured In Factory Fire

NEW HAVEN Conn. (AP) — A dry, dusty factory loft building of 19th century vintage burst into flames Thursday. At least four women down but the other two died there.

The four-story brick building was a shell and one wall was in

hardly pull them apart." Curry said the and other firemen were able to get three women down but the other two died there.

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NOT LIKE PRUSSAINS

Speidel, 59, is the reverse of the fictional picture of the Prussian officer. He is amiable, soft spoken and bespectacled. He looks more like a scholar than a soldier, despite his broad shoulders.

He was nicknamed the "charmer" by his fellow officers of the Second World War. They said he was even able to talk Hitler out of his rages. He is one of the few senior German officers who escaped postwar disgrace or oblivion.

He was arrested in 1944 on suspicion of being one of the plotters to trick the Gestapo and escape execution. At the end of the war he was in hiding.

Speidel served as Field Marshal Erwin Rommel's chief of staff on the western front during the Allied invasion in 1944.

He drafted the terms of France's 1940 surrender to Germany, and became chief of staff of occupied France.

FRENCH LIKE HIM

But he is well thought of in France because he is credited with saving Paris from destruction.

AUSTRALIAN COPPER

Australia's copper production was expanded to more than 4,500,000 in 1956.

Orders Overhaul Of UK Defences

LONDON (CP) — Prime Minister Macmillan Thursday ordered a complete overhaul of Britain's defence program.

He told Defence Minister Duncan Sandys to form a policy — "in the light of present strategic needs" — that would bring about a slash in expenditures and manpower.

Sandys also was told to prepare a plan to reshape and reorganize the armed forces.

Air Marshal Sir William Dickson, a direct descendant of Admiral Lord Nelson, was named Sandys' chief of staff.

The prime minister made the announcement in the House of Commons almost casually while answering questions about military service departments.

Behind the change in military policy are three basic reasons: Acknowledgement that conventional military practices are outdated; Britain's shaky economic situation; the realization that Britain can no longer "go it alone" in military affairs.

Sweeping powers were granted Sandys.

He was empowered to decide on all matters affecting size, shape, organization and disposal of the military forces. He also will have jurisdiction over equipment and supply, pay and conditions of service and research and development programs.

The announcement came on the eve of Sandys' departure for Washington and Ottawa.

WET SEASON

New Zealand had its wettest year on record in 1956, Auckland alone getting a total of 75 inches of rainfall.

Only Two More Provinces Are Needed To Inaugurate Scheme

OTTAWA (CP) — The federal government's proposed national hospital insurance scheme moved a big step towards reality Thursday with Premier Frost's announcement that Ontario plans to participate in it.

But Ontario's acceptance may entail some modifications of the original federal proposal for universal coverage.

The federal offer to share half the cost of a program of hospital care and diagnostic services requires that at least six provinces representing a majority of Canada's population accept it before it can become operational.

Canada's three most westerly provinces accepted it earlier, leaving the scheme now just two provinces short of the federal requirement.

Premier Frost's announcement was followed by a statement in Halifax from Nova Scotia's Health Minister R. A. Donahoe that his government will enter the plan if and when it becomes available.

In Quebec Premier Duplessis said he has no comment on Premier Frost's statement. Since Quebec and Ontario combined have some two-thirds of Canada's population, it is essential to the scheme that at least one of them accept it.

So far only the Social Credit governments of British Columbia and Alberta and the CCF government of Saskatchewan have agreed to the original federal proposal. With Progressive Conservative Ontario now apparently reaching agreement with the federal government on a hospital insurance scheme it is within sight of implementation under a Liberal province as yet accepting it.

Mr. Martin made his Commons statements in reply to questions from Stanley Knowles (CCF — Winnipeg North Centre). He asked whether Mr. Martin was aware that the Toronto Telegram reported Premier Frost would announce the legislation Monday and introduce enabling legislation Tuesday.

He also asked Mr. Martin to comment on the report's statement that there have been certain modifications in the federal proposal.

NO SOURCE GIVEN

The telegram, giving no source, said the Frost plan would cover persons on payrolls with self-employed persons, farm workers, domestic workers and other groups being covered later.

It said Ontario has abandoned its demand that care of mental and tubercular patients be included in the hospital scheme. Both are provincial responsibilities and the federal government has refused to share in them, the paper said.

It added that the Ontario decision of a country-wide federal-provision could lead to establishment of a national insurance scheme by the end of 1957.

Premier Matheson Is Non-Committal

CHARLOTTETOWN (CP) — Premier Alex Matheson was non-committal Thursday on whether his government will sign a hospital insurance agreement with Ottawa.

Told of Premier Leslie Frost's announcement that Ontario is prepared to enter an agreement Mr. Matheson said he was "always interested" and "we've discussed it." "That's all I'll say at the present time."

R. C. M. P. Throw Ground Party Into Search For Lost Plane

FREDERICTON (CP) — RCMP threw a ground search force into the Grand Lake area of Central New Brunswick Thursday in the hunt for a provincial cabinet minister and two civil defence officials missing in a private plane since late Tuesday night.

While police, government and army searchers sought the origin of the smoke seen near the lake by a forestry official, other searchers plunged into the woods at Havelock, about 50 miles away, to check reports of "a crash" heard by two unidentified lumbermen about the time the plane disappeared.

The hunt in the Grand Lake area followed a report by Bill Evans, a department of northern affairs spotter, that "intermittent smoke" was rising in the vicinity of the lake and appeared to be a signal.

An RCMP spokesman in Fredericton said the information "warranted" an intensive search of the area by bulldozer-equipped RCMP officers, soldiers and employees of the New Brunswick forestry service.

"From these suspicious signs," he said, "it appears advisable to have a reconnaissance on the ground as well as in the air."

NO TRACE OF PLANE

Several planes swept low across the area but reported no trace of the single-engine Piper Tri-Pacer. A naval helicopter left here to search along a single-track rail line which ends in Moncton but also sighted nothing.

Missing aboard the plane are Municipal Affairs Minister T. Babbitt Parize, 42; Howard Smith, 36, deputy co-ordinator of civil defence for the province and L. C. Russell, 39, the pilot and civil defence training officer for South-eastern New Brunswick.

Meanwhile, across the province in the Havelock area, RCMP were checking reports of "a crash" about 3 p.m. Tuesday night. The

Liverpool Boy Is Fatally Injured

LIVERPOOL, N.S. (CP) — Lawrenc... died Thursday after being struck by a truck. The accident occurred while the boy was riding a bicycle in Milton. He died in ambulance on the way to a Halifax hospital.

SEAWOLF AT SEA

GROTON, Conn. (AP) — The Seawolf, the United States Navy's second nuclear-powered submarine, was at sea again Thursday for a continuation of her builder's trials. A spokesman at Atlantic submarine force headquarters would not comment on the time of her return or where she is going.