



CREW SWIM FOR IT

Carl Glerum, left, 35, of Honolulu, owner of a 72-foot trawler which went aground in fog early today, struggles to reach shore after despairing of refloating the craft. Waiting at right for an air mattress containing the ship's papers is a member of the crew, Sylvio Martin, of Santa Barbara, who swam ashore earlier with two other crewmen. (AP Wirephoto)

Warns US Trade Practices Irritate Canadian People

SAN FRANCISCO (AP)—Lester B. Pearson, former Canadian Minister of external affairs, said Saturday night "any further restrictions on Canadian exports to the United States would make further defence co-operation more difficult."

In a speech to the American Society of Newspaper Editors convention, Pearson said Canadians are "irritated" both by United States barriers to Canadian goods and by the dumping abroad of U.S. farm surpluses which compete with Canadian wheat.

Pearson said wheat produced a far greater proportion of national income in Canada than in the U.S.

"It is, I think, a simple, though significant, fact that any further restrictions . . . would make further defence co-operation more difficult," he said.

Surplus wheat sold or given away abroad impinges on Canada's wheat markets.

WILL BRING HOWL

"If we lose them—or a large part of them—I can assure you there will be a howl across the border and that our relations generally will suffer," said Pearson, a Liberal member of Parliament.

The Progressive Conservative party recently took power in Canada after an election campaign in which the winners placed great emphasis on trade.

"I know that those in Washington who are directing agricultural policies are doing their best, within the legislation under which they operate," Pearson declared. Canada could not afford "to match your new sales methods, giveaways, easy or tied credits, and acceptance of local currencies."

"Unless Canada could increase exports to the U.S., she 'obviously will have to take some kind of remedial action.'"

"You will understand, therefore, our irritation and worry when our efforts to bring about such an increase meet demands here for further tariff protection against Canadian imports, already so much less than your own exports to Canada."

With a present total of 10,300,000 invested in Canada, Pearson asserted, "the United States now has a great stake, in terms of money alone, in its northern neighbor."

Cardigan Man Dies After Being Found On Highway

The death occurred suddenly, at the Kings County Memorial hospital, following an accident of Aeneas Patrick McGillivray, Cardigan, in his 43 year.

The late Mr. McGillivray was found in a semi-conscious condition early Friday morning, by Aeneas Morrison near the village of Cardigan, he was rushed to the hospital where he passed away early Sunday morning.

He leaves to mourn, his wife (the former Violet McDermid) also four children, Cyril, Gladys, Shirley, and Patrick, ranging in age from one and a half years to ten years.

Chief Coroner for Prince Edward Island, Dr. L. E. Prowse, empanelled a jury which met at the Montague Funeral Home on Sunday at 11 a.m. After reviewing the remains and visiting the scene of the accident, they adjourned to meet at the Canadian Legion Rooms at 8:30 p.m. Thursday, July 18th.

The jurors are: Douglas McGowan, (foreman); Arnold Wightman, Alan Nelson, Kenneth Clements, George Nicholson, John Shaw and Neil Hooley.

Are Promised New Efforts To Find Lasting Coal Markets

HALIFAX (CP)—New efforts to find lasting markets were promised Saturday during a high-level conference called by Premier Stanfield to discuss problems facing the Nova Scotia coal industry.

Results of a closed meeting of government and company representatives were disclosed by the premier Saturday afternoon. Morning talks were open to the press.

Premier Stanfield said his government, the Dominion Steel and Coal Corporation and the Dominion coal board "will keep in touch" on efforts to find markets for the province's coal within Canada.

"It will be a continuing conference in that respect," he said.

Dosco, which mines about 85 per cent of Nova Scotia coal, between 5,000,000 and 6,000,000 tons annually, evidently made few concessions as far as re-opening closed mines was concerned.

Only one mainland colliery, Springhill No. 2, operated by Dosco's subsidiary Cumberland Railway and Coal Co., remains open. Premier Stanfield announced the McBean mine in Torburn N.S. last of the subsidiary Acadia Coal Company's pits, was shut down earlier last week.

MUST BREAK EVEN

"The company is prepared to operate Springhill No. 2 colliery as long as it breaks even, even though there is no profit," the premier said. "No decision was made one way or another on whether McBean will be re-opened."

Still up in the air, apparently, was a final decision on Springhill No. 4 mine where an explosion last November resulted in 39 deaths. Premier Stanfield hinted the mine might be re-opened if new markets can be found for the output of No. 2.

"Company officials are conferring with the Dominion coal board, to try to ensure markets for the output of No. 2 on a sustained basis. This must be assured before expansion of the operation is considered."

H. C. M. Gordon, general manager of Dosco coal operations, said earlier the company can not afford to re-open No. 4.

"There is a market for coal, a large market in Ontario," Mr. Gordon said. "But Nova Scotia coal cannot get into Ontario at a competitive rate."

He said the Acadia Coal Co. in Nova Scotia's Pictou County has been operating at a loss for 26 of the last 27 years although it was always hoped the situation could be reversed.

"The loss in operations this year has been very severe," he said. "No company intends to operate at a loss. It can't be done. The cost of production at McBean is so high we cannot recover the cost from the sale of that coal."

About 4,000,000 tons of coal are believed still underground in the McBean seam.

Mr. Gordon said he does not know what solution can be found for the economic problems of Westville, N.S., where almost the entire 5,000 persons depended for a livelihood on an Acadia Coal Co. mine closed sometime ago.

Prohibitive costs prevent the opening of another seam in Pictou County and the Acadia leaseholds in the Westville area will be sold only for hard cash. Mr. Gordon said. Premier Stanfield said the government and "interested parties" offered to work a new seam on a royalty basis but Dosco rejected the offer.

Closure of the Westville mine has left the town "desperately in need of employment by a steady industry," Mayor A. W. Matheson said.

Problem Of Saving N. S. Coal Industry

HALIFAX (CP)—What can be done to save the mainland coal industry of Nova Scotia?

There were answers aplenty to this question here Saturday during discussions of problems facing the industry on which about 20 per cent of Nova Scotia's population depend in some way for their economic existence.

Here are some of the suggestions put forth:

Mayor A. W. Matheson of Westville, N.S., whose town of 5,000 is faced with oblivion because of the closure of its coal mine: "There is a market in Nova Scotia and the coal companies are not going after it. If the companies went after the market like the oil companies, there would be no trouble getting a new mine opened in Westville."

Mayor Ralph Gilroy, Springhill, N.S., where the last of the mainland Dominion Steel and Coal Corporation mines is producing and site of last November's explosion which claimed 39 lives and resulted in closure of No. 4 colliery: "The CNR 'through some way or other' should restore some steam locomotives to the Maritimes. Under Donald Gordon, the Maritimes have been treated a little unfairly. The CNR in the Maritimes is almost completely dieselized while in parts of Ontario and Quebec, a large number of steam locomotives are being used."

VALUABLE SAND

Extraction of titanium ore and other minerals from the beaches of Australia is a \$22,500,000-a-year industry.

First Federal By-election Is To Be Today

GUELPH, Ont. (CP)—A riding that has voted Liberal in 16 of 22 previous elections votes Monday in a contest that holds national interest because of the close party standing in the House of Commons.

The voters of Wellington South name their member late because of the death during the campaign for the June 10 federal election of Liberal candidate Henry Hosking. He had held the seat since 1949.

In 22 elections since Confederation, Wellington South has voted Liberal 16 times, Conservative five, and, during the First World War, for a Unionist.

Two of the three candidates seeking the seat Money have had previous political experience. They ran as opponents to Mr. Hosking.

Only David Tolton, 29-year-old business man running for the Liberals, is making his first bid for political office.

GROECER PC CANDIDATE

Alfred D. Hales, 48, is running as a Progressive Conservative. He is a Guelph alderman who runs his own farm and retail food store.

Thomas L. Withers, 45, international representative of the United Steel Workers of America and CCF standard-bearer, ran third behind Mr. Hosking and Mr. Hales in the 1953 election.

There are 29,589 voters eligible to cast ballots between 9 a. m. and 6 p.m.

In the 1953 election Mr. Hosking polled 9,275 votes, Mr. Hales 8,722 and Mr. Withers 2,431.

Prime Minister Diefenbaker's forces now hold 109 seats in the 265-seat Commons. The Liberals, including a Liberal-Labor member who supports the party, have 106. Others are, CCF 25, Social Credit 19, Independent 2, Independent-Liberal 1, Independent - Progressive Conservative 1.

There is also a vacancy in Lanark due to the death June 16 of Progressive Conservative William Blair. A by-election has been called for Sept. 18.

Gives New Twist To Gulf Problem

CAIRO (AP)—The Arabs gave the Aqaba Gulf problem a new twist Saturday.

In press comment and speeches, Arab leaders challenged not only Israel's right to send ships into the gulf, an outlet to the Red Sea, but also Israel's right to maintain the port of Eilat on the gulf.

Cairo headlines screamed: Eilat is illegal.

The Arab argument is that Israel forces occupied from the southern Negeb to the gulf in 1948 in violation of United Nations orders and the Israelis still have no right to be there.

Egypt is reported drawing up a memorandum, in consultation with other Arab nations, on what they call the illegality of Eilat, the boom town of 2,000 population which the Israelis expect to reach 5,000 soon.

The Israelis look to Eilat to become a centre for the handling of bulk cargoes — such as grain, phosphates and potash and oil — that United Nations troops guard the gulf's mouth, Tiran Strait, once commanded by Egyptian guns.

Eilat is virtually surrounded by Arab territory. Israel holds only a six-mile stretch of the gulf's shoreline. Egypt, Saudi Arabia and Jordan control the rest.

The new twist gave fresh impetus to the Arab cry that Aqaba is a purely Arab gulf and only Arab ships have rights there.

Saudi Arabia, which borders the gulf's eastern shores, has taken the lead. In a speech to Moslem pilgrims, King Saud hinted the Arabs would use force if necessary to prevent Israeli ships using the gulf.

Later his minister of state, Ahmed Shukairy, said the UN Emergency Force should be withdrawn on the ground it was only providing protection for what he called illegal Israeli shipping.

Strike-Tense District Is Hit Now By Third Explosion

Few Summer Holidays This Year For Canada's Cabinet

OTTAWA (CP) — Summer holidays appear to be almost entirely out of the picture for the new Progressive Conservative cabinet as it bounces up on duties assumed little more than three weeks ago.

A canvass of ministers' offices shows that outside of Prime Minister Diefenbaker who left Friday for 10 days' rest, none of the cabinet has any holiday plans.

Most say there will be on chance of a prolonged rest during the three months before the new Parliament opens Oct. 14. Government members must learn the intricacies of departments administered for 22 years by Liberals and why new policies in shape before meeting the newly-elected Commons.

Works Minister Green, who holds seniority under Mr. Diefenbaker in the 17-member cabinet, is acting prime minister during the leader's absence.

STRENUOUS STRETCH

Mr. Diefenbaker, in Calgary Saturday to attend the stampede, will have nine days of rest at his Prince Albert, Sask., home and at a fishing camp at Lac la Ronge in Northern Saskatchewan. It will provide his first extended period of relaxation in six months of strenuous activity which covered the last session of Parliament, a gruelling election campaign and the Commonwealth prime ministers conference which followed hard on the heels of the election.

The rest of the cabinet has not had to follow such a heavy pace. Most, however, are not only passing up vacations but also are turning down speaking engagements outside of the capital.

The reply of Labor Minister Starr was typical: "I'm sticking close to the office and have minimized speaking engagements. I have a lot to learn before the session opens Oct. 14."

There are a few exceptions. Fisheries Minister MacLean was in his home province of Prince Edward Island to attend a major provincial event at Summerside Sunday, the annual lobster festival.

Revenue Minister Nowlan was at his Wolfville, N.S., home last Thursday to keep a previous engagement to speak to a provincial rally of women's institutes. Resources Minister Harkness went to his Calgary home town with Mr. Diefenbaker and will return Tuesday.

Finance Minister Fleming and State Secretary Fairclough made flying visits to campaign in the delayed election in Wellington South.

Some of the ministers are expected to take some business trips afield.

Transport Minister Hees plans a trip to the Northwest Territories, leaving at the end of the week, to survey transportation problems there.

William J. Browne, minister without portfolio, will go to his home at St. John's, Nfld., this week for the July 22 opening of hearings by the royal commission reviewing Newfoundland's 1949 terms of union with Canada.

Striking Miner's Arm Is Torn Off In Dynamite Blast

MURDOCHVILLE, Que. (CP)—A striking miner's arm was torn off and two companions suffered severe injuries Friday night in an explosion slightly damaging Gaspere Copper Mine property.

Herve Berube, assistant manager of the mine where 1,000 workers walked out March 11, said the latest of three recent district blasts was caused by dynamite.

The men had no business in the area at the time, he said, "first because they are strikers and secondly because there was no need for anyone to be there at the time."

Lieut. Gerald Timlin, head of the 110-man provincial police force which was moved into the area shortly after the strike began, said he lacked details of the blast pending an investigation.

The explosion ripped off Herve Bernatchez' arm and he was listed in critical condition at nearby Ste. Anne des Monts Hospital. Nestor Henley and Normand Boudreau were the other strikers hurt, Henley with eye injuries. Boudreau was least seriously hurt.

MINOR DAMAGE

The blast came more than a mile from the copper refinery, causing minor damage to a waste pipe which Mr. Berube said could be repaired in hours.

It was the third explosion since the strike began. On April 26 a dynamite blast ruptured a 4,500-gallon copper oil tank at Mont-Louis, 22 miles north. Damage was estimated at \$150,000.

June 24 another rocked a transit house where ore from the underground mine is reloaded on another conveyor carrying it to the smelter. One worker was injured slightly and production was shut down a week.

The company had resumed production on a reduced scale, using new workers including immigrants and some from New Brunswick.

Adding to the tension in the town was the company's recent ultimatum that strikers renting or buying company-owned homes must pay arrears or get out.

AWAIT COURT ACTION

Roger Bedard, spokesman for the striking King United Steel Workers of America (CLC), said the occupants will await court action.

He attributed the latest blast incident to "the irresponsible attitude of the Gaspere Copper Mines and its decision to hire German workers to replace striking employees; the provocative attitude of the provincial police; and the indifference of the Quebec government."

The union struck over issues of certification and wage increases averaging 50 cents an hour.

Last summer the company obtained a writ of prohibition restraining the Quebec labor relations board from acting on a USWA application for certification. Gaspere Copper says because the union is not certified the strike is illegal and refuses to negotiate.

About 300 strikers live in Murdochville, many in company homes with rent and mortgage payments deducted from pay cheques. Thus, none have been collected since the strike began.

Western Members Are Split Over Talks With Russians

LONDON (AP)—Time is running short for the United Nations disarmament subcommittee. With agreements still scant, the four Western members are split over whether to pursue talks with Russia after Aug. 1.

The subcommittee is under orders to report to the UN Aug. 1 on progress made toward an arms treaty in negotiations under way here since March 18.

British officials are known to have suggested that the talks be temporarily broken off, arguing they are in danger of breaking down in bitterness.

U.S. officials believe important developments may come in the next three weeks. They want the talks to go on after the deadline.

France and Canada, the other Western members are somewhere between the U.S. and British positions.

ZORIN SPEECH

The Western arguments were crystallized by a 90-minute speech delivered by Soviet delegate Valerian Zorin last Monday.

The background for Zorin's speech was yet by two developments:

1. The Western powers had just presented two new proposals for ending the hydrogen bomb race which they felt included concessions to the Soviet position.
2. The Kremlin had just undergone sweeping changes in which six Soviet leaders were ousted and the power and prestige of Communist Party chief Nikita Khrushchev was enhanced.

Zorin, using the harshest language in the present talks, branded some elements of the Western nuclear plan as "fictitious." He said a Western suggestion that scientists be put to work immediately on a plan for enforcing a suspension of nuclear tests would be "a waste of time."

British officials in general suggested that the speech was a true statement of Russian policy, thereby offering little hope that the subcommittee would be able to settle the key matter of nuclear controls.

Only the U.S., which had indicated it expected no concessions at this point, appeared undisturbed.

High American officials believed Zorin may have made only a holding statement; that he had voiced the old arguments pending the arrival of new instructions from Moscow.

Wellington South Election Is Today

GUELPH, Ont. (CP)—The voters of Wellington South today select their representative in the House of Commons.

Their deferred election—caused by the death of Liberal candidate Henry Hosking just before the June 10 voting—holds national interest because of Parliament's close party standings:

Progressive Conservatives, 109 seats; Liberals, including a supporting Liberal-Labor member, 106, CCF, 25; Social Credit, 19; and four independents. One other seat, in Lanark, is vacant.

Wellington South has voted Liberal in 16 of 22 federal elections since Confederation. The Conservatives won five times, and a Unionist once during the First World War.

The late Mr. Hosking, the riding's member since 1949, won the 1953 election with 9,275 votes, ahead by 553.

The new Liberal candidate, David Tolton, a 29-year-old businessman, is making his first bid for political office.

Conservative candidate Alfred D. Hales, 48, a Guelph alderman, polled 8,722 votes in 1953, CCF candidate Thomas L. Withers, 45-year-old international representative of the United Steel Workers of America, ran third with 2,431.

Four Perish In Head On Crash

PRINCEVILLE, Que. (CP)—Four persons are dead as a result of a head-on collision between two cars Saturday near this Arthabaska County town 95 miles northwest of Montreal. A fifth person is in serious condition in hospital.

GUARD TEETH

In British schools children must have a dental examination as soon as possible after entry.

Scrap Billion In Research Work

WASHINGTON (AP)—About \$1,000,000,000 worth of research in missiles, aircraft and other weapons has been scrapped during the last year as the defence department sifted out competitive designs or cancelled projects for budgetary reasons.

This figure, based on official and unofficial estimates, does not include other projects dropped during the last decade of intensive development efforts by the military.

Latest and biggest of the discontinued projects is the Navaho long range guided missile. That was one of the first great missile projects, started in 1946. An unofficial estimate was that about \$700,000,000 has been put into the Navaho project in the last 11 years.

Next largest of recent cancelled programs has been the C-132 transport plane. The air force has estimated that about \$70,000,000 was spent in designing and building special engines, landing gear, ground handling equipment and a full-scale wooden "mock-up" of the giant transport.

TWO NAVY PLANES

The navy has cancelled or curtailed two aircraft development programs within recent weeks—an improved long range radar warning aircraft and a new jet-powered, carrier-based attack plane. Navy officials were unable to estimate the outlay for these projects.

An army spokesman said there has been no major cancellations in his research and development program up to now, although there have been some "refinements" in contracts.

However, the army is facing the distinct possibility of a major cancellation in its Jupiter Intermediate Range Ballistic Missile project.

Here the competition is with the army's Thor IRBM.

Defence department officials say they expect the department will make a decision by next November, when funds the army now has for the Jupiter program, plus some which may be allotted from the defence department's till will be used up.

BUTTER STOCKS DOWN

OTTAWA (CP)—Canada's butter production has declined and stocks have been reduced, the bureau of statistics reported Friday. Creamery butter production dropped in June to 42,920,000 pounds from 46,072,000 a year ago, reducing the January-June half-year total to 124,585,000 from 137,331,000.

GREAT QUEEN

Queen Victoria was the first monarch to occupy Buckingham Palace in London, moving there on her accession to the throne in 1837.



Prime Minister Diefenbaker and Mrs. Diefenbaker are photographed in the official prime minister's residence in Ottawa—a sedate, grey-stone mansion at 34 Sussex street, overlooking the Ottawa river. (CP Wirephoto)

IN NEW HOME