



MARSHAL FOR PONY RACE

Eleven-year old Shirley Gallant is mounted on Smokey, a Welsh Mountain pony owned by Heather Burke of Charlottetown. Smokey is one of five ponies belonging to the P.E.I. Pony Association which is scheduled to stage its own individual race between dashes three and four this evening at the Charlottetown Driving Park. Miss Gallant, who will marshal the parade, is the daughter of Mr. and Mrs. Raymond Gallant of 17 Young Street.

Saigon Restaurant Is Bombed Leaving 29 Dead, 100 Wounded

SAIGON (AP)—Two powerful terrorist bombs exploded in quick succession beside a crowded floating restaurant on the Saigon River Friday night, killing at least 29 persons and wounding about 100. Five or six Americans and a Frenchman were among the dead.

Witnesses had believed the death toll might reach 50.

The terrorist strike, staged about 500 yards from the U.S. embassy, was the bloodiest of its kind ever seen in this South Vietnamese capital at any time during the Vietnamese war.

The blasts bloomed from the shore about 8:15 p.m., slanting across the luxuriously-appointed decks of the restaurant, the My Canh, felling strollers on the riverside boulevard and smashing windows as far as two blocks away.

EXECUTE AMERICAN

It was a violent sequel to a Communist announcement, broadcast six hours earlier by Radio Hanoi, that the Viet Cong guerrillas had killed a captive American, U.S. Army Sgt. Harold George Bennett of Perryville, Ark., in reprisal for the South Vietnamese government's execution of several Viet Cong terrorists.

Among other developments of the day:

In the air war, a U.S. spokesman announced U.S. air force jet bombers struck at an ammunition depot and the Na San airfield northwest of Hanoi and destroyed buildings at both points in North Viet Nam.

A dispatch from Hanoi by the Soviet news agency Tass declared American jets appeared over that capital and drew anti-aircraft fire. It said that, in this and other action, five planes were downed. There was no independent confirmation.

The terrorist bomb strike left the My Canh's decks and the boulevard pavement slick with blood.

Dining on choice Chinese food and French wine aboard the gently bobbing My Canh were nearly 100 South Vietnamese and Americans.

HIT STROLLERS

They were prime targets of the two explosions, which left both decks a smoking, smouldering mass of broken bulwarks, smashed tables and splintered crockery. Others hit were on the boulevard nearby, seeking relief from the heat in early night breezes.

Presumably both bombs were timed devices, set to go off simultaneously. Who ever planted them seemed to have escaped. There was no indication of any arrests.

UN Birthday Marked With Call For Peace

SAN FRANCISCO (AP)—President Johnson marked the 20th birthday of the United Nations Friday by calling on the UN to help promote peace in Viet Nam and establish an "alliance for man" to fight poverty, the arms race and the population explosion around the globe.

Johnson, addressing a special UN convocation in the city where the organization's charter was signed in June, 1945, said "clear and present dangers in Southeast Asia cast their shadow across the path of all mankind."

Declaring "the United Nations must be concerned," he said: "I call upon this gathering of the nations of the world to use their influence, individually and collectively to bring to the tables those who seem determined to make war. We will support your efforts as we will support effective action by any agent or agency of these United Nations."

HINT AT SUPPORT

Aides said this did not represent a formal presentation of the Viet Nam issue to the UN but rather was a suggestion that any effective peace-seeking initiative by the world organization would have American support.

Johnson flew to San Francisco via Kansas City where he had a relaxed, good-humored breakfast meeting with Harry S. Truman, who was president when the UN was created. Truman addressed the founding session of the UN here.

Johnson said the processes of peaceful settlement in Viet Nam "are blocked by wilful aggressors contemptuous of the opinion and the will of mankind."

MORE

NDPs Planning July Meeting

OTTAWA (CP)—The New Democratic Party announced Friday that its third federal convention will be held in Toronto July 12 to 15, when it will vote on party leadership and consider some 400 resolutions.

Unlike the Liberal or Conservative parties, the NDP convention elects a leader at each annual convention. There has been no indication of anyone opposing leader T. C. Douglas.

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Close Vote Is Foreseen Over Newspaper Issue

Foreign Troop Withdrawal Is Urged In All Viet Nam

LONDON (CP)—The Commonwealth called Friday for the withdrawal of all foreign troops from Viet Nam as part of four-point peace plan.

Defining the tasks of its peace mission, the 21-country Commonwealth also urged restoration of Viet Nam's unity and its establishment as a neutral state.

In a communique ending nine days of talks, the prime ministers and presidents of the Commonwealth also urged that ways should be found to associate China with future discussions on disarmament.

Before the communique was issued, Britain's Prime Minister Wilson had indicated that the Commonwealth's proposed Viet Nam peace mission—one of the major undertakings of the conference—might not even start its planned round-the-world flight.

AWAIT DECISION

He told a press conference no decision had been made on whether the four-man mission will go to Saigon and Washington if Hanoi refuses its admission.

China and Russia have already barred the door to the Commonwealth envoys and the North Vietnamese government in Hanoi has unofficially rejected it.

Wilson also announced that Britain will be ready to call a Rhodesia constitutional conference "if after a reasonable time we have not reached an acceptable solution."

SET OBJECTIVES

On Viet Nam, the conference communique said the Commonwealth mission should be guided by these ultimate objectives during its consultations with the main parties:

1. "A suspension of all United States air attacks on North Viet Nam.
2. "A North Vietnamese undertaking to prevent the movement of any military forces or assistance or material to South Viet Nam.
3. "A total ceasefire on all sides to enable a conference to be convened to seek a peaceful solution."

The communique said the objectives of such a peace conference might be to:

- End the war in Viet Nam.
- Secure the withdrawal of all foreign military presence from Viet Nam and the neutralization of the area.
- Establish, for a period, an international peace force, under the auspices of the Geneva agreement, to safeguard peace in Viet Nam.
- Establish principles for the eventual unification of the country through free and internationally supervised elections.

FEAR RISK

The communique said there was an inherent risk of the Viet Nam conflict escalating into a wider war.

For this reason there were grave doubts about an early or final solution by military means.

"A comprehensive ceasefire and a conference of all the parties directly involved in the situation seem to provide the essential precondition to the solution of the problem," it added.

One of the 21 Commonwealth leaders—President Julius Nyerere of Tanzania—dissociated himself from the Viet Nam part of the communique.

He was the first Commonwealth leader publicly to attack the formation of the mission last week when he claimed it would in effect put China "in the dock."

At his press conference, Wilson stressed that the mission "would not be very productive unless we could get both points of view."

"We have made clear our willingness to meet all parties of the dispute," he said.



NO APPEAL

Russell Horsburgh, 44, former United Church Minister at Chatham, Ont., Friday was denied an appeal against a Nov. 16, 1964 conviction in Chatham on five counts of aiding and abetting juvenile delinquency. The appeal was heard by Mr. Justice Eric Moorhouse of the Ontario Supreme Court in Toronto. (CP Wirephoto)

Gov't Defeat Is Possibility

OTTAWA (CP)—Debate on the government's controversial tax changes affecting newspapers and magazines was adjourned abruptly in the Commons Friday as a showdown vote appeared imminent.

A close vote is expected Monday on a New Democratic amendment urging reconsideration of a clause exempting Time and Reader's Digest from tax penalties against foreign-owned periodicals and dailies.

ODD MOTION

The income tax amendments were nearing final approval in the sparsely-attended chamber when government House Leader Mellraith rose and moved that the debate be adjourned, an unusual procedure.

The motion was carried in seconds and the House turned to a series of bills increasing veterans' benefits.

The press debate began taking unexpected turns mid-way through the sitting when Stanley Knowles (NDP—Winnipeg North Centre) introduced his amendment on third reading.

He moved that the bill be referred back to the clause-by-clause stage, which had just been concluded, for the purpose of reconsidering clause 4.

This clause has attracted strong criticism from all four Opposition parties for various reasons and from most of the newspapers.

DISALLOW COSTS

Starting next Jan. 1, clause 4 would disallow as deductible expenses the costs of advertising in Canadian dailies and magazines with a foreign ownership of more than 25 per cent.

The Canadian editions of Time and Reader's Digest would be exempted from the new tax penalties, which are designed to discourage foreign takeovers of the domestic press.

Another unexpected turn came when Social Credit Leader Thompson, whose nine-man group sides with the government in most votes, expressed support for the Knowles amendment.

Thus the possibility arose that the numerically-stronger opposition could unite in Monday's vote to defeat the minority government. It was not immediately clear whether the government would regard the vote as a test of confidence.

FINANCE MINISTER GORDON said the debate after it became clear the Conservatives would talk until the regular adjournment to put off the vote until Monday. They said they had enough MPs in Ottawa to win Friday.

Mr. Knowles said he introduced his amendment to give the Commons an opportunity to hold a separate vote on the press tax clause. Previous attempts to do this had been ruled out of order.

The remainder of the Income Tax Bill contains the 10 per cent cut in personal income taxes, effective this July 1, and other non-controversial items announced in the April 26 budget.

WANT NO EXEMPTION

Mr. Knowles said his party agrees in principle with the tax penalties to discourage newspaper takeovers by interests from outside Canada. However, the NDP could not accept the exemptions for Time and Reader's Digest.

Mr. Thompson said many MPs were not satisfied with the government's omnibus bill. It was a good idea to reconsider clause 4 separately.

"This section strikes at the heart of private enterprise," he said. His party wanted a free press and a Canadian press.

Some other Opposition spokesmen, notably the Conservatives and Social Credit Leader Thompson, pinpointed most of their criticism at the newspaper measure.

Opposition Leader Diefenbaker denounced the press section as "one of the most serious potential invasions of freedom ever seen in this country." He said he doubted the measure would hold up in court against provisions in the bill of rights guaranteeing freedom of the press.

Centennial Train Schedule Brings It Here In Oct. '67

OTTAWA (CP)—Starting New Years Day in 1967, the centennial commission's confederation train—a specially-built mobile display of Canada's past and future—will travel 15,500 miles and make 83 exhibition stops in 31 days.

The train's schedule was announced Friday by State Secretary Lamontagne, minister responsible for planning the observance of the 100th anniversary of Confederation, after the commission worked the itinerary out with provincial authorities.

The train, colorfully painted outside and containing dramatic display areas through which the public may walk, will start westward from Ottawa after a vice-regal send-off.

From Victoria, B.C., the train will then move eastward, taking in all major centres which have siding facilities on which it can park. It will reach Vancouver late in January, Edmonton and Calgary in March, Regina late in April, Winnipeg early in May, southwestern Ontario in June, eastern Ontario in July, Toronto in August, Montreal and Quebec in September, Halifax and Charlottetown in October, Fredericton in November, and terminate its run in Montreal Dec. 5, 1967.

HAVE SPECIAL TRUCKS

The train will travel and make stops in every province but Newfoundland, where the island's narrow-gauge railroad cannot carry standard equipment. One of eight truck-trailer caravans, fitted out in similar fashion to the train, will tour Newfoundland by road. The caravans will also visit centres not on the train's itinerary.

The displays aboard the train now are being prepared. They will depict the formation of Canada's mountains, plains, waters and forests in the dawn of time, the arrival of pioneers and the industrial development of the country, and show what experts think may come in the future.

The train is to be open to the public every day but Mondays from mid-morning to late evening. Admission will be free and visitors will be able to sign a Confederation book.

Friday's announcement said full agreement had been reached with provincial centennial planning authorities on arrangements for the train's parking and the schedule of stops.

The itinerary for the East is: QUEBEC Aug. 26—Sept. 14, Montreal; Sept. 15-19, Trois-Rivieres; Sept. 20-23, Chicoutimi; Sept. 24-30, Quebec City.

NOVA SCOTIA

Oct. 3-4, Truro; Oct. 5-7, Sydney; Oct. 8-13, Halifax; Oct. 14-15, Yarmouth; Oct. 17, Kentville; Oct. 18-19, Amherst.

PRINCE EDWARD ISLAND

Oct. 20-22, Charlottetown; Oct. 24, Summerside.

NEW BRUNSWICK

Oct. 26-28, Moncton; Oct. 29-Nov. 3, Saint John; Nov. 4-5, Fredericton; Nov. 7, Chatham; Nov. 8-9, Campbellton.

QUEBEC

Nov. 10-11, Rimouski; Nov. 14-15, Thetford Mines; Nov. 16-19, Sherbrooke; Nov. 21-23, St. Jean; Nov. 24-Dec. 5, Montreal.

East Germans Sharpen Claims In Berlin Issue

BERLIN (AP)—The East Germans Friday sharpened their demands for control of access routes to West Berlin and western officials said they do not expect a major crisis now.

"We must watch all activities carefully," said one official, "but I do not believe the Soviets would allow the East Germans to go so far as to generate a confrontation with the West."

Generally, Western diplomats said, the Communist probes so far indicate only that the Russians have given the East Germans permission to push their claims of sovereignty up to a certain point.

The diplomats termed the demands, made before the East German Communist party's central committee, as "interesting but not very alarming."

Drought Talks Due On Monday

OTTAWA (CP)—Agriculture Minister Hays and the agriculture ministers of Ontario and Quebec will meet here Monday to discuss actions to be taken on the drought situation in parts of both provinces. Forestry Minister Sauve told the Commons Friday.

Soviets Launch New Satellite

MOSCOW (AP)—The Russians launched another satellite in the Cosmos series carrying scientific equipment designed for study of space, the news agency Tass reported Friday.

Queens MP Will Speak

OTTAWA—Queens' MP Heath Macquarrie leaves Ottawa for P.E.I. today and will address the graduating class of Englewood Regional High School at Crapaud next Wednesday.

During his teaching career, Mr. Macquarrie taught in several of the school districts comprising the high school unit, including his home community of Victoria, Englewood is one of the new high schools constructed in P.E.I. within the past few years.

Queen Mother's Schedule Is Disrupted By Welcome

TORONTO (CP)—The Queen Mother's finely-timed official schedule went out the window Friday—and with firm Royal approval.

In fact, it was she who decided that time must be found to acknowledge properly the welcome by the people of Oshawa as she drove through on her way to the nearby National Stud Farm.

"Her Majesty was very upset that the people could not see her very well," her lady-in-waiting, Lady Jean Rankin, reported as the party arrived 25 minutes late at the farm.

"We hadn't prepared for such a welcome and when we got to the city we couldn't stop to put the car top down."

Many of the viewers in the city of 70,000 population also were confused in that they looked for the Queen Mother in the black official car which travelled behind the pale blue convertible in which she rode.

But the Queen mother fixed all that—she cut short her tour of the farm and had word sent back to the city that her car would make the return journey slowly, with the top down, instead of racing off as scheduled to keep a luncheon date with Vincent Massey, former governor general.

She arrived 40 minutes late at Batterwood House, Mr. Massey's home in Port Hope. But nobody seemed to mind.

At the stud farm, owned by industrialist E. J. Taylor, the Queen Mother, herself a highly successful racehorse owner, carried on a lively and knowledgeable conversation with Mr. Taylor and Gil Darlington, the farm's general manager.

Paraded before her were 17 horses, including some of the most famous racers in Canada. Star of the presentation was Northern Dancer, the four-year-old bay who has won the Queens' plate, the Kentucky Derby and the Preakness and is Canada's all-time top money winner.

WARNED OF HORSE

The Queen Mother was apparently impressed and moved forward for a better look until Mr. Taylor warned her against attempting to stroke him.

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NERVOUS BUT determined, four-year-old Cynthia Hourigan of Hamilton, Ont., presents a personally picked bouquet of roses in the Queen Mother during a tour of the National Stud Farm at Oshawa, Friday. Cynthia's mother explained that her little girl had seen a picture of another girl presenting flowers to the Queen Mother and that she had decided to do the same. (CP Wirephoto)

Change In Constitution Proposed By Publisher

REGINA (CP)—Publisher Clifford Sifton proposed today that Canadian ownership and control of Canadian publications should be ensured by a change in the country's constitution instead of by the proposed advertising tax.

"The power to tax advertising is the power to control the press and must not be used even under the pretext of accomplishing a desirable end," he writes in the Regina Leader-Post.

"A penal tax which may be altered at any time by a few words added in the annual tax amendments by a single party in power in Ottawa is a notably unsuitable method of accomplishing a strictly limited restriction upon press freedom."

WANTS SAFEGUARD

"A constitutional provision embedded in the British North America Act which can be changed only by both federal and provincial action is eminently suitable for this purpose."

Mr. Sifton, of Toronto, is chairman of Armadale Co. Ltd., which publishes the Leader-Post and Saskatoon Star-Phoenix and has broadcasting interests.

His 4,500-word article says that newspapers and the periodical press are essential to responsible democratic government and should be wholly owned and managed by Canadian citizens.

But he says foreign ownership of publications should not be prevented by disallowing advertising expenditures in them for income tax purposes, as proposed in a bill that has been approved in principle by the House of Commons.

ACTION NO GOOD

Mr. Sifton, a lawyer, says action taken by present owners of publications to guarantee Canadian ownership and control is unsatisfactory because it can be reversed later by a majority of shareholders. Control through an authority like the Board of Broadcast Governors would be unsatisfactory since newspapers then would be under discretionary control of the government.

Only a constitutional provision through amendment of the BNA Act is an acceptable solution to the ownership problem, Mr. Sifton writes. He also urges that a complete record of ownership and control of Canadian publications be "continuously a matter of public record in Canada for all to see."

84 Killed In Air Crash

EL TORO, Calif. (AP)—A U.S. Air Force jet transport plane loaded with marines for Okinawa via Hawaii crashed today shortly after takeoff from the marine base here. A spokesman said all 84 aboard were killed.

The big C-135 came down about 4 1/2 miles north of here at about 2:45 a.m.

A base spokesman said the 72 marines aboard were from Camp Pendleton, Calif., near San Diego, south of here.

The plane and crew of 12 air force men aboard were from McGuire Air Force Base, N.J.

Bank Robbed In Que. Village

GRENVILLE, Que. (CP)—Three gunmen today escaped with between \$5,000 and \$10,000 after robbing a branch of the Bank of Nova Scotia in this village near the Ontario border, 60 miles northwest of Montreal.

The men forced two bank inspectors, six bank employees and three customers to lie on the floor while they carried out the robbery.