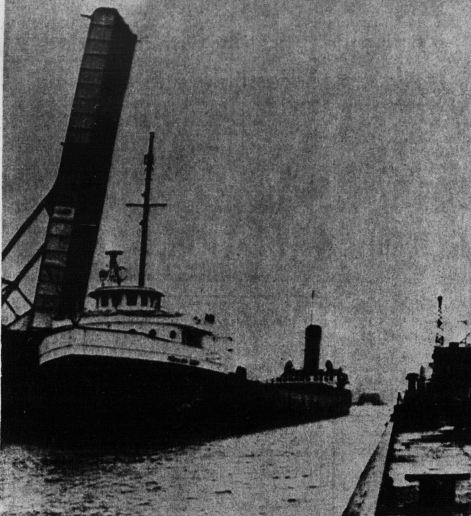


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WELLAND CANAL SEASON ENDS

One of the last ships through the Welland Canal this season, the Mohawk Deer enters Lock 7 near St. Catharines. The canal closed at midnight Tuesday, ending a navigation season that has seen tonnage increase by more than 25 per cent. With the season ending, the pace of winter construction will increase and several projects will be undertaken this winter to increase the capacity of the canal.

Prairies Hit By Blizzard Said Worst For 15 Years

By THE CANADIAN PRESS OTTAWA (CP)—Canadian prices and labor costs could be expected to rise about one per cent with the launching of the Canada Pension Plan and Quebec countermeasures. The report, last major piece of documentation on the pension plan proposal, was outlined to the parliamentary pensions committee Tuesday by R. B. Bryce, equity finance minister. It goes much deeper than the government white paper published last summer. These are the major conclusions of the study: Overall economic effects of the pension plan on the relationship between the business, consumer and government sectors of the economy "are on a scale which is modest in relation to the size of the adjustments regularly taking place in the economy for a variety of reasons." The beginning of the pension system probably would give rise to modest price increases, "perhaps of the order of one per cent, but it should not distort significantly the structure of costs or prices or seriously impair the capability of businesses to generate new funds for replacement or expansion." Employers, required to contribute to the plan, would see their labor costs go up by "something in the order of one per cent but this should not seriously impair the ability of Canadian business to compete with producers outside of Canada." In the early years of the pension plan, the buildup of pension reserve funds would add more to government saving than they would reduce business and personal saving. But the difference may be largely offset by additional spending by provincial governments with access to the pension funds.

Lawyer Claims Greater Pressure Two Months in Narcotics Case

By DAVE McINTOSH OTTAWA (CP)—Pierre Lamontagne, 28-year-old Montreal lawyer, swore Tuesday he was subjected to two months of pressure, including a \$20,000 bribe, by federal ministerial aides, a Liberal MP and others to agree to the granting of bail in a narcotics case. The case is that of Lucien Rivard of Montreal, wanted in the United States on a narcotics smuggling charge which states Rivard is linked with a Mafia-controlled international drug ring.

Mrs. Marie Houle Is Given Benefit Of Doubt In Trial

MONTREAL (CP)—Mrs. Marie Houle, petite and red-eyed, told the court an argumentative and spiteful assault charge against her was dismissed by a municipal court judge. The charge arose from a complaint by Mrs. Georges Asselin of Montreal the day after the assault charge against her was dismissed by a municipal court judge. The charge arose from a complaint by Mrs. Georges Asselin of Montreal the day after the assault charge against her was dismissed by a municipal court judge.

Pension Plan Is Forecast To Boost Prices Slightly

By DON HANRIGHT OTTAWA (CP)—Canadian prices and labor costs could be expected to rise about one per cent with the launching of the Canada Pension Plan and Quebec countermeasures. The report, last major piece of documentation on the pension plan proposal, was outlined to the parliamentary pensions committee Tuesday by R. B. Bryce, equity finance minister. It goes much deeper than the government white paper published last summer. These are the major conclusions of the study: Overall economic effects of the pension plan on the relationship between the business, consumer and government sectors of the economy "are on a scale which is modest in relation to the size of the adjustments regularly taking place in the economy for a variety of reasons." The beginning of the pension system probably would give rise to modest price increases, "perhaps of the order of one per cent, but it should not distort significantly the structure of costs or prices or seriously impair the capability of businesses to generate new funds for replacement or expansion." Employers, required to contribute to the plan, would see their labor costs go up by "something in the order of one per cent but this should not seriously impair the ability of Canadian business to compete with producers outside of Canada." In the early years of the pension plan, the buildup of pension reserve funds would add more to government saving than they would reduce business and personal saving. But the difference may be largely offset by additional spending by provincial governments with access to the pension funds.

Spectre Of Disunity Looming Before NATO

By HAROLD MORRISON PARIS (CP)—The spectre of disunity loomed before the NATO ministerial conference Tuesday as the military powers clashed over the issue of whether a NATO nuclear force is possible without dissemination of nuclear weapons. And while Canada pledged to keep the nuclear bargaining inside the NATO framework, five of the NATO members interested in developing a nuclear force held a brief meeting outside the conference to consider machinery and methods for advancing discussion of the various nuclear ideas. Britain outlined some of its own Atlantic nuclear force ideas which, Foreign Minister Gordon Walker said, would give each country which participated equally in nuclear planning of the force. But French Foreign Minister Maurice Couve de Murville argued that the U.S. and British approaches were illusory. Either non-nuclear countries participate in a nuclear force or they receive some power over the weapons themselves, thereby leading to the spread of nuclear weapons, or the operation was East-West tensions are easing.

Conrad Falls In Long Flight

ALEXANDER BAY, South Africa. Reuters—American Max Conrad failed Tuesday in an effort to break his own long-distance nonstop record for light aircraft. He had planned a non-stop, 8,120-mile flight to the American city of New Orleans from Cape Town.

Local Naval Reserve Division Closes

At a brief ceremony at sunset yesterday, the White Ensign of the Royal Canadian Navy which has flown over the division's headquarters in Charlottetown HMCS Queen Charlotte, for some 40 years was lowered for the last time. Here taking part in the proceedings, which signal the end of the island's naval unit, are left to right: Leading Seaman W. Bushman sounding the "Sull" on the boat's call; CPO D. Howell, regulating chief; Lieut. Cmdr. D. A. Crump, CD, RCN, staff officer; Cmdr. W.J. Floyd, CD, RCN, of the staff of the commanding officer; and Surgeon Capt. L.E. Prowse, VRD, commanding officer when the establishment was opened in 1924.

Parliament At A Glance

By THE CANADIAN PRESS TUESDAY, Dec. 15, 1964 The Commons debated the all-party committee recommendation that the Union Jack be flown as the national flag of Canada's Commonwealth links. Hugh John Flemming (PC-Victoria-Carleton) proposed an amendment that the Red Ensign be used instead of the Jack. Prime Minister Pearson said there is a need to represent the levels of association in Canada and the Union Jack would fill it. Opposition Leader Diefenbaker objected to Mr. Pearson's position that the Union Jack is the Queen's flag. Reid Scott (NDP-Toronto Danforth) said he thinks the Union Jack is the flag of the Commonwealth and that it is enough for all purposes. N. A. Olson (SC—Medicine Hat) said the Ensign would be more appropriate than the Jack to show the Commonwealth connection. Raymond Langlois (Credit-Megantic) said the maple leaf flag approved by the Commons is enough to represent Canada. The Senate began study of the red-and-white maple leaf banner approved in the Commons as Canada's national flag. Senator Gratian O'Leary (PC-Ontario) moved an amendment that the government suspend all action on the flag. Senator John Connolly, government leader, said the flag recommendation will remain before the Senate until it is resolved. WEDNESDAY, Dec. 16 The Commons meets at 2:30 p.m. to continue debate on the Union Jack recommendation. The Senate meets at 3 p.m. for debate on the maple leaf flag.

Flag Squabble Moves To Senate

OTTAWA (CP)—Hurdling the Senate's way in the decision of the Commons, the red-and-white maple leaf flag for Canada sparked a lively debate in the Senate Tuesday. The flag design recommended by an all-party Commons committee moved into the Senate and immediately into an amendment proposed by a Conservative senator that would scrap design approved in the Commons after 30 days of flag debate. The issue was applied by the government to get the design through the Commons early Tuesday. Senator Gratian O'Leary, an Ottawa Conservative, proposed the amendment suggesting the government suspend further action on the flag and allow a period for public comment on a flag design. A total of 31 of the 53 Progressive Conservative senators were on hand for the debate. The two not in the chamber were Senator M. M. Hollett (Newfoundland) and Senator Ruel Bellisle (Ontario). Other party stalwarts in the 102-seat upper house were Liberal 41, Independent 10, and Conservative 51. He said the Senate will continue to debate "until a final conclusion." He was aware many senators wanted to speak but the government has no intention of making any change at the present time. Mr. Mulroney also informed the Commons that the federal government will not discuss at the federal-provincial conference of agriculture ministers later this week. Mr. Mulroney said.

Shombe Seeking W. German Aid

OTTAWA (CP)—Premier Molise Shombe of the Congro came to Ottawa today to seek economic help for his country from the West German government. Large numbers of police were stationed at nearby Wahn Airport for Shombe's arrival from Munich, but only reporters, photographers and government officials turned out to meet him. There were no disturbances.

Change Planned In 60 Subsidies

CAPITAL BUREAU OF THE GUARDIAN OTTAWA—Agriculture Minister Harry Campbell said Tuesday that the government has no intention of making any change at the present time. Mr. Mulroney also informed the Commons that the federal government will not discuss at the federal-provincial conference of agriculture ministers later this week. Mr. Mulroney said.

CHRISTMAS COUNTDOWN ONLY 7 SHOPPING DAYS LEFT

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