

National Policy Asked On Transportation Issue

Freight Rate Subsidy Debated In Commons

OTTAWA (CP) — The federal government's proposed royal commission on railway policy and freight rates would lay down the basis for a national transportation policy, the CCF said Tuesday.

"There is need for such a policy," Harold Winch of Vancouver East said in the Commons as it debated a government measure for a \$20,000,000 subsidy to reduce rates during the next year.

Of the government's recent announcement that it will set up a royal commission to draft long-term measures to follow up the subsidy, Mr. Winch inquired: "Is it going to be for freight rates only or — what we should have had years ago — a real study into the transportation situation resulting in a real national transportation policy?"

GIVES NO DETAILS

Transport Minister Hees, piloting the subsidy legislation through preliminary stages in the House, gave no details of the commission's terms of reference.

Prime Minister Diefenbaker indicated last week these would be made public soon.

At the night sitting Mr. Hees promised that the terms of reference of the proposed royal commission will be announced before the subsidy legislation is given third and final reading. The announcement would be made in "the next few days."

This undertaking was confirmed by Mr. Diefenbaker who said the government would welcome any suggestions and ideas MPs have about the type of studies the royal commission should make.

However, such ideas should be expressed now, so that the government could consider them. Once the terms were approved in an order-in-council, it would be too late to change them.

The subsidy measure is aimed at easing the impact of last fall's 17-per-cent general freight rate increase upon class and commodity freight rates, most prevalent in the western and Atlantic provinces. It has been estimated the effective increase would be reduced to about 10 per cent.

Lionel Chevrier (L — Montreal Laurier), former transport minister, tried unsuccessfully to get Mr. Hees to say whether, in the event of further railway wage increases resulting in higher freight rates, the government would increase the amount of subsidy.

"A hypothetical question," Mr. Hees observed.

The last rate increase was brought on by wage boosts obtained by railway unions.

In response to questions from Mr. Chevrier, the minister said the subsidy is not being tied either to the wage increase or to the low statutory crownrest pass freight rates on western grain.

"We don't wish to tie it to anything," Mr. Hees said. "It's to meet a specific situation. It's to assist those bearing the burden of long rail hauls."

The government felt that the rate increase imposed an undue burden on those who pay the freight — the consumers of Canada.

Archdeacon Harrison Dies Of Heart Seizure

SUMMERSIDE — Venerable G. R. Harrison, Rector of St. Mary's, Summerside and St. John's, St. Eleanora, Anglican parishes, and Archdeacon of Prince Edward Island passed away yesterday morning at Prince County Hospital at the age of 70 years.

Archdeacon Harrison had been in ill health for several months after suffering a heart attack and had been confined to hospital much of the time. However he was convalescing at home when he took another seizure and died shortly after being rushed to hospital.

Archdeacon Harrison was a native of Halifax, N.S., and was ordained deacon in 1912. The following year he was ordained a priest.

He served as rector of the parish of Petite Riviere from 1913-1916, New Germany from 1918-1921, Westville and Trenton 1921-37 and later was rector of the Springhill parish.

He was educated in the Halifax public schools and attended Kings College in 1907 and was graduated in 1912 with the degree of B.A. and L. Th. In 1915 he received his M.A. and in 1918 the degree of B.D. He was a slightly honored in 1957 when he was awarded an honorary degree of doctor of divinity at the University of Kings College annual convocation.

He has been Archdeacon of P.E.I. since 1940. He came to Summerside in August 1937 and has served both parishes faithfully and conscientiously in the service of God and the church.

He is survived by his wife, son Garth, who is a patient in Prince County Hospital, and two daughters, Elaine at home and Phyllis, Mrs. John Dunlop, Macan, N.S.



ARCHDEACON HARRISON

The remains are resting at the Compton Funeral Home until Thursday morning when they will be transferred to St. Mary's Church where they will lie in state until Friday morning when funeral services will be held at 9:00 o'clock.

Britons' Tax Cuts Called Moderate

LONDON (Reuters) — Britain Tuesday announced moderate tax reductions aimed at encouraging an inflation-free expansion of the nation's economy.

Some politicians said the cuts in income and purchase taxes indicated Prime Minister Macmillan's Conservative government is planning to call a general election next month.

Derrick Heathcoat Amory, chancellor of the exchequer, announced the tax concessions in a two-hour budget address to a crowded House of Commons. They apply for the fiscal year starting this month.

Purchase taxes are reduced by one-sixth on a wide range of consumer goods, including automobiles, television sets, refrigerators and kitchenware.

Amory shaved two pence (2 1/2 cents) off the tax on a pint of beer. It now costs one shilling, five pence (20 cents). This was done, he said, to protect government revenue from beer sales, which had been dropping.

The tax reductions will cost the government nearly £300,000,000 (\$840,000,000). But the government still counts on paying its way — and even making a £100,000,000 surplus — with total annual expenses of about £5,000,000,000, Amory said.

Union Terms Complaints to P.E.I. Girl

OTTAWA (CP) — Premier Smallwood of Newfoundland said Tuesday night that the conditions of term 29 in the Canadian-Newfoundland Confederation should last "as long as water runs wet and grass grows green."

The Canadian government may have been under no obligation to accept the recommendations of the McNair royal commission, Mr. Smallwood said, but failure to do so was a violation of the spirit of the terms of union.

TV INTERVIEW

Mr. Smallwood made his comments during the CBC half-hour television program Press Conference, in which he was questioned by newspaper men about Newfoundland's relations with the federal government.

He made these points:

1. Newfoundland has no intention of seceding;
2. He has no plans to enter federal politics;
3. Controversial Newfoundland legislation regarding unions with criminals in their international membership will be reviewed;
4. There will be no Newfoundland general election until 1961.

Mr. Smallwood, here to address an Ottawa Canadian Club luncheon today, is at odds with the federal government over a number of issues.

He was questioned Tuesday night about his charge that Newfoundland has been betrayed by the federal government's intention to stop special grants to the province — as provided under term 29 — at the end of 1962.

Newfoundland had been "encouraged" that the special financial aid under term 29 would be in perpetuity.

Queen Talks To Canadians

OTTAWA (CP) — The Queen will speak to Canadians in a national radio and television appearance at 12 noon EST July 1, Dominion Day, it was announced Tuesday.

The address is part of the Queen's Ottawa program announced by the office of the commissioner for the Royal Tour. The Ottawa visit is expected to be the only part of her six-week tour to be taken up almost entirely by official ceremonies.

The Queen is to arrive in Ottawa early in the evening of June 30. Governor-General Massey and Prime Minister Diefenbaker are to meet her at nearby Uplands airport. On her car trip to Government House, where she is to spend the night, she and Prince Philip will stop at Lansdowne Park to be seen by school children.

Works Minister Hurls Counter Charges At Nfld.

OTTAWA (CP) — Works Minister Green said Tuesday the provincial government of Newfoundland already has filed a suit for unspecified damages against the federal government over Ottawa's refusal to send RCMP reinforcements to help police the loggers' strike in the province.

Mr. Green said the general practice in other provinces has been to set up housing authorities, to administer federal-provincial projects, after consultation between the federal and provincial governments, and, in some cases, with the municipalities.

He said the provincial government "filled the authority with its own appointees, in spite of the fact that 75 per cent of the cost of these (federal-provincial) housing projects, including the cost of rental subsidies, is paid from the federal treasury."

Mr. Green was replying to Hubert Badani (L — Fort William) and James McGrath (PC — St. John's East) about statements made by Liberal Premier Smallwood in the Newfoundland legislature last week.

SAYS CONTRACT BROKEN

Mr. Smallwood charged the federal government broke the terms of a contract with Newfoundland by having Central Mortgage and Housing Corporation retain administration of 192 housing units in St. John's.

The premier said his government had refused to comply with a request by Hon. William J. Browne, minister without portfolio and Newfoundland's representative in the federal cabinet, to replace the authority's members with Progressive Conservative supporters.

Mr. Smallwood said in the legislature his government will sue



HORSES STILL ARE USED IN NFLD. WOODS

Horses still are used in the woods operations of the Anglo-Newfoundland Development Company. They are used mainly to haul the season's cut of pulpwood in spots where tractors cannot be used. Here Walter Lawless tows wood off his sleigh to the bank of a stream. When the ice goes out, the wood will be floated down to the Exploits River and on to the A.N.D. newsprint plant at Grand Falls in central Newfoundland. (CP Photo)



MARCUS LONG is seen addressing the members of the Canadian Club last night in the Charlottetown Hotel dining room. Seated left to right are Senator F. Elsie Inman, Dr. George C. Fisher, Mrs. A. W. Walther, Gaudet, Lou Poole, Mrs. H. Buesel Somers.

Plea For Neighbourliness Is Made By Club Speaker

A plea for neighbourliness as the keystone of Canadian foreign policy was sounded by Dr. Marcus Long at the Canadian Club at the Charlottetown Hotel last evening.

The Irish-born professor of philosophy at the University of Toronto spoke on "The Grave New World" but his hearers had difficulty in maintaining their gravity as the speaker's native humour insisted on coming to the surface.

Dr. Long expressed his pleasure at being able to start his Maritime tour in Prince Edward Island, which, like Ireland, he said, is lapped on all sides by the Atlantic ocean, believes in hospitality and has more than its fair share of pretty girls.

Dr. G.C. Fisher, chairman, who introduced the speaker, expressed the appreciation of the members of the club to Mr. Long for his instructive and interesting lecture on a subject of major importance at this time.

Guests at the head table also included Deputy-Mayor A. Walther Gaudet and Mrs. Gaudet, Senator Elsie Inman, Rev. T.H. B. Somers and Mrs. Somers, Mr. and Mrs. L. H. Poole and Miss Mabel Matheson. Music was provided by Al Blanchard at the organ.

Neighbourliness, said Dr. Long, is a more demanding and far-reaching policy than preserving peace; indeed it is the only adequate foundation for an enduring peace.

"If we embark on such a crusade and achieve a measure of success, future generations will call us blessed. If we refuse to embark on that crusade, or if we should fail, there will be no future generations either to bless or to curse."

SECULAR SOCIETY

Dr. Long described the contemporary world as a secular society which wallows in superstitions. He saw conformity as the new mark of Cain that labels many in our generation. He believed, however, that giant strides are being taken in enlarging human understanding and sympathy.

He was enthusiastic about the spirit behind Mr. Macmillan's activities on the Berlin problem. "This is," he said, "a simple call to the leaders of the world to use their intelligence to avert ultimate disaster."

Nationalist Revolt Reported In Iraq

LONDON (Reuters) — Egyptian press and radio reports claimed Tuesday that a widespread nationalist revolt had erupted again in Iraq as Soviet "volunteers" was labelled "a blatant foreign occupation" of Iraq, pictured in Cairo as being drawn into the Communist bloc.

But Iraq's Baghdad Radio in effect denied the "volunteers" stories. It said the Russian ship Gruzia was Iraq-bound with 820 Iraqis returning home. It said they took refuge in the Soviet Union in 1947 following persecution under the now-overthrown monarchy.

Cairo newspapers claimed "fierce fighting" had broken out between nationalist rebels and government forces in northern Iraq, scene of the abortive revolt against Kassem's government last month.

CONTROL PART OF TOWN

Press reports in the United Arab Republic capital — at odds with the Kassem regime — also reported that rebels were in control of part of the oil town of Kirkuk.

Cairo Radio, controlled by the U.A.R. government, quoted "refugees from Baghdad" as arriving in the U.A.R.'s Syrian province with reports of an anti-Kassem "revolutionary movement" accompanied by widespread army mutinies.

Western Capitals Are Shaken By Adenauer's New Ambition

LONDON (Reuters) — Konrad Adenauer's decision to be a candidate for the West German presidency shook Western capitals Tuesday on the eve of crucial Western talks with Russia on the future of Germany.

Government officials made no attempt to conceal their complete surprise at the West German chancellor's acceptance of the nomination, which is expected to take him out of active politics.

Both the British and French governments declined official comment on Adenauer's move, but political observers in both countries saw it as a victory for those in the western camp who have been arguing in favor of a flexible attitude in dealing with the Russians.

Adenauer is rigidly opposed to any withdrawal from the "tough" line in talks with Soviet leaders and is deeply suspicious that Britain favors a policy of appeasement toward Russia.

PUSHED UPSTAIRS

There was speculation here that a group of West Germany's governing Christian Democrats had decided that Adenauer's inflexible stand threatened the prospects of successful East-West talks and had decided that he should be pushed upstairs to the largely honorary role of president.

Adenauer's acceptance of the nomination came amid reports that Britain planned to invite the chancellor to London early next month for talks aimed at healing the Anglo-German rift before the East-West foreign ministers' meeting beginning in Geneva May 11.

But in Paris Tuesday, a French foreign minister spokesman said differences between Adenauer and other Western leaders on preparations for East-West negotiations were not as profound as some newspaper reports indicated.

The first Communist bloc re-

POPULAR ON THE HILL

One of the best liked and most popular officials on Parliament Hill is smiling Joe Tremblay. Officially known as the masseur, Joe is a physiotherapist who knows more ways of easing aches and pains than you can shake a stick at. He says the members are a healthy lot as a whole and most of his work concerns sore limbs and other aches. (CP Photo)

C. P. Writer Wins Award

BOSTON (AP) — Alton L. Blakelee, Associated Press science writer, Monday received the James T. Grady gold medal in recognition of his "outstanding reporting for public knowledge of the chemical world."

The presentation was made at the annual meeting of the American Chemical Society. The award is given annually in memory of the late managing editor of the society's news service.