



**JUMPS FOR HIS SCHOOL**  
Prince Charles, 8-year-old son of Queen Elizabeth and Prince Philip, leaps from a wall while taking part in sports day of his school in London. The Queen and Charles' 6-year-old sister, Princess Anne, were among those watching the events, held at a London playground. Standing by for the young prince's jump into a simulated ravine are the school's headmaster, left, and some of his schoolmates. (AP Wirephoto via radio from London).

## Britons Told Inflation Danger Real

By R. B. MacLURKIN  
LONDON (Reuters) — Treasury Chief Peter Thorneycroft Wednesday warned Britain it must "squarely face" the problem of mounting inflation.  
Thorneycroft, chancellor of the exchequer, delivered the government's view of the nation's economy—the most serious warning in a long time—to a group of London financiers.  
"If a nation pays itself seven per cent more for doing no more work, as happened last year," he declared, "price increases will follow as night follows day."  
"No economic or governmental magic, no system of controls can stop that process."  
"This nation must either squarely face the problem of inflation, and accept the policies necessary to check and curtail it, or else it must face a continual decline in the value of its currency."  
Business, civic governments, public boards and private individuals must cut their budgets, he said.

**VOICE FEARS**  
Thorneycroft spoke at the opening of new headquarters for a big insurance company as economists and newspapermen voiced fears for serious trouble.  
In the last year, the purchasing value of the pound sterling has slumped as wages and prices bounded upward.

## Murder Charge In Glace Bay Case

GLACE BAY, N.S. (CP)—Walter MacNeil, 33, of Glace Bay, was charged with murder Wednesday in connection with the death of his uncle, 38-year-old Edward MacNeil. Police said the elder MacNeil was found dead of a shotgun blast Tuesday in the back yard of the accused.  
MacNeil was remanded for preliminary hearing until July 17.  
Police said the men were drinking together most of Tuesday. Two guns, a rifle and a shotgun, were found near the victim's body.  
An autopsy Wednesday confirmed that MacNeil died of a shotgun wound near the heart.

**NEHRU-NASSER TALKS**  
CAIRO (Reuters) — Indian Prime Minister Nehru arrived here Wednesday for talks with Egyptian President Nasser, who met him at the airport.

## Tighter Regulations Re Raw Milk Sold To Plants

The Division of Sanitary Engineering, Department of Public Health, is tightening regulations concerning the sanitary quality of raw milk being sold to pasteurizing plants, Dr. Lorne Bonnell, Minister of Health, announced last night.  
The accelerated programme is the responsibility of James Higgins, D.V.M., D.P.H., Public Health Veterinarian for the Division of Sanitary Engineering. He will do a detailed inspection and testing of all raw milk coming into the pasteurization plants, the Minister added, with authority under the Public Health Act, Standard Milk Ordinance.

A resazurin test will be carried out to determine high bacteria counts in the raw milk. If the counts are high, the milk will be sent back to the producer.  
A high bacterial count in many cases, Dr. Bonnell said, is the direct result of improper cooling procedures. Quick cooling following below 50 degrees Fahrenheit will prevent further growth of bacteria normally found in milk. Since milk is a natural food of bacteria, improper cooling allows the bacteria to multiply very rapidly, and thus the milk may become a menace to public health.  
Dr. Bonnell also pointed out

that while this particular phase of the milk programme has been carried out to some degree in the past, it was now felt necessary that the regulations should be more strictly adhered to in the future for the safety of people on Prince Edward Island.

## May Attempt To Immunize All Canadians Against New 'Flu'

MONTREAL (CP) — An attempt may be made to immunize Canadians against the type of influenza now spreading through Asia in epidemic proportions, an official of the Montreal Microbiological Institute says.  
Jean Tasse, assistant director of the institute, said a meeting is to be held in Ottawa today to study the effects of the influenza. He anticipated that the institute would be asked to provide 30,000 doses of virus vaccine a day for use in an immunization program.  
Mr. Tasse said in an interview that the flu will ultimately make its way through Europe and into North America. But "we can't say when." The Quebec health depart-

ment had said it expects the flu will reach Canada by this fall.  
Vaccine first would be made available to hospital and public utility personnel but eventually the supply would be sufficient to meet the needs of all Canadians.  
In Geneva Wednesday it was learned that the U.S. armed forces are preparing to inoculate more than 2,500,000 soldiers scattered throughout the world against the flu.  
Mr. Tasse said the epidemic is the worst the world has known since 1918. Though little or no mortality accompanied the passage of the virus relatively few persons in the affected countries had escaped it.

## Atomic Structure Of Viruses Big Barrier To Beating Them

MONTREAL (CP)—The complicated atomic structure of viruses, rated among the world's greatest "killer" diseases, was described Wednesday as one barrier to battling their harmful impact.  
There may be 1,000,000 atoms, for example in the polio virus, Professor J. D. Bernal of the University of London, England, said Wednesday as about 700 world scientists sat down to talk about crystallography.  
The delegates, including seven Russians and representatives from 27 other nations, are attending the seven-day fourth International Congress of Crystallography at McGill University.  
British scientists are trying to unravel the polio virus, Professor Bernal said, but the study of viruses is complicated by the fact that they are so complicated themselves.  
Minerals were simple. Coal had its atoms arranged neatly in combinations of two and in pencils, where the science of crystallography had helped lead to the synthesis of the famous drug, they

were in groups of 20.  
**LESS COMPLICATED**  
Proteins might have series of as many as 1,000 but this was 1,000 times less complicated than many viruses were.  
Professor Bernal said he had begun work in 1934 on pepsin, a digestive tract substance which plays a role in digesting food. But he could only say now that its structure still is a considerable mystery.  
Professor N. V. Beov of Moscow, head of the Russian delegation and a member of the Russian Academy of Sciences, said his special interest lies in the structure of silicates and particularly in their application to concrete's characteristics and allied building materials.  
Crystallography had wide applications, he said, in studying stresses and strains in metals, disease, development of synthetic drugs and working out new plastics and fibres.  
And, he added, his delegation hopes to travel a bit after the congress to study applications of the science in North America.

## Continue Search For Missing Plane

GASPE, Que. (CP) — Searchers Wednesday continued the hunt for a single-engine plane owned by Trans-Gaspe Airways missing since Saturday in Northern Quebec.  
The Cessna aircraft has not been seen since it flew over Sheldrake, Que., carrying four passengers, one a woman. It left Mingan, about 75 miles east of Sept-Isles, en route to Rapid Lake, 20 miles northwest of Sept-Isles.  
The pilot was identified as Harold Boudreau, 30, of Havre St. Pierre. The passengers are Anita Jobidon, 37, of Chateau d'Eau, near Quebec, and brothers Gilbert and Louis Vibert, 30 and 32 years old respectively, of Mingan.

## Pakistan's Prime Minister In U.S.

WASHINGTON (AP)—Pakistan's Prime Minister Suhrawardy received a personal "welcome to America" Wednesday from President Eisenhower as he arrived for three days of talks with U.S. officials.  
He was assured by Vice-President Nixon that the talks at the White House and state department would strengthen the ties of friendship that already exist between the two nations.

# PM And Eisenhower May Meet To Solve Problems



**PLACING ANOTHER ISLAND**  
The United States Government's New York City. The structure was towed from Portland, Maine, into place home 100 miles out in the Atlantic Ocean southeast of Annas, part of the aircraft warning system. It will also provide a helicopter landing spot.  
AP Wirephoto

## Expect U. S. Crop Output Down

WASHINGTON (AP)—The U.S. agriculture department said Wednesday total crop output this year now seems likely to be the smallest since 1951.  
It said that a slow and unimproving start for main crops planted last fall and this spring in important areas threatens to hold down production.  
The harvested acreage may edge slightly above last year's total because of a record rise in plantings of sorghums and increased acres of barley and oats, although the total planted acreage may be the smallest in nearly 40 years.

## Crops At Critical Stage In Alberta, Saskatchewan

OTTAWA (CP) — Crops are at a critical stage in some Prairie areas because of a lack of rain, the bureau of statistics says in a telegraphic survey of Canadian crop conditions.  
The report, based on information received from field correspondents Tuesday night, said that with minor exceptions, Manitoba's moisture reserves range from adequate to excessive and the outlook is for a crop in that province well above normal.  
In Saskatchewan, heart of Canada's wheat belt, moisture supplies are limited and uneven and though crops have held up well, "a period of hot dry weather could cause a rapid decline in prospects."  
"Crops are also at a critical stage in Alberta and general rains are needed in many parts of the province to maintain prospects."

## Pipeline Question Continues To Be Difficult One For Gov't

OTTAWA (CP)—Among slippery spots on the minority government tightrope being walked by the Progressive Conservatives is the Trans-Canada natural gas pipeline.  
"We are not through with this pipeline business," CCF leader M. J. Coldwell told a reporter recently, explaining that he believed it would again go before Parliament when the company sought an export permit.  
If it does go before Parliament again, he added, the CCF will restate its demand that the controversial project be placed under public ownership.

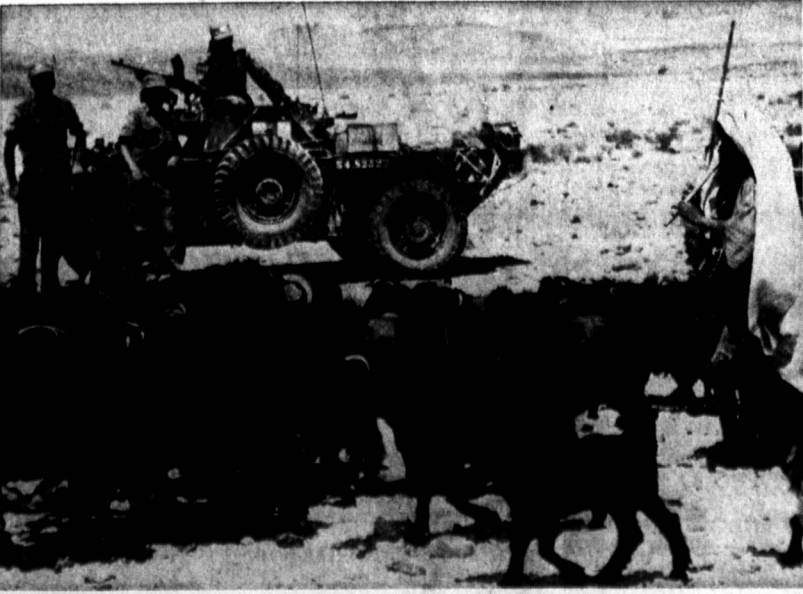
Conservative spokesmen say now that the pipeline is under construction across the Prairies and due the fall of 1958 it would be difficult for the new government to make any changes in its setup. About the only change it could make would be to nationalize it. This the Conservatives would not be eager to do.  
Trans-Canada had a letter from former Trade Minister Howe agreeing to grant the company permission to export gas once the Canadian need was filled. Eventually the new government will have to decide whether to stand by this Liberal policy or take some new approach.

## Avert Strike Action In B.C.

VICTORIA (CP) — British Columbia's 11,000 servants won't go on strike Friday, George Horridge, president of the B.C. Government Employees Association, said late Wednesday.  
The decision was made after the Social Credit cabinet of Premier W. A. C. Bennett agreed to set up a board of reference to review the present system of bargaining for the civil servants.  
The government also offered a 7½-per cent wage increase.  
Mr. Bennett announced that Chief Justice Gordon Sloan of the B.C. Court of Appeal will head the board of reference and recommend any changes in the Civil Service Act.  
The employees' association's prime demand in the dispute was that it be recognized as bargaining agent for the civil servants.  
It also had asked a 13-per cent wage increase, but association executives emphasized this was secondary to bargaining rights.

## European Heat Wave Broken; 18 Death Toll 380

ROME (CP) — Cool winds and showers Wednesday injected some natural air conditioning into a July heat wave that has killed at least 380 persons in Europe.  
The nine-day hot spell was making a faltering last stand in Italy, where a bus and street car barn collapsed Wednesday, killing three workmen and injuring 80 others.  
It appeared that the barn gave way when the furnace-like temperatures of the last few days expanded sustaining girders.  
In Milan, city officials cancelled all summer vacations for municipal funeral attendants and grave-diggers. They said the action was necessary because of the heavy death toll in the heatwave.  
More than 100 death certificates—a record—were filed Tuesday at Milan's bureau of vital statistics. It was not known how many of these deaths were the direct results of the heat.  
The death toll in Italy was estimated between 180 and 210.  
Many residents at homes for the aged in Venice, Milan and Padua died.



**MODERN AND ANCIENT**  
A desert patrol of 56 Canadian soldiers and Capt. Norma Shackleton of Ottawa, Ont. (National Defence Photo)

## 2,000 Miles From Moscow

LONDON (Reuters) — Ousted Communist leader Georgi Malenkov Wednesday night was reported sent at least 2,000 miles from Moscow to take up a job managing a hydro-electric power station in East Kazakhstan.  
The news was announced by Moscow radio in an English language broadcast which said that there could be "no thought of persecution" of the top leaders ousted in last week's Kremlin reshuffle.  
The radio said the men concerned had been "transferred to other work."

## Malenkov Gets New Job

It also made no reference to the jobs allotted to the other dismissed top leaders who include former first deputy premier Vyacheslav Molotov and Lazar Kaganovich.  
"This makes it clear," the radio said, "that the myths being spread by some of the Western journalists about the persecution of the members of the anti-party group are merely intended to defame the democratic Soviet system and the Communist party of the Soviet Union."  
The announcement came as a sensation in the West, where speculation has been rife about the fate of the ousted Soviet leaders, stripped last week of all their Communist party and government posts.  
**GO SLOW**  
It seemed to indicate that Soviet Communist party chief Nikita Khrushchev—now visiting Czechoslovakia together with Prime Minister Nikolai Bulganin—has signalled a "go slow" on the present campaign of vituperation directed against the dismissed leaders.  
In the 40 years' history of the Soviet regime, leaders of the emigration of Molotov, Malenkov and

## Wheat Crisis, Big Deficit In Trade Head Up The List

OTTAWA (CP)—Prime Minister Diefenbaker may confer with President Eisenhower later this year in attempts to solve a mounting array of Canada-United States trade problems including the wheat crisis and the big Canadian deficit in American trade.  
A cabinet source said Wednesday it is "natural speculation" that they would meet but emphasized that timing for staging such a conference has not yet been explored.  
One possibility is that the two might hold private talks in Washington in conjunction with a new session of the joint Canada-U.S. ministerial committee on trade and economic problems.  
This special committee of eight ministers was set up to settle issues between the two countries before they blew up into public embarrassments. The committee, including ministers of trade, finance, external affairs and agriculture, was to meet once a year. The last session was held here in the fall of 1955.

eral Agreement on Tariffs and Trade. Canada has lodged a number of protests but to no avail. There are indications the Canadian government would like to discuss the whole issue with the U.S. before taking action to lodge a formal charge against the U.S. before the Gatt, possibly next fall.  
If GATT members approved of a Canadian complaint, Canada could legally take compensatory steps by withdrawing tariff concessions from the U.S. However, there is some concern here that such action could possibly lead to a trade war between the two countries, a step which the new Canadian government wants to avoid.  
However, Mr. Diefenbaker also had expressed the desire to see a major reduction in Canadian imports from the U.S. and a similar increase in purchases from the United Kingdom.

**SHIFT IN IMPORTS**  
He expressed the hope of a 13 per cent shift in imports. On the basis of last year's figures, this would amount to a reduction of about \$625,000,000 in purchase from the U.S. which last year supplied Canada with a record \$4,162,000,000 worth of goods. Britain supplied Canada with \$485,000,000.  
Canada last year had a record \$1,283,000,000 deficit in American trade, financed by heavy imports of American capital. Some federal officials view the heavy foreign investment as increasing foreign control over Canadian industry.  
Mr. Diefenbaker has stated he is not opposed to U.S. capital but would like to see increased Canadian control over Canadian industry.

Finally, Mr. Diefenbaker has come out strongly in favor of Commonwealth trade, a move which could have some impact on American sales in Canada. But Canadian officials said they would confer with the U.S. government before proposing Commonwealth measures which would restrict American exports.  
Commonwealth finance ministers are to meet here in September to consider a Canada-proposed draft agenda for a general Commonwealth economic conference. Undoubtedly the Americans would like to confer with Canadian ministers as quickly as possible to find out just how far Canada proposes to go in her new Commonwealth planning.