



PREMIER ELECT Alex Campbell receives congratulations from Prime Minister Lester Pearson at Summerside airport last evening. The meeting of the two Liberal leaders almost did not take place, as no officials were on hand when the Prime Minister's plane landed ahead of schedule, and time permitted only a brief stopover.

## Prime Minister Pearson Pays Brief Island Visit

By CARMAN SMITH  
SUMMERSIDE — Prime Minister Pearson made a brief stop here last evening while enroute to Ottawa from Newfoundland where he had attended the official opening of the Trans-Canada Highway in that province. During his 25-minute informal visit with Prime Minister Pearson, 32-year-old Alex Campbell and congratulated him on his party's recent election victory. Mr. Campbell almost missed meeting the Prime Minister as the department of transport jet carrying him and his entourage arrived earlier than anticipated and no one was on hand to officially meet them. Upon finding no one at the airport the Prime Minister turned to Hon. Robert Winters, Federal Minister of Trade and Commerce and said "we must hurry and get back to Ottawa." He immediately turned on his heel and climbed back into the plane. Mr. Winters on the other hand, remained outside the aircraft and moments later Mr. Campbell, accompanied by the Prime Minister, returned to the farm where he shook hands with Mr. and Mrs. Campbell as well as those accompanying him. "We can't stay too long," the Prime Minister told Mr. Campbell.

## Medical Officer Releases Verdict

MIAMI, Fla. (AP) — Three small children found dead in a car, parked in the hot sun with the windows rolled up, were killed by a heat stroke, the medical examiner's office said Tuesday. Their mother, who left them in the car for three hours Monday while she sold a pint of blood for \$10, will not be charged, police said. The mother, Mrs. Joseph Luke of West Hollywood, Fla., said she left the car doors unlocked and the windows down, police Sgt. Andy Giordano said. "There was a heavy rain about an hour and a half before she came back," Giordano said. "It looks like the four-year-old rolled up the windows. The right front window stuck in the rubber about 90 per cent of the way up. "I guess he couldn't get it down and then got scared or something," he said. "The woman said she had left the kids in the car before and they had been all right."

## Commission Hears Report

TORONTO (CP) — British Mortgage and Trust Co. loaned a C. P. Morgan-controlled company \$1,200,000 to buy shares in Lucayan Beach Hotel Co. Ltd. in 1963, a royal commission was told Tuesday. Mr. Morgan was president of Atlantic Acceptance Corp. when the loans were made and until the company went broke in June of last year. In seeking the loan, Mr. Morgan advised British Mortgage President Wilfred Gregory that Lucayan rented its gambling casino to "E. P. Taylor for Chester-Grand Bahaman Development Corp. at an annual rent of \$750,000." The royal commission staff is investigating the cause of Atlantic's collapse, has so far been unable to find any connection between Mr. Taylor, Toronto industrialist, and the Bahamas ventures of Atlantic. PASSED ON REQUEST Mr. Gregory, after being advised of the Taylor-Chester-Grand Bahaman interests, transmitted the loan request to the board of directors of British Mortgage. Minutes of the meeting show the directors were told: "A \$1,200,000 loan is required by Lucayan Holdings Ltd. This company controls property in the Bahamas which is leased to Canadian industrialists, one whom is E. P. Taylor." In earlier evidence, commission counsel Albert Shepherd said Atlantic Acceptance may have kept alive had it not been for an \$1,000,000 "adventure in the Bahamas." The Lucayan Beach Hotel now is run by managers and has a "for sale" sign outside.

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# Government Minister Reaffirms The Program

## U.S. Pilots Outmanoeuvre Missiles

SAIGON (AP) — The North Vietnamese launched nine missiles and two MIG-21 fighter planes Monday in an effort to curb intensified U.S. air attacks on North Viet Nam, but a spokesman announced Tuesday that American Air Force pilots outmanoeuvred all to press raids on missile, radar and fuel sites and other targets. U.S. Navy flyers wrote off 39 barges and cargo junks as destroyed or damaged. One missile site was reported destroyed. In all the Americans flew 101 missions. Mounting U.S. aircraft losses were reported. The U.S. command announced the destruction of two fighter-bombers by enemy ground fire, boosting to 290 the plane toll since operations were launched at North Viet Nam Feb. 7, 1965. In other phases of the war: —Ground action in South Viet Nam subsided after a sweep Monday by 1,000 South Vietnamese rangers and militia cleared Viet Cong guerrillas from swamplands near a major oil depot 10 miles southwest of Saigon. —Gen. William C. Westmoreland, commander of U.S. forces in South Viet Nam, toured the northern part of the country and told correspondents in Hue the situation looks good. —U.S. Navy Secretary Paul H. Nitz told a press conference in Da Nang the U.S. 7th Fleet is capable of blockading North Vietnamese ports if a blockade should be ordered. —Viet Cong leaders were reported showing increasing concern about the South Vietnamese government's program to lure enemy fighters to defect. A total of 10,171 have defected so far this year, about twice the number deserting in the same period of 1965.

## India's PM, Indira Gandhi Commons Gives First Reading

MOSCOW (Reuters) — Indian Prime Minister Indira Gandhi received an enthusiastic welcome when she arrived here Tuesday for talks with Russian leaders in which she will urge them to further the cause of peace in Viet Nam. Her five-day Soviet visit was expected to test the influence of the non-aligned powers in international affairs when she presents the Kremlin with a new Vietnamese peace plan backed by Yugoslavia and the United Arab Republic. Russian Premier Alexei Kosygin paid a courtesy call on Mrs. Gandhi shortly after her arrival at Moscow's flag-decked Vnukovo Airport. Mrs. Gandhi has called for immediate reconvening of the 1954 Geneva conference on Indochina. Britain and the Soviet Union, as co-chairman of the conference, have the power to call the conference into session again. Britain's Prime Minister Wilson, who is scheduled to arrive here Saturday, is expected to back Mrs. Gandhi's plea in talks with Kosygin Monday. RUSSIANS REJECT PLEA So far, Kremlin leaders have refused to accept British demands for calling a new session, maintaining they are powerless to act unless requested by Hanoi. India, as chairman of the three-nation International Control Commission for Indochina set up by the 1954 conference, is directly concerned about peace in that war-torn area. Canada and Poland are the other ICC members. Besides reconvening the conference, Mrs. Gandhi has called for a halt to bombing in North Viet Nam, a military standstill to be supervised by the commission followed by eventual withdrawal of foreign troops, neutralization and guarantees by the Geneva powers for rehabilitating the country. China has rejected a conference until the Americans pull out of Viet Nam. Besides her Vietnamese initiatives, Mrs. Gandhi will discuss Soviet aid for her nation's latest five-year plan, the effects of the recent devaluation of the Indian rupee and the Tashkent peace declaration signed by India and Pakistan in Russia last January.



MRS. GANDHI

## Retired Officer Arrested

WASHINGTON (AP) — A retired U.S. Army lieutenant-colonel, formerly assigned to the joint chiefs of staff, was arrested Tuesday on a charge of conspiring to deliver to the Soviet Union data relating to national security. The justice department, announcing the arrest by FBI agents on the basis of an indictment by a federal grand jury at Newport News, Va., identified the former officer as William Henry Whalen, 51, now unemployed.

## Ohio Students Are Disciplined

COLUMBUS (AP) — Ohio State university said Tuesday 39 students have been disciplined in what it called "the worst cheating scandal in the university's history." The university said 10 students were dismissed as the result of theft and sale of part of a final examination for a freshman mathematics course. Another 29 students were disciplined. Eighteen were suspended for six to nine months. The others were given lesser penalties, ranging down to fail grades in the course. Dean of student relations John T. Bonner said eight of the students are upperclassmen, the others freshmen. He declined to identify any of the students. He said the number dismissed is greater than the total usually dismissed during a year for all types of misconduct. Bonner said investigation showed five students offered \$100 to get a custodian in the mathematics building to unlock the office where the exam was kept. The custodian, since dismissed, said he actually was paid only \$43. Bonner said the students took copies of two of the three pages of the examination, duplicated them and sold copies for from \$4 to \$5 each. Bonner said an estimated \$300 to \$400 was paid before the exam was given June 10. A student reported to school officials June 9 that copies of the exam were out and the test was altered before it was given. Bonner said the alterations were such that students who had access to the stolen test could be easily identified.

## U.S. President Is Determined

WASHINGTON (CP) — President Johnson said Tuesday night the United States wants to be friendly with China but is determined to support the Saigon regime as long as Communist aggression continues in South Viet Nam. In a speech telephoned to a group of educationists in White Sulphur Springs, Va., Johnson called on North Viet Nam to move towards a peaceful settlement of the war and on China to co-operate in "the peaceful development" of Southeast Asia. Johnson said "Asia can't be peaceful unless China is peaceful. The 700,000,000 people of the outside world by their rulers and as long as this situation continued, a lasting peace could never come to Asia. He said the United States wants to open an era of peaceful relations with Peking. White House sources said the president had four main points in mind when he delivered his speech. First, by warning about the possibility of a long war, he wanted to check optimism arising from official reports saying there is a mood of war weariness in Hanoi. Second, he was informing China that the United States, while standing resolutely against aggression, wants to stress a spirit of conciliation in relations with Peking. Third, he was appealing to China to look beyond the Viet Nam war and to move towards long-term co-operation in Southeast Asia. Fourth, he was signalling that the United States has no intention of initiating an armed attack on China. In his speech, the president said "We are fighting a war of determination. It may last a long time. But we must keep on until the Communists in North Viet Nam realize the price of aggression is too high — and agree to a peaceful settlement or to end the fighting." Johnson directed his remarks to the leaders in Hanoi and also to domestic critics who argue that the United States has no business to make wide-ranging military commitments in Asia. Johnson's speech was prepared for the American Alumni Council, composed of representatives of hundreds of colleges and universities.

## Parliament At A Glance

By THE CANADIAN PRESS  
TUESDAY, July 12, 1966  
A long list of broadcasting licences was recommended by the BRG including a new CBC FM station at Vancouver to broadcast in French. Canadian hog producers approved both a new price-grading system and an agency to put it into effect. Immigration Minister Marchand said in the Commons the July 25 deadline may be extended for visitors wishing to apply for landed immigrant status. Health Minister MacEachen launched debate on the government's proposed medical care insurance legislation. The health minister reaffirmed the basic principles of the medicare offer and expressed hope plans will be available to all by July 1, 1967.  
WEDNESDAY, July 13  
The Commons meets at 2:30 p.m. to consider Income Tax Act amendments, a bill to establish a national arts centre, longshoremen's legislation and second reading of the medicare bill. The Senate meets at 8 p.m.



AWARD WINNERS  
A large number of records were broken in the Lobster Carnival track and field meet held in Summerside yesterday. Entries from various Maritime centres participated and Jim Hogan, head-track judge of the meet, is seen presenting the first place award in the women's open 40 to Betty Cook of Pictou, N.S. (CENTRE) while Cathy Holley (RIGHT) second and third place finishers respectively and also of Pictou, await their awards.

## Federal Minister Delivers Warning

OTTAWA (CP) — The federal government will take strong action in the national interest if any U.S.-owned flour mills in Canada have been told not to mill wheat destined for Cuba, External Affairs Minister Martin said Tuesday. L. R. Sherman (PC Winnipeg South) asked in the Commons whether three mills — Robin Hood, Quaker Oats and Pillsbury — have been forbidden by U.S. authorities to mill the Canadian wheat and whether this was in line with good Canadian corporate practice. The question was first ruled out of order by Speaker Lucien Lamoureux but he permitted it to be answered when Opposition Leader Diefenbaker protested. Mr. Martin said the matter had not been brought to his attention nor to the attention of Industry Minister Drury, acting trade minister in the absence of Robert Winters. He promised to look into the question. QUESTION IMPORTANT Mr. Diefenbaker said Mr. Sherman's question is of great consequence to determine whether the U.S. administration is asserting extra-territorial jurisdiction over Canadian corporations. He said the United States had tried this when he was prime minister. Mr. Martin said he wanted to indicate that if there has been any extra-territorial action Canada will take the "strongest action" in the national interest. Canada has continued to trade with Cuba in non-strategic goods despite a ban by the U.S. on any trade with the Castro regime. A large part of the flour exports contained in recent wheat sales to the Soviet Union was earmarked for delivery to Cuba.

He estimated that Canadians will spend \$600,000,000 in 1967 on physicians' services. The federal government was allowing for possible rises in this figure. COSTS \$340,000,000 Current federal estimates are that with all provinces participating it would cost the federal treasury about \$340,000,000 a year. Mr. MacEachen said the conditions attached to the federal offer remain as outlined by Mr. Pearson. These are: 1. Benefits must cover all the services provided by general practitioners and specialists at home, hospital, or nursing home, doctor's office or elsewhere. 2. Coverage apply at the start to at least 90 per cent of the population of each province, rising to 95 per cent. This period had earlier been set by Mr. MacEachen at three years. 3. Provincial plans must be publicly administered, non-profit and open to public audit. The provinces were free to determine who would administer the plans. 4. Benefits must be portable from province to province. NONE REFUSES Some provinces indicated readiness to proceed by the July 1, 1967, target date. Others had not been able to commit themselves yet but said their existing plans could be changed to meet the four federal conditions. None had refused to participate although Premier Manning of Alberta expressed criticisms. He recalled that some criticism about the requirement that provincial plans be universal. "Universal coverage should not be confused with compulsory coverage," he said. "Only if a province finances its share of the cost through a premium would the question of compulsion arise. But it would be entirely up to each province whether to finance through a premium or taxes. Doctors would not be compelled to join the plan nor would individuals be compelled to use the services provided under the plan." Citing the existing hospital insurance plans, Mr. MacEachen said that when they started, universal coverage was automatically achieved by those provinces which chose to finance their share of costs from general revenues or a sales tax. Those which used a premium had ultimately abandoned this method or achieved universal coverage. CHECK-USE OF FUNDS Mr. MacEachen had earlier informed the Commons that there will be no provision for provinces which have plans in force that do not meet the four conditions. Nor would there be provision for provinces to "opt out" by taking the equivalent of the federal contribution and using it in any way the province wanted. Mr. MacEachen said only half Canada's 30,000,000 residents have adequate medical care. Only 3,000,000 had partial medical care insurance and 6,000,000 lacked any at all. "New Democratic Party leader T. C. Douglas pressed the government to get the legislation through Parliament before the summer recess. Mr. Douglas said that if second reading is left until the fall, some provinces might use this as an excuse to say they couldn't pass legislation by the July 1, 1967, deadline. The program would commit provincial governments to a scheme that is going to be vastly more expensive than \$23 per capita as mentioned by the minister. Glasses and dental services could well be added to the plan later. Such sweeping legislation (Continued on Page 5 Col 7)