



"Covers Prince Edward Island Like The Dew"  
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NOT MORE SEVEN CENTS

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# Keep Our Doctors' Gaily Fails on Budget Sask. Gov't Distering Attack Made String Of Deficits

**SEVERED HEAD TAKEN TO POLICE**  
KINGSTON, Jamaica  
(Reuters) — A man walked into a police station at Bedford, 70 miles from here, Tuesday and produced a basket containing his neighbor's severed head.  
The man, Ronald Campbell, a laborer, told police he had quarrelled with his neighbor, Walter Hamill, after his pig had strayed onto Hamill's property.  
Hamill's head was severed with a machete, police said. Campbell then put it in a basket and brought it to the police station.  
He has been charged with murder.

**REGINA (CP)**—Thousands of persons rallied in a picnic atmosphere today to protest the Saskatchewan government's controversial medical care insurance plan.  
Crowds estimated at 15,000 from 4,000 to 50,000. The city police chief estimated 15,000.  
Entire families, many of whom had driven hundreds of miles from far-flung points in the province, strapped themselves in long lines of cars in the spacious lawns in front of the legislative buildings as a 12-noon celebration of Premier Woodrow Lloyd to seek suspension of the act.  
Only one minor incident was reported as the good-humored crowd listened for two hours to a long list of speakers and then dispersed quietly after the sponsoring Keep-Our-Doctors group.

**PM's Absence Noted  
In Stormont Campaign**  
CORNWALL, Ont. (CP) — An amalgam of local and national issues in keeping the Stormont federal election campaign in a high state of agitation.  
One of the most striking aspects of the campaign that ends with voting next Monday is that the name of Prime Minister Diefenbaker hardly figures in the Progressive Conservative campaign strategy.  
Neither text books nor traditional explain why the government followed such a policy "regarding economic expansion and contraction and despite 'affirming' levels of taxation, the IDAC said.  
Although written many weeks before the June 24 announcement of the government's quarterly program, the IDAC warned of some of the conditions

# Cabinet Has Busy Session Reviewing Spending Cuts

By JAMES R. NELSON  
OTTAWA (CP)—The cabinet met today for a busy five-hour session reviewing plans to cut federal expenditures by \$300,000,000 and considering provincial appointments.  
There was no statement of government action on the spending cuts, but Prime Minister

# One-Year Recession Seen For Fall Start

MONTREAL (CP)—A convention board studying new contract demands by C.A.A.'s 100,000 non-operating railway employees adjourned its hearings for a week after hearing from a witness both sides agreed with.  
The witness was John Kay, professor of economics from the University of Toronto, who said in a railway contract dispute. The last two years, wages involved in the hearings were cut by 10 per cent.

board chairman, Mr. Justice Craig Munroe of the Supreme Court of British Columbia, called for the board to meet again for three days after the adjournment and then end the hearings to start preparing its recommendations.  
That time table — only eight days of sittings — would make this one of the fastest hearings in the history of the board.

After he presided a year-long recession starting this year and a return of unemployment in 1963 to about eight per cent, a spokesman for the CLC-affiliated non-operating said his group wished to associate themselves with the professor's forecast.  
The adjournment was granted on the union could prepare rebuttal statements to its preliminary evidence presented so far this week.

**MEET 3 MORE DAYS**  
A timetable drawn up by the

# VICE-PRESIDENT IS CITY RESIDENT

# Woman Engineer named to Head B And P Cubs

By ANDREWS, N. B. (CP)—Elizabeth Gregory MacGill, of Toronto, was elected president of the Canadian Federation of Business and Professional Women's Clubs here Wednesday. She succeeds Mrs. MacLean Ryan of Calgary.  
Nadia Davis of Toronto was elected first vice-president and Mrs. J. G. MacGill of Toronto was elected president of the club.

# WHERE-TO-FIND-IT

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By HAROLD MORRISON  
WASHINGTON (CP)—President Kennedy Wednesday provided a new incentive for lagging U.S. industry by announcing the most sweeping depreciation reform in two decades.  
Factory write-offs for machinery and equipment will allow industries to reduce their federal tax payments by \$1,500,000,000 or more a year.  
The U.S. Chamber of Commerce immediately called the more attractive depreciation allowances an "excellent move."  
It is a spokesman said the impact on the economy will be slow and deep income tax cuts for both industry and individuals are essential to prevent a recession which could spread to Canada and Europe.  
It was expected both by the chamber and the treasury department that most U.S. industrial firms—about 12,000 of them—will take advantage of the more liberal allowance.  
Canadian subsidiaries of U.S. firms are not affected. Generally, these subsidiaries comply with the tax rates in countries in which they operate.  
The larger annual depreciation allowances are expected to increase the flow of orders for new machinery and equipment.  
"Thus creating jobs and income for business and individuals," Treasury Secretary Douglas Dillon said.  
To some extent, therefore, Kennedy expects to re-energize the economy, reduce the cost to the treasury of the more generous depreciation allowance, and speed up the economy.  
The speed with which the economy can respond is a major question for a balanced budget.  
"John's Ward" he was upset by a predominantly Liberal armed force vote.  
Mr. Diefenbaker questioned by reporters, said again that Parliament would open as planned in September. He would not say, however, whether the vote would be before or after the Commonwealth prime minister conference in London, expected to open Sept. 10.  
Mr. Diefenbaker's speech to the Stormont Liberal campaign speech by Paul Martin (L.-Essex-Kent), who said the government must have a vote of confidence from the Commons before Mr. Diefenbaker goes to London.  
The spending cuts, reported by the cabinet Wednesday, have been allocated among the departments of government following the cabinet's decision announced July 24 — to trim spending by \$250,000,000 in full 1962 as part of the dollar-stabilizing austerity program.  
It was expected the cuts—ranging as high as \$200,000 in the remaining nine months of the current fiscal year, which ends next March 31—will be made principally in the defence department and by means of delaying other projects.

material gathered during days throughout the year. Delegates were welcomed by Charlottetown Mayor A. Walter Gaudet and Minister of Agriculture Andrew B. MacRae. (See also stories on page 3 and 5.)

lotelov, deputy minister of agriculture, as she awaits the opening of last night's session of the 49th annual WI convention. Dr. Creighton was guest speaker at the meeting, held in Prince of Wales college and gave interesting examples of

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# Guest Speaker Discusses Folklore

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# Outside Aid sought By Ward in Arr. Theft

LONDON (AP)—Scotland Yard called for international police assistance Wednesday to track down a gang of deft burglars who stole \$5 valuable impressionist paintings in London's biggest art theft.  
James O'Hara, owner of the stolen works by such modern masters as Picasso, Rembr., Cezanne, Utrillo and Toulouse-Lautrec, were worth at least \$700,000 but might bring \$1,200,000 on an open market.  
An insurance broker, who offered a \$80,000 reward for return of the paintings said they were insured for \$500,000 and that this was only about half their value.  
Only hours after the raid on the O'Hara gallery was discovered at daybreak, a new alarm was sounded at the Dulwich College art gallery in Dulwich Park, Southeast London.  
Two men attempted to steal a valuable painting, believed to be a Rembrandt, from the gallery. They escaped.

# Sir Winston Seen On Mend

LONDON (AP)—Sir Winston Churchill, puffing a cigar and looking brightly at a group of his close friends, was seen on Wednesday and indicated he feels he is on the mend.  
His doctor, a friend, said to agree. They report he is making satisfactory progress and they hope he will be able to return to the medical bulletin today. That in itself is a good indication. A medical bulletin would be useless to the thieves since they have

# Early Payment Assists Carrier

Weekly collections by your carrier will help you to meet his school and other expenses.  
He may begin collections on Monday and continue through Friday and Saturday. Your thoughts in each other's minds should be encouraged to prompt service.  
Your carrier is an independent merchant, and like all other merchants he can enjoy the full profit of his business.

# Avro Division Reported Sold

TORONTO (CP)—Sale of the Avro aircraft division, which developed the famed Arrow interceptor and built the RCAF CF-100 all-weather fighter was announced Wednesday.  
T. J. Emmert, president of Hawker Siddeley Canada Ltd. and P. C. Gunn, chairman of the Hawland Aircraft of Canada Ltd. announced the sale of the Avro aircraft division and Canadian Applied Research Co. Ltd. to the de Havilland organization.

# Thousands Assemble In Picnic Atmosphere

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# French Pictures Relayed To U.S.

NEW YORK (AP)—The U.S. Telstar satellite, voyaging through outer space, Wednesday night relayed French television pictures live into American TV screens.  
The Telstar at the time was orbiting the earth for the 19th time at a speed of 16,000 m.p.h. It was over the Atlantic between Newfoundland and Europe.

# RCAF European Force May Be Cut by Third

OTTAWA (CP)—The 12-squadron RCAF air division in Europe is expected to be reduced by one-third early in 1963 as part of the defence department's austerity measures, with formations said Wednesday.  
At the same time, it is believed that the planned 11,000 man increase in the Canadian Army will not be carried out fully. Only some 3,000 men have so far been recruited.

# NOT APPROVED

NATO has not yet been informed of any such action. The study of possible reductions in these have not yet been approved by the cabinet.  
Prime Minister Diefenbaker has said government spending will be cut by \$200,000,000 in a full year.  
The RCAF had entertained some hope that the four CF-100 squadrons would be re-equipped with a new plane. This hope is now abandoned.

# China, India Trade Notes On Charges

NEW DELHI (AP)—India and China accused each other Wednesday of waging a campaign of encirclement of each other's outputs in a costly valley in their Himalayan region.  
In an exchange of urgent messages, each charged the other with aggression in the narrow Galwan Valley and each warned the other of the responsibility of shooting a missile over the disputed border.

# SHEPHERD MAKE GOOD SHOWING AT BRANDON

Brandon, Man., last week was exhibited by two of those who participated in the show. Allison Bowvall, Marshfield, left, and Allison Stewart, Dunstonsville. Also exhibiting in Brandon was Howard Norton, An-



ALL-CANADA SHEEP SHOW  
Brandon, Manitoba, July 10-12, 1962

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