

Record Spending Plans Are Outlined In Budget

Surplus Is Forecast In Ordinary Account

By DON MACLEOD

Record expenditures and no tax increases for the provincial government's 1966-67 fiscal year were forecast in the Legislature last night by Provincial Treasurer Alban Farmer.

Presenting the spending estimates, Mr. Farmer predicted expenditures of \$44,038,050 which include current expenditures of \$33,360,493 and \$10,677,557 for capital improvements.

The budget is designed to produce a surplus on ordinary revenue over ordinary expenditure of \$68,574, which, along with sinking fund appropriations of \$1,370,120 and interest of \$280,000 earned on sinking fund investments will mean a decrease in debt of the consolidated fund of the province of \$481,898, after net capital expenditures of \$1,236,796 are subtracted.

Expenditures on ordinary account will be \$4,742,149 higher than in the present fiscal year, with the department of education increasing its spending by \$1,578,849.

MANPOWER PROGRAM

"In education," said Mr. Farmer, "we plan to arrange with the federal government for a manpower development program; this will involve pilot projects for the assessment programs for industry and will not be confined to training within vocational schools.

"We propose to extend the vocational school system with new schools in West Prince and Kings Counties. University education is going to be assisted through grants to universities amounting to \$300 per student and a \$125,000 grant is to be made to Prince of Wales College for organizational purposes.

"Teachers' salary scales have been greatly improved. The cost to the province of teachers' salaries will be over \$80,000 greater than the estimates of last year."

MOVE FOR AGRICULTURE

Spending on agriculture is to be \$364,392 higher than the current fiscal year. Mr. Farmer said "in agriculture, a dairy extension program will be introduced; potato industry protection will be greatly expanded; a 50 per cent subsidy is to be provided on the cost of workmen's compensation for farm labor and the ARDA program is being continued."

Spending by the department of welfare and labor is to be increased by \$866,455 to \$4,914,649. Mr. Farmer said "the Canada assistance plan will enable us to improve our support of those who cannot support themselves. Social assistance will be available to many who could not qualify in the past. Mothers' allowances will be increased. Free medical care will be available for recipients of old age assistance, social assistance, tuberculosis assistance, mothers' allowances and old age security pensioners who qualify under the federal regulations."

GRANTS INCREASE

Municipalities are also to benefit from the budget. Per Capita grants will be increased to \$12 from \$10 and will amount to \$400,000.

Per capita grants to incorporated villages will be increased to \$6 from \$4.75, a total of over \$75,000.

SPENDING RUNDOWN

A rundown of forecast departmental spending on ordinary account shows education in the lead with \$7,713,497. Other expenditures forecast are: health, \$7,440,050; welfare and labor, \$4,914,649; debt charges, including sinking fund appropriations, \$4,268,132; highways maintenance, \$2,894,699; agriculture, \$1,494,767; municipal affairs, \$655,917; attorney general, \$524,556; tourist development, \$524,556; provincial secretary, \$465,063; provincial treasurer, \$349,700; fisheries, \$222,735; public works, \$209,202; and industry and natural resources, \$197,512.

Of the proposed capital expenditures of \$10,677,557, it is forecast that \$7,500,975 will be for construction of highways and bridges; \$1,551,892 is for fixed and moveable assets; \$100,000 for rural electrification and \$1,074,680 for the provincial office building.

On the revenue side, the province expects revenue on ordinary account of \$33,429,067, of which \$20,881,765 will come from statutory subsidies, fiscal arrangements, Atlantic Provinces adjustment grant and shared cost programs and the balance of \$12,547,304 from provincial sources.

EXPECTED REVENUE

"The revenue we expect from Ottawa," said Mr. Farmer, "is as follows: subsidies, \$657,000; tax collection agreement, \$2,625,000. Continued on page 3 col. 5"

Industrial Data Request Gets Okay In Legislature

By ALAN HOLMAN

A resolution calling for the tabling of "a full and complete report of industrial development in the province since 1959" and for the minutes of other agencies of government concerning industrial development passed unanimously in the Legislative Assembly yesterday afternoon after a lengthy debate.

In addition to the "full and complete report" the resolution asked for the tabling of minutes of the Fishermen's Loan Board and the Executive Council relative to industrial development.

It also asked for the tabling of all minutes of the P.E.I. Industrial Corporation.

Included in the resolution was that the agreement dated August 27, 1965 between the P.E.I. Industrial Corporation, Lease-way Ltd., Bathurst Marine Ltd., Gulf Garden Foods Ltd., P.E.I. Cavanaugh, Jens Moe, Moe Industries Ltd., and Premium Iron Ores be tabled.

It also asked for the tabling of a copy of the resignation of A. Walthen Gaudet, former chairman of the Fishermen's Loan Board and a complete report of the circumstances of the resignation.

The resolution was moved by Opposition Leader Campbell and seconded by Dr. L. M. Bonnell (L-4th Kings). The preamble said because Premier W. R. Shaw stated in his draft address there was a whispering campaign harmful and detrimental to industrial development. According to the resolution of Dr. Bonnell and Mr. Campbell "a whispering campaign usually starts when the public are not fully informed."

RESENTS IMPLICATION

Premier Shaw said, "I resent with considerable feeling the implication that the government has something to hide, I resent the statement we are not giving out information."

The whispering campaign came from the actions of the Liberal party in this Legislature," said the Premier, "the Liberal Party stands out in a way that can't do other than injury to the industrial development of this province."

"What is the sense of bringing in a resolution of this kind," said the Premier, "other than for cheap political reasons?"

"Industry has been turned away by attacks on the minister of industry in this Legislature," he said.

The Premier appeared quite upset when he rose to speak on the resolution. He was the first member of the Government to do so. However, later in the debate...

WAR ON RATS IS PLANNED

DARTMOUTH, N.S. (CP)—Exterminators will pay daily visits to the Nova Scotia mental hospital here next month in an all-out campaign to rid the institution of rats.

"It's a constant battle," the superintendent, Dr. Murray MacKay, said Thursday.

"Although we have a continual contract with an exterminating firm these special drives are sometimes necessary."

"We're always filling up holes, but they still chisel through."

Dr. MacKay said he can't remember when there were no rats at the hospital. He believes the rodents enter the buildings through a honeycomb of old sewer and water lines on the grounds.

War Moves To Doorstep Of Saigon

From AP-Reuters

SAIGON (CP)—A hamlet battle brought the war to Saigon's doorstep again Thursday night. Flare planes lit the sky as defenders beat off a Viet Cong assault on Tan Phu, less than two miles from the capital's Tan Son Nhut Airport.

Artillery fire could be heard clearly within the city. There was no report on casualties.

Battle reports Thursday told of the death of 50 Communists in scattered actions. South Vietnamese troops, planes and artillery were reported to have accounted for 222 of these in turning back heavy Viet Cong night attacks on two government posts at Go Dau, 12 miles north of Saigon, and Bu Prang, 112 miles northeast of the capital.

South Korean units, in an operation aimed at clearing rice growing areas before the harvest, reported killing 214 guerrillas and capturing 117.

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Grand Champion Steer Owned In North River

A 1,095-pound Hereford steer owned by MacKintley Brothers of North River emerged as the grand champion of the Easter Beef Show here yesterday. The reserve was an Angus steer shown by Mack Dixon, Clyde River that had previously won the 4-H Club championship.

The 96 animals were judged by J.C. (Bill) Bennett, Fredericton, N.B., who told The Guardian "there is a marked improvement over former years."

"This is the best show I've seen here, and I've been here twice previously," he said.

Asked for a comparison between this one and the Maritime Spring Show and Sale which he judged earlier this week at Oxford, N.S. he said the Herefords and the Angus steers are better here. Their Shorthorns were a bit better. Mr. Bennett liked particularly the heavy class of Angus steers. "That's the best class of steers I have ever judged at your show," he told the ringside.

He had eight of the 11 heavy Shorthorn steers in the first, or top grouping.

The light class steers run in weight from 650 to 849. The heavy steers run from 850 to 1100 pounds.

The reserve 4-H Club champion steer was the Hereford shown by Reta Hayden, Cherry Valley.

Mack Dixon's steer was the champion Angus, the reserve was shown by Lorraine MacDonald, York.

The grand champion steer of the show was the champion shown by Milton Ford, North River.

The champion Shorthorn is owned by Mr. Justice R.E. Bell, Charlottetown who has his farm at New Glasgow. The reserve Shorthorn was shown by Roy Jewell, Cornwall.

The following are the first three placings in the various classes:

4-H Club — Angus, 1. Mack Dixon; 2. Buddy Loane, Killmuir; 3. Hilda Dixon, Clyde River.

Hereford — 1. Reta Hayden; 2. Lowell Holmes; 3. Mervin Holmes, both of Kingston.

Shorthorn — 1. Reggie MacNally, Scotchfort; 2. Arthur Jewell, Cornwall.

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RELEASE U.S. LIST

The U.S. military command said 80 Americans were killed last week, 816 wounded and 17 missing or captured, against 100 killed, 808 wounded and eight missing or captured in the week of March 6-12.

A detailed study of B-53 raids led American officials to conclude that, in addition to ripping old jungle hideouts apart, they have sharply reduced the Viet Cong's will and ability to fight.

Offshore Hearing Set For November

OTTAWA (CP)—The federal provincial dispute over ownership of the offshore mineral rights will come before the Supreme Court of Canada in November, it was learned Thursday.

All provinces but Quebec and Saskatchewan have agreed to put forward their arguments to the nine justices, who have been asked by Prime Minister Pearson to rule on the multi-million dollar question.

The provincial representatives were called before Chief Justice Robert Taschereau to discuss the dispute and decide when it should proceed.

It had been tentatively scheduled for a hearing during the next session of the court starting next month. But Thursday's meeting decided it should go ahead in November.

Jury Bill Introduced

First reading was given in the Legislature yesterday to a bill to amend the Jury Act.

While the contents of the bill are not yet public, it is believed the legislation, if passed, would allow women to serve on juries.

Stand Queried On Punishment

Opposition Leader Alex Campbell asked Attorney General Alban Farmer in the Legislature yesterday whether or not this province has a stand on capital punishment which is being debated in the House of Commons.

Mr. Farmer said "this is a matter that is in the jurisdiction of Parliament and our stand would have no effect."



PROVINCIAL TREASURER
Alban Farmer makes a last minute check on his papers as he departs from his office for the Legislature to deliver the government's budget for the 1966-67 fiscal year. The budget, delivered last night, forecasts record spending by the government without the imposition of any new taxes. Debate on the budget is expected to continue today with George Ferguson (L-5th Kings) the opposition's financial critic, having the floor.

Debate On Capital Punishment Steps Up Emotional Content

OTTAWA (CP)—The emotional content of the Commons capital punishment debate stepped up Thursday as abolitionists and retentionists tossed out Bible quotations and statistics for and against abolishing the hangman.

By the end of the second day of debate, 27 MPs had taken part. Thirteen supported abolition, 12 supported retention and two were undecided.

Conservative Jack McIntosh (Swift Current - Maple Creek) was the first MP to urge retention, arguing that the government has a right under divine law to defend society in wartime and from murderers.

Prime Minister Pearson heard one of his Liberal MPs rap him and the cabinet for commuting to life imprisonment sentences of death when there was no recommendation for mercy.

Mme. Vanier, wife of the Governor-General, was a spectator for more than an hour during the afternoon. Prime Minister Pearson's wife was there for several hours.

Wednesday, the opening day of the three-day debate, four abolitionists and one undecided MP spoke. Thursday MPs who want the death penalty retained and those who want it scrapped were in the debate.

THERE IS A STATE RIGHT

Mr. McIntosh said he has concluded there is divine authority for two laws about killing—the individual is forbidden from killing; but the state may in order to defend society.

MPs had to consider the issue in terms of the government's responsibility towards society.

If the government had no right to hang murderers or treasonists, soldiers had no justification for being proud to serve in the armed forces during wartime. He said padres tell soldiers entering battle that they are fighting on behalf of their government, not as individuals.

He agreed with a recent resolution of the Young Progressive Conservative Association that the death penalty should be retained for persons convicted of a law enforcement officer, anyone previously convicted of murder and treason.

The Commons resolution, sponsored by four MPs from the Liberal, Conservative and New Democratic parties, would abolish the death penalty and substitute a mandatory life sentence. Parole of murderers would be subject to a federal cabinet order.

Possible Gangland Links Seen In Vancouver Deaths

NEW WESTMINSTER, B.C. (CP)—Robert Henry MacLaughlan, found shot to death with his wife, was described by police Thursday as an underworld executive in Greater Vancouver's illicit narcotics racket and may have been the victim of a gangland slaying.

Police said MacLaughlan, a former Alberta doctor, is believed to be near the top of one of the three major rings which last year were supplying heroin to addicts.

They said, however, he was not regarded as the top man in the ring, believed to obtain his heroin from Hong Kong.

MacLaughlan, 72, and his bride of a few weeks, Margaret Ann, 48, were due to appear in court May 25 on a charge of trafficking. The charge was laid last December after police seized \$90,000 worth of heroin at the house where the MacLaughlans were found slain.

Police calculated the 15 ounces of heroin seized could be made into 400 capsules per ounce, which would sell for \$15 each. It was one of the largest drug seizures in a decade—enough to supply Vancouver's numerous addicts for six weeks.

Police advanced then discounted a theory of a bizarre murder-suicide in the deaths. No powder burns were found on the bodies, and the weapon which killed the MacLaughlans—believed to be a .38-calibre automatic—has not been found.

They said there were no signs of a struggle and no signs of forced entry to the house. Both MacLaughlans were shot through the front of the head.

The slaying is believed to have occurred about midnight Monday. The bodies were discovered by Mrs. MacLaughlan's brother, identified by police as Stephen Herring.

JURORS GET ADMONITION

Unfair Tactics Charges Are Made At Denis Trial

By KEN KELLY

OTTAWA (CP)—Charges of unfair tactics by the Crown and a judicial admonition to jurors to report anyone getting in touch with them marked a new stage in the Raymond Denis trial Thursday.

Defence Counsel Louis Assaly said he was "shocked, astounded and infuriated at the conduct of the Crown" in an outburst over the questioning of a witness, Montreal salesman Guy Masson.

Judge Frank Costello of Kitchener stepped in to tell Mr. Assaly:

"When I said to you on a previous occasion to 'save it for the jury' I didn't mean you should take it as direction (an order)."

Shortly before that, Judge Costello had informed the jury he received a letter Thursday morning "incomplimentary to the trial, including the lawyers, accused and witnesses."

"If you should get any communications, written or verbal, I would ask you to bring them in and hand them to the sheriff, being careful not to smudge any latent fingerprints."

The testimony of Mr. Masson centred on a meeting with Denis in Hull, Que., June 22, 1964, and certain events preceding it, including an encounter between Masson, Robert Gignac, Eddie Lechasseur and Marie Rivard.

Denis is charged with corruptly offering a sum of money to Montreal lawyer Pierre Lamontagne to have Mr. Lamontagne drop opposition to bail for narcotics smuggler Lucien Rivard.

Mr. Lamontagne has testified Denis relayed an offer of \$20,000 July 14, 1964, and he refused it.

Denis then was executive assistant to the federal immigration minister and Mr. Lamontagne was lawyer for the United States government which was trying to have Rivard extradited to stand trial in the U.S. Rivard now is serving a 20-year prison sentence in Atlanta, Ga., on the dope charges.

The defence protested Thursday against any testimony being placed before the jury about events which occurred outside Denis' presence. The trial started Feb. 14.

Mr. Masson told of driving to Hull from Montreal with Gignac, his boss, to see Denis, as a result of the meeting with Gignac, Lechasseur and Mrs. Rivard.

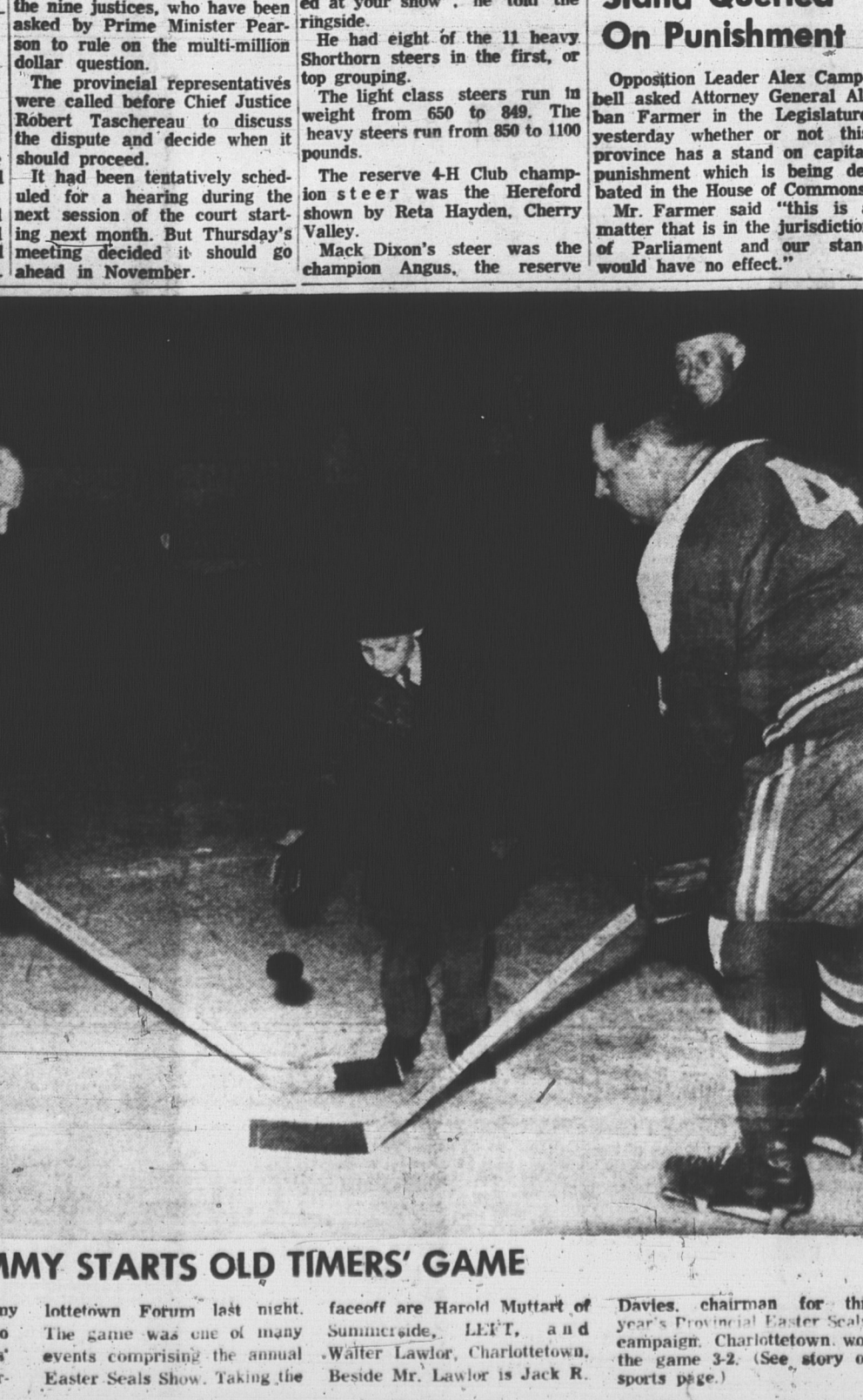
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Timmy Starts Old Timers' Game

Jeffrey Hopkinson, Timmy for 1965, drops the puck to officially start the Old Timers' hockey match at the Charlottetown Forum last night.

The game was one of many events comprising the annual Easter Seals Show. Taking the faceoff are Harold Muttart of Summerside, LEFT, and Walter Lawlor, Charlottetown. Beside Mr. Lawlor is Jack R. Davies, chairman for this year's Provincial Easter Seals campaign. Charlottetown won the game 3-2. (See story on sports page.)



Total Debt Claimed Beyond \$75 Million

George Ferguson, (L-5th Kings) told the Legislative Assembly last evening that the total debt of the province was in excess of \$75,000,000. This is made up of a direct debt of over \$62,000,000 and an indirect debt of over \$13,000,000.

"This is going to be some mess for the next government to straighten out," said Mr. Ferguson.

Rather than the surplus called for by Provincial Treasurer Alban Farmer Mr. Ferguson said, "I predict we'll find we have another deficit of three or four million dollars."

Mr. Ferguson said for the government to gain their forecasted surplus they are, "going to sell the new Provincial Building to P.E.I. Crown Building Corporation for \$5,100,000."

Mr. Ferguson was the first speaker on the Budget Debate following the presentation of the budget by Mr. Farmer in the Legislative Assembly last evening. Mr. Ferguson moved "the adjournment of the debate. The House will sit again this morning and it is expected next week it will begin on Monday afternoon. If this occurs it will be the first Monday sitting since this session began on Feb. 24.

Church Leaders Will Seek Unity

By JOHN EARLE

ROME (Reuters)—Pope Paul and the Archbishop of Canterbury announced Thursday the opening of a "serious dialogue" between their two churches with a joint pledge to seek unity for the world's 550,000,000 Roman Catholics and 45,000,000 Anglicans.

Their declaration followed a worship service at which both leaders took part, in the Roman Catholic Basilica of St. Paul's Without-the-Walls. The service came at the end of a three-day visit to Rome by the archbishop, Most Rev. Arthur Michael Ramsey.

It marked a reconciliation between the two churches after four centuries of discord and often bitter hostility, erupting when King Henry VIII declared himself the supreme head on earth of the Church of England.

But he said the Vatican instruction was clearly not meant to be a final statement.

EXPRESSES CONCERN

Archbishop Ramsey emphasized his concern with the partial nature of a new Vatican ruling on marriages between Roman Catholics and persons of other faiths.

"I have made it clear to everyone with whom I have conversed in Rome that the new instruction does not satisfy the consciences of Anglicans and other non-Catholic Christians," the archbishop said.