

# Donald Gordon Is Unlikely To Quit CNR Position Soon

**By BEN WARD**  
OTTAWA (CP)—Don't look for Donald Gordon to step down this year as president of Canadian National Railways, despite his statement of 16 months ago indicating a possible retirement early in 1965.

Informed sources here say there is no question about Mr. Gordon holding onto the \$75,000-a-year post for as long as he wants it. And apparently he wants it, at least until some specific objectives have been achieved.

The big, straight-talking railway boss was reappointed by Prime Minister Pearson in October of 1963. At the time, Mr. Gordon said in a letter to the prime minister accepting the reappointment that he hoped to step down in a year and a half if certain work to reorganize and strengthen the CNR was completed.

There were some suggestions Mr. Gordon's term was thus limited to 18 months. But under the law reappointments of CNR directors are automatically for a maximum three years.

Sources close to the situation say that relations between Mr. Gordon and the government are excellent, so much so that there hasn't even been any discussion of a possible retirement.

get the CNR out of the red on a more or less permanent basis. He thinks continual deficits are bad for employee morale and undermine public confidence in the government-owned railway.

## Commons To Have Blueprint On Economy For Five Years

**By JAMES NELSON**  
OTTAWA (CP)—When the Commons resumes work Feb. 16 it will have before it a 205-page blue and gold guidebook to what should happen to the Canadian economy during the next five years.

The first annual review of the Economic Council of Canada should provide the basis for some interesting debates on the country's past, present and near-term future. There undoubtedly will be political overtones to the discussion.

The report prepared by the council headed by economist John J. Deutch is not a forecast or prediction of what the experts necessarily think will happen between now and 1970. It's their considered opinion of what should be encouraged by governments at all levels, the business community, labor and individuals.

But how seriously the subject will be dealt with in the current mood of political partisanship remains to be seen. The government intends to have the Commons deal with only three major items when it resumes. Then, the Commons is to prorogue for the immediate commencement of a new full-session, with a new legislative program and a budget later.

**LIST PRIORITY ITEMS**  
The priority items for the tail-end of the current session are the Canada Pension Plan, the new labor standards code, and a formula permitting any province to contract out of federal-provincial shared-cost programs.

The Economic Council's report does not tread heavily in

these fields — except, perhaps, in the matter of productivity, as it might be affected by the labor standards.

This means that the economic goals for Canada from now until 1970 are not likely to become a subject for deep parliamentary rumination until the new 1965 session opens. It then can be dealt with both in the general state-of-the-nation throne speech debate and in the subsequent budget debate.

As Dr. Deutch's economists and council of representative Canadians see it, one of the most startling developments in the near-term future will be the virtual explosion of young men and women coming into the labor force.

These are the post-war babies of 1946 and subsequent years.

**"STARTING TO BE FELT"**  
The full force of the wave is starting to be felt in the labor force as the leading edge of the wave pushes up through the age structure of the population, the report said.

"Thus, the number of people in the 20-24 age group in the labor force is expected to increase by 33 per cent from 1965 to 1970, and by 57 per cent over the decade as a whole. Whereas the male labor force in this age group increased by only 25,000 in the decade of the 1950s, in the 1960s it will increase by 270,000 or more than 10 times as much."

It is the development of government policies and encouragement of industrial patterns to deal with this and other economic problems that will confront the parliamentarians on their return to work.



## FORMER CHILD STAR IS LIFEGUARD

The former child star of the 1930's, Baby LeRoy (right) now prefers to be known only as Ronald Leroy Overacker.

He is happy as unknown, content to have been a star at eight months, a has-been at four years. Ron (left), now 32,

has been a lifeguard for 14 years. He started as the erstwhile babe of bibulous comedian W.C. Fields.

But it adds the decision was made harder to defend by Mr. Dean Rusk's sudden cold and temperature, which kept him out of St. Paul's, though not off the first available homeward flight.

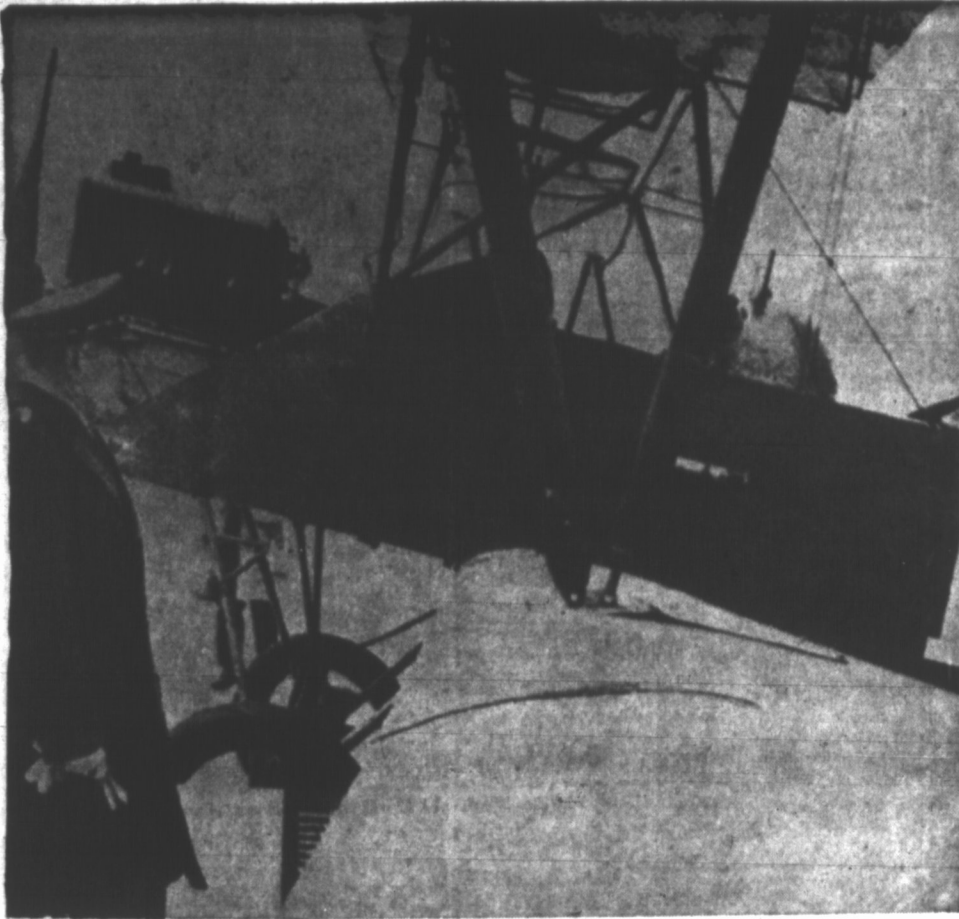
The Sunday Times says the decision not to send Humphrey raised an awkward question in Washington and caused a feeling that Johnson "for the time

being perhaps does not want attention diverted in any way from himself.

Because of Rusk's absence, the Sunday Times adds, "a diminished delegation... was the best gesture that the United States was able to make to the memory of Winston Churchill."

**TV FOR ENGINEERS**  
WATERLOO, Ont. (CP)—The

University of Waterloo is using closed-circuit television to overcome a problem in teaching engineering drawing. Twelve 23-inch monitors have been installed to help professors direct their demonstrations to groups of six students instead of using a blackboard for a class sometimes numbering 72 in a four-hour session.



## MEMORIES OF ANOTHER DAY

Gen Curtis LeMay pauses to inspect a 1925 single motor plane, nicknamed Trusty, during ceremonies at Washington

marking his retirement as Air Force Chief of Staff. The plane was one of several old-timers exhibited at Andrews

Air Force Base near Washington during the ceremonies. (AP Wirephoto)

# Medical Association Aims At New Medicare Policy

**By JOHN LEBLANC**  
TORONTO (CP)—The Canadian Medical Association, drawing up a new policy on medicare, has come into disagreement with some major aspects of the report of the Hall royal commission on medical services.

In a two-day special meeting that ended here—only the second such session in its history—the CMA's policy-making general council declared itself firmly for medical insurance but just as firmly against placing it on a universal tax-support basis as the commission proposed.

Dissent was registered on some other points, through a spokesman said after the closed meetings that CMA officials do not anticipate any "stand-up fight" such as Saskatchewan doctors staged with a strike against that province's plan in 1962.

The general council's decisions covering the whole area of medicare are on their way to becoming, but are not quite yet, official CMA policy. They were turned over to the 2,800-member association's economics committee to be drafted into a formal declaration this year, probably before the CMA's annual convention in June at Halifax.

**WANT FREEDOM**  
Strongest stand taken by the doctors, reporters were informed at press briefings, was on the point that doctors must be allowed to practise outside any official scheme and that a patient must be allowed to use any doctor without the risk of losing his insurance benefits.

This was one of the issues in the Saskatchewan dispute. The royal commission in proposing universal, tax-supported and state-operated medical services does not deal with it specifically, but the CMA considers it appears not to have envisaged any exception to its universality.

"We regard this as one of the fundamental rights of doctors and patients," Dr. A. D. Kelly of Toronto, general secretary of the CMA, said.

Dr. Victor Goldbloom of Montreal, economics committee chairman, said the CMA would "certainly oppose" any scheme that did not give this freedom.

The committee reaffirmed its stand for the availability of optional plans in addition to any government-run programs, declaring that a program with a single source of funds and compulsory controls would restrict progress in medical services.

**SPLIT ON COSTS**  
A basic disagreement with the royal commission came on the question of whether insurance should cover the full cost of medical care—as the commission recommended—and the council held that part of the bills should be paid by those subscribers who are self-supporting.

This was a reversal of the CMA's attitude in its previous medicare policy determined in 1960, and spokesmen said the view was not unanimous. Those opposing it held it would be "disruptive" toward plans in some provinces that do not contain this "patient participation."

However, the majority stand

was that it would help bring down premiums—through taxes or in private plans—and discourage over-utilization of apparently free services such as the doctors contend has occurred in Britain.

Dr. K. R. Trueman of Winnipeg, chairman of the CMA's policy committee, said that in some Canadian provinces there has been for some time an awareness of a tendency among some doctors to service patients "without justification."

**WANT COST RANGE**  
The council found itself in what was described as "fundamental disagreement" with the royal commission over the section of the population to be covered wholly by government-run medicare. The CMA declaration was for "selective subsidies" under which full costs would be

covered for the indigent and lesser amounts for other ranging through the marginal earner and the fully self-supporting.

One reason for this stand, Dr. Kelly said, was that it appeared likely that selective subsidies would be employed by the governments of Ontario and British Columbia. Also, the CMA held it is an unnecessary use of public funds to subsidize those who can finance their own health services.

The doctors took a firmer stand on the question of setting their fees than in their previous policy. In 1960 they conceded they might have to accept a negotiation process. Now, they insist on setting their own. However, the spokesmen insisted no trouble is expected over this point in any government-run scheme.

**Ont. Government Suggests Improvement In Pension Plan**

OTTAWA (CP)—The Ontario government has come before the joint parliamentary committee on the Canada Pension Plan with a series of suggestions for improving the plan and a provincial representative said their acceptance would represent a "shining example of co-operative federalism."

L. E. Coward, chairman of the Ontario government's pension committee, said the province would "heartily endorse" the plan if all the suggestions were followed.

The Ontario brief, included in its recommendations:

That the federal government get the opinion of the royal commission on taxation on the implications of the plan on fiscal policy and the incidence of taxation.

That a flat benefit of \$25 a month—this was a tentative figure—be provided from the plan starting Jan. 1, 1967, to all persons receiving old-age security benefits. This would raise the monthly benefit to \$100.

That a minimum pension of perhaps \$25 be paid to all persons surviving under the CPP.

That the 42-year earnings base be abandoned in favor of a shorter period—perhaps the 10 best years of earnings.

A retirement test should be used to determine qualification for benefits for persons between 65 and 70.

The exemption of contributions on the first \$600 of earnings should be eliminated.

The transition period of the plan should be 20 years instead of 10.

Mr. Coward said the suggested changes are "substantial" but he didn't think any

might come up at a meeting that Mr. Pearson and Mr. Gordon scheduled for late this week. But it's likely to be little more than a resur-rection by the railway president that he will stay on the job until certain major projects have been completed.

Chief among these is the recapitalization of the CNR's financial structure to relieve it of a gigantic debt burden that has led to a frustrating series of annual deficits. This debt goes back to 1923 when the CNR was formed by buying up a patchwork quilt of failing lines, paying 100 cents on the dollar for shares and assuming each line's debt load.

As it now stands, the heavy annual interest on this debt serves only to wipe out the CNR's profit margin and blur the true picture of its operating status.

Another project is the implementation of the new railway legislation, expected to pass Parliament in the next session. This would end the long freeze on railway rates, allow the railroads to strip away a vast array of money-losing services and put them on their own financial feet, eventually free of federal subsidies.

Mr. Gordon, who was 83 last month, has just about completed his revamping of the CNR's management setup, a task that began when he took over the presidency in 1950. But there are also some items here that he would like to finish up before turning the reins over to a successor.

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## Many Britons Seem Puzzled LBJ Absent From Funeral

**By ROD CURRIE**  
LONDON (CP)—Many Britons are clearly puzzled by the fact President Johnson, unable to attend himself the state funeral for Sir Winston Churchill, did not send Vice-President Hubert Humphrey as head of the United States delegation.

Instead State Secretary Dean Rusk, who came down with a cold and could not attend the funeral Saturday, and Chief Justice Earl Warren were named to represent the U.S. Former president Dwight Eisenhower, Churchill's wartime colleague, came as a private citizen and was a guest of the Churchills.

Although there has been no official comment by the British government, several newspapers speculate on the reasons behind the decision. They gave broad play last week to Washington-dated stories criti-

cal of Johnson's selection. The Daily Telegraph says Johnson "seems to have had private reasons for his choice of representatives."

The newspaper, says he was concerned that he "should not on his first official overseas trip appear as a second-class visitor." He would have been "overshadowed by heads of state and leaders from Europe and even more by Gen. Eisenhower."

The story says the decision was "much more critically received in America than here."

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