

Urges Gov't Disallow CPR "Christmas Present"

OTTAWA (CP) — The government should disallow immediately a \$6,300,000 "Christmas present" given the CPR by way of higher freight rates, CCF member Hazen Argue said Friday in the Commons.

The CPR earned a net operating income of more than \$71,000,000 in 1956, including \$41,300,000 on its rail operations, he said. It would not go broke if there was no 3.6-per-cent rate increase.

Mr. Argue, member for Assiniboia, Sask., said there is a great deal of opposition to the increase in Western Canada. The four Western and four Atlantic provinces had to bear the main burden of increased freight rates.

"This is causing a severe strain on Confederation itself," he spoke during a catch-all debate as the Commons reconvened after a 12-day holiday recess.

The debate was touched off by a government request for an interim money supply of \$272,000,000 to pay January bills. The request was not opposed.

Mr. Argue said the increase, granted Dec. 27 by the board of transport commissioners, should be disallowed by the government because of the adverse effect it might have on employment.

WILL HELP BOTH LINES

The board granted a freight rate boost, effective Jan. 15, that will mean \$6,300,000 to the CPR and \$3,700,000 to the CNR.

The supply motion also provided the Opposition with a vehicle for discussion of trade policies.

Mr. Argue said there is no evidence that the government proposal to shift 15 per cent of Canadian purchases in the United States to Britain will work.

The government's policy of "diplomacy by insult" had strained Canadian-American relations and accomplished nothing except to arm Washington lobby groups seeking restrictions on Canadian exports to the U.S.

Paul Martin (L.-Essex East) said the proposed shift, announced last summer by Prime Minister Diefenbaker in a press conference, may have had something to do with the recent U.S. decision to cut oil imports to Pacific Coast states by 15 per cent.

In other developments: Finance Minister Donald Fleming said the government will send a note to the U.S. government to protest against the restrictions on oil imports from Canada.

HELP ACCESS ROADS

2. Resources Minister Alvin Hamilton announced a plan to make \$1,000,000 available for construction of access forest roads this winter on a sharing basis with the provinces.

3. Acting Prime Minister Howard Green said no date has been set yet for resumption of the federal-provincial fiscal conference, which met here in late November.

Mr. Argue, speaking of the freight rate boost, did not mention the publicly-owned CNR or say the increase it received should be disallowed also.

However, noting that eight provinces—all but Ontario and Quebec—are planning to appeal the decision to the cabinet, he said the increase should be delayed at least until the cabinet makes its decision.

During the opening question period, Mr. Green declined to comment on the increase or say when a decision might be reached.

Mr. Argue suggested some form of federal subsidy to the railways if it can be proved that further funds are necessary to keep the freight cars operating. The government already was doing that to some extent, through payment of \$7,000,000 a year in package subsidies in Northern Ontario.

Mr. Martin, in his speech on trade policy said that instead of trying to shift trade the government should have promised "most sympathetic study and attention" to the United Kingdom proposal for an Anglo-Canadian free trade area.



REVOLT CRUSHED

President Marcos Perez Jimenez, strong man of Venezuela, is still in control of his oil-rich country according to radio broadcasts. The president told the nation that the country was calm following an attempt by a rebellious air force garrison to gain control. The army announced Jan. 2 that the revolt had been crushed and that the leaders fled by air. (AP Wirephoto)

Hillary Reaches The South Pole

SCOTT BASE, Antarctica (Reuters)—Sir Edmund Hillary, first man to lead a successful assault on Mount Everest, celebrated a new victory Friday over snow and ice—a successful dash over the Antarctic wastes to the South Pole.

The 38-year-old New Zealand explorer is the first man to reach the bottom of the world by the overland route since Capt. Robert Scott made it 46 years ago, only to perish in a blizzard on the way back.

The battered snow tractors Hillary and his four New Zealand companions used completed the 1,200-mile trek with enough gasoline left for only another 20 miles.

"We are all very tired but well, and very pleased to have arrived," Hillary, knighted in 1953 for conquering Everest, radioed back to this coastal base where his historic journey began three months ago.

Two hundred miles away, on the opposite side of the Pole, a British party led by Dr. Vivian Fuchs was grinding steadily through difficult conditions toward the same destination, its progress slowed by painstaking scientific investigations along the way.

(In London, Fuchs' headquarters estimated he would reach the Pole Sunday.) Original plans called for Fuchs to reach the Pole and then press on to a camp 500 miles away where he would link up with Hillary and proceed with him the remaining 700 miles back to Scott Base.

But last week Hillary electrified the world with the news that he had decided to press on "hell-bent" to the Pole. Officials have emphasized there was no question of a Hillary-Fuchs race, but the six-foot, four-inch New Zealander drove his team remorselessly over towering mountain ranges into the polar basin.

Often the tractors had to be dug out of soft snow and equipment was left by the trail to lighten the load. The party came into sight of a United States station at the Pole at 8 p.m. after a final dash of 70 miles.

ORDER ISSUED

A. G. Christie, assistant superintendent of immigration here, said a deportation order was issued because the Morris and Jacobs did not comply with immigration rules.

He said they tried to enter the country as the Plesners, a surname used by Morris and Jacobs in England before coming to Canada in 1951.

Halifax lawyer Samuel Goodman said he has been retained to handle the appeal. Mr. Goodman is believed to have arranged the bond demanded by immigration officials. Amount of the bond could not be learned.

The three were ordered not to leave Halifax but no restriction was placed on their movements within the city.

Reliable sources in Toronto say

Name Chairman Of Rail-Union Conciliation Bd.

OTTAWA (CP) — Hon. Charles P. McTague of Toronto has been named chairman of a federal conciliation board to deal with the \$128,000,000-a-year contract dispute between the railways and their 140,000 non-operating employees, the labor department announced Friday.

Other members of the three-man board will be Toronto lawyer David Lewis, nominee of the unions, and Montreal lawyer Phillip F. Vineberg, nominated by the companies.

Mr. McTague was designated as chairman by Labor Minister Michael Starr after the union and company nominees failed to agree on choice of a chairman.

Mr. McTague was chairman of the national war labor board and is a former justice of the Ontario Court. He has sat on many labor-management conciliation boards.

Mr. Lewis has had wide experience in the labor field, on conciliation boards and as legal counsel for unions. Mr. Vineberg, a top-flight Montreal commercial lawyer, is entering his first labor case of a national scale with this appointment.

The board will have the job of, first, trying to get the railways and unions together, and, if not successful in this, making recommendations to the labor minister for a possible solution.

The unions are asking basically for wage increases amounting to 35 cents an hour. Brief negotiations on the union demands broke off several weeks ago, and the parties decided to go to conciliation.

Want European Cars Duty Free

TRURO (CP) — The Nova Scotia Federation of Agriculture is going to ask the National Federation to request the Federal Government to admit European cars and trucks into Canada duty free.

The resolution was passed Friday after delegates criticized Canadian car manufacturers for dressing up automobiles, resulting in higher costs and insurance rates. They said cars are necessary for farmers, but too few can afford to own them.

Gunfire Echoes In Halifax Fight

HALIFAX (CP) — Gunfire echoed down North Street as Frederick Hall, 25, battled it out with seven sailors.

Police said Hall fired a shotgun three times after he was chased home from a tavern by the sailors.

The fuss started as an argument between Hall and naval ratings Raymond Phillips and Harold Davis of the carrier Bonaventure. They were supported by three shipmates and two other sailors.

Police said the sailors had wrestled the gun from Hall when they and the shore patrol arrived.

Hall paid \$25 and costs in police court Thursday for disturbing the peace. The sailors paid \$5 and costs on drunkenness charges.

MASSEY BETTER

OTTAWA (CP) — Governor-General Massey is feeling "much better," a government house spokesman said Friday. Mr. Massey, 70, has been confined to bed since Tuesday with a chill and slight fever.

Double Shooting Is Reported In New York Cab Last Night

NEW YORK (AP)—A man tentatively identified by police as Howard Rushmore, former editor of Confidential, shot a woman to death in a taxicab Friday night and then killed himself.

The woman was believed to be his estranged wife. Both shootings occurred in the cab.

Rushmore, a onetime Communist and Daily Worker movie critic, left the party in the 1930s and became a leading anti-Red writer on the New York Journal-American.

Police said cab driver, Edward Pearlman, told them a couple hailed him at Madison Avenue and 97th Street and the woman told him, "drive me to the station house."

On the way to the police station, Pearlman said, two closely spaced shots exploded in the rear seat, followed by a third.

Pearlman said he drove the remaining two blocks to the 104th Street police station with the bodies.

West Indies Federation Is Commonwealth Nation

\$36,500 Job Started On Ch'town Airport Building

Preliminary work is under way on a contract which calls for an extension and renovation of the terminal building at the Charlottetown airport. The work is being done by Borden Myers of Charlottetown and the contract is for \$36,500.

Also underway at the airport is the job of erecting approach lights on the extension to the North-South runway, No. 36, which was completed sometime ago. The contractors for this job are the Valley Services people of Bridgewater, Nova Scotia.

County Construction Company of Charlottetown have a sub-contract for the trenching and the back fill. The trenches will accommodate the underground wiring. The lights will be placed on aluminum standards.

The additions to the terminal building will increase the floor space by two-thirds, Mr. Myers told this paper.

The South end of the building will be pushed out twenty feet and the offices will be placed in this part of the building. The space now occupied by offices will be added to the existing waiting room space and will form one large waiting room.

The front of the building will be pushed out fourteen feet and this will provide additional waiting room space.

An announcement concerning the award of the contract for the terminal building was made to Ottawa yesterday by Hon. Angus MacLean, Minister of Fisheries and Health Macquarie, M.P., the members for Queens.

Heavy Snow In Lakes Area; Cold Covers Most Of U.S.

CHICAGO (AP) — Heavy snow piled up at the eastern end of the Great Lakes, Friday while cold weather covered most of the United States.

Snow ranging up to 28 inches accumulated in parts of western New York state near Lake Erie. A 20-inch blanket was on the ground in Oswego County, New York, off Lake Ontario.

The storm tapered off into flurries during the day, but 10 to 12 inches of additional snow was expected during the next 24 hours.

Erie, Pa., measured seven inches of snow. Millions of householders turned up the heat Friday night against biting cold. Zero weather was expected during the night from the Dakotas and Nebraska eastward to the Appalachians. Freezing weather was in prospect as far south as northern Florida.

Low readings early Friday included Brainerd, Minn., 22 below, and Grantsburg, Wis., 21 below. Chicago's official low was one above at Midway Airport.

The chill spread into the Deep South. The mercury dipped to 15 at Richmond, Va., and 30 at El Paso, Tex.

RAINS HIT FLORIDA Strong northeast winds dashed rain on most of the southern half of Florida. Rainfall topped the two-inch mark in a 24-hour period in Miami and Fort Lauderdale.

Gale warnings were displayed on the Atlantic coast of Florida from Daytona Beach to the Keys.

Scattered light snow was reported in parts of New Mexico and Arizona. Rain fell along the Washington coast and patches of fog formed in some of the valleys in the Pacific Northwest.

MIAMI, Fla. (AP)—Gale winds subsided over south Florida Friday as the lower east coast began repairs to the damage done by its worst winter storm in 50 years.

An Italian freighter, the Globe, reported one seaman dead and another badly injured. The coast said it presumed the fatality and the injury occurred when the ship encountered heavy seas.

A Miami pedestrian, Henry Gerhrke, 78, was killed by an automobile during a rain squall. Twenty shrimp boats were reported missing in the wake of the storm. There was no immediate word on the fate of their crew members.

Damage from winds which reached 73 miles an hour in gusts was heavy. Trees were toppled, plate glass windows blown out and signs wrenched from their moorings.

Crop damage from the steady wind which accompanied the storm could run into the millions unless sunny weather comes to the rescue.

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Violent Storm Hits Havana, Causes Floods Along Shore

HAVANA (AP) — A violent storm whipped floodwaters through low-lying bay areas Thursday and early Friday and disrupted vehicle, ship and plane traffic.

A day-long rain deluged into a thunderstorm Thursday night and was accompanied by winds of cyclonic force.

The winds sent the waters of the Gulf of Mexico surging over seawalls. Firemen evacuated hundreds of families from homes. Windows were smashed in the newly opened Hotel Riviera and the nearby Sports Palace, where hundreds of children were attending a circus. One hotel removed some guests by rowboats.

The national observatory termed the storm a cyclonic disturbance and said it was one of the most severe in Havana in years.

Tobacco and other crops were heavily damaged in nearby farm areas.

Commercial airline flights to Havana were suspended during the storm and outgoing flights were delayed more than six hours.

FERRY DELAYS TRIP The ferry operating between Havana and Key West, Fla., postponed until today its daily run to the U.S. mainland.

The weather bureau said winds were diminishing and land and sea traffic in the Havana area were slowly returning to normal.

The liners Nieuw Amsterdam and Olympia, loaded with American tourists, sailed for New York after a delay of 12 hours.

Canada Needs 9,000 Teachers

HALIFAX (CP)—Mrs. J. M. C. Duckworth, president of the Nova Scotia Home and School Federation, said Thursday night Canada needs 9,000 trained teachers.

Mrs. Duckworth said the teachers must be found "to direct the education of (Canada's) increasing child population. In areas of Nova Scotia, as many as one-third of the teachers are inadequately qualified."

She was speaking to delegates who will represent the province at the Canadian conference on education to be held in Ottawa Feb. 17-21.

Ten Island Groups Are Included In The New State

PORT OF SPAIN Trinidad (Reuters)—A new Commonwealth nation was born Friday when 10 island groups of the tropic Caribbean became one state—the West Indies federation.

The new union became official when Lord Hailes of Britain was sworn in as the federation's first governor-general at The Red House, main government building here in the federal capital.

The inauguration of the governor-general and the federation was hailed by a fanfare of trumpets in The Red House and a 19-gun salute from the 2,700-ton Royal Navy frigate Trowbridge, anchored in Port of Spain harbor after its arrival with Lord and Lady Hailes a few hours earlier.

Lord Hailes 56, formerly with Patrick Buchan-Hepburn, a member of the British House of Commons for 25 years, a minister of works and Conservative party whip.

GALA HOLIDAY Flags and bunting decked the capital's streets and West Indians, many on a holiday from work, prepared for night-time celebrations, including a massive display of fireworks.

The West Indies federation, subject of a long series of post-war plans and negotiations, links a chain of British colonies stretching in a 2,000-mile-long crescent from Jamaica in the northwest to Trinidad, just off the

Guiana coast of South America. The 10 chief islands and island groups have a combined area of about 8,000 square miles and a population of nearly 3,000,000.

The 10 united island groups are Jamaica, Barbados, Grenada, St. Vincent, St. Lucia, Dominica, Antigua, St. Christopher - Nevis, Montserrat and Tobago.

The Virgin Islands cluster, the Bahamas, off Florida, and the mainland colonies of British Honduras and British Guiana chose to remain outside the federation, at least for the time being.

WEST INDIES VARIATION West Indian politicians face a tough task in making the federation work. The units vary widely in size, population and wealth. The area is underdeveloped, though big expansion plans are afoot.

The monetary system is not yet standard, with Jamaica using British sterling and the other islands using the West Indian dollar, equal to 3 cents.

Chief products of the area are sugar, molasses, rum, cotton, asphalt, oil, coffee, cocoa and rice.

Considerable self-government already is in force and local powers will be increased after the next big step toward autonomy— island-wide elections in March and April for a new federal legislature.

Parliament will be opened April 22 by Princess Margaret.

MONTREAL (CP) — The West Indies federation, a chain of island units stretching sickle-shaped from off-shore Cuba to the coast of South America, came into being Friday and named Canada as a key factor in its drive for independence within the British Commonwealth.

The federation of Caribbean islands will take new steps to boost trade with Canada, its second-best customer, a spokesman said.

The drive will help determine how soon the federation of 3,000,000 persons, living in 8,000 square miles, will attain Dominion status.

Rex Stollmeyer, trade commissioner in Canada for the British West Indies, British Guiana and the British Honduras since 1934, said Canada's trade reaction is "very, very important."

TO GET POST Mr. Stollmeyer is expected to be named federation commissioner to Canada pending arrival of the new island affiliation at Dominion status in the future, perhaps in "three to 20 years."

After that date, a high commissioner would be named.

Economic independence is the main target of the new federation, Mr. Stollmeyer said Friday at a press conference. This achievement was essential to acquiring Dominion status.

Canada was the West Indies' second-best customer behind the United Kingdom, taking \$63,000,000 last year—a "good year"—in

Left Million Dollar Car Business; Promises Story

HALIFAX (CP)—A Toronto car dealer promised here Friday to tell next week why he, his partner and their wives disappeared from Toronto last June leaving behind a \$1,000,000 used car business.

"I'm trying to give you newsy papermen a fair deal," bulks Arthur Morris said in an interview. He was prepared to tell the story of the six-month disappearance "next Wednesday on Thursday."

Morris, who said he is 39, his wife and partner Len Jacobs, 32, are registered at a hotel here under the name Plesner. They are appealing a deportation order issued here Friday by an immigration inquiry officer. They are free on a cash bond.

A fourth woman at the hotel was believed to be Mrs. Jacobs, although she refused to identify herself.

BRITISH SUBJECTS

Informed sources say Morris, his wife and Jacobs are British subjects. They arrived here last Saturday on the Italian liner Sarnia, reportedly from Israel.

Mrs. Jacobs, who disappeared with her husband last June but returned to Canada in October, is a Canadian citizen.

Morris declined to answer questions. When a photographer asked if he could take pictures, Morris agreed but later changed his mind. Neither woman wanted to be photographed.

"Everyone's interested in the

story of the missing millionaires," he said. Jacobs was cloaked with a Toronto reporter while Morris fielded questions from other reporters about the June disappearance by tossing back queries on Halifax.

When the Jacobs and Morris vanished from Toronto six months ago, they left a used car business worth an estimated \$1,000,000, a \$50,000 house, a \$25,000 summer cottage and an \$18,000 speed boat. The business was sold to Colonial Finance Corporation for \$167,000 after Jacobs and Morris were declared absentees.

Chartered Trust sold an \$18,000 speedboat owned by Jacobs to help liquidate his debts.

HEAVY MORTGAGE Reliable sources say the speedboat, like nearly all other Morris-Jacobs assets, was heavily mortgaged and actually their liabilities exceed the value of their assets.

Chartered Trust sold the land and buildings of Lenmore Motors for \$167,000 to Colonial Finance. Colonial held a \$159,000 mortgage on the property. The business is still closed.

Other reliable informants say Morris is Jacobs' father. In Toronto they were known as nephew and uncle.

While in England the two are understood to have had the surname Plesner. They left a "selling business in England to come to Canada in 1951.

Reliable sources in Toronto say

the \$50,000 home in exclusive Forest Hill is owned jointly by Mr. and Mrs. Jacobs.

Only the business and personal assets of Jacobs and Morris alone come under the jurisdiction of Chartered Trust Company of Toronto. Chartered Trust was appointed by the Supreme Court of Ontario to manage the Morris-Jacobs estate following their disappearance.

The Forest Hill home is therefore not available to Chartered Trust. Nor is a \$25,000 summer cottage on Lake Simcoe, owned jointly by Mrs. Jacobs and Mrs. Morris.

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On the way to the police station, Pearlman said, two closely spaced shots exploded in the rear seat, followed by a third.

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GUBERNATORIAL FAMILY

Hon. J. Keller MacKay, sworn portrait with Mrs. Mackay and lieutenant-governor; Jamie, right; in Monday as lieutenant-governor their three sons. Shown are: Mrs. Mackay and Ian, 13. The 69-year-old Ontario, poses for a family (left to right) Alastair, 12; the year-old former Ontario supreme court justice succeeded Hon. Louis O. Breithaupt. (CP Wirephoto)