

Viet Nam News Blamed For N.Y. Stock Slump

NEW YORK (AP)—Upset by news of widening hostilities in Viet Nam, the stock market last week took its sharpest loss since last November.

Retailing measures taken by United States and South Viet Nam forces led many investors to fear that the fighting would escalate into a major struggle.

It was by no means a down market all week, however, as prices showed a continual resilience. Two of the five trading days represented advances, the other three being losses, and pretty sharp ones.

Wednesday's volume swelled to 7,230,000 shares, the heaviest since Nov. 26, 1963 when 9,230,000 shares changed hands.

The Associated Press average of 60 stocks declined 4.5 to 33.7 in the sharpest slide since the

week ended last Nov. 28 when it fell 4.7. That was the week when the British bank rate and the federal reserve discount rate were increased, leading to fears of tighter interest rates all around.

The Dow Jones industrial average fell 13.10 to 888.47.

The Dow industrials had fallen well below the 900 level which they scaled recently.

MINING STOCKS RALLY

Gold mining stocks rallied because of the decline in U.S. gold holdings to their lowest level since March 8, 1959.

Volume for the week was 29,694,710 shares compared with 29,231,820 the previous week.

Of 1,538 issues traded this week, 871 declined and 490 advanced.

Losses by some of the out-

standing blue chips were chiefly responsible for the sharp decline in the averages. As shown by the statistics, a goodly minority of stocks advanced, among them Polaroid, up 6 1/2 and Bell and Howell up 3 1/2.

The five most active issues on the New York Stock Exchange were:

Texas Gulf Sulphur, up 2 1/2 at 65 1/2 on 490,800 shares; Eastern Air Lines, up 7 1/4 at 56 1/4; Chrysler, off 1 at 56; Burroughs, up 1 1/2 at 34 1/2; Del E. Webb, off 3/4 at 6 1/2.

The five most active issues on the American Stock Exchange were:

D. Kaltman, unchanged at 6 1/2 on 623,100 shares; Syntex, off 2 1/2 at 78; Wilshire Oil, up 1/4 at 5 1/2; Webb and Knapp, off 1-16 at 5-16; and Banif Oil, up 1 at 2-5-16.

MONEY FOR STUDENTS

CHATHAM, Ont. (CP)—The Chatham board of education is setting up its own foundation to receive and administer money for needy students. Mrs. H. Gordon Hill, vice-chairman of the board, said many people would give small sums to help students but could not afford to give a \$200 bursary.

N.W.T. Council Aims At Surplus Increase

OTTAWA (CP)—A budget forecasting operating expenditures of \$7,572,607 and a surplus of \$634,456 for the 1965-66 fiscal year was tabled at the Northwest Territories Council winter session here.

The budget showed a 5.4 per cent increase in estimated expenditures from the 1964-65 level of \$7,114,428. A surplus of \$477,859 is forecast for the current fiscal year, which ends March 31.

The council has accumulated an operating surplus of \$2,116,700 during the last four fiscal years and its financial position was termed "sound" by government officials.

The council began a detailed discussion of the budget that is expected to last several days.

Capital expenditures for the next fiscal year, calculated in a separate account, were estimated at \$3,774,161. The largest capital item is a \$1,095,000 outlay for construction of the water and sewer system in Hay River, of which \$765,000 will be contributed by the federal government.

MAIN OUTLAY ITEMS

The main expenditure items in the 1965-66 budget are as follows: Health \$2,220,837; Education \$1,813,170; Liquor stores \$1,409,998; Justice \$741,853; Welfare \$678,430; Administration \$357,766; and Roads and public works \$293,060.

Operating revenues for 1965-66 were forecast at \$8,207,063, an increase of \$614,778 over the estimate for the current fiscal year.

Main revenue items are: Liquor sales, \$2,820,000, a jump of \$400,000 in one year; Health charges \$211,500, and Education \$70,150.

NOTICE OF CITATION

In Re Estate of MARY JANE MacLEOD, formerly of Ugg in Queens County and lately of Charlottetown in Queens County, Widow, deceased, testate.

NOTICE IS HEREBY GIVEN that a Citation has been extracted for the passing of the final accounts in the above Estate and for an Order for distribution and the hearing of same shall be before the presiding Justice in the Estates Division of the Supreme Court at the Court House in Charlottetown in Queens County, on Friday, the 12th day of March next coming, at the hour of eleven o'clock in the forenoon.

DATED this 21st day of January A. D. 1965.

G. GORDON TWEEDY PROCTOR.



STOCK CAR RACE WINNER

Fred Lorenzen of Elmhurst, Ill., gives a victory wave after winning Sunday's 500-mile stock car race at Daytona Beach, Fla. It was halted by rain at the end of 155 laps. With Lorenzen is Miss Teen-age America, Carolyn Mignone, of Baltimore, Md. Lorenzen averaged 141.539 miles per hour in a 1965 Ford over the 332.5 miles. (AP Wirephoto)

Economists Not Worried Over U.S. Dollar Action

By GORDON GRANT
Canadian Press Staff Writer

Moves by the United States last week to improve its balance of payments position by cutting the dollar outflow doesn't appear to have bothered Canadian economists much.

Economists and businessmen say the effects on Canada of possible restrictions on U.S. bank loans to foreigners and limits on direct investment here by U.S. companies will be almost all.

For one thing, the volume of U.S. bank loans to Canada is believed extremely small.

Further, direct investment in Canada from the U.S. in 1964 was about \$200,000,000, a fraction of the figure in the mid-1950s. Most U.S. capital now used in this country comes from earnings of companies based here.

The proposed U.S. moves include a cut to \$50 retail value from \$100 wholesale in duty-free purchases by U.S. residents abroad.

HARDER THAN HERE?

This move is expected to hit Japan and Europe harder than Canada since many goods available here can be bought more cheaply in the U.S. However, U.S. tourists in Europe and Japan can find gifts not available in North America.

But Canadian authorities are split on how the cut will affect tourist business.

O. L. Vardy, Newfoundland's director of tourist development, said: "We feel that President Johnson's statement (the moves were announced by Mr. Johnson Wednesday) will have no effect on the tourist trade . . . The tourists who visit Newfoundland spend the greater part of their money in accommodations and services. It is not as if they were in Europe. About the only thing they take back are small souvenirs, such as key chains."

R. A. Tweedie, director of the New Brunswick travel bureau, said: "The proposed restrictions on take-home purchases made by U.S. citizens visiting Canada should not be viewed too pessimistically."

"It should be borne in mind that there are no limits on the amount of money that may be spent by an American visitor while in this country."

Canada's proximity to the U.S. and the substantial premium on U.S. funds makes Canada a preferred area for travel.

Heavy Demands For U.S. Steel Seen In March

CLEVELAND (AP)—A record month for automobile manufacturers plus the usual spring step-up in construction industry work can mean a new high in steel consumption next month, Steel magazine said Sunday.

Construction and the auto industry are steel's big consumers, accounting for some 40 per cent of all steel consumed in the United States.

The auto industry, said Steel, "is scheduling production of a record 900,000 passenger cars" in March. The industry went over 800,000 in December, for the first time in history, producing 866,038 units. It hit 827,787 in January and has another big month scheduled in February—823,000 cars.

With all steel users trying to enlarge inventories to support high consumption rates and as a hedge against a possible steelworkers' strike after April 30, there has been no let-up in steel demand.

"Despite unofficial allocations by the mills," Steel said, "order backlogs continue to mount."

ORDERS BOOKED FAST

"Orders are being booked faster than shipments can be made even though shipments are at a high level. February shipments will be higher on a daily average basis than January's. Two major producers of Steel say they expect their March shipments to be three to five per cent over those in January, and to be the highest monthly total in the first quarter. The two companies also expect their April shipments to climb above those in March."

Steel-making operations turned upward during the week ended Feb. 13 after a slight dip the preceding week. Steel estimated ingot production at 2,080,000 net tons, about 4,000 tons over the previous week's total.

ling Americans. This happy condition remains unchanged."

Dave Lawson, president of the Victoria Chamber of Commerce, however, said: "It would have a drastic effect on the merchant and a serious impact on the whole community."

Mr. Lawson said Victoria's travel advertising now is aimed at bringing in American visitors, but this may have to be changed to lure visitors from Eastern Canada.

Jim Bensley, spokesman for the Greater Vancouver Visitors and Convention Bureau, said: "We deplore this news and I think the federal government . . . will deplore it, too."

M. M. (Bud) Wocks, secretary of the Manitoba Retail Merchants Association said he saw the announcement and thought "we're going to be hit in the neck with this one."

He said tourists spend about \$40,000,000 annually in Manitoba and the cutback could almost halve this figure.

WOULD AFFECT

Gerald J. Redmond, director of the Nova Scotia travel bureau, said any restrictions on expenditures by American visitors would have an adverse effect on the retail tourist business in Nova Scotia.

Finance Minister Gordon, commenting on the U.S. moves, said: "They (the U.S.) are taking measures to deal with their own balance of payments position, and it is clear that in doing so they have taken account of our situation."

"There does not appear to be anything amongst the president's proposals that will cause Canada serious difficulty."

WINS DESIGN CONTEST

OTTAWA (CP)—Allan McAllister, 25, a commercial artist in the agriculture department, has won \$50 for submitting the winning design for a 25-year long service badge for federal public servants. It was announced Friday. The badge shows the figure 25 in silver on a blue background, with the words "Canada" and "public service" written underneath and a red maple leaf at the top of the design. The design was chosen from among 2,500 entries.



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For floor length . . . measure from top of rod to floor. For apron length . . . measure from top of rod to bottom of apron. State rod size desired.

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All orders must be taken and materials selected during the 3 weeks of sale to qualify for Free Making!

Monday, Feb. 15th to Saturday, Mar. 13th



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STORE HOURS:

Monday to Thursday 9—5
Friday 9—9
Saturday 9—12.30



RATTLESNAKE ROUNDUP

Ed and Don Aiken (left to right), work as a team as they clean out a rattlesnake den on their ranch. The event took place during the annual Rattlesnake Roundup held by the West Texas town of Sweetwater. Don raises the deadly diamond back rattlers out with a short hook and Ed picks them up. (AP Wirephoto)