



FIRST OVER LINE

In brilliant sunshine the 50-foot schooner Nina, owned by Decourcy Fales of New York, crosses the finish line of the 360-mile Marblehead-to-Halifax yacht race. Her corrected time was 46 hours, 44 minutes and two seconds in what crew member Walter Flower called "an easy fast race." Another 62 yachts are in the race. The 47-foot schooner Cavillon, owned by Wells Norse of Marblehead had the best corrected time, 44 hours, 55 minutes. (CP Wirephoto)

PM Considered Careful Not To Rock Que. Boat

Yanks Land More Marines, Showdown Battle Possible

SAIGON (AP) — Fresh U.S. marines streamed ashore Wednesday in an 8,000-man buildup that may lead to a showdown with Communist forces on a rampage in South Viet-Nam's central highlands. Intelligence men said they believe North Viet Nam's 325th Division is involved.

A U.S. spokesman announced 2,800 marines put in from navy ships at Da Nang and Qui Nhon and the rest of a 3,400-man party will land Thursday. He said 4,600 others will come ashore in the next week; boosting American military strength in South Viet Nam to nearly 60,000 men.

Robert S. McNamara to come to South Viet Nam. Inland from the landing points, 170 miles apart, another highlands district capital fell before a Viet Cong guerrilla onslaught. A Communist force overran Dak To Tuesday night and the spokesman said the town, 280 miles northeast of Saigon, was believed still under enemy occupation. About 150 South Vietnamese government troops have been based there.



TO SENATE

Mines Minister William Benidickson will vacate the portfolio and go to the senate because of ill health. The announcement was made in Ottawa Wednesday by Prime Minister Pearson at a press conference. Mr. Benidickson will be replaced as mines minister by J. Watson MacNaught, now solicitor-general. (CP Wirephoto)

Favreau Retains Key Position

OTTAWA (CP)—The immediate reaction to Prime Minister Pearson's Wednesday cabinet realignment was that he carefully avoided rocking the boat, particularly on the ticklish side-issue involving the so-called "old-guard" and "new-guard" in Quebec.

In the new alignment, Guy Favreau, the former justice minister who resigned under the pressure of the Dorion report, appears to have clear sailing as the continuing leader of the Quebec wing.

While his new portfolio of Privy Council president does not traditionally carry the prestige of justice, Mr. Favreau has been given the added responsibility of federal-provincial relations.

RETAINS KEY POSITION
The effect of this is that the former justice minister, at this stage in Canada's development, remains in a key government slot beside the prime minister.

And the new justice minister, Lucien Cardin, is unlikely to use the prestige of his new portfolio to grab off a bigger bite of influence in the party's Quebec organization.

Mr. Cardin, quiet-spoken and seemingly indifferent to personal ambitions, has always been seen as a neutral within the Quebec factions. He is regarded as an able administrator, but not as a political plotter.

MAINTAINS BALANCE
With the appointment of Mr. Cardin, the prime minister appears to have successfully maintained the practice he established of having the influential justice portfolio filled by a Quebec representative, while at the same time avoiding any

undermining of Mr. Favreau's provincial leadership. This move was considered by observers to be the most significant of the seven appointments announced by Mr. Pearson. It had been widely expected that Mr. Favreau would move to the presidency of the Privy Council, and that the former president, George McRae, would be given a new portfolio. His move to public works had been speculated on in advance.

The appointment of former mines minister Benidickson to the Senate also was expected in view of his indifferent health.

CLEARED PATH
In bringing Larry Pennell, Brant-Haldimand, into the cabinet as solicitor-general—a promotion that caused no surprise on Parliament Hill—the prime minister made room for him by transferring former solicitor-general J. Watson MacNaught to the mines department.

In the order of accepted precedence, both portfolios are relatively minor. By coincidence, Mr. MacNaught, from Prince Edward Island, represents the only province that has no operating mines.

Among much of the advance speculation were repeated suggestions that Forestry Minister Sauve, often described as an impatient reformer waiting in the Quebec wings, would move to a more senior post. He is automatically associated with the "new-guard" of Quebec.

His portfolio was not affected by Wednesday's announcements.

SIGNIFICANT MOVE
What is considered significant is that the other Quebec promotion went to Jean-Luc Pepin, the brilliant former undersecretary for the prime minister. (Continued on page 5, col. 4)

Plans Are Abandoned For Montreal Tower

MONTREAL (CP) — Mayor Jean Drapeau of Montreal announced Wednesday plans for a proposed 1,066-foot tower which was to have been built here in conjunction with the 1967 Montreal World's Fair have been abandoned.

Paris and Montreal were to have financed the \$20,000,000-plus project jointly. The announcement of the project last December said the idea was based on the concept of symbolizing the presence of the greatest French city in Montreal during the fair.

The tower would have been 66 feet higher than Paris' Eiffel Tower and been located on the downstream tip of St. Helen's Island, one of the St. Lawrence River islands off Montreal Island.

He explained at the time that, in calling for the tower, he was acting on behalf of a corporation to be set up for the implementation of the project once a final agreement was entered into between Montreal and Paris.

The councils of both cities had given approval in principle to the project before that time.

land where the fair is to be held.

The plans called for each of the two cities to have exhibition space in the tower building on a permanent basis. Once the initial cost had been repaid to the two cities, the structure would then become the property of Montreal.

Mayor Drapeau had received June 3 three tenders for the tower, ranging from about \$23,000,000 to \$24,500,000.

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Vancouver Island Farmers Upset By Golden Nematode Infestation

By VERN LACEY
VICTORIA (CP)—The scientist showed the worried farmers color slides of the golden nematode, then said: "If any inspector anywhere in the world finds it on your plants, you are finished... so help me bub, you won't move anything for 50 years."

Dr. W. P. Campbell of Ottawa was talking about a worm tinier than a pinhead; one that has east a ponderous shadow over Vancouver Island's \$5,000,000 vegetable and plant industry.

So far damage is negligible—15 acres of drooping potatoes on a Saanich Peninsula farm.

But embargoes—bans on export—have fallen around the fertile peninsula like the headman's axe. And no root crop will move until the field where

it was grown has been checked for nematode and cleared by government inspectors.

Inspectors clean their boots after leaving each field. Farmers were warned to do the same and to wash down their machinery after use.

A laboratory has been set up at Victoria Airport, on tarmac where no nematode could live. Top scientists have come from Eastern Canada and the United States to contain the infestation and, if possible, eradicate it.

The golden nematode, scientifically called *Heterodera*, attacks the roots of potatoes, tomatoes and eggplant. It can be carried on roots of many other plants.

It hampers growth but is not poisonous. A large percentage of tomatoes and potatoes in New York come from nematode-infested Long Island. About 75 per cent of the crops in England have it. In Canada, only Newfoundland had it before the outbreak here.

But areas that don't have it, don't want it. Hence the bans.

"We have to take action that will convince our markets we're serious about this or it will hurt the whole country," said Dr. Campbell.

Nurserymen have been worst hit by the bans. Ninety per cent of their markets are off the island—mainland B.C., Eastern Canada and abroad. Potato growers are less affected. They sell most of their crop in Victoria, inside the quarantine area.

Dr. Campbell said a program of checking each field and greenhouse will be in full gear within a week. He has 14 scientists—two on loan from the U.S. agriculture department—and dozens of university students working with him.

As each crop is cleared, the grower will be allowed to export.

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MacNaught Says 'Very Pleased'

CAPITAL BUREAU OF THE GUARDIAN
OTTAWA — Canada's new minister of mines and technical surveys said Wednesday that he was very pleased with the promotion to his new post and was looking forward to the change in duties in the Liberal government.

J. Watson MacNaught, former solicitor general and P.E.I.'s representative in the federal cabinet, was named to the new portfolio by Prime Minister Pearson on Wednesday. He succeeds William Benidickson. The MP for Kenora — Rainy River who is to be appointed to the senate. Mr. Benidickson has been in ill health for several months and underwent an operation recently.

Succeeding Mr. MacNaught as solicitor general is one of the Liberal party's promising young backbenchers, Lawrence Penneil, who has been parliamentary secretary in Finance Minister Walter Gordon.

IMPORTANT TO MARITIMES
In an interview with the Ottawa Bureau of The Guardian, Mr. MacNaught said he was pleased that the prime minister had seen fit to promote him to the more onerous portfolio of mines minister.

"While mines have little relation to Prince Edward Island, there are aspects of the technical surveys portion of the portfolio which are of importance in the Maritimes, such as hydrographic surveys," Mr. MacNaught explained. "Another matter which has been receiving increasing attention in recent months is the question of offshore mineral rights."

As mines minister, Mr. MacNaught will be directly involved in the problems of the coal mines in the Atlantic area and other mineral developments in Nova Scotia, New Brunswick and Newfoundland as well as throughout Canada.

He said he is well acquainted with the industry. (Continued on page 3 Col. 5)



HON. MR. MACNAUGHT

Food Prices Increase In June Price Index

By JAMES NELSON
OTTAWA (CP)—Food prices, reflecting higher prices for fresh meats and vegetables in the United States, pushed the consumer price index in Canada up one full index point to 139.0 for June, compared with 138.0 for May.

The bureau of statistics, reporting Wednesday on prices based on 1949 prices equalling 100, said a 2.3 per cent increase in food costs was mainly responsible for the hike in the general index.

And a finance department official said most of this increase reflected higher U.S. prices. Fresh vegetables prices in Canada rose 12 per cent as imported spring produce came on the market. Meat prices rose 3 1/2 per cent, reflecting the fact that higher U.S. prices attracted Canadian livestock to markets across the line.

Finance Minister Gordon was vacationing and not available for comment.

The all-items consumer price index for June, 139.0, was 2.7 per cent higher than it was in June, 1964. Some economists regard any increase greater than 1 1/2 per cent a year as inflationary.

TOLD TO CHECK RISE
The Economic Council of Canada, in setting full-employment and economic growth goals for 1970, said last December the objective should be to hold prices to a rate of climb not greater than the 10-year average—about 1.4 per cent per year for goods and two per cent for services.

The all-items index has been climbing every month since October when it ended a modest three-month slide.

RENDZVOUS PLANS MADE
BALTIMORE, Md. (AP)—U.S. astronauts Gordon Cooper and Charles Conrad will launch their own private satellite during their eight-day Gemini 5 flight in August and for six hours will practice manoeuvring near it in a vital rehearsal for manned lunar and planetary trips.

Details of the rendezvous mission were described here Wednesday by officials of the Westinghouse Defence and Space Centre, which built the special satellite.

Israel Founder Dies At Age 70
JERUSALEM (AP)—Moshe Sharet, a Holy Land shepherd boy who became a senior statesman and one of the founders of Israel, died Wednesday of cancer. He was 70.

From Israel's nationhood in 1948 until 1956 he was foreign minister, and during 1953-55 also served as premier. A break with Premier David Ben-Gurion in 1956 forced him from government.

Since then he had travelled abroad, occasionally speaking out on Zionist and other issues. Then came cancer. He was too ill in January to attend the Zionist Congress, which re-elected him chairman of its executive agency.

A will, opened in the presence of his family at his deathbed, requested no eulogies and asked that he be buried in Tel Aviv's old cemetery.

TOURISTS WARNED

Gasoline Strike Spreads To New Areas Of Quebec

MONTREAL (CP) — There seemed little hope Wednesday of any quick settlement of a retailers' strike that has left most gasoline stations in Quebec shut down and auto fuel an increasingly hard-to-get commodity.

The strike against 11 supplying companies by the Gasoline Retailers' Fraternity now has spread officially into Quebec city and areas to the north.

Meantime, in the general area of Montreal, about 90 per cent of service stations were closed. Some tourists were seeking fuel enough to complete their return trips to Quebec's borders.

Trains and bus stations were being flooded with calls from motorists about alternate means of transportation. But there was no immediate indication of any increase in the number of train and bus travellers.

HOPES IN VAIN
Some observers had pinned hopes for a settlement of the strike on possible meetings Wednesday between fraternity representatives and officials of certain oil companies.

One such meeting was reported to have occurred but the results, if any, were not disclosed. A number of arrests have

been made since the strike began in Montreal Tuesday.

Robert Saucier, a 24-year-old garage-manager from suburban Jacques Cartier was charged Wednesday with carrying offensive weapons when arrested at another gasoline station Tuesday night.

Saucier pleaded not guilty to the charge, which also said he had visited a number of stations during the evening.

The fraternity's spokesmen have repudiated violence as the work of non-members.

They have criticized the companies for not agreeing to negotiate the main issues of the dispute—more profits for the retailers, a better rental arrangement and recognition of the fraternity as a bargaining agent for its 1,800 members. There are some 8,000 gasoline retailers in the province.

The companies have declined to negotiate with what they call a minority group and because they consider such negotiations would be a breach of the federal Combines Act.

The fraternity was formed 18 months ago by its present leader, Auguste Vial.

The tourists short of fuel were calling city and provincial officials in their efforts to ensure enough gasoline to get beyond Quebec's borders.

A spokesman for the Montreal tourist bureau said city authorities had been warned of the plight of the visitors.

TOURISTS WARNED
The provincial tourist bureau was reported to have asked officials at Quebec's borders—especially those on the border with the United States—to advise incoming cars of the strike situation in the province.

All Quebec was not fuel-less, however. Brome County near the eastern townships area had plenty of gasoline stations doing business, while the area of Hull had its 125 gasoline retailers still open.

Labor Government Will Stay Despite 3 Stinging Defeats

LONDON (Reuters)—An authoritative government source said Wednesday the Labor government has no intention of resigning despite three stinging pre-dawn defeats in the House of Commons.

The statement was made as Prime Minister Wilson met with his top ministers to discuss the 1 a.m. defeats, which caught the Labor party by surprise during an overnight debate on sections of the government's complex finance bill.

There was an air of anti-climax when the Commons resumed debate on the bill later Wednesday.

Edward Heath, the Conservative party's finance expert, did not challenge Chancellor of the

Exchequer James Callaghan on the government's position. Instead both sides of the House began a routine consideration of the finance bill.

During the debate the Conservative succeeded in defeating the government by two majorities of 13 and one of 14.

CHARGE TRICKERY
Labor immediately charged trickery, saying members of the Opposition lured Labor members into thinking they had gone so that Labor members would follow suit. According to the government, however, the Conservatives then rushed back to the half-empty House and forced a vote while they had the edge on members present.



PRIME MINISTER Pearson puts his arms around the two men he named to the cabinet today. Left is Jean-Luc Pepin, minister without portfolio and (right) Lawrence T. Penneil, solicitor-general. (CP Wirephoto)

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