

McNamara Says Viet Nam Situation Not All Black

SAIGON (AP) — U.S. Defence Secretary Robert S. McNamara said Tuesday the Viet Nam situation still is serious, but not all black. This was his summary of a survey aimed at helping the Johnson administration determine the extent of the new U.S. military buildup.

"Over-all, the situation continues to be serious," McNamara told a press conference. "As a matter of fact, in many aspects there has been deterioration since I was here last, 15 months ago, but the picture is not all black by any means."

McNamara skirted the issue of how many U.S. troops may be added to the 75,000 or so already on duty in South Viet Nam.

Points made by McNamara: —The size of the Viet Cong forces has increased; their rate of operations and the intensity of their attacks has been expanded; their disruption of the lines of communications, both rail and sea and road, is much more extensive; they have intensified their campaign of terror against the civilian population.

—On the other hand, "the Vietnamese people continue to be willing to fight and to be willing to die in their own defence. The Viet Cong, as you know, are suffering increasingly heavy losses and the U.S. combat forces are adding substantially to the military power of the government."

Police were reported holding four suspects, including two young boys, in a bomb plot that appeared to have been aimed at retiring ambassador Maxwell D. Taylor.

Convicted Executive Quits Company Post

OTTAWA (CP)—John Doyle, wealthy Canadian mining executive who failed to surrender to a U.S. marshal at Hartford, Conn., last week, has resigned as president and chairman of Canadian Javelin Ltd., the company announced Tuesday.

Mr. Doyle, convicted of using the U.S. mails to send unregistered Canadian Javelin shares to a New Haven, Conn., Man, will not return to the U.S., a company official said. He now is in Ottawa.

and chairman of the board for Canadian Javelin, as chairman of Pineville, Bucks County, Pa., now a member of the executive, replaces Mr. Doyle as chairman of Canadian Javelin's executive committee.

Senator Sarto Fournier of Montreal also was named to the executive committee, of Canadian Javelin.

Mr. McDaniel was named by Jubilee Iron Corporation to replace Mr. Doyle as chairman of its board. Yves Pare of Montreal was named chairman of the executive committee.

Submarine Power Cable Plan Changed To Suit Causeway

OTTAWA — The proposed submarine power cable between P.E.I. and New Brunswick has gone down the drain, it was learned here Tuesday following a meeting between officials of the Atlantic Development Board.

Instead, the cable will be attached to the causeway and a substantial saving in costs should be possible.

considered but also the problem that construction of the causeway could interfere with and damage the power cable if it was laid in advance.

P.E.I. power plants are not expected to have any reserve of capacity after 1968 so there will be a period of about two years when the island could be short of power at peak periods. To meet this problem it is proposed that a temporary arrangement be made to move a steam generating, oil-fired plant to the island for the interval. Such a plant could later be moved elsewhere, perhaps to northern Canada.

Once the physical causeway link is complete, the cable can be attached and power could be flowing to the island by 1970 while the finishing touches are put on the big structure.

Not only was the cost factor

All P.E.I. Designated

OTTAWA (Special) — As expected, the entire province of Prince Edward Island will be designated under the enlarged federal government area program of the federal government it was learned here Tuesday.

At Tuesday afternoon's session of the federal-provincial conference Prime Minister Pearson unveiled details of the improved plan which is designed to attract new industry to areas of slower growth. Maps of each province indicating the designated areas were displayed.

Fed. Contracts Are Announced

OTTAWA (CP)—The federal works department Tuesday announced contracts totalling \$12,691,859 awarded in May.

Of the amount \$8,725,457 is for work in building construction, harbors and rivers, \$1,201,018 for repairs and alterations to existing structures and \$2,452,175 for dredging.

200 Convicts Hold Off Troop Siege

AUCKLAND (Reuters)—More than 200 rampaging convicts have held off a siege by hundreds of armed troops and police ringing New Zealand's top security prison, damaged extensively by prisoners in a fire-raising riot.

Injured Arm Is Amputated

BUFFALO, N.Y. (AP)—Surgeons amputated Tuesday the right arm of a 15-year-old boy two days after it was severed in a laundry machine and sewed back on.

Health Grant Is Approved For Province

OTTAWA (Special) — A federal health grant of \$239,960 has been approved for Prince Edward Island, mines and technical surveys minister J. Watson MacNaught announced here Tuesday.

Mr. MacNaught said the grant will be used to aid in the extensive program of renovation and new construction at the Prince County Hospital in Summerside. The new addition will provide for 78 active treatment beds, four recovery beds, three labor beds, 16 beds for chronic care patients and a 24 bassinets nursery and supporting facilities.

Government Said Shifting Toward Quebec's Position

TORONTO (CP) — The Star quotes a reliable Ottawa source as saying the federal government now is willing to negotiate special constitutional arrangements with Quebec that would grant the province special status within Confederation.

Seven Charged With Kidnapping Of Police Officer

MONT-LAURIER, Que. (CP) — Seven young men were charged Tuesday with kidnapping a Quebec provincial police officer and were remanded without bail for a preliminary hearing July 26.

Tiny Malawi Will Become Republic In '66

BLANTYRE (Reuters) — Malawi will become a republic within the Commonwealth July 6 next year, Prime Minister Hastings Banda announced Tuesday.



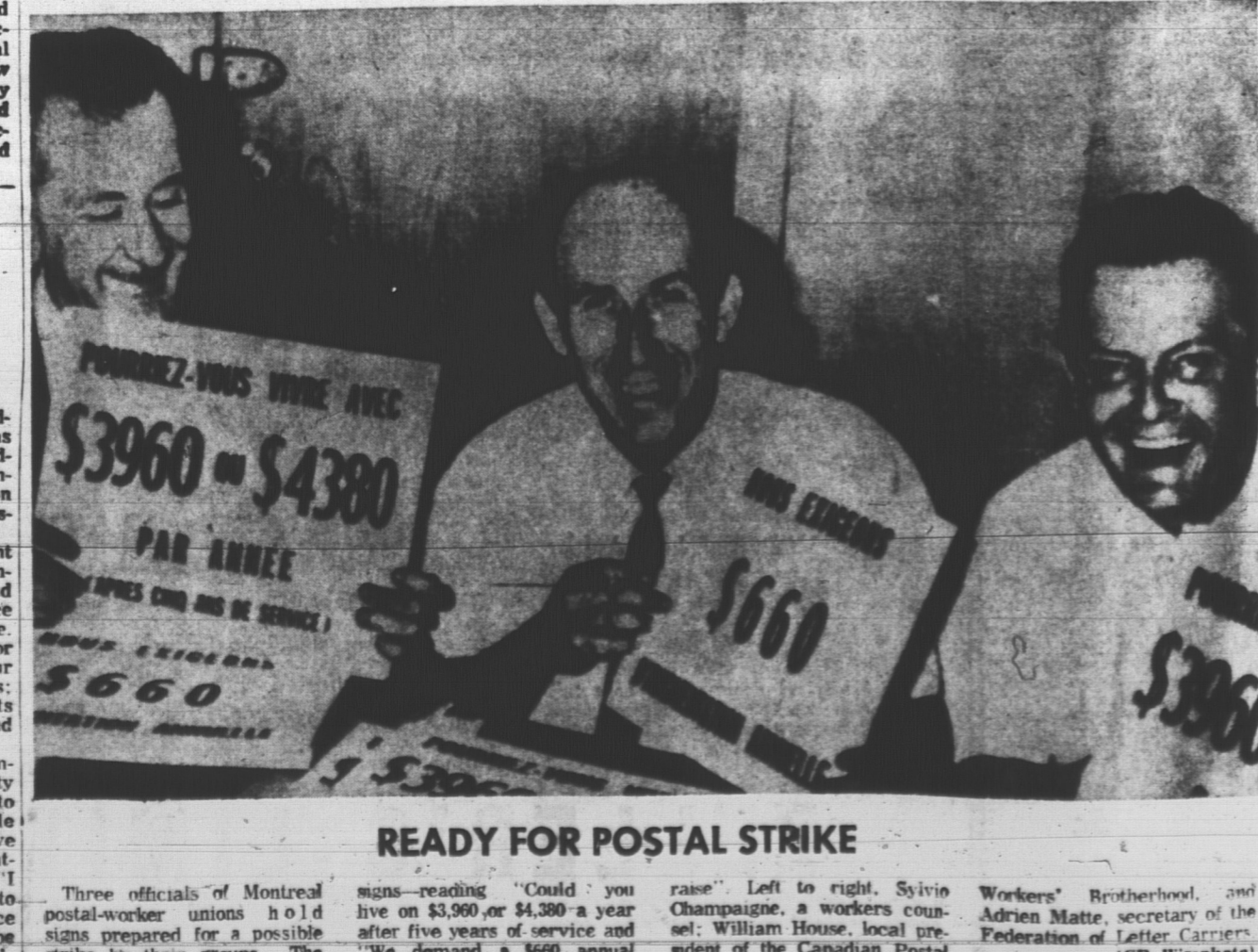
Arthur Goldberg Replaces Adlai

WASHINGTON (AP) — President Johnson named U.S. Supreme Court Justice Arthur J. Goldberg Tuesday as United States ambassador to the United Nations, succeeding the late Adlai E. Stevenson.

Goldberg, whose appointment was announced at a hastily-called White House ceremony, pledged to work for peace under international law through the world organization.

READY FOR POSTAL STRIKE

Three officials of Montreal postal-worker unions held signs prepared for a possible strike by their groups. The signs—reading "Could you live on \$3,900 or \$4,300 a year after five years of service and raise?" Left to right, Sylvio Champagne, a workers counsel; William House, local president of the Canadian Postal Workers' Brotherhood; and Adrien Matte, secretary of the Federation of Letter Carriers (CFP Wirephoto).



Canada's Arctic Water Once Was 70 Degrees

OTTAWA (CP) — Canada's Arctic hasn't always been cold. In fact, if you go back far enough — say about 100,000,000 years—you'll find a shallow, tropical inland sea.

The water must have been at least 70 degrees Fahrenheit because several samples of coral fossils have been found and they can't exist at lower temperatures," Harold Shearman of the National Museum said in an interview.

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Conference Dean Manning Is Only Major Hold-Out

OTTAWA (CP) — All but unanimous agreement was reached among provincial premiers Tuesday to accept a federal offer of \$14 per capita to start provincially-operated comprehensive, universal and transferable medical insurance plans across Canada on the centennial of Confederation, July 1, 1967.

Premier Shaw Remains Wary

OTTAWA (CP)—Premiers of Newfoundland and New Brunswick said Tuesday their provinces will enter a country-wide medical care plan as soon as possible.

The premiers of Nova Scotia and Prince Edward Island said they would have to consider the matter further before reaching a decision.

The Atlantic government leaders split on Ottawa's proposal for financing the scheme. Liberals Joseph Smallwood of Newfoundland and Louis Robichaud of New Brunswick said they are "very happy" with Prime Minister Pearson's offer of \$14 per capita in federal aid. Conservatives Robert Stanfield of Nova Scotia and Walter Shaw of Prince Edward Island called it "very unsatisfactory."

Mr. Pearson told the federal-provincial conference that \$14 a head is Ottawa's estimate of half the national cost of a medical care program in 1967, the target date for starting. He said the federal contribution would be the same per-capita amount for all provinces.

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The date given will be the second anniversary of Malawi's independence from Britain.

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Government Said Shifting Toward Quebec's Position

TORONTO (CP) — The Star quotes a reliable Ottawa source as saying the federal government now is willing to negotiate special constitutional arrangements with Quebec that would grant the province special status within Confederation.

In effect, says the story, this means there can be no question of repatriating the constitution

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The major hold-out was the dean of the conference, Premier Manning of Alberta, who alone has attended every federal-provincial summit meeting since the Second World War.