



HELP FROM THREE

Most Writing Charge
Unleashed in Commons
At Speech on Budget

OTTAWA (CP) — The New Democratic Party charged Friday in the Commons that about 100 writers from Toronto's Bay Street drafted the national budget presented to Parliament Thursday night.

Minister Gordon, after refusing direct replies to opposition questions earlier in the day, made a Commons statement later admitting that three Toronto businessmen assisted him in preparation of the budget.

He said in reply to further questioning that two of the men were being paid by their Toronto investment firms while working in the finance department.

Mr. Gordon identified the three "special consultants" as David C. H. Stanley, of Wood, Gundy Ltd. and Company, M.P. O'Connell, of Harris, Wood, Gundy and C. B. Conway, a post-graduate student at Harvard.

"I am completely and morally wrong," said David Orlow, NDP spokesman, when Mr. Gordon said Mr. Stanley and Mr. O'Connell continued to be paid by their companies after joining the finance department April 22, the day the Liberal Finance Minister took office.

The budget is the government's super-secret until disclosed by the finance minister in the Commons.

Called GHOST WRITERS by the opposition (NDP—Part Arthur) referred to the three men as "ghost writers" and T. C. Douglas, New Democratic Party leader, said Bay Street had drafted the national budget.

Mr. Gordon said the three men took the oath of allegiance to the land of office and democracy.

He said he knew of at least one precedent for the case. He himself in 1941 had served the then minister of finance. "In exactly the same way and on exactly the same terms that these three gentlemen have just been serving me."

If governments were to get the best advice possible they would feel free to call in experienced persons for their advice under no circumstances relating to the preparation of the budget, when matters of national importance are in respect of which illicit profits could be made, is it not reasonable that under no circumstances should individuals be called in from outside, who, no matter how honest and wise, ever their integrity may be, are placed in an impossible position?

Mr. Diefenbaker said the matter would have to look into the matter more fully.

Mr. Douglas said he was "appalled" that two of the consultants had continued on the payroll of their companies.

Mr. Douglas said Mr. Gordon was "trying to cover up" an "unfortunate situation."

Finance Minister's former private minister, said the matter was "one of the most important subjects of the finance minister before the House." There should be a debate in the "immediate future."

State Secretary Pickersill, government House leader, said the government would try to prevent "the fullest possible debate of this matter at an appropriate time."

He announced later the budget debate will begin Wednesday. The subject can be discussed then, if not earlier.

Negroes Launch
Further Assaults

JACKSON, Miss. (AP)—Impatient Negro leaders launched a new series of protests and policies Friday despite a U.S. Supreme Court setback and a passive resistance plea by Martin Luther King Jr.

With strategy talks, legal developments and federal plans for desegregation, the SCLC and Medgar Evers competing for attention, key figures seemed uncertain about long range desegregation plans.

Young Negroes wearing T-shirts bearing slogans and carrying American flags appeared in downtown Jackson in a planned parade. Police said despite the interval between marches it was a parade. They made arrests on charges of parading without a permit.

The Supreme Court refused Friday to dissolve a state court order by Judge J. G. Smetlett against demonstrations but gave no reasons.

Rev. Robert Stevens of Jackson, a local demonstration leader, said, "We are not declaring no more demonstrations today or tomorrow."

Meredith, first Negro known to register at the University of Mississippi, called for a massive passive resistance

movement to replace demonstrations. Jackson leaders urged the country converged on this city for the 150,000th anniversary of the 1789-1800 Ever set for 11 a.m. today.

Leaders from across the country converged on this city for the 150,000th anniversary of the 1789-1800 Ever set for 11 a.m. today.

There was a cautious, cross-fingers reaction to Mr. Gordon's most radical new policy—a carrot and stick approach towards getting at least a 25-per-cent Canadian ownership in foreign-controlled firms.

There was regained acceptance of Mr. Gordon's forecast of a \$485,000,000 budget deficit in the 1963-64 fiscal year begun April 1—down \$124,000,000 from last year.

NO ALTERNATIVE
"No one could be happy over the fact that there is no alternative in facing large deficits," said B. T. Holmes of Toronto, president of the Canadian Life Insurance Association.

The Commons will have its say when the six-day budget debate starts. This is expected next week.

The stock markets—a sensitive barometer of business feeling—showed slight declines in London, after the question of monetary and base metal prices.

One of Mr. Gordon's main declared goals is a reduction in unemployment, and on this score the Canadian Labor Congress had some strong criticism.

CLC Secretary - Treasurer Donald MacDonald announced new sales tax on building materials and production machinery "means more unemployment."

Mr. Gordon said he expected the case in the Commons to be estimated to add four to five per cent to building costs—will be reduced in the case of homes by a planned reduction in the down payment on National

New Socialist Party
Suggested For Quebec

SALT STE. MARIE, Ont. (CP)—Talks are taking place on the founding of a new socialist party in Quebec, the Canadian party conference of the United Brotherhood of Carpenters and Joiners (CLC) was held Thursday.

Pat Burke, regional director of the union's District 10, said he takes in Quebec, said opinion in Quebec is divided whether the new party should be independent on the federal New Democratic Party.

But whatever its structure, he said, the new party would be different from any formed in the province.

Resolutions a study group voted Thursday also recommend the union stand pat on creation of wage and hours legislation aims, and defeated a resolution to outlaw inter-union raiding.

Murray Cotterill, Canadian party director and chairman of the panel on Communist and Inter-union relations, said if it involves a fighting in the union, "I think we should do it."

The resolution, from the Salt Ste. Marie, called for the election of one union by another.

Beaverbrook Wedding
Kept Secret Since 1961

LONDON (AP)—Westday newspaper publisher Lord Beaverbrook, 84, was secretly married two years ago to Lady Dunn, 52, it became known today.

Confirming rumors, Lord Beaverbrook's Evening Standard said in its gossip column.

The marriage of Lord Beaverbrook and Lady Dunn has been reported in Canada's news papers, the Fredrick Gleason.

Over the years, Canadian-born Lord Beaverbrook has donated a considerable amount of money to the Fredrick, N.B. institutions.

In addition to the Evening Standard, Lord Beaverbrook owns The Daily Express and The Sunday Express, all printed in London, after the Glasgow Evening Citizen.

The first hint of the marriage was reported in the Canadian news papers, the Fredrick Gleason.

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"Covers Prince Edward Island Like The Dew"

As Cold War Milestone
Kennedy's Speech Seen

By CARMAN CLUMMING
Canadian Press Staff Writer

President Kennedy's foreign policy speech earlier this week is being regarded thoughtfully in all corners of the world as a possible milestone in the cold war.

When he delivered the speech in Washington Monday, aspects dealing with the cold war were somewhat overshadowed by the announcement of plans for nuclear test ban talks in Moscow and for a U.S. moratorium on testing.

But reaction in the Communist and neutral world—and in some parts of the West—has concentrated on his appeal to Americans to search their souls about their own attitude towards the Communists.

In effect, Kennedy asked Americans to move away from the rigidity of thought concerning communism that has marked the U.S. society in the post-war years.

But the president of the Canadian Construction Association, Somerville of Toronto, said house costs will go up—\$200 on the average—from July 7, compared with the new \$300 federal subsidy to the initial owners of winter-built homes. The extra in the NHA rate would likely have happened anyway."

Govt. House
Cais Seen

Reliable information from Ottawa last night indicated that Lt.-Col. W.J. MacDonald of Charlottetown will be the next Lieutenant Governor.

The report suggested that the appointment will be announced in a few days.

Col. MacDonald was prominently mentioned several weeks ago, as a likely man to be named to the post, which takes on added importance with the important Confederation centennial coming next year, although other names had become more prominent in more recent speculation. A veteran of two World Wars, Col. MacDonald commanded the P.E.I. Highlanders in World War Two.

Peace Speech
Impresses 'K'

MOSCOW (AP)—Premier Khrushchev said today he was favorably impressed by President Kennedy's call this week for peace, dedicated East-West efforts to ensure world peace. But the Soviet leader offered no concessions and appeared to stiffen his stand on nuclear tests.

"Good statements and calls must be sealed by practical deeds," Khrushchev said, then repeated the Soviet position on nuclear tests, Berlin and other issues which the West has declared unacceptable.

Khrushchev gave his reactions to Kennedy's speech at Washington's American University Monday in an interview with the editors of the Soviet government newspaper Izvestia and the Communist party newspaper Pravda. The interview was distributed by the Soviet news agency Tass.

Kennedy used his speech to announce the U.S.-British-Soviet talks on a test ban treaty, opening in Moscow next month. Kennedy also announced that the United States would not resume atmospheric nuclear tests unless some other nation does so first.

Low Tender
Is Revealed

Curran and Briggs Limited, Summerside, submitted the lowest tender for paving 9.2 miles of highway from Balfour's Bridge to Union Corner.

Tenders were opened yesterday in the office of Highway Minister Philip Matheson.

The low bid was \$176,751.

Two other tenders were received. They were: Morrison and McRae Limited, Summerside, \$187,860, and Hays Paving Company Limited, Summerside, \$198,508.

Muscle Flexing
Is Said Desirable

OTTAWA (CP)—The Liberal government is being asked to consider the question of flexing its muscles in the American administration to help the Alaska Panhandle return to Canada.

Frank Howard (NDP—Sinnott) was represented by the Commons order paper Friday calling on the government to demand that the Panhandle immediately with the United States to relocate the British Columbia-Alaska border.

The aim is to return to Canada the narrow coastal strip of Alaska territory from about the 60th parallel to the 55th parallel—roughly 500 to 600 miles long—provide Canada with tidewater ports for the development of the northern B.C. area.

"Now that we have a Liberal government with a pro-merchant for amicable relations with the U.S. and a government in the U.S. with such a high degree of concern for fair play, it seems to me an appropriate time to pose the question of discussion and for solution," Mr. Howard said in an interview.

The boundary involves was settled by international arbitration in the 1900s when Canada's claims were represented by Britain.

"Historians agree we got did not get it," said Howard.

He contends the British negotiators weren't really concerned with Canadian interests and put up only token opposition, except one, all to American claims to the coastal strip.

The result of the Panhandle settlement in foreign hands has been to box in and retard the vast area of northern B.C. to the east of the Panhandle, Juneau, state capital of Alaska, is located in the otherwise thinly-settled strip.

Woman's Possibility
Soviet Aut

CP from AP-Reuters

MOSCOW — The Soviet Union's fifth cosmonaut, Lt. Col. Valeri F. Bykovsky, circled the earth Friday night in a space venture that Premier Khrushchev hinted may turn into another extended term manoeuvre.

Khrushchev's hint was accompanied by rumors that Bykovsky may be joined in space Saturday by a woman named Soloyeva.

Bykovsky, 28-year-old fighter pilot, was blasted into space about 3 p.m. Moscow time (9 a.m. EDT).

At 8:30 p.m., a Moscow television station broadcast a remote-control shot of the cosmonaut in his space capsule, Vostok IV. He was reported over western Europe during the six-minute TV transmission, which showed him smiling.

The Soviet news agency Tass said the space craft was orbiting the earth once every 88 minutes at altitudes ranging from 112 to 146 miles. The weight of the craft was not given. Previous Soviet space craft have weighed five tons.

LEADS U.S.

This exploit puts the Soviet Union one up on the United States in manned orbital missions and prospects are that there will be no further challenge from the U.S. for more than a year.

U.S. authorities announced Wednesday the end of the Project Mercury one-man flights. Their first two-man Gemini is not expected to go into orbit until next year.

The Soviet leader said the space man's flight was a triumph for the Soviet Union and that he is satisfied with the results of the flight.

It said the capsule was equipped with 64 orbiting angle to the equator and broadcasting on 20,000 and 145,825-megacycle frequencies.

"The pilot himself reports and the telemetry system confirms that he satisfactorily withstood the launching and the transition in a state of weightlessness and that he feels well."

After completion of the second orbit, Bykovsky feels splendid. All systems of the ship function smoothly.

The space man took some food.

Tass said one purpose of the flight was to carry out extensive medical and scientific research in conditions of a long flight.

Other purposes were to study the influence of space flight on a human being and to continue adjustment and improvement of spacecraft piloting systems.

It was not known if Bykovsky was given the task of smashing the Soviet satellite of Cuba at the District Building—Washington version of a city hall—where District Commissioner Walter Tobiner pledged a legal end to racial discrimination in Washington housing this year during their dual journeys.

2,000 Demonstrators
March in Washington

WASHINGTON (AP)—More than 2,000 Negro and white demonstrators marched through Washington Friday in a civil rights protest that had the air of a happy summer outing until they met Attorney-General Robert Kennedy.

The confrontation with Kennedy seemed to dispel the pleasant, almost festive atmosphere that had prevailed during the hot afternoon.

The demonstrators kept them waiting in the hot sun for about a quarter of an hour and, when he arrived, Kennedy grew annoyed as he spied some homemade signs charging racial discrimination in the justice department.

Kennedy, standing on a rostrum at the door of the justice building, denied this. "Any individual can come here and get a job if he is qualified," he said. At the end of his speech, Kennedy, standing on a rostrum at the door of the justice building, denied this. "Any individual can come here and get a job if he is qualified," he said. At the end of his speech,

18 Persons Face
Bombing Charges

MONTREAL (CP)—Cross Attorney Guy Desjardins said Friday that 165 charges will be laid against 17 persons held criminally responsible by a coroner's jury for the bombing of the night club owner Martin Wilfred Vincent O'Neill.

One other person, not named by the coroner's jury, will also be charged, making the total 18.

The specific charges against individuals involved were not disclosed immediately.

Mr. Desjardins said charges against several individuals will include non-capital murder, conspiracy to commit murder, conspiracy to cause public mischief and conspiracy to place explosives capable of causing death or injury on persons or serious property damage.

The coroner's jury that heard evidence in O'Neill's death at April 30 found 21 persons criminally responsible.

FOUR NOT CHARGED

Mr. Desjardins said Claude Savoy, Alain Brunelle, Jacques Drouin and Lacinelle will not be charged.

He said that in spite of the verdict of the coroner's jury, attorney general's department is not bound by it and that "the state will at least these four will not be charged."

GRADUATION AT NOTRE DAME ACADEMY

Graduation ceremonies were held last night at Convent Notre Dame Academy in Charlottetown. Four of the girls taking part are shown here. They are from left to right: Mary Lou Callaghan, second highest aggregate; Patricia Lappin, the valedictorian; Patricia Shelton, winner of the Governor-General's medal for the highest aggregate; and Shirley Ross, highest aggregate in the secretarial course. A total of 38 girls were given their diplomas during the exercises.

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