If it's Good For the Island
The Guardian is For it

The Guardian

"Covers Prince Edward Island Like The Dew"

WEATHER
Sunny and warmer; west winds 15. Low-high 40 and 63.

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WHEEL CHAIRS PRESENTED TO POLIO CHAPTER

One of the highlights of the annual meeting last night of the Prince Edward Island Polio Chapter was the presentation of four wheel chairs by No. 201 Confederation Wing, Air Force Association Charlottetown. Here J. Lincoln Dewar (second from right), Chapter President, is seen accepting the gifts from Claude Carroll, president of the Wing. Flanking the principals are two members of the Wing executive, Joe Gill, left, and Harvey Campbell. (See story on page 5).

P.E.I. Gov't Urges Halt In Bank's Amalgamation

Illuminating Engineers Open Convention Here

The annual regional Maritime conference of the Illuminating Engineering Society opened last night with registration at The Charlottetown Hotel. It is expected that some 140 guests will attend the 7th Maritime sessions.

J.G. Ferraris, Halifax, is convention chairman. President of the host Bluenose Chapter is F.C. O'Neill, Halifax.

Among those attending the two-day meeting is James Chambers, International President, Chicago.

The delegates will attend a provincial luncheon today which will be attended by the Hon. Andrew MacRae, minister of agriculture and acting premier. The speaker will be J.P. Cristel, P. Eng., Canadian regional vice-president of the Society.

Technical and business sessions will get underway following the luncheon, and in the evening a lobster supper and dance will be held at Brackley Beach.

Morning and afternoon sessions will be held on Saturday with a civic luncheon at noon with His Worship Mayor A.W. Gaudet attending.

The ladies' program today calls for a visit to Green Gables in the morning and luncheon at Lake View Lodge, Cavendish.

On Saturday a coffee and sherry party will be held in the morning and the remainder of the day spent on sight-seeing and shopping.

The president's reception will take place Saturday evening and at night the president's banquet and ball will be held.

BIRD IS GIVEN FINE IN ITALY

VILLANOVA MONFERRATO, Italy (AP) — Every time Mrs. Maddalena de Michelis passed the church the blackbird whistled a tune called Kill the Old Lady with Gas.

She complained to police and finally the mayor, and a high court Thursday was asked to decide whether the whistling blackbird whistled out of personal malice or love of Italian lyrics.

A lower court ruled the bird was guilty to disturbing the peace and ordered the church sexton, who caught him and taught him to whistle Italian tunes, to pay a fine of 10,000 lire ($16). Sexton Giovanni Vergamo appealed.

His appeal said the bird's friends were amused by its whistling but Mrs. de Michelis did not tolerate the "musical tunes and fine renditions perhaps because she attributes to them a mocking purpose."

The higher court still has to rule on the case.

Banking Commission Hears Island Brief

A critical appraisal of Canada's chartered banks was issued yesterday by the Prince Edward Island government. It particularly rapped a lack of bank competition.

The Progressive Conservative government in its brief to the royal commission on banking and commerce called for a halt in bank amalgamations, and questioned "the recent tendency" for banks to acquire big interests in trust companies with whom they compete.

In its brief, the province also noted that the banks are carrying a huge investment in premises and staff and doubted whether the public benefits when every community is served by every bank.

Sometimes there were branch banks on all four corners of an intersection. The province claimed that there is "no real competition" among them—except perhaps a contest for customer accounts, centered around the salesmanship and personality of bank managers and their staff.

SUGGEST ALTERNATIVE

As an alternative, the government suggested the banks cooperate to set up "currency exchanges" in suburban areas, with business hours keyed to the needs of local residents and merchants.

These would not provide a full banking service, but the exchanges could receive deposits and make withdrawals, make up payrolls, pass cheques and notes, sell money orders and savings bonds. In fact they would handle everything except loans, safe - keeping facilities and foreign exchange.

Questioned on this recommendation, Provincial Treasurer Melvin McQuaid said it was the work of the province's auditor, B. H. Cook, who was not available at the time for questioning by the commission members. Mr. McQuaid was assisted in his presentation by his deputy, W. E. Massey.

The government brief also asked that the line be held on the existing statutory limit of six per cent on chartered bank loans.

SEES DIFFERENCE

Mr. McQuaid said his government doesn't feel that the banks should go beyond that point in interest rates. He also noted that "it always seems strange to us" that the government can often borrow more cheaply from finance companies than from banks.

J. C. MacKeen of Halifax, commission member who is a director of the Royal Bank of Canada, asked whether the P.E.I. government had considered the statutory limit in relation to monetary policy.

He suggested that in tight-money periods the banks ration available credit and might (Continued on Page 5 Col. 3)

Queen Mother Is Cheered In Montreal

MONTREAL (CP) — A smiling Queen Mother Elizabeth returned to Canada Thursday and received a booming, cheering welcome before slipping off for a night of rest.

An estimated 2,000 persons lined a large balcony atop the main terminal at Montreal's modernistic International Airport to applaud the royal visitor as she stepped from a regularly scheduled Trans-Canada Air Lines jet flight.

Laotian Princes Report Progress

PLAIN OF JARS (Reuters)—The three Laotian princes Thursday overcame the main difficulty in the way of a coalition government — allocation of the defence and interior ministries.

Prince Boun Oum, right-wing premier, and Prince Souphanouvong of the pro - Communist Pathet Lao, were both smiling broadly when they emerged from their conference room.

Terrorists In Algeria Turn To Fire

ALGIERS (AP)—Secret Army terrorists turned to destruction by fire in Algeria Thursday. Two blazes raged in Oran and the main building of Algiers University here was burned.

Eleven persons were killed and 13 wounded in Thursday's strife.

In Oran, a booby - trapped tank truck filled with 4,000 gallons of gasoline exploded and set fire to a high school building used as a police barracks. As the fire flared, terrorist mortar shells crashed into the school yard where flames engulfed armored cars and gun positions. Official sources said three gendarmes were critically wounded.

In the same part of Oran, terrorists riddled a large natural gas tank, leaving flaming jets roaring out of the bulletholes.

Experts sought to prevent an explosion.

The fires and slaughter of Moslems in Algiers marked a renewal of Secret Army terrorism announced Wednesday night in a clandestine Secret Army broadcast. The radio said efforts to reach a compromise with Moslem leaders were deadlocked and that the war against Algerian Independence would be resumed—particularly in the economic field.

Fleming Speech To Rotary Blocked By Joey Ultimatum

ST. JOHN'S, Nfld. (CP)—Finance Minister Fleming called off a luncheon speech on the Canadian dollar Thursday after Premier Smallwood of Newfoundland gave the St. John's Rotary Club a "cancel it or else" ultimatum.

The "or else" was that the provincial government would withdraw sponsorship of a regional Rotary Club convention dinner here next week. The Premier added that he would have nothing whatever to do with the club in the future if the speech on the devaluation of the Canadian dollar was made.

While Rotary Club officials hurried out of their luncheon room to confer with the premier, Mr. Fleming — here on a two - day political visit — sat silent at the head table.

Finally, club president Ernest C. MacDonald announced that the minister had "kindly consented" to accept the club's withdrawal of its invitation.

THREATEN PENALTY

Mr. Smallwood regarded Mr. Fleming's proposed speech as interference in the election campaign, Mr. MacDonald said, and would penalize the Rotary Club to the extent of withdrawing a dinner invitation and "hindering future activities" of the club.

At a later press conference, Mr. Fleming said he had offered to stand up and make the withdrawal himself but another message from Mr. Smallwood who was eating in another room of the Newfoundland Hotel, indicated that if he ever got to his feet the government's dinner would be cancelled.

The premier issued a statement saying the Canadian dollar was the hottest political issue in Canada today and the invitation to the finance minister to discuss it made the Rotary Club a partisan body.

He said he wrote the club withdrawing the government's invitation and then met club officials personally at the hotel. When they expressed concern about his action he told them he considered it to be "intolerable and inexcusable for the Rotary Club to invite a politician to speak to them in the midst of this election on the hottest political topic in Canada today."

OFFERS TO CHANGE

Mr. Fleming said he offered to change the subject of his address if that would satisfy the premier. He added that the invitation to speak was received some time ago and the club itself had suggested the subject of pegging of the dollar.

The premier—who himself is scheduled to address the Rotary Club convention June 13—said he told the club that Mr. Fleming's address might be all right if at the same time the club invited representatives of all parties to speak.

"That would show they were non-partisan, but if they allowed Mr. Fleming to deliver a speech on a political topic it would make them just a branch of the Tory party."

He added that "this Tory politician Fleming, being here on a political visit, wanted to use the Rotary Club as a tool for his Tory propaganda."

DINNER HAD STARTED

Mr. Fleming said his impression of what went on was that word of the ultimatum reached club officials about three minutes after the luncheon started when Mr. MacDonald was called out of the room to see Mr. Smallwood. He returned six or seven minutes later.

The finance minister said he was in another room of the hotel "shaking with rage."

During the last few weeks he has spoken to at least two other service clubs on non - political subjects, Mr. Fleming said, adding that club officials told him that during the 1958 election campaign both Prime minister Diefenbaker and Liberal Leader Pearson had addressed Rotary Club meetings.

There were no other speeches at Thursday's meeting and club members dispersed after eating dinner. No member commented during the dinner, and all members asked after the meeting declined to comment.

Mr. Fleming told reporters after the dinner ended: "I managed to eat a bit of dinner in spite of it all."

LEGION CONVENTION ENDS TODAY

Show-Case Team Urged For Canada At Olympics

By DAVE PIKE

HALIFAX (CP) — Geoffrey Dyson, England's top track and field coach says Canada "ought to produce a first class national team which would act as a show window of the country's best athletes."

A show - window Olympic team, for example, would "inspire all the boys and girls to go out and try to emulate these athletes," Mr. Dyson told delegates at the 19th biennial convention of the Royal Canadian Legion.

Without a national program designed to develop individual standards as well through trained coaches, Canadian youth "will be scared stiff with a sense of physical mediocrity because they can't run a mile under three and a half minutes and when even girls now can jump six feet, two inches."

Mr. Dyson, for 14 years chief coach to the Amateur Athletic Association of England, praised the federal government's provision of $5,000,000 annually to promote physical fitness.

The next step would be the appointment of national coaches, perhaps working with such groups as the Amateur Athletic Union of Canada.

Mr. Dyson said Canada needs "a chief coach with a number of national coaches who would get around, who would not all be headquartered. The strength of your Olympic teams depends on the breadth of your base down below." He was certain Canada would produce great Olympic teams.

FACE DANGERS

He suggested Canada faces the possibility of following the United States where "you've got a country that produces the greatest track and field stars, but has the lowest standard of physical fitness in civilization."

Mr. Dyson will direct the Legion's first national course for 160 student coaches in track and field in Guelph, Ont. Aug. 23 to Sept. 1.

Earlier, delegates approved a recommendation that the Legion study the feasibility of holding swimming as well as track and fieldcourses for coaches at its Guelph clinic next year.

Expansion of the clinic's program would be the initial step toward establishment of a national sports institute, a body for which there is "an obvious need."

The basic problem of amateur sport in Canada "is a lack of qualified coaches . . . in such sports as swimming, wrestling, amateur boxing and gymnastics," said F. T. O'Brecht of Durham, Ont., chairman of the legion's sports training plan.

ELECT PRESIDENT

Judge C. C. Sparling of Winnipeg was elected to a two-year term as dominion president, succeeding Mr. Justice Mervyn Woods of Regina.

Other officers elected were: First vice - president, Mr. O'Brecht; second vice - president, Ronald E. MacBeath, Moncton; third vice - president, Robert Kohaly, Estevan Sask.; chairman, Chester Merriam, Tara, Ont.; vice - chairman, Myles P. Murray, St. John's, Nfld., and honorary treasurer H. R. Stewart, Ottawa.

Mr. Murray is the first dominion officer from Newfoundland.

Delegates unanimously approved a resolution from the floor by J. V. Brown of Middleton, N.S., that the dominion command seek legislation enabling all servicemen to obtain long service pensions when the proper retirement procedure has been followed.

The week - long convention ends today.

Diefenbaker Warns Prices Are Watched

MONTREAL (CP) — Prime Minister Diefenbaker served notice Thursday on Canadian business that the government will act quickly against "greedy people" taking advantage of the recent dollar devaluation to raise prices.

The prime minister, speaking to a luncheon rally at Magog, Que., did not say what action is being considered—except that it will be "as effective as it will be drastic."

Later, asked by reporters to elaborate, the prime minister said: "I have served notice and I have nothing further to say."

The warning — a surprise declaration during a motor tour of Quebec's Eastern Townships in support of Conservative candidates in the June 18 election—was aimed at those who are using the devalued dollar as an "excuse to raise prices."

"I don't want any group—powerful as they may be—to think that they can use an action taken for the benefit of all Canada for their own advantage," said Mr. Diefenbaker.

"If anything of this sort is happening, there will be action taken." He said the cabinet is considering steps the government might take.

PLAN FAST ACTION

If his warning did not deter price boosts then the action could be taken "in the next few days."

The prime minister coupled his warning with a statement that under the Conservative government the cost of living in Canada had been held down. Between April and May, he added, the cost of living index had dropped two points.

His speech in Magog came in the middle of a busy day that began earlier in Chicoutimi, where the prime minister boarded a chartered Canadian Pacific Airlines plane to fly to Sherbrooke for a five-hour, 100-mile tour of the Eastern Townships.

Boost Planned Despite Threat

TORONTO (CP) — A spokesman for Metropolitan Toronto bakers said Thursday night the price of bread definitely will go up, regardless of Prime Minister Diefenbaker's warning at Magog, Que.

"I would like to have Mr. Diefenbaker in my shop and show him my costs," said Guenther Guennel, president of the Associated Retail Bakers of Metro which represents 80 shops.

"I would love to talk in front of some of these politicians to make my position clear."

U.K. Tories Win Seat With Narrow Majority

LONDON (Reuters) — The Conservative government licked its wounds today after a double-barrelled election shock while the resurgent Liberal party had reason for satisfaction.

In two byelections Wednesday in the northern England districts of Middlesbrough West and Derbyshire West, the Conservatives lost the first and won the second, but only by a greatly reduced majority.

The Middlesbrough Wertz district fell to the opposition Labor party by a majority of 2,270 votes over the Conservative runner-up in a field of five candidates.

In Derbyshire, where results were announced Thursday, Conservatives just scraped in ahead of the Liberals, who ousted the Labor party from runner - up position.

1,200-VOTE MAJORITY

The Derbyshire results were: Aiden Crawley, Conservative 12,455 votes, Ronald Gardener-Thorpe, Liberal 11,235, John Dilks, Labor 9,431, Raymond Gregory, Independent 1,433. The Conservative majority was 1,220 votes.

Both contests were blows to the currently deflated prestige of the government party, for though it held Derbyshire West, its previous majority of 8,109 was reduced to marginal proportions and its share of the total votes cast in the election was almost halved.

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JAYCEE MEMBER HONORED

The trophy for the most outstanding member of the Charlottetown Junior Chamber of Commerce was presented to Harvey MacKinnon last night at the club's annual meeting at the Charlottetown Hotel. The election of officers was also a feature of the meeting. Elected as president was Hazen Hogg with Chester McMackin and Mr. MacKinnon chosen as 1st and 2nd vice presidents respectively. The new secretary-treasurer is Murray Landers. Directors include Allan MacLeod, Donald Langille and Thomas Davies. Year-end reports were presented by the various committee chairmen. Activities will commence again in September. Here past president Earl Beaton, left, makes the presentation of the trophy to Mr. MacKinnon, centre, while the new president, Mr. Hogg, looks on.

'Bubble-Gum Plank' Unveiled By Pearson

By ARCH MacKENZIE

LEAMINGTON, Ont. (CP)—A new "bubble-gum" plank in the Liberal party platform was unveiled Thursday by leader Lester Pearson in a sun - bathed tour between Sarnia and Windsor.

Mr. Pearson, who made 10 stops in the long day, told school children in this tomato-growing centre that what the Liberal party is trying to do is assure Canadian prosperity "so that everybody can get all the bubble-gum they want."

His jocular reference followed an announcement that free bubble-gum would be handed out at Leamington's Liberal party headquarters after the meeting.

At Chatham he spoke to about 100 persons in a grandstand and later dropped into a jaycees fair where it was children's day. His remarks were general throughout, touching on the devaluation of the Canadian dollar in terms of U.S. currency, unemployment and the education program which the Liberals say is designed to ensure that no student is unable to get to university because of financial problems.

2 OAS Members Are Executed

PARIS (Reuters)—A French army firing squad Thursday executed two Secret Army Organization terrorists condemned to death for the murder of an Algers police chief.

Hours after the execution of Algerian - born Claude Piegts and Albert Dovecar, believed to be a native of Austria, there was no official announcement that it had taken place, but lawyer Roger Palmieri said he watched the two men die—bravely.

But the fate of Edmond Jouhaud, deputy leader of the Secret Army, remained a question mark. The former air force general is under death sentence for his Secret Army activities and his part in the abortive April, 1961, Algiers putsch.

Provincial Building Financing Is Questioned By Commissioner

The wisdom of setting up a separate crown corporation to finance the building of the new Provincial Building here was questioned yesterday by Commissioner W.T. Brown, Vancouver of the Royal Commission on Banking and Commerce.

Provincial Treasurer Melvin McQuaid who presented the province's brief on behalf of the government, had said earlier the new building would cost in the vicinity of $4 million. Mr. Brown observed that better results would be obtained if all of the borrowing was done through the one source.

Commissioner Brown, a Vancouver investment dealer, suggested the presence of different borrowing agencies in Prince Edward Island would work against the province's desire to become better known in the financial markets, and thus improve its credit rating.

He suggested the province discuss this with its fiscal agent — the name was not disclosed. He said if there are too many borrowers it affects your credit rating."

Mr. McQuaid had explained earlier that the government has raised some $4,100,000 on deposit receipts from citizens. These are short term loans on which interest of five per cent is paid if the money is left with the treasury for three months or more, it was explained.

Asked why the province decided to set up the separate crown corporation for the building financing, Mr. McQauid said that Newfoundland had used that method to finance a large building undertaking there.