

AT SOURIS LAST NIGHT

Susan Dixon Crowned Regatta Sea Queen

Susan Dixon, 17, who was sponsored by Souris Regional High School, last night was selected sea queen at the Souris Regatta and Fisheries Exhibition Margaret MacAvoy, 20, and Shirley Acorn, 16, were selected princesses. All three girls are from Souris.

The Sea Queen ceremonies were held in the Souris Regional High School auditorium. Henry Lyster was chairman. There was a large audience attended.

The new queen was crowned by Michelle Peters, last year's queen who had been Miss Lions Club.

Judges for the Sea Queen contest were Mr. and Mrs. Joseph Revell and Mr. and Mrs. Jack Simpson, all of Charlottetown. Makeup artist was Mrs. Norman Stewart, also of Charlottetown.

The two-day regatta got away to a good start yesterday with clear, brisk weather.

PARADE TODAY
Today the program resumes at 1 p.m. with a large parade, followed at 2 o'clock by the official opening of the railway wharf. Lieutenant-Governor W.J. MacDonald will pronounce the show open. Boat races are scheduled for 2:30 with a lobster-trap racing contest due at 4:30. In this event, contestants will have



MISS DIXON

to haul and replace 15 traps. The event will be staged in harbor waters, in view of spectators on the railway wharf.

Big event of the evening will be a big of war with the Red Point Farmers' Maritime champions, meeting a team from St. Peters for the regatta crown. A dance to wind up the event is scheduled to take place at the wharf, starting at 9:30.

Captain Is Still Aboard

MIAMI (AP) — A Greek freighter bound for Viet Nam with 9,500 tons of flour radioed an S O S from the Yucatan Channel Tuesday and everybody but the captain abandoned ship.

For a time the 416-foot Elias Davilas II was reported sinking slowly about 450 miles southeast of Miami. But the U.S. Coast Guard said reports received later in the day indicated the 21-year-old freighter was in no immediate danger of going under.

Seven crewmembers bobbed nearby in a life boat. Twenty other men were aboard the merchant vessel Sea Pioneer, which was diverted to the Elias Davilas II after the S O S. All hands were in good shape, including the skipper, Capt. John Halamantas.

The Coast Guard, which at one point received word that the freighter had sunk, said an agent for the ship was making arrangements for a tow, possibly by the Sea Pioneer, which was standing by.

Parliament At A Glance

By THE CANADIAN PRESS
TUESDAY, July 5, 1966

Finance Minister Sharp introduced a resolution in the Commons leading to introduction of Bank Act amendments.

He said the government proposes to raise the present six-per-cent ceiling on bank loan interest rates and eventually to remove it.

Earlier, clause-by-clause study of the Canada Assistance Plan was adjourned after the Commons approved second reading of the bill.

The CBC board of directors accepted the broadcast committee's recommendation for new vice-presidents in main production centres.

CBC President J. Alphonse Ouimet also said Douglas Leisterman would be offered a contract to produce Seven Days, again, with some provisions.

Prime Minister Pearson said in the Commons legislation aimed at settling issues from the Quebec longshoremen's strike would be dealt with before the summer recess.

After interest ceiling lifted, no director of near-bank, such as a trust or loan company, accepting deposits from the public, to be allowed to be a bank director.

After July, 1970, banks to be prohibited from holding more than 10 per cent of voting stock of any Canadian corporation, including near-banks.

Mr. Sharp to call federal-provincial conference on consumer credit and credit-granting institutions.

Crown corporation to insure deposits to be set up to strengthen competitive position of near-banks and to promote creation of new banks by strengthening them in early stages of development.

Banks to be allowed to make mortgage loans in expectation that increased competition will help small borrowers.

Parliamentary approval a continued requirement to set up new banks.

Some kinds of government funds permitted to buy bank shares on non-voting basis, subject to a 10-per-cent limit for funds of any one government.

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N. Viet Nam Campaign Features Air-Sea Fight



CANADIAN BAR ASSOCIATION HEAD VISITS HERE

John T. Weir, QC, of Toronto, president of the Canadian Bar Association, is seen with Magistrate A. J. Haslam, QC, of the P.E.I. Law Society, during a courtesy call on Mayor W. J. Cox at City Hall yesterday. Mr. Weir

addressed the annual banquet of the P.E.I. Law Society held at Dalvay House last night. Accompanied by his wife and family of six, Mr. Weir was shown a portion of the province by Mr. Justice George J. Tweedy. Mr. Weir is a partner in the Toronto law firm of Mason, Foulds, Arnp, Walter, Weir and Boeckh. Mr. Weir was a lieutenant in the Queen's Own Rifles of Canada having served in England and North West Europe during World War Two. He was subsequently promoted to captain and major, and served as deputy assistant adjutant general, Canadian Military Headquarters, London, and the first Ection Canadian, section 21, army group, Brussels and Germany.

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Ho Reported Saying May Ask For Terms

SAIGON (AP) — Another air-sea fight marked the American campaign against North Viet Nam Tuesday. For the second time in five days, U.S. Navy planes exchanged fire with North Vietnamese torpedo boats. One plane was shot down. It was undetermined whether the boats were hit.

Foreign Minister Chen Yi declared in a statement broadcast from Peking that his government will support North Viet Nam at all costs and "will not hesitate to risk any danger to annihilate U.S. aggression and win final victory." He spoke at a reception marking the fourth anniversary of Algeria's independence from France.

On the political front in South Viet Nam, Premier Nguyen Cao Ky's military government installed an 80-member army and people's advisory council, including a number of skilled technicians, in help in the progressive transition of power to an elected civilian regime next year.

U.S. Air Force and navy squadrons, which held 90 multi-plane missions Monday, kept up their blows at North Viet Nam. Two fuel storage areas — 19 miles southeast of Hai Phong and 25 miles west of Thanh Hoa — were singled out in July 4 raids pursuing a drive to cut off oil for North Viet Nam's war machine.

U.S. state department spokesman Press Officer Marshall Wright, said in Washington the magazine's report that Ho had been talking with Moscow and Peking about a negotiated settlement. Wright said the U.S. position of willingness to discuss a peaceful settlement is well known.

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Resolution Introduces Bank Act Changes

OTTAWA (CP) — Finance Minister Sharp announced Tuesday night the government proposes to raise the present six-per-cent ceiling on bank loan interest rates and eventually to remove it when credit conditions become easier.

Speaking in the Commons on a resolution leading to introduction of the long-awaited Bank Act amendments, Mr. Sharp said the ceiling now is too low in relation to other interest rates.

But to remove the ceiling now might cause disruption in financial circles. The bill would provide for an objective test under which the ceiling would be removed when credit conditions become easier. Meantime, the maximum rate should be adjustable to reflect changes in the general level of interest rates.

In his 5,000-word speech, however, Mr. Sharp did not spell out the precise formula for first raising and then removing the ceiling. The formula will be contained in the bill when it is formally introduced.

OTTAWA (CP) — Highlights of Finance Minister Sharp's statement in the Commons Tuesday night on Bank Act amendments:

Six-per-cent ceiling on interest rates of bank loans to be raised now and removed when credit conditions become easier. Details to be disclosed when bill introduced in Commons.

Banks to be required to disclose inner reserves created from taxable incomes.

Prohibition of agreements among banks on interest rates on both loans and deposits, with mergers continuing to require government approval.

To curb interlocking bank directors.

OTTAWA (CP) — The opposition Tuesday accused Finance Minister Sharp of "skirting around" details of the formula for raising the six-per-cent ceiling on bank loan interest rates.

The formula was the first thing opposition MPs asked about after Mr. Sharp outlined in the Commons provisions for revision of the Bank Act.

He said the best basis from which to fix the maximum rate "and eventually to measure the credit conditions under which the ceiling should be removed is the average market yield on short term government bonds."

Walter Monieath (Perth), Conservative financial critic, immediately asked how the ceiling on bank interest rates would be tied to the bond yields.

Mr. Sharp replied that a percentage spread above the average rate on short-term bonds over a period of time would be the criterion.

Davey Fulton (PC-Kamloops) asked what the percentage spread would be. Mr. Sharp replied that this was not "an appropriate question" at the present stage.

regulates, a director of one bank to be prohibited from being director of another.

Not more than one-fifth of directors of any single Canadian corporation to be allowed to sit as directors on any one bank.

After interest ceiling lifted, no director of near-bank, such as a trust or loan company, accepting deposits from the public, to be allowed to be a bank director.

Crown corporation to insure deposits to be set up to strengthen competitive position of near-banks and to promote creation of new banks by strengthening them in early stages of development.

Banks to be allowed to make mortgage loans in expectation that increased competition will help small borrowers.

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Labrador Strike Called Illegal

LABRADOR CITY, Labrador (CP) — More than 1,100 employees of the Iron Ore Co. of Canada walked off their jobs Tuesday, defying opposition from several quarters.

Newfoundland Premier Joseph Smallwood, local officials of the United Steelworkers of America (U.S.W.) and Claude K. House, top official of the company in the province, agreed the strike is illegal under the provincial Labor Act.

The men are seeking hourly wage increases of 35 cents in a three-year contract and various other benefits.

CONVENTION HELD

Rev. Sister Mary Henry, executive director of the Catholic Social Welfare Bureau, was the keynote speaker at the afternoon session of the 33rd annual convention of the P.E.I. Women's Institutes at Prince of Wales College yesterday. "Alcoholism and Its Treatment" was the subject of Sister Mary Henry's address.

In her opening remarks Sister Mary Henry said that the American Medical Association had officially termed alcoholism as a disease and she added that while most authorities in Canada also consider it a disease, it hasn't yet been officially designated as such, probably, she added, because so many hospitals are government operated.

Alcoholism, like any disease can be defined by certain symptoms and she added if these symptoms exist, the problem is present regardless of how an individual handles it drinking.

An alcohol problem, Sister Mary Henry said, is almost always indicative of another deeper emotional trouble—chronic depression, emotional insecurity and such conditions—and in order to successfully treat the alcoholic this underlying condition must be treated first.

High Incidence Here
Figures indicate, she said, that most alcoholics are men in the 35 to 45 age groups, and in relation to economic status 1-3

Rough Times Ahead
She left the Northern Ireland government the task of somehow preserving peace among its Irish subjects in difficult weeks ahead.

July is always a time of particular danger in this bitterly-divided city where Protestants and Roman Catholics, loyalists and Irish nationalists are ready to fly at each other's throats.

July 12 brings a climax with the annual celebration of the Protestant victory of William of Orange over Catholic King James II at the 1670 Battle of the Boyne.

By JIM STROTHMAN
CAPE KENNEDY, Fla. (AP) — A 92-foot segment of the United States' Saturn rocket, which went into orbit Tuesday, hurred an important milestone in the lunar-landing program.

Deviating riding on the television-equipped flying laboratory successfully kept its hydrogen fuel in a proper position for the 29th rocket stage to twice restart during a 1 1/2-hour, three-orbit mission through space.

A successful sequence of events carried out during Tuesday's flight was a dramatic demonstration that the engine could have been retired in orbit.

National Aeronautics and Space Administration officials said the mission was completely successful.

Dr. George E. Mueller, associate administrator of NASA's office of manned space flight said after all tests were completed with the orbiting vehicle.

Finance Minister Accused Of Skirting Around Details

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Details were in the bill, which

Youthful Plumber Denies Intention To Hurt Queen

RELEASE, Northern Ireland (AP) — A 17-year-old apprentice plumber told police Tuesday he had no intention of harming anyone when he dropped a 12-pound concrete block on the car of Queen Elizabeth.

The apprentice, John Franis Morgan, was arraigned along with Iris Carruthers, 44-year-old chambermaid, who was accused of throwing a beer bottle at the Queen's car.

The incidents occurred Monday as the Queen and Prince Philip rode through Belfast on a state visit. The block, dropped from a fourth-storey window, hit the hood of their limousine. A few feet farther and it would have smashed the glass canopy over the royal couple.

The missile dented the car's radiator and hood.

Sask. House Will Meet

REGINA (CP) — Premier Ross Thatcher Tuesday announced a special fall session of the Saskatchewan legislature will be called to ratify a new federal-provincial tax-sharing agreement.

Mr. Thatcher, at a news conference, said the present agreement expires Dec. 31 and a new five-year agreement must be ratified before that date.

Legislation to revise the Bank Act last year, when Walter Gordon was finance minister, died on the order paper when an election was called.

Rocket Hurdles Milestone

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Four Defence Appointments Are Announced At Ottawa

OTTAWA (CP) — The defence department has announced appointments to four senior posts, one of which involved a unique promotion from commodore all the way up to vice-admiral.

Commodore Ralph L. (Spik) Hennessy, 47, makes the unusual jump as he bypasses the rank of rear-admiral on his way up the ladder. Effective July 18 he is to become commander-in-chief of the armed forces.

He is a native of Edinburgh, Scotland, and attended schools in Winnipeg, Victoria and Toronto after coming to Canada with his family at the age of two.

A spokesman for the defence department said he could not recall another double promotion in a senior Canadian military ranks.

Mr. Carruthers, an Englishwoman from Salford, Manchester, was said to have stated when arrested: "If I had wanted to attack the Queen personally, I would have chosen the bridge (the Queen Elizabeth bridge) which the monarch opened earlier Monday) where she was exposed to proper view."

The two were accused of throwing missiles "with intent to injure or alarm Her Majesty or to break or to injure the peace." They were ordered held for a hearing July 13. The maximum sentence under the charge is seven years in prison.

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Treatment Of Alcoholism Discussed At WI Meeting

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Proposals By Committee Accepted By CBC Board

OTTAWA (CP) — The CBC's board of directors has accepted the proposal of the Commons broadcasting committee to place vice-presidents in Toronto and Montreal to improve communications between management and production staff, President J. Alphonse Ouimet announced Tuesday.

Mr. Ouimet also said in a prepared statement the directors at a four-day meeting in Ottawa last week decided to offer Douglas Leisterman a contract to produce This Hour Has Seven Days next season providing he agrees to adhere to CBC policies.

The contract would be subject to Mr. Leisterman's written agreement to accept corporation policies, procedures and directions.

The president's statement also said the board has accepted the principle of setting up a grievance procedure for producers, and to make necessary changes to improve deficiencies in supervision of the Seven Days program.

The Commons broadcasting committee in a report last week said that a grievance procedure set up in the French network following a 1959 strike had worked well and recommended a similar procedure for the English network.

DECISION MADE
The Seven Days controversy erupted against re-hiring Patrick Watson and Laurier LaPierre, ex-co-hosts of the show for next season.

The Toronto television Producers' Association threatened

to strike unless the management decision was reconsidered.

The strike deadline was postponed when Prime Minister Pearson appointed Stuart Keate, publisher of the Vancouver Sun, to head the committee.

Mr. Keate, who had been a communications consultant between management and the production staff, said that improved constant communications between management and the production level would be achieved best if there were senior vice-presidents responsible for programming and production in the English and French networks.

They should concentrate on news and public affairs and report directly to the president

and the board "with whom the ultimate responsibility should rest for the overall CBC operation," the committee said.

The president's statement Tuesday said the board agreed the appointments of the two vice-presidents should be made as soon as possible.

Mr. Ouimet said the cases of Mr. Watson and Mr. LaPierre, where were dealt with at April and May meetings of the board, were not reopened.

He added that the directors reviewed editorial policy and the ethics of broadcast journalism and made no changes in corporation policies in this field.

The statement said the corporation has no further commitments now on the broadcasting committee's report or on the government's white paper on broadcasting published Monday.

Optimistic View Taken By President Johnson

JOHNSON CITY, Tex. (AP) — President Johnson took an optimistic view of the war in Viet Nam Tuesday, quoting diplomatic reports as indicating the Communists "no longer expect a military victory."

The president, speaking at a press conference at his ranch here, added he is "aware of the danger of speculation."

But the tenor of his remarks was one of optimism.

He said the latest intelligence estimate of last week's U.S. air attacks on oil reserves in North Viet Nam is that 57 per cent of that country's oil supplies were destroyed.

Johnson said the estimates showed 86 per cent of the oil storage facilities were hit.

THOUGHT REASONABLE
Johnson said U.S. military officers think both estimates are reasonable.

"I think that every general officer" either in Viet Nam or in the defence department thinks

last week's action was "required by events of the times," he said.

Johnson, at his first televised and broadcast press conference since last August, said he has called Defence Secretary Robert S. McNamara to his ranch here for a conference on future events in the Viet Nam war.

This meeting, to be held today, will precede session McNamara will hold with Admiral U.S. Grant Sharpe, the Pacific high commander at Honolulu.

The president has already received from McNamara a report on the buildup of American forces in South Viet Nam in the last few months.

The president underscored that never before in U.S. history has there been such a rapid and effective expansion of U.S. military might without recourse to such measures as mobilizing reserves or clamping mandatory controls on the economy.

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