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Clear with a few cloudy intervals, warmer, light winds. Low-high at Charlottetown 53 and 60.

Prince Edward Island Like The Dew"

LOTTETOWN, CANADA, THURSDAY, MAY 7, 1959

20 PAGES

NOT MORE FIVE CENTS THAN

Gordon Puts Job On Line To Railway Committee

CNR's Chairman Hurls Challenge

By JOHN LeBLANC
Canadian Press Staff Writer
OTTAWA (CP) — CNR president Donald Gordon Wednesday told the Commons railway committee the Commons railway committee told the Commons railway committee...

But he said he would suggest that the CNR president in his annual appearance before the committee should be called on mainly to make statements only on general policy, as in the CPR president's appearance before his board of directors.

"I would suggest that you would be dealing with matters of policy rather than with details," Mr. Gordon said.

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Questions were asked about the ship, listed in 1954-55 estimates as likely to cost \$1,066,000, which actually cost \$3,160,057.

Watson Sellar, auditor general commented that "it does not seem fair in principle to put in an estimate and have it (the vessel) cost three times as much."

Seaway Closure Idea Under Fire

OTTAWA (CP)—Senators Wednesday criticized a proposal to cushion the impact of St. Lawrence Seaway traffic on Atlantic province ports by imposing a five-month closure on St. Lawrence River harbors.

The proposal, sponsored by Senator Gordon Innes (L—Nova Scotia), was described as restrictive. In his resolution presented earlier this session, Senator Innes urged greater use of Maritime ports and the closing of St. Lawrence ports from Nov. 15 to April 15 each year.

Senator Calvert C. Pratt (L—Newfoundland) said Wednesday he can't see why a great development like the seaway should retard other ports. But he agreed with the idea of a continuing study of the seaway problem which might also provide the first government look at the possibility of a free port in Newfoundland—perhaps at Mortier Bay or Bay d'Espoir.

Such a port, which was an increasing type of operation in world trade, would benefit Newfoundland and the seaway, he said.

Senator Wishart Robertson (L—Nova Scotia) said he doesn't like protectionism. His instinct would be to keep the St. Lawrence open as long as possible in winter.

Senator T. A. Creer (L—Manitoba) said closing down St. Lawrence ports for five months would penalize western grain shippers and increase the troubles of Nova Scotia coal in proving competitive in central Canada markets.

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Spud Advances Are Sharp

Rapid jumps in potato prices were noted this week. Last evening a Charlottetown potato dealer said he had been paying \$1.80 per 75-lb bag to the farmer at the farm on the basis of \$2.00 per bag delivered at the Charlottetown warehouse.

The dealer, one of the large buyers, said he had been paying that price through Tuesday and Wednesday.

Some dealers say prices will remain high for the remainder of the season but how high the prices will rise is uncertain.

P.E.I. spuds in Toronto yesterday were bringing 50 cents for a 10-pound bag as compared to 45 cents a week ago.

Reason for the high prices in Toronto was given as a shortage of P.E.I. old potatoes and a sudden increase in U.S. prices.

A city dealer said about 1,000 cars of Island potatoes are left for sale. Last year at the same time 2,000 cars were moved and 800 were dumped after May 1st.

Two Horses Disappear

BADDECK, N.S. (CP) — Two horses were swallowed Wednesday in a gaping hole that appeared suddenly in a farmer's field 10 miles from this Cape Breton community. A 12-year-old boy was almost dragged in behind the heavy work animals.

Hugh Murphy was on a harrow when one horse began sinking into the earth. The boy jumped off the machine and tried to unhitch the horse. As the second one began to be sucked downward 63-year-old Martin Murphy pushed his floundering son to safety.

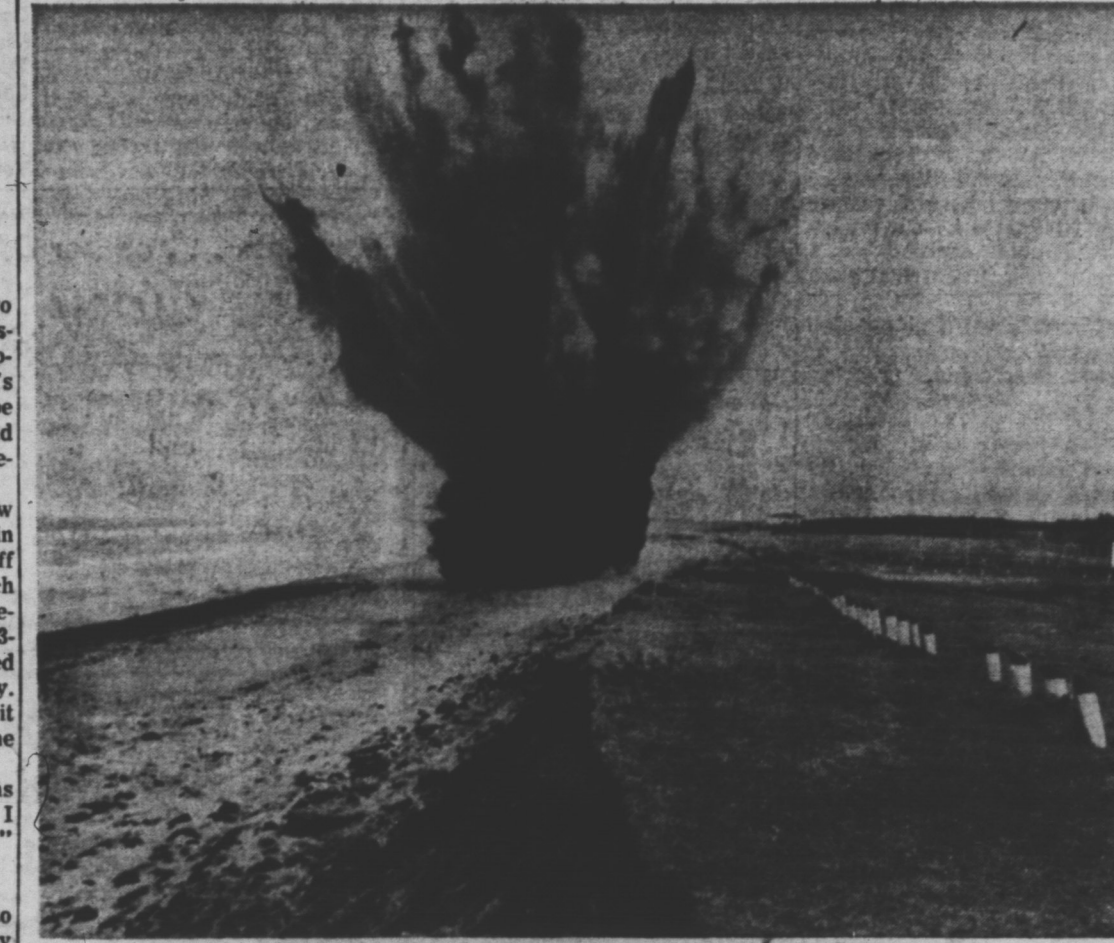
When the horses fell into the pit the harness broke leaving the harrow above ground.

"I didn't know whether I was having a nightmare... When I saw the first horse disappear," Mr. Murphy told reporters.

THREW SON ASIDE
"My son was in the hole up to his waist when I grabbed him by the shoulder and threw him aside when the Mounties came they could hardly believe their eyes."

Mr. Murphy and a group of volunteers plan to go down the pit early Thursday morning with the aid of a rope "to satisfy my curiosity as much as anything."

Mr. Murphy said that with a lantern he could see one horse moving in the hole. He estimated it to be 30-40 feet from ground level. There was no sign of the other animal.



WHALE BLASTED AT STANHOPE

The body of a large whale that drifted ashore at Stanhope last fall was blasted to bits yesterday by workmen under the direction of Stewart MacNevin of the County Construction company. Bits of the body which was partly buried in sand, were blown high into the air by the explosion. The huge blast left a large crater in the ground.

STIFF TERMS
The forthright Mr. Gordon spoke in stiff terms to the committee after undergoing an exhaustive two-day examination by its members on his 1958 report, the eighth he has submitted to Parliament.

Preparations by him and his officials for the committee scrutiny, he said, were becoming such a burden that he did not know how much longer he could do it. The amount of paper work was "frightening" and it was getting worse each year.

Part of this, he suggested, stemmed from the fact—and he expressed sympathy with com-

carry on... probably for the rest of the week," he suggested in letters sent Tuesday.

Mr. Pickersgill's criticism came during debate on second reading—approval in principle—of a bill to extend for another year the arrangement whereby the provinces take a 13-per-cent slice of federal income tax yields rather than 10.

There is no change in the provinces' nine-per-cent share of income and 50-per-cent share of debt duties.

PIANO, CHORUSES
Their rendition of "Bourre de Vincent for Rameau-Mozart, last piece for Class 192, earning them the high score of 90. The piano duo of Lynda Drake and

Sandra Kennedy, Cross Roads, playing at Prince of Wales auditorium last night posted the highest score awarded thus far in the Charlottetown section of the current music festival's vocal and instrumental classes.

Two other groups duplicated this feat at the session held concurrently at Birchwood auditorium. Singing in Class 6, the junior girls' choir representing St. John's Anglican Church, Milton, an the Kirk junior girls' choir, Charlottetown, tied for first place with a mark of 90.

Second highest award of the two evening sessions was earned by Notre Dame Academy's girls' chorus which scored 89 marks in Class 147, singing Mendelssohn's "On Wings of Song" in three parts.

TRUE SPIRIT
By "listening to the tones", both competing teams in Class 192 caught the "elegant, sensitive, true French spirit of the composition," Judge Boris Roubakine observed. The ensemble work was well worked out and the entire performance went forward with "uncanny clear cut precision."

He added that it was not often that one had the opportunity to (Continued on Page 5 Col. 3)

FIRE CHASES
392 PATIENTS
MONTREAL (CP)—Mopping-up operations were under way at Sacred Heart Hospital Wednesday night that forced evacuation of 392 patients.

Flawless teamwork by the hospital staff, firemen, policemen and volunteers made the evacuation a smooth operation. There were no injuries.

SPEAKER AT CANADIAN CLUB
Brigadier Stephen Longrigg, (last night at the meeting of the right are Frank Curtis, club president, Mrs. Curtis and Dr. George C. Fisher. Brigadier Long-

Greater Coal Use Seen Slim

OTTAWA (CP) — CNR President Donald Gordon said Wednesday he sees no prospects of stepping up use of coal on CNR's trains in the Maritimes.

He told Maritimes members of the Commons railway committee that the Maritimes coal producers themselves are using diesel locomotives "right in their own works."

Mr. Gordon also said the CNR expects to have its program of switching to diesels completed by the end of 1960 at a total cost of about \$480,000,000.

Toronto Woman Chosen 'Mother'

OTTAWA (CP)—A shy, Danish-born Toronto housewife Wednesday was named "new Canadian mother of the year."

Mrs. Lilian Spiess won the title in a competition sponsored by an international flowers - by - wire florists' association.

Mrs. Spiess and her husband Ernest, a painter-decorator, were guests of honor at a flower-decked luncheon attended by Citizenship Minister Ellen Fairclough and Danish Ambassador John Knox.

Red China Ban Is Tightened

OTTAWA (CP)—The Canadian Trucking Associations said Wednesday that products from the British crown colony of Hong Kong cannot be trucked through United States territory on trips between Canadian points if any part of the goods originated in Communist China.

This is the latest development in a Canada-United States controversy over transportation of goods from Communist China through the U.S. between points in Canada. The federal government has protested a U.S. ban on such shipments.

Need Of Meeting Nikita Said Seeping In On Ike

By GEORGE KITCHEN
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It has taken time, but President Eisenhower finally is beginning to see eye to eye with Nikita Khrushchev on the need for direct negotiations with Soviet Premier Khrushchev.

For months, Eisenhower and former state secretary John Foster Dulles argued against face-to-face talks with the Russian leader. They insisted that agreements be negotiated down the ladder—at the foreign ministers' level—with the government heads meeting only to initial the official documents.

Prime Minister Macmillan has taken the opposite view: That if the Western leaders hope to get any concessions from Moscow they will have to negotiate with the man in charge.

Eisenhower took note of Khrushchev's dominant position in the Kremlin at his press conference this week when echoing a statement voiced by Macmillan three months ago, he said: "All of us do know that within the Soviet regime there is only one man who can talk authoritatively."

There is ample evidence to support this view, despite the Soviet claim that the country is governed by a "collective leadership."

Recent developments within the Soviet Union indicate that

Insurance Rates Will Be Higher

OTTAWA (CP) — Workers and bosses will find the new federal unemployment insurance legislation a little tougher on their pocketbooks.

The government proposes to boost insurance rates by 30 per cent without increasing average benefits — the money you can draw when jobless.

However, there are some concessions. The maximum insurance period will be increased to 52 weeks from 36; insurance will be extended to a higher bracket of wage-earners; and the money the government allows jobless to make on the side will be increased without cutting into the weekly insurance benefits.

There's also a concession for prisoners. They'll be able to get insurance protection while serving up to two years in prison.

THIEVES RAID LIQUOR STORE

ST. ANDREWS, N.B. (CP) Police here are viewing all drunk with a jaundiced eye. At least for a while.

The reason: Thieves broke into the New Brunswick liquor commission retail store here early Wednesday and made off with \$57 worth of booze. Nothing else was taken.

The nearby St. George liquor store was entered April 11 and \$2,000 stolen.

OUTPATIENT SERVICE

Ontario Official Praises Hospital Insurance Plan

Keen satisfaction with the progress being made in finalizing Prince Edward Island's hospital insurance plan was expressed yesterday by George Ferchat, manager of the public relations division, Ontario Hospital Services Commission.

Mr. Ferchat is in the province for three days to advise the Island commission on certain phases of their plan and to outline the educational program which will be launched throughout the province within the next two weeks.

"When the full details of the Island plan are made known to the public, I am sure they will be more than pleased with the proposals", Mr. Ferchat said.

GENEROUS SERVICE
The Ontario visitor said he was more than impressed with the contemplated scope of outpatient service being offered under the plan. He said it was most generous.

Referring to the Ontario plan, Mr. Ferchat said that previous to its coming into operation about 72 per cent of the population was covered by hospital insurance through industrial employee groups.

Those engaged in promoting the Ontario scheme, Mr. Ferchat said, felt they were most optimistic in expecting 85 per cent of the population to come into it but it is now seen that 93 per cent of the entire populace is covered.

Mr. Ferchat observed that the situation in Prince Edward Island was different in that there was a larger percentage of the population self employed.

"I would think that under such circumstances there would be greater encouragement for such individuals to join because the benefits now enjoyed by employee groups are not available to them," he said.

At the same time it was observed that individuals could never hope to secure similar benefits to those being offered in the government plan, through a

private company.

He was glad to see that one of the initial steps of the Island commission would be to form voluntary employee groups and in this connection was pleased to note that the Retail Merchants' Association had given 100 per cent support to the program.



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AUDIENCE FOR CANADIANS

Pope John XXIII, left, stands with Paul Emile Cardinal Leger, Archbishop of Montreal, at special audience the pontiff held for nearly 1,000 Canadian pilgrims in Vatican City.

\$38 Million In Freight Imperilled By Seaway

MONTREAL (CP)—Opening of the St. Lawrence Seaway means that more than \$38,000,000 annually in Canadian Pacific Railway's revenue value from freight will be exposed to this competition, CPR President N. R. Crump said Wednesday.

"It is to be hoped that, over the long term, industrial development along the seaway may offset in some measure this more immediate adverse effect," he said in addressing the CPR's 78th annual shareholders meeting.

The seaway was one of the developments, both at home and abroad, dealt with by Mr. Crump, who declared his belief that "the whole position of private enterprise" as related to the future of transportation in Canada now should be reviewed.

FAVORS SEAWAY TOLLS
He said any departure from the principle of charging tolls on the seaway "would result in unfair and uneconomic competition to the detriment of other forms of transportation."

The CPR's traffic officers had estimated that "even under the toll system," about 2,000,000 tons of CPR's freight would be "exposed to seaway competition."

Stating his belief that private enterprise holds the most promise for keeping Canada to the fore in all kinds of transportation, Mr. Crump said Canada's needs "cannot adequately be served if the economic aspects of transportation are disregarded in the realm of public policy."

NO LONGER IN DOUBT
Mr. Crump said that the historic justification for public transportation policies which subordinated economic principles "to political considerations" no longer exists. The country is linked by all kinds of transportation and communication, and Canada's survival as a nation "is no longer in doubt."

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Late reports from Guardian news bureaus in Sumner, Montague, Alberion and Souris, and from special correspondents, now appear on the Island News Page.