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"Covers Prince Edward Island Like The Dew"

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NEW ACQUAINTANCES were made and old friendships were revived last night as the members of the P.E.I. Junior Farmers Federation celebrated their 10th reunion at Birch Court. Here they take time out from the festivities to pose with the guest speaker for the evening, Leo MacIsaac. Left to right are SEATED: Sterling MacRae, Brookfield, 1956; George MacPherson, Launceston, 1958; George C. MacDonald, St. George; 1955; STANDING: Urban Laughlin, Sherbrooke, 1954; Lloyd Martin, Chery Valley; 1949; Mr. MacIsaac; Ronald MacInnis, Chery Valley, 1957; and Donald Anderson, St. Peter; 1948; Missing from photo are William Cairns, Freetown, 1951; Keith Moose, Kensington, 1950; Martina Hughes, Charlottetown, 1953; and Eddie Clark, Belmont; Lot 16, 1957.

Urges Junior Farmers To Face 'Serious Problems'

It is up to the Junior Farmers of the Island to face up to some of the more serious problems facing the future economy of the province, Leo MacIsaac said in addressing the members of the P.E.I. Junior Farmers Federation at their 10th reunion held at Birch Court last evening.

"One of the main problems we are faced with is that of credit," he said. "We have to get more credit if we are to make better use of our marketing facilities and fill some of our unused farms."

Mr. MacIsaac noted that the credit unions were one way in which the farmer could get a certain amount of credit. Some of these unions are doing a tremendous job—the ones that are organized properly, he emphasized.

By using these credit unions, farmers received over a million dollars last year, where they could not get credit anywhere else, Mr. MacIsaac remarked.

"Too many people are not making proper use of these unions. They go to 'extortionists' and find themselves worse off than before."

The past presidents of the organization were introduced by Canadian Press Staff Writer LLOYD McDONALD.

Agreement Appears Near On Outer Space Question

Canadian Press Staff Writer LLOYD McDONALD, UNITED NATIONS, N.Y. (CP) Russia and the United States appeared near agreement Thursday night on putting the peaceful development of outer space into the hands of the United Nations.

The UN's political committee, which has been debating the issue for a full week, agreed to adjourn until Friday afternoon in the hope that all details standing in the way of a joint East-West settlement could be resolved in private.

Henry Cabot Lodge of the U.S. met with Russia's delegate Valerian Zorin earlier Thursday, and then reported on this meeting to representatives of the 20 pro-Western powers who have backed an American resolution calling for the main for study by the UN of all aspects of man's penetration of the void beyond earth's atmosphere.

CONTENTIOUS CLAUSE Russia itself had put a motion before the committee last week calling for the setting up of a UN space study committee made up of representatives from all parts of the world, but also containing a contentious clause which would link a space agreement here with renunciation by the U.S. of the principle of keeping up military bases on foreign soil.

Zorin, in a surprise compromise move Tuesday, dropped this military link and cleared the way for an agreement on the world-wide committee. By this afternoon it was apparent that only the detailed makeup of this study group remained to be decided before a unanimous agreement is reached for the UN Assembly to vote on.

Sources outside the American delegation indicated that the chief U.S. opposition to agreement with the Russians lay in the size and scope of the space committee. It was learned that the Americans want to reduce the participation of smaller countries whose scientific potential is not up to the problems posed by the penetration of space.

Mr. Eaton, born at Pugwash Junction, N.S., is here for the Royal Winter Fair.

He said in an interview the United States, of which he now is a citizen, has led the world in antagonism. He predicted that as a result of sweeping Democratic gains in the Nov. 2 Congressional elections, the foreign affairs committees of the U.S. Senate and House would suggest that Dulles resign although neither has the power to force the issue.

"I think the Canadian people and their government should look carefully and realize that the executive side of the U.S. government has, in effect, been voted out of office and is still there by suffrage because of our constitution," he said.

In view of this, Mr. Eaton said, executive proposals should not now be taken too seriously—"they are no longer an influence in American affairs." He added there was no doubt in his mind that Americans generally want to live in peace with the Communist countries.

There should be an exclusive type of marketing organization on the Island, he said, one that is hard to get into—if you want to be a member you have to qualify.

Mr. MacIsaac noted that if the Province could set up a quality pack, a good sort of marketing board and have its own standards and quality basis, then it was going to "get somewhere."

"We have to have a Federation of Agriculture that is in a 'fighting mood,' not like some of our organizations on the Island," he said.

Within the next 10 years there will have to be a further step, when the organized labor and the organized agriculture have to get together, Mr. MacIsaac declared.

"With the inefficiency of some of our railroads the freight rate increase is going to hit us pretty hard," Mr. MacIsaac said.

The Junior Farmers have to get into some serious thinking and follow it with "action", he added.

Other projects carried under the independent program include: Building, construction, repair, renovation or alteration of bridges and drainage ditches; the planting, clearing and care of trees and shrubs; improvements on waterways and lake shores; preliminary or preparatory work done to investigate feasibility of works projects.

Mr. Thompson also announced the province would pay 30 per cent of costs incurred by municipalities under the federal plan. The federal government has announced it will pay 50 per cent of wage costs for projects approved by it.

Ever since the Arab-Israeli war ended in the 1948 armistice more than 1,000,000 displaced Arabs have had to be supported largely through a UN relief and works agency. The special committee is debating now on continued support for this body.

BERLINERS GET SET The crisis-tested West Berliners braced for anything from a

war of nerves to another blockade, first tried in 1948-49 and broken by the Allied airlift.

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Soviet Ambassador Andre Smirnov called on Chancellor Konrad Adenauer in Bonn and served notice of "steps which the Soviet government intends to take to realize the liquidation of the occupation status of Berlin."

West Berlin's Lord Mayor Willy Brandt immediately told his 2,200,000 citizens to stand fast before coming hardships. Brandt declared the United States, Britain and France had pledged "clearly and without reservation" to defend the city.

They intend to turn over to the East German Communists control of all Western Allies' air, road and rail routes from the West to isolated Berlin, 110 miles behind the Iron Curtain.

This means the Allies would have little choice—barring use of force or an airlift—but to negotiate with an East German regime they refuse to recognize, in order to keep supply lines open to their 10,000 troops in West Berlin.

Under agreements drawn up at

Declares Dulles Is Agitator

TORONTO (CP) — Cleveland industrialist Cyrus Eaton said Thursday night United States Secretary Dulles has shown he is "outstanding in deliberately stirring up hatred and animosity."

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He said in an interview the United States, of which he now is a citizen, has led the world in antagonism. He predicted that as a result of sweeping Democratic gains in the Nov. 2 Congressional elections, the foreign affairs committees of the U.S. Senate and House would suggest that Dulles resign although neither has the power to force the issue.

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Tax Increase Is Forecast To Cover Welfare Costs

Big Three Draft Plans To Counter Berlin Blockade

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Authorities calmly reaffirmed this determination as American-British-French diplomats virtually completed drafting plans for countering any Red blockade of the former German capital.

President Eisenhower reviewed foreign policy problems with the National Security Council a few hours after Russia's ambassador to West Germany formally disclosed the steps Russia intends to take.

But Berlin's future outlook was reported not among the topics Eisenhower discussed with his foreign policy and defence advisers.

Eisenhower later left on a 10-day golfing vacation at Augusta, Ga.

DULLES AWAY TOO State Secretary Dulles, resting at his Lake Ontario hideaway,

was reported to have no plans to return to the capital until early next week.

The Eisenhower-Dulles absence reflected the administration's attitude of showing no alarm at the prospect the Communists might suddenly clamp a new blockade around Berlin.

A state department spokesman refused comment on the Soviet ambassador's proposals to German Chancellor Konrad Adenauer.

Shortly before closing time, the department officials reported they had received a confidential report on the proposals as relayed by the American Embassy in Bonn.

Authorities flatly declined to reveal the nature of the proposals. Privately, authorities reiterated the line: they have taken since Soviet Premier Khrushchev first threatened Nov. 10 to drive the Allies from Berlin.

The big three Allies, they said, will not back down.

They drew a curtain of secrecy around counter moves the three Allies have tentatively agreed on to meet the problem.

Initially this strategy was expected to include highly restricted on-the-spot dealings with East German authorities who might replace Soviet personnel in checking Allied cargoes through to Berlin.

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They would help pay for rising welfare outlays, including an anticipated large deficit in the old age pension fund and federal hospital insurance outlays which in the next fiscal year may rise to some \$150,000,000 from the \$70,000,000 this year. The higher outlay would result from the entry of Ontario, Nova Scotia and New Brunswick in the National Health Insurance Plan.

And generally the higher taxes would help strengthen confidence of financial markets in the government's operations by closing some of the gap on a federal budget deficit which in 1959-60 is currently expected to approximate the one this year of about \$1,000,000,000.

Informants said the men involved in budget planning would proceed cautiously with tax boost plans, but the increases were the only sensible and courageous steps that could be taken. An alternative would be to reduce government spending which, including old age pensions, may reach a peak \$6,000,000,000 this year and possibly more next year.

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