If It's Good For The Island
The Guardian Is For It

The Guardian

WEATHER
Clouding over late in morning; light winds. Low-high 12 and 25.

"Covers Prince Edward Island Like The Dew"

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FIVE SUSPENDED IN B.C.

These five Prince George area social workers were suspended from their civil service positions Monday following their protests of provincial government handling of welfare cases in the north. From left are Nick Proznick, Mrs. Shelagh Vickery, Mrs. Helen Gilmour, Mrs. Bridget Moran and Mrs. Judy Kennedy. CP Wirephoto

New Wage Scale Forecast For Island's Civil Service

By DON MacLEOD

A new wage scale for the province's civil service is expected to go into operation April 1, Premier Walter R. Shaw said in the Legislature yesterday.

Speaking in the debate on the draft address, the premier said the new scale will "increase materially" the cost of operating the civil service.

"If we are to keep the civil service efficient," Premier Shaw said, "we must pay a decent wage." He said that when comparisons are made of the salaries of other provinces with this province, it can be understood why the increased scale is necessary "if we are to retain our best people."

Most of the premier's speech was taken up with the treatment Prince Edward Island received at the November federal-provincial fiscal conference in Ottawa.

"We emphasized treatment on the basis of fiscal need," he said, "but these things were thrown out the window and we were brushed off with an unfortunate allocation."

BITTER DISAPPOINTMENT

He said "the conference brought bitter disappointment. I don't know when I was so completely frustrated and disappointed."

Out of the $87,000,000 allocated to the provinces, Prince Edward Island received $599,000.

Premier Shaw said "we presented an excellent brief and it was vigorously supported. Opening statements were very favorable indeed and the financial arrangement was supposed to be based on the province with the highest earning.

"When the final announcement came through, we were stunned. We found that all these promises of fairness and equity were deceptive, empty phrases and we were brushed off with slightly more than one-half million dollars."

Premier Shaw pointed out that this province has repeatedly urged that fiscal arrangements between Canada and the provinces must be improved if adequate provincial and local government service are to be maintained.

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New Provincial Bldg. Declared Too Costly

By NANCY WHITE

Opposition to the construction of the $4,500,000 provincial building in May was voiced in the Legislature yesterday afternoon by 5th Kings Liberal George Ferguson, in the debate on the draft address.

He said Prince Edward Island is unable to afford the expense.

"Our people cannot stand this. I'm confident they're not in favor of a new provincial building at this time," he said.

Earlier in his address, Mr. Ferguson expressed concern over the "indication that government spending will hit an all-time high" this year.

"People are demanding too much of government," he said, indicating that if they "would only realize that they are the government" and are financing government spending. They would cut down on many of their requests.

LULL BEFORE STORM

He suggested that the "mellowness" of the speeches of Premier Walter Shaw and Opposition Leader Alex Matheson were "the lull before the storm' which may result when the budget is brought forward.

"If it (the budget) is any worse than the public accounts, then the people will have to leave the province," he predicted.

"I believe the finances of this province are in a terrible mess," he said, noting that "the total debt — is over $50,000,000".

Observing that the population of Georgetown is forecast to increase to 5,000 when the fish processing and ship building plants are established, Mr. Ferguson called for an amendment to the Election Act, to reinstate 5th District Kings.

'The Election Act, which has not yet been proclaimed effective by the Lieutenant-Governor and council, abolishes the district which Mr. Ferguson represents.

The Kings MLA spoke on various phases of the Atlantic Development Board program, not

(Continued on Page 2 Col. 2)

Gradual End Foreseen To Dairy Industry Aid

WINNIPEG (CP) — A gradual end to federal government subsidies for the dairy industry was predicted Tuesday by J.M. Hartwick of Picton, Ont., president of the National Dairy Council of Canada.

He said the dairy industry last year experienced the most dramatic transformation in its history — a strong move toward balanced production and consumption.

Mr. Hartwick said it was his personal view that the industry should eventually be able to stand on its own feet. He spoke to the annual convention of the Manitoba Dairy Association.

"If present supply and demand trends continue, as I believe they will, it should be possible to gradually reduce government expenditures for this purpose, Mr. Hartwick said. "These gradual revisions may become possible sooner than most observers think."

In 1963, after five years of surpluses caused by rising production and falling sales, consumption of all major dairy foods was at the highest level on record, Mr. Hartwick said.

Butter stocks by Jan. 1 had dropped by more than 30,000,000 pounds. This year consumption should be several hundred million pounds of milk in excess of estimated production, requiring the withdrawal of about 30,000,000 pounds of butter from stockpiles.

However, Mr. Hartwick said that no drastic change in federal policy should be made now.

"In the light of past experience, I think you will agree that it would be a very grave mistake to alter government policy in such a manner as to increase the consumer price of butter," he said.

35 Face Doubtful Fate At Sea

By FRANK SULLIVAN

HALIFAX (CP)—The skipper of a U.S. Coast Guard plane said Tuesday he doubted the disabled British freighter Ambassador would stay afloat throughout the night.

Lieut. Clyde C. Robbins, weary after a gruelling vigil over the sinking freighter in severe weather, said air and sea conditions in the area were "as rough as I've ever seen.

"The air was rough, the sea was rough and the Ambassador didn't look as though she would last the night."

Lieut. Robbins, pilot of the Hercules aircraft, said his crew dropped three, 20-man rafts to the crew of the freighter as the vessel dipped her rail into turbulent Atlantic waves. The Hercules was called into the search from the U.S. base at Argentia, Nfld., early Tuesday morning after the Ambassador reported she was listing badly.

An RCAF Argus aircraft from Greenwood, N.S., was called into the search and reached the area a few minutes after the Hercules.

DROP RAFTS

The U.S. plane swooped to about 150 feet to drop the rafts near the side of the floundering ship, Lieut. Robbins said in an interview.

"We waited until they started getting into the rafts before we left the scene."

He said he and the eight other men aboard the plane had considered taking pictures of the Ambassador "but we were too busy taking turns being sick."

The 7,336-ton Ambassador developed the list after her grain cargo shifted about 600 miles south of here while en route to England from Philadelphia. She carries a crew of 35.

ON SCENE

Meanwhile, the 33,340-ton Italian ship Leonardo da Vinci had arrived on the scene and was to attempt to pick up survivors.

Lieut. Robbins said he talked to the da Vinci before his aircraft left the area and the ship "was going to come around downwind and try to pick up these people in the rafts."

Lieut. Robbins said a number of the Ambassador's own lifeboats were broken up on the ship and it was impossible to get the others off because of the list and waves more than 25 feet high.

He said winds generally were about 35 miles an hour with gusts to 50. Air temperature was about 55 degrees but the water temperature was not known. The Ambassador's position was east of the warm Gulf Stream currents.

Quake Victims On Island Ask Ships For Aid

LISBON (AP)—Driven from their homes by persistent earthquakes, residents of Sao Jorge Island in the Azores appealed Tuesday for help from ships at sea.

The U.S. Air Force base at Lajes, 30 miles away on Terceira Island, relayed a terse SOS on behalf of the 20,000 Sao Jorge islanders to a half-dozen vessels in the vicinity to put in to their trembling coast.

It was assumed at least some of the people wanted to be taken off.

The Portuguese news agency ANI said in a dispatch from Sao Jorge all six of the villages on the 35-mile-long island have been abandoned because of quakes that started last Friday.

GROUND HEAVES

"The ground is trembling almost continuously," the dispatch said. "The people of Sao Jorge feel like shipwrecks on a raft."

New Building To Begin May 1

Construction of the provincial government's new office building is expected to start about May 1, with an 18-month building schedule.

According to the annual report of the province's Crown Building Corporation, tabled in the Legislature yesterday by Provincial Secretary J. David Stewart, tenders for the building will be called during the first week of March "in order to achieve" the program of construction.

Federal Gov't To Proceed With Proposed Pensions

SPECIAL ARDA AID

Prince, West Queens Is Designated Area

By NEIL MATHESON

Written approval has been received from ARDA people in Ottawa for the area of Prince County and a portion of Western Queens to be included in the "Designated area" for this province, and it will be known as "designated area no. 1", Agriculture Minister Andrew MacRae told this paper yesterday.

Approval, which had been held up for several months, was received after certain information requested by Ottawa had been made available, it was learned.

Earlier there had been an idea of having two designated areas in the province, with no. 2 including Kings County and a portion of Eastern Queens, but since the New Year this idea has been discarded, and a decision made to concentrate on area No. 1 for the present. If this works out as expected, it is probable that an effort may be made to include the second area, it was learned from the research office.

Research Director Reid Sangster is leaving for Ottawa today with a view to discussing several problems pertaining to ARDA. Mr. Sangster will also discuss trade questions with people in Ottawa, Montreal and Toronto in his capacity as marketing director.

Having a portion of the province designated as the special area does not mean that other parts of the province cannot participate beneficially in the overall ARDA program, Mr. Sangster explained, but special benefits are available for the designated area.

All of the research costs, for example, are paid for by the

(Continued on Page 2 Col. 1)

N.B. House Is Opened

FREDERICTON (CP)—Revision of New Brunswick's outmoded Elections Act appeared closer after the legislature opened Tuesday. However, the time of actual changes remained indefinite.

The throne speech read by Lieutenant-Governor J. Leonard O'Brien said proposals will be submitted "in due course" following a study started some months ago.

Tuesday's throne speech said legislation based on the report, recommending revolutionary changes in the taxation and other structures of municipalities, will be proposed when studies have been completed.

Another major debate subject will be the intention to use the province's $2,500,000 federal centennial grant in construction of a government office building in Fredericton rather than for a cultural or similar purpose.

Potato Outlook Called Gloomy

"There is no future in potatoes except for the big growers," Frank Myers, (PC-1st Queens) said in the Legislature yesterday.

Speaking during the debate on the draft address, Mr. Myers said the big growers have the advantage because "they get their fertilizers at cost and sell their potatoes on the retail level, while the small farmers pay the full price for fertilizer and sell the potatoes for whatever the dealer will give them."

Mr. Myers suggested to Agriculture Minister Andrew MacRae that interest on loans to young farmers begin only in the second or third year of the loan.

"A lot of our young farmers find it very difficult for the first two years to pay the interest," he said, and noted that it usually takes at least two years to establish a farm, particularly where livestock is raised.

Mr. Myers expressed concern over "the high cost of farm machinery."

"I think it should be investigated," he said.

Mr. Myers was the last speaker yesterday, and the sitting adjourned at 5.25.

Papandreous To Form New Greek Gov't

ATHENS (AP)—Fresh from a landslide election victory, moderate George Papandreous was summoned by his king Tuesday to become prime minister of Greece in an hour of crisis over Cyprus.

Greeks and foreign diplomats waited anxiously to see what course the 76-year-old political veteran will take in facing an issue threatening to split the eastern flank of the North Atlantic Treaty Organization.

Shortly before he was closeted with King Paul, Papandreou approved an oral protest to the United States and Britain for taking the Cyprus issue to the United Nations without consuling NATO ally Greece.

Ambassador To France Appointed

OTTAWA (CP)—Appointment of Jules Leger, 50, as Canadian ambassador to France was announced Tuesday. He has been ambassador to Italy since May, 1962.

Mr. Leger succeeds Pierre Dupuy who was named some months ago as commissioner-general of the Montreal world's fair of 1967.

He is a brother of Paul-Emile Cardinal Leger, Archbishop of Montreal.

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GOVERNOR - GENERAL Vanier reads speech from the throne outlining the government's proposed legislation for the second session of the 26th Parliament which opened in Ottawa Tuesday. Members of the House of Commons crowded into the Senate chamber to hear the speech. CP Wirephoto)

'NIGHTHAWK' LEAVES CARD

NEW HAVEN, Conn. (AP) The "Nighthawk" has left another message in rhyme—his calling card after breaking into various establishments.

The latest job was at a corset shop. He ransacked the office and then scrawled in crayon on a wall:

"Sorry to leave such a mess,
"It's really not fair to thee
"But just as unfair you have been
"To leave not a shilling for me."

It was his way of saying he didn't find any loot. But in a sewing room he took an undetermined amount of money stored in cans by employees.

Cyprus, Britain In Clash Over UN Role In Force

UNITED NATIONS (AP) — Cyprus and Britain clashed Tuesday night over the role of the United Nations Security Council in establishing an international peace force to be sent to the strife-torn Mediterranean island republic.

Foreign Minister Spyros Kyprianou of Cyprus declared that the peace-keeping force should be under control of the council and empowered to protect Cyprus from outside aggression.

WORK WITH THANT

Earlier, Sir Patrick Dean of Britain asked the council to let his own country, Cyprus, Greece and Turkey work out with Secretary-General U Thant the establishment of the peace force. Under Dean's proposal the council would only "point the way" toward a solution.

Dean withheld submitting a formal resolution pending the outcome of private consultations Thant is holding with UN diplomats for resolving the issue.

First Reading Given To Bill

First reading was given in the Legislature yesterday to a bill entitled the Highway Traffic Act, 1964.

The bill was introduced by Provincial Secretary J. David Stewart and is a comprehensive revision of present traffic legislation.

A number of private bills were mentioned in the House yesterday. Mr. Stewart referred to several that he will introduce on behalf of the City of Charlottetown.

Throne Speech Heralds Move

OTTAWA (CP)—The Liberal government intends to go ahead with its revised contributory pension plan despite its minority position in the Commons, the sharp criticisms of Ontario's Conservative government, Quebec's non - participation and opposition of private interests.

The move was officially heralded Tuesday in a Parliament-opening throne speech that also forecast federal loans for university students and a four-pronged parliamentary reform that includes compulsory retirement for aged senators, a tribunal to change constituency boundaries, an inquiry to find a limit on election expenses and a search for new procedures in the Commons.

The throne speech, read by Governor - General Georges Vanier, dealt with the pension issue in only two lines: "A measure will be placed before you to establish a comprehensive system of contributory pensions."

A government spokesman said this will be the plan as outlined by Prime Minister Pearson in a letter to the provincial premiers last month, and made

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Throne Speech Highlights

By THE CANADIAN PRESS

Interest-free loans for needy university students.

Compulsory retirement age for Senators, now appointed for life.

Inquiry into methods of setting "enforceable limits" on election campaign expenditures.

Reintroduction of legislation for redistribution of electoral constituencies by independent commissions.

Federal labor code to establish minimum wages, maximum working hours, statutory holidays and other labor standards.

"Comprehensive proposals" to reform federal regulation of railways and help railways adapt to present and future needs.

Measures to strengthen the position of Canadian-published periodicals.

Launching of a national fisheries development program.

Approval of Columbia River Power Treaty.

Moves to increase employment by strengthening primary and secondary industries.

Introduction of contributory Canada Pension Plan legislation.

"Major amendments" to National Housing Act.

Establishment of new minister of rural development and new president of the treasury board.

Changes in citizenship act to ensure "full equality" between Canadian-born and naturalized citizens.

Opening Session Adjourns Without Word Of Debate

By ARCH MacKENZIE

OTTAWA (CP)—Prime Minister Pearson strode across the floor of the Commons, shook hands with Opposition Leader Diefenbaker for 10 seconds and the show was on.

The Commons quickly rattled through a number of business items, including the introduction of two new Liberal MPs from Montreal, then adjourned without a word of debate.

Thus, the second session of the 26th Parliament completed the first of what many members feel will be a considerable number of days before it completes the business outlined in the speech from the throne read Tuesday at the opening of a new session.

The proceedings actually centred on the red-carpeted Senate where with traditional ceremonial the government guardedly had its legislation intentions forecast through the throne speech read by Governor-General Vanier.

ATTEND SENATE

The Commons was called to order at 3:10 p.m. by Speaker Alan Macnaughton and shortly after was summoned to attend the Senate ceremony.

The Commons, with most of its 265 members on hand, reassembled about 3:50 p.m. under galleries which were far from full and began its first work of the new session at 4 p.m.

Mr. Pearson had made his first appearance a minute or two earlier to prolonged applause. The Conservatives joined in when Mr. Pearson walked quickly across the floor with a smile to shake hands with Mr. Diefenbaker.

Item No. 1 was the introduction of the two victors in the two Feb. 10 byelections. Mr. Pearson and Works Minister Deschatelets went to the Commons entrance and escorted in Fernand Leblanc, 46, a chartered accountant who succeeds former justice minister Chevrier in Montreal Laurier. Mr. Chevrier is the new high commissioner in London.

SHOWS GRIN

Mr. Leblanc, grinning happily, bowed to the Speaker, shook his hand and was escorted to his seat at the right-rear corner of the Liberal government's block of seats.

Marcel Prud'homme, a 29-year-old lawyer, took his place in a rear seat at the other end of the chamber. He succeeds former postmaster-general Azellus Denis, now a senator, in Montreal St. Denis.

There were some seating changes on both sides of the House.

Among Conservatives, former finance minister George Nowlan switched to Mr. Diefenbaker's right-hand side from the immediate left of Mr. Diefenbaker.

BALCER AT SIDE

Taking over the left-hand slot as Mr. Diefenbaker's seatmate was his new Quebec lieutenant, Leon Balcer, the former Conservative transport minister whose appointment emerged at the recent party convention here.

Among the Liberals, External Affairs Minister Paul Martin became the prime minister's seatmate at Mr. Pearson's right-hand side, succeeding Mr. Chevrier there.

Program Is Described Pallid, Disappointing

OTTAWA (CP) — Opposition leaders describe the government's new legislative program as pallid and disappointing.

Conservative Leader Diefenbaker told a press conference Tuesday's throne speech failed to indicate any government recognition of current ecomomic problems—a rising cost of living, American investment reduced to a trickle and the need for more Canadian ownership of Canadian industry.

New Democratic Leader Douglas called it a mixed bag of legislative proposals "falling short of the imagination and boldness that these times require."

Social Credit Leader Thompson said the program lacked ambition but was encouraging in its recognition of defence and labor problems.

Real Caouette, leader of Le Railliement des Creditistes, said the program was a disappointing reintroduction of old measures and his lieutenant, Gilles Gregoire (Lapointe), said the government should have announced continuation of family allowances beyond age 16.

QUESTION INVASION

Both Mr. Diefenbaker and Mr. Gregoire raised a question of federal invasion of provincial responsibilities in the government's plan to make interest-free loans available to university students.

Mr. Diefenbaker said the speech "is one of the most pallid documents ever put on the lips of a Governor - General, largely containing leftovers from last session.