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# The Guardian

Sunny becoming cloudy in the evening; colder; N.E. winds 20, becoming S.E. 20 by evening. Low-high 23 & 30.

"Covers Prince Edward Island Like The Dew"

CHARLOTTETOWN, CANADA TUESDAY, MARCH 12, 1957

12 PAGES

PRICE 5c

COST \$751,381 LAST YEAR

## 1,783 People Are Getting Welfare Assistance In P.E.I.

An expenditure of over three quarters of a million dollars in the Department of Welfare and Labour was reported yesterday by the minister, Hon. Forrest W. Phillips, speaking on the Draft Address.

The actual figure of \$751,381 was the amount expended on the two Departments. At the end of the year 1,783 persons were qualified for help from old age assistance, blind, allowances, disabled persons' allowances, child welfare, social assistance and tuberculosis assistance. Many of these have dependents, Mr. Phillips said.

The Minister said that in addition to this large sized group who received monetary assistance, the Department of Welfare provided a comfortable home for the aged at Beach Grove for 22 persons.

The Minister expressed the opinion that Beach Grove is a very worthwhile institution for the ever increasing number of people who require the care which he said was competently given by the staff. He observed that while the cost of operation was costly, it would pay rich dividends in the betterment of the welfare of aged citizens.



MR. FORREST PHILLIPS

Phillips, "Every effort is being made to expand our efforts and to adopt measures to help our cases gain or regain independence."

**REVENUE SOURCES**

"In this Province," said Mr. Phillips, "funds for the services now available under authority of this Legislature come from two sources—the Federal Government and the Province. In the year 1955-56 with the expenditure of \$751,381.93 for Welfare purposes our per capita costs was \$7.22.

"Out of our total expenditure the Federal Government contributed only 192,630.22 so you can see our program is quite a costly one for a Province which has to depend on its basic industries of agriculture, fishing and tourism alone for its revenue, not having the extra income available in the more highly industrialized Provinces. I might state, too, at this point that the Federal Government only shares in Old Age Assistance Blind Persons Allowances and Disabled Persons Allowances.

"All the other forms of Assistance I enumerated earlier such as Mothers' Allowances, Social Assistance, etc. are the complete responsibility of our Province and while we do consider every request for assistance we must first be sure there is need established and then keep in mind the fact that we are only providing assistance—not necessarily enough to provide comfortable living." "Too often we hear the complaint 'How can I live on that?' I think you will agree that it would never be possible for Governments to satisfy all people regardless of how high payments might be. Which statement reminds me it might be well for a few moments to digress a bit and mention the 'means' test which, by Federal regulation is used in arriving at the amount which should be paid

## Federal Budget Thursday Night

OTTAWA (CP)—The government's taxation plans in what is virtually certain to be an election year will be disclosed in the Commons Thursday night.

But they are not expected to include any large cuts in personal or corporation income tax, despite the big surplus—possibly some \$300,000,000—that likely will be shown for the current fiscal year ending March 31.

Finance Minister Harris caught nearly everyone on Parliament Hill off guard Monday with his announcement that he will introduce his budget for the fiscal year beginning April 1 on Thursday at 8 p.m. EST. It had been generally assumed the budget would not be presented until March 19.

The budget likely will be the government's major policy announcement before Parliament is dissolved and a federal general election called. Dissolution is widely believed in parliamentary circles to be coming early in April with the election possibly on Monday, June 17.

But the government's continuing concern about the dangers of inflation in the country's booming economy likely will mean a minimum of vote-encouraging tax cuts. Only Monday Governor James Coyne of the Bank of Canada voiced a new warning that inflationary forces have not yet been fully checked.

He declined, at a press conference in connection with issuance of the bank's annual report, to comment on the effect of possible federal tax cuts. But he did say that any government surplus at this time would be anti-inflationary.

The budget might produce some commodity tax cuts and is expected to include an announcement of increases in old age pensions. They now amount to \$40 a month for persons 70 and over.

"We have no up-to-date information as to how the repairs are going, but so far as we know the figure of 11,000,000 tons stands."

"It will take a long time to get the pipelines repaired completely. It may be over a year before we get back to the normal rate of 25,000,000 tons a year."

The news boosted still further already bubbling British hopes for an early end to gasoline rationing. Some newspapers predict motorists will get all the fuel they want for the summer holidays. They now are allowed 200 miles driving a month. Extra amounts are allocated to those with priority business needs.



SPEAKS TODAY

Mr. Leo J. Rossiter, Conservative, 2nd Kings spoke briefly in the House before adjournment at six o'clock yesterday. Mr. Rossiter will resume his speech on the Draft Address when the House convenes this afternoon at 3.00 p.m.

## Mideast Oil Begins Flowing Towards West Europe Again

LONDON (AP)—Middle East oil began flowing towards Western Europe Monday after a four-month standstill.

A London spokesman of the Iraq Petroleum Company announced oil was being pumped across Syria to the Mediterranean and would start reaching the coast terminal at Banias today.

These supplies by-pass the Suez Canal, still closed by tankers, and are shipped direct by tankers from Banias to Western Europe.

A broadcast from the British-protected island of Bahrain in the Persian Gulf said oil also had started flowing to the island from Saudi Arabia.

**FIRST OIL RELIEF**

These moves were the first positive advance toward relieving the oil shortage that hit Western Europe after the Suez invasion by British and French forces.

Iraqi oil was cut off from the West because the pipelines across Syria were sabotaged and Saudi Arabia clamped a ban on all oil exports to Britain and France.

Syrian Premier Sabri Assal personally gave IPC the go-ahead.

An IPC spokesman explained: "The 30-inch pipeline to Banias is the newest of the three and therefore is in better condition and needed less repairs. We have heard officially that pumping through this pipeline actually has started."

**SMALLER PIPES TO OPEN**

The other IPC pipelines, a 16-inch and a 12-inch, run to Tripoli on Lebanon's Mediterranean coast. They should be operating again "within a day or two," the spokesman said. These also by-pass Suez.

The company planned to push through oil temporarily at the

## Can Repel Reds In Southeast Asia Now

CANBERRA (CP)—U.S. State Secretary Dulles said here Monday the free nations of the Western world now have the strength to repel a Communist attack in Southeast Asia.

Addressing the opening session of a three-day meeting of members of the Southeast Asia Treaty Organization, he said U.S. strength in the Far East now is greater than two years ago and much greater than at the peak of the war.

He said this was not due to an increase in forces but to an increase in their mobility and power.

His remarks were relayed by official conference sources since the meeting of the SEATO members—the United States, Britain, Thailand, Pakistan and the Philippines—is being conducted in secrecy in the parliament buildings here.

**U.S. PAYING ENOUGH**

The secretary threw cold water on reports that the SEATO nations that they pay a smaller share of the bill for their defence.

Dulles said the United States did not feel that because it had pledged to come to the aid of some other country if attacked that it should also foot the bill.

## PARLIAMENT YESTERDAY

Monday

Finance Minister Harris announced he will present his budget speech Thursday at 8 p.m. EST.

CP members strongly criticized a private bill enabling a five-for-one stock split by Trans Mountain Oil Pipe Line Co.

Prime Minister St. Laurent said the Canadian ambassador in Cairo is checking reports Egypt plans to take over administration of the Gaza Strip.

Mr. St. Laurent said the whereabouts are unknown of two of 14 "specimen" copies of the Canada Medal—an award never granted to anyone.

Tuesday

The Commons considers government business. The Senate sits.

## Rear-Admiral R. E. Byrd Dies

BOSTON (AP)—Retired Rear-Admiral Richard E. Byrd, the first man to fly over both the north and south poles, died Monday.

The pioneering air explorer, who had been named over-all head of the U.S. Navy's huge Operation Deepfreeze in Antarctica, had been ailing with a heart condition several months.

The affliction prevented his assuming on-the-spot supervision of the polar expedition in this International Geophysical Year.

Byrd was decorated Feb. 21 with the defence department's Medal of Freedom. The presentation was done quietly by Admiral Arleigh Burke, chief of naval operations, who flew into Boston, made the award and returned by air to Washington.

Byrd had been under the care of Dr. William E. Greer and Dr. Paul Dudley White, the heart specialist consultant when President Eisenhower suffered a heart attack.

## Winter Potato Production Up

WASHINGTON (AP)—The U.S. agriculture department Monday estimated production of winter potatoes at 6,905,000 hundredweight, or 31 per cent above the winter crop a year ago.

A month ago the crop was forecast at 7,445,000 hundredweight but losses were suffered in February from excessive rain in south Florida.

The agency said growers' reports indicate 31,000 acres will be planted for early spring potatoes—up 19 per cent from last year and 31 per cent above average.

## Canadian Dollar At Record Peak

NEW YORK (AP)—The Canadian dollar soared to its highest point in 24 years Monday in terms of U.S. currency.

The Canadian dollar was quoted at \$1.04 23-32 at midday, its peak since the \$1.05 1/2 in November, 1933. It fell back later and closed at \$1.04 21-32, up 1-32 from last Friday's closing.

Currency experts reported brisk trading during the morning but a dull afternoon. Volume, they said, amounted to an average day.

The rise of the Canadian dollar in terms of U.S. currency is caused by the flow of U.S. capital to Canada for investment purposes, plus the fact that Canadian business is raising funds in the U.S. capital market because of lower interest rates prevailing here.

## Helicopter Pair Alive And Well

VANCOUVER (CP)—Two men missing since Feb. 28 when a Vancouver-based helicopter crashed in southwestern Yukon territory were reported Monday alive and well.

Okanagan Helicopters Ltd. said here Gregg Temperley, Powell River, engineer, had been picked up and taken to Atlin, B.C., in the northern corner of the province near the boundary of the Alaska Panhandle.

Pilot John A. Watson of Victoria was to be picked up later Monday and both men were to be flown on to Whitehorse, Y.T.

The helicopter had been spotted earlier in the day about 15 miles from where the two men were believed to have been picked up.

Both Watson and Temperley had a great deal of northern experience and their machine carried survival equipment, including sleeping bags, rifles and emergency rations for two weeks.

## LUNCH WITH EMPEROR

TOKYO (Reuters)—Emperor Hirohito and his wife were hosts at a luncheon here Monday for Canadian Ambassador T. C. Davis, U.S. Ambassador Douglas MacArthur II and Cuban Minister Jose Garcia Montes y Angula, Javelin.



REAR-ADMIRAL BIDWELL

## HURLS CHARGES AT U.N. FORCE

Egypt Prepares To Take Over Gov't Of Gaza Strip

Education Is Everyone's Worry Says Mr. Arsenault

GOVT NOT SOLELY RESPONSIBLE

CAIRO (Reuters)—Egypt acted Monday to move her administration back into the Gaza Strip, while hurling charges the United Nations Emergency Force in Gaza is "overstepping its functions."

A communique issued after Egyptian President Nasser met with his aides here said orders for an Egyptian administration to take over Gaza will be effective "immediately."

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After conferring with Gen. Burns at Abu Suweir, in the canal zone, Bunche told reporters the United Nations "never questioned Egypt's legal position with regard to Gaza."

These quarters said they had expected some form of Egyptian reaction to Sunday's incidents in Gaza, but were "taken by surprise" by the announcement.

Israeli Lashod back Monday in the war of words and nerves, accusing Egypt of a "campaign of terror" in the Gaza Strip intended to "discredit the UN police force and restore Egyptian rule."

Walter Eytan, director-general of the Israeli foreign ministry, told reporters in Jerusalem that "Egyptian agents are using the weapons of murder, threats and blackmail" in the Gaza Strip.

He said a great responsibility rests on the United Nations for introducing international rule in Gaza.

In Gaza, a UNEF spokesman said Monday was "the quietest in the Gaza Strip since UNEF's entry."

He added UNEF reports said stores in Gaza are reopening and the population has resumed normal life in the strip's towns and villages.

Blue-painted UNEF trucks toured the streets of Gaza Monday appealing to residents in Arabic to maintain order and urging support for UNEF forces.

## Education Is Everyone's Worry Says Mr. Arsenault

"With education we can accomplish almost anything. Without it we are sterile morally, spiritually, economically and socially," said Mr. Prosper Arsenault, Liberal, First Prince, speaking on the Draft Address yesterday. Mr. Arsenault is the only member of the House who is a practicing teacher.

He said the key to future society lies in the schools. "The education of our young people takes an increasing importance because the present world emergency is in a large part, a struggle of ideas and ideals," said Mr. Arsenault.

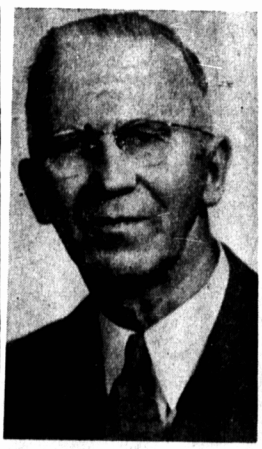
The First Prince member described the struggle as a moral and spiritual struggle that will be won finally by educational progress, not atomic bombs. He said, "Our survival as a free people requires citizens whose understanding of our ideas and our ideals is clear and whose faith and courage to work and sacrifice for them is steadfast."

Continuing Mr. Arsenault said, "Everywhere we hear songs of exaltation over Canada's material resources. Canada's richest assets are her children and nothing material is worth a cent without them."

**TEACHER SITUATION**

"At the present time several organizations are deeply concerned over the gravity of the teacher situation," said Mr. Arsenault. "We are perturbed over the few who are entering the teaching profession today. Are our children in Prince Edward Island worthy of the best teachers and what are the citizens doing to encourage our good teachers to stay with us?"

"Let us re-arrange our sense of values and put first things first," continued Mr. Arsenault. "Teaching is not a lost art but the regard for it is a lost tradition. It is not good enough to point the finger of scorn at the Government of the Province. Perhaps responsibility



PROSPER ARSENAULT, M.L.A.

The Minister for his efforts to step up our educational program. When we stop for a moment to consider this all important question of Education we must bear in mind that education is never neutral."

"All educational aims are basically aggressive. All education is aimed at conquest, conquest of the mind. Greater knowledge gives greater power. When the last academic year was ushered in September, 1956, millions of children and youths, at school or university level, resumed their studies. But let us remember only some of these millions were returning to school of a free society. Others continued to be trained to serve tyrannical. Both groups will be responsible for the future of society."

"There where materialism is the ideal for society only material expansion, the acquisition of physical means and power is the

Continued on page 11, Col. 3

## Smallwood Announces Great New Iron Ore Project Planned

ST. JOHN'S, Nfld. (CP)—Premier Joseph Smallwood announced that agreements have been reached that will "result in a great new development of iron ore in Newfoundland and Labrador" and the "immediate development of the whole Wabush Lake iron deposits of Javelin company."

The agreement was reached by the Newfoundland government, Canadian Javelin Ltd., Montreal, and Pickands Mather and Co., Cleveland, Ohio. Mr. Smallwood said the agreement is "altogether separate from, and in addition to, the agreement announced last October between Pickands Mather and Co., the Steel Company of Canada and Canadian Javelin."

The new agreement, he said, provides for "the immediate development of the great iron ore deposits of Julian Lake, lying some distance from Wabush Lake, and owned by Canadian Javelin."

A spur line will be constructed to serve this Javelin mine, he said.

**LABRADOR RAIL LINE**

Two years ago the Newfoundland government guaranteed a bond issue of \$16,500,000 for the building of a 45-mile railway in Labrador to connect iron ore deposits of Canadian Javelin with the present railroad from Knob Lake to Seven Islands, Que.

At that time the premier said the railway will give birth to a new boom town at Wabush Lake on the site of "perhaps the greatest single body of iron ore in the whole world."

Mr. Smallwood predicted "Canadian Javelin Ltd. would ship over its railway and the present railway to Seven Islands... between 2,000,000 and 3,000,000 tons of ore during 1957."

Javelin has established that at least 1,162,000,000 (1,162,000,000) tons of measured open pit ore are in the Wabush area.

## PLAN NUCLEAR TANKER

LONDON (Reuters)—Britain's first nuclear-powered merchant ship will be a super-tanker of about 80,000 tons and is expected to be in operation within six years, it was reported Monday. The Financial Times said the tanker will cost between £10,000,000 and £12,000,000.

## Says French Were Right

PARIS (Reuters)—Premier Guy Mollet said Monday night Egyptian moves in Gaza show the French were right in their denunciation of the attitude of Egyptian President Nasser.

"A few hours ago the news from Gaza was not good," he said in a televised interview. "I have the impression that our American friends, who a week ago already understood our position better, are going to realize that we are right when we denounce the attitude of Nasser."

Mollet returned last week from a visit to Washington and Ottawa.

## Nasser Orders Egyptians To Take Control Immediately

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## Fear New Crisis In Middle East

UNITED NATIONS, N.Y. (CP) Egypt's move to put its own administration into the Gaza Strip caused apprehension Monday night that the United Nations assembly may be called back into session to deal with a renewed Middle East crisis.

The 11th assembly went into recess last Friday after Secretary-General Dag Hammarskjold reported formally on the Israeli withdrawal from Gaza and the Sharm-el-Sheikh area commanding the Gulf of Aqaba. There was a general feeling in UN circles at that time that the completion of the Israeli withdrawal from the last positions she occupied in the October invasion would leave the way open for a general settlement with Egypt.

But completion of the Israeli withdrawal—which had been demanded by a series of UN resolutions—resulted only in a new show of force by President Nasser's Egyptian administration.

"Egypt will not accept that the UNEF performs other functions than these."

Before returning to Cairo to prepare a report for UN Secretary-General Dag Hammarskjold Bunche said: "UNEF's tasks are clearly defined in the General Assembly's resolutions and the force will not go beyond that."

Reports reaching here from Gaza said Bunche told reporters: "I cannot predict the time when an Egyptian administration will return to Gaza."

(The Associated Press quoted Bunche as saying in Cairo that when the Egyptian governor arrives in Gaza "Gen. Burns will

## British Army To Be Small, Fast

LONDON (Reuters)—War Minister John Hare said Monday Britain's army of the future will be streamlined in size and in supplies.

The war ministry is making a "drastic review" that will determine the structure of the army for a generation to come, he told the House of Commons.

By April 1, the army will have been trimmed of 33,000 men since last year, Hare said, with a strength of 370,000 officers and men. The size will be reduced further by next year, but he disclosed no figures.

"I realize that this is causing anxiety in the army about the future and this is the most important reason why we are determined to announce our proposals as soon as possible," he said.

Hare said the army will get rid of more than 70,000 vehicles, 250,000 tons of ammunition and 120,000 tons of engineering supplies within the next two years.

**MUST MOVE QUICKLY**

Hydrogen bombs have "made it clear that the day of vast dumps of vehicles, ammunition and store of all sorts to supply an army in the field over lengthy lines of communications is a thing of the past," the war minister said.

"The army of the future must be streamlined with stores and supplies, ready to hand and ready to move."

Laborite Wilfred Fienburg called for a greater integration of British troops with the forces of its major allies. But he said Britain should withdraw from its



REAR-ADMIRAL BIDWELL RADM. HUGH F. PULLEN RADM. W. S. RAYNER COMMODORE K. L. DYER

## CHANGES IN R. C. N. APPOINTMENTS

Three senior officers of the Royal Canadian Navy will take up new appointments in mid-summer and a fourth will proceed on retirement leave.

Rear-Admiral R.E.S. Bidwell, 57, of Lennoxville, P.Q., Brockville, Ont., and Halifax, will begin retirement leave on September 20, after 42 years of service with the Royal Canadian Navy. He has held the post of Chief of Naval Staff since November, 1951, and has held the additional appointment of Commander Canadian Atlantic Sub-Area in the North Atlantic Treaty Organization since April, 1952.

Succeeding Rear-Admiral Bidwell in these appointments will be Rear-Admiral H.F. Pullen, 52, of Oakville, Ont., and Victoria, the present Flag Officer Pacific Coast.

Rear-Admiral H.S. Rayner, 46, of St. Catharines, Ont., and Ottawa, now Chief of Naval Personnel and member of the Naval Board at Naval Headquarters, Ottawa, will take up this appointment on August 17.

He will be succeeded as Chief of Naval Personnel and member of the Naval Board by Commodore K.L. Dyer, 41, of Grand Pre, N.S., and Ottawa, who will be promoted to the rank of Rear-admiral when he takes up this appointment on July 20.

## BUSY WATERWAYS

Canals in Britain carry about 14,000,000 tons of freight every year.