

'GOOD THINGS AHEAD'

Shaw Sees Wide Opportunities Through Efficiency And Planning

Premier Walter R. Shaw has called for a "deeper study of our resources and an appreciation of the contribution that may be made to our prosperity by individuals and groups."

In a year-end review, the premier said "there are many opportunities through which the activity and initiative of the individual could very well maintain a happy and satisfying home life without involving direct government finances."

The premier said that 10,000 individuals who can add \$100 to their revenue by extra planning can add \$1,000,000 more to the revenue of the province, while 25,000 who bring in an extra \$500 would contribute \$12,500,000 "and with proper organization and a willing spirit, this is quite a reasonable possibility."

Text of Premier Shaw's economic review and outlook is as follows:

The New Year's season is a time of retrospection and resolution. Both these tendencies have merit, based on serious reflection. There are definite values in looking backward over the records of the past, and on these records plan the activities of the next year. Has the year brought forth disappointments and losses, if so, what were the reasons? If the records indicate expansion and favourable results, what influences have brought these about?

A complete assessment of all factors that have produced profits or losses, provide a valuable background in laying down plans for the next year, and thus possibly not only avoid the weaknesses in our previous operation, but also extend action into improved practices and new remunerative phases of production.

The overall record for the year 1965 is excellent. Gross farm income according to the Dominion Bureau of Statistics shows increased returns of about \$8,000,000 over the figures of the previous year. Higher prices for cattle, hogs, dairy products and potatoes have brought about this favourable result, and for the first three items prospects for 1966 and 1967 seem excellent. Fisheries have also provided fine returns and large quantities of fish landed at the new Georgetown plant have added to total revenues.

Alaska Town Swept By Fire

SITKA, Alaska (AP) — Fire swept this southeastern Alaska town Sunday, destroying much of the business section and the historic St. Michael's Russian Orthodox cathedral.

High winds hampered firemen. The flames levelled businesses on one side of the main downtown street, jumped to the cathedral in the centre of the area and then leaped across the street to other structures.

The cathedral, dedicated in 1848, housed priceless and irreplaceable icons and other relics of the early Russian occupation of Alaska. Estimates of their value have been made at upwards of \$1,500,000.

Australia In Grip Of Bad Dry Spell

SYDNEY, N.S.W. (AP) — Inland Australia is still in the grip of one of the continent's worst droughts despite substantial rain in large sections of the more productive eastern states.

Farmers in Queensland and New South Wales—who produce slightly more than half of Australia's rural output—were heartened by soaking rains in the last weeks of 1965 and now are trying to rehabilitate land and stock. Many areas that had been scorched by dust storms which suffocated starving sheep and cattle received three to five inches of rain.

However, farmers remain cautious. They say the real test will come in June when rain is needed to bring on the dry herbage for winter months.

The authoritative Australian Financial Review says Queensland may have lost 5,000,000 of its 24,000,000 sheep in the drought and its estimated lamb crop of 2,000,000 could be almost a total loss.

Add to this toll 300,000 cattle wiped out.

Agonomists fear the losses for New South Wales may be as severe as those for Queensland. About 55 per cent of Aus-



PREMIER SHAW

ern steel trawlers will be added to our finishing fleet and this addition should sharply increase the total landings to our processing plants. The industry under a new technique is only young and should be in a steadily improved condition of strength in future years.

Associated with the sea is the ship building industry and it is pleasing to note a largely increased number of our technicians now being employed at Georgetown, Alberton and a number of other small boat building enterprises in the province.

In our other large industry—tourism—a record influx of travellers has increased cash receipts to a very satisfying denomination. Statistics indicate an increase in our population and an undoubted improvement in job designations as a result of a substantially expanded industrial development.

There have been abundant evidences of improvement in business enterprises and of increase in financial trade practices. As a matter of fact, while portions of our economy demand substantial improvement there is no question regarding an overall stimulating vitality in our economy. This is evidenced by bank clearances, which are estimated at a whopping \$50,000,000 level above that of last year, which reached over \$440,000,000.

Peace Road Difficult, Pope's Message Says

VATICAN CITY (Reuters) — Pope Paul said Sunday his New Year's Eve messages to Moscow and Peking were aimed at promoting "effective mediation for an end to the conflict in Viet Nam."

The pontiff, addressing 20,000 pilgrims in St. Peter's Square at his Sunday noon blessing, said he recognized enormous difficulties on the road to peace in Viet Nam.

The Pope is understood to be seriously concerned that the Vietnamese war will escalate dangerously unless negotiations begin soon.

Sunday he made his first public comment on papal messages asking the Russian and Chinese governments to intervene to bring about peace.

The message, published Saturday, marked a major step in the Pope's personal campaign to spur efforts for negotiations to end the conflict. He also sent messages to the leaders of South and North Viet Nam.

The pontiff also sent a message to President Johnson but its contents were not immediately disclosed.

Special American envoy Arthur Goldberg, U.S. ambassador to the United Nations, who had talks with the Pope last week on Viet Nam, delivered the undisclosed papal message to Johnson.

But he warned that he felt his efforts were limited, "strong only in the human and Christian reasons which inspire them, but weak before the enormous difficulties which it is proposed to overcome."

The message to Soviet President Nikolai Podgorny said the Pope was convinced an intervention by the Soviet government "would honor it in the night of history."

In a similar message to Chinese Communist leader Mao Tse-tung, Pope Paul said China engaged world prestige and urged Mao to "work to favor a just solution which safeguards the independence of the country (South Viet Nam)." "It was the first message ever sent by a Pope to Communist China.

However, Western Australia, described as "virtually drought proof," has doubled its number of sheep since 1950.

It is estimated that three-fourths of 1,000,000 sheep from New South Wales have been raised there since the drought hit the eastern states.

Trade experts say they cannot estimate precisely how stock losses from the drought will affect beef and mutton exports but it will be substantial.

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CONSTRUCTION GROWS

It needs only casual observance to recognize great changes in construction, and in business activity. Growth has been rapidly reaching out in many directions and involves industrial expansion business enterprises co-operative, community and individual undertakings, educational and hospital institutions, recreational and cultural interests and many other activities of a varied nature.

While many of these new ventures aside altogether from their training and aesthetic values are not of direct earning capacity, they are nevertheless, employers of considerable additional labour personnel. In addition those based on a community or group basis brings into action, the unified efforts of people, whose initiatives in the past has not been harnessed for effective work. The fine development that has taken place under skillful guidance of provincial directors of music, drama, recreation and culture, ably assisted by local leaders, particularly in distant centers should not go without recognition. This development in many centres has brought people together on a cultural basis, and has tended to enlarge vision, and sweeten what otherwise might be a less desirable community life.

SENIOR CITIZENS HOMES

The construction of educational (Continued on page 3 Col. 2)

Huge Assault Launched By U.S. Airborne Troops



Viet Cong Sprayed With Non-Lethal Gas

By THOMAS A. REEDY SAIGON (AP)—U.S. airborne troops drove into Viet Cong territory west of Saigon Sunday in a major assault to push the enemy toward the Cambodian border.

In one operation, U.S. helicopters sprayed the Viet Cong with a non-lethal tear gas but the attack apparently had little effect in the swampy terrain.

Supported by South Vietnamese, Australian and New Zealand forces, the U.S. paratroops poured on the pressure in a multi-battalion attack and forced the Viet Cong to fall back through the soggy marshland into the famed "plain of reeds."

One Allied force forged toward the Cambodian border only 12 miles away.

The area would mark American units' southernmost penetration of the country.

In the air war, the U.S. mortar bombing of North Viet Nam went into its 10th day with no indication of an immediate break.

The suspension has been widely interpreted as part of U.S. efforts to bring about conditions favorable for peace talks with North Viet Nam.

One column of the U.S. 173rd Airborne Brigade located a large Viet Cong force on the east side of the Vaio Oriental River.

Another column joined up with South Vietnamese government troops, Australians and New Zealanders in the area about 35 miles west-northwest of Saigon and forged toward the Cambodian frontier about 12 miles away.

SECURE RIVER — Allied troops secured both the east and west banks of the Vaio Oriental River.

It was the first time U.S. troops had operated in the delta-like marshes left to the Viet Cong since last June.

The Americans moved ahead under new authority to push the Viet Cong into Cambodia, if they can, without worrying too much about the border if their action is justified militarily.

Cries of Vietnamese women and children, caught up in the fighting, mingled with the shouts and curses of the paratroops.

In other weekend ground action, the U.S. 1st Division's 2nd Brigade sent out elements around Di An, 15 miles northwest of Saigon, and uncovered an enemy base camp and dispensary.

Near Tuy Hoa, on the coast 240 miles northeast of Saigon, a battalion of South Korean troops, supported by naval gunfire and tactical air strikes, reported killing 150 guerrillas.

South of Tuy Hoa, at Nha Trang, the Viet Cong lobbed a grenade into a special forces headquarters, wounding five Americans and two Vietnamese.

U.S. combat troops meanwhile, were reported viewing peace moves with skepticism. The troops keep abreast of the news with armed forces radio broadcasts.

Castro Claims China Defaulted

HAVANA (AP)—Premier Fidel Castro disclosed Sunday that Communist China had broken its rice-for-sugar agreement and will neither send Cuba rice this year nor buy Cuban sugar.

This probably means more belt-tightening for the average Cuban. It could have dire consequences for the economy when combined with the country's failure to meet its sugar-growing target which Castro also admitted will happen this year.

Castro said he is sure the "temporary setbacks" in agricultural production and lack of imports will not affect the "revolutionary ardor" of the Cuban people. He sought to whip up that ardor with an attack on the United States.

PRINCE COUNTY CLAIMS FIRST

SUMMERSIDE — The first baby of the New Year—1966—on Prince Edward Island was born at the Prince County Hospital here at 3:38 New Year's morning to Mrs. Eaton Ramsay, Port Hill.

This was just about the time when most revelers, who had attended dances and parties and generally stayed up to wish the new year in, were wending their way home.

The baby, a girl, weighed eight pounds, one ounce. This is the fourth child for Mrs. Ramsay, the former Ruth MacLean, of Arlington Lot 14. The other children are Garth, 12, Barbara, 8, and Paul, 6.

The lovely old colonial home, still wearing its holiday spirit, was jammed with visitors from all over the province as they slowly filed their way from the entrance to the reception room and thence through the music room to the dining room where refreshments were served.

A special feature of the day for the Governor and his lady came much earlier in the morning when with their family around them they heard Mass said by Rev. George MacDonald.

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Mr. MacDonald smilingly wants to greet the visitor. Standing beside the Lieutenant Governor is his naval aide, Lieut. Cdr. John Hodgson.

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Traditional Levees Held, Hundreds Pay Respects

The beauty of Government House took on a new lustre New Year's Day as Lieutenant Governor W. J. MacDonald and Mrs. MacDonald welcomed hundreds of Island men at their traditional levee.

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Accidents Claim 38 Canadians

New Year weekend accidents have claimed at least 38 lives, including 7 in traffic, with several hours remaining before the holiday officially ends at midnight tonight.

A Cross-Canada Survey by The Canadian Press to late Sunday night from 6 p.m. Friday listed four deaths by fire and seven in other accidents in addition to the road toll.

The Canadian Highway Safety Council has predicted 30 persons will die in traffic in the 78-hour holiday period, the actual figure recorded in 1965's 78-hour New Year holiday.

Ontario led with 14 traffic fatalities and one fire death. Quebec had eight highway fatalities, one fire death and two persons asphyxiated in a parked car.

Alberta recorded three traffic deaths and Saskatchewan had four deaths—one traffic, two by fire and one by exposure.

Three persons died in a plane crash in British Columbia and one person was fatally shot in an accident.

Nova Scotia had one traffic death while Newfoundland, Prince Edward Island, New Brunswick and Manitoba were fatality-free.

The survey does not include natural or industrial deaths, known suicides or slayings.

Soviet officials said the first two days of the conference, which might last about a week, will probably show whether Shastri and Ayub Khan can make a breakthrough, at least on general relations, or whether the talks, just as many in the past, will bog down.

The Russians refused to say whether Kosygin, who first offered his good offices three months ago, came to Tashkent with a peace plan of his own. Nor would they say precisely what part he will take in the conference.

This is the first time Russia has offered to act as a mediator in a major international dispute. Indian and Pakistani acceptance adds to Russia's prestige, not only as a world power but as a force in Asia.

The biggest stumbling block to any success is that India and Pakistan have drastically divergent approaches to Kashmir, the Himalayan valley are both claim.

India says Kashmir is an integral part of India and its future is not negotiable. Pakistan claims India's refusal to yield on this question is the basic issue between them, adding that relations cannot improve without a Kashmir solution.

There has been no comment from other producers.

Any cutback of purchases from Bethlehem would be predicated on other companies holding the price line and if this is done, administration officials believe Bethlehem will rescind its bid. They gave no indication of the volume of purchases the government makes from Bethlehem.

But an administration source said later about one-fourth of all structural steel produced in the U.S. is purchased either directly or indirectly by the government, much of it for the federally aided highway program.

Hints U.S. Gov't May Cut Back Purchases Of Structural Steel

WASHINGTON (AP)—High U.S. government sources hinted Sunday the government may cut back purchases of structural steel from the Bethlehem Steel Corp. if the firm refuses to rescind a \$5-a-ton price increase.

More Than 1,000 Persons Attend Gov. General's Levee

By JAMES NELSON OTTAWA (CP)—More than 1,000 Ottawans and capital city visitors wished Governor-General Georges Vanier a happy New Year at his annual New Year's Day levee in the scarlet and walnut Senate chamber on Parliament Hill.

General Vanier stood on a dais at the foot of the throne to receive Prime Minister Pearson, Chief Justice Robert Taschereau and A. H. J. Lovink, Netherlands ambassador and dean of the diplomatic corps.

They were followed by members of the cabinet, Opposition Leader Diefenbaker, MPs, diplomats, judges, church leaders, high-ranking government officials and any of the men of Ottawa who wanted to come.

After a 20-minute rest, the Governor-General then received men and women of the armed forces.

Altogether 1,012, including 548 civilians and diplomats, were received. Later they were served coffee, sandwiches and hot rum punch in the Commons railway committee room, the largest chamber for such receptions on Parliament Hill.

Wearing morning clothes and his medals, the Queen's representative was flanked by his military aides. There were no special decorations in the Senate chamber but it was already cleared of senators' desks in preparation for the opening of the new parliamentary session Jan. 18.

The levee is a traditional event which has its roots in medieval Europe and was brought to Canada by the early French governors.

Originally it was an occasion for the overlord to receive the annual rents from his vassals. Now, it is just an occasion for formal New Year's greetings.

One elderly gentleman near the end of the line seemed to think the occasion called for more than merely a handshake.

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FOUND DEAD

Movie producer Donald F. Taylor, 47, sixth and last husband of actress Marie (The Body) McDonald, was found dead Sunday in the bedroom of his Hollywood home. He was found in the bedroom where she died last Oct. 21. (AP Wirephoto).