

INTERPRETING THE NEWS Public And Congressional Seems To Be Restored

By GEORGE KITCHEN
Canadian Press Staff Writer
President Eisenhower's State of the Union message, promising a stepped-up military program to meet the growing challenge of Soviet power, was designed largely to restore public and congressional confidence in his leadership.

For the time being at least, the president may have achieved that objective.

His 45-minute address to Congress was one of the strongest he has made. It bristled with plans for accelerated programs for long-range missiles, advanced aircraft, nuclear submarines and other implements of mid-20th-century warfare.

FAULTS ADMITTED

It contained just the right amount of balance—a confession that "most of us" failed to anticipate the psychological impact of the first Russian satellite, an admission that the U.S. is "probably" behind the Soviets in some areas of missile development and a promise "to assure that our vigilance, power and technical excellence keep abreast of any realistic threat we face."

Democratic party leaders, increasingly critical of the lack of White House leadership in recent months, gave the address a favorable reception. "Any reasonable proposal that holds promise for disarmament and reduction of tension" will be "heard, discussed and, if possible, negotiated."

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Generally, the State of the Union message is comparable to the speech from the throne delivered before each new session of the Canadian Parliament. Both reveal the year past, analyze the state of the country's well-being and outline the government's legislative program.

This time, however, Eisenhower skipped the preliminaries, concentrating mainly on the step needed to meet the state of "total cold war" which he said the Soviets have declared.

He devoted a considerable portion of his address to inter-service rivalries, which many feel have hampered the effectiveness of the armed forces, and indicated he will recommend reorganization to achieve "real unity."

NO ARMS PLAN

His comment that there must be a "clear subordination" of the military services to the civilian authority may have been aimed at two top generals who recently have criticized the military budget.

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West Promises Thorough Study Of Red Proposals

By PAMELA MATTHEWS
LONDON (Reuters)—Western nations promised Friday a thorough study of Russia's new proposal for an East-West summit conference.

There was no evidence in Western capitals, however, that NATO countries could be persuaded to accept a conference unless preparations are made at a lower level.

Premier Nikolai Bulganin's letters were delivered even before the West had completed consultations on replies to his first "peace" messages a month ago.

NATO's permanent council, which met in Paris Wednesday to consider the December letters, discussed the new move. The 15 member powers, officials said, decided in principle to accept East-West talks provided thorough preparations are made.

It also was stated after the two-hour meeting that the first replies to the December letters will be sent to Moscow next week. These will include those of Britain and the United States.

The 15 permanent delegates did not decide on the timing or the level at which an East-West conference could be held.

ARE LONG WAY OFF

One official, asked whether a meeting at top level or foreign ministers—as suggested by NATO last month—was envisaged in the near future, replied: "We are a long, long way off yet."

A French foreign minister spokesman said there is "nothing very new" in Bulganin's latest letters.

Government spokesmen in London, Paris and Bonn all emphasized there would be no objection to an East-West summit meeting provided it was carefully prepared.

British officials said Bulganin's call for a summit meeting by April indicates Moscow wants to reach a settlement on its terms without detailed negotiation.

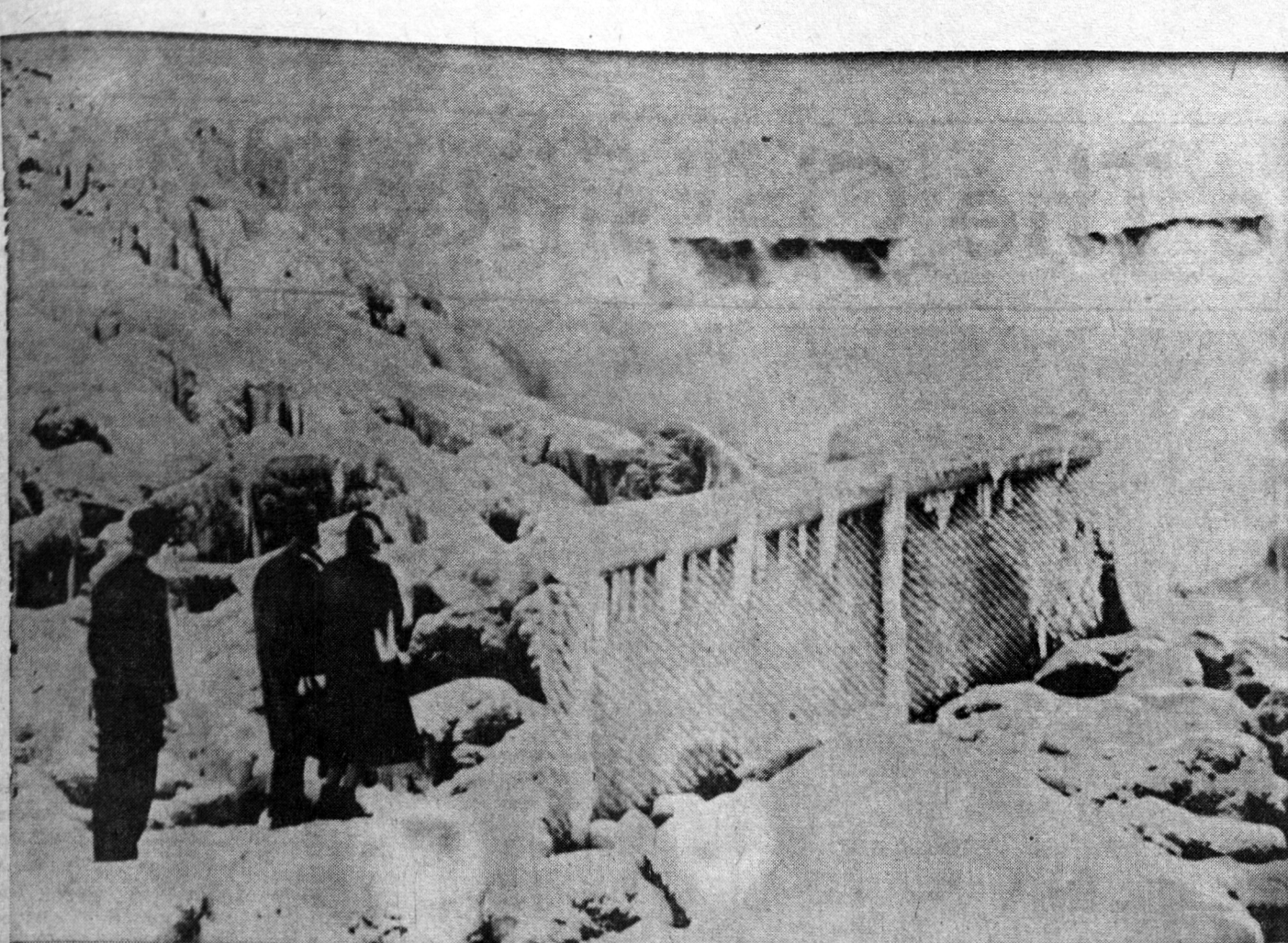
A British foreign office spokesman, asked whether Russia now has definitely rejected the NATO-proposed foreign ministers' meeting, said the letter "does not seem to advance its prospects."

WILL STUDY FIRST

The new letter, he added, would "undoubtedly be taken into consideration" by Western governments in framing their replies to the December letter.

A summary of the latest letter was sent to Prime Minister Macmillan, now in New Delhi on a six-week Commonwealth tour.

Diplomatic quarters in New Delhi said the Moscow proposals gave added importance to Mac-



NIAGARA DRESSES IN ICE

NIAGARA FALLS, N.Y.—Niagara Falls wears its winter coat of ice grown annually from freezing spray tossed up by the cataract. Sightseers are dressed for waterproof warmth. Ice on fence is four inches thick. Photo was taken at foot of American Falls.

DAILY MARKET QUOTATIONS

SUMMARY

By THE CANADIAN PRESS
Toronto: Market easier in moderate trading.
New York: Market lower; selected issues gain.
Montreal: Market lower in light and moderate trading.

CURRENCIES

MONTREAL (CP)—The U.S. dollar closed Monday at a discount of 1/4 cent in terms of Canadian funds, down 1/8. Pound sterling \$2.77 15-16, down 1-16.

TORONTO

TORONTO (CP)—The stock market rallied in the closing minutes Monday but not enough to pull it out of a slump, its third straight.

The indexes dropped most of a slump, its third straight. The index closed most of their losses but all closed a shade lower, golds having the greatest decline with a dip of less than one-quarter of a point.

While most of the index stocks in each section managed to eliminate much of their losses, several other issues had moderate declines and losses across the board outnumbered gains by a fairly wide margin.

Brokers attributed the bulk of the selling to profit-taking, especially among uranium. They also thought uranium were the main targets of some investors following a news report during the weekend which repeated last fall's information concerning experiments for the peaceful use of hydrogen.

Uranium were the main interest at the open and several of the winners in a rally late Friday lost ground, failing to recover while the rest of the market rallied in the final minutes. Gunner, however, closed at 14, down 1/2. It touched 14 1/2 in mid-afternoon.

Western oils were quiet and moved in a narrow range with a majority of losses.

TORONTO CLOSING STOCKS

Toronto Stock Exchange—Jan. 13
(Quotations in cents unless marked S—
—Odd lot, xd—Ex-dividend, xr—Extra-
rights, xv—Ex-warrants.)

Stock	Sales	High	Low	Close	Chg
Avoca	550	250	250	250	-20
Agnico Mines	258	42	42	42	-
Alkaicho	200	35	35	35	-4
Alka Expl	400	6 1/2	5 1/2	5 1/2	-1
Alm	750	57	55	55	-1/2
Algon	300	15	14 1/2	14 1/2	-1/4
Algom vts	10	89 1/2	95 1/2	95 1/2	+3/4
Algon vts	100	590	575	580	-20
Amal Rare	50	46	46	46	+1/2
Am Nephe	2100	85	80	80	-5
Anacon	167	53	53	53	-1
Ans Royou	300	35	35	35	-1/2
Ans Royou	225	13	13	13	-1/2
Apex Res	500	4 1/2	4 1/2	4 1/2	+1/2
Arcadia	2300	27	26	26	-1
Area	1500	61	61	61	-1
Asst	100	7	7	7	-1/2
Atlas-Ruf	13000	22	20	22	-2
Auramaque	4000	7 1/2	7 1/2	7 1/2	+1/2
Ausur	200	200	200	200	-2
Banque	2450	24 1/2	24 1/2	24 1/2	+1/2
Barvue	2000	15	15	15	-1/2
Base Metals	7500	25	23 1/2	25	-1/2
Beck	4600	16	14	15	-1
B-Dur	2450	25	24 1/2	24 1/2	-1/2
Beaucage	1850	73	68	68	-1
Belcher	18000	134	126	133	+1
Bethelm	2600	68	68	68	-1
Bever	2000	11	11	11	-1/2
Bieroff	9500	116	110	115	-3
Bieroff vts	1500	42	41 1/2	41 1/2	-1/2
Blipop	2000	10	10	10	+1
Bordac	200	6 1/2	6	6	-1/2
Black Bay	1000	25	25	25	-1
Bonsard	2000	11 1/2	11 1/2	11 1/2	+1/2
Bonzan	4300	55	53	53	-1/2
Boymat	6000	4 1/2	4 1/2	4 1/2	+1/2
Brallone	400	450	450	450	-1
Broul Reef	1700	38	35	35	-1
Brunsmar	2500	6	5 1/2	6	+1
Bruswick	240	269	265	265	+1
Buffad	500	5 1/2	5 1/2	5 1/2	-1/2
Bull RL	2000	5	4 1/2	4 1/2	-1/2
Bunker Hill	1000	6 1/2	6 1/2	6 1/2	-1/2
Camp	6000	43	43	43	-1/2
C Dyo	12500	72	69	71	-1
C Marlart	300	19	19	19	-2
C Hillwell	7000	31	29	29	-1
C Marcus	1500	35	32	32	-1/2
C M and S	1485	118 1/2	115 1/2	115 1/2	+1/2
C Red Pop	300	9 1/2	9 1/2	9 1/2	-1/4

Premier Chou Sees U.S. With Policy Of Hostility

(EDITOR'S NOTE: Chinese Premier Chou En-lai made a statement on China's relations with the United States, Britain and Japan in an exclusive interview given to David Chipp on the eve of the latter's departure after two years as Reuters staff correspondent in Peking, where he has been succeeded by Jack Gee.)

United States in trying to create two Chinas so that Taiwan (Formosa) would break away from China and become a separate unit.

"Such a separate unit would in fact be merely a United States puppet or under United States trusteeship."

"In a word, Britain is toeing the United States line."

"Relations between our two countries should have improved after the 1954 Geneva talks."

Eden (Sir Anthony Eden, then British foreign secretary) expressed to me the intention of imposing a permanent "puppet" regime on Formosa.

This view has expressed by Premier Chou En-lai in an interview here.

"The more the United States exerts pressure on us, the more we will resist," Chou said. "If the United States insists on waging war, we will fight."

"I believe that the overwhelming majority of people in the world want peace and co-operation and close contact with one another. This includes the American people, but that is unfortunate in that there are artificial barriers which impede these things so that mutual understanding between peoples is prevented."

"It is the United States government that is hostile to China and has created barriers obstructing American and Chinese peoples from contacting one another."

"We must coexist."

"The time when one country can impose its will on another has gone. We must coexist as equals."

"Our attitude toward the United States government is that on every question we insist on equality. But the United States government refuses to agree to this."

Chou said the United States is trying to use Britain and Japan to implement its plan of forming two Chinas, a plan "absolutely unacceptable to us and is most unfriendly."

Chou said there were indications that Britain "will follow the American Telephone made an unusual gain for this stock, rising 1/2 to 170 1/2 on 43,900 shares, placing it at the top of the most active list. Second was General Motors, unchanged at 35 1/2 on 37,000 shares. Third was North American Aviation, up 1/4 at 32 1/2 on 32,700 shares.

Among Canadian issues, McIntyre Porcupine advanced a point to 70, up fractionally were Canadian Pacific, Aluminum Ltd., Dome Mines and Granby Mining. International Nickel and Hudson Bay Mining were lower.

On the American Stock exchange, Brazilian Tractor was off 1/2.

What stocks did:

Advances 541 300
Declines 337 610
Unchanged 226 202
Total issues 1104 1112

BANKS

Beth Steel 7 1/2 Kennecott 79
Borg Warner 28 1/2 Monty W 31
C and O 20 1/2 NY Cent 14 1/2
Trans Can 2000 128 22 22 1/2
El Auto El 26 1/2 Std Oil Jr 42
Gen Elec 8 1/2 Wm Indrft 53 1/2
Goodyear 7 1/2 Vanadium 2 1/2
Gt Nor Ry 3 1/2 Westing 62 1/2
Int TV 2 1/2

Why Do Snowshoe Hares Leave Newfoundland?

By GERALD FREEMAN
Canadian Press Staff Writer
MONTREAL (CP)—Newfoundland's snowshoe hare—a winter staple for people of the outports—has declined seriously in population and Donald Dodds, a Newfoundland biologist, told of attempts to find out why in a paper presented Tuesday at the northeast wildlife conference.

There has been a reported death of hares throughout most of the province since 1949, Mr. Dodds told a small session during the last days of the meeting. The study was begun because the snowshoe hare is ecologically the most important land mammal in Newfoundland.

The 800 participants in the conference, which made it the largest ever held, took off Tuesday night and early today for their homes in six Canadian provinces and 11 American states.

Before leaving they were told by conference chairman Gustave Prevost of Montreal that the Northeast Wildlife Society has introduced an innovation—all papers presented at the conference will be bound in three volumes, equivalent to an annual report for the society.

The conference aimed to fill two functions: Give conservationists a chance to get to know one another so exchanges of correspondence can be carried on at a more personal level, and to provide a clearing house for exchanges of technical information.

In his report, Mr. Dodds said the snowshoe hare was brought to Newfoundland from Nova Scotia about a century ago and spread to inhabit the whole island. It was population in 1900 when a man could "shoot wheelbarrows full of hares with a .22 calibre rifle after supper."

Another high occurred in 1939 when 500,000 hares were recorded taken, many for canning. Canning

Panelists See The Political Climate In Quebec Immoral

By RICHARD DAIGNAULT
Canadian Press Staff Writer
MONTMORENCY, Que. (CP)—A panel of Quebec professors, politicians and lawyers says Quebecers are not conscious of the immoral political climate of their province.

The reason, the panel says, is that most Quebecers either do not know or believe in democracy's moral code.

The panelists, discussing politics at a seminar of the Canadian Labor Congress, agreed that education of the Quebec public in democratic processes at all levels of society is a pressing need.

The panelists specifically admonished the 50 labor leaders attending:

- To take an interest in political life and get involved in direct party politics.
- Not to wait until election time to be interested in politics but to follow political affairs consistently.
- To participate in a program to educate the public in democratic processes.

Emile Gosselin, professor of industrial relations at Laval University, spoke Sunday at the seminar on the techniques labor should adopt to deal with political problems in Quebec.

CANT HOLD FIRE

Mr. Gosselin said it is fundamental that labor cannot stop criticizing governments for the sake of obtaining concessions or favors.

If labor is to play its role in a democratic way it must have all the means other groups use to ensure their survival and progress.

Freedom of action and freedom of expression were the two basic means.

off salmon less than a year old in New Brunswick streams and reduced populations of older ones.

He said the salmon fry would return the next year but re-spraying within three years could seriously reduce the number of salmon in a stream.

GRAIN

WINNIPEG (CP)—Trade was moderately active in most grains Monday on the Winnipeg Grain Exchange. Export interest appeared in barley and flax.

CLOSING PRICES:
Oats: May 1/4 lower 69 1/2; Jly unchanged 68 1/2; Oct 3/4 higher 68 1/2.
Barley: May 3/4 lower 90 1/2; Jly 1/4 higher 90 1/2; Oct 1/4 lower 90 1/2.
Flax: May 3/4 lower 3.21 1/2; Jly 3/4 lower 3.13 1/2; Oct 1/4 lower 2.90 1/2.
Rye: May 1/4 lower 1.02 1/2; Jly 1/4 lower 1.01 1/4; Oct 1 1/2 lower 1.00 1/2.

Prices for class two wheat for export to countries outside IWA: 1 nor 1.65%; No. 2 1.61%; No. 3 1.54%; No. 4 1.42%; No. 5 1.30%; No. 6 1.27%; No. 1 durum 1.97%; No. 2 1.96%; No. 3 1.86%; IWA and domestic prices: 1 nor 1.65%; No. 2 1.61%; No. 3 1.54%; No. 4 1.42%; No. 5 1.30%; No. 6 1.27%; No. 1 durum 1.97%; No. 2 1.96%; No. 3 1.86%.

MONTREAL

MONTREAL (CP)—Prices moved lower in light trading Monday on the Montreal and Canadian stock exchanges. A sprinkling of gains showed across the industrial board.

In newspapers, Price Brothers dropped 1 1/2 to 35 1/2 at 36 1/2 and International Nickel 3/4 at 24 1/2 to 24 1/2.

Pipelines were mixed. Trans-Mountain declined 1/2 to 57 and Trans-Canada advanced 1/2 to 24 1/2. In refining oils, International Petroleum rose 1/2 to 36 1/2.

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PRODUCE

MONTREAL (CP)—Agriculture department quotations:

Eggs: Wholesale dealer prices to country stations, wooden cases, extra-large 39-40; large 39; medium 36; small 34; B 32; C 22. Receipts: 55.

Butter: Current receipts 62; fresh-grade creamery prints job price 63 1/2 - 65; fresh wholesale 62 1/2.

Cheese: F.O.B. factory, Ontario white 32, colored 33 1/2; delivered Montreal, Quebec white 32 1/2, colored 32 1/2; wholesale Ontario white 33 1/2, colored 33 1/2; wholesale Quebec white 33 1/2, colored 33 1/2.

Potatoes: N.B. 75s 1.50 - 1.60; N.E. 10s 24-26; N.B. 50s 95-105; P.E.I. 75s 1.65-1.75; P.E.I. 10s 28-29.

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