

# The Guardian

WEATHER  
Rain ending late this afternoon; south winds 35, gusts to 50, shifting to west 30. Low-high 53-65. Sunday: showers.

"Covers Prince Edward Island Like The Dew"

## Contract for New Pension Plan

POINTE AU PIC, Que. (CP) — Premier Lesage said Friday night the province will make no attempt to integrate its planned pension scheme with the federal pension proposals at the domain-provincial technical session in Ottawa starting Monday. It is necessary, the delegation will again explain in detail our position in comparison with federal conference participants and make them understand the point of view we believe is legitimate," he said.

The premier told the closing meeting of the Quebec province Chamber de Commerce annual convention he was confident that other provinces would imitate the Quebec government's plan to set up its own pension plan with the aim of building up a large investment fund. The proposed federal plan would be a pay-as-you-go scheme.

## Ottawa May Not Oppose Quebec

OTTAWA (CP) — Quebec province could find itself with a fall accompli when its delegation arrives Monday at the federal-provincial conference on pension funds.

A source close to the cabinet said Friday night that the federal government has already accepted the establishment of a separate Quebec pension plan and may not even dispute the issue.

The federal government would accept the abolition of Quebec from its own pension fund because there are solid grounds to believe Ontario is ready to take part in the federal scheme, the source said.

One of these grounds is the Ontario Premier, Robert Harris, and John Roberts to lead the Ontario delegation personally.

## CHINA OPENS NEW ROUND

### Brink of Split Charge Laid at Soviet Union

By ADAM KELLET-LONG  
PEKING (Reuters) — Peking newspapers and radio have blanketed Red China with a massive article accusing the Soviet Union of pushing Sino-Soviet relations to "the brink of a split."

The 40,000-word article, published Friday, accused the Russians of luring thousands of Chinese citizens across the border area between Sinkiang province and the Soviet Union and then refusing to hand them back.

Observers here believed the article represented a new and most direct challenge so far to Soviet Premier Khrushchev and his supporters since the ideological dispute emerged into the open.

The article, first of a new series on the Sino-Soviet ideological dispute, was prepared jointly by the editorial boards of the Chinese Communist party and the Soviet Communist party and the theoretical journal Red Flag.

It was titled "The origin and development of differences between the leadership of the Soviet Communist party and ourselves."

The article bitterly criticized Khrushchev on a variety of issues and stated: "We all the water in the Volga can wash away the great shame you have brought upon the Soviet Communist party and the Soviet Union."

At the first time in a public statement, China openly condemned Khrushchev for his criticisms of Stalin and accused him of selling "vicious and demagogic lies" about the late dictator.

DISCLOSES 'FACTS'  
The article disclosed previously unpublished "facts" about a series of world Communist gatherings between 1937 and 1958, as seen through Chinese eyes.

It charged Khrushchev with expressing support for anti-party elements in the Chinese party and "subverting" the leadership of other parties.

At the end, the article listed points showing "how the leadership of the Soviet Communist party have damaged Sino-Soviet unity and the unity of fraternal parties and countries."

The article said incidents which started more than a year ago in the Sinkiang border area were still continuing.

It said Russian leaders used their services in Sinkiang as a full-frontal national center in China's far west to carry out subversive activities and cause "several tens of thousands of Chinese citizens to go to the Soviet Union."

It said the Chinese government lodged repeated protests and representations but Russia refused to repairable the Chinese citizens on the pretext of "humanitarianism."

The article said the situation was still unresolved.

In an earlier passage, it charged that Russia was "provoking border troubles" in July, 1960, as part of a series of moves designed to "isolate" the Soviet Union.

Following a meeting of world Communist leaders in Bucharest, the article said, Russia even in other cases, but observers believed they would be forthcoming in further action.

The article said that Russia has long been a bone of contention between Russia and China, because of Sino-Soviet relations.

## Refugees from Red China Streaming Into Russia

MOSCOW (AP) — The Kremlin was officially silent, but Western sources reported Friday that refugees from Red China have been streaming into the Soviet Union by the thousands for the last year.

One Westerner said Soviet officials told him the Chinese were still coming as late as last week. He put the figure at 50,000.

These reports, undoubtedly Soviet-inspired, proved through diplomatic contacts soon after Communist China charged Moscow "enticed and coerced" tens of thousands of Chinese citizens into going to the Soviet Union.

The project, sponsored by the Russian government, was designed to "solve" the border "troubles" in July, 1960, as part of a series of moves designed to "isolate" the Soviet Union.

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## Huge Berry Increase

An exceptionally large increase which has been recorded in berry acreage down in Prince Edward Island this year could result in more than enough berries to supply the island's total hog population — and, in addition, could result in a net increase of \$2,000,000 in the berry crop for 1963, according to the figures of hog growers.

According to the Dominion Bureau of Statistics, P.E.I.'s berry crop in 1962, valued at \$1,000,000, was a record for the province, compared with \$1,000,000 in 1961 and \$1,200,000 in 1960, a five-fold increase.

This tremendously increased acreage apparently resulted from increased interest in berry production by an experimental farm in the province in 1961, which was followed by a large-scale berry-growing project.

The project, sponsored by Canada Packers Limited in cooperation with the P.E.I. Department of Agriculture, was designed to demonstrate possible berry yields, and to encourage the growing of more berries.

(Continued on page 2, col. 6)



## EMPEROR'S GRANDCHILDREN

Prince Michael Makonnen, 14, (right) and Lady Mickael Managasha, 13, grandson and great grandson respectively of Emperor Haile Selassie, who stands before them, stand before the ambassador of Ottawa's Ashbury College where they registered for the school term Thursday.

The private school for boys is in Rockcliffe Village, an exclusive residential area of the Canadian capital.

The emperor is expected to visit the school when he makes a state visit to Canada early next month. (CP Wirephoto)

## BULLETIN

BIRMINGHAM, Ala. (AP) — Police said a group of Negro teen-agers fired a shotgun charges Friday night in a Negro home and killed one person, possibly two.

A government spokesman said one victim was electrocuted, one killed by a flying hot roof and another drowned when his fishing boat sank.

If it continues on its present course, Faye should strike the coast of Red China's Kwangtung province today.

Winds here touched 100 miles an hour.

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## Missing Youth Found In P.E.I.

MARYSVILLE, N.B. (CP) — Roger Allison Stafford, 31, of Marysville, missing since Aug. 29, was located at Hampton, P.E.I., Friday. Police here said the youth had been working on a farm at Hampton.

## COIN FIND MADE IN QUEBEC

Rosire Pepin examines coins he found in an old barrel while retrieving, near Quebec City, earlier this date, was 1711.

East, 1866, and the coins seemed to be British. Value hasn't yet been determined. (CP Wirephoto)

## Gov't Names Top Diplomat to Trip to Fair

OTTAWA (CP) — The federal government threw a top diplomat and lawyer on the troubled world fair scene Friday and he immediately made a move apparently aimed at stimulating national interest in the 1967 Canadian world exhibition at Montreal.

Pierre Dupuy, Montreal-born diplomat and lawyer who has been Canadian ambassador to France since 1958, became commissioner-general of the world's fair, Prime Minister Pearson announced at a press conference.

Mr. Pearson also announced a new fair setup evidently intended to lift some of the administrative load of the commissioner-general. He said a fair general manager will be appointed next week and a liaison officer to handle relations between the federal government and the fair administration.

The change in the administration setup follows the resignation of the two top officials last month. P. A. Blueniveau, commissioner general, and J. P. Carley resigned administrative positions on the project was too heavy. Mr. Carley's successor also is to be named next week.

Mr. Dupuy, 67, took immediate hold on the job, meeting the two top officials for several hours after attending the press conference.

## August Traffic Sets New Record On Borden Run

BORDEN. — August was the busiest month ever recorded on Canadian National's ferry service between Borden, P.E.I., and Tormentine, N.B.

During the month the three ships operating the service carried 14,179 passengers and 49,999 vehicles. The number of passengers in the month was the highest since the crossing by Canadian National's Charlottetown to Moncton train service was 18.5 per cent higher than in August last year, and the number of passengers using other means of transportation to reach the ferry terminals was 14,800 more than the previous record-setting month of August, 1962.

Busiest ship on the run was the Confederation. She made 438 crossings of the Northumberland Strait. The Prince Edward Island received 269 and 1,346 passengers. The Confederation 40,828 and the Prince Edward Island 34,956.

## 250 Deaths Feared In Brazil Fires

RIO DE JANEIRO, Brazil (AP) — Parana state officials said Friday they fear at least 250 persons have perished in winds whipped street fires sweeping the state.

Col. Itala Cortes, coordinating the firefighting operation reported by telephone from Curitiba, the state capital, that 40 bodies had been recovered from the burned area. He added that communications with many countries in the fire-ravaged area were difficult and that the final death toll probably would be much higher.

Cortes said the fire was brought under control around noon in Alegre, a city of about 20,000 persons which was in the fire path. But he said the town, which houses Brazil's most important paper mills, still was in danger.

## Faye Misses Hong Kong

HONG KONG (AP) — Typhoon Faye missed this British colony by 110 miles Friday, but its backwash killed three persons and injured 40.

A government spokesman said one victim was electrocuted, one killed by a flying hot roof and another drowned when his fishing boat sank.

If it continues on its present course, Faye should strike the coast of Red China's Kwangtung province today.

Winds here touched 100 miles an hour.

## 35 Areas Labeled Out For Special Tax Treatment

OTTAWA (CP) — The government on Friday mapped out 35 labor markets in Canada where special tax treatment will be offered — if Parliament agrees — in a bid to attract new manufacturing and processing industries.

"These plans in these so-called 'designated areas' of high unemployment and slow growth would include a holiday from income tax for the first three years of operation. There also would be a fast two-year write-off of new machinery and accelerated depreciation on new buildings."

Under the winter works program, municipalities in these areas also will be eligible for a 60 per cent increase in the size of payroll costs paid by the federal government. This applies to approved projects between Nov. 1 and April 30.

Criteria used to pick out these have-not regions are complicated. In the main, the eligible districts are fairly large. Sixty-five of the 100 designated areas were larger than 100 square miles. They also were in areas where the unemployment rate was high. In many cases, they were in areas where the unemployment rate was high.

Chosen were the NES offices area centered by these municipalities.

Newfoundland — Corner Brook, Lunenburg, St. John's, St. John's, St. John's, St. John's.

New Brunswick — Campbellton, Miramichi, St. Stephen, Sussex, Woodstock.

Quebec — Rouyn, Shawinigan, Mont Laurier, La Tuque, St. Jean, Dolbeau, Jonquiere, Port Cartier, L'Acadie, Cap-de-la-Madeleine, La Malbaie, Val d'Or, Ontario — Brantford, Cornwall, Windsor, Pembroke, Timmins, Wallaceburg, Elliot Lake, Chatham.

Alberta — Blairmore.

Under the scheme introduced by the former Conservative government, the area of special tax treatment was open to new industries setting up in municipalities which applied for "labor surplus" status under later department measurements of the surplus.

## 2 Sleeping Cases Found In Regina

REGINA (CP) — Two cases of sleeping sickness have been confirmed in Regina hospital patients by the provincial laboratory. Dr. R. Matthews, associate deputy minister of public health, said Friday.

Dr. Matthews said one patient is a 21-month-old child and the other a 39-year-old man.

## Food Prices Help Advance Living Costs To New High

By ALAN DONNELLY  
OTTAWA (CP) — A series of special circumstances have joined forces with the usual summer upswing in food prices to create a larger-than-normal rise in Canadian living costs in recent months.

Food costs follow past patterns. Mrs. Housewife can expect some relief this fall. This year's price hike, as outlined by one federal economist, behind Friday's bureau of statistics report, showing a jump of four tenths of a point during July in Canada's official consumer price index to a record high 123.9 on Aug. 1 from 123.1 July 1.

This year's index of living costs, based on 1949 prices, equalling 100, now is 21 points above the level of 124 Aug. 1, 1962.

The significant point is that more than half of this 12-month advance occurred in the last three months. Between May 1 and Aug. 1 the index rose 1.6 points—a gain of 1.2 per cent compared with the 12-month rise of 1.3 per cent in the previous period.

FOOD PRICES JUMP  
Mrs. HOUSEWIFE can lay most of the blame to prices of food, which make up per cent of the "shopping basket" of goods and services covered by the index. Food costs rose 3.8 per cent in the three months between May and July. The normal pattern is for food prices to rise during the spring and summer and decline during the autumn.

But some extra pressures have piled up in recent months. Beef prices, which jumped last fall, have been holding high and jumped another five cents a pound in July. The high surge of prices of last winter and spring have trickled into costs of many foods such as jams, jellies and even bread.

A small vegetable crop limited the usual large summer produce. Last winter's disastrous frosts in Florida are still being felt in prices of such items as fruit juices.

The price advance during July dip in industrial wages during June, the 1962-63 industrial wages and salaries at July 1, latest date available, was 194.6 compared with 194.3 a month earlier and 193.7 a year earlier. This wages index, based on 1949 prices, equalling 100, rose 1.5 per cent in the three months between May and July.

The food price index rose to 132.2 from 132.1, the housing index to 126.3 from 125.8, the clothing index to 115.9 from 115.7, transportation costs to 141 from 140.8, and the personal index to 122.8 from 122.6.

## Man Dies In Accident At Kildare

ALBERTON BUREAU OF THE GUARDIAN  
The driver, Robert Wells, South Kildare, was taken by Rooney's ambulance to the Prince County Hospital in Summerside where his injuries are not believed serious.

Both men were thrown from the vehicle which turned over on top of the steel protecting railing before coming to a stop. A complete wreck on the outside of the rail.

An inquest was ordered by coroner Dr. C. M. Dewar. O. Leary, jurors are Douglas Pickard, foreman; Stephen Murphy, Wendell Leigh Weeks, Leigh Gordon Weeks, John Raymond Foley, all of Alberton; Norman Warren, Montrose; Louis James O'Rourke, Kildare.

Readers his mother, Mrs. Anthony McIntyre, who is in her nineties, the accident victim is survived by a brother, Kenneth, in Summerside and two sisters, Mary at home and Margaret, married and residing in Montreal.

## Defier Arrives In Gaza Strip

CAIRO (Reuters) — Canadian Opposition Leader John Diefenbaker arrived in Gaza, a narrow Mediterranean coastal strip, Friday and said he was proud of the Canadian contingent of the United Nations Emergency Force, the Egyptian-Israeli force.

Diefenbaker is due to return to Cairo Saturday and fly to Assuan where he is scheduled to visit the Aswan dam site. A fertilizer plant and the hydroelectric power station.

On Sunday, it is expected to fly to Luxor for a sightseeing tour of the ancient Valley of the Kings on the western bank of the Nile and then return to Cairo to attend a dinner at the home of the Egyptian ambassador.

## Two Vessels Overdue Off N.S. Coast

HALIFAX (CP) — Two fishing vessels were overdue Friday night as high winds curbed hopes for a sea off the Nova Scotia coast.

The longliners Terry and Gail and the trawler Ruby, both out of Shelburne, N.S., ran aground Friday they were heading for the shore ahead of a storm warning was issued. Wind heads from the Atlantic Friday night, the two vessels had not reported.

It was not known whether the vessels were heading for here or Shelburne.

Meanwhile, dozens of Nova Scotia and U.S. fishing vessels were overdue off the coast of the province. Winds of more than 30 mph in hours were forecast for today.

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