



AFTERMATH OF VENEZUELAN VIOLENCE

Girl who was struck by bullet during violence in Caracas, Venezuela, is helped from car outside first aid post. Twenty-three persons were killed and more than 100 injured in two days of violence in which military police battled snipers and machinegunners. Clashes were brought on by leftist agitators against the government of President Romulo Betancourt. (AP Wirephoto)

Throne Speech Forecasts Long Session For Nfld.

By JACK PICKETS
ST. JOHN'S, Nfld. (CP) — A weighty throne speech, read at the opening of the Newfoundland legislature Wednesday, indicates the House may be in for a long session.

Speculation before the opening was that the session would be shorter than last year's seven-week sitting, but it now appears it may be longer.

The speech, read by Lieutenant-Governor Campbell Macpherson mentioned several unexpected topics, among them the sale of the Newfoundland Savings Bank.

The bank, formed 127 years ago under the wing of the government, will be sold to the Bank of Montreal for slightly less than \$3,000,000 to broaden the "scope of its operations and its usefulness to the province."

The bank had \$27,000,000 on deposit from 30,000 shareholders. Nearly \$1,000,000 of the sale price would be turned back to the depositors in the form of interest, while another \$1,000,000 would go toward the province's

children, particularly retarded children. The rest would go into the consolidated revenue fund of Newfoundland, a type of sinking fund.

PROPOSED CHANGES
Another unexpected move on the part of the Liberal government was a suggestion that provincial electoral constituencies might be reduced in size to give more representation.

The speech pointed out that geographically some constituencies were so large that it was difficult for election candidates to thoroughly canvass them or

represent all the people after the election.

The speech also proposed more legislative authority enabling the government to "take such action as may be necessary" in fighting forest fires, not only putting out the fires, but protecting lives and property endangered by them.

It noted that the government had "found that it was not always easy" to act during disastrous forest fires last summer because "there was not sufficient legislative authority."

The third paper mill, long a

feature of the northwestern Newfoundland.

Agustus Duffy, leader of the two-man United Newfoundland Party in the House, said the third mill picture given in the speech from the throne was the important part of the speech. He said he saw little of a controversial nature in the speech.

Standings in the 36-seat house are Liberals 30, PCs three and UNP two. One seat is vacant.

may be started this year, according to the speech. It said the whole success of the project "lies in the successful use of the great pulpwood resources of Labrador."

SEE AGREEMENT
The speech said a "very satisfactory degree of agreement" had been reached among the companies holding a stake in Labrador forests on the principle that the forests should be primarily treated "as a great source of supply for pulp and paper mills existing or to exist," no matter who actually owned or controls the forests.

Opposition leader James J. Greene (PC - St. John's East) said he was disappointed that while the speech made much of timber, it made no mention of the "grave situation" on Bell Island, 13 miles west of here in Conception Bay.

The Wabana iron ore mines on Bell Island, operated by the Dominion Steel and Coal Corporation, start a seven-week shutdown period Sunday because of slumping overseas markets. A major layoff and another shutdown period later in the year have also been threatened.

Capt. Uriah Strickland (L - Trinity South), who moved the address in reply to the speech from the throne, said a third mill would mean the birth of "an entirely new town in Newfoundland" and the mill in eastern Newfoundland would go far "to balance out the pulp and paper industry, as there is already one mill on the west coast (at Corner Brook) and one in central Newfoundland (at Grand Falls)."

John A. Forsey (L - Humber East) said in seconding the address in reply that pulp and paper brought Corner Brook into existence, but the mill there was just the headquarters of a vast industry embracing the

More Understanding Urged Of Tax Problems In Canada

TORONTO (CP) — Greater public and governmental understanding of Canada's tax problems is much to be desired, Graham F. Towers, chairman of Canada Life Assurance Company, said at the company's annual meeting.

Mr. Towers, a former governor of the Bank of Canada, said it is generally agreed that if the amount of taxes collected in a country by all levels of government reaches an unduly high percentage of gross national product, the country's progress will be seriously impeded. The difficulty was that no one could accurately define "unduly high."

At present the percentage of GNP taken in taxes by all governments, Mr. Towers continued, "may be in the neighborhood of 26 per cent—almost the same as in the United States."

"Since the GNP per capita is about 40 per cent higher in the U.S. than in Canada, this must mean that their tax 'bite' is relatively low—a possibility that most Americans would dismiss—or that ours is too high for the country's good."

Dealing with the foreign-exchange value of the Canadian dollar, Mr. Towers said an over-valued currency can have a depressing effect on the whole economy.

"This surely must have been the situation in Canada for a number of years, although no one has yet established statistically just what a country's foreign exchange rate should be."

The present discount on the Canadian dollar in relation to the American affords considerable relief, Mr. Towers stated, but "it is a relief for which Canadians have to pay in the form of a higher level of prices and a lower effective value for savings."

"I wish there were more indications that authorities in Canada gave serious and continuous thought to the economic effects on the country of the tax burden imposed by all levels of government."

Mr. Towers welcomed the tax study which the Canadian Tax Foundation is sponsoring at Queen's University, and added that without duplicating that work, the recently appointed royal commission on banking and finance might direct its attention to the economic effects of taxation, since fiscal policy had a major bearing on the operations of the banking system.

"If it is the case that over-taxation is contributing to unemployment by raising costs and reducing incentives, it might be hoped that no commitments would be limited until the total 'take' represented a lower percentage of GNP."

NEW YORK (AP)—A Rockefeller family spokesman said there has been "no change whatsoever" in the plans of Governor and Mrs. Nelson A. Rockefeller to obtain a divorce.

A one-sentence statement was issued in reply to a story in Newsday, Long Island daily newspaper published at Garden City, N.Y., saying it had learned that Mrs. Rockefeller no longer intends to seek an out-of-state divorce.

The Rockefellers have been married 31 years. Rockefeller is 53, and his wife is 54. She is the former Mary Todhunter Clark, a Philadelphia whose parents were descendants of the Mayflower Pilgrims. They met as teenagers during a Maine vacation.

They had five children including Michael who disappeared in Dutch New Guinea on an archaeological expedition.

Divorce Plans Are Unchanged

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"I think we must draw our maps quickly and decide on our route—not in the next year or two, or six months from now but in the next few weeks."

His remarks were taken from a text issued to the press before delivery.

TORONTO (CP) — Canadian General Electric Company has announced that more than 99 per cent of the outstanding common shares of Dominion Engineering Works Ltd. have been deposited with the company.

An offer to purchase Dominion Engineering, made last September, was contingent on 90 per cent of the shares being deposited.

The offer consisted of one convertible preferred share of CGE plus \$3 in cash for each share of Dominion Engineering. Application has been made to the Toronto Stock Exchange to

list the CGE preferred shares for trading Feb. 1. The shares carry a cumulative dividend of \$1.25 a year with the first semi-annual dividend of 62½ cents payable May 15.

Preferred shares will have full voting rights and are convertible without limitation as to time into common shares of CGE after the present CGE common shares are split 40-for-one. These new common shares will also be listed for trading in Toronto Feb. 1.

WORLD NOT WAITING
The rest of the world will not

wait for Canada to make up her mind, Mr. Fowler said.

The commercial question facing Canada, and the United States, today was not whether they should join the European Common Market. The dream of a North Atlantic trading community was still far off.

"The immediate task does not involve the creation of new trading institutions... It is a more limited and more familiar task."

"Are we willing just as we have done many times in the past, to negotiate with the enlarged Common Market to protect and expand Canadian trade and thereby Canadian employment?"

"Are we prepared to grant concessions as well as to seek them? Are we ready to undertake the complicated and extensive measures needed to make our industries competitive?"

"These are some of the urgent questions of commercial policy that will face us in the fateful year ahead. The answers we give to them will determine the level of prosperity in Canada for many years to come."

WILL STUDY LONGER
TORONTO (CP) — Chemistry students who go to Moscow as exchange students from Canadian universities will spend eight hours a week more in classrooms, says Dr. George Wright, a University of Toronto chemistry professor who just returned from Russia. He said standards at the University of Moscow were slightly higher "simply because the students can't avoid it." Students worked harder because it was considered an obligation.

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