

PM Offers Services In Kashmir; Dief Calls It Election Ducking

By DAVE MCINTOSH
OTTAWA (CP)—Prime Minister Pearson volunteered his "immediate services" Friday to help arrange a ceasefire between India and Pakistan in Kashmir.

Mr. Pearson, usually the exponent of "quiet diplomacy"—his own phrase—issued a statement about his offer without first seeking the reaction of New Delhi and Karachi.

The offer of Mr. Pearson's services was placed before the Indian and Pakistani high commissioners here Thursday.

Indian High Commissioner Bejoy Krishna Acharya told a reporter he transmitted the offer Thursday night to New Delhi but had not yet received any reply.

Pakistani High Commissioner Sultan Mohammed Khan said he had also transmitted the offer but that it would be hard to say when a reply might be expected.

hastily-summoned press conference that the prime minister is prepared to fly to Asia for mediation purposes "if necessary."

Asked whether a visit to Asia would cause any difficulty during an election campaign, Mr. O'Hagan said: "What election campaign?"

Neither Mr. Pearson nor External Affairs Minister Martin was in Ottawa Mr. Pearson was fishing at his cottage at Harrington Lake in the nearby Gatineau Hills. Mr. Martin was delivering a speech in Montreal.

Mr. O'Hagan and d'Iberville Fortier, external affairs department spokesman, handled the press conference.

Mr. Pearson's three-paragraph statement said in part: "... I would be prepared to offer my immediate services to help bring about a ceasefire in Kashmir and for such other purposes as the two governments might agree would be helpful in improving their relations in this situation."

THANT WELCOMES BID
United Nations Secretary-General U Thant, who appealed Wednesday for a ceasefire, said through a spokesman he welcomes all attempts to bring about a peaceful settlement, including Mr. Pearson's initiative.

In New Delhi, the Indian government made clear any ceasefire agreement would have to label Pakistan an aggressor.

Mr. Fortier said Canada had changed its usual hands-off policy in India-Pakistan disputes because of the gravity of the situation in Kashmir.

Dief Critical

Opposition Leader Diefenbaker said Mr. Pearson's offer "is a transparent device to escape the consequences of his ill-considered election threats and rash indulgence in electoral brinkmanship."

He said the government had shown only passing interest in the Kashmir crisis and Mr. Pearson's "sudden decision to intervene has the appearance of an escape hatch from the impasse in which his government finds itself."

"Second thoughts have brought home to him the undesirability of calling an election, the result of which he fears," Mr. Diefenbaker added.

Richard O'Hagan, Mr. Pearson's press secretary, told a

Shastri Warns Of Air Raids

From AP-Reuters
NEW DELHI (CP)—Prime Minister Lal Bahadur Shastri said in a sombre speech Friday night an "hour of serious crisis" is upon India and it may have to suffer damage from Pakistani air raids.

The prime minister spoke in a country-wide radio broadcast at the end of a tense day in which India claimed its forces shot down two Pakistani jet fighters and advanced in ground fighting in southwest Kashmir.

But, in Rawalpindi, the new capital of Pakistan, that country's foreign minister, Zulfikar Ali Bhutto, blamed India for the latest eruption of the fighting in Kashmir.

Bhutto said if India wants to stage a war against Pakistan, "it will be unleashing a tragedy of the greatest magnitude—a tragedy which will spell devastation."

Elsewhere, especially in Commonwealth capitals, desperate efforts were being made to avert a war between the two countries.

Army 'Copter Downed Killing All On Board

By RONALD I. DEUTSCH
SAIGON (AP)—Viet Cong guerrillas shot down a troop-carrying U.S. Army helicopter Friday as it flew toward a guerrilla centre previously bombed by B-52s, and a spokesman said all aboard were killed.

The helicopter, capable of carrying a dozen men, burst into flames after plunging to earth on a run toward Ho Bo woods, 20 miles northwest of Saigon.

Military authorities withheld the number involved on security grounds, but said the casualties were heavy.

A reinforced company of South Vietnamese troops, surveying the results of the B-52 bombing was reported to have found caches including 126,000 rounds of small arms, ammunition, 215 mortar shells, four sub-machine-guns and about 1,000 Viet Cong uniforms.

The spokesman said the troops encountered no opposition within the area.

Swelling U.S. military ranks in South Viet Nam toward the 100,000 mark were about 1,400 men of Marine Aircraft Group 36. Equipped with helicopters and observation planes, they streamed ashore at Chu Lai, a marine beachhead between Da Nang and Quang Ngai.

Floods, Slides Take Heavy Toll

ROME (AP)—Drenching rain poured on flood-stricken Italy for the third straight day Friday. Officials feared the death toll from flood and landslide might reach 60.

The skies opened up on other parts of Europe. Austria counted four deaths from flood, bursting dams and landslides. Heavy rains swept northern Spain, parts of France, most of Germany, Switzerland and western Yugoslavia.

No relief was in sight for the next 24 hours in Italian flood disaster areas covering one-tenth of Italy's total territory.

Rome was almost entirely cut off from the north by road and rail and most of the tourist-crowded city is expected to be without drinking water until at least next Tuesday.

CLASH WITH MARINES
A marine patrol clashed with a Viet Cong band six miles west of Chu Lai. A spokesman said the patrol killed one guerrilla and wounded another.

Government troops wound up an overnight sweep against the Viet Cong south of Quang Ngai city, 320 miles northeast of Saigon, with a report they had freed 150 refugees and 38 government soldiers from Viet Cong imprisonment.

They said they killed 25 Viet Cong, captured two and detained seven suspects. U.S. military authorities confirmed 15 of the dead by body count.

Bar Association Beats Retreat

TORONTO (CP)—The Canadian Bar Association Friday beat a retreat from its official position favoring compulsory alcohol tests for drinking drivers, voting to withdraw a recommendation made to the federal government by its national council last April.

Under pressure from a group of younger lawyers during its week-long convention, the association backed away from a stand which would have made it a crime to drive with a .08-per-cent reading on a breath-analysis machine as well as a crime to refuse to take the test.

Instead, the association's plenary session bowed to a demand from its criminal justice section and decided to have the question studied for a year.

The 150-man council had been under fire for two days before the criminal justice group for stepping into the controversial area without first canvassing the 10,000 membership of the association.

Lawyers from British Columbia and Ontario led the fight to scrap the council's proposal. Association President Haze N Hansard of Montreal voted against the move to repudiate the powerful council, though he did not speak against it. The council itself, at a private session earlier, had agreed without comment to let the issue get to the floor of the plenary session.

Another controversial measure from the criminal justice section comes up today and it seems to have somewhat less chance of passage than the section's drunk-driving move. This is a proposal to legalize abortions, mainly in cases of pregnancies from sexual crimes or where the mother's mental or physical health would be endangered.

The abortion recommendation was passed by the criminal justice group Thursday and almost reached the floor Friday but was deferred until today's closing session.

Steel Wage Agreement Announced By Johnson



ACTING PREMIER SIGNS SALVATION ARMY SCROLL

Hon. Alban Farmer, acting premier, signs the Salvation Army's Centennial Scroll. The scroll is being taken to 100 cities across Canada as one way of marking the centennial of the founding of the Salvation Army. It has already been signed in parts of Newfoundland and Nova Scotia and goes from here to centres in New Brunswick. The trip, which started 14 days ago in St. John's, will take 100 days, ending in Vancouver. Looking on are Councillor Dorothy Corrigan, left, Brig. W. Crozier, Toronto; Reg. Boyne, chairman of the local Salvation

Army advisory board: Capt. R. Nelson, Charlottetown; and Capt. J. Johnston, Trenton, Ont.

Khruhchev Out Of Hospital After Series Of Medical Tests

MOSCOW (AP)—A daughter of Nikita Khruhchev said Friday the 71-year-old former premier entered a hospital for medical tests—last month but is back home now in good health.

Mrs. Rada Adzubei told a reporter the tests were normal ones for a man of his age, but she declined to go into detail.

"Reliable Communist sources in the Soviet capital say Khruhchev has been suffering circulatory troubles and had been under regular medical observation since his fall from power last October. They agreed he was back at the country dacha outside Moscow where he went into seclusion after he was ousted in a bloodless coup.

Attempts to get official confirmation for Khruhchev's hospital confinement and news of his present condition ran up against the usual stone wall of Soviet silence. The press department of the Soviet foreign ministry, declined comment, saying: "He (Khruhchev) is an ordinary citizen. We do not have anything to say about this."

The Khruhchev dacha, about 15 miles west of Moscow, is guarded. The former premier is reported to be living there on a pension of 462 rubles (\$50) a month, with a car and chauffeur provided for his use.

Quebec Farmers Block Highways

CHICOUTIMI, Que. (CP)—Determined farmers of this Lake St. John-Saguenay district carried out their threats Friday by blocking roads with slow-moving tractors and then called a halt to the demonstration for the night.

Local leaders of the Catholic Farmers' Union said more than 1,000 tractors were on the roads. Quebec Provincial Police, whose normal force of 60 in the area was bolstered by 100 from Quebec City, reported no incidents and said they had received co-operation from union leaders.

Police said the farmers obeyed orders to discontinue two lines of traffic, but there were some minor snarls and delays.

Union leaders said the road-blocking will continue today unless there is a change in the situation.

The farmers are demanding \$5,000,000 from the Quebec government as compensation for crop loss and damage from heavy rains in the summer of 1964. They have also said they will not repay government farm loans until their demands are met.

The union local, with 3,300 members, said it was dissatisfied with the Quebec government's announced \$1,000,000 aid grant.

Contract Would End Giant Strike Threat

WASHINGTON (AP)—President Johnson announced Friday night that negotiators "have reached essential agreement" on a new contract that would erase the threat of a country-wide steel strike.

Johnson, who made the announcement in a radio-television address, persuaded industry and union negotiators to move their talks to Washington last Monday and postpone a scheduled strike.

He did not disclose the basic terms of the settlement but said: "The settlement is a fair one. It is squarely within the limits set by the national wage-price guideposts which are designed to prevent the inflation which would damage our prosperity. It is also within the guiding spirit of free collective bargaining."

Barely three hours before making the announcement, Johnson had sent Labor Secretary W. Willard Wirtz and Commerce Secretary John T. Connor to present to the 10 negotiators "specific administration suggestions aimed at compromising their differences and reaching an agreement."

Thursday the president met personally with the company and union representatives to appeal for a settlement before Labor Day and to avoid a strike which he said could be more damaging than a recession.

After Johnson moved the negotiations from Pittsburgh to Washington, he obtained an agreement to postpone the strike deadline from 12:01 a.m. last Wednesday to 12:01 a.m. next Thursday.

Then he sent the negotiators—six from the United Steelworkers Union and four from 10 companies which make about 80 per cent of the country's steel—into intensive sessions in the executive office building. Johnson said members of the wage policy committee of the United Steel Workers Union will meet soon in Pittsburgh to consider the proposed settlement.

"I hope and expect they will swiftly ratify this agreement," he said.

MET HALF WAY?
Reports were that the union had lowered its 50-cent-an-hour demand in wages and fringe benefits over the three-year period to about 48 cents. At the same time, management was reported to have raised its offer to about 43 cents.

On the average, steelworkers now receive about \$4.40 an hour in wages and benefits.

The steel settlement fashioned under presidential prodding (Continued on page 3 Col. 7)

China Challenges U.S. To Send Troops To Fight

By VERGIL BERGER
PEKING (Reuters)—China Friday challenged the United States to send troops—"the more the better"—to fight a war on the Asian mainland and warned it would annihilate them and "even give you receipts."

The challenge, coupled with new attacks on "Khruhchev revisionists" who fear nuclear war, came in a 7,000-word article by Lin Piao, Chinese vice premier and defence minister. Lin claimed the United States is "in danger of being swamped" in Viet Nam and said the war there shows that "what the Vietnamese people can do, the people in other parts of the world can do, too."

He said conditions now are more favorable than ever before for waging a "people's war" against the U.S. and he promised increasing Chinese aid for such wars as the country grows stronger.

75 Deaths Predicted During This Weekend

Many Canadians are spending their last weekend at the cottage before school starts Tuesday and the Canadian Highway Safety Council has predicted 75 persons will die in traffic and another 2,200 will be injured during the three-day Labor Day weekend.

The council said in Ottawa Friday each mile of highway in the country will have some 18 cars driving on it this weekend.

Provincial officials appealed to motorists to use common sense and stay alive as the country faces another killer weekend. Last year, 101 persons died in traffic Labor Day weekend, 20 short of the record 121 killed in 1963.

In line with attracting attention to Canada's 7,400,000-member labor force, government officials issued Labor Day statements.

Quebec Wants Room For Labor Government

Premier Jean Lesage of Quebec called for major changes in federal labor law to make more room for independent Quebec action in the field. The province, he added, is working out a labor policy to catch up with other forms of economic activity.

The three party leaders may meet after Hyllon-Foster's funeral to discuss a replacement for the late Speaker who ran as a non-party candidate in last October's general election.

By tradition, neither the Speaker nor his two deputies—at present one Labor and one Conservative—vote in Commons debates. There never has been a Labor party speaker.

LABOR SPEAKER?
Dr. Horace King, Labor's senior Deputy Speaker, is widely expected to become the party's first Speaker and Sir Samuel Storey, a Conservative, is likely to move up in his place.

But both Conservative and Liberal party sources made clear they would resist any government pressure on them to fill the third remaining post of Junior Deputy Speaker.

Future Left Hanging

Lengthy Crisis Looms For Labor Government

By GEOFFREY WHITEHEAD
LONDON (Reuters)—The prospect of a lengthy political crisis looms in Britain with the Labor government facing the possibility that its razor-thin parliamentary majority will be wiped out.

Uncertainty over the timing of a general election continued as Labor, Conservative and Liberal party groups held intensive but separate talks Friday on the situation following the death Thursday of Sir Harry Hyllon-Foster places Prime Minister Wilson's Labor government in danger of seeing its over-all majority of two in the House of Commons cut to one, or even eliminated entirely.

No inter-party soundings on the situation are to be held until after Hyllon-Foster's funeral Monday.

The future of Britain's third post-war Labor administration now hinges on a replacement outcome of a by-election in the labor-held seat.

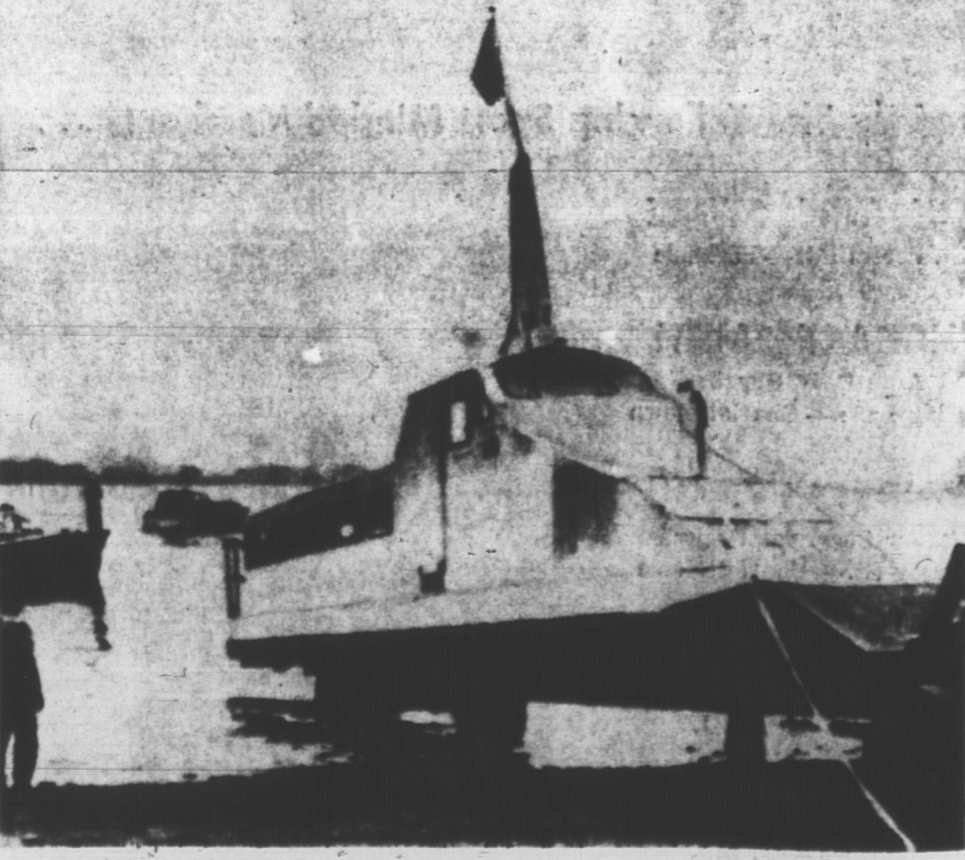
Neither Edward Heath's Conservative party nor Jo Grimond's minority Liberals seemed in mood Friday to help the government, already hit by sickness and discontent among some of its own supporters.

But sources close to the prime minister insisted there was no reason why the government should be forced into an early election. They expressed confidence that the crisis would be over by the time Parliament returns from its summer recess Oct. 26.

Schweitzer Condition Deteriorating

LAMBARENE, Gabon (AP)—An American heart specialist joined in efforts Friday to save 90-year-old Dr. Albert Schweitzer, ill since Sunday. Dr. David Miller flew into this jungle outpost after being summoned to the bedside of the famous old physician.

Dr. Walter Munz, 32-year-old Swiss physician who took over medical supervision at the jungle hospital in February, described Schweitzer's condition as "gradually deteriorating," though he had a quiet night.



FOR COMMUTING ON LAKE ONTARIO?
This is a prototype of the hydro-jet which may be carrying commuters across Lake Ontario next summer. A Toronto company, Lake Ontario Transportation Co., says the high speed boat would carry passengers between Ottawa, Toronto and Hamilton at speeds up to 100 miles an hour. The company is seeking docking facilities in Toronto.