



**POLITICAL CHALLENGER WOUNDED**

Fred D. Hubbard, a challenger in Illinois' 1st Congressional district Democratic primary, talks to his wife, Arnete, and comedian Dick Gregory from his hospital bed yesterday after he was shot by a mystery gunman. Hubbard, a 36-year-old social worker, was shot in his left shoulder as he sat in his campaign headquarters. His assailant fled after firing once. (AP Wirephoto)

## Security Of This Country Comes 1st In Spencer Case

By H. L. JONES  
VANCOUVER (CP)—Mr. Justice Dallon C. Wells said Thursday security comes first when considering what witnesses to call on hearings of his royal commission into the Spencer affair.

"The security of this country is of more importance than the publicity of this hearing," he said after he opened Vancouver hearings.

The statement was made during clashes with Harry Rankin, lawyer of the estate of Victor G. Spencer, dismissed postal clerk and alleged Russian spy, who died last month.

The judge rejected Mr. Rankin's request that witnesses who gave the RCMP information in Ottawa hearings be called.

"That would involve disclosure of this country's intelligence methods," he replied.

**ASSUMES ACCEPTANCE**

The transcript also contained a statement which the RCMP said was given by Spencer. Mr. Justice Wells said at one stage he assumed that Mr. Rankin accepted the statement because he refused to cross-examine an RCMP witness who said he took it.

In his evidence RCMP assistant Commissioner W. H. Kelly, director of security and intelligence, said Spencer's actions fitted into a program of espionage. Spencer's statement said he performed a number of assignments for the Russian embassy and he eventually suspected he was being used as an agent.

Mr. Justice Wells is investigating Spencer's dismissal from the post office after allegations were made of his spying for the Russians.

Other testimony was that Spencer felt he was unfairly dealt with when he was dismissed without pension, that he had told friends he had made mistakes but did not mention what they were and that he had made trips to Ottawa. A doctor said Spencer went through a "psychological crisis" after having a cancerous lung removed last year.

**DISCUSS TRANSCRIPT**

The main discussion in the morning sitting revolved round the 99-page transcript of evidence taken last month in Ottawa.

Mr. Rankin eventually said he would sit in on the hearings only as an observer and refused to cross-examine RCMP Sgt. M. G. Low who said he had taken the statement from Spencer.

He said he felt the evidence of Commissioner Kelly, which contained a number of allegations against Spencer, was the main evidence on which any future action would be taken. He demanded the right to examine the sources of Commissioner Kelly's information.

The RCMP official's statements were the option of an "expert on espionage," were not evidence and should not be included, he said.

Mr. Justice Wells agreed there was hearsay evidence but added that his terms of reference permitted him to accept it and judge it.

"When I come to make my report they (hearsay evidence) will be evaluated in that context."

**REJECTS IDEA**

He disagreed with an observation by Mr. Rankin that Commissioner Kelly's statements are the key to the whole affair. He suggested Spencer's statement was more of a key.

Dr. Stanley Sunshine, testifying about Spencer's medical history and mental condition, said the clerk did not consider himself a spy.

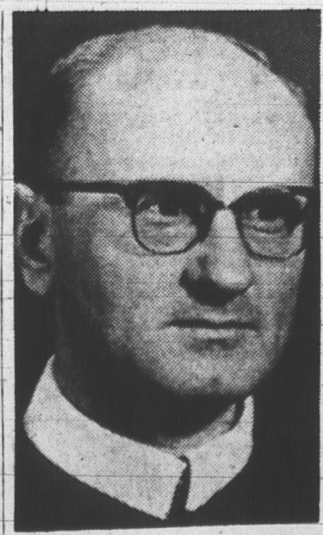
## SDU President Announces Speaker

Rev. Dr. Clark McAulay, C.S.S.R., of Quebec City will deliver the Baccalaureate Sermon to the graduates of St. Dunstan's University on Sunday, May 8, it was learned last night from SDU president, Rt. Rev. G.A. McDonald.

Dr. McAulay is a native of Charlottetown, a son of the late Mr. and Mrs. Louis McAulay. Two brothers, Loman and Frank, reside here, as well as three sisters, Alma, Florence and Jessie. Another brother, Elliot, lives in Halifax, and a sister, Carol Ann, in Ottawa.

After receiving his early education at Queen Square School, Dr. McAulay attended St. Dunstan's University where he received his Bachelor of Arts degree in 1947.

Following a year of further study at St. Mary's Redemptorist College, Brockville, Ontario, he entered St. Alphonse Seminary, Woodstock, and was ordained a priest in June, 1952.



REV. DR. McAULAY

## Parliament At A Glance

By THE CANADIAN PRESS  
THURSDAY, May 5, 1966

The government introduced a resolution in the Commons seeking approval of the Canada-U.S. auto trade agreement.

The Commons passed a bill to exempt the British Columbia fishing industry from the Combines Investigation Act for purposes of collective bargaining.

It also passed a bill setting out divisions of responsibility between the National Research Council and the Science Council of Canada.

The Dominion Bureau of Statistics reported the consumer price index in April rose eight-tenths of a point to a record 143.9.

**CONTINUED STUDIES**

He then continued his studies at the seminary for another year before proceeding to Rome in 1953 for advanced study at the Pontifical Institute of Canon and Civil Law of the Lateran University.

During his three years in Rome he received a Baccalaureate in Canon Law (J.C.L.), and, at the end of his third year, the degree of Doctor of Canon Law (J.C.D.), magna cum laude.

On his return from Rome, Dr. McAulay was appointed professor of Canon Law at St. Alphonse Seminary where he served for a year before assuming a similar position at Holy Redeemer College, Windsor, Ontario, where he taught for nine years. He has been acting as curate

## Elderly Woman Fatally Injured

MONTREAL (CP)—A 63-year-old woman was killed and eight others injured—four seriously—when an explosion ripped through the ground floor of a shoe factory Thursday.

Detective Lieutenant Leo Plouffe, the Montreal police department's bomb disposal expert, said he believes four sticks of dynamite, possibly made up into a bomb, caused the blast.

The explosion came at lunchtime, while many of the firm's employees were out of the factory

# Government Officials Fear Delay In Medicare

## New Opinion Is Expressed On Lobster Market Prices

By NEIL MATHESON  
The question of prices being offered for lobsters continued to be the most controversial news subject in the province through last evening. This time, however, there are new opinions expressed that tend to balance somewhat the views in stories The Guardian carried yesterday and on Wednesday morning.

Joe Gaudin, a North Rustico man with 19 years of experience in marketing of fisheries— he was manager of North Rustico fishermen's co-operative for 17 years—said last evening "I am somewhat amazed at the two new releases re survey on lobster prices by Reid Sangster and Mike Gillis."

There were several other developments late yesterday that have a bearing on the lobster price controversy. On Wednesday, John O'Brien, Boston was quoted through Mike Gillis, CBC Halifax as saying there are no concentrations of lobster meat held in the Boston area—these included the Gloucester, Bedford and Boston areas, apparently, labelled by Reid Sangster, Island marketing director as "the best sales area in North America" for lobster meat.

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## Minister Commends Agreement

OTTAWA (CP)—The government Thursday sought Commons approval of the auto parts agreement with the United States signed Jan. 18, 1965.

Industry Minister Drury, in a figure-packed speech, said the agreement "is one of the most important and imaginative trading arrangements ever made between our two countries."

Its success had been "more than amply demonstrated" by new investments, increased employment, expanded production, greater efficiency, higher exports and less difference between the price of a car in the U.S. and Canada.

The agreement allows Canadian-made motor vehicles and original parts to enter the U.S. duty-free.

Canadian auto manufacturers may import U.S. vehicles and parts duty-free under some specific requirements.

Mr. Drury's appeal for strong support of a resolution ratifying the agreement was to be followed by opposition comment.

Earlier, two minor pieces of legislation were passed.

One extends, for collective bargaining purposes, the exemption of British Columbia fishermen from prosecution under the Combines Act.

The other tidies up the division of responsibilities between the National Research Council and the new Science Council of Canada.

## Hospital Beds Are Inadequate

By KEN KELLY  
OTTAWA (CP)—Federal authorities are concerned at what they take to be signs of pressure to postpone the target date for federal contributions to medical care insurance, informants said Thursday.

Part of the pressure is pegged to arguments that the number of hospital beds is inadequate to handle the patient load and that current medical personnel are strained to the limit.

Informants say the aim may be to press the federal government to defer its announced July 1, 1967, starting date on medical care insurance in favor of stepped-up programs to expand hospital bed facilities.

This may be behind the request of the Canadian Medical Association for an urgent meeting later this month with Health Minister MacEachen who has been sticking firmly to the target date since it was announced almost a year ago.

He told the Nova Scotia Medical Society late last month that he is confident a system of medical care insurance programs will be in force by July 1, 1967.

Mr. MacEachen has been seeking every opportunity available to do missionary work for the federal proposals with medical groups and with CMA representatives at a series of meetings since last fall.

The pattern of his statements remains unchanged. He repeats the federal offer to pay half the average national per capita costs of provincially-sponsored medical programs which meet four conditions.

The conditions are that provincial plans cover the full range of services provided by general practitioners and specialists, that coverage began with at least 90 per cent of the population of a province rising to 95 per cent in three years, that the plan's administering agency be non-profit and subject to provincial audit and that insurance benefits be transferable from one province to another.

Cost of the federal contribution has been estimated at about \$350,000,000 but is expected to start after that date to any province that has a plan in force that meets the four conditions.

## Farmers Union Seeking Support

OTTAWA (CP)—The National Farmers Union has decided to seek the support of other organizations in a campaign to force a royal commission inquiry into the food industry.

The decision was made at a national council meeting of the organization which ended Thursday. The NFU asked the federal government for the inquiry Tuesday.

President Roy Atkinson of Saskatoon said after the council meeting it's in the interests of all Canadians to find out "where we are going" in the whole area of food processing, packaging and distribution.

More and more of the consumer's dollar is going for processing and packaging with no return in value.

Food manufacturers are increasing the number of processes in which the product is subjected with an eye to making money on each step, he said.

Supplies of crab meat in the Boston area were said by the same Mr. Hull to be modest to liberal, Thursday evening's CBC fisheries broadcast reported.

The same broadcast said, though, that 7,000 pounds of Nova Scotia lobster sold Thursday on the Boston market for 78 cents, or a little better than 84 cents, Canadian equivalent.

The CBC broadcast last evening was by Jack Johnson. Mr. Gillis was in Fredericton, N.B. on an important assignment.

Mr. Gaudin's suggestion he is speaking as "an independent observer" is correct. He is no longer connected with any fisheries organization, but speaks from the store of knowledge gleaned over the long period he served in the fish marketing business when he was Co-op manager at North Rustico.

Mr. Gaudin raises an interesting point when he says it is not the quantity... but the type of pack that is important when pricing is concerned.

**TYPE OF PACK**

"The detrimental effects that the holdings of lobster meat are having on the markets are not due to the quantity of the pack being held but to the type of pack. When a supplier is dealing with a product which has to be sold within a given period of time, as is the case with frozen lobster meat, it takes a very small surplus to upset the proverbial 'Apple Cart'. No one knows this better than my good friends the Hon. Andrew MacRae and Mr. Sangster from their experience with a few extra car loads of potatoes over and above the normal market requirements during the latter part of the marketing period for this product. If the quantity of canned lobsters held was in hermetically sealed tins the picture would be changed completely.

"In some instances, at least, Mr. Gaudin continues there are also reasons for the variety of prices being offered. Even around our small island the percentage of market lobsters in relation to canner size lobsters varies from 6 per cent markets and 95 per cent canners to over 50 per cent canners and less than 50 per cent markets. When these lobsters are being bought ungraded and prices for market size lobsters warrants 15 to 20 cents more per pound than canners this can be a considerable factor in the average price.

"It has also been proven that there is a great difference in the average yield, from one area to another, of canner lobsters for processing. In some areas a case of canned lobsters can be processed from 140 lbs or less of raw lobsters, while in other areas the yield is 160 lbs. or more per case. Basing this on an average price of 50c per pound, it represents a difference of \$10.00 per case on the finished product.

**SUDDEN DROP**

"Due to the fact that my humble experience in fisheries was acquired in an area where a very small percentage of market lobsters were caught", Mr. Gaudin continues, "I do not feel qualified to make any elaborate observations on this. Suffice it to say that prices for market lobsters have been known to drop as much as 30c per pound in one day.

"Market lobsters have to be (Continued on page 3, col. 3)

## HE SUMS UP

Sir Fenton Atkinson, the judge in the Chester England, Moors Murder trial, arrives at court yesterday to sum up for an all-male jury trying Ian Brady, 28, and his girl friend, Myra Hindley, 23, charged with murder of two young boys and a 10-year-old girl. The trial has become a "cause celebre" attracting the attention of the world. (AP Wirephoto)



**BOGGED DOWN**

Ralph Reid, 47, of Spokane, Wash., seen behind the wheel of his bogged down Porche about 35 miles east of Sault Ste. Marie Thursday, gets an assist back to the 4,000-mile Vancouver-Quebec City rally route. Reid and co-driver Joseph Creststad, 38, of Colbert, Wash., rank 18th. (CP Wirephoto)

## Trade Board Makes Denial

By HAROLD MORRISON  
LONDON (CP)—Fresh public comment that Britain's new job tax is in effect an export subsidy breaching the spirit of international tariff pacts has brought a firm denial from the British Board of Trade.

A spokesman for the board, a government department in Britain, said Thursday the government has adequate defences against any challenge since the tax, which carries with it a special government gift to mills and factories, was not specifically designed to boost exports—although this may be one of the results.

Under the General Agreement on Tariffs and Trade, member countries have a gentlemen's understanding they won't take unfair advantage of each other by providing their exporters with under-the-counter benefits that could result in cut-price marketings.

The Conservative-leaning weekly Spectator says the average £1-a-week job tax, to be borne mainly by the service industries, is "the worst possible kind of subsidy imaginable."

Manufacturers, who provide Britain with 85 per cent of its exports, not only get a full tax rebate but an additional government payment of seven shillings, sixpence for each man employed.

## VIET CONG RINGED

SAIGON (Reuters) — Preparations for a national election in South Viet Nam hit a snag Thursday when a civilian planning committee clashed with the military government over the body's authority.

Some committee members were involved in what the official Vietnamese press agency called a "lively argument" with Interior Minister Tran Minh Tiet over its exact status for a national election, originally scheduled for mid-August.

As the representatives clashed with the government in Saigon, a crowd at a large Roman Catholic rally in Da Nang heard speakers criticize the activities of the Buddhist-led "revolutionary struggle force" which last month led demonstrations calling for a return to civilian rule.

In Saigon the first meeting of the 32-man committee, formed to draft a national election law, ended after 3 1/2 hours following demands that the administration provide it with a firm legal basis for its work.

The news agency said committee speakers disagreed with the government view that any draft election law they produced would still have to be approved by the "directory" of generals.

**DON'T DECREE**

They called on the government to publish a formal decree confirming the committee's responsibilities.

Government sources said Premier Nguyen Cao Ky signed such a decree last weekend, but some speakers at Thursday's session complained that it was not formally issued.

Tiet said he would discuss the matter with Ky and called a temporary halt to the talks.

Meanwhile, Saigon newspapers reported Ky had declared during a provincial tour the election might not take place before October.

Catholic leaders and some university professors have said the three-to-five-month deadline pledged by the generals in mid-April was too short to organize efficient elections.

**VIET CONG RINGED**

Meanwhile, the Associated Press quoted a U.S. spokesman as saying American and South Vietnamese forces have forged a double ring around 300-to-400 Viet Cong in a valley in central Viet Nam.

U.S. units clashed with the large Viet Cong force in the Bong Son area, 280 miles north-east of Saigon and the scene of major fighting earlier this year.

Seventy Americans were killed in action in South Viet Nam during the week that ended Sunday, it was announced Thursday. South Vietnamese dead totalled 227.

A total of 589 Americans were wounded and seven listed as missing, an American spokesman said.

## Commons Committee Examines Procedure

OTTAWA (CP)—Should the government be tough or merciful with employees caught with their hands in the till?

The Commons public accounts committee heard conflicting views on this question Thursday in examining the case of a 60-year-old former postal employee retired without loss of pension rights after accepting responsibility for falsifying his records worth \$2,156.

William H. A. Thomas (PC—Middlesex West), noting that the deficiency had been made good from the retired employee's annuity, said he disagrees with Auditor-General Maxwell Henderson that the full penalty of the law should have been invoked.

If the employee had been jailed, the money would never have been recovered. The law shouldn't be invoked in such cases without mercy.

However, Elmer Forbes (PC—Dauphin) said no precedent should be set by leniency in such cases. It should be clearly demonstrated that if government employees abscond with funds, they will be fired, lose their pension rights "and something beyond that."

Mr. Henderson said his objection to the procedure wasn't on the ground of mercy shown the employee, who was not named before the committee.

He objected to the department retiring him on pension from which the missing money was collected. The department had no right to make such deals with respect to civil service pensions. This was the responsibility of the treasury board.

A member of Mr. Henderson's staff said evidence in the case showed that someone entered the post office, opened the safe, placed a number of records in a waste basket set fire to them and left the building, locking the door behind him.

Investigation of the fire and suspected robbery resulted first in the employee's suspension and then, after he admitted responsibility for a shortage of funds, in retirement.

Jack Bigg (PC—Athabasca), a former RCMP sergeant, said the case sounded like arson to him, "involving danger to life and property"