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The Guardian

"Covers Prince Edward Island Like The Dew"

WEATHER

Clearing in morning; much colder; light winds. Low-high at Charlottetown 20 and 30. Outlook for Sunday — Rain.

16 PAGES | Authorized as Second Class Mail by the Post Office Department, Ottawa | CHARLOTTETOWN CANADA, SATURDAY, DECEMBER 28, 1957 | NOT MORE THAN FIVE CENTS

ONLY PART OF REQUEST

Railways Granted 3.6% Freight Rates Increase

OTTAWA (CP)—The board of transport commissioners Friday awarded the railways a $15,000,-000-a-year freight rate increase of 3.6 per cent.

Spokesmen for some of the eight opposing provinces immediately protested. And the railways expressed disappointment that they did not get more.

There were indications that all but Ontario and Quebec might appeal to the cabinet.

The authorized increase, transport board officials calculated, would yield the CNR an additional $8,700,000 and the CPR $6,300 000 a year.

The companies had been seeking a 10-per-cent increase which, it was estimated, would have given them around $35,000,000 a year.

The judgment, culmination of a case that started in 1956,, meant the railways finally obtained a full 15-per-cent increase but not an additional amount they asked for last fall.

Last year, the board gave them increases totalling 11 per cent, leaving four per cent hanging fire. Last fall, the railways asked for six per cent more.

NOW STUDY ACTION

In a joint statement Friday night, the management of the CPR and the government-owned CNR said the 10-per-cent increase sought last August was the minimum they could request and that the 3.6 per cent granted by the board has prompted study of "appropriate action." Railway revenues had "further deteriorated" since the application to the board.

The statement, issued in Montreal, said the board in its judgment had refused the railways the right to earn anything on its very large outlay for railway plant and equipment in the last 10 years.

It concluded:

"The seriousness of the board's refusal to allow an earning power on additional investment and the consequences this can have on the railways' future plans now is being urgently considered by the railways. In the light of that consideration, appropriate action is being studied."

Friday's decision amounts to giving the railways four per cent on rates in effect at the time last year's application was made, and 3.6 per cent on those in effect now.

EFFECTIVE JAN. 15

The carriers were authorized to put the increases into effect Jan. 15.

While the percentage increase is effective for most products, there are certain exceptions.

On coal and coke, it is limited to seven cents a ton. This is in addition to 18 cents granted last year.

The increase does not touch the low Crowsnest Pass rates on grain moving within the West for export, which were set by parliamentary statute in 1925.

Another major exception is Western Canadian lignite coal. Spokesmen for lignite operators told the board their industry would be threatened by another increase.

Possibility of an appeal to the cabinet arose over the inclusion of a CPR deferred income tax fund as a legitimate charge against current earnings, of which freight tolls make up the major part.

The Canadian Pacific is used by the board as the "yardstick" line for setting rates. The tax fund amounts to $9,500,000 a year currently.

Provincial governments contended it was improper to charge such an amount against freight rates unless there was a definite tax liability in a given year.

WOULD STUDY APPEAL

L. F. McIntosh, Saskatchewan municipal affairs minister said in Regina his government would be glad to consider an appeal with other governments over the tax issue.

"What most alarms us," he said, "is that the board has recognized the right to charge to the freight payers a large sum which they carry in their deferred income tax reserve. . . . If this had been disallowed, as the provinces maintained it should have been, there would have been no increase allowed."

He said the economy of the Western provinces will be seriously affected by the increase.

Newfoundland Premier Smallwood said his province, farthest from the industrial centres of Canada, can afford the freight rate boosts "less and will feel it most."

He declined further comment.

Nova Scotia Premier Stanfield would not commment on the freight rate increase except to say it would be detrimental to the province. He said any comment, or action, by his government will depend on what implications the new increase will have when higher rates are applied.

Premier Fleming said in Fredericton the New Brunswick government views the increase "with alarm." He would not say whether his government will appeal the decision.

Intensified Search Is Seen For Cheapest Transportation

MONCTON (CP) — Howard Mann, executive manager of the Maritimes Transportation Commission, said Friday a 3.6 increase in freight rates granted Canada's railways will lead to a greater search by our industry for the most economical way of shipping goods."

Mr. Mann said the board of transport commissioners' decision had not yet been seen by the commission and a full statement could not be made until reasons for the increase are known.

"We don't know yet how they are going to be applied," he said. "In the past we have taken pretty much the full increase. In sections sensitive to truck competition, they didn't take the increases in full or at all, in some cases."

DOESN'T UNDO EFFECT

Mr. Mann said that although freight rate increases have been small individually since June 30, 1956 "it still doesn't undo the overall effect of a 15 per cent increase."

The transport commissioners authorized the railways last year to increase rates by seven per cent and later authorized a further increase of four per cent.

Approval Friday of a further 3.6 per cent boost brought rates to the increase originally sought by the CPR and CNR in 1956. The board rejected an application filed last fall for another six per cent hike.

GERALD Sarracini, 30, right, Canadian actor playing the role of Romanoff in current Broadway show "Romanoff and Juliet," died in New York Dec. 26 of injuries suffered in a beating. Sarracini was staying with a friend, ex-boxer Tommy Bell, left, when both were assaulted. (AP Wirephoto)

200-lb. Laborer Is Held In Slaying Of Canadian Actor

NEW YORK (CP) — A 200-pound laborer was held without bail on a homicide charge Friday after police said he admitted the one-punch slaying of Canadian actor Gerard Sarracini.

A trivial exchange of words outside a Manhattan bar, near where Sarracini, 30, was a star in the Broadway play Romanoff and Juliet, was the spark that started a fatal brawl, police said.

The laborer, Monroe Gibson, 26, was quoted by police as saying he also floored Sarracini's companion, Tommy Bell, 34, in the brief battle before dawn on Christmas Day. Gibson and Bell are Negroes.

Gibson was held pending appearance before a grand jury, which under American law has the responsibility of deciding formal charges. No date was set for this.

Sarracini, who played Romanoff in the Broadway comedy, was a native of Toronto and recognized as a talented performer in show business.

Police said they have determined that Sarracini and Bell, a former prizefighter who once staged a close bout with the famed Sugar Ray Robinson, were making a tour of taverns early Christmas morning before the fatal street fight.

SOUGHT BAR ENTRY

They were passing a bar on Broadway at 64th Street when they saw Gibson trying to enter the building although it was past the 4 a.m. New York closing time.

"You can't get in there," Sarracini admonished Gibson.

Police said words were exchanged and then Gibson felled both Sarracini and Bell, and also menaced Bell with a gun, which turned out later to be a toy.

Sarracini died Thursday.

Tax Cuts Won't Show In Cheques Until Early Feb.

OTTAWA (CP)—Those income tax reductions announced by the government earlier this month probably won't be reflected on your pay cheques until early February.

Revenue officials said Friday they are moving as quickly as possible to get the new mathematical tables for calculating the deductions out to employers.

But the printing of some 250,-000 of these forms takes time. Printing and distribution may not be completed before Feb. 22.

So for some 4,000,000 Canadians—those who pay taxes as they go through payroll deductions—it may be a case of overpaying slightly on their 1958 federal taxes.

MUST HAVE TABLES

The announced reductions become effective Jan. 1, but employers are not authorized to make any changes until they get the new mathematical tables. Until these tables are in their hands, employers will have to apply the old, higher rates, he said.

Claims on the overpayments can be made by taxpayers when they file their 1958 returns in the spring of 1959.

Under the tax cuts announced Dec. 6, the rate on the first $1,000 of taxable income is reduced to 11 from 13 per cent and on the second $1,000 to 14 from 15 per cent. Allowances for dependents are increased by $100—to $250 a year from $150 for children of family allowance age and to $500 from $400 for other dependents. All told, this is expected to reduce federal revenues by some $146,000,000 a year.

FILE NEW FORMS

The higher allowances will mean that millions of taxable wage-earners will have to fill out new employees' tax exemption claims, commonly known as TD-1 forms.

Technically, the government could force employers to delay the tax reductions until the new forms are completed. But this could mean a delay of several months and could lead to a lot of gripes by taxpayers.

So employers will be allowed to go ahead and make the reductions just as soon as they get the new tables. The new TD-1 forms will be distributed later.

Eisenhower Goes To Farm

WASHINGTON (AP) — President Eisenhower left Friday for a New Year's stay at his Gettysburg, Pa. estate.

The president was accompanied by Mrs. Eisenhower.

Eisenhower plans to spend about a week at Gettysburg resting and working on the state of the union and other messages which will go to Congress soon after the opening of the next session Jan. 7.

Report 45 Trapped By Blast

AMONATE, Va. (AP)—An underground explosion in a big coal mine straddling the Virginia-West Virginia border trapped an estimated 45 men more than 500 feet underground Friday but first reports that 20 to 25 men were killed could not be confirmed.

The mine reports said it was not known whether any of the men, trapped in two sections of the mine, were killed. Rescue teams from throughout this coal mining area in southwest Virginia and West Virginia about 50 miles from Bluefield, Va.-W. Va., were called to search for survivors.

Earlier reports from West Virginia state police said 100 to 200 men were working in the mine at the time of the blast at about 6:30 p.m. EST. The mine employs 735 men.

It was only about three miles away at Bishop, Vla., where 37 men died Feb. 4 when an underground explosion occurred in another mine. But the Bishop mine and the mine where Friday's explosion occurerd — the Amonate Colliertes — are owned by Pocahontas Fuel Company.

The arrangements at both mines are similar. The shaft entrances are on the Virginia side of the border while the tipples and most of the mines themselves are in West Virginia.

The shaft entrance of the Amonate mine is 580 feet deep. The men believed trapped were working at about 583 feet.

"SAUCERS" FOR SNOW

HAMBURG, West Germany (Reuters)—Tobogganing on "flying saucers" — saucer - shaped aluminum disks — is the latest sports craze in many German winter resorts, the mass-circulation newspaper Bild-Zeitung reported Friday.

Charges US Hampering Or Blocking Defence Plans

Soviet Union Opens New Offensive Against West

By ANTOINE YARED

CAIRO, Egypt (AP) — The Soviet Union opened a new offensive against the West Friday with a sweeping offer of economic aid to all Asian and African countries, accompanied by a suggestion they nationalize foreign businesses.

Russia presented its plan in an economic report to the Afro-Asian Peoples' conference. The meeting opened Thursday with about 400 delegates present. Five cabinet ministers are officials, the conference is on delegates, representing 38 countries, a non-governmental level.

The suggested nationalization could strike at Western oil projects and the vast oil potential of the African continent and southern Asia. France's exploration to develop Sahara Desert oil fields are an example.

Sharaf R. Rashidov, leader of the 27 - man Soviet delegation, read the offer to bursts of applause.

"We are prepared to help you as a brother helps brother, without motives," he said.

"Tell us what you need and we will help you and send, according to our economic possibilities, money needed in the form of loans or aid."

He said Russia is able to "build for you institutions for industry, education and hospitals. We can send economists to you or you can send economists to our country."

CLAIMS NO STRINGS

"We do not want any privileges for ourselves," he said. "We do not ask you to join any blocs or change governments or change internal or foreign policies."

On the other hand, he asserted, United States aid invariably is accompanied by demands to join pacts, "loss of independence, interference and an end to peaceful coexistence."

Rashidov, vice-president of the Supreme Soviet Praesidium said one of the best ways for underdeveloped countries to build economies was to nationalize their industries and use the profits for industrial expansion.

The experience of the Soviet Union and other Communist countries, he said, had ben that this was the "most rapid, effective policy and the least painful to the population."

"We remember the experience of Egypt in nationalizing the Suez Canal and using the profits for Egypt," he said. "Indonesians are now embarked on the same path. Indonesian patriots are now fighting to nationalize Dutch banks and other enterprises."

Applause filled the former Egyptian Senate chamber as Rashidov mentioned Indonesia which has placed most of the $1,500,000,000 Dutch investment under government supervision. Many Dutch businesses early this month were seized by Indonesian workers belonging to a Communist-dominated labor federation.

MUCH AID ALREADY

Rashidov cited Soviet economic aid given to countries represented here, including India, Burma, Indonesia, Egypt, Syria and Afghanistan.

"Meeting Egypt half way, the Soviet Union is granting a 700,-000,000 ruble ($175,000,000) loan," he said.

Syria and the Soviet Union also have signed an aid agreement. Syrian sources have reported the Soviet aid will run as high as $500,000,000, but its size has never been disclosed by Moscow.

Afghanistan has received $100,-000,000 in aid. The Russians are helping India with several industrial enterprises, including a steel mill.

The Soviet offer followed predictions by Western observers that the Kremlin would make a big drive in 1958 to win friends in the Middle East, Africa and Asia, with a view to driving the West from these sources of oil and other natural resources.

TEEN-AGER SHOT

HOUSTON, Tex. (AP)—A high school freshman was shot to death in front of his home Wednesday night and police sought five unidentified youths who fled from the scene in an auto. Jay Evans, 15, Wednesday hit in the forehead by three .22-calibre bullets.

POWER LINK

An under-water power cable from the British Columbia mainland to Vancouver Island has a capacity of 120,000 kilowatts.

Springhill's Mayor Says Determined To Carry On

SPRINGHILL, N.S. (CP)—The 7,000 people of this northern Nova Scotia coal town struggled Friday to cope with the aftermath of a $1,500,000 Christmas Day fire that destroyed 10 stores and business offices and four homes.

It was Springhill's second disaster in little more than a year.

Thirty-five people are homeless and at least an additional 30 are without work.

"There isn't a chance in the world for me to rebuild" Alex Leadbetter said Friday. "I just haven't the money." His men's wear store and stock, valued at $50,000, were destroyed and only partly covered by insurance. Few of the destroyed buildings were fully insured.

On Nov. 1, 1956, an explosion ripped through the Cumberland Railway and Coal Company's No. 4 colliery. Five days later 39 miners were dead and 88 others had been rescued from a gas-filled, underground tomb. The pit was never reopened.

There was no loss of life or injury attributed to Thursday night's fire.

PRESS CAR CRASHES

A car accident near the town limits resulted in injuries to five men, including Emery LeBlanc, editor - in - chief, and Delphine Richard, staff photographer, en route here to cover the fire for the Moncton French - language daily L'Evangeline.

As the town recoiled from its latest disaster, Mayor Ralph Gilroy said:

"We'll carry on if only half the main street is left." He estimated damage at $1,500,000.

C. J. Allbon, since 1928 publisher of the Springhill Record, looked at the spot where his newspaper office stood until Thursday night.

"I had a glowing editorial on Springhill's future ready for the next issue," he said. Somewhere in the ruins lay a twisted pile of metal type prepared to wish the town "Happy New Year."

Like most owners of the 10 businesses destroyed, Mr. Allbon said he would have to give a lot of thought to rebuilding.

FLAMES JUMP STREET

High winds sent flames jumping from one side of the street to the other and dropped embers on four houses, leaving 35 homeless.

"What's wrong?" asked a waitress in a restaurant saved from the flames. "We don't deserve all this—aren't we living right?"

Mayor Gilroy said assistance would be sought from the provincial and federal governments. Premier Stanfield of Nova Scotia said his government would study the situation and determine a course of action.

The fire broke out in the basement of a variety store late Thursday night and kept 75 firemen from here and nearby communities fighting for five hours before being brought under control.

Fifteen lines of hose snaked through the streets as hundreds watched in 35 - degree temperatures.

Maine Lobster Ass'n Pleads Not Guilty

PORTLAND, Me. (AP) — The Maine Lobstermen's Association and its president pleaded not guilty in U.S. District Court Friday to anti - trust indictments charging conspiracy to fix lobster prices.

President Leslie E. Dyer was released in $1,000 personal recognizance ball. Lawyer John L. Knight entered the plea in behalf of the Association which represents about 2,000 lobstermen. It is expected the trial will end in March.

Also held for trial on price fixing charges resulting from a price dispute which halted lobster hauling twice last summer are four Portland lobster dealerships and three individuals.

The MLA and Dyer are accused of conspiring to set a minimum price structure for dealers who will go to Congress soon after the opening of the next session Jan. 7.

WHILE the jury debates his fate, L. Ewing Scott is alone with his thoughts as his attorneys, P. Basil Lambros, left, and Al Williams, confer in court. (AP Wirephoto)

Convicted Murderer Insists That Wife Is Still Alive

LOS ANGELES (AP)—L. Ewing Scott, convicted of murdering his wife but still insisting she is alive, called Friday for her to come back.

Scott, sentenced to life imprisonment by the jury that convicted him, interrupted discussion of a new trial request with his lawyers to talk to reporters.

The 61-year-old former investment broker seemed hardly concerned that the decision had gone against him. He repeated his claim that wealthy Mrs. Evelyn Scott, 63, disappeared from their Bel-Air home May 18, 1955, in his absence. Scott went to Canada about a year later and was arrested trying to re-enter the country at Windsor, Ont.

"I would like Mrs. Scott, if she's read of this case and if she's able, to come back," Scott said.

"If there is anyone who has any idea where she is or knows anything about her I would like them to communicate with my attorneys."

When a reporter asked "did you kill your wife?" Scott snapped:

"I did not! It's a damned setting question."

Scott's lawyers will present arguments for a new trial Jan. 14.

Former Senior Air Officer Gives Opinion In Article

OTTAWA (CP)—A former senior RCAF officer charges that the United States is hampering and even blocking defence scientific co-operation between Canada and the U.S.

Group Capt. C. B. Limbrick, who retired last year as RCAF director of guided missiles and special weapons and of radio warfare, writes in the current issue of the Canadian trade magazine Aircraft:

"I know of many millions of dollars worth of 'made in U.S.' equipment that is being used in Canada by the Canadian forces that could have been produced here at home.

DELIBERATE MOVE

"This equipment was deliberately prevented from being made in Canada by a conspiracy of forces in the Pentagon (U.S. defence headquarters in Washington), other U.S. armed forces establishments and U.S. industry.

"In the case of equipment and work for the defence of North America, and particularly for that to be used in Canada it subsequently should not be permitted, and in fact is dangerous to our defence effort."

Group Capt. Limbrick says the U.S. has no knowledge of or in faith in Canada's potential for research, development and production of defence material.

EFFECTIVE BLOCK

"The operational personnel on both sides of the border have made an all-out effort to produce an integrated system (for research, development and production) but U.S. security policy has been extremely effective in preventing these efforts from being successful.

"Many times through logical thinking and perhaps a bit of legitimate snooping, Canadians have discovered requirements and have had bright ideas to cope with these needs, but the U.S. would refuse to hold any discussions on the grounds of security."

Group Capt. Limbrick says this situation is "frustrating and dangerous.

Canada, the U.S. and Britain had announced there will be greater co-operation in scientific effort. Group Capt. Limbrick adds:

"This will not be fully realized until a completely new approach is made by all the citizens of the U.S."

JUST TRUST US

"I would like to make a suggestion to the U.S. secretary of defence—just open up a bit, trust us and try us—we can really contribute to the defence of North America."

Another "road block" was nonexistence of a U.S. organization parallel to Canada's defence research board to co-ordinate research and development for the U.S. armed forces.

Thief Due For Big Surprise

NEW YORK (AP) — Boys collect odd things, as any thinking thief should know.

There was Allen Barnett, 16, for example, carrying a good sized box as he rode a subway toward the museum at Columbus Circle. Just before the doors closed at the 42nd Street stop, a thief snatched the box and bolted with it.

Inside were a baby boa constructor four feet long and a number of iguana lizards.

Allen had been on his way to a pet exhibit at the Coliseum.

Holiday Death Toll Reaches 57

BY THE CANADIAN PRESS

Canada's toll of accidents, Christmas season deaths has reached 59.

Of these 49 died in traffic mishaps, a Canadian Press survey from noon local time Tuesday to midnight Thursday showed.

This accounted for more than 90 per cent of the 53 traffic fatalities predicted for both Christmas and New Year's by the Canadian Highway Safety Council.

Ontario had 26 deaths, 11 in traffic. Quebec had 17 deaths, 16 in traffic.

Alberta had six deaths, four in traffic, British Columbia had five four in traffic.

Only Manitoba and Prince Edward Island reported no fatalities.

Saskatchewan had one traffic fatality.

Nova Scotia had eight deaths, four in traffic. New Brunswick had two traffic deaths and Newfoundland two drownings.

Last year, when the holiday extended over five days, there were 73 accidental deaths, 51 in traffic.

CHAPLIN HAS FLU

GENEVA (Reuters) — Comedian Charlie Chaplin is in bed with influenza, his secretary disclosed Friday.

Mr. MacLean Remaining On Duty Over Holiday Season

OTTAWA, (Special) — Hon. J. Angus MacLean, Fisheries Minister, is one of four cabinet ministers designated by Prime Minister Diefenbaker to remain in Ottawa over the Christmas-New Years holiday to look after the government's business.

The other three are Public Works Minister Green, Defence Minister Pearkes, V.C., and Finance Minister Fleming.

Mr. Diefenbaker, himself, spent Christmas at his home in Prince Albert, and flew to Nassau, in the Bahamas, on Friday for a week's vacation.

Mr. MacLean, who represents one of the Queen's P.E.I. constituencies, plans to spend several days on the Island sometime after Jan. 15. His office said Friday it would depend on how soon the Fisheries Departmental estimates can be passed by Parliament.

Russia Sends Convoy Into Antarctica Frozen Interior

LONDON (CP) — The little-explored bottom of the world took on some aspects of an international traffic jam Friday with an announcement by Moscow radio that a Soviet convoy is heading for the interior of the frozen subcontinent.

Two Commonwealth teams — one headed by Sir Edmund Hillary, conqueror of Mount Everest, and the other by British scientist Dr. Vivian Fuchs—now are racing toward the South Pole.

The Russian convoy, however, apparently is not joining this unofficial handicap. A U.S. scientific party already is encamped at the pole after getting there the easy way—by parachute.

STARTED THURSDAY

The Soviet expedition, with 30 heavily laden vehicles, pulled out of the Russian base at Mirny in eastern Antarctica Thursday.

Its initial destination is another research station at Komsomolskaya, deep inside Antarctica.

Moscow radio said the expedition will split there into two sections. One will head for the geomagnetic pole 1,300 miles from the South Pole. The other will go to the pole of relative inaccessibility. The latter approximates the geographical centre of Antarctica.

Less than 800 miles separated Hillary's New Zealand group and a British expedition led by Fuchs as they trekked through the below-zero weather of the Antarctic "summer" toward the world's southernmost point.

TRY 1st CROSSING

The British party, approaching the pole from the South American side, is attemptingt he first crossing of the ice-locked subcontinent. Hillary's group, moving toward the pole from the New Zealand side, is to lead the British expedition over the second half of the route to McMurdo Sound.

Hillary pitched camp early Friday at a spot 290 miles from the pole after deciding to push on from Depot 700, a base 350 miles from the pole, where his party originally was scheduled to link up with Fuchs.

He was expected to reach the pole in between five and seven days. Fuchs, still about 300 miles away, hoped to be there within two or three weeks.

Fuchs originally had expected to reach the pole by Christmas but bad weather and mechanical breakdowns upset his schedule. He reported to the London headquarters of the expedition Friday that he expects the rest of the trip to be easier.