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The Guardian

Snow changing about noon to rain; east winds shifting to southwest 20. Low-high 25-35. Outlook for Sunday, cloudy.

"Covers Prince Edward Island Like The Dew"

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CHARLOTTETOWN CANADA, SATURDAY, MARCH 15, 1958

NOT MORE THAN FIVE CENTS

AWARDED TO N.B. FIRM

\$1,089,000 Contract Let For New PEI Hospital Wing

The contract for the construction of the new wing of the Prince Edward Island Hospital has been awarded to the Ouelton Construction Ltd. of Campbellton, N. B. whose tender of \$1,089,000 was the lowest received.

The following tenders were also received: Kenny Construction Co. Ltd., \$1,110,000; County Construction Co. Ltd., \$1,117,670; Cameron Contract Ltd., \$1,120,333; M. F. Schurman Co. Ltd., \$1,146,800; Eastern Woodworkers Ltd., \$1,150,000.

The above tenders did not include installation of two new elevators, necessary alterations in the present building, or furniture and equipment all of which will be the subjects of separate contracts.

It is anticipated that the formal contract for the building will be signed in the course of the next two weeks.

As outlined by the board chairman Dr. J. W. MacKenzie at the recent annual meeting of the Hospital, the new building plan consists of a basement for power-house and laundry, and four floors providing respectively for kitchens, obstetric department operating units and general nursing beds. The new wing will extend from the east end of the main building. In addition, the present wards and rooms of West Second in the main building will be remodelled for a modern pediatric department. The northern half of the first floor of the main building will also be remodelled to take care of enlarged X-ray and out-patient departments, together with increased office space. This plan will provide for sixty-four new patient beds.

Premier Says P. E. I. Got Shabby Deal In Tax Grant

"A shabby deal to Prince Edward Island" was the term used by Premier A. W. Matheson in the Legislature yesterday in denouncing the inadequacy of the \$2,500,000 awarded to this Province for the next four years as its share in the Maritime Provinces adjustment grant. The amount represents 10 per cent of the total grant, the three other Provinces receiving 30 per cent each.

Sharp crossfire developed between the Premier and Opposition Leader R. R. Bell during Mr. Matheson's two and a half hour speech in the Draft Address debate.

The Federal Government, he claimed, had sidestepped its responsibility in allowing the four Atlantic Provinces to divide the grant as they did. "This division," he said, "should have been made at Ottawa."

He claimed that when the other Provinces got their share, "Prince Edward Island had to take what was left."

CONTACT MADE

American Sub Seeks Prowlers

MARINE SEAWOLF, March 11 (Delayed) (AP)—This submarine is searching the depths for suspected Soviet Undersea prowlers off the United States east coast—the first time the U.S. Navy has ordered an atomic submersible on an operation closely akin to war patrol.

The cruise started out to be another routine training operation. But a radioed order, flashed a few minutes after the Seawolf sailed from an east coast port, changed things.

Today the Seawolf is looking for an unidentified submarine—or submarines—believed to have been sighted in this area.

In itself, the presence of a Russian submarine out here, well beyond the three-mile limit, would be an act of hostility. For half a decade, there have been reports of unidentified subs off the coast.

INTERESTING QUESTIONS

What interests the navy are these factors:

What is the mission of such a submarine, what information is it gathering?

How do the Russians operate their submersibles?

And what kind of a submarine is it?

Especially the latter—what kind?

For days the Seawolf has roamed up and down deep in the ocean, never coming nearer the surface than enough to poke up radar antenna and a periscope tip. Since the search started there have been investigation of a number of possible "contacts." Most of them were "soft," the definition of vague electronic images.

But it was different the other night.

The Seawolf had her whip antenna up to hold radio talk with the other searchers. From a plane came the radioed voice of a pilot, telling of a suspected presence in the water below him.

No Recording Of House Sitting

Premier Matheson said in the Legislature yesterday that the recording machine has not been put in use this year because previous experience has shown that it was difficult to transcribe any kind of an accurate report from it.

The Premier was replying to a question from R. R. Bell, M.L.A., who wanted to know whether it was the intention of the Government to use the machine.

Mr. Matheson said an employee of the Government last year had been given the task of transcribing and editing the House proceedings as contained on the machine belts. He said the job had to be abandoned because of difficulty in interpretation.

Mr. Matheson assured the Opposition Leader that the machine would be put into operation if the House wanted it. He said it was a simple matter to hook up the microphones and have it in use for the first of the week.

British Papers Hail Choice Of Canadian By The Queen

LONDON (CP)—British newspapers Friday hail the choice of a 35-year-old Canadian as assistant press secretary to the Queen as "imaginative" and one likely to add "much-needed zest" to palace-press relations.

The appointment of Esmond Butler, assistant to the Secretary of Governor General Vincent Massey, is greeted with approving comments by columnists and editorial writers alike. They stress his journalistic experience, his good looks and bachelor status.

The Daily Express, in an editorial headed "imaginative appointment," says:

"It is the first time an Empire man has filled this vital post and the first time that a man with experience as a reporter will deal with press relations. It is a fine gesture and a timely one. It will help to strengthen the ties between the palace and the peoples of the Commonwealth."

Several newspapers suggest that Butler, who leaves Canada Monday to take up his new appointment, came to the Queen's attention during her visit to Canada last year.

The Daily Telegraph columnist, Peterborough, says Butler attracted "much favorable comment from visiting American and British correspondents during the royal visit to Ottawa last November."

The Daily Mirror said:

"The Queen noticed how smoothly Butler handled press arrangements there. They resulted in the royal couple chatting informally with reporters—a thing that has never happened in England."

The News Chronicle quotes Butler as saying: "I'm not buying a striped pants and coat outfit. I want to be as friendly and informal as possible."

Bandits Get Haul In Gems

MONTREAL (CP)—Three armed men Friday escaped with \$100,000 worth of gems from a sixth-floor diamond importer's office in downtown Montreal, police said.

They entered the office of Spitz and Remer Company with guns drawn, tied up three employees and cleared the gems—mostly diamonds—from the safe. They also stole \$500 in cash.

Two Airmen Are Killed Off Halifax

HALIFAX (CP)—A spokesman for the British home fleet said Friday two airmen were killed Wednesday night when a Sea Venom fighter plane crashed into the sea after taking off from the carrier Bulwark.

He said names of the British airmen would be released after relatives were notified. The crash occurred as the Bulwark, with 23 other British and Canadian ships, steamed toward Halifax and the end of the first phase of Operation Maple Leaf Royal.

Details of the mishap were sketchy. The British naval spokesman said only that the crash occurred about a mile from the carrier in the Atlantic.

10-Year Term For Robbery

MONTREAL (CP)—Peter Dickson, 23, of Halifax, and Terrence Milton, 22 of London, Ont., Friday were sentenced to 10 years each in penitentiary for stealing \$19 from a man after giving him a brutal beating on a downtown Montreal street March 3.

Giuseppe Mezzi, 26, a kitchen helper, told police he suffered a fractured jaw and had to spend considerable time in hospital after the two men left him lying on the street.

Dickson and Milton pleaded guilty to assault charges at their arraignment March 5.

Premier Speaks On Causeway

A \$200,000 engineering survey of a proposed causeway across the Northumberland Strait was described yesterday by Premier Matheson as "election bait."

The Federal Government announced the new survey several weeks ago as part of its public works program to create jobs. Mr. Matheson said the only ones to be employed are engineers "and engineers were not out of work anyway."

Preliminary surveys on the proposed nine-mile link with New Brunswick started several years ago. The Premier said the last survey started by the Liberal Federal Government finished last August and the new Conservative Government did not continue it. "And now it's dragged up as election bait. It's just an effort to bluff Prince Edward Island."

He said there is enough information on hand in Ottawa now to tell whether a causeway is feasible. This government has been absolutely lax in its causeway policy.

The Premier said a Halifax firm tried to get the contract for this new survey and was turned down. Now, he said, he understands a Vancouver firm has got the job. He added: "Howard Green, the Public Works Minister, is from Vancouver."

Exports Down For January; Up To The U.S.

OTTAWA (CP)—Canadian exports in January declined more than three per cent in value from the corresponding month a year ago despite larger shipments to the United States and all Commonwealth countries except Britain.

The bureau of statistics said Friday that gains to these countries were more than offset by declines in shipments to Britain, Latin America, European countries and other foreign countries.

Exports declined to \$382,600,000 from \$396,200,000, down 3.4 per cent. At the same time re-exports of foreign products eased to \$6,937,000 from \$7,201,000.

Sales to the U.S. rose five per cent to \$224,439,000 from \$212,909,000.

Substantial decreases in sales of agricultural and vegetable products was the main reason for exports to Britain dropping to \$61,088,000 from \$63,420,000.

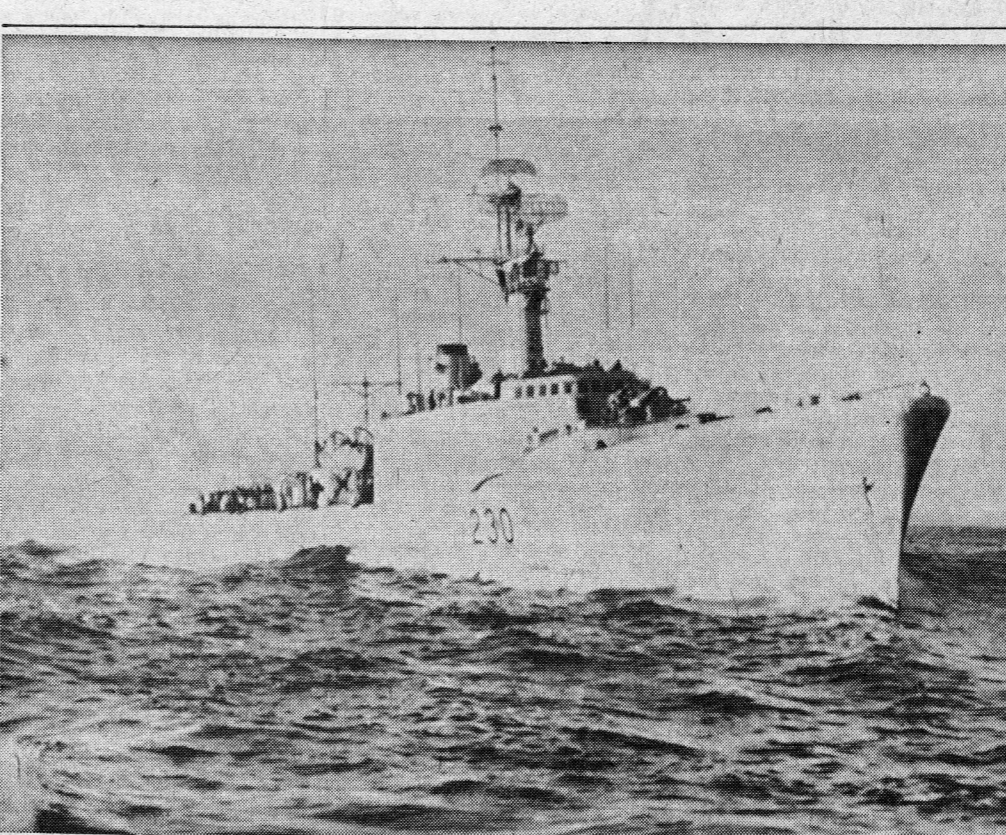
Shipments to the rest of the Commonwealth rose to \$22,625,000 from \$20,744,000 but exports to Latin America dropped to \$19,489,000 from \$21,416,000. Sales to European countries fell to \$41,800,000 from \$52,423,000 and to other foreign countries dropped to \$11,968,000 from \$22,865,000.

Nuclear Tests Held By Reds

WASHINGTON (ZAP)—The Russians have conducted two nuclear weapons tests in different locations, the atomic energy commission reported Friday night.

One of the tests took place north of the Arctic Circle, the AEC said, and the other was "the usual Siberian testing site."

Russia Rules Out Further U.N. Disarmament Talks



SOMEWHERE IN THE PACIFIC — H.M.C.S. Margaree, one of Canada's new destroyer escorts, makes a smoke screen during exercises of the second Canadian escort squadron with U.S. Navy units in the Pacific. (CP Wirephoto).

10,000 Sailors And 29 Ships Arrive In Halifax

HALIFAX (CP)—This old port city braced Friday as 10,000 British and Canadian sailors started shore leave after three weeks at sea taking part in the first phase of Operation Maple Royal.

At daylight Friday 15 ships of the British Home Fleet and 14 units of the Canadian Navy's Atlantic command began steaming through the foggy harbor entrance.

Three hours later, a white-helmeted Royal Marine guard of honor clicked smartly through the traditional ceremony as Rear Admiral H. F. Pullen boarded the submarine depot ship Maidstone to welcome Admiral Sir William Davis.

Admiral Davis, chief of the Home Fleet, directed the first phase of the largest joint Canadian-U.K. manoeuvres since the Second World War. The combined fleets gathered at Bermuda last weekend for anti-submarine exercises.

Admiral Davis told reporters on arrival he was pleased with the way the task forces "integrated."

"The exercise exceeded our hopes and expectations," he said. "I hope it will be the forerunner of periodic joint operations of Canadian and British ships."

The fleet puts to sea Tuesday to begin the second phase of Maple Royal off Nova Scotia. Commodore J. V. Brock, senior Canadian naval officer afloat, will direct one of the forces and Admiral Pullen the other. It ends March 22. The Canadian ships return here and the British fleet will steam home. The U.K. task force represents about half of the Home Fleet.

Halifax storekeepers dug out items stored after last summer's tourist season. Novelties and souvenirs are expected to get a big play from the 5,300 British tars. A navy spokesman said about 3,000 British and an equal number of Canadians will get shore leave at the same time. They will alternate with those keeping duty watch.

Canadair Went After Big Order

MONTREAL (CP)—Canadair Ltd. of Montreal made a "vigorous business approach" to the federal government to win an order for Canadian-built turbo-prop transport planes rather than let the contract slip outside Canada, a company spokesman said Friday.

The spokesman was commenting on a report in the Toronto Globe and Mail that the government recently cancelled plans to purchase a fleet of British Vickers Viscount turbo-prop craft.

"We needed the business badly to consolidate and strengthen our employment picture," the spokesman said. "We demonstrated to both the government and the RCAF that our airplane was competitive and comparable and would fulfill the very important transport role the air force had in mind."

West Told To Keep Hands Off Communist Nations

MOSCOW (AP)—Nikita Khrushchev told the West Friday night any attempt to change the status of Eastern Communist nations by force would bring Soviet intervention.

In an election speech, the Communist Party secretary denounced as "insulting" the proposal of President Eisenhower that a summit conference should include the question of the Eastern European states.

Khrushchev said the Soviet Union not only rejects the proposal but "in the event of any new attempt from abroad to change the status of the socialist (Communist) nations by force, we will not remain ordinary on-lookers and we will not leave our friends in the lurch."

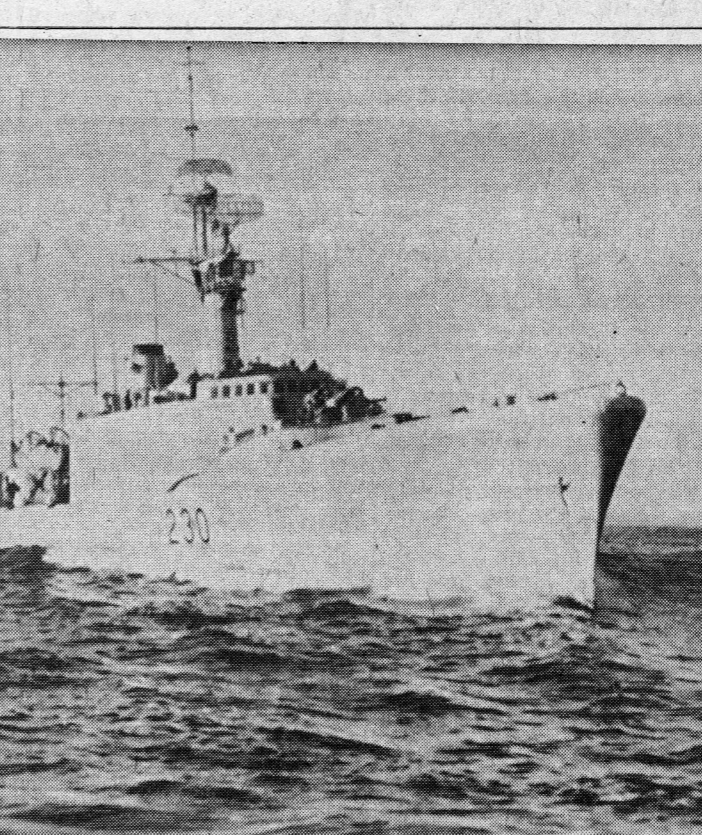
Winter Hits New Blow At Eastern U.S.

NEW YORK (AP)—One of the worst winters in years hurled a dying blow at the weather-weary northeastern United States Friday. More than a foot of wet snow blanketed some areas only a week before spring.

Sixteen inches of snow fell in the Catskill Mountains north of here. Northeastern New Jersey had 13 1/2 inches that overburdened and toppled telegraph poles and knocked out an estimated 10,000 telephones.

Gale warnings were up along the seacoast and the weather bureau issued a heavy snow warning for the Boston area, where up to eight inches was forecast.

Air, rail and highway traffic was disrupted over a wide area as far north as Portland, Me.



SOMEWHERE IN THE PACIFIC — H.M.C.S. Margaree, one of Canada's new destroyer escorts, makes a smoke screen during exercises of the second Canadian escort squadron with U.S. Navy units in the Pacific. (CP Wirephoto).

Miss Outdoors Girl Is Named

TORONTO (CP)—Brown-haired Ann Kovalchuk, 19, of Sudbury was named Miss Outdoors Girl of Canada at Friday night's opening of the Canadian National Sportsmen's Show.

Miss Kovalchuk, a stenographer with ambitions to become a doctor, won over seven other finalists from Ontario and New Brunswick. Her prizes include \$500, a television set and a modeling contract.

Donna Cadman, Moncton, N.B., was the eighth finalist.

Miss Outdoors is five foot, five inches, 125 pounds and 36-24-36.

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Charges West Is Using U.N. As Arms Race Shield

MOSCOW (Reuters)—Russia Friday ruled out any further attempts within the United Nations to settle the disarmament deadlock, at least until the issue is discussed at an East-West summit meeting.

A Soviet foreign ministry statement declared that Western efforts to resume disarmament negotiations at the UN seek "to distract public attention from preparations for a summit conference."

The statement pointed to Western press reports that the Western powers are planning to convene the 25-nation UN disarmament commission created last December. This commission replaced the former group composed of the 11 UN Security Council members plus Canada.

The statement accused the Western powers of using the UN "as a shield behind which they would carry on the arms race."

It repeated previous Soviet criticism that the Western-sponsored disarmament commission includes 16 powers aligned with "various Western-led blocs" and recalled the Soviet proposal to form a commission of all 82 UN members.

After the Soviet proposal was rejected, Russia indicated it would boycott the 25-member commission.

The Soviet statement referred to Russia's proposals for a meeting in April and summit talks in June.

Leonid Ilyichev, foreign ministry spokesman, said the "cardinal" disarmament questions for summit talks are a ban on nuclear tests, cessation of production, destruction of stockpiles and reduction of armed forces. He added that Russia is prepared to discuss "step by step" disarmament.

Sees No Effect Here From End Of U.S. Potato Diversion

Announcement that the United States Department of Agriculture is terminating this week the potato diversion program to starch, flour and livestock feed will have no effect on the price of potatoes here, Donald A. MacDonald, manager of the Producers Co-operative Association said yesterday.

He based this opinion on the fact that the program had slowed to a walk sometime ago and only tubers were being delivered under the program. The market price was high enough to keep any of the marketable potatoes from being diverted, he explained.

The program had been effective in Washington, Oregon, northern California, Idaho, Colorado, North Dakota, Minnesota, Maine and three counties in Montana.

In terminating the diversion program the American department of agriculture said the supply situation was now existing in such that the areas should be able to dispose of the remaining 1957 fall crop without encountering any marketing difficulties.

Plug Is Given One-Room School By Ottawa Speaker

A plug for the much-criticized one-room school was voiced Friday by R. Alex Sim, chief liaison officer, Department of Citizenship and Immigration.

Speaking during the panel discussion held in the afternoon at Prince of Wales College, Mr. Sim said that he had moved his family from Ottawa to a nearby country district in order that his children might have the benefit of attending a one-room school.

Mr. Sim contended that children who attend a classroom in company with other age groups develop a better personality and community spirit than those forced to enroll in the big city schools.

In the one-room school small children were often offered protection instead of "bullying" often prevalent in larger units he said.

Questioned by delegates present, Mr. Sim said that the schools his children had attended comprised only the first eight grades, and were staffed by "excellent" teachers.

Coldwell To Have Medical Checkup Today

OTTAWA (CP)—CCF Leader M. J. Coldwell will receive a medical examination in Ottawa Saturday, CCF headquarters said Friday.

The 69-year-old party leader returned to the capital by air Friday for a rest after complaining of being tired during recent election campaign meetings in Western Canada.

An official at CCF headquarters said Mr. Coldwell will be examined by Dr. T. L. Fisher, Ottawa's heart specialist. Dr. Fisher was Mr. Coldwell's physician when he suffered a mild heart attack prior to last June's federal election.

CONQUER CHILEAN PEAK

SANTIAGO, Chile (Reuters)—A team of Chilean and Japanese climbers have conquered for the first time the 11,900-foot Cerro Arenales peak in the desolate southern region of Chile.

One Of Biggest Maritime Construction Firms Folds

HALIFAX (CP)—Brookfield Construction Company Limited of Halifax was working on 11,000,000 in contracts when it went into bankruptcy, a company official said Friday.

He said about 250 men were on jobs here and at Camp Gagetown, N.B. Brookfield's was one of the biggest and oldest in the construction field in the Atlantic provinces.

The official said the collapse came because the company "had exhausted its financial resources." He declined to elaborate.

There was no immediate statement by losing money on commitment from President and Managing Director H. L. Roper.

The Eastern Trust Company are trustees. C. B. Havey, Halifax manager of Eastern Trust, said Brookfield's filed an assignment of the county court house Thursday with Charles Lamb, bankruptcy receiver.

A meeting of creditors has been called for March 28 at the Halifax court house.

Work was suspended Thursday on all projects, the largest being the Canadian Army's divisional training centre at Gagetown where the contract called for building of 255 houses for army personnel at a cost of about \$6,000,000.

Two other projects were worth upwards of \$5,000,000.

They included the federal government Ralston contract at Halifax, a 10-storey building within two weeks of completion; and a new treatment centre for the Nova Scotia Mental Hospital at Dartmouth, just begun.

Brookfield workmen were putting the finishing touches to the Gagetown operation which is under the auspices of Central Mortgage and Housing Corporation. CMHC INVESTIGATES

CMHC chief engineer A. J. E. Smith and CMHC General Counsel A. D. Wilson, both of Ottawa, were at camp Gagetown Friday and the corporation's action to get work resumed would depend on their report.

Meantime, only maintenance men will be retained until the creditors, chiefly banks and subcontractors, decide what should be done.

A spokesman said earlier layoffs of "several men" at the be done.

A spokesman said earlier layoffs of "several men" at the company's plant here "had nothing to do" with the folding. "We were just nearing completion of the larger contracts and there was no work in sight." He did not say how many men had been released.

The company has constructed some of the largest buildings in the Maritimes including the 15-storey Victoria General Hospital here.



C.N.R. ATLANTIC REGION WINS TROPHY

The lowest regional accident rate ever recorded on the Canadian National Railways has won the System Safety Award for the Atlantic Region for the second year in a row, D. V. Gonder (center), vice-president and general manager of the winning region accepts the trophy from S. F. Dingle, vice-president operation, at Montreal. At left is J. R. Bannerman, superintendent of safety for the system. This achievement required a determined effort by all employees in the region which includes Newfoundland, Prince Edward Island, Nova Scotia and New Brunswick. (CNR Photo).