

shakeup In Cabinet Set For First Of Next Week

Dief Says Liberal Gov't Setting Up Smokescreen

OTTAWA (CP)—Prime Minister Pearson said Friday he hopes to announce a cabinet shakeup next week. He made it clear the changes will include appointment of a new justice minister to replace the resigned Guy Favreau. Beyond that, it was not certain how far they might go. The prime minister outlined his hope in regard to ministerial appointments after a three-hour cabinet meeting that dealt mainly with the forthcoming federal-provincial conference. He told reporters the question of political appointments, including cabinet changes, was not discussed at the meeting. Did he plan to announce some cabinet "re-adjustments," he was asked. "Yes, very shortly," he replied. There is now a vacancy in the justice portfolio and it should be filled. Would the announcement be made next week? "I hope so, yes," was the reply.



RETIREES

Supt. Joseph Thomas Parsons, 58, senior personnel officer for the Royal Canadian Mounted Police headquarters at Ottawa since 1963, seen here, has retired. It was revealed Friday. The announcement was made by Commissioner George B. McClellan. (CP Wirephoto).

Speculation Suggests MacNaught For Judge

OTTAWA (CP)—Prime Minister Pearson said following the cabinet meeting that some decisions were made and announcements will follow shortly. He indicated, however, that preparations for the federal-provincial conference were the main item on the agenda. The conference, which opens here July 19, will cover such major topics as the Canadian assistance plan, health insurance, the controversial issue of off-shore mineral rights, and greater federal-provincial cooperation in the fight against organized crime. Mr. Pearson said the conference will keep him busy for the next while. Questioned again about his disagreement with Chief Justice Frederic Dorn over one aspect of his report, the prime minister said he hoped "it can be resolved very shortly as a misunderstanding."

Salvation Army Marks Start Of 2nd Century

LONDON (CP)—More than 6,000 militants of the Salvation Army dedicated themselves Friday night to a second century of service to God and man at the closing service of a 10-day centennial meeting here. The centennial meetings, which opened in Royal Albert Hall June 22 with greetings in person from the Queen, winds up today with an afternoon rally in Trafalgar Square. Friday afternoon, the Salvation Army met in Westminster Abbey, where a bust of founder William Booth and a plaque to his memory were unveiled by his grandson, Commissioner Wycliffe Booth, in St. George's Chapel, the place where warriors are honored.

Holiday Toll Was Record

By THE CANADIAN PRESS
At least 40 persons died in Dominion Day accidents across the country, the highest on record for a one-day holiday in Canada. Dominion Day deaths last year totalled 24. Traffic mishaps took 32 lives, more than twice the 15 predicted by the Canadian Highway Safety Council. Only British Columbia, Prince Edward Island and Newfoundland had no road deaths.

Missing Girl Found Safe

CARAQUET, N.B. (CP)—A seven-year-old girl, missing from her home at nearby Lebourdier since Wednesday morning, was found Friday on a rail line about 10 miles from where she started out. Linda Doucet, daughter of Mr. and Mrs. Philias Doucet, was found by a train crew sitting on a railway bridge near Upper St. Simon. She was reported hungry but otherwise in good condition when admitted to hospital here. The girl became lost after she strayed while berry-picking with two companions who returned home. About 200 men and an RCMP helicopter had searched for the girl.

Thatcher Makes Cabinet Change

REGINA (CP)—Two major cabinet changes affecting the agriculture and municipal affairs departments were announced Friday by Premier Ross Thatcher. D. T. McFarlane, former municipal affairs minister, becomes minister of agriculture, filling the vacancy in the cabinet left by A. H. McDonald, who recently resigned and reports he would join the federal government. Dr. J. C. McIsaac becomes minister of municipal affairs.

Satellites Launched

MOSCOW (Reuters)—Russia launched another unmanned satellite in its Cosmos series Friday to continue the study of space. It coincided with the launching of a U.S. weather satellite, Tiros 10, which is equipped with television camera and is intended to hunt incipient hurricanes in the Atlantic. The Russian satellite, Cosmos-70, carries a radio transmitter to report back to earth on its findings. All instruments aboard were functioning normally, Tass news agency said.

SET OFF SPECULATION

The prime minister's brief comments set off immediate speculation on the scope of the forthcoming ministerial changes. There were two schools of thought among parliamentary observers. One group suggested the changes would be minor, limited possibly to appointment of a new justice minister, selection of a new portfolio for Mr. Favreau and possibly one or two other minor shifts necessitated by the first two objectives. Others speculated that a fairly large-scale revision might be in the offing. In this connection, it was recalled that, when Mr. Pearson last made ministerial changes in February, he said he had even more changes in mind, but was awaiting the Dorn report.

Couple Face Charges Over Chaining Child

MONTREAL (CP)—An immigrant couple were to appear in Montreal social welfare court today on charges of having exposed a child to moral or physical danger by chaining their 11-year-old son to an oil drum stand while they went out to work. The boy was found attacked by the left ankle when firemen entered the building Wednesday to put out a fire burning on the floor below him. A Montreal police youth aid officer described the chain which held the boy as three feet long and closed with two padlocks, and said the parents had apparently locked the child up to prevent him from going to the zoo. Police understand it was the second day the parents had chained the boy in the stand alongside their dwelling. WENT TO THE ZOO He had taken milk bottles from his home, turned them in for the deposit, and spent a day at a city zoo, the officer said. The parents have been in Canada four years. They also have a two-year-old baby (born since their arrival). They placed the baby with a sitter while they worked, the officer said. Police operated by nuns and kept the older boy at a child-care home. Social welfare cases are not made public in detail in Quebec. The offence with which the couple, the man Italian and the woman French, are charged under the Quebec Act for Protection of the young carries a maximum fine of \$350 and a one-year jail term if the offender repeats his offence.

Lake Water Level Expected To Drop

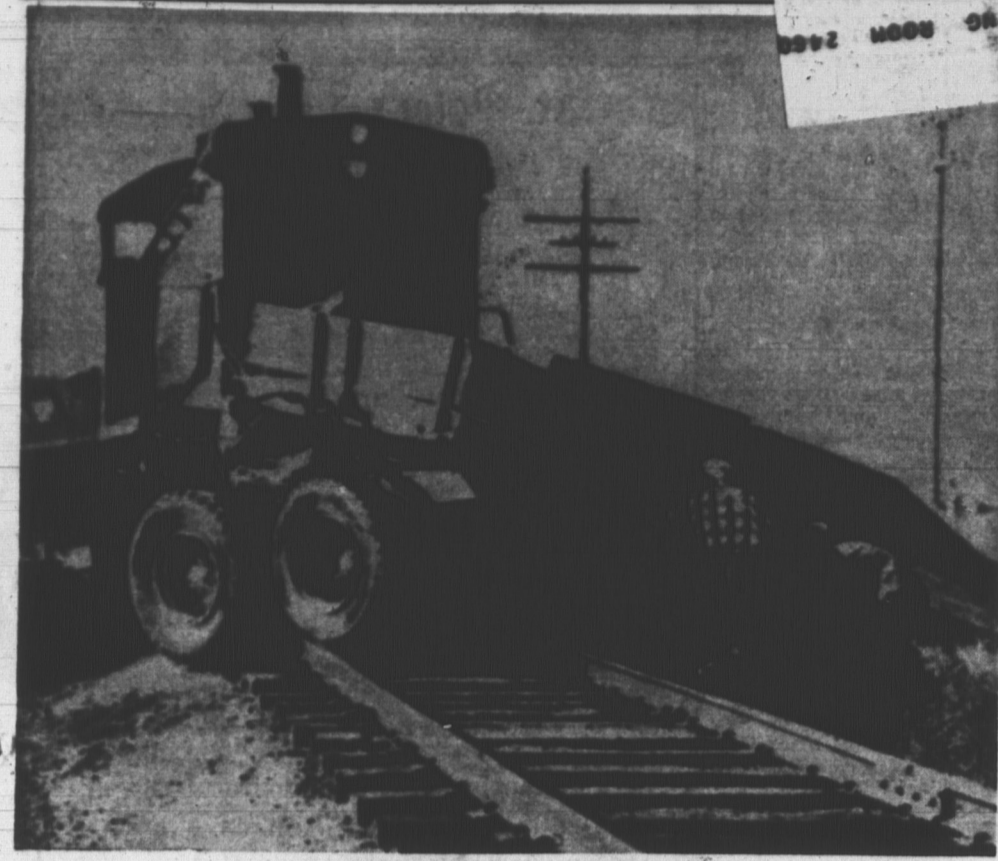
DETROIT (AP)—The water level of Lake Ontario rose slightly last month, but is expected to fall from one to three inches within the next month, the U.S. Army Corps of Engineers has reported. The report said Lake Erie's water level fell one inch last month and is expected to drop from one to three inches next month.

LBJ's Daughter Joins RC Church

WASHINGTON (AP)—Luci Baines Johnson, daughter of President and Mrs. Johnson, was baptized into the Roman Catholic Church Friday—her 18th birthday. With the president's mother and sister, Lynda, present, a small, private baptismal service was held at 2 p.m. in St. Matthew's Cathedral, a few blocks from the White House. The announcement came from the White House. Since last September, Luci has been taking instructions in the Roman Catholic faith from Rev. James Montgomery, assistant director of Catholic charities of the archdiocese of Washington.

55 Arrested, 13 Appear On Dominion Day Charges

MONTREAL (CP)—Of 55 persons arrested in Dominion Day demonstrations Thursday, only 13 appeared in court Friday on charges arising from the disturbances. The remainder were freed or were under 18 and held for later appearance in social welfare court. The court appearances were the aftermath of two park and street marches Thursday afternoon and evening, both cut short by Montreal police massed in military formation and cruising the city in paddy wagons. The demonstrators proclaimed themselves Quebec separatists protesting the anniversary of Canadian Confederation. Most were juveniles. Ten of the accused, who faced such charges as disturbing the peace, refusing to move on at orders of the police and blocking the way to pedestrians, pleaded guilty. NINE FINED Nine were fined—sums ranging from \$10 and costs to \$75 and costs by Chief Justice Germain Charland, of Montreal Municipal Court, the 10th. Gerry Adams, 24, a welder with a record of convictions for such offences, was sentenced to eight days in jail at the request of Crown prosecutor Bernard Bloudeau. Camille Dupont, 18-year-old Montreal laborer, pleaded not guilty to charges of committing mischief by destroying a city-owned Canadian flag at fire department headquarters on the east slope of Mount Royal, and resisting arrest. Dupont was ordered to post \$125 cash bail until his trial, set for July 9. His arrest had been the most violent moment of the afternoon and evening of loosely-organized demonstrating. He received a nightstick blow which drew blood from his head, and other demonstrators threw stones and eggs and shouted "cochons" (pigs) at the arresting policemen.



DRIVER ESCAPES IN CRASH
Edward James Martin, 27, of Regina, escaped serious injury Friday when his six-ton semi-trailer truck unit was struck at a crossing north of the city by a Canadian Pacific Railway diesel-powered freight train. He received bruises to the face and shoulders. The rear end of the truck sheared off a steel signal control box after it was dragged 150 feet along the track. Here the train crew are shown inspecting the wreck. The truck was not loaded. (CP Wirephoto).

French Cattle Re-sale To U.S. Said Source Of Hefty Profits

LETHBRIDGE, Alta. (AP)—Wayne Malmberg of Spring Coulee, Alta., one of the leading breeders of Charolais cattle in Canada, says some American breeders are buying Charolais cattle from Canadian permit-holders in France. In a copyright story Friday, the Lethbridge Herald quotes Mr. Malmberg as saying that the price of cattle, which the Canadian government has recently allowed into Canada has skyrocketed. Mr. Malmberg said it is an "open secret" that American breeders have been making quiet deals with Canadian holders of Charolais-import permits in order to get the cattle into the U.S. He has just returned from a buying trip to France. Robert Purdy of Buffalo, Wyo., president of the American International Charolais Association, confirmed by telephone Friday that many Americans are involved in the bargaining. Shipment of live cattle from Europe to the U.S. has been prohibited for many years, primarily to prevent the spread of foot and mouth disease. CIRCUMVENT BAR But once European cattle enter Canada, there is no restriction against those cattle being sold by the Canadians owners to U.S. buyers. This procedure has been used in the past to bring English-bred animals to the U.S. Permits were issued in May to 67 Canadians for importing 124 pure blood lines cattle from France. Indications are 11 permits for 19 head of cattle were issued to persons not members of the Canadian Charolais Association at that time. The number of cattle permitted in Canada this year is restricted by the size of the quarantine station at Grosse Isle, Quebec, where they must stay until next spring. Mr. Malmberg said he had to pay \$10,000 to obtain one outstanding five-month-old bull. He paid as much as \$3,000 for females under six months of age. No cattle over six months of age can be purchased for shipment to Canada; a regulation set by the department of agriculture to guard against foot and mouth disease. U.S. Charolais breeders are close-mouthed about the number of permits they have been able to obtain for their use, but some cattlemen say at least 10 bulls will eventually be going south of the border. They also say the U.S. cattlemen have paid more than double what it costs the Canadian permit-holder to land the animals on his premises. This means a bull costing \$6,000 in France, plus an estimated \$1,000 in transportation and other costs, would sell here for about \$15,000 to a U.S. buyer. A Canadian with a permit for three animals could make a net profit of \$24,000 at this rate. Cattlemen say they believe the department of agriculture issued permits to everyone who applied for one, issuing 67 permits to ship nearly 900 head of cattle from France. Cattlemen say no applicant was asked if he was a Charolais breeder or cattleman, or if he owned a ranch or farm.

Growing Concern Noted Over Drought In Maritimes

HALIFAX (CP)—Drought plagues the Maritime provinces in common with much of eastern North America. The first half of 1965 has gone down in the records as the driest six months in a century in many sections of the Maritimes. Agriculture and forestry officials say a continuation of hot sun and lack of rain will spell trouble to forest and field crops. Thousands of acres of forest were destroyed by fire in Nova Scotia and New Brunswick in the last three weeks. Forty-four fires were reported in the two provinces Friday although forests have been closed to travel. In Prince Edward Island agriculture officials warned that the unusual drought could wreak havoc. Up to June 30 the Dominion experimental farm at Charlottetown recorded a total rainfall of only 10.91 inches, lowest ever registered in the six-month period from January 1. The precipitation was almost 50 per cent less than normal. P.E.I.'s June rainfall of .89 inches was just a trace above the record low for the month. FARMERS CONCERNED Concern is growing among farmers in Nova Scotia. They feel that if no prolonged period of rain comes crops will die. Showers that fell in late June had little effect in perking up wilting crops. Much of the water drained off the surface without penetrating sun-baked ground. Lack of moisture has cut hay growth in half in central and western Nova Scotia and the short hay stands may bring a shortage this fall. Strawberry growers described their crop as about a week behind normal with comparatively small fruit. Although there have been no reports of restriction on public water usage, some civic officials are worried. At Digby, N.S., the dropping level of the town's water supply caused concern. Wells in the area were almost dry at the beginning of the week. Rainfall in the area was under eight inches for the first six months as compared to almost 20 inches for the same period last year. RAINFALL POOR At Nappan, N.S., the Dominion experimental farm said June rainfall was about half normal. The Halifax area experienced the driest January-June period in the 98 years for which records are available. The six-month rainfall amounted to only 16.84 inches, about four inches less than the previous low. At the federal agricultural research station in Fredericton, rainfall for the six-month period ending June 30 measured 12.42 inches compared to a normal of 20.94. Previous lowest measurement was 13.94 inches in 1921. Last month's 1.88 inches of rain made it the driest June since 1946. New Brunswick agriculture minister, J. Adrien Levesque, said senior officials of his department are "keeping their fingers crossed" and hoping for early rain.

Cut In Income Tax Becomes Effective In Pay Cheques

By JAMES NELSON
OTTAWA (CP)—Salary and wage earners this weekened realize the first effects of Finance Minister Gordon's April 27 income tax cut. Pay cheques from employers for any pay period ending July 1 or later were to have less deducted from them for federal income tax than the rates prevailing during the first half of the year. Employees on weekly pay rates who receive their cheques at the monthly, such as federal civil servants, will notice the tax cut about July 15. Workers paid at the end of the month have to wait four weeks. But the tax cut means an extra flow of about \$5,000,000 a week into the public's spending power. The tax cut amounted to 10 per cent of the "basic tax," before adding amounts collected by Ottawa for transfer to the provinces under tax-sharing arrangements. MAXIMUM \$600 The maximum amount of tax reduction was set at \$600 a year for each taxpayer. Because the new rate went into effect at mid-year, the maximum reduction for any taxpayer in 1965 is \$300. Finance Minister Gordon estimated the tax would cost the treasury \$170,000,000 in the current fiscal year ending next March 31 or \$265,000,000 in a full year in revenue given up. Mr. Gordon said he expects this extra spending power to boost the economy and raise the gross national product growth rate above the figure of seven per cent he forecast before tax changes. Finance department authorities are expecting it to rise by 7 1/2 per cent or even more and cross the \$50,000,000,000 mark.



LUCI BAINES JOHNSON

INSIDE TODAY

Glassed	12, 13
Births, deaths	3, 13
Comics	11
Women's	7
Sport	9
Finance, markets	10
Editorials	4
Summerside	3
Kings, Queens, City	2
Prince County	2