



### WINTER SWIM COURSE BEGINS AT YMCA

An evening course for all persons over 14 years of age interested in improving their aquatic skills is being sponsored every Tuesday evening for the next 13 weeks at the Charlottetown YMCA by the P.E.I. Royal Life Saving Society. The course is under the

voluntary instruction of Col. Bob Williams of the RCMP. Among those in attendance last night were: LEFT TO RIGHT, Philip Bower, CNIB field secretary; Gordon Kerr, Boy Scout executive; Joan Willis, secretary of the Boy Scout Association; James

Stahr, director of Emanuel Bible Camp and Cnst. Maynard Roy, RCMP. The only qualification for those taking course is a knowledge of swimming. At the end of the course progressive Life Saving Awards will be presented to those who earned them.

### COUNCIL

(Continued from page 1)

port said the economy in 1965 reached a higher ratio of actual output compared with potential than in any year since 1956—

at 97 per cent of capacity. "It is not, however, a cause for complacency," the report said. "On the one hand, the economy appears to be still operating somewhat below its current potential and it must continue to grow rapidly to attain its 1970 potentials."

### SEEKS RISKS AHEAD

"On the other hand the fact that the gap between actual and both the Canadian and the potential output has narrowed in both the Canadian and the United States economies means that there now will be increased risks of various kinds of distortions and instabilities which could tend to undermine our ability to maintain sustained progress towards the 1970 potentials.

"Among such factors could be: "Inadequate efforts to achieve strong advances in productivity; "Excessive demand strength in certain sectors such as investment, resulting in bottlenecks, inefficient use of productive resources and price and cost distortions;

"The emergence of trade and payments strains through inadequate emphasis on improved competitiveness and expansion of exports;

"Failure to maintain reasonable over-all price and cost stability;

"And failure to promote increased flexibility and adaptability throughout the economy as a basis for exploiting new opportunities for growth."

### WESTERN FUNERALS

**LEAVITT FUNERAL** — The funeral of Frederick Leavitt was held at the Rooney Funeral Home Tuesday afternoon. The service was conducted by Rev. Ernest Linton. The hymns were "The Sands of Time Are Sinking" and "Pass Me Not O Gentle Saviour." Pallbearers were Hilton Barbour, Kenneth Quigley, John Rochford, Cecil Hutt, Upton Fraser and Perley Hardy. On Monday evening the Masonic funeral service was conducted by Chaplain Herbert Leavitt. Interment was in St. Peter's Cemetery.

### DEATHS

**MacLEAN** — At Scarborough, Ont., Friday, Dec. 31, 1965, James Garfield MacLean of 47 Valley Street and formerly of DeSable, in his 51st year. Resting at the MacLean Funeral Home from where the funeral will be held today, Jan. 5, with service commencing at 2.30 p.m. Interment will take place in People's Cemetery, Crapaud.

**MATTHEWS** — At the Prince County Hospital on Tuesday, Jan. 4, 1966, of George A. Matthews of 437 Central Street, Summerside in his 76th year. Resting at the Bowness Funeral Home. Funeral notice later. Visiting hours 2 to 5 and 7 to 10.

**EVANS** — At Charlottetown, Jan. 3, 1966, Mrs. Emeline Evans, wife of Rev. E.C. Evans in her 94th year. Resting at the Cutcliffe Funeral Home from where the funeral will be held Wednesday, service commencing at 1.30 p.m. Remains will be placed in the Cutcliffe receiving vault. Later to be interred in Belfast cemetery.

### bring unemployment down to three per cent of the force.

—An average annual growth of 5.5 per cent in output for the whole country and an increase of 2.4 per cent in output per employed person. —Reasonable stability of prices such as prevailed generally between 1953 and 1963, when consumer prices rose only 1.4 per cent a year and prices of all goods and services rose only two per cent a year.

### TARGETS SURPASSED

In 1965 employment, output and prices outstripped the council's goals, says the report. Dr. Deutsch said that all this meant was that 1965 was better than the straight-line graphs of performance the council anticipated in looking ahead to 1970.

"There may be wiggles in the line but it's only the long-range upward slope that we need to worry about," he told reporters. The report says the country moved out of a period of slack in 1965 but "a still higher rate of productivity growth would appear to be required over the next five years."

"To attain potential output in 1970 the rate of productivity expansion required for 1965-70 will be higher than apparently actually occurred in 1964 and 1965."

In international trade, the review says Canada has benefited greatly from the 1962 devaluation of the dollar to 92½ cents in U.S. funds, but some of the benefits have been eroded by two developments: 1. Manufacturing output per person employed has risen more in the U.S. than in Canada; 2. Average earnings in manufacturing rose faster in Canada than in the U.S.

"A continuing erosion would



### WEDDING PAGE

George Philip Nicholson, the Earl of St. Andrews, 3-year-old son of the Duke and Duchess of Kent, was a page at the wedding in London of Joseph Goodhart, 29, a farmer, to Miss Fiona Bowes-Lyon, 21-year-old daughter of Brigadier James Bowes-Lyon, a cousin of the Queen Mother.

### Plan for the parliamentary session opening Jan. 18.

The review says monetary and fiscal policies should be directed to long-term objectives. Too often there were time lags in recognizing shifts in the economy and implementing changed policies to deal with them.

Government tax and expenditure programs should be examined for their effect on productivity rather than on the demand side of the economic balance.

Replying to a question put by a reporter, Dr. Deutsch said the council had both tax rates and the nature of taxes in mind in this recommendation.

### PLAN FARTHER AHEAD

The council reiterated its recommendation that government spending be planned over a longer period instead of being announced on a year-by-year basis. A five-year government expenditure program would be more meaningful to other planners.

Although the current-account payments deficit had tended to increase, the over-all balance-of-payments situation was strong with high and rising foreign exchange reserves. A current-account deficit of \$1,500,000,000 or \$2,000,000,000 a year by 1970 might be manageable.

But the review said it is essential to correct the lagging advance in productivity in Canada in relation to the U.S. and the partial erosion of the beneficial effect of dollar devaluation.

### MORE RESEARCH URGED

Repeatedly the council refers to the importance of education and training as "crucial," and the need as "immediate." Ready opportunity for higher education should be provided to every qualified student without financial barriers. Funds for research should be substantially increased.

For many years Canadians left school to join the labor force with less education than Americans. This gap now was being narrowed but it meant that, as a whole, the Canadian labor force had fewer educational attainments than the American force. This meant there was a greater need for re-training programs in Canada.

The review noted Canada's dependence on international trade and said that while the country has little control over forces outside, it can play an important role in encouraging freer trade.

Domestically it must gear itself for reduced trade barriers by improving its competitive position. Affected industries might need direct financial and technical help to reorganize and expand production facilities. Workers might have to be compensated for job dislocation and time lost in re-training.

"Where consumers are protected by increased foreign competition, specialization agreements or mergers to increase efficiency and eliminate excessive duplication might well be appropriate to achieve successful adjustment. This would warrant a re-examination of anti-combines policy and administration in the context of reduced trade barriers."

Incentives written into income tax law in 1962 to encourage industrial research and development expire this year, but should be extended "for a prolonged period of, say, 10 years" and made more meaningful. A percentage of research and development costs might be credited against corporation taxes and spread over several years.

### WOULD HELP EAST

The review says there has been relatively little progress for 40 years in achieving a better balance in the economic development of the various regions of Canada. It identifies the poorest part of the country as the Atlantic provinces and eastern Quebec and says high-productivity employment must be encouraged there.

These regions had been caught in a vicious circle of low productivity, low incomes, low government revenues and low investment in growth-promoting services. They needed improved education, training, research, health and transport facilities and wider markets.

As in its first annual review, the council recommended upgrading the National Employment Service and reorganization of the labor department. Its second annual review also suggested as an alternative the creation of a new manpower ministry—a move the government has announced as a priority

## Island News Page

Western and Central Districts  
The Guardian, Charlottetown, Wed. Jan. 5, 1966. 3

# Heavy Drifting In West Closes Schools, Roads

Effects of a major winter storm that hit the province Monday night continued to be felt yesterday as high winds and drifting snow interfered with highway and air traffic and closed schools in the western part of Prince Edward Island.

The Charlottetown radio range reported last night that 4.2 inches of snow had fallen in the City area between four o'clock Monday afternoon and 10 a.m. yesterday.

Winds were blowing at 25 miles per hour gusting to 35 at eight o'clock last night. The maximum temperature yesterday was 28 degrees and the minimum was 15 degrees.

The department of highways plow dispatcher reported plows were out and that all highways were open but slippery. According to the dispatcher the condition of the roads was worse in the western part of the Island than in the central part. Road conditions were better in the eastern part of the Island.

RCMP reported no accidents early last night, but said the driving conditions remained hazardous.

### BUSES ON SCHEDULE

A spokesman for Island Motor Transport reported yesterday that all buses were running on schedule.

Eastern Provincial Airways' Magdalen Islands flight was cancelled yesterday, also the flight from Charlottetown to Moncton and from Moncton to Charlottetown. All other flights ran yesterday.

All main highways, as well as many of the secondary roads in the Summerside area, were open last night it was reported

## Second Prayer Service Is Held

The second of the services for the annual week of prayer in Charlottetown sponsored by the Charlottetown Ministerial Association was held in the Kirk of St. James, last night at 8 p.m. The service was conducted by Rev. Malcolm A. McCuaig, minister of the church.

There was an increase in the attendance from the last night. The scripture lesson was read by Rev. Henry Tye and prayer was offered by Mr. McCuaig. The speaker for the evening was Mr. Tye, minister of Park Royal United Church.

The choir under the direction of Christopher Gledhill and sang as an anthem God Be In My Heart. The services continue tonight in St. Paul's Anglican Church and the speaker will be Rev. Donald Powell, minister of Hunter River United Church.

## Canadian Interpol Considered

TORONTO (CP) — Attorney-General Arthur Wishart said Tuesday the establishment of some sort of Canadian Interpol will be considered at a meeting this week of provincial attorneys-general with Justice Minister Gardiner in Ottawa.

Interpol is the international police organization with headquarters in Paris which keeps track of international criminals. Its Canadian equivalent in whatever form it took, would be used for "the collection and dissemination of all intelligence relating to organized crime in Canada, Mr. Wishart said.

He told a press conference he has an open mind on the type of organization that would be used for "the collection and dissemination of all intelligence relating to organized crime in Canada, Mr. Wishart said.

### LEFT WINGER FINED

PETERBOROUGH, Ont. (CP) — Kerry Bond, 20-year-old left winger with St. Catharines Black Hawks of the Ontario Hockey Association Junior A series, was fined \$500 and costs in court here Monday on charges of dangerous driving. His driving licence was suspended for 18 months. He was also fined \$25 for drinking under age.

### PURITY DAIRY

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## Hotel And Store Lost In Archat

ARCHAT, N. S. (CP) — A small hotel and furniture store were destroyed by fire Tuesday in this eastern Cape Breton Island community.

There were no injuries in the fire, which levelled a two-storey building containing both the hotel and store. Owners estimated loss at more than \$40,000.

## School Burns, Children Escape

WARSPITE, Alta. (CP) — Ninety-five children made a quick, orderly exit into 30-below-zero weather Monday before fire destroyed their eight-room school. No injuries were reported.

Principal Martin Atouk, one of five teachers in the rural school, estimated evacuation took less than a minute. The students ranged in age from six to 15 years.

Teacher saved some records of their pupils and outdoor clothing for half the students before heavy smoke drove them from the smoco building.

Warspite is 70 miles northeast of Edmonton.

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