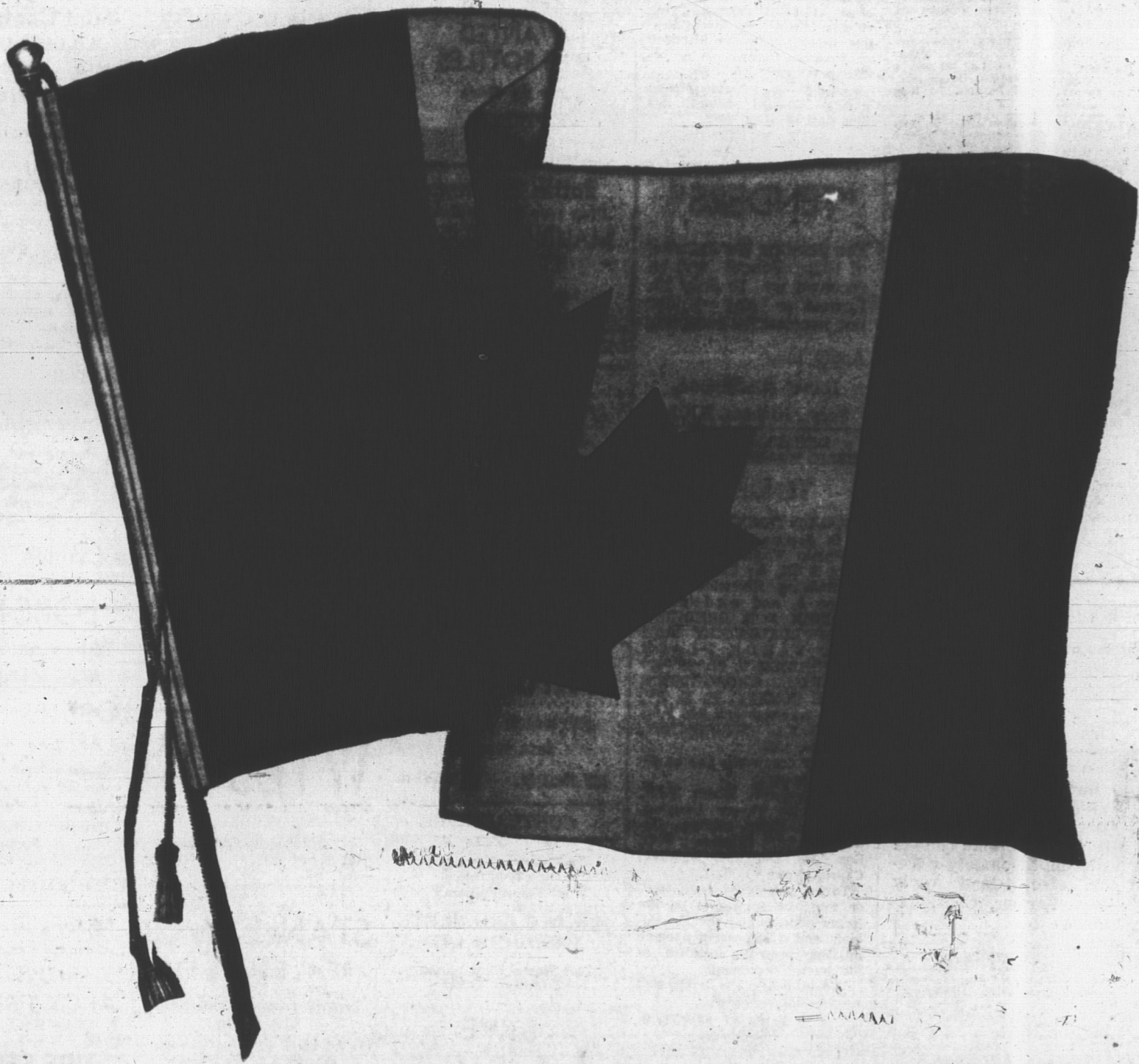


# 65 UNDER HER NEW FLAG

AN HISTORIC OCCASION FOR CANADIANS EVERYWHERE



## JULY 1st, 1867

On this historic day, the Fathers of Confederation signed a proclamation that marked the beginning of a proud union of Canada's provinces. While remaining steadfastly loyal to English Monarchs and their peoples down through the century, Canada has emerged as one of the most progressive and enlightened countries in the Western World.

## JANUARY 18, 1965

As a mark of respect to Canada's emergency as a nation of growing stature, Her Majesty, Queen Elizabeth II on January 18, 1965, signed yet another historic proclamation shown on the facing page. It granted Canada the right to fly her own distinctive flag shown here. And so, for the first time this Dominion Day, Canadians everywhere will proudly salute this newest symbol of their country's progress—the official Canadian flag...

long may it wave!



## EXPORT CREDIT AGREEMENT SIGNED

The picture shows Trade Minister Sharp (right) following the signing of the agreement between the Canadian Export Credits Insurance Corporation and the Inter-American Development Bank for \$15,000,000 in long-term financing of Canadian goods and services exported to Latin America. With Mr. Sharp is Flope Rerrera, president of the Development Bank. The agreement was signed at Ottawa on Monday.

## Congo's Economic Situation Said Better Than Neighbors

**GDN GEN CONGO ECONOMIC**  
The Congo is in a far better economic position than most of its African neighbors. In the following story, the second of a three part series, Arnold Amber, Reuters Leopoldville correspondent, deals with The Congo's economic problems.

By **ARNOLD AMBER**  
**LEOPOLDVILLE (Reuters)**—Although it has suffered almost five years of dislocation caused by conflict, the mineral rich Congo economy is climbing toward its pre-independence level. With the exception of about nine months in 1963, the Congo's economy has suffered from continued strife: three years of secession attempts in the mineral rich areas of Katanga and South Kasai provinces and intermittent fighting in almost all other areas of the country.

Despite this, the Congo, helped to a great extent by United Nations, United States and Belgian aid, is still in a far better economic position than most of its African neighbors. The Congo's riches lie in the copper of Katanga, the diamonds of South Kasai, widely spread and diversified agricultural products and the commercial centre of Leopoldville. In addition, the Congo has sufficient electricity, river transportation and other essential industrial and commercial facilities left from the Belgian colonial days.

**STARTS BADLY**  
The unsuccessful secessions and the general political turmoil immediately after independence in June, 1960, got the Congo off to a bad economic start. By early 1963, when peace and stability were restored, the Congo was entering a monetary crisis.

In November, 1963, the government of Cyrille Adoula devalued the Congolese franc and established import quotas and strict economic policies. This paid off handsomely in 1964 as foreign exchange earnings reached a post independence high of \$367,000,000, a 20 per cent increase compared with 1963. At the same time the budget deficit was trimmed. But the outbreak of rebellion

early in 1964 set back the entire recovery program. Defence expenditure this year was increased to 12,000,000,000 Congolese francs (\$78,400,000), approximately 24 per cent of the total budget expenditure.

Large sums already have been spent and will still be necessary for the rehabilitation of the reconquered areas. Burdened by the large defence and rehabilitation costs and salary increases for civil servants, government expenditure threatened at one point to reach 77,000,000,000 Congolese francs (about \$512,400,000) this year, a deficit of about \$169,800,000.

**TOLD REDUCE SPENDING**  
An international monetary fund commission advised the government to trim the expected expenditure to about 54,000,000,000 Congolese francs (about \$338,500,000). Despite inflationary problems

the economists' guarded optimism for continued recovery is based on the Congo's mineral resources. These account for 60 per cent of its foreign revenue which is expected to amount to \$330,000,000 this year.

The production of copper, The Congo's most important mineral, is expected to rise by between 10 and 15 per cent this year over 1964's total of 175,000 metric tons.

The copper and diamond mines also form the backbone of the Congo's recently negotiated Belgium, which will give the Congolese government about \$15,000,000 annually in dividends.

In addition, The Congo receives large amounts of foreign aid. Last year foreign aid accounted for about 7,000,000,000 Congolese francs (\$46,700,000) or about 15 per cent of the 45,000,000,000 Congolese francs (about \$299,000,000) budget.

## New Techniques Worked Out To Determine Dual Sex Cases

**OTTAWA (CP)**—New techniques have allowed the diagnosis of a "twinning" condition that produces both male and female organs in a person's body, a Winnipeg blood specialist said here.

Dr. Bruce Chown of the University of Manitoba's Rb Laboratory told the annual meeting of the Canadian Pediatric Society one of five known cases is a Canadian child.

It was diagnosed by Dr. James Miller of the University of British Columbia a year ago. The six-year-old boy had an incomplete male genital system.

The boy had a female ovary which was removed in an operation. Dr. Chown said the child should grow up as a normal boy. Such persons of dual sex are known as hermaphrodites.

"The recognition of such people has only recently become possible through new chromosome techniques and by intricate blood grouping," Dr. Chown said.

**CONCEIVE ABNORMALLY**  
The condition results from abnormal conception. Normal conception involves the fertilization of a single female egg by a male sperm.

Normal twins generally result from the fertilization of two eggs by two sperm. Sometimes a single fertilized egg divides with each half growing into so-called identical twins.

"As a very rare event two sperm may fertilize two combined egg cells and a single person develop from the double fertilization," Dr. Chown said. This results in the abnormal "twinning" which Dr. Chown termed "Geminism" after the U.S. space twins who orbited in a Gemini capsule.

In the medical cases, the affected person is virtually twins in a single capsule.

Dr. Chown told reporters after delivering a paper on the subject that the "twinning" process is the first explanation of the development of true hermaphrodites. The term has been used a long time without an understanding of how the condition developed.



## START OF JOINT OPERATION

U.S. paratrooper of the 173rd Airborne Brigade kneels in clearing as HUI helicopters take off after landing U.S. and Vietnamese paratroopers for

the first joint combat operation of the war against the Communist Viet Cong. Barbed wire fences in foreground remain from ruins of small town,

Xo Ba Da, overrun two years ago by the Viet Cong. Operation is taking place in area called "D Zone," 30 miles north of Saigon. (AP Wirephoto by radio from Saigon)

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