

## COUNCIL SUGGESTS CAUTION

# Economic Group Urges Housing Shortage Action

By KEN SMITH  
Canadian Press Business Editor  
OTTAWA (CP) — The Economic Council of Canada, made wary by what it considers possible signs of slackening in parts of the economy, has warned the government to use "special care" to prevent mistiming its fiscal and monetary policies aimed at promoting economic growth.

adequate interpretation of the report, but he promised that "all the considerations that are relevant will be taken into account."

**HAS NO RESERVATIONS**  
Mr. Deutsch made no reservations in his comments about housing.

He told reporters that the



NOTE TO KLAN

growing shortage could become serious, and the implication in the council's review was that more mortgage money should be made available to spur new building.

The council, with a board of management, labor and consumer representatives and academic economists, is an advisory body appointed to study medium- and long-term trends in Canada.

Mr. Deutsch made it clear he considers the short-term implications of the housing shortage serious, especially in fast-growing urban centres, while in the longer run it could become a powerful factor in accentuating the rise in living costs and in wage demands.

He gave no figures, but private construction sources have estimated new housing starts this year will be 27,000 under last year's 162,000.

Mr. Deutsch also emphasized the need for better and more frequent reporting of economic data to help everyone carry out economic planning.

**WANTS MORE SURVEYS**  
He proposed setting up an independent body to make continuous short-term surveys of the economy, making public reports four times a year.

He said annual federal-provincial fiscal conferences could be valuable in co-ordinating spending at various government levels—essential in promoting effective over-all economic policy—but they too should have much more information than now is available.

At the same time, the council's third annual review pinpointed a growing housing shortage as a specific pressure point that needs fast attention.

Council Chairman John J. Deutsch emphasized at a press conference after the review was made public that the council is not saying the time has come for the government to change some of its recent fiscal or monetary measures.

Noting that a slackening has developed in the vital area of investment, he added that not enough data is available yet to say whether the government should ease the reins in such areas as tight money.

All the council is doing, he said, is pointing out the need for close attention to the long time lag between instituting a policy and its affecting the economy.

In the Commons, Colin Cameron (NDP — Nanaimo-Cowichan — The Islands) asked whether the government is "preparing to relax its anti-inflationary measures" in line with the council's report.

Finance Minister Sharp said he doubted whether this was an

Superior Court Judge Allen H. Gwyn Monday at Raleigh, N.C., asked members of the Ku Klux Klan to excuse themselves from jury duty. Gwyn said it was time the North Carolina judiciary spoke out on the subject of the KKK. (AP Wirephoto)

# Major Gains In Farm Income Reported For This Province

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The Economic Council of Canada said in its third annual review that major gains in farm income last year in Prince Edward Island are reflected in its findings.

1963, 23.2 for 1962, and 22.3 for 1961. Concerning the reduction to 21.2 from 22.3 in the five years, the report said:

"While this was clearly only a small reduction, it is nevertheless significant that the direction of change has been fairly neutral or has tended towards a narrowing of income differences, rather than towards a renewed widening of disparity which might well have developed during the course of the expansion."

The council said that while the inter-regional spread of income has tended to converge, this tendency has been "quite limited."

"The growth of the economy at the national level provides a necessary and favorable environment, but is not in itself sufficient to secure major improvements in regionally balanced economic development."

"This is clearly a long-term objective to be sought on the basis of deliberate, integrated public policy."

Ontario and British Columbia had the highest per capita incomes, \$2,296 and \$2,263 respectively. The incomes for the Atlantic provinces were: Newfoundland \$1,173, Nova Scotia \$1,483, Prince Edward Island \$1,370 and New Brunswick \$1,374.

Average income for all provinces was \$1,757 and the average per capita income for all Canada, figured without regard for provincial division of population, was \$1,983.

The report said that since 1961, average incomes of the three leading provinces — Ontario, British Columbia and Al-

berta, all moved closer to the average for Canada. For capita incomes in Manitoba and Quebec remained consistent with the national average, and the average for Saskatchewan jumped around because of year-to-year changes in farm income.

**INCOMES UP IN P.E.I.**  
"Experience was mixed among the lowest-income group of provinces," the report said. "Prince Edward Island gained relatively; Nova Scotia fell somewhat behind, while New Brunswick and Newfoundland experienced little or no change in relation to other regions."

The council computed an index of disparity in incomes across the country, designed to show the range of differences separating the highest- and lowest-income provinces from the average for all.

This index, which shows improvement by a smaller figure, was 21.2 last year, little changed from 21.3 in 1964. In previous years it was 23.3 for

# Bicultural Nation Proposal Rejected By Former Judge

BRANTFORD, Ont. (CP)—A bi-federal state, with jurisdiction over all social security programs, human rights, and university education vested in Ottawa, was advocated Monday night by J. T. Thorson, retired president of the Exchequer Court of Canada.

He told a Canadian Club audience that Quebec could have a special niche in Confederation but talk of Canada as a bicultural nation of English and French cultures is "utter nonsense and should be curiously dismissed."

jurisdiction to deal with its own affairs.

"I believe that it would be possible to work out a bi-federal arrangement that would meet the particular desire of Quebec and, at the same time, leave the rest of Canada free to develop the strong central government that is necessary for the fulfilment of our national purposes."

Mr. Thorson said Canada is not, either in law or in fact, a bilingual country. French has no special status outside Quebec and the federal Parliament and courts. The contention that French and English are official languages through Canada "is made so frequently and with such intensity that we are in danger of being brain-washed into the belief that it is true," he said.

"On the contrary, the hard fact is that it is not a bilingual country. Nor is it likely that it ever will be."

While he sympathized with and supported Quebec's desire to preserve its cultural heritage, Mr. Thorson said 5,000,000 of Canada's 20,000,000 people are neither French nor English in their origins, and it is a fallacy to think that those who are not French are simply English-Canadians.

"The suggestion that Canada is a bi-cultural nation, one culture French and the other English, is utter nonsense and should be curiously dismissed," he said.

Text of his speech was given reporters in advance of delivery.

Speaking on the shape of Canada in its second century, Mr. Thorson said he is confident there will continue to be a Canada in the next 100 years, but there will be changes in its constitution. Canada now is a different country than the one established by Confederation in 1867 when "matters of a merely local or private nature in the province" was assigned to provincial governments.

While primary school education may be best left to local authorities and a secondary schooling governed by the provinces, "when I come to the subject of university education I think of national considerations," Mr. Thorson said.

"The whole of Canada is interested in higher education. We need it for the efficient use of our manpower and the development of our country. We ought to explore the possibility of giving to the Parliament of Canada jurisdiction in the field of higher education."

**HE IS A CENTRALIST**  
The former Liberal cabinet minister and judge said he is a centralist who does not look on Canada as "an aggregation of provinces." But the need for a strong central government can be reconciled with Quebec's desire for the largest amount of

## INSIDE TODAY

Island news	2
Summerside	3
Deaths	3
Editorials	4
Kings, Queens, City	5
Women's	7
Sport	10
Comics	11
Classified	13
Finance, markets	14

## ARD A Grant Will Assist Rural Plans

OTTAWA (CP) — A \$240,000 program of farmland improvement and water conservation in Prince Edward Island will be assisted by an ARDA grant, the federal rural development department reported Monday.

## TURKEY WEIGHS 39 POUNDS

The turkey weighs 39 pounds, just one pound less than Edwif Jewell, York who is shown behind it. The young Tom Turkey — it was less than seven months old when it was killed — was raised by Parker Jewell, father of Edwif. The bird is a Broad-



## Prince MP Will Speak

FREDERICTON (CP) — David MacDonald, Conservative member of parliament for Prince, will be the keynote speaker at the New Brunswick Progressive Conservative party's leadership convention here Saturday.

Harvey Kicks of Moncton, president of the Provincial Conservative Association, made the announcement Monday. He said Opposition Leader Diefenbaker had been invited to speak at the convention, but could not accept because of prior commitments.

## Air Talks Postponed

MONTREAL (CP) — Talks between Air Canada and its striking machinists' union broke off Monday with the company asking for a postponement of bargaining until Wednesday and union leaders expressing "extreme disappointment."

"The company is holding its adamant position," said Mike Pitchford, co-chairman of the International Association of Machinists, whose 5,200 members went on strike against the airline one week ago.

"We are extremely disappointed in the airline's attitude and not very hopeful that talks will get much further when we meet again Wednesday."

## CLERGYMEN DISCUSS MENTAL HEALTH

A two-day workshop for Prince Edward Island clergymen, sponsored by the Prince Edward Island Division of the Canadian Mental Health Association got under way yesterday. Dr. Ian Stewart was the

guest speaker at last night's session held at Riverside Hospital. His topic was "A Psychiatrist's Insight Into Problems of Youth." LEFT TO RIGHT are: Dr. Stewart, Rev. Louis Elias, St. Paul's Church,

Charlottetown; Rev. E.W. Chapman, United Church, Murray Harbour, and Rev. R. L. Pheasant, St. Mark's Church, Bloomfield. Yesterday's sessions were largely attended by clergy from all over the island.

# Summerside Council Requests Public Utilities Exemption

SUMMERSIDE BUREAU OF THE GUARDIAN  
The Town Council here resolved at their regular monthly meeting last night that they will petition the Provincial Government to exempt the town from the jurisdiction of the Public Utilities Commission of P.E.I.

Councillor J.E. Morrison was in the chair as acting mayor. Mayor George Key is in Ottawa attending the national executive meeting of the Canadian Federation of Mayors and Municipalities.

Councillor Grant Mollison told council that there had been animosity between the council and the Public Utility Commission over the matter of water rates and he added that at some stage, there was "grave misunderstanding" and he felt that there should be much consideration before making the request.

Councillor MacDonald, Melville, and Perry said that the matter was discussed during Thursday's council caucus meeting.

Councillor MacDonald said he felt the town should set the rates while Councillor Schurman said that the Public Utility Board had asked the council to revise its rate, and the reply was that the council had no intention of changing the rate at this time.

"We should have some say if the rates are raised or lowered," Councillor Schurman stated. He added that the men in Charlottetown are dedicated to their job but they "could go into other parts of the Island and do a better job."

Councillor Mollison commented that Councillor Schurman had just convinced him of the resolution's merits.

The resolution read as follows: Resolved that the Legislative Assembly of the Province of Prince Edward Island be petitioned to amend the Water and Sewerage Act, sub-section 2, chapter 479 Elizabeth II, 1960, by which amendment the town of Summerside water and sewerage utility will be exempted from the jurisdiction of the Public Utilities Commission of Prince Edward Island. It was moved by M. Mellich, seconded by S. MacDonald.

**CIVIL DEFENCE CENTRE**  
A new civil defence centre is to be established in the Fire Hall at Summerside, after consultation with the P.E.I. (Continued on page 3 col. 3)

## Ottawa At A Glance

By THE CANADIAN PRESS MONDAY, Nov. 21, 1966  
The Economic Council of Canada reported that the economy is falling slightly short of its main growth goals and said the time is near for some easing of investment restraints.

Bower Edward Featherstone, a civil servant arrested Saturday on two charges under the Official Secrets Act, appeared in court and was remanded for a week.

Justice Minister Pennell said no other civil servants have been implicated in the security case and no other charges are planned.

## Attempt At Extortion Being Investigated

WESTVILLE, N.S. (CP) — Police Chief Oswald Chaulker said Monday that a Westville bank manager received a letter last week demanding \$200,000 and threatening the man's wife and infant child with harm if the sum was not paid.

The NDP moved a non-confidence motion in the government, charging it had failed to distribute national wealth equitably.

Malta's Prime Minister Giorgio Borg Olivier arrived in Ottawa to meet with Prime Minister Pearson. TUESDAY, Nov. 22  
The Commons meets at 2:30 p.m. to continue supply debate.

## Italy's China Resolution Is Given Mixed Reaction

UNITED NATIONS (CP) — The United Nations gave immediate approval Monday to an Italian proposal for committee study of the problem of Chinese membership in the United Nations, but the reaction of Canada and some other countries was distinctly cool.

Canada has been trying to get support for a possible motion that a committee be set up specifically to find a formula for seating both Communist China and the Nationalist Chinese, as governments having jurisdictions over separate territories.

British and Indian sources said it is difficult to see how their countries or any others having diplomatic relations with Peking could support the Italian proposal. Such countries regard the Communist regime not only as the effective ruler of continental China but as entitled to China's UN seat.

## Non-Confidence Moved By NDPs

OTTAWA (CP) — New Democrats moved non-confidence in the minority government Monday, claiming the Liberals have been derelict in not acting to ensure more equal distribution of the country's annual income.

During a Commons debate on money supply, New Democratic Leader Douglas proposed a motion that the House express regrets on "the failure of the government" to introduce equitable distribution of the national income, particularly in view of the rising cost of living.

Success of the motion could lead to resignation of the government and a federal election, but chances of that result appeared slim.

The New Democratic move came after a Conservative effort to introduce a similar step on pensions was ruled out of order.

OTTAWA (CP) — An opposition attempt to force a showdown debate on whether a needs test should be incorporated into the old age security pension system was over-ruled in the Commons Monday.

Speaker Laclac Lamoureux refused to accept a Conservative amendment to provide an immediate increase, without a means or needs test, to all persons receiving old age pensions.

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