

"Covers Prince Edward Island Like The Dew"

By JOHN E. BIRD
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New Crisis Gad Key For Berlin

BERLIN (AP)—Walter Ulbricht, the communist leader of East Germany, flew to the Soviet Union Wednesday amid speculation that the Communists were preparing to trigger a new Berlin crisis.

Ulbricht took with him Acting Premier Will Stoph according to a brief report of the official East German news agency, ANX. It was not announced whether they were going to Moscow or some other city.

Premier Khrushchev headed to the Black Sea last weekend for a vacation.

There has been renewed pressure by the Russians on West Berlin's air links to the West. Ulbricht's propaganda machine has stepped up its campaign against the presence of Western agencies in Berlin.

N.S. Rejects Plea On Mine Subsidy

HALIFAX (CP)—The Nova Scotia government Wednesday rejected an appeal to subsidize the operations of No. 16 colliery in New Waterford until Parliament can deal with the closing of the Cape Breton coal mine.

In a telegram to Bill Marsh, District 26 president of the United Mine Workers of America (U.M.W.), Premier Stanfield indicated the province preferred to spend the money on a pension plan and other measures to relieve distress in the mining town.

His telegram brought a comment from Mr. Marsh that "there's nothing left to do but follow the recommendations of the Gordon commission report and migrate to other parts of Canada."

Mr. Stanfield said the province is willing to share with Ottawa the cost of continuing the operation No. 16, but "regrettably concluded that the provincial government cannot assume the burden of attempting to maintain No. 16 entirely from its own resources and also carry out additional programs that will be necessary."

"Our provincial treasury will be unable to provide the proposed pension plan and other measures which will be urgently required" will be attempting to maintain No. 16 without federal help.

The mine is scheduled to work its last shift Friday, between 900 and 1,000 men will be struck out of work but a few will be absorbed into other mines and a few will be required for striping operations.

Federal assistance, which along with provincial aid has kept the mine operating for the last two years, ended Wednesday. Appeals to Ottawa by the union and other Cape Breton groups to retain the subsidy until alternate employment could be found, have failed.

Common Market Issue Parley's Deadlocked

BRUSSELS (Reuters)—British and Common Market ministers broke off talks Wednesday night still deadlocked in their negotiations over the European trading community.

Conference sources said neither British nor the European negotiators brought any really new proposals to the meeting, leaving the positions unchanged from last Saturday when the talks were broken off on the question of alternative markets for Commonwealth and Common Market.

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Earlier a French spokesman said the Common Market members had not changed their position since last week and had asked Edward Heath, the British negotiator, to make a detailed statement of what changes he wanted.

The British delegation asked for the access to prepare the statement and then asked for more time to formulate it.

The spokesman added that the six had not agreed among themselves on any amendments to their proposals when they met through the day before being joined by Heath.

An authoritative conference source said the Market members meeting was marked by a heated exchange between Belgian Foreign Minister Paul-Henri Spaak and Olivier Worms, leader of the French delegation.

GUESTS GREETED AT GOVERNMENT HOUSE

Lt. Governor F. Walter Ryndman and Mrs. Ryndman entertained a large number of guests at a garden party held on the spacious lawns of Government House in Charlottetown yesterday afternoon. They received their guests at the entrance to the gardens, but because of threatening weather the tea was served in the dining room, rather than in the garden. The Lieutenant Governor and Mrs. Ryndman are shown talking with Mrs. H.H. Pierce, Charlottetown.

Austerity Program Result Seen 'Most Encouraging'

OTTAWA (CP)—Results of the government's austerity program to strengthen the Canadian dollar and bolster Canada's shrunken reserves of foreign exchange were described Wednesday as "most encouraging" by Prime Minister Diefenbaker.

He made the statement in a bedside interview with seven reporters at his official Sussex Street residence following a morning cabinet meeting. It was his first interview with the press since he broke a bone in his left ankle July 23 at his Harrington Lake summer home 20 miles north of the capital.

In his 10-minute talk with reporters, Mr. Diefenbaker did not elaborate on his statement that results of the austerity program have been most encouraging.

However, he said the government would be making a number of announcements on various matters in the next couple of days. He indicated that a statement also was planned on the results of the austerity program.

RESERVES FELL

When the program was announced June 24 it was shown that reserves of foreign exchange had fallen by nearly \$400,000,000 since June 1 to some \$1,000,000,000, Mr. Diefenbaker said that in 1947, when a Liberal government was in office, reserves fell to \$500,000,000. It is sometimes forgotten, he said, that it took

New Jobs Asked For N.S. Miners

OTTAWA (CP)—New Democratic Party Leader T. C. Douglas said Wednesday the federal government should guarantee a new job for every miner thrown out of work by the closing of the Dominion Coal Company's No. 16 colliery at New Waterford, N.S.

Mr. Douglas said that his office in a modern society must facilitate an opportunity to engage in productive activity for every individual.

Subsidiary to Crisis Promised Today

BY FINLAY CAMPBELL

ALGIERS (Reuters)—Ahmed Ben Bella's right-hand man asserted here Wednesday that Algeria's rival factions would announce a "final solution" of the political crisis today.

The optimism in this statement by Mohamed Khider was watered down by word from Ben Bella's aide indicating that the dissident vice-premier and his entourage had postponed their plans to move to Algeria today.

In Oran, usually well-informed sources indicated the postponement as meaning Algerian reconciliation talks had been broken off.

Ben Bella was pictured as delaying his move pending the outcome of the Algerian reconciliation negotiations between Khider and anti-Bella leaders Mohammed Bouhadjar and Mohammed Krim, both vice-premiers in the Algerian-based provisional government. Premier Ben Youssef Ben Khedja.

TALKS TO RESUME

Kim said a spokesman for Ben Bella said a departure this morning was "excluded," adding that Algerian reconciliation would be resumed today.

You will easily guess that the move will influence our departure," spokesman Ahmed Bouhadjar told reporters.

The dissident faction is a takeover of the Algerian leadership by the Ben Bella group. Bouhadjar arrived in Algeria after having been released following his cap-

Low Grade Ore Reduces Exports

By RUSSELL KLMAN

OTTAWA (CP)—Expansion of Canadian iron ore exports to Europe is handicapped by the high cost and in some cases lower grade of Canadian ores, a Canadian trade mission report said Wednesday.

This conclusion was reached by a 10-member iron ore trade mission which visited Britain and the European coal and steel community countries in May.

The group, in its report issued Wednesday, said as possible "It is essential to encourage and assisting investment in the processing of iron ore to enhance the grade and to exploit the economies of large-scale operations."

The mission, which included representatives of industry, labor and government, explored possibilities of expanding iron ore exports, attempted to promote interest in Canada as a source of supply and tried to obtain a deeper understanding of conditions which might affect the growth of iron ore trade in overseas markets.

The group met senior government officials and top industry executives and inspected various plants in Britain, France, Netherlands, Belgium, Luxembourg, West Germany and Italy.

MINE MORE CRUDE

The report says Canadian production offers a considerable high grade product containing about 65 per cent iron, but to do so must mine about 1/2 ton of crude ore to produce one ton of saleable concentrate of the same grade as many West African and South American high-grade direct-shipping ores.

However, it adds that Europe is interested in keeping contact with Canadian sources for some time.

Liberal Leader Asks New Election Demanded, Commons Session Closed

OTTAWA (CP)—A session of Parliament was closed Wednesday by the government's austerity program and measures to bolster the Canadian dollar.

LIBERAL LEADER ASKS

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NEW ELECTION DEMANDS

Mr. Pearson, who was to leave today for a 10-day unofficial conference in Brazil, said in the Western Hemisphere, said the government's responsibility in drug administration was another issue on which Parliament should be called together, "as soon as possible."

The government seemed to have acted too slowly in withdrawing the tranquilizer, thalidomide, after West Germany and Britain had stopped its sale in November and December.

He said the government had deformed babies being born to mothers who took it in early pregnancy.

"If Parliament were meeting, we would be able to get at the facts."

Whether Britain decides to join the European Common Market, he said, is not to join, or even if the issue is unsettled before the Commonwealth prime ministers conference in London in September, the Diefenbaker government should need Parliament first to put its policy before it and seek a vote of confidence, Mr. Pearson said.

But he acknowledged that it was the government's duty to take the responsibility of deciding when Parliament should meet.

Another question he said

Provinces To Share Plan Is Approved

(By The Canadian Press)

The federal government has prepared to share with the provincial governments the cost of providing financial aid to families of babies deformed by the drug thalidomide, Health Minister Monteleith announced Wednesday night.

He said in a statement that he is asking provincial governments "to immediately send representatives to Ottawa to discuss with us the best means of providing assistance to those affected by this drug."

Mr. Monteleith said the federal health department "in co-operation with the provinces has already developed a number of avenues through which assistance can be provided to meet this problem." He did not elaborate.

The minister said "I would emphasize as strongly as possible that there has been no negligence, failure or departure from federal drug regulations in the case of thalidomide."

Use of the drug by pregnant women as a tranquilizer to avoid nausea has been blamed for the birth of more than 40 Canadian babies with deformed arms and legs.

BORN SUCCESSFUL

Mr. Monteleith said federal regulations have been successful in the past in providing "every protection possible." During the

SOPRANO

Attractive blonde Colette Boly, 25-year-old opera singer from Montreal, is considered by critics to be headed for a brilliant career. Recent winner of a \$5,000 Province of Quebec prize, the coloratura soprano intends to spend the next two years studying and appearing in concerts in Europe. (CP PHOTO)

Drug Testing Technique To Be 'Examined Fully'

OTTAWA (CP)—Prime Minister Diefenbaker said Wednesday the federal government plans a full examination of the techniques used by the health department in testing new drugs.

He told reporters the testing methods used in the past have proved effective but had been unchanged for 15 years.

Commenting on Canadian use of the tranquilizer thalidomide, blamed for congenital malformations which taken by pregnant women, he said there has been no neglect by the health department.

However, he felt the entire testing techniques and courses of action should be examined to guard against any repetition of the present situation in the future.

In the case of thalidomide, the food and drug directorate of the national health department cleared a 300-page submission on behalf of the West German developed drug in November, 1960. It was approved for sale by prescription under the Food and Drug Act.

MUST BE TESTED

Regulations provide that before a new drug is sold to the public it must be adequately tested. Inspection of drugs sold in Canada is the responsibility of the food and drug directorate.

All drugs sold must meet a standard of composition, purity and potency.

British Dismisses Wm Thorp's Missile

LONDON (Reuters)—Britain has decided to dispense with the increasingly vulnerable Thor missiles stationed here under agreement with the United States, it was announced Wednesday.

Defence Minister Thorpe told the House of Commons the Anglo-American agreement, which expires next February, will be brought to an end.

Crump's Plea Saves His Life

SPRINGFIELD, Ill. (AP)—Paul Crump's plea that he found a spiritual rebirth in his nine years facing the electric chair Wednesday saved him from escape from electrocution.

He had received 14 previous stays of execution.

Governor Otto Kramer, acting on an unprecedented plea by a condemned man, granted an unusual clemency and cut Crump's punishment to 30 years in prison, with a recommendation that he be paroled after 10 years.

The bid for life by the 32-year-old Negro killer and robber, who had been in prison for no longer denied committing the crime for which he was convicted, was that the governor spare him because he had rehabilitated himself and could be a good citizen.

His story, set forth in documents and in testimony taken by the Illinois board of pardons and in an extraordinary hearing Monday, won over the governor only a stay before Crump was scheduled to die in the chair.

N.B. Newsman Dies Wednesday

FREDERICTON (CP)—Arthur S. R. 88, director of advertising for the Fredericton Glenside and the Atlantic Advocate, died today in hospital here after a lingering illness. He was hospitalized three weeks ago.

Mr. R. came to Fredericton from Saint John, N.B., in 1951 as sales manager for University Press Limited. He became advertising director of the Glenside and Advocate soon afterward.

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BROTHER'S MEDAL IS ADMIRER

David Ward, left, and Deborah, right, are admiring the medal won by their brother Sterling at the Highland Games which drew a large crowd at 7:15 a.m. yesterday. (Story on page 5)