

## Students Arrested, Charged Moncton Bank Robbery

### George Hees Named As Exchange Head

MONCTON (CP)—Three men, including a Vancouver native and one from Halifax, were charged Thursday with the armed robbery earlier in the day of a \$25,000 branch of the Moncton branch of the Canadian Imperial Bank of Commerce.

Arrested within an hour of holdup were Herbert Linton, 36, of Vancouver, John Jarret, 29, of Halifax, and Kenneth MacDonald, 23, of Saint John N.B.

RCMP said all the money and four .22-calibre revolvers were recovered following a high-speed chase near Peticodiac N.B. about 30 miles west of here on the TransCanada Highway.

The trio was returned here about noon and arraigned in police court on charges of armed robbery. No plea was taken and they were remanded until today.

CAR BOLLS OVER  
The men were arrested when their car, bearing British Columbia licence plates, headed over during a 100-mile-an-hour chase after they ignored an RCMP roadblock.

The roadblocks were set up throughout eastern and southern New Brunswick after a number of armed men—police were still unsure if a fourth man was involved—walked into the bank shortly after it opened at 10 a.m. and lined up the occupants against a wall. Tellers' cash drawers were rifled and the men fled in a car.

One of the robbers was said to have worn a stocking cap and another a covering over his face which left only the eyes exposed.

RCMP reported a satchel containing "about a \$25,000" was turned over by a passenger who recovered it from the highway where it was thrown during the chase. The robbers also were tossed from the car.

It was the second bank holdup in the Atlantic provinces in six days. An Ontario man was killed Thursday in a bank robbery last Friday of a Royal Bank branch in Dartmouth, N.S. in which \$3,200 was taken.

### Freak Hall Storm Isolates Town

JOHANNESBURG (AP)—Stevensburg, a town of about 3,000 population in Northern Cape province, has been isolated by the worst hail storm in living memory. South Africa radio reported Thursday, Ror, hail and tele-communications were disrupted by hailstones as big as golf balls.

### Chou Reception Reported Cool At Tunis Stop

TUNIS (AP)—Premier Chou En-Lai received the coolest reception of his African tour on arriving Thursday in Tunisia, whose government has promised diplomatic recognition of Red Chinese premier's welcome at El Aouina Airport.

The Red Chinese premier's welcome at El Aouina Airport was stiff and formal, but no crowd turned up despite an official appeal, printed in the newspapers, for an outpouring of the people.

On hand to greet the Chinese were De Chen and Wang Ladhuan, who is the 2nd man in President Habib Bourguiba's government. Foreign Minister Mongi Slim and the president's son, Habib Bourguiba.

At the president's seaside palace in suburban Carthage, Chou and Bourguiba began talks to prepare for the establishment of diplomatic relations, the biggest dividend so far of the African goodwill tour that Chou launched in Cairo Dec. 14. Slim announced the arrangements two weeks ago.

### Letter Ready For Premiers

OTTAWA (CP)—The cabinet met Thursday to put final touches on a letter to the provincial governments advising them of changes proposed in the Canada Pension Plan.

Prime Minister Pearson said he has entered the session that hopes the cabinet can conclude its discussion, started earlier in the week, and get a letter ready to the premiers including Premier Lesage of Quebec.

### Indonesia, Philippines Make Deal

MANILA (Reuters)—Indonesia and the Philippines have reached an agreement on forming a Southeast Asian Union in opposition to the British Commonwealth Federation.

According to a Philippines foreign ministry official Thursday, the union would be headed by Indonesia and the Philippines in a "four-way" deal.

Malaysia would be welcome "to return to the fold after freedom of the Federation," the source said.

The countries invited to join the union are Laos and Cambodia.

Indonesia expects a weakening of the British attitude on Malaya, and that may be and also is convinced Britain would ease its policy toward Indonesia, the official said.

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### Retailers Said Threatened By Tax Concessions

OTTAWA (CP)—Unless the tax advantage is taken away from co-ops, independent retailers will be forced to compete against tax-privileged firms.

At issue was the fact that co-ops can deduct patronage dividends from their taxable income, while investor-owned firms distribute their sharehold dividends after taxes. Co-ops are also given a tax holiday for their first three years of operation.

Anything short of total equity participation by retailers—or even banks who must compete with credit unions—said Professor Barber, FORESEES SQUEEZE.

Mr. Lesser said he can foresee the day when independent retailers are squeezed out of business by a squeeze between huge chain stores and co-ops. Co-ops cannot get the same break because of the tax situation.

Whenever an organization calls for a 100 per cent share, there is invariably a cry that efforts are being made to displace the co-op movement. This was not the case. Retailers wanted only an equitable tax break, not a squeeze.

Barber, A.P.E.C. past president and head of the economics department of the University of Saskatchewan, said it was totally unfair that one segment of business—co-ops—should be given a government subsidy in the form of a tax holiday for their first three years of operation.

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### APEC Governors Plan Meeting

HALIFAX (CP)—The board of governors of the Atlantic Provinces Economic Council will meet its first meeting of the year here Monday.

A.P.E.C. President John S. Wright of Summerside, P.E.I., will be chairman.

Wright said that the A.P.E.C. past president and head of the economics department of the University of Saskatchewan, said it was totally unfair that one segment of business—co-ops—should be given a government subsidy in the form of a tax holiday for their first three years of operation.

### Carrier Slammed By Fierce Storm

NEW YORK (AP)—The aircraft carrier Essex limped into New York harbor Thursday, showing the scars of battle with two North Atlantic storms.

Gaping holes were torn in her flight deck, and her 23-ton, 60-foot main mast, containing electronic equipment, crashed to the deck during the storms.

In all my years at sea, I said Capt. J. M. West, "I never saw a storm as bad as that one. The waves were 85 feet high, he said. No one was hurt.

### Man Charged In Robbery At Dartmouth

DARTMOUTH, N.S. (CP)—A man charged with robbing a branch of the Royal Bank of Canada here last Friday.

Macdonald is scheduled to be formally charged with the robbery in Antigonish, N.S. Macdonald was questioned by the RCMP and told police he was charged with carrying a concealed weapon.

The robbery was carried out by a lone armed bandit who fled with a \$2,000 ransom and escaped with \$3,200 before anyone in the bank was aware the robbery was in progress.

It was not known if any money was recovered.

### Man In Hospital For Oxide Gas Blamed For Death Of Woman

A 24-year-old North Granville woman, Margaret Maude Bouchard, was found dead in a half-ton truck yesterday afternoon and a man found with her is a patient in Charlottetown Hospital.

Both were victims of carbon monoxide poisoning.

In hospital is Norman Joseph Arsenault, 25, of Maple Plains, P.O. Box 100.

Found in AFTERNOON  
The truck was found at 2:30 p.m. by a snowplow operator, was parked, with its motor running, in front of the Smith Road toward Grandville from the old Charlottetown to Summerside highway.

Miss Buchanan was dead when the truck was found.

Mr. Arsenault, unconscious, was rushed to hospital by ambulance. He was administered oxygen on the way by Outcliffe ambulance services.

### CONDITION IMPROVING In Hospital

A check with the hospital last night showed that Mr. Arsenault had improved slightly, but was still unconscious. He was expected to regain consciousness through the night.

Dr. L. Prowse, corner, said last night "at present, no further improvement is expected."

### N.B. Legislature To Open Feb. 18 TO GET AID

FREDERICTON (CP)—The spring session of the New Brunswick legislature will open Feb. 18, Premier Louis Robichaud's office announced Thursday.

A major item of discussion during the sitting is expected to be the Byrne report on municipal finance and taxation. The report is expected to be released late this month.



### Bonhomme Carnival For Visit Here This Month

On Thursday morning, Bonhomme Carnival will be paying official visits to the Lieutenant Governor, Hon. W. J. MacDonald, Premier Walter E. Howe and Mayor A. Wathien Gaudet.

For these visits he will be travelling through the city in a horse-drawn sleigh. Other members of the party will be following along in a similar vehicle.

On Wednesday evening, Bonhomme Carnival will be entertained at a reception and dinner at Montgomery Hall by the Centennial Committee.

He is also scheduled to pay a visit to the Canadian Dairy-men's Association which will be holding its convention at the Charlottetown Hotel next week.

Bonhomme Carnival will be in his official costume for all appearances while in the city.

### U.S. Security Damage Charged To Goldwater

WASHINGTON (AP)—Defense Secretary Robert McNamara has accused Arizona Senator Barry Goldwater of damaging United States security with a statement that U.S. long-range missiles are not dependable.

"Completely misleading, politically irresponsible and damaging to the national security," was McNamara's retort Thursday to the Arizona senator's statement.

Goldwater, campaigning in New Hampshire for the Republican presidential nomination for November's U.S. election, told a press conference at Portsmouth that President Johnson's proposed defence spending cuts mean a reduction of the manned bomber fleet. Asserting this would put much reliance on the U.S. missile forces, Goldwater said intercontinental ballistic missiles are not reliable.

### BANK PRESIDENT REPORTS Three-Fold Problem Seen Facing Canada

MONTRÉAL (CP)—The president and chairman of the Royal Bank of Canada said Thursday that the bank's analysis of the Canadian economy points to three major problems facing the country.

"Wrong diagnosis, usually leads to wrong medication, which in turn aggravates or conceals the real cause of the trouble," said W. Earle MacLaughlin in his address to the bank's 66th annual shareholders' meeting.

He said the Canadian image at home and abroad is blurred and distorted and will only improve when Canadians agree on a clear and firm purpose.

Mr. MacLaughlin said the economic problems are threefold: 1. A balance of payment deficit in goods and services—a deficit in our trade with the world in goods and services; 2. A balance of payments surplus on capital account—a net import of foreign capital; 3. An overall deficit in the federal budget—a deficit in the Canadian government's balance of receipts and expenditures.

To increase domestic investment in Canadian industry, Mr. MacLaughlin suggested the removal of "tax disadvantages," He said the example of double taxation of dividend income, saying it "directly discriminates against Canadian investment in enterprises requiring risk of venture capital.

"Another part of the answer, involving taxation would be an overall reduction of the burden of taxation even where that burden is not discriminatory," he said.

Canadian monetary policy was controlled by foreign exchange reserves because Canada had a fixed exchange rate. "If our reserves tend to be forced up by events abroad, we can or indeed we may be forced to have an expansionist monetary policy if we begin to lose exchange reserves, we must have a contractionist monetary policy."

He said recent policy statements seem to be in line with Canada's reverting to a floating rate, but the international monetary fund should be influenced "to move toward a more flexible international payments system which Canada's special problems... will stand some chance of solution."

Discussing foreign investment policy, Mr. MacLaughlin said there are two "valid bases for raising the burden of external debt and the degree of external control over Canadian economic resources."

"By far the greater part of the \$17,500,000 which we appear to have in long-term balances to residents or institutions in net direct investment by foreigners is expected to be true debt by equity capital."

### BLAMES U.S. FOR DISORDERS

Foreign Minister Galileo Solis blamed the American government of the Canal Zone and the U.S. government itself for Thursday night's disorder stemming from rival attempts by the U.S. and Panamanian flags in the Canal Zone. (AP Wirephoto)