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# The Guardian

Clear with a few cloudy intervals; colder; west winds 20. Low-high at Ch'town 40 and 50. Sunday: Sunny.

"Covers Prince Edward Island Like The Dew"

Authorized as Second Class Mail by the Post Office Department, Ottawa

CHARLOTTETOWN CANADA, SATURDAY, APRIL 26, 1958

NOT MORE THAN FIVE CENTS



Island automobile dealers last night heard a strong plea for better area co-operation and greater support for the national body from the executive vice-president and general manager of the nation-wide organization, Howard Moore of Toronto (third from left). Others in the photo include left to right: Earl MacLeod, F. R. McLaine, W. R. Jenkins, president of the Island organization, and J. A. Gallant, provincial Registrar of Motor Vehicles, all of Charlottetown; Earl Corney, Summerside, and Wendell McLaine, Charlottetown, secretary of the Island group. The meeting was held in the Charlottetown Hotel.

## DUE TO END TODAY

# Sea Conference Rejects Territorial Waters Plans

## N. S. Gov't Proposes Sales Tax For Hospital Plan

HALIFAX (CP)—The Nova Scotia government proposed a three per cent retail sales tax Friday to pay for the province's share of the National Hospital Insurance plan.

Premier Stanfield introduced the 20-page "Hospital Tax" Act in the Legislature's Friday afternoon sitting. It would go into effect Jan. 1, 1959, a date coincidental with the target for starting the hospital plan in Nova Scotia.

The three per cent tax would be applicable to most everyday purchases of more than 15 cents. Cigarette smokers would pay 35 cents, instead of 33 for every package of 20. A five per cent tax is proposed for other tobacco products and liquor.

Twenty-six classes of exemptions are proposed. They include food, drugs, manufacturing machinery, children's clothing and footwear, subscribed newspapers and magazines, motor vehicle fuels, gasoline, farm equipment, implements, feeds and insecticides, livestock, fishing boats and other equipment, meals costing less than one dollar and provincial government purchases.

Magazines bought from retail dealers for more than 15 cents would be taxed.

Should several individual items be bought "the total of the purchases shall be deemed one for the purpose of this act."

The tax would be assessed at three per cent on goods bought outside and brought into the province, on "trade-ins" used to buy new property on which the tax presumably would be paid as well, but not on goods sold to buyers outside Nova Scotia.

The tax legislation had been expected since the 1958 session of the Legislature began Feb. 12. The possibility was enhanced by a recent report of a commission that studied implications of the plan in Nova Scotia. Its financing recommendation: A sales tax.

Premier Stanfield has estimated the province will have to contribute \$6,000,000 and the federal government \$7,000,000 to operate the hospital plan next year. The province's share is expected to double by 1965.

Premier Stanfield told Liberal Opposition Leader Hicks the bill

is based "on a study of various bills... a good deal on British Columbia."

The job of collecting the tax would fall to persons engaged in buying and selling in Nova Scotia. They would be compensated at a rate determined by a commissioner of hospital taxes, to be appointed by the cabinet.

Premier Stanfield declined Friday night to disclose the government's estimate of revenue from the tax. He said the figure would probably be given when the bill is before the House for approval in principle.

### VIOLATION PENALTIES

Within 60 days of the tax be-

coming effective, merchants would be required to obtain certificates showing their right to sell "tangible personal property." A conviction of violating the act could result in suspension of the certificate. The burden of proof would be on the merchant.

The commissioner would be empowered to seek an injunction preventing a convicted merchant from doing business unless his registration certificate was reinstated.

Persons convicted of violations would be liable to a minimum fine of \$10 and a maximum of \$1,000 with an optional maximum prison term of three months.

## Delegates Agree Extension Needed, Differ On Extent

GENEVA (Reuters) — An 86-power conference Friday rejected all proposals before it aimed at defining the extent of territorial waters.

In a series of roll-call votes, Canadian, American and Russian proposals failed to muster the required two-thirds majority. A compromise plan sponsored by Asian, African and Latin-American powers also failed.

With the law of the sea conference due to end today, after two months of sessions, Saudi Arabia presented a proposal calling upon the delegates to admit failure.

A night session was called to discuss whether to try again at another conference.

### DIFFER ON SUBSTITUTE

Delegates generally agreed on extending the traditional three-mile limit but differed on a substitute line.

Canada's proposal was to give coastal states exclusive fishing rights up to 12 miles from their coastlines although otherwise retaining the traditional three-mile limit. The vote on the Canadian measure was 35 in favor, 30 against and 20 abstentions.

The Americans proposed a six-mile limit with an additional six miles permitted as a fishing zone. Russia sponsored a flexible three-to-12-mile limit "as a rule" but permitting each nation to decide upon its own limit. Voting on this was 21 in favor, 47 against and 17 abstentions.

### RUSSIAN INTERESTS?

British attorney - general Sir Reginald Manningham - Buller told the conference before the vote:

"The Soviet proposal prescribes no limit at all to the breadths of the territorial sea. The limit shall be just 12 miles 'as a rule' and then it can go beyond that in consideration of various interests - whose interests?"

The compromise proposal, representing a merger of plans put forward by Canada, India and Mexico, gained 39 votes in favor, 38 against and eight abstentions.

It would authorize each country to fix the width of its territorial waters up to 12 miles. Fishing and other exploitation rights would be authorized up to

the same distance.

### SPONSOR COMPROMISE

Sponsoring this compromise were Burma, Colombia, Mexico, Indonesia, Morocco, Saudi Arabia, the United Arab Republic and Venezuela.

The Saudi Arabian suggestion that the conference admit defeat said there is nothing to prevent a country from extending its territorial waters to 12 miles pending another conference.

Cuba submitted a proposal asking the United Nations at its 14th session in 1959 to consider calling another conference.

George Drew of Canada told the conference earlier that if none of the proposals was approved, he would offer an amendment to the Cuan resolution to the effect that the General Assembly should study this possibility at its 13th session beginning in September.

### FIVE MONTHS TO DECIDE

Drew said this would give governments five months for consultation and time to work out their differences.

The delegates conducted their talks on the basis of recommendations prepared by the United Nations international law commission.

The conference approved unanimously an American proposal permitting coastal states to prevent infringements of customs, fiscal, immigration and sanitary regulations up to 12 miles offshore. This article in a proposed treaty on the law of the sea would convey no right to extend exclusive fishing zones or territorial waters to 12 miles.

The conference has not yet decided whether to invite governments to sign and ratify the proposed treaty in the absence of agreement on territorial waters.

## Still Optimistic Over Proposed 12-Mile Limit

OTTAWA (CP) — Resources Minister Alvin Hamilton expressed optimism Friday that Canada's proposal to give coastal states exclusive fishing rights up to 12 miles from their coastline will be approved some time in the future.

A law-of-the-sea conference concluding in Geneva Friday rejected Canadian American and Russian proposals for limiting the extent of territorial waters. Eighty-five countries attended.

The one previous conference on the subject, to which a smaller number of countries sent delegations, was held in The Hague in 1958. There was no indication of when another conference may be held, but some reports indicated the question of territorial waters may be referred to the United Nations General Assembly.

Mr. Hamilton noted the vote on the Canadian measure was 35 in favor, 30 against and 20 abstentions. It needed a two-thirds majority for adoption.

"Frankly, my reaction is that the decision was a political one," said the resources minister.

"It now is our diplomatic task to bring to support us some of the countries which abstained from voting or opposed our measure."

He said he does not consider the conference a failure. A total of 74 articles were debated and 73 were approved.

### QUEEN RESTED

LONDON (Reuters) — The Queen, suffering from a severe cold, was reported Friday to be feeling more rested but to be spending a second day in bed.

## Yanks Postpone Launching Try

WASHINGTON (AP) — The navy said Friday night that another attempt to launch a Vanguard satellite had been postponed.

No immediate reason was given for the postponement, the second within 24 hours at Cape Canaveral, Fla.

The navy has planned a launching test of its three-stage Vanguard and hoped that as part of that test the 20-inch sphere in its nose might be put into orbit.

The sphere is three times as large and almost seven times as heavy as Vanguard I. It was successfully launched March 17.

### PM TO GET DEGREE

MIDDLETOWN, Conn. (CP) — Prime Minister Diefenbaker will be the speaker at Wesleyan University's 126th commencement here June 8. He will also receive the honorary degree of doctor of laws during the graduation ceremonies.

He becomes the second Canadian prime minister to be awarded an honorary doctorate of laws by Wesleyan. In 1931 R. B. Bennett, then prime minister, was similarly honored.

## Russia And West Germany Clasp Hands Over First Pact

BONN (AP)—Soviet and West German leaders clasped hands Friday over their first pacts with each other. The Red flag waved over Bonn—but visitor Anastas I. Mikoyan was told bluntly that Germans fear the Soviet giant.

Cordiality was tempered by caution from the time the Soviet deputy premier arrived for the first visit by a Soviet leader since the Bonn republic was established in 1949.

The four agreements, drawn up during nine months of negotiations in Moscow, call for an exchange of \$375,000,000 worth of goods over the next three years and eventual establishment of consular offices in Bonn and Mos-

### MORE AGREEMENTS?

Mikoyan expressed hope the accords would lead to further agreements, and West German Foreign Minister Heinrich von Brentano made a formal statement praising the improvement in Soviet-West German relations.

But the formal restraint of a subsequent diplomatic reception when Mikoyan encountered German Minister Franz Josef Strauss.

After shaking hands, Strauss declared: "We are not building up our army for aggressive purposes. It's because we are afraid of you."

## Yugoslavia Makes Offer To Co-operate With Russia

LIUBLJANA, Yugoslavia (Reuters) — Yugoslavia expressed readiness Friday night for "sincere co-operation" with the Soviet bloc on a basis of "frankness and clarity."

The Yugopress news agency said in an authorized statement that attacks on Soviet-bloc policies made at the Yugoslav Communist Congress here should be regarded only as a "by-product" of congress discussions.

Publication of the statement was seen as an attempt by President Tito to reduce the temperature engendered by four days of

sharp criticism of Russian policy. The aim, observers said, appeared to be a last-minute effort to avert an open clash and to ease the way for Moscow to tone down its own attacks on Yugoslav "revisionism."

Yugoslav sources said Tito is unlikely to continue criticism of the Soviet bloc in such sharp terms as expressed in the last few days when he winds up the congress today.

It depends entirely on the Soviet leaders whether an ideological war will be waged, the Yugo-

slav sources said. Meanwhile, Yugoslav Foreign Minister Popovic told reporters he thought the Western press had "given too much prominence to the dispute."

But Popovic told the congress earlier Friday Yugoslavia would refuse to make "rotten compromises" to repair the growing rift between his country and Russia.

He also announced his government's refusal to hush up the differences with Moscow resulting from Tito's independent policies at home and abroad.

## Two Groups Of Gov't Employees Merge Shortly

OTTAWA (CP) — Two groups of government employees merge next week into a 26,000-member body with one of its chief aims to achieve collective bargaining rights with the federal government.

Tabbed as its first president is a 31-year-old labor department expert in collective bargaining, from New Glasgow, N.S., J. Calbert Best, a Negro.

The brand new Civil Service Association of Canada is to emerge in a four-day convention here next week from the marriage of the 14,000-member Civil Service Association of Ottawa and the 12,000-member Amalgamated Civil Servants of Canada. About 75 delegates will attend.

But the move will leave government employees far from achieving a single voice to speak to their powerful employer.

### TWO STILL REMAIN

Two separate organizations remain: The 30,000-member Civil Service Federation of Canada — a collection of departmental employee groups—and the small but influential Professional Institute of Canada, with 4,000 members drawn from among top jobs in the civil service.

The tax would be assessed at three per cent on goods bought outside and brought into the province, on "trade-ins" used to buy new property on which the tax presumably would be paid as well, but not on goods sold to buyers outside Nova Scotia.

## Editor Military Journal Dies

TORONTO (CP) — Lt.-Col. Joseph K. Keefer, 83, editor-in-chief of the Canadian Military Journal for many years, died Wednesday. He served in the First World War with the 8th Infantry Brigade.

### PROTEST NUCLEAR TESTS

TOKYO (Reuters)—About 100,000 students staged demonstrations throughout Japan Friday protesting against planned United States nuclear tests in the Pacific.

## Fredericton Said Isolated As NB Floods Near Peak

FREDERICTON (CP) — The flood crest which has rolled over a large part of central gnat Brunswick for two days apparently reached its peak Friday but an RCMP spokesman said there was no indication the swollen waters were receding.

The St. John River spilled over its banks Thursday and early Friday reaching a near-record high of 24.95 feet. A bridge in the nearby Hartland area was flooded over and highways were made impassable.

The Miramichi River northeast of here, also swelled beyond its confines Thursday and wiped out a Canadian National Railway line at McNamee. This has subsided and temporary repairs to the line enabled resumption of the Newcastle - Fredericton passenger train service.

Fredericton was isolated by the rampaging waters of the St. John River which covered most main transportation arteries with more than a foot of water.

The community hardest hit in the Fredericton area appeared to be Barker's Point where water backed up in the Nashvaak River, a tributary of the St. John. Four families evacuated their homes.

Farmers in the Maugeville area, about 12 miles south of here, reported heavy losses to turnip and potato crops. Many basements in the nearby Upper and Lower Lincoln communities were flooded.

The New Brunswick Electric Power Commission reported the water at the Beechwood hydro power project, 100 miles north of here, was passing through the dam at 234,900 cubic feet a second compared with the previous high in 1923 of 232,000 in the same area of the river.

The river level at Fredericton halted at nearly 25 feet Friday. The record here was nearly 30 feet in 1936.

The river level here eased somewhat Friday night and prospects of cooler weather, with consequent less melting of snow, gave hope of a further drop before morning.

Farther upriver, beyond Woodstock, the water was reported still rising in some areas and receding in others. Level crept upward at Woodstock, where the town's Island Park in the river was almost entirely submerged. Residents of two Woodstock streets had to use boats.

Trains were said to be moving as usual, except in the Tobique and Aroostook sub-divisions.

## Jodoin Is Re-elected Head Of Canadian Labor Congress

WINNIPEG (CP) — The Canadian Labor Congress' second biennial labor congress' second day here Friday after electing a slate of officers but doing little other business on its final day.

With a heavy volume of business still to be disposed of, delegates representing about 1,000,000 union members unexpectedly decided to call it quits for two years and left the remaining items in the hands of the incoming executive.

Congress leaders had planned a night sitting and a possible sitting today to wind up the work that started Monday, but home-looking delegates abruptly put an end to sessions after a discussion of about five minutes.

Main business of the day was the election of an executive-chosen slate of officers headed by Claude A. Jodoin.

The 44-year-old labor leader from Montreal was the first president of the congress, elected at its founding convention two years ago.

Mr. Jodoin, formerly an organizer for the International Ladies Garment Workers Union, went back into office unopposed.

The congress elected as its two

\$12,000-a-year executive vice-presidents, Stanley Knowles of Winnipeg, deputy leader of the CCF party, and Bill Dodge of Montreal, head of a district office of the Canadian Brotherhood of Railway Employees.

The two executive vice-presidencies were created as the result of the resignation of Gordon Cushing, formerly of Calgary, who is to become assistant federal deputy labor minister.

Secretary - Treasurer Donald MacDonald, formerly of Sydney, N.S., was returned by acclamation.

## Montreal Thugs Get Payroll

MONTREAL (CP)—Two thugs held up two textile company employees in an elevator Friday and escaped with a \$3,000 payroll.

The thugs followed the employees Jacques Drovin and Lucille Bouchard, into the elevator and drew a gun when the car was between the fourth and fifth floors of a downtown building housing the Cohen Textiles Company.

## Daylight Time Begins In Many Areas On Sunday

By THE CANADIAN PRESS Daylight time, in most municipalities in Canada where it has been adopted for the coming summer, will advance clocks by an hour in the early hours of this Sunday.

Its adoption by municipalities is mandatory in four provinces, and optional in four others, a Canadian Press survey shows.

The four provinces with mandatory daylight time legislation, enacted by their legislatures, are Quebec, Saskatchewan, British Columbia and Newfoundland.

All start Sunday, taking an hour's sleep from their residents in the spring and giving it back to them in the fall.

### STAY ON STANDARD

Communities in Alberta and Prince Edward Island will stay on standard time, as determined by their legislatures.

Although the rejection or acceptance of daylight time, sparked few public controversies, in Leamington, Ont., Mayor Arthur Cullen was threatened with "maybe not violence or worse," by an anonymous letter writer, if the town went on daylight time.

Previously, district farmers told local businessmen they would boycott Leamington stores if they couldn't shop there in standard time hours.

Leamington civic authorities thought the situation over and decided to remain on standard time.

### BEGINS SUNDAY

In most other Ontario communities, where the acceptance of daylight time is optional, daylight time will begin Sunday and end Oct. 26. Of the large centres only Windsor will not make the switch.

Quebec and Saskatchewan will

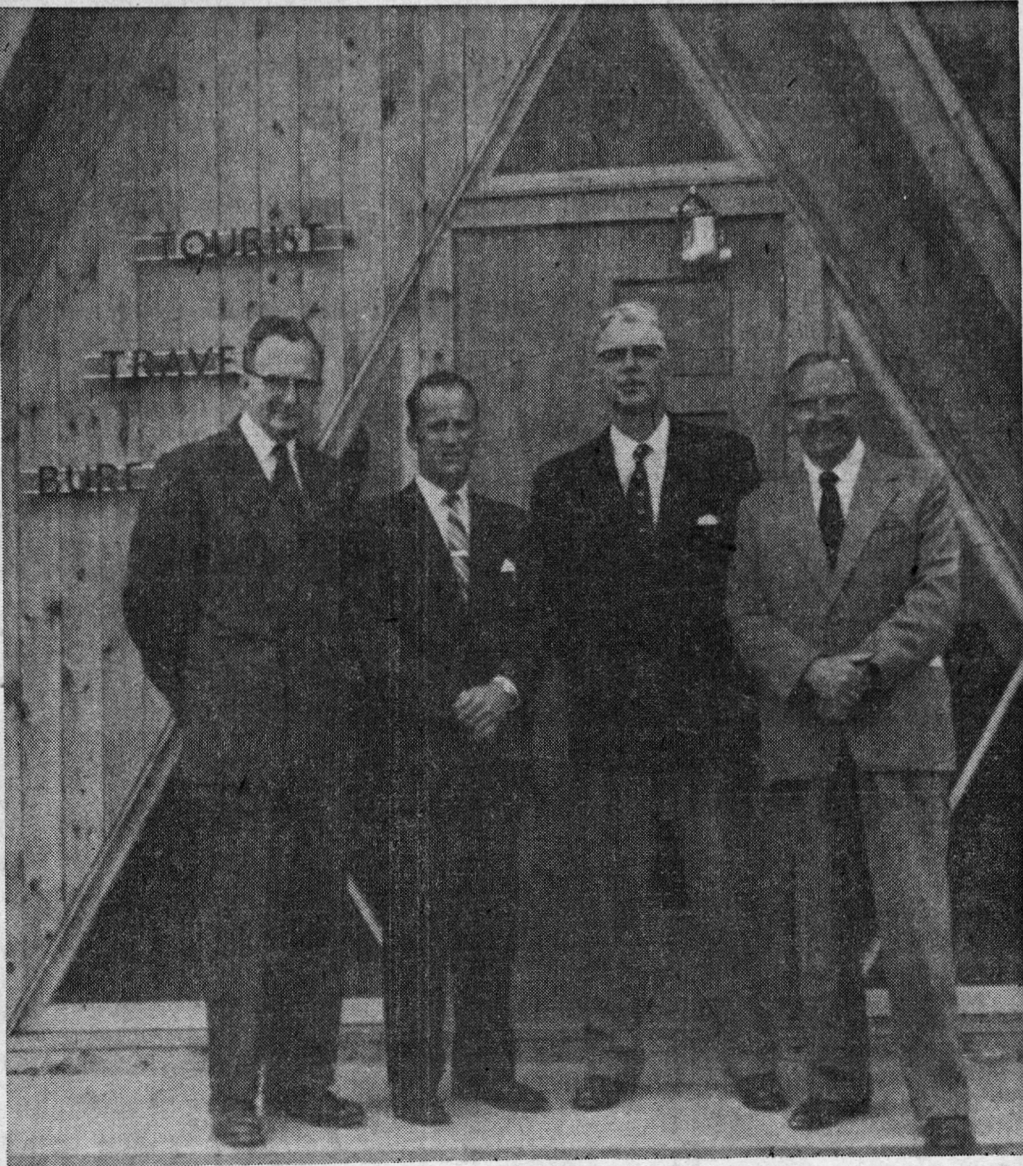
end fast time Oct. 26. British Columbia Sept. 27 and Newfoundland Sept. 28.

The eastern part of Saskatchewan will remain on central time. The west, which is on mountain standard time in the winter, will turn to daylight time, making hours uniform in the province for the summer.

In Manitoba, only greater Winnipeg is to go on daylight time this year, the same as last year. It will begin April 27 and end Sept. 28.

Daylight time will be general throughout most of Nova Scotia, including most rural areas, from April 27 to Oct. 26.

In New Brunswick, Saint John, Milltown and Shediac will have fast time from April 27 to Oct. 26. Fredericton and Woodstock will end theirs Sept. 28, and Campbellton on Aug. 31. Some others will stay on standard time.



## INSPECT NEW TOURIST BUREAU

Government officials from New Brunswick and Prince Edward Island saw themselves in front of the recently-completed Tourist Information Bureau located at Aulac, New Brunswick, after completing a final inspection of the new building. Built astride the intersection where the road

leading to the Island ferry terminal at Tormentine branches from the main N.B. highway connecting Sackville and Amherst, N.S., the modernistic structure is a joint project of the two Maritime Provinces. Right and left of the central information lobby are located offices and living quarters

one set for each separate staff. Appearing in the picture are, left to right, Bill Kilfoil of the N.B. Travel Bureau, Al Nicholson, director of the P.E.I. Travel Bureau, R.G. White, P.E.I.'s Deputy Minister of Highways, and R.A. Tweedie, director of the New Brunswick Travel Bureau.

### WOULD EXTEND PIPELINE

VANCOUVER (CP)—Frank McMahon, president of Westcoast Transmission Company, said Thursday he favors extending the provincial pipeline to Montreal to enable western oil to reach that market.

He said the pipeline would be 1,000 miles long and would cost \$100 million. It would cross the Rocky Mountains and follow the coast of British Columbia to the Gulf of Mexico.