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# The Guardian

Cloudy with showers by evening; not much change in temperature; south-west winds 20. Low-high 25 and 45.

"Covers Prince Edward Island Like The Dew"

CHARLOTTETOWN, CANADA WEDNESDAY, APRIL 17, 1957

## PEI Decision Hailed By Health Minister Martin

OTTAWA (CP) — Health Minister Martin Tuesday hailed Prince Edward Island's decision to enter the national hospital insurance scheme and said the federal government now is ready to sign cost-sharing agreements with the province "without delay."

### PROCEED IMMEDIATELY

He also issued a statement through his office here, saying: "We now will proceed immediately to bring out federal hospital insurance legislation into force by proclamation and to take whatever further steps may be required to help in bringing hospital insurance to the people of the participating provinces at the earliest possible date."

## Three-Cent Gas Tax Goes Into Effect On May First

"Anyone who votes against the imposition of a three-cent increase in the tax on gasoline should not stand up in this House and continue to advocate greater expenditures," said Provincial Treasurer B. E. Macdonald in a speech calling for the three cent tax in the Legislature yesterday afternoon.

### FOR ROADS

Mr. Macdonald said there was no one who regretted more the imposition of the tax than he did but assured the Opposition Leader that the extra three hundred thousand which the Government expected to collect would be used for road purposes.

## Forest Fire At Bellingham, Mass

BELLINGHAM, Mass. (AP)—A forest fire raged out of control here for 3 1/2 hours Tuesday. At the height of the blaze flames engulfed and isolated perimeter of five miles.

## Diefenbaker To Be In P. E. I. For Two Meetings April 29

OTTAWA (CP)—John Diefenbaker plans 11 political meetings in the Maritime provinces in the first full week of the Progressive Conservative leader's campaign for the June 10 election.

soon provinces can get their plans into operation. The scheme is estimated to cost about \$400,000,000 a year if all provinces enter. Of this, \$200,000,000 would come out of the federal treasury.

### DISCUSSION CONTINUING

"Discussions with these provinces are continuing and as I stated in Parliament on several occasions . . . I am more than ever optimistic that before very long we will have further good news of the kind we have heard today from at least one or two additional provinces."

### OPPOSITION CRITICISM

The conditions were criticized by opposition members in the last Parliament. Stanlet Knowles (CCF — Winnipeg North Centre) said there was no sense in the federal government demanding the entry of a sixth province when it had the agreement of five representing 53.3 per cent of the Canadian population.

## Arrange Police Patrol Repair; Time Resolution Is Adopted

The tender of Leslie Gillespie Nicholson that it might be for the repairing of the Police Patrol was accepted at a special meeting of the City Council held in the Council Chambers last evening. Mr. Gillespie's tender was the lowest of four tenders submitted.

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### DAYLIGHT SAVING TIME

A resolution urging the Provincial Government to "seriously consider" the establishment of daylight saving time from June 15th to September 17th gave rise to considerable discussion before being passed. This resolution was moved by Councillor McCormac, seconded by Councillor O'Neill.

## Jordan King Is Cheered By Crowds

AMMAN, Jordan (Reuters) — Crowds cheered King Hussein outside government house Tuesday when he met with his new cabinet.

## Sees Increase In Potato Prices

MILLVILLE, N.B. (CP)—H. C. Greenlaw, president of the New Brunswick Potato Shippers Association, said Tuesday night he believes growers will receive a higher price within a few weeks than the \$1.24 per 165-pound barrel set under the federal price support program for potatoes used in making starch.

## Coldwell Makes Good Recovery

OTTAWA (CP)—CCF Leader M. J. Coldwell, who suffered a mild heart attack earlier this year, will take part in at least seven provincial political rallies in Ontario and Western Canada, party headquarters announced Tuesday.

## Soviets Consider Situation Serious

LONDON (Reuters) — Soviet Prime Minister Bulganin said Tuesday the situation in the Middle East remains "very serious."

## PROUD CENTENARY

India's universities of Calcutta, Bombay and Madras were all established in 1857.

## WILL JOIN HOSPITAL PLAN

# \$4,165,000 Floor Payment In New Tax Agreement

## Higher Price Floor For Potatoes Going To Starch

OTTAWA (CP) — Producers of potatoes used in making starch, almost entirely in New Brunswick and Prince Edward Island, have been guaranteed a higher price this year than last.

## Potato Diversion Program Is Seen Beneficial To Province

"The potato diversion program announced yesterday provides for an initial payment to the growers of 75 cents per cwt. for Canada No. 1 Grade potatoes—up to 12 per cent smalls permitted. Of this amount the starch plants will pay 30 1/3 cents per cwt. during April and 24 1/2 cents per cwt. for May and June as the starch content of the potatoes decreases. The Federal Government pays the balance."

## Campaign Begins To Take Shape

OTTAWA (CP)—The campaign for the June 10 federal election took more definite shape Tuesday as the various party headquarters stepped up the speed of campaign machinery.

## Education Report Causes Sharp Legislative Debate

It was a "slap in the face," to the Minister of Education and suggested the Minister resign in protest and go to the country for re-election. A.A. MacIsaac claimed no knowledge of the clause being put in the report and said he would have objected to its inclusion, had he known of it.

## HOUSE OF DEATH

The curious pair into the 200-year-old Pointe-Aux-Trembles Que. farm house where 15 old folk met flaming death in the Saturday night fire. Visible in the windows are boards nailed up to keep out unauthorized persons while police complete the grisly task of sifting the debris for bodies. Tuesday it was announced that the toll had

## Premier's Statement In House Yesterday

Despite the fact the Province was overpaid during the past five years under the Federal-Provincial tax rental agreement, and must repay that amount in instalments, Premier A.W. Matheson has received word from Ottawa that the actual amount received last year will be the "floor" payments under the new agreement.

## HEALTH INSURANCE

Other highlights of the Premier's report to the Legislature included a statement that the Government was prepared to recommend acceptance of national hospital insurance to go into operation in 1959. He also said that in discussions with Rt. Hon. C.D. Howe the Province had purchased the old Post Office building for the sum of \$15,000.

## NOT DISAPPOINTED

"Although we were aware of these decisions and the full text of the agreement dated July 31, 1952, we proceeded with the confidence that a sympathetic and friendly administration would listen to our case. In this I can assure you, Mr. Speaker, we have not been disappointed. I will tell you all the details later."

## CLAIMS INSULT

Sharp and bitter controversy featured discussion of the report of the Select Standing Committee on Education when it was debated in the Legislature yesterday afternoon.

## RECOMMENDS BOARD

"The clause reads as follows: 'The Committee has noted the enormous power concentrated in the hands of the Minister of Education and doubts if it is possible for one man, especially if he is a part time minister, to carry out the necessary consultation and administration. Accordingly, it recommends the return to the principle of a Board of Education and that such Board be composed of the Minister (as chairman), the Deputy Minister, the Assistant to the Deputy Minister, the Principal of Prince of Wales College and a nominee from the Teachers' Federation.'"

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PREMIER MATHESON

In 1952 the province of Nova Scotia was charged for an overpayment of several hundred thousand dollars. A Commission was set up by the Government of Canada and the Government of Nova Scotia to review the question. The decision arrived at compelled the Province to refund the overpayment. In the same year because of an underestimate of our population this Province received a cheque for several hundred thousand dollars to compensate for the difference due to us under the terms of our agreement with Canada.

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"On our arrival in Ottawa we went to the offices of the Liberal members representing this Province in Ottawa. These men had already arranged meetings with Cabinet Ministers. We all knew it was a busy time. They were getting ready for prorogation which actually took place on Friday last. The first Cabinet Minister interviewed was the Hon. Mr. Winters, who is the spokesman for this Province in the Cabinet. Honourable Members present know that Mr. Winters is a most pleasant

(Continued on Page 2, Col. 6)