



DR. ROBERT THOMPSON
... dynamo

Socreds plan to go all out in next federal election

Any hint that the B.C. Social Credit League convention opening today would be a "quiet and orderly post-election" show went by the board Thursday with the arrival in Vancouver of the fiery new national president of the party.

Dr. Robert Thompson, 46, announced with the conviction drawn of many years in public service and only three months in politics that the next federal election is Social Credit's target and they were going to win.

He said the party will field 250 candidates in an all-out effort to form the government in Canada's 265-seat House of Commons.

He means it, and Dr. Thompson is a man who gets things done. In a career spanning 15 years and half the globe, this chiropractor-missionary has been personal aide to Emperor Haile Selassie in Ethiopia, organized and ran the ruler's air force, was co-director of education in the Ethiopian government, then moved into the jungles of Africa to minister physically and spiritually to primitive tribes.

The Red Deer, Alberta-born campaigner said in an interview that nominations will start Dec. 4 in Quebec where enthusiasm for Social Credit is very strong.

Dr. Thompson currently is

national leader of the party because of the absence by illness of Solon Low. A leadership convention is scheduled for next July 4, 5 and 6 in Ottawa, unless Prime Minister Diefenbaker calls an election before the fall of 1961.

In that event an emergency leadership convention would be called to choose the man to lead the party to the polls.

Manning Backs

CURRENT DEFICIT

He said that while the province was not going into debt it was being forced to draw upon some of its \$350,000,000 in financial reserves. He said the deficit for the current fiscal year would likely be about \$25,000,000.

He said the deficit was expected because of the province's five-year plan which is now in its third year.

"We are far ahead of where we might be," he said. "The deficit could have gone beyond \$100,000,000."

He said the province's deficit places a responsibility upon the government to control expenditures.

"It is becoming increasingly necessary to examine the cost of things we'd like to have as services. Our progress has enabled us to reach high levels. Now we need an intelligent approach to keep spending under control."

He said provincial spending could be controlled without jeopardizing education, health or welfare.

MORE LOCAL SPENDING

He said more spending should be done at a local level to control the number of administrative bodies which are growing in the provincial capital.

Discussing national issues, the premier said we were reaching a point today where there is not enough spending power to purchase the consumer goods being produced.

He said the Canadian people were "disillusioned and frustrated" by the Conservative government because the people thought the Conservatives had all the answers in 1957 but today see growing debt, more unemployment than at any time since the 1930s and businesses going bankrupt.

"The old line parties don't have the answers to these problems."

(Continued on Page 11)

ks Thompson As Leader

Premier Will Not Heed Social Credit 'Draft'

Premier E. C. Manning Wednesday night threw his support behind Red Deer's Dr. R. N. Thompson for national leadership of the Social Credit party.

The premier told a Social Credit banquet in Red Deer:

"It is my sincere hope that the national convention (July 6) will ask Dr. Thompson to take the leadership of the party."

Dr. Thompson was nominated federal candidate for Red Deer at a nominating convention Wednesday afternoon.

In an interview following his speech Premier Manning said: "I am not a candidate for the political leadership of the Social Credit party federally."

"I feel I can make my best contribution in an administrative capacity; I will continue my work in Alberta. If a Social Credit government is elected in Canada and it is the wish of the Social Credit movement I would be available to help administer that government. But I do not seek the leadership of the party."

FULL SUPPORT

Asked if he would accept a call if drafted by the national convention in July, Mr. Manning said:

"I would not accept a draft. I am willing to help the Social Credit movement in any way I can. But I feel I am able to do more as an administrator than as a political leader."

He said: "I feel Dr. Thompson would make an ideal national leader. He has my full support. He is dedicated to the principles of Social Credit. He is sincere and conscientious. He is the type of man we need."

In his speech, Premier Manning called upon the citizens of Alberta to demand less of the government in the form of provincial services.

"We in Alberta have entered an era in which the cost of government expenditures are running in excess of the revenues of the province," he said.

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MORE LOCAL SPENDING

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Gervais Whips Scotland

EDINBURGH (CP) — Canada's curlers defeated Scotland 12-7 here today to win the Scotch Cup for the third year in succession.

The deadly accurate rink from Edmonton, skipped by Hec Gervais, came up with their best game since the Canadian championships earlier this month in Calgary.

The Scotch Cup is emblematic of world curling supremacy.

The Scots and Americans forced a three-way playoff for the Cup when they beat Canada in Perth last Friday to tie first place. Canada defeated the United States 14-9 on Saturday and moved to the finals against Scotland, who had received a bye.

Canada took a 3-0 lead after two ends when Gervais twice raised Scottish stones out of the house to give his rink the count. With vice-skip Ray Werner connecting with almost all his shots and second Vic Raymer clicking for the first time in the championship, the Canadians were never behind.

They wrapped it up with three on the seventh and three more on the 11th. The match ended in the 12th when the Scots conceded.

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Scotland 001 011 020 20-7

15 Jailed Executives Leave Firm

NEW YORK (AP)—General Electric Company said Wednesday all 15 of its executives sentenced last month for anti-trust violations have left the company payroll.

"The resignations most recently made public were brought about by recognition that this was the only course serving the best interests of the persons involved and the company," GE said.

Sixteen GE officials were indicted in the giant U.S. electrical industry price-fixing and bid-rigging case developed before federal grand jury in Philadelphia. One was ill and did not appear for sentencing.

engers Ice



Premier Manning (left) congratulates Dr. Robert N. Thompson at a banquet in Red Deer Wednesday after Dr. Thompson had been nominated as Social Credit candidate for Red Deer in the next federal election. Story of the nomination on Page 5. (Staff Photo)

Socred Leader Named

(Continued from Page One)

a Rouyn, Que., car dealer, gave him a tough fight.

Caouette had the biggest single delegation at the convention. He also had the support of B.C. Premier Bennett. But the Quebec and B.C. delegations did not hold together and vote as blocks; they split enough to give Thompson the edge.

No results of the balloting were issued, and, after the three candidates were informed of the outcome (a third candidate former Social Credit MP George Hahn of New Westminster, B.C., was not a threat) the ballots were taken out a back door of the Coliseum in 10 shoeboxes and burned.

There was considerable confusion over the voting. More ballots were counted than there were delegates present, according to one party informant.

Caouette, who is having considerable success organizing for Social Credit in his home province, was named deputy leader, a new post, by acclamation.

Thompson is 47. He is married, and has eight children. He became a disciple of Social Credit in the early 1930's, at the knee of Social Credit's Canadian prophet, William Aberhart.

After serving as an officer in the air cadet training program, he left for Ethiopia in 1943 with a group of missionaries and educators. He made his home in that country until his return to Canada in 1958.

He first came to the attention of most Social Crediters last year, when, at a national meeting of the party, Premier Manning backed him for the national presidency, which he won hands down.

Even then, Premier Bennett was opposing Thompson; he put up his own candidate, B.C. MLA Herbert Bruch, but Bruch went down to defeat.

Thursday's election was a repetition of last year's meeting. Party officials

said the vote was close.

It was a rousing speech that Thompson delivered Thursday night. He blasted "Canada's antiquated financial system," and said that "through a fundamental monetary reform which will put our economy on a basis geared to the age of automation and the atom, it would be financially possible to have that which is physically possible and desirable."

Thompson said the basic faults in our present economic system are three-fold:

1. "The control of the nation's credit is in the hands of a few. They have a monopoly over money. It is the most powerful, yet dangerous of all cartels. It must be broken.
2. "The money supply is insufficient. There is never enough money in the hands of the people.
3. "The concept of money is mistaken. It is regarded as wealth in itself. It is bought

and sold as a commodity."

He said the greatest hoax perpetrated on the Canadian people is the fairy tale that we are living beyond our means.

"To buy less means simply to limit consumption, meaning that less will be sold, and less be made. This means fewer jobs, less wages, more unemployment and in turn less purchasing power. So goes the cycle into an inevitable depression."

He said the present monetary system allows a few men to control the lives of all the people—this is slavery.

As Manning did earlier in the convention, Thompson denied that Social Credit is the party of funny money. He said it is only common sense.

"We must have one dollar's worth of purchasing power to distribute one dollar's worth of production," he said.

He and Caouette told delegates Social Credit is the only political party that can hold back Communism from taking over our nation."

Thompson is considered a right-wing Social Crediter. In a brief press conference after his election, for example, he indicated a Social Credit government would abolish unemployment insurance. And he said he was opposed to a national health program.

A few resolutions that were passed by the convention, which has made very slow going of an attempt to work out an election platform, caused brief sparks of interest.

At one point, Attorney General Robert Bonner of B.C. tried to have the delegates water down a financial resolution calling for the chartered banks to have liquid assets equal to 100 per cent of their loans. He was voted down.

The B.C. delegates managed to have a resolution passed calling for the export of power. This fits in with Premier Bennett's plans for power export, now held up by the federal government.

Another resolution called for encouragement of more pipelines in Canada to foster increased domestic sales of oil and gas.

Pickpocket Warning Issued

City police issue their usual warning to residents and tourists alike during Stampede Week — beware of pickpockets.

Each year a large number of Stampede visitors move into the city and with them come a number of quick-fingered pickpocket artists.

Police advise Stampede celebrants to watch their wallets in crowds, whether at a bus, train or other type of terminal. Do not carry large amounts of money.

Pickpockets are also active where a line has formed to purchase tickets. Beware of too much friendly jostling.

Motorists are advised to lock their valuables in the trunks of their cars and not to leave merchandise on car seats where thieves can see it.

Two other dangerous spots for pickpocketing are the street

Foundation

Robert Thompson Elected New Social Credit Leader

Robert N. Thompson of Red Deer, Alta., last week was elected national Social Credit leader at the party's four-day convention in Ottawa.

He won in a race with Real Caouette, Social Credit chief in Quebec, who was promptly chosen as the party's deputy leader, and George Hahn, former Social Credit MP for New Westminster, B.C.

Mr. Thompson, who returned to Canada in 1958 after a 15-year absence in Ethiopia, fills the post left vacant when Solon Low resigned last fall for reasons of health.

The 47-year-old Mr. Thompson was once a chiropractor but now prefers to be known as an educator. He lives on a 20-acre chicken farm near Red Deer. He has lectured extensively in the United States.

A former school teacher, he joined Social Credit in 1933 at the age of 19, and was attracted to the movement by the late Premier William Aberhart.

The new leader was sharply critical of the federal government's handling of its dispute with James E. Coyne, governor of the Bank of Canada and declared that "the Coyne affair indicates that the Conservative government is not master of its own house."

He called for a quick election on the issue of the Bank of Canada and the government's role in monetary affairs, and told the 700 delegates that if a Social Credit government had been in power in Ottawa there would be no controversy over Mr. Coyne.

The party, which lost all of its seats in Parliament three years ago, has stressed the need for a revision of Canada's monetary system. The Bank of Canada is the implement of Canadian monetary policy.

Agricultural Policy

The convention approved an agricultural policy statement calling for a two-price system for marketing farm products. Domestic prices would be a "fair parity" level, and farm goods sold for export would be at competitive prices.

The statement said there would be inducements where necessary to grow enough food for domestic demand and to "enable Canada to assist in banishing world hunger."

It said a Social Credit government would promote a system for disposal of surplus farm products, provide low-interest loans for young farmers and expand irrigation and conservation programs.

The convention favored freer trade and urged negotiations to achieve this objective within all countries of the free world and especially Western Europe.

Calls for Crusade

The keynote speech was made by Premier E. C. Manning of Alberta, who called for a new national crusade to lift the Social Credit party into federal power.

Mr. Manning, dean of provincial premiers in years of office —

since June 1, 1943—said Canadian debt and taxation now are approaching such dangerous levels "that our whole social structure is placed in jeopardy."

The cost government — municipal, provincial and federal—had reached the point where more than 40 per cent of the total income of the Canadian people was paying for it.

Once the cost of government passes the 50-percent mark of total income, no nation can survive he said.

He urged party supporters to adopt scientifically sound and morally right policies, then press their cause across Canada "with dignity and unrelenting zeal."

Mr. Manning attacked the belief held by many that Social Credit is a "funny money" scheme. He summed up Social Credit monetary theory this way:

"What Social Credit does propose is that consumer purchasing power be maintained at a level equal to the normal price value of our national production."

"This requires the controlled expansion of the nation's money and credit supply in direct ratio to the progressive increase in the volume of production technological progress makes possible and for which there is consumer demand."

"Only thus can the evil effects of both inflation and deflation be avoided and the soundness and value of the Canadian dollar be preserved."

Consumer Paying For Drugs, CFA

The Canadian Federation of Agriculture says the consumer is being "vastly overcharged for most of the ethical drugs he purchases."

The CFA told the Restrictive Trade Practices Commission public hearing in Ottawa July 4 that it was impossible to arrive at any other conclusion.

A major CFA recommendation was that patent protection for drugs in Canada be eliminated. Few patents are for Canadian firms or products, and patent laws are serving only to maintain prices, with little important stimulation to research.

The CFA said there are four main reasons why drug prices in Canada are higher than those in any other country but the United States:

- The system of drug patents and the use of company trade marks in the sale of drugs instead of the use of generic names.

- The virtually complete effectiveness of price maintenance in the retail field.

ROB

Robin hoists for "pull down are rugged

Thompson Wins Leadership, Quebec Delegation Splits



SOLIDARITY

Newly-elected Social Credit Leader Robert N. Thompson (centre), of Red Deer, Alberta, is congratulated by his two opponents, Real Caouette (left), of Rouyn, Quebec, and George Hahn, of New Westminster, British Columbia. Mr. Caouette was later chosen deputy leader of the party.

(Journal Photo by Dominion Wide)

THOMPSON'S ACCEPTANCE SPEECH

Demands Election Now

By The Canadian Press

The Social Credit Party heads into the windup today of its biggest national convention fired up by the fighting qualities displayed by its new two-man leadership team drawn from the English West and the French East.

The 600-odd delegates were to add the final planks to the party platform from which national leader Robert N. Thompson, of Red Deer, Alta., and deputy leader Real Caouette, of Rouyn, Que., will press the movement's case in the next Federal general election.

Also scheduled was election of officers of the National Party Association. George Hahn, 49-year-old former Commons member from New Westminster, BC, was reported a prime favorite for the post of president being vacated by Mr. Thompson.

Within hours of taking over the party's leadership in succession to the veteran Solon Low, the 47-year-old Mr. Thompson challenged Prime Minister Diefenbaker to call an immediate election on the Coyne issue.

In a nationally televised broadcast last night, he and Mr. Caouette jumped with relish into the controversy over

the Government's move to fire James E. Coyne as governor of the Bank of Canada.

HAPPY GROUND

It was a happy hunting ground for the two leaders of the party whose main plank over the years has been revision of the monetary system which is controlled through the Bank of Canada.

Mr. Thompson said the Coyne controversy indicates "the Conservative Government is not master of its own house." Confusion reigned and responsible democratic government had become "almost a joke in this country."

He was greeted with wild cheering when he declared: "Mr. Diefenbaker has no alternative, in the light of his responsibility to the Canadian people, but to call an immediate election."

Mr. Thompson, a widely-travelled educationist, also took a poke at Mr. Coyne, who has warned Canadians in a number of speeches that they are living beyond their means.

FAIRY TALE

This "fairy tale," he said, is the greatest hoax perpetrated on the Canadian people and would be incomprehensible to people short of the necessities of life and without jobs.

If a Social Credit government had been in power, Mr. Thompson said, there would have been no Coyne affair.

Mr. Caouette, a firebrand orator, took the same tack, saying firing Mr. Coyne will change nothing unless Social Credit takes power to reshape monetary policy. Canada had all it needed to develop its wealth except money.

"Let us take the Bank of Canada and Canadian capital and use it for financing our country," he said.

Election of Mr. Thompson and Mr. Caouette as leader and deputy leader was termed "unique" by Alberta's Social Credit Premier Manning.

No other Federal party has a two-man leadership setup, and the convention sought to ensure its appeal to the electorate by making it an English and French team.

By GORDON DEWAR
of The Journal

By an unknown margin over two opponents, a non-practising Alberta chiropractor, lecturer and former school teacher was elected national leader of the Social Credit Party Thursday at the Coliseum.

Robert N. Thompson, 47, will lead the party in the next federal election toward what every speaker at the three-day convention has predicted will be a sweeping Sacred victory.

Mr. Thompson had no sooner been named winner of a three-way contest for the leadership than he was hailed as the next prime minister of Canada.

He won on the first ballot, but only a handful of people know by what margin over his opponents—Real Caouette, of Quebec, and George Hahn, of British Columbia.

Not only was the vote not announced, but the convention immediately picked up the suggestion of Chairman Orvis Kennedy, party president in Alberta, that the ballots be quickly destroyed.

VOTE MADE UNANIMOUS

Just as quickly, the two losing candidates put forward a motion that the vote be made unanimous in support of Mr. Thompson. It was.

A short time later Mr. Caouette was elected deputy leader, without opposition.

He and Mr. Thompson promptly proclaimed their close partnership in the interests of the party, the lack of animosity between them and their determination to put a Social Credit government in office in Ottawa.

At a press conference the new leader declared that the party already has 38 candidates nominated for the next federal election.

If a snap election is called for early Fall, he said, the party will field at least 200 candidates. If it does not come until next year there will be a full slate, for the first time in the party's history.

An irregularity in the voting was explained by Mr. Kennedy. When the votes were first counted it was discovered that 592 had been cast, despite the report of the credentials committee that there were only 587 voting delegates present.

It developed that five delegates listed as alternates had actually been entitled to vote, had insisted on ballots and received them.

Just as easily Mr. Kennedy explained the lack of information on the vote count and the ballot destruction.

It is considered best in Social Credit circles, he said, that winning and losing candidates have no idea of the margin. It seems to promote better feelings among them.

NO OBJECTION

No delegate objected and both Mr. Thompson and Mr. Caouette confirmed the idea. Only newspapermen were disappointed, after two days of attempting to predict the outcome and one day of stating that Mr. Caouette might win and certainly would produce a close result.

Since the winner required a clear majority over both his opponents (which meant at least 297 votes), the strong Quebec delegation (238) did not go solidly with Mr. Caouette.

Excitement was high before

000 people in the country without schooling beyond Grade 5.)

A movement away from central government; seeing the provinces take over more activities, particularly health and hospital insurance.

"We're getting too far from the individual," he explained. "We put people in groups, then the groups in groups and that just leads straight to the socialist state where the individual disappears."

CUT DEFENCE SPENDING

A cut by at least one-third in defence expenditures (which are estimated at \$1,551,071,722 in the current fiscal year) by introducing business efficiency in departmental operation; varying cuts in other departments.

"We don't need government in business—we need more business efficiency in government."

Immediate tax cuts to match cost cuts—the rising cost of living is not caused by labor wage demands or by business profits, he declared, but by the rising cost of government and taxes.

Continued military support of allies, NATO and the United Nations; but no nuclear weapons for Canada ("in order to have them we must surrender our autonomy and they have no place in Canadian defence plans"); a plan to make Canada a leader among smaller nations.

Mr. Thompson made no claims of winning the next federal election, although he had as much optimism as all the speakers who had.

He said instead it would be best for the party to win about 100 seats, place itself in a position of power and control in the Commons and gain experience there before taking over the government at the following election.

Senate reform is something the party would push, he stated, and a snap election on this issue, or on the issue of firing Bank of Canada Governor James Coyne and effecting some type of fiscal reform, would play into Social Credit hands.

Excitement was high before the balloting, but the noisiest, most colorful and demonstrative outbursts were for Mr. Thompson. They began before the afternoon session got under way and burst out every time his name was mentioned.

OUTLINES POLICY

At his press conference, the new leader expounded several points of policy, some of which he said were personal, but all of which could be included in the party platform (which will be guided but not ruled by resolutions passed during the convention).

Among them were: Abolition of unemployment insurance, which "just educates people that it's the government's responsibility to take care of them."

An end to the idea of the welfare state, but an increase in old-age pensions (under the title senior citizens' dividends) and in the baby bonus (under the title youth dividends).

(On youth dividends, Mr. Thompson explained they are needed to aid increased education for young people—he said he was disturbed by the fact there are 600,000 members of the labor force between the ages of 14 and 19 and 2,000,



SOCRED LEADER AND FAMILY

Two of Robert N. Thompson's most avid supporters in his bid for leadership of the Social Credit Party were his wife, and daughter Grace. The Thompsons have eight children. In the Coliseum when his victory was announced was his father, T. O. Thompson, 73, an alternate delegate for the Red Deer, Alberta, constituency. (See Page 21.)

(Journal Photo by Dominion Wide)

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WARM

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THE ALBERTA

CALGARY, ALBERTA, FRIDAY, JULY 7, 1961

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T O THOMPSON
R R 1
INNISFAIR

Thompson to Lead As Active Right-



CONVENTION PERSONALITIES Premier Ernest C. Manning of Alberta, left, delivered the keynote speech to the Social Credit Leadership convention in Ottawa. In photo at right are the two men elected to head the



party's new national organization for young people. They are Raymond Langlois (left) of Quebec, vice-president, and Charles Ennals of British Columbia, president.

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— See Pages 23-44

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Lead Socreds t-Wing Party *PM Gets Challenge To Call for Vote*

By TOM GOULD

Albertan Ottawa Bureau

OTTAWA — Robert N. Thompson, a former Red Deer chiropractor, was named national Social Credit leader Thursday. He immediately started his drive to activate a Canadian party of the right with a demand that Prime Minister Diefenbaker call a federal election.

Thompson, who won a hard-fought contest for the leadership with the backing of Alberta Premier Manning, said the affair of Bank of Canada Governor James E. Coyne "indicates that the Conservative government is not master in its own house."

"Confusion reigns, and responsible democratic government becomes almost a joke," said the new leader, to the cheers of a sparse crowd in Ottawa's Coliseum.

The party head repeated the long-standing rallying cry of Social Credit.

"It is time for a change — let's try Social Credit."

Thompson told the convention the firing of Coyne will do nothing to change the nation's economic ills. "The Coyne-Fleming controversy is serving as a camouflage to the basic economic ills of our government and yet it is also an evidence that all is not well."

The leadership vote was the high point of the convention. Thompson was the pre-convention favorite, but Real Caouette,



THOMPSON



CAOQUETTE