

United Press International
 Henry A. Kissinger and
 nimals, West Germany,
 rtheld. Page 3.

Foreign Policy

onal adventure"—per-
 a foreshadowing of the
 dministration theme he
 sound in the election
 gn if Mr. Ford should
 e the Republican candi-

apparently assured of
 vn party's nomination,
 rter seemed at ease be-
 er more than 2,000 peo-
 ho crowded into the
 ballroom of the Waldorf-
 Hotel to hear him. In
 ech and later remarks,
 rter did the following:
 gged to retain United
 control over the Panama
 but with "open and
 ed negotiations [with
] and the sharing of
 nty and control, recog-
 nizing their rights in that
 mended assistance to
 m Western Europe and
 ed States to help solve
 problems that he at-
 to an "underlying so-
 also."
 ested an emulation of
 policy of full diplo-
 macy with China and
 trade relations with
 on Page 23, Column 1

**POLLUTION
 LAID TO CITY**

the Sewage Traced
 hattan—Shore Is
 ed Disaster Area

The New York Times
 LOOKOUT, L. I., June
 nber of public offi-
 y began pointing
 rk City as the major
 aw sewage that has
 on Long Island
 ecent weeks.
 Carey tonight de-
 ssau and Suffolk
 "disaster" area,
 n eligible for state
 y for the damage
 going clean-up. A
 were open in Suf-
 while others in both
 y be ready by the

transportation systems, energy
 shortages, slow economic
 development and high living
 costs, they pledged to form a
 united front to lobby in Wash-
 ington for Federal policies
 favorable to the Northeast.

They also agreed to cooperate
 in joint economic planning to
 identify and attract industries
 that could operate profitably in
 the region and to form an eco-
 nomic development corporation
 that would raise capital for
 new industrial and commercial
 enterprises.

National Commitment Asked
 Represented at the meeting,
 besides New York State, were
 New Jersey, Connecticut, Penn-
 sylvania, Massachusetts, Ver-
 mont and Rhode Island.

"As the nation in the past
 recognized the development
 needs of the Western frontiers
 and the rural South, so now
 the nation must acknowledge
 a similar commitment to the
 older, yet still vibrant North-
 east," they said in a joint state-
 ment.

At a news conference follow-
 ing the meeting, which was
 held in Governor Carey's of-
 fices at 56th Street and Avenue
 of the Americas, Mr. Carey said
 the subject of job pirating and
 other forms of intraregional
 competition had not come up.

'Common Problems'
 "What we are trying to em-
 phasize here is that we have
 common problems, and that if
 we won't cooperate to solve
 them, we are all going to be
 hurt," he said.

Earlier this year Mr. Carey
 had condemned the efforts of
 neighboring states to lure away
 New York companies, but yester-
 day, basking in the friendli-
 ness and cooperation apparent
 at the meeting, he seemed
 eager to avoid critical remarks.

A similar tone was adopted
 by Governor Byrne of New Jer-
 sey, whose Industrial Commis-
 sioner has been actively solicit-
 ing Wall Street brokerage

Continued on Page 67, Column 3

of the 16 present trustees of
 the \$1.4 billion pension fund for
 the way that they handled the
 money, although a Labor De-
 partment source said that the
 indictments were six to nine
 months away.

The investigators, who de-
 clined all requests for informa-
 tion about what they had
 found, have reportedly turned
 up many questionable loans
 and procedures, including kick-
 backs to pension fund trustees,

**Provenzano Indicted
 With Teamster Aide
 In '61 Union Killing**

By NICHOLAS GAGE
 Anthony Provenzano and
 Salvatore Briguglio, who have
 been questioned about the dis-
 appearance of James R. Hoffa,
 were indicted yesterday with
 two other men on charges of
 kidnapping and murdering a
 New Jersey teamsters' union of-
 ficial in 1961.

Federal officials said that
 the indictment of the two in
 the murder of Anthony Castelli,
 secretary-treasurer of
 Local 560 of the International
 Brotherhood of Teamsters, was
 not related to the disappearance
 last July 30 of Mr. Hoffa,
 the former president of the
 union.

The officials are hopeful,
 however, that the indictment
 and arrests might help pressure
 individuals with information
 about Mr. Hoffa's disappear-
 ance to cooperate.

The other two men indicted
 in the Castelli killing are
 George J. Vangelakos, 47 years
 old, of Jersey City and Harold
 Konigsberg, also 47, who is
 serving a 44-year sentence for
 extortion at the Clinton Cor-
 rectional Facility in Dannemora,
 N.Y.

The four defendants were
 charged in a Federal indict-
 ment in New York City with

Continued on Page 44, Column 1

Investigation along with the
 Justice Department since last
 fall, has already halted some
 pension fund loans as unsound,
 according to reports.

The Labor Department has
 the power to impose trustee-
 ship under the Employee Reti-
 rement Income Security Act.
 That law gives it authority to
 ask a Federal judge to let it
 take over pension plans that
 it finds are improperly operat-

Continued on Page 18, Column 1

**F.B.I.-C.I.A. LAXITY
 ON KENNEDY FOUND**

**Senate Unit Sees No Proof
 of '63 Assassination Plot,
 but Asks New Study**

By DAVID BINDER
 Special to The New York Times

WASHINGTON, June 23—The
 Senate Select Committee on In-
 telligence Activities said in a
 report today that the Federal
 Bureau of Investigation and the
 Central Intelligence Agency had
 failed to fulfill their obligations
 in investigating the assassina-
 tion in 1963 of President Ken-
 nedy.

While concluding that there
 was no new evidence "suffi-
 cient to justify a conclusion
 that there was a conspiracy to
 assassinate President Kennedy,"
 the report called for a follow-
 up investigation of the murder
 by the new Senate intelligence
 committee.

The report is the fifth and last
 issued by the select committee,
 which was set up to study gov-
 ernmental intelligence activi-
 ties. Previous reports dealt with
 plots against lives of foreign
 leaders, covert operations and
 the history of the C.I.A.

The 106-page document dealt

Continued on Page 8, Column 1

and is based on reporting by
 him and John M. Crewdson.

Special to The New York Times

WASHINGTON, June 23—
 The Department of Justice is
 conducting a nationwide inves-
 tigation of alleged illegal burg-
 laries since 1971 by the Federal
 Bureau of Investigation that
 could ultimately involve hun-
 dreds of agents and officials of
 the bureau's intelligence divi-
 sion, according to well-placed
 F.B.I. sources.

At least a dozen agents, in-
 cluding an assistant director of
 the bureau, have retained pri-
 vate legal counsel because of
 the investigation. The inquiry
 is the broadest criminal investi-
 gation of the F.B.I. ever con-
 ducted, and one key agent said
 that it could result in changes
 in the fabric of the bureau "as
 it now exists."

The burglaries under investi-
 gation were allegedly per-
 formed by agents against or-
 ganizations and individuals of
 the New Left, particularly
 members or supporters of the
 militant Weatherman organiza-
 tion, according to well-placed
 bureau sources.

Special Team Formed
 The investigation is being
 conducted by William L. Gard-
 ner, chief of the criminal sec-
 tion of the civil rights division
 of the Department of Justice.
 He is assisted by a special team
 of F.B.I. men under the direc-
 tion of Richard Ash, the head
 of the bureau's identification
 division.

The inquiry was apparently
 begun after a civil suit brought
 against the F.B.I. and its offi-
 cials by the Socialist Workers
 Party uncovered documents
 that indicated that surreptitious
 entries of the homes and offices
 of officials of the left had been
 made after 1971.

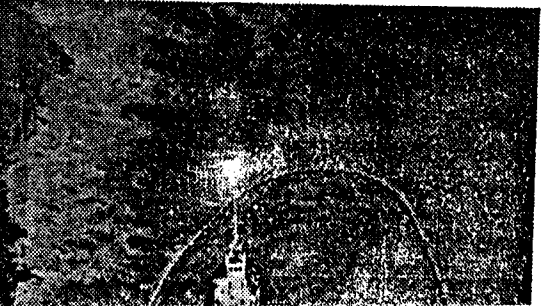
What has made the timing
 a sensitive factor is that the
 F.B.I. told the Senate Select
 Committee on Intelligence Ac-
 tivities and the Ford Adminis-
 tration that it had no record
 of using burglary in domestic
 cases after 1966 when the
 director, the late J. Edgar
 Hoover, ordered the practice
 halted.

Clarence M. Kelley, the cur-
 rent director of the bureau, has
 consistently stated that the
 practice ended in 1966.

According to bureau sources,
 the current investigation has
 delved into heretofore secret
 files maintained in the 59 F.B.I.
 field offices, including the file
 of the special agent in charge,
 the file of the assistant special
 agent in charge, and a "do not
 file" file. These files were not
 searched when the Senate com-

Barge Spills Oil Into St. Lawrence Seaway

Special to The New York Times
 ALEXANDRIA BAY, N.Y., June
 23 — An oil barge ran aground
 in the St. Lawrence Seaway
 near here today, spilling 250,-
 000 gallons of oil that threat-
 ened resort areas and wildlife.
 The spill, which halted sea-
 way traffic for 15 hours, at 1:30
 A.M., when the grounding
 caused three of her 16 storage
 tanks to rupture.
 The current and wind sent



F.B.I. and C.I.A. Found Lax on Kennedy

Continued From Page 1, Col. 7

entirely with the performance of the Federal Government's intelligence agencies, domestic and foreign, with regard to the investigation of the Kennedy assassination.

It said that the C.I.A. leadership had ignored the possibility of a connection between its own assassination attempts against Prime Minister Fidel Castro of Cuba and the murder of President Kennedy.

Further, it accused the C.I.A. of having deceived the investigatory commission headed by Chief Justice Earl Warren about its knowledge of facts relating to the assassination.

Specifically, the report said that Allen W. Dulles, Director of Central Intelligence until the spring of 1962, had never told the Warren Commission of his knowledge of previous assassination plots against Prime Minister Castro, which could have provoked Cuban retaliatory actions.

Oswald's Role

With regard to the role of Lee Harvey Oswald, who is generally held to have been the lone assassin of President Kennedy, the report says:

"Senior C.I.A. officials should have realized that their agency was not utilizing its full capability to investigate Oswald's pro-Castro and anti-Castro connections. They should have realized that C.I.A. operations against Cuba, particularly operations involving the assassination of Castro, needed to be considered in the investigation. Yet they directed their subordinates to conduct an investigation without telling them of these vital facts."

As for the Federal Bureau of Investigation, the report said that its Director, the late J. Edward Hoover, had been so preoccupied with what he described as a possible "smear" of the bureau in connection with Oswald that he had neglected to call for a broad and unprejudiced inquiry into the murder.

Pressure on Hoover Cited

After noting that Mr. Hoover had been "pressured by higher Government officials" to conclude the F.B.I. investigation swiftly, the report said:

"The F.B.I. conducted its investigation in an atmosphere of concern among senior bureau officials that it would be criticized and its reputation tarnished. Rather than addressing its investigation to all significant circumstances, including all possibilities of conspiracy, the F.B.I. investigation focused narrowly on Lee Harvey

reportedly returned to the United States in March 1964 and was described by an informant as "involved in the assassination." But neither the C.I.A. nor the F.B.I. followed up on this tip, the report said.

Because of the shortcomings and the remaining doubts, the select committee concluded with a recommendation that the permanent Senate intelligence committee headed by Daniel K. Inouye, Democrat of Hawaii, "continue the investigation in an attempt to resolve these questions."

The report was prepared by two members of the select com-

mittee, Gary Hart, Democrat of Colorado, and Richard S. Schweiker, Republican of Pennsylvania, and a staff of five.


At a news conference this noon, Mr. Schweiker accused both the C.I.A. and the F.B.I. of "a cover-up" with regard to the Kennedy assassination inquiry. He said that the entire affair remained "a jigsaw," with some of the pieces missing. Mr. Hart and Senator Frank Church the Idaho Democrat who headed the select committee, dissented from the "cover-up" judgment but also urged a new investigation of the unexplored leads.

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Yet they directed the agents to conduct an investigation without telling them of these vital facts."

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As a result of the C.I.A. and F.B.I. deficiencies, the Senate report asserted, the Warren Commission was unable to perform a thorough investigation or to reach definitive conclusions.

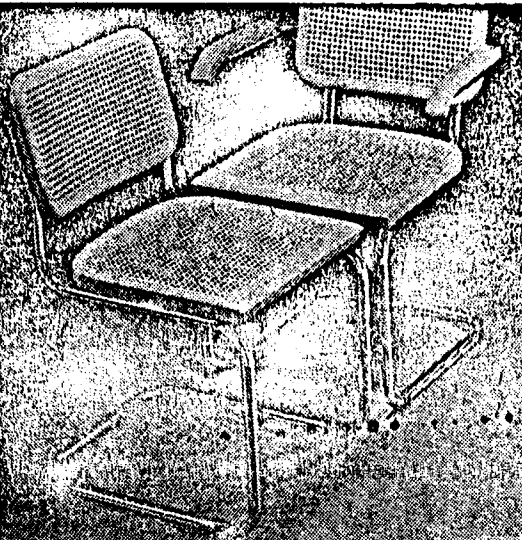
The report said it was "still unclear" why both agencies had failed to fulfill their duties, but suggested as motives: "concern with public reputation, problems of coordination between agencies, possible bureaucratic failure and embarrassment, and extreme compartmentation of knowledge of sensitive operations."

Failure to Follow Leads

As a result of the shortcomings, the report went on, two important leads on a possible involvement of persons other than Oswald went unpursued.

The first lead, it said, concerned an unidentified passenger who boarded a Cuban Airlines flight from Mexico City to Cuba at 10:30 P.M. Dec. 1, 1963, nine days after the murder in Dallas. The C.I.A. report at the time noted that the flight had been delayed to pick up the stranger, who did not go through Mexican customs and who rode in the cockpit of the airliner. There was no follow-up by the C.I.A., the report said.

The second lead cited in the report involved a Cuban-American who crossed from Texas to Mexico on Nov. 23, 1963, the day after the murder, and went on to Cuba. This person



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