

# STATES AND CITIES SUBJECT TO EDICT

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## Teachers Are Also Affected Unless Contracts Began Before Order on Sunday

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WASHINGTON, Aug. 18 — President Nixon's new Cost of Living Council decided today that state and local government employes were subject to the president's 90-day wage freeze.

In an announcement at the Treasury Department this afternoon, the council ruled that "state and local governments are subject to the Executive Or-

*Questions and answers issued  
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der freezing wages and prices."

The council, which is headed by Secretary of the Treasury John B. Connally, determined that the wages of firemen, policemen, civil servants, and other state and local governmental employes "are subject to the freeze just as are all wages in private industry."

Increases in teachers salaries will be allowed, the council said, only if the contract period began before Aug. 15, when the President announced his 90-day freeze on nationwide television. If the contract period started after Aug. 15, the council said, the increase will not be allowed.

The decision today was a reversal of a statement issued early yesterday by the Office

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of Emergency Preparedness saying that state and local government employes would be exempt from the wage freeze. Late yesterday, a spokesman for the emergency office retracted that to say that the decision was still under review.

No explanation for the rationale behind today's decision or that reversal of yesterday's preliminary statement was immediately available.

The decision to freeze state and local government employe wages was made despite a plea for special treatment today from Jerry Wurf, president of the American Federation of State, County and Municipal Employees, Donald E. Morrison, president of the National Education Association, and Howard McClellan, president of the International Association of Firefighters.

In a statement, they said they had met this afternoon with Arnold Weber, executive director of the Cost of Living Council staff, and William Usery, an Assistant Secretary of Labor. They said that "we stressed the unique nature of state and local government employes, and we stressed our belief that public employes must be considered separately."

They said, before the council's decision was announced, that they had been trying since Sunday night to get an accurate reading from someone within the Nixon Administration on the impact of the freeze on state and local government employes.

"Rather, we continue to receive tentative half-answers from one agency, contradictory opinions from another agency, and even conflicting opinions from different individuals within a single office," they said.

In Baton Rouge, La., the state Superintendent of Education, William J. Dodd, indicated

that he would defy the President's order. He announced that all public school teachers and personnel would be given their pay raises this fall.

"I will not let our underpaid teachers, bus drivers, lunch-room workers, custodians and other employes be starved," Mr. Dodd said.

In a series of questions and answers that were approved by the council, the President's senior advisers confirmed that the wages of Federal Government employees were frozen.

But a spokesman for the Department of Defense said earlier today that scheduled military pay increases would be paid. A spokesman for the Office of Emergency Preparedness, which has been charged by the President with coordinating Federal action on wages and prices, said he didn't know whether military pay raises would be permitted.

The council also put its official stamp of approval on a number of questions and answers that were made public by the Office of Emergency Preparedness yesterday. These questions and answers were printed in today's editions of The New York Times.

It said that the price freeze applied to increases announced before Aug. 15, but were not scheduled to take effect until after that date. This included used goods, insurance premiums, common carrier and public utility charges, wholesale and retail prices unless specifically exempted, doctors, and lawyers' fees, apartment and house rents, and cost-of-living increases.

Exempted from the wage-price freeze were previously announced school tuition increases, stock and bond prices, interest rates, exported goods and deferred wage increases.

The council further ruled that "bona fide promotions that constitute an advancement to an established job with greater re-

sponsibility are allowed." Increases in apprentice rates in programs established before Aug. 15 are also permitted. But merit and longevity raises are not permitted.

Meantime, a senior official of the Department of Agriculture disclosed that price controls over food would be stricter than originally indicated.

The official, in a background meeting with newsmen, said that beef, pork, and milk would not be considered "raw agricultural products" and, therefore, would be included in the list of controlled items.

The government had earlier announced that raw agricultural products would be exempted. But Secretary of Agri-

culture Clifford N. Hardin, in a statement later today, said that a product would be considered "raw" only if it is sold to the public in the form in which it normally leaves the producer.

Thus, the prices of eggs, oranges, and fresh vegetables will not be controlled, even though they are packaged. But processed eggs, frozen orange juice, and canned vegetables will be controlled.

But the Agriculture Department official, who spoke with first-hand knowledge of the Cost of Living Council's deliberations, said the Cabinet-level council had not decided whether chickens and turkeys would come under price controls.