

**The Major Events of the Day**

**International**

Five pro-American Cabinet ministers, including the Ministers of Defense and Finance, reportedly resigned from Laos's coalition Government yesterday, in the midst of mounting protests against United States policies and following a demonstration by several thousand Laotian students and teachers against rising prices and foreign economic influences. Some demonstrators threw stones at the United States Embassy in Vientiane. There was no official confirmation of the resignations, which were reported by highly placed sources. [Page 1, Col. 1.]

The military administrative committee running the Saigon area established a cash-only economy for South Vietnam and issued a series of orders to foreigners, including diplomats, according to Saigon broadcasts monitored in Hong Kong. The radio said that the South Vietnamese currency used by the old regime was the only legal tender and that checks were banned. The use of other currencies was forbidden, and banks were closed for the time being. [1:2-3.]

The new Cambodian Government announced a major reconstruction program for the country's shattered industry and agriculture. The Cambodian radio, monitored in Bangkok, said that the economy would still be based on farming but that intensive efforts were also under way to rebuild factories destroyed by the losing side as the five-year war ended. [1:2-3.]

The South Vietnamese refugee population on Guam continued to grow rapidly as more than 8,000 new refugees arrived on three merchant ships. The new arrivals brought Guam's present refugee population to nearly 48,000, or almost one-third of the island's total civilian population. In recent days, 38,000 refugees, who were taken to Guam after the fall of Saigon, left the island to go to the continental United States. On Monday, some 20,000 more South Vietnamese are expected to arrive at Guam on the last six refugee ships from the Philippines. [1:4.]

**National**

The Senate Armed Services Committee, preparing for the annual defense debate in the Senate, proposed a 9 per cent reduction in the Defense Department's weapons procurement and research programs in the coming fiscal year. The committee, acting on

most of the major weapons programs proposed by the Defense Department, and it made deeper, across-the-board reductions in Pentagon funding than has been its practice in recent years. [1:8.]

A Senate-House conference committee agreed to set a tentative ceiling of \$367-billion on Government spending for the new fiscal year beginning July 1. The committee estimates that this ceiling, if maintained, would mean a deficit of \$68.8-billion. The deficit and spending figures appeared to be considerably higher than the deficit and spending totals that President Ford has said are the highest he would tolerate. [1:6-7.]

The Commerce Department said that the nation's businesses sold far greater quantities of goods than they bought in March, resulting in a record monthly decline of \$1.9-billion in business inventories. Sales, however, declined in March—down 2.5 per cent from February—and businesses ended up with a higher proportion of inventories, compared to sales, than they had in the previous month. A substantial decline in inventories is regarded as essentially an upturn in the nation's economy. [1:6-7.]

The highest court in Massachusetts heard an appeal for Alger Hiss, 70 years old, to be readmitted as a lawyer in the state on grounds of good character and good record since his release from prison in 1954. The seven-judge Supreme Judicial Court reserved decision after Mr. Hiss's lawyer challenged a report that he contended would require Mr. Hiss to "falsely confess" guilt in the 1950 perjury conviction. [1:1-2.]

**Metropolitan**

Connecticut's budget for 1975-76 severely limits spending on education and welfare programs and imposes a moratorium on promotions and salary increases for the state's 40,000 employees. The state's General Assembly approved the \$1.68-billion budget in the second day of debate. [1:5.]

The New York City Council voted 30 to 13 to approve controversial rent increases to help compensate landlords hurt by last year's higher fuel costs for many of the city's rent-controlled apartment houses. Mayor Beame immediately said he would sign the measure. City housing officials said that owners must satisfy certain fuel-expenditure requirements to qualify for the

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**Quotation of the Day**

"I don't want to run everywhere where people are in trouble. But as I have seen things develop, you get results when you are armed. It is not the only way to persuade people, but it is a helpful way."—Senator John C. Stennis, chairman of the Armed Services Committee, warning against major cuts in the Defense Department's budget. [1:8.]

**Light Opera offers "Naughty Marietta."**

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**CORRECTION**

It was erroneously stated in The New York Times of May 1 that a French-built turbidtrain on the way to Boston developed trouble and had to be towed back to Penn Station. Actually, the locomotive was built by an American concern, United Aircraft Corporation, now United Technologies Corp.