

The Major Events of the Day

International
 Israel announced yesterday that she will thin out her forces along the Suez Canal front as a unilateral gesture in response to the canal's reopening this week by Egypt. Israel will reduce the number of troops and tanks along the Suez frontline by half and pull back her artillery and missiles. The effect will be to widen the so-called limited-force zone established under the 1974-Israeli-Egyptian disengagement agreement by roughly half and significantly reduce Israeli forces contained within. The reduction of her forces seemed intended to improve Israel's current reputation as the intransigent party in the Middle East stalemate and open the way to an interim accord with Egypt. [Page 1, Column 8.]

President Ford and President Anwar el-Sadat of Egypt ended two days of talks in Salzburg with statements by both sides that their meeting had been an important step forward to peace in the Middle East. American and Egyptian officials also said that relations between the two countries, which had been poor for more than 20 years, were enhanced and put on a basis of long-term friendship. [1:6-7.]

Belgium will join three other Western European countries in the purchase of American-made F-16 fighter aircraft worth more than \$2-billion, a high-ranking United States official said. The four countries, forming a consortium, are making arrangements to purchase about 350 of the F-16's in one of the largest arms sales in this century. Belgium's participation was worked out in Washington between Defense Secretary James R. Schlesinger, and the Defense Minister of Belgium. [1:1-2.]

National
 Vice President Rockefeller said that his commission's five-month investigation of the Central Intelligence Agency had found incidents where the CIA violated the law, but no widespread pattern of illegal activity. In a briefing for reporters as he prepared to present a 350-page report to President Ford, Mr. Rockefeller said, "there are things that have been done which are in contradiction to the statutes, but in comparison to the total effort they are not major." [1:1-2.]

The invalidation of state laws and private agreements that prohibit druggists from advertising the price of prescription drugs was

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Metropolitan
 Governor Carrey said that state appointees would dominate a special agency that has been proposed to take over much of New York City's multimillion-dollar short-term debt. The special agency would have some sort of continuing surveillance over the city's budget operations—the Governor declined to say precisely what—and its creation would trigger what is expected to be a complex financing arrangement to get the city past June 11, when debts totaling \$792-million fall due. [1:8.]

The city's Budget Bureau has begun combing the list of schools, parks, and firehouses that could be considered expendable under Mayor Beame's \$11.8-billion "crisis" budget, with "a special effort being made" to make voters in the districts of the city's Republican State Senators "aware of their representatives' resistance to the Mayor's revenue package proposed in Albany. [1:2.]

Elective surgery in some hospitals in the metropolitan area was canceled and a number of voluntary hospitals had a sharp drop in patient census as the slowdown by physicians over malpractice insurance rates began in earnest. The impact of their protest was mixed and spotty across the metropolitan area, but in any case, disruption of health care was minimal. [1:3-4.]

Quotation of the Day

"Israel really wants and intends to progress toward peace either by an over-all or interim agreement." — Premier Yitzhak Rabin, announcing a thinning out of forces along the Suez Canal. [1:8.]

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CORRECTIONS

The date of next month's Bernhanna Grand Prix offshore powerboat race was erroneously reported in yesterday's New York Times. The race is scheduled for July 16.

• An article Monday incorrectly reported that Altro Workshops, Inc., a workshop employing the handicapped in the Bronx, turned a \$1-million profit annually. The workshop has \$1-million in sales yearly, but has an operating deficit of \$500,000.