

The Major Events of the Day

International

Britain's Chancellor of the Exchequer, Denis Healey, warned labor and management that the Government would move toward statutory controls on incomes and prices unless they devised a voluntary plan limiting wage increases to 10 per cent. The surprise statement in the House of Commons was the strongest move yet to curb Britain's soaring inflation. The pound sterling, which had been sliding, rose slightly on international markets, while the Labor party's left wing said legal restraints on free bargaining would violate Government pledges. [Page 1, Columns 2-3.]

Prime Minister Indira Gandhi, appealing to the Indian public for support to end the political crisis, announced economic reforms to better the average citizen's lot, especially in rural areas. The program to bring down prices, peasant debt and achieve fairer land distribution was expected to be widely popular. Critics said it was intended to deflect attention from recent authoritarian moves by her government. [1:4.]

Brazil, striving to attain big-power status by the end of the century, is modeling her efforts after the United States. At the same time Brazilians are trying to keep their distance from the United States, especially in economic development, partly because of what they see as the declining United States role in world leadership. [1:2-3.]

A new Soviet law effective next year will tax 30 per cent of all money sent to Soviet citizens from abroad. It is apparently aimed at depriving dissident groups and individuals, especially those who are jobless while waiting for permission to emigrate, of help from friends or relatives abroad. It will not apply to certain payments including alimony, inheritance and royalties. [1:4.]

National

Four major oil companies raised gasoline prices at the refinery up to 3 cents a gallon. Other companies were expected to follow them, with speedy effect on retail pump prices as the high season for summer vacations and motoring began. John A. Hill, deputy administrator of the Federal Energy Administration, predicted mark-ups of 3 to 5 cents this summer. He said part of the rise was seasonal and would probably be rolled back after Labor Day. [1:1.]

President Ford told the 66th convention

The Other News

International

Amin say she will pardon Briton. Page 3
 Thailand and China establish diplomatic relations. Page 3
 Lebanon gets new Cabinet and cease-fire. Page 6
 Ferocity of Beirut fighting seems baffling. Page 7
 U.S. criticizes newsmen's ouster in India. Page 8
 Argentine political crisis eases somewhat. Page 8
 Schlesinger affirms nuclear weapons policy. Page 8

Government and Politics

House Democrats are bitterly split by defeats. Page 1
 Gurney denies fund-raising knowledge. Page 12
 U.S. Attorney to seek Illinois governorship. Page 12
 The Mayor's long day-plus in Albany. Page 21
 Ford orders compliance with order on taps. Page 36
 Carey proposes aid to aged and disabled. Page 57
 Legislature backs corrections panel shift. Page 57

Energy

More electricity consumed by small users. Page 43

General

Castellano indicted on usury and tax charges. Page 13
 Metropolitan Briets. Page 35
 Environmental bill defeated in State Senate. Page 35

Industry and Labor

Pennsylvania state employees begin strike. Page 57

Education and Welfare

School board elects Isaiah Robinson president. Page 21
 Jersey college tuition raised 50 per cent. Page 35
 Schools here turn to new systems of "tracking." Page 38
 Colorado plans bilingual-bicultural education. Page 38
 City's special schools maintain standards. Page 39

Health and Science

Ban asked on vinyl chloride in food packages. Page 18
 Further study of placebo effect urged. Page 19
 Basic scientific research cut by inflation. Page 54

Quotations of the Day

"The cops are being fired. There's no money. What right do the sanitationmen have to jeopardize everyone's health?" —Eleanor Schippa of Brooklyn. [20:4.]
 "I'm not trying to hurt the people, believe me. We got a stinky job as it is. But we're political pawns. They're playing with our families." —Al Bedford, a laid-off sanitationman. [20:8.]

Religion

Synod backs civil rights of homosexuals. Page 13
 Hispanic Catholics leaving the church. Page 34

Amusements and the Arts

Scott Joplin opera is coming to Broadway. Page 15
 Opera buff's jam park for Met's "Butterfly." Page 15
 Organists take over a Newport spot. Page 16
 Basile and Miyama bands play at Roseland. Page 16
 To Cleo Laine, diversity means talent. Page 16
 Cast changes add interest to Bolshoi's "Boris." Page 17
 Richard Holmes' life of Shelley is reviewed. Page 37
 Local TV stations breaking into prime time. Page 39

Going Out Guide

Page 15
About New York Page 20
Family/Style Page 40
 Women's conference delegates view results. Page 40
 Adolfo shows fall fashions in new salon. Page 40
 Why is there a sales tax on cranberry juice? Page 40
 Cork plays giant role in wine industry. Page 42

Consumer Notes

Page 38
Obituaries.
 Jack Stenbuck, Hearst circulation director. Page 34
 Herbert F. Johnson, teacher and administrator. Page 34

Business and Financial

Manufacturing inventories reduced sharply. Page 43
 I.R.S. elaborates on study of foreign payments. Page 43

Sports

Sweden sets world record in 3,000-meter chase. Page 22
 Connors, Ashe, Tanner, Roche in semifinals. Page 23
 Ali, Frazier make \$1-million side bet on rematch. Page 23
 Beza and Whiteley fending as match race heats. Page 23
 Monzon and Valdes may fight in October. Page 25
 N.B.A. Hawks lack money to sign Thompson. Page 27

Notes on People

Page 14
Editorials and Comment
 Editorials and Letters Page 32
 C. I. Sulzberger views a historical distortion. Page 33
 William Shannon compares Ford and Truman. Page 33
 Judith Steinhil on marital factor in feminism. Page 33
 William Saroyan expounds on telephone talk. Page 33

News Analysis

Charles Mohr assesses Marxist Mozambique. Page 5
 Ronald Sullivan on Jersey's fiscal crisis. Page 35
 Sonja Golden discusses Okun's Law on jobless. Page 43

CORRECTIONS

As a result of an error in editing, the State Health Department's monthly list of nursing homes with operating deficiencies was published in The New York Times yesterday as a list of nursing homes that are closing. None of the homes named faces closure proceedings.

● In the announcement of the marriage of Nancy Lynne Friend to Kenneth Richard Stuart in The Times on Monday, the headline incorrectly identified the bridegroom as Richard Stuart.

Advertising News	Page 51	Grading	Page 56
Amer. Exchange	Page 52	Market Indicators	Page 44
Bond Sales	Page 59	Market Place	Page 44
Business Briefs	Page 45	Metical	Page 53
Business Records	Page 42	N.Y. Stock Exch.	Page 44
Commodities	Page 50	Out-of-Town	Page 52
Dividends	Page 48	Over the Counter	Page 53
Foreign Exchange	Page 52		