

The Major Events of the Day

International

The Italian Government announced yesterday a series of austerity measures that it hoped would ease the economic crisis and prevent its own political collapse. Gasoline prices were raised, and sales taxes on automobiles, movie tickets, alcohol and other consumer items were increased, as were interest rates on loans. The announcement was made as the Christian Democrats, who govern the country, began a general meeting, their first in three years and one of their most crucial. [Page 1, Column 8.]

Vice Adm. Gerald E. Miller, retired, who was in charge of nuclear targeting until his retirement in 1974, told a House International Relations subcommittee that the Defense Department proposed to revoke the authority given the North American Air Defense commander about 20 years ago to use nuclear weapons in certain circumstances. Only the North American command, of all the military commands, has the authority to fire nuclear weapons without the specific approval of the President. [1:5.]

Queen Elizabeth II has consulted lawyers about the rift in the marriage of her sister, Princess Margaret, and the Earl of Snowdon. A Buckingham Palace source said the couple, who have been married nearly 16 years, appeared headed for legal separation but not a divorce. It was said that there will be no divorce for the present at least, partly because the Church of England is strongly opposed to it. [1:6-8.]

National

Soon after he became Secretary of the Army in 1973, Howard H. Callaway attended a meeting of the United States Forest Service in Colorado and promoted the beneficial effects on the local area of a ski resort in which he had two-thirds interest. Mr. Callaway has insisted since he left as head of President Ford's national campaign committee last week that his only contact with the Forest Service was a "peripheral" meeting last July 3 with two close friends who were long-time officials at the Department of Agriculture. [1:6-7.]

The Senate aging subcommittee on long-term care has produced material that it says points to a growing scandal in the care of the elderly—the "warehousing" of old, mentally ill people who have been pushed out of state mental hospitals into substandard,

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Metropolitan
 The Bank of America, the country's largest bank, has demanded further action by Governor Carey and the Legislature to strengthen the security of state revenues as a condition for its assistance in meeting the state's critical borrowing needs this spring. The demands have been known to top officers at the Morgan Guaranty Trust Company, which has been acting as the state's agent in negotiations with the Bank of America, long a purchaser and underwriter of state securities, an official familiar with the talks said. The Bank of America has been asked to buy \$125 to \$150 million in state notes. [1:4.]

State Transportation Commissioner Raymond T. Schuler said that the state was prepared to buy a big section of the bankrupt Erie-Lackawanna Railroad between New York and Ohio to keep freight service from being downgraded under the new Federal rail corporation. The cost of about 1,500 miles of the line through four states would be \$12 million to \$18 million, and the money could come from a \$250 million transportation bond issue authorized by the voters in November. 1974, Mr. Schuler said. [1:1-2.]

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Quotation of the Day
 "It's never too late—nor are the odds too great—to try."—Senator Frank Church of Idaho, officially declaring himself a candidate for the Democratic Presidential nomination. [1:3.]

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CORRECTIONS

In two political articles that appeared in The New York Times yesterday, the results of the most recent poll in Wisconsin were incorrectly reported. The poll conducted by The Milwaukee Sentinel throughout the state, showed Jimmy Carter first and Gov. George C. Wallace second.

A report in The Times yesterday on the three-month earnings of the American Telephone and Telegraph Company incorrectly stated the earnings per share. The correct figure is \$1.33.