

News Summary and Index

NYTimes

SATURDAY, MAY 1, 1976

MAY 1 1976

The Major Events of the Day

International

The Italian Government, led by the Christian Democrats, the country's dominant party since 1948, resigned last night, opening the way for general elections in June that could give the Communist Party a share of power. The Government had been severely damaged by charges that some of its leading figures were involved in bribes from the Lockheed Aircraft Corporation, but its collapse was directly caused by a dispute over an abortion-reform bill in which the Christian Democrats lost the crucial support of the Socialist Party. Prime Minister Aldo Moro was asked by President Giovanni Leone to remain as head of a caretaker cabinet. President Leone still has to dissolve Parliament and set a date for the elections. [Page 1, Column 8.]

China blamed a "counterrevolutionary saboteur" for an explosion outside the Soviet Embassy in Peking, which the Soviet Union said killed two Chinese soldiers. "Counter-revolutionaries" is Peking's official term for serious lawbreakers and is normally used only of Chinese. The statement, a virtual admission that a Chinese was responsible, added to speculation that political unrest was continuing following leadership changes in Peking. [1:7.]

National

Senator Henry M. Jackson is expected to announce today that he is abandoning his campaign for the Democratic Presidential nomination, key members of the campaign staff said. "There was absolutely no money left," an adviser said. "We thought that the Humphrey withdrawal might send some people our way, but it didn't. Scoop wanted to go on, but he didn't have a single weapon left." [1:1.]

United Airlines agreed to pay more than \$1 million in back pay to settle discrimination complaints made by the Equal Opportunity Employment Commission on behalf of minorities and women. The airline will pay \$1,050,000 to an unspecified number of persons in minority groups and women who allegedly were denied jobs illegally. It will award retroactive seniority to black pilots and mechanics who were said to have been refused employment initially. The airline's agreement also provides for changes in hiring procedures, specific goals and timetables for improving minority employment and

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The transit workers' contract was rejected by the state's Emergency Control Board, which instructed the New York City Transit Authority to negotiate and submit a revised wage pact by May 15, taking into account the ban on cost-of-living increases. Governor Carey said that it was possible to get an agreement on a salary increase provided it was more clearly tied to productivity than in the initial agreement. Matthew Guinan, international president of the Transport Workers Union, said efforts to get a new contract would be "pointless" unless the Control Board, not the Transit Authority, was at the bargaining table. [1:3-4.]

A special state grand jury is investigating whether Patrick J. Cunningham, the state Democratic chairman, had used his political influence to obtain the transfer of certain interest-free state accounts to favored banks, one of which may have been a legal client of Mr. Cunningham's. [1:2.]

The Buffalo municipal government and state education officials were said by a Federal District judge to have perpetuated racial segregation intentionally in the city's public schools, and he ordered them to begin preparing an integration plan by May 19.

Judge John T. Curtin made the finding in a suit brought by a Buffalo civil rights group, the National Association for the Advancement of Colored People, and by a Buffalo Councilman. [1:5.]

An immediate repeal of the New York City estate tax and an easing of the stock transfer tax are the first objectives of the new Council on the Economy recently established by Governor Carey, who is its chairman, to improve the city's economy. Mayor Beame is co-chairman. [1:2.]

Quotation of the Day

"I believe I have done my duty to the end."—Prime Minister Aldo Moro of Italy, announcing the resignation of his Cabinet. [1:8.]

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CORRECTION

Because of an editing error, an item in Business Briefs in The Times yesterday said that the Federal Energy Administration would remove price and allocation controls on heavy fuel oil today. The correct date is June 1.