

News Summary

NYTimes

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International

President Carter and five of the six leaders of America's major allies met in London at a dinner at the 10 Downing Street residence of Prime Minister James Callaghan. The meeting was a prelude to their economic conference this weekend, which is expected to set the tone of the relations among the allies for years ahead. President Valéry Giscard d'Estaing of France delayed his arrival until today. His absence at the dinner was a gesture of protest against the inclusion of Roy Jenkins, president of the European Common Market Commission, on the Prime Minister Callaghan's guest list. [Page 1, Columns 1-2.]

A warm welcome was given President Carter in Newcastle-upon-Tyne, an industrial city in northern England. The city's Lord Mayor told the President: "You were born a Georgian, you have now become a Geordie"—as people of the Newcastle area are known. "Haway the lads," responded the President, using a chant of local soccer fans. [1:3.]

National

The unemployment rate declined to its lowest level in 29 months in April and the number of employed people increased by 500,000 for the second consecutive month, the Labor Department said. The percentage decline was from 7.3 to 7 percent of the nation's total work force. This means that there were 327,000 fewer unemployed people than in March and that the total number of unemployed fell to 6,737,000. Many of the newly employed were recalled from layoffs. [1:5-6.]

The White House will no longer insist that the Secretary of Energy be given the sole power to set prices paid to producers of natural gas and crude oil. This concession to a bipartisan group of Senators was made as White House representatives and staff members of

the Senate's Governmental Affairs Committee completed a statement of principles under which a three-member Regulatory Board would be established. The board's decisions on natural gas prices would be subject to Presidential veto. [1:4-6.]

Price increases of 6.8 to 8.8 percent for steel used in consumer goods, such as automobiles and appliances, were announced by the Republic Steel Corporation, the nation's fourth largest steel producer. They will become effective May 15. The increases were "excessive" the Wage and Price Stability Board said. They apparently were the first in a new series of price rises planned by the steel industry. Republic's announcement was followed by one from the Youngstown Sheet and Tube Company, which plans increases similar to those of Republic. [1:4.]

Questions were raised whether the public had seen what it thought it was seeing when watching a \$250,000 winner-take-all tennis match March 6. Jimmy Connors, who won in four sets, was guaranteed \$500,000 win or lose, and Ilie Nastase received \$150,000, according to sources close to the negotiations. The sources said that those provisions had been made for the fourth "Heavyweight Championship of Tennis" in Puerto Rico, televised nationally by CBS Sports, and the final score had had no effect on the financial split. The prize-money guarantees were not illegal, a Federal Communications Commission said. [1:3-5.]

Metropolitan

Democrats and Liberals were reportedly told by Governor Carey that he would support Mario M. Cuomo's candidacy for New York City mayor through the November election even if Mr. Cuomo was defeated in Democratic primary in September. Democratic and Liberal officials who are supporting the Cuomo candidacy said the Gover-

nor pledged to raise \$150,000 in 10 days for the Cuomo campaign and additional money if necessary. [1:1-2.]

The closing of an additional total of 2,000 acres of clam beds in Suffolk County, including virtually all of the most productive beds in the Great South Bay off Babylon, was announced by the State Department of Environmental Conservation. The agency acted under Federal pressure. Court challenges by local officials and clambers are expected. [1:6.]

A key figure in the murder of Joey Gallo in Manhattan's Little Italy in 1972 was found dead in three feet of water in his swimming pool on the Caribbean island of Grenada. The man was Richard Palletto, who the police say provided the guns for the Gallo slaying. He fled the United States with a horse trainer who is wanted for allegedly cashing more than \$1 million in worthless checks. In Grenada, he was known as Frank Clancy. [42:1-2.]

Business/Finance

Prospects of tighter credit pushed stock prices lower for the first time in eight trading sessions. Declining issues outnumbered rising ones by a 4-to-3 ratio and the Dow Jones industrial average fell 6.70 points to 936.74. [11:1-2.]

Merger intentions were announced in Wall Street by Paine Webber Inc., parent company of Paine, Webber, Jackson & Curtis, a big retail brokerage firm, and Mitchell, Hutchins Inc., research-oriented stockbrokers. This is one of a number of mergers undertaken recently by big brokerage houses. Mitchell, Hutchins will become a Paine Webber Inc. subsidiary but will remain a separate company and, in an unusual arrangement, will keep its membership on the New York Stock Exchange. [11:5-6.]

Volvo and Saab, which produce all of Sweden's automobiles as well as a wide range of industrial products, announced merger plans. Both companies have been affected by high labor costs, and a decline in sales. Volvo's president, Pehr Gyllenhammar, said negotiations would begin next week with the various trade unions. He hoped the merger would be completed by the end of the year. [11:4.]

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Quotation of the Day

"I used to think John F. Kennedy was great. Carter's the same. He has the same personality and all. He's a good bloke."—Billy Dowsey, a former coal miner, after seeing President Carter in Washington, England. [6:4.]

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CORRECTION

The telephone number for the Caramoor music festival near Katonah, N. Y., was incorrectly listed in The Times yesterday. It should be (914) 232-4206. "Macbeth" runs Thursdays through Sundays at La Mama Annex, 66 East Fourth Street, not the days listed yesterday. The play will also appear through May 29 at the Henry Street Playhouse, 466 Grand Street, where the telephone is 766-9334.