

# Saudi Arabia opposes massive price increases; OPEC seeks \$21 a barrel

**United Press International**  
 GENEVA, Switzerland — Saudi Arabia refused Wednesday to go along with any massive oil price increase as OPEC ministers got down to tough horse-trading on a unified pricing system.

member states "would be abnormal." Yamani indicated to reporters before the beginning of the second day of talks that Saudi Arabia may be willing to go along with a benchmark price of around \$18 a barrel.

The ministers reconvened in full session Wednesday at 10 a.m. None of them would make any comment on unofficial

talks that went on late into the night Tuesday. A special committee comprised of two persons from each delegation was charged with attempting to get a common position.

Yamani's opposition to a base price of \$20 per barrel raised the possibility of a formal split in OPEC ranks, with most members charging that price — or more

— and Saudi Arabia sticking to a lower level.

All OPEC ministers did agree, however, that there should be, if possible, a unified price with an end to the current system of free-for-all surcharges based on what the market can bear.

The United Arab Emirates was pushing for a compromise based on setting a benchmark price of \$18 or \$18.50 per barrel with a ceiling of \$21.50 per barrel.

This would permit those producers with top-grade oil to charge the traditional premiums up to the \$21.50 level.

In two sessions Tuesday, lasting a total of 3½ hours, the ministers cleared the table of secondary items including a \$800 million increase in OPEC's special fund for developing countries and a proposal for the creation of an OPEC news agency.

Qatar's Oil Minister Khalifa al-Thani said Tuesday his country expected a price increase to "a minimum of \$20 a barrel." Kuwait's minister, Sheikh Khalifa al-Sabah, said he too favors a price of around \$20.

Iran was holding out for a unified price of \$22 to \$23 per barrel.

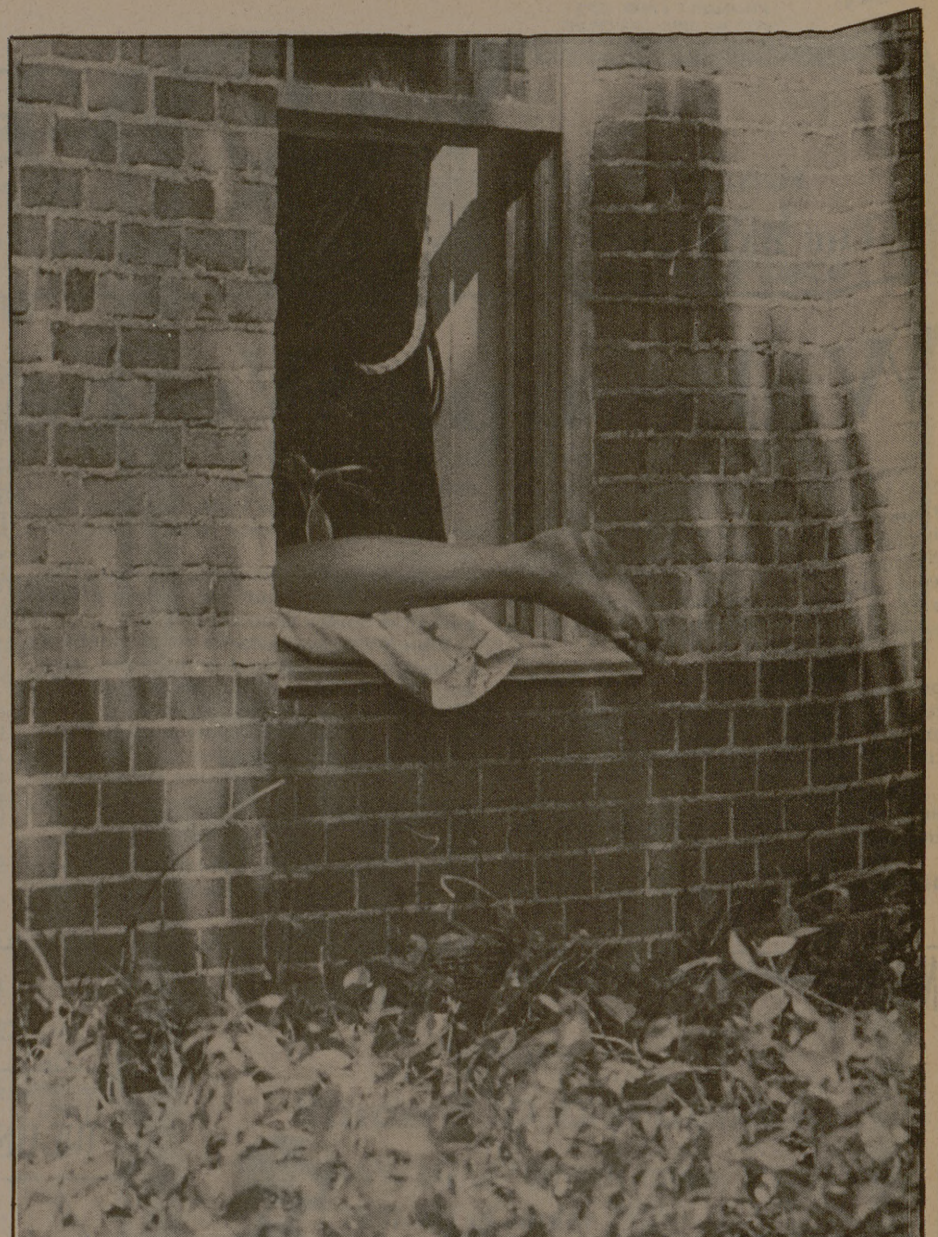
Oil sold on the spot market — not governed by long-term contracts — has been going for as much as \$35 a barrel.

With the price of OPEC crude now at \$17.50 a barrel after surcharges, a jump to \$20 a barrel would add 5 cents to the retail price of gasoline, home heating oil and diesel fuel in the United States.

A key element in the negotiations is whether individual OPEC members will still be allowed to charge the extra premiums and surcharge under the new prices.

Otaiba backs this proposal and said it would allow countries with lower quality oil to charge near the \$18.50 level while those with better quality crudes would demand the full \$21.50.

After Tuesday's meeting, the ministers assigned two members from each delegation to meet during the night to hammer out agreement on a unified price.



*Air-conditioned legs*

Having to stay cooped up in a dorm room studying during the summer is pain enough, but that's no reason for your legs to suffer also, as this Spence Hall resident indicates.

Battalion photo by Carolyn Blosser

# THE BATTALION

## Weather

Partly cloudy through Friday with a slight chance of thundershowers. High Thursday and Friday low 90s, low early Friday low 70s.

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## Concerned about comment Clements greets truckers

**United Press International**  
 AUSTIN — Striking independent truckers roared into the capital Wednesday in a convoy five miles long, then said at least a portion of the Texas truckers would take a back-to-work vote after receiving expressions of support from Gov. Bill Clements.

The convoy of more than 100 trucks, most of them from San Antonio, slowed traffic to 5 mph on Interstate 35 in Selma to protest what a leader called one of the nation's most notorious speed traps, then blasted their horns as they circled the Capitol complex.

Clements told the truckers in a shirt-sleeves meeting in his office he is sympathetic to their demands for higher rates, higher speed limit and removal of permit and weight restrictions, but has little authority to resolve their problems.

The truckers generally were favorably impressed with their meeting with the governor, but were concerned at a comment by Clements that he would call out the National Guard if necessary to prevent violence.

Bill Hoadley of San Antonio, a spokesman for the group, told Clements the striking truckers had not engaged in any violence in Texas.

"What I'm going to do is call out the

National Guard to protect you. I don't want you shot at by anybody," Clements responded. He said he would call out the guardsmen only if there is widespread violence in the state.

Hoadley told reporters after the meeting he was encouraged by the meeting with Clements and a hearing before the Railroad Commission Tuesday in which the truckers pressed for a 40 percent rate increase, and said he would seek a back-to-work vote in his region when he returned to San Antonio.

"I'm very sympathetic, you guys are free enterprisers, private enterprisers," Clements told the truckers. "I'll try to help you."

The truckers presented Clements a letter demanding the speed limit for trucks be raised to 65 mph for better fuel economy, higher freight rates, removal of bridge laws limiting loads trucks may carry, and partial repeal of Railroad Commission regulations limiting what commodities truckers may haul.

"I've been around you truckers long enough to know these problems are not new problems. They've been around a long time," Clements said, noting the real problem facing truckers is an economic bind caused by rising fuel prices and fixed freight rates.

Truckers from Dallas and Houston joined the brief protest at the Capitol. The trucks were not allowed on the Capitol grounds, but circled the complex with horns blaring.

Hoadley suggested the governor call the Legislature into special session if necessary to raise the speed limit for trucks.

"The Texas Highway Department governs the speed limits and weight limits, and we are asking the governor to go to them," he said. "If it takes a special session of the Legislature to do it, let's do it and get it over with."

He said the trucks traveling from San Antonio to Austin drove two abreast and slowed to 5 mph as they came through Selma.

"We deliberately slowed traffic in Selma for personal reasons down to 5 miles an hour. In any movement you have to blow off steam, and driving 5 miles an hour through Selma while the Selma cops ran up and down the access roads waving their arms let off some steam for these truckers," Hoadley said.

Clements agreed to discuss the truckers' demands with the highway department and railroad commission, and to present their views at the National Governors' Conference.

## CS council okays new budget, rolls back tax rate 17 cents

By ROY BRAGG  
 Battalion Staff

The College Station City Council voted unanimously to approve the 1979-80 city budget and decreased the ad valorem tax rate 17 cents in their meeting Wednesday afternoon.

The new budget lists total revenue at \$17,786,983 and expenditures at \$16,279,532.

Expenditures are up 28 percent year and total revenue is 40 percent higher than last year, according to the summary. Last year's budget had total expenditures of \$12,719,462 and total revenues of \$12,724,714.

The allocations in the new budget are for the general fund (\$4,306,994), the util-

ity fund (\$9,279,242), sanitation fund (\$526,621), revenue sharing (\$330,426) and debt service (\$1,673,605).

The general fund is financed by ad valorem taxes, fines, fees and other city-generated capital and transfers of capital from the other city funds.

The utility fund is financed by consumer utility payments; the sanitation fund is financed by the rates charged residential and commercial users.

The debt service is money collected from taxes and utilities to pay off outstanding bonds issued by the city.

Revenue sharing funds are federal taxes given to the city to spend whatever it wants.

In related business, the city approved a decrease in the ad valorem tax rate from 56 cents to 39 cents per \$100 valuation of property.

The ad valorem tax is one of the methods used to help finance the general

fund and the debt service. The new rate is levied against 80 percent of the market value of the property.

If a home were valued at \$40,000 by the city, its assessed value would be \$32,000. Taxes for the property would be \$124.80.

The budget listed the assessed value of all real and personal property in the city at \$304,090,000. The taxable value of this land is listed at \$299,150,000. At 39 cents per \$100, the total tax levy is \$1,166,685.

In order to help finance an increase this year in the sanitation fund, the city council also passed an ordinance increasing the monthly rate charged for garbage pickup and disposal from \$2.25 to \$3.50 for single and multi-family units.

The charge for small commercial users was increased to \$17 and the charge for large businesses and schools increased to \$37.90, \$47.80 and \$77.50, depending on the size of the container used.

## Decreased gas sales hurting area dealers

By CAROLYN BLOSSER  
 Battalion Staff

Local gas station owners continue to close their stations earlier and earlier because they are short on gas. All owners are losing money from decreased gas sales, but many owners say that the cutback in hours hasn't hurt them financially.

Others say it has. "It makes you feel like the government is pushing you down the tube," said a Texaco station owner, Joe Labani, referring to the decreased gas allocations.

Each month stations are allotted a certain percentage of the amount of gas they sold this same time last year. Labani said he receives 70 percent of last year's sales.

Labani began operating his station last December and is trying to build up his customers.

His station used to stay open seven days a week but now closes four hours earlier on the weekdays and all day on weekends. He said he is losing service and money from closing early.

"You don't make money off of selling gas," he said. "That will pay for the overhead, but any money that is made is during service. Now I don't have the traffic that creates service."

Labani recently installed an inspection station to add to his revenue.

The better established stations that close their pumps early but maintain a regular working day haven't been hurt by the cutback in hours.

Mobil station owner Robert Massey schedules all of his service work during the week and is closed on weekends.

Don Beal, owner of an Exxon station, said closing early is cutting down on his overhead, and hasn't really affected him financially.

Exxon is currently allocating its stations 78 percent of last year's sales. Beal wouldn't say how much gas he received because "supposedly they're all (Exxon stations) getting the same, but maybe they're not."

Dick Broach, a Shell Oil distributor and owner of several local gas stations, said the decreased volume of gas being sold has resulted in a money loss, but that he hasn't been hurt by closing early.

Hour-long lines have been plaguing the Houston and Dallas areas, but most local station owners believe a similar situation here is unlikely.

"We just don't have the traffic here," Broach said. "We have some lines sometimes on the weekends, but not during the week."



This gas station at the corner of Boyett and University streets advertised 99 cents per gallon of gasoline Wednesday while the pumps indicated it was only being sold for 79 cents a gallon. The station was closed and the photographer was not able to contact the manager for an explanation.

Battalion photo by Clay Cockrill

## Industry need not fear reverse discrimination suits: Supreme Court

United Press International

WASHINGTON — The Supreme Court told private industry Wednesday it may voluntarily set up many kinds of affirmative action employment programs without fear of being sued by whites on "reverse discrimination" charges.

On a 5-2 vote, the court upheld a racial quota which Kaiser Aluminum and Chemical Corp. and a union used to select applicants for an on-the-job training program.

The decision reversed a lower-court ruling striking down the quota, which was challenged by a white factory worker named Brian Weber as a violation of the 1964 Civil Rights Act's bar against racial discrimination in employment.

The law "does not condemn all private, voluntary, race-conscious affirmative action plans," Justice William Brennan wrote for the majority.

He said the statute was designed instead to open employment opportunities to blacks.

"It would be ironic indeed if a law triggered by a nation's concern over centuries of racial injustice and intended to improve the lot of those who had been excluded from the American dream for so long constituted the first legislative prohibition of all voluntary, private, race-conscious efforts to abolish traditional patterns of racial segregation and hierarchy," Brennan wrote.

But Justice William Rehnquist, in a stinging dissent joined by Chief Justice Warren Burger, said the court's decision betrayed the spirit of "equality" for both races — whites and blacks — in the act.

Weber, who initiated the employment sequel to last year's Bakke "reverse discrimination" college admissions case, said he was surprised by his loss. "I was pretty confident I would win," he told a news conference in New Orleans.

The high court is only expected to meet twice more before wrapping up its 1978-79 term with a major decision on northern school desegregation. In other actions Wednesday it:

— Ruled unconstitutional a section of the Social Security Act that only allows a wage earner's insurance benefits to be awarded to widows or divorced wives — and not to a woman who bore his child out of wedlock.

— Held 5-3 that in a longshoreman's accident where the ship and the stevedoring company were negligent, the longshoremen may collect for the entire amount damages for his injuries from the ship.

In the "reverse discrimination" case, Weber charged that Kaiser and the United Steelworkers of America illegally discriminated against whites when they voluntarily set up an on-the-job craft training program at a Gramercy, La., plant that reserved half its openings for minority applicants.

The 5th U.S. Circuit Court of Appeals, in a decision reversed Wednesday agreed the program was illegal because it set up a racial quota without any admission of past discrimination by the employer or union, and did not limit relief to identifiable victims of past discrimination.

Brennan noted the Kaiser plan did not involve government action or an alleged violation of the Constitution, but only the federal statute barring employment discrimination.

He said it was an "affirmative action plan voluntarily adopted by private parties to eliminate traditional patterns of racial segregation."