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## Federal court OKs **Continental move**

#### **United Press International**

HOUSTON - Continental Airlines scored a major victory against Rulings were still pending on con-striking pilots Wednesday with a tracts effecting the other three federal court ruling giving them unions. permission to void its contract with "In a the Air Line Pilots Association.

In a one-page ruling, U.S. Bank-ruptcy Judge R.F. Wheless Jr. granted Continental's motion seeking to reject labor pacts which were in effect when the airline filed for Chapter 11 reorganization in bank-

ruptcy court Sept. 24. The unions claimed Continental illegally voided the contracts.

The judge said the pilots' contract, coupled with unsuccessful efforts to negotiate a new one, hinder tiations would occur. the airlines' efforts to regain financial stability.

"The collective bargaining agreement ... between Continental Air Lines Inc. and the Airline Pilots Association International is found to be burdensome to the estate," the judge wrote.

voluntary modification have been made and are not likely to produce a prompt and satisfactory solution and the parties' inability to reach an agreement threatens to impede the it filed for bankruptcy. He said the success of the debtor's reorganization," the ruling stated.

The ruling came in response to a motion filed by Continental, in which it sought approval from the tion for reorganization in bankbankruptcy court to void contracts ruptcy court Sept. 24, 1983, after rewith ALPA, the Union of Flight At-tendants, the International Associa-between 1979 and 1983

tion of Machinists and the Transport Workers Unions, as part of its financial restructuring.

Rulings were still pending on con-

"In a legal sense, it is a victory. In legal terms, we won and the Air Line PIlots Association lost, and that's what the judge ruled," said Conti-nental President Phil Bakes.

Bakes said the ruling removed a "cloud of uncertainty" that has hung over the airline since it filed for bankruptcy.

He said Continental would continue to negotiate with striking pilots and flight attendants, although he refused to discuss what, if any, nego-

ALPA general counsel, Michael Abrams, of New York, vowed to fight the ruling.

"Our plan is to appeal the decision. At the same time, the association repeats its willingness to enter into a revived collective bargaining agreement with Continental to re-Reasonable efforts to negotiate a store the jobs of pilots on the basis of seniority," Abrams said.

Abrams said the effect of the ruling was to recognize the airline breached the ALPA contract the day union would file a claim for damages pilots suffered from the broken contract.

Continental Airlines filed a peti-

### Utility company says reliability threatened

#### **United Press International**

AUSTIN — A Texas Utilities Electric Co. spokesman said Wednesday that his company's service reliability could be threatened if the Public Utility Commission fails to

grant it "adequate" rates. A PUC hearing examiner Wednesday began hearing testimony in the Dallas-Fort Worth area power company's request for a \$304.2 million annual rate hike.

In an unprecedented move last week, the PUC staff recommended the utility's rates be slashed by \$65.2 million. The public counsel's office has also proposed a rate reduction.

PUC assistant general counsel Ed Pope said the staff's recommendation was guided by the provisions of a new law that allows utilities to be granted money for uncompleted construction projects only under exceptional conditions.

But TUEC Vice President Tom Baker said Wednesday the staff's recommendation cannot be supported by facts.

"If the philosophy embodied in the PUC staff recommendation were adopted, and particularly if it were adopted on a long-term continuing basis, reduced service reliability

Baker, speaking with reporters, noted the utility's interest costs have risen during the last six months and, 'we've added construction work, not reduced it" to address the needs of 90,000 new customers per year.

He also pointed out that TUEC's credit ratings have been lowered by major rate agencies, meaning the company will pay higher costs to borrow money.

TUEC opened its case Wednesday with testimony by economist Charles E. Olson of Washington, D.C.

Olson said under current economic conditions, TUEC should offer its investors a return of 16.5 percent to 17.5 percent in order to continue to attract capital.

"Any business, whether regulated or unregulated, must earn enough dollars of profit to compensate present investors if new capital is to be attracted on reasonable terms," he said in written testimony.

"If new capital cannot be attracted on reasonable terms," Olson added, 'a business will have difficulty providing reliable and adequate serv-

TUEC, which was formed Jan. 1 by the merger of Dallas Power & Light Co., Texas Electric Service Co., and Texas Power & Light Co.,

# Around town

#### Science students must take exam

Any junior or senior in the College of Science who has not taken the English Proficiency Examination should plan to do so this semester unless they have completed English 301 with a minimum grade of C. Students in the College of Science are required to pass either English 301 or the test in order to qualify as a degree candidate in the College of Science.

The English Proficiency Exam will be administered by the En glish Department. Students in the Departments of Biology, Chemis-try, Mathematics, and Physics should register for the exam in 152 Blocker by June 29.

#### Hospital sponsors babysitting workshop

Humana Hospital is sponsoring a **babysitting workshop** for II and 12 year olds. The workshop will focus on the proper child care skills in the areas of supervision, play, personal safety, accident prevention, and physical care. Naomi Giroux, a registered nurse and director of patient education at Humana Hospital will be instructing the workshop. The workshop will be held on Saturday from 9 a.m. to 2 p.m. and the cost is \$5 per person.

#### Environmental seminar will be Friday

Dr. Stephen Safe, a professor of Veterinary Physiology and Pharmacology, will discuss "Toxicants in the Environment" at 10 a.m. Thursday in 308 Rudder. Anyone interested in this topic is in vited to attend and to participate in a discussion following Dr. Safe's presentation.

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#### **Bluegrass band to play in park Sunday**

The Arts Council of Brazos Valley and the Music Performance Trust Fund are sponsoring a free concert in Central Park featuring Carter Creek Bluegrass. Bring your lawn chair or a blanket and re-lax to the "Music in the Park." The show begins at 7 p.m. Food will be available at the park.

#### Associate dean of grads appointed

Dr. Francis Clark has been appointed associate dean of the Grad-uate College at Texas A&M University effective Sept. I, announced Dr. Leo Berner. Clark, 43, succeeds Berner who becomes dean of the college on the same date.

A professor of industrial, vocational and technical education Clark joined the Texas A&M faculty in 1973 and previously served as director of the Educational Technology Program and the Educational Media Center. He was named assistant dean of the Graduate College last year. He has worked as a consultant for several school districts, the U.S. Department of Agriculture and the Missouri Department of Education.

Clark and his wife Kathleen have two sons, Kevin, 16, and Erc, 14.

#### Hosts sought for exchange students

Families are being sought for 25 high school boys from Sweden Norway, Denmark, Finland, Germany, Spain and Italy for the 1984 85 school year. The students are participants in a program spon sored by the American Intercultural Student Exchange. The boys will arrive in the U.S. in August 1984, attend the local

high school, and return to their home country late in June. All sudents are fluent in English, have been screened by their school representatives in their home countries and have spending money and medical insurance

Host Families with or without children are welcome to partic-pate in this program. The families are entitled to deduct \$50 per month for Income Tax purposes.

Any interested family should contact Diana Cooley immedia by telephoning (713) 933-8649 or by writing her at 11710 Cedar Form Lane, Stafford, Texas 77477. Letters should contain the pro-

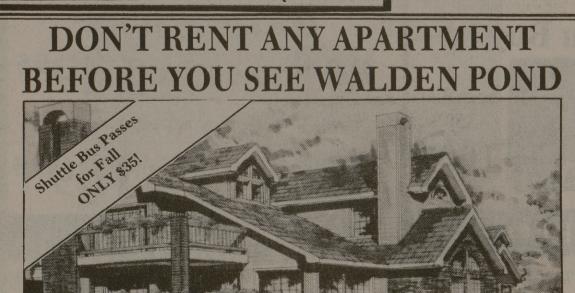
**Double Tree Condos** 

### LOOP 2818 TO HOUSTON

ould be the inevitable result, said.

tomers in 91 counties in Texas.

spective Host Family's telephone number



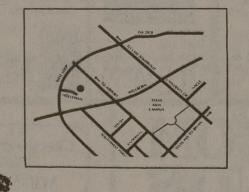
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