SECHronicle Jan 4 19 New Nixon Cuts in U.S. Spending

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The Nixon administration has ordered a nationwide freeze on enrollments in federal manpower training programs until the end of January, when it will send new spending plans for this fiscal year and next to Congress.

The unannounced economy move was discovered and disclosed yesterday by manpower program advocates in Congress, who regard it as a harbinger of deep budget cuts to come.

At the same time, the administration was hearing a growing chorus of complaint from farm state senators and congressmen, offended by announced cutbacks in farm programs.

HEARINGS

Chairman Herman E. Talmadge (Dem - Ga.) said his Senate Agriculture Committee would hold hearings on the reductions "at the earliest possible time so that the members of this body, and the people affected, can have a voice in deciding what is good and what is bad for rural America."

Representative John
Melcher (Dem - Mont.),
chairman of a Democratic
task force on agriculture in
the House, said he had invited both Democratic and Republican farm state members to session today to
"look over our options,"
adding that court action is
one possibility.

On Tuesday, the demo-See Back Page

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cratic chairmen of 14 of the 17 standing committees in the Senate went to court to compel the President to release federal highway funds he has impounded.

GOAL

The President has said that he is determined to hold federal spending to \$250 billion this fiscal year, a target that will require him to impound some \$7 billion to \$10 billion appropriated by Congress, and that he also intends to hold federal spending down to about \$270 billion in the fiscal year that begins July 1.

Some of his retrenchments have been announced, and others are starting to leak out in unofficial form. His aides say that all the proposals for both fiscal years will be made public when he sends his budget for next year to Congress on January 29.

The President says greater spending discipline is necessary to avert either an inflationary budget deficit or a federal tax increase. His congressional critics, apar congressional critics, apart from wanting to protect pet programs, say that he is usurping Congress' constitu-

tional power of the purse.

The announced agriculture cutbacks include reductions in feed grain, cotton and wheat crop payments, reductions in some kinds of subsidized farm loans and cancellation of some conservation programs.

Melcher complained that the President, while he had called generally for economy before the election, waited until after the election to make any actual cuts.

The Labor Department's manpower programs have long been regarded as likely targets for budget surgery. The administration and many outsiders feel they don't work.

A department spokesmen described the January enrollment freeze as simply part of a "review of our expenditures."

The government now spends about \$1.6 billion a year for manpower training.