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New Budget Will Top \$300 Billion

WASHINGTON (UPI) — The cost of running the U.S. government in the next fiscal year will exceed \$300 billion, more than the combined federal budgets from the founding of the Republic to World War II.

The proposed jump in federal spending past the \$300 billion mark comes despite President Nixon's pledge a year ago to hold outlays to a limit of \$288 billion.

It also marks the sixth straight year the government will spend more than it collects in revenues.

Budget director Ray Ash set the deficit at \$6-\$10 billion for the 1975 fiscal year that begins July 1.

The promise of a balanced budget in the current fiscal year has also evaporated, according to Ash. With six months left to run and estimates uncertain because of the economic situation raised by the energy crisis, Ash said the government's books would likely run about \$4 billion in the red for the 12 months ending June 30.

Ash, former president of Litton Industries and now finishing his first year as director of the Office of Management and Budget said neither he nor Nixon considered the \$300 billion figure a psychological barrier to be avoided.