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Government to aid workers laid off due to foreign imports competition

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WASHINGTON — The Reagan administration, in one of its few proposals for higher domestic spending, will offer to expand trade assistance programs for U.S. workers laid off because of competition from foreign imports, budget director James Miller said yesterday.

The White House also will propose to increase federal spending for the homeless to more than \$100 million from the current \$70 million, budget officials said.

President Reagan yesterday made the final decisions on the few remaining issues in his budget proposal for the next fiscal year, administration officials said. They said Reagan accepted a plan to set an overall limit on the farm subsidies that any one farmer can receive and rejected a suggestion by Secretary of Labor William Brock to impose higher customs fees on imported goods to pay for the trade assistance program.

Miller said the internal administration battles over the budget were more intense than usual this year.

"Compared to last year, there was a flood of appeals" from many of the individual agencies, he said. But, Miller added, "only three went past OMB, and only one" had to be settled personally by Reagan.

Miller disclosed broad outlines of the budget Reagan will present to Congress Jan. 5. The trade assistance program, for which he did not provide specifics, is expected to be a central element of the State of the Union address.

At the same time, Miller disclosed that the president has accepted the concept of a new catastrophic health coverage plan. But he said that the White House plan would rely more on private insurers than one proposed by Secretary of Health and Human Services Otis Bowen, although both require higher payments by Medicare recipients.

The White House is further trying to rein in current federal spending for medical care by proposing to limit the growth of federal health programs to 4 percent next year — barely above the 3.6 percent inflation rate forecasted by the administration.

The budget also will propose a cutback in the veterans' health program, Miller said, trimming back on care for higher-income veterans with health problems that are not directly connected to service.

The budget proposal for the fiscal year beginning Oct. 1 will limit the request for higher military spending to a 3 percent inflation-adjusted increase above this year's level. It will have such revenue-raising measures as user fees and sales of federal assets.