

Lundine Sees 'Modest' Tax Cut

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By NORMAN P. GREEN

DUNKIRK — "I am in favor of some sort of tax cut next year," Rep. Stanley N. Lundine, D-Jamestown, said yesterday at a luncheon meeting of the Dunkirk Chamber of Commerce.

"It's not going to be a year of massive tax cuts," Lundine cautioned, "not if we're serious about balancing the budget."

Specifically, the congressman is supporting a rollback of employer and employee Social Security taxes, and the Jones-Conable Bill simplifying accelerating depreciation for business.

Following his speech, Lundine defended the conflicting tax cut and budget balancing stand, saying that the cuts are "modest" for the federal government.

"It's realistic to balance the budget."

Lundine told the chamber, "particularly during a business upswing."

Lundine said that the federal government could balance the budget in five years, but not if Carter continues to promise additional aid for NATO and calls for automatic annual increments to be provided in the defense budget.

"We're going to have an adequate defense, second to none," Lundine said, "but we're not going to be the world's police force (if the budget is to be balanced)."

Speaking against congressional discussion of a veto power over presidential imposed regulations, Lundine said, "The last thing we need is having Congress take up individual regulations."

Speaking on questions about inflation,

Lundine said, "We've got to get business, labor and government pulling together to fight inflation."

He said that inflation must be fought through voluntary wage and price controls, adding "I personally don't support any mandatory wage and price controls in peace time."

"If I polled all of my constituents," he said, "I'd probably get an answer on the other side. Everywhere I go, there is disgust over food prices, energy prices ..."

Lundine also spoke out in favor of decontrolling the banking industry and allowing the savings banks to compete with the industrial banks.

He agreed that New York state's freezing of the "usury rate" for home mortgages at 8 percent is hurting the

savings bank industry.

"I've told my state legislators what I thought, and they agreed with me," said Lundine. "If (the 'usury rate') is choking off the opportunity to buy and sell real estate."

Lundine said that the recent congressionally approved creation of a Department of Education, which he voted against, caused him to be besieged by a heavy lobbying effort.

Prior to the vote, even Vice President Mondale called him on the telephone. Lundine related the vice president saying, "Nothing would be worse than HEW (Department of Health, Education and Welfare). It's a skunk hole."

Lundine replied, "Then why create another skunk hole?"