

# Lundine Urges Tax Credit Plan Against Inflation

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Rep. Stanley N. Lundine has called on the House Ways and Means approve Committee to anti-inflation tax credits to encourage cooperation with voluntary wage guidelines.

"As a steadfast opponent of mandatory controls, I consider it essential for the Congress to do what it can to assure that a voluntary program succeeds," Lundine told the committee.

Lundine endorsed the proposal that would provide a tax credit for wage-earners in the event that inflation exceeds 7 percent. The plan would insure the first \$20,000 of an individual's earnings against inflation as high as 10 percent.

"Without such protection, the financial risks of cooperating with a 7 percent pay guideline could look pretty formidable," he said.

Lundine also called for policies that promote competition, improve productivity, deregulate trucking and require analysis of regulatory standards in an effort to keep food prices from soaring.

Last August, Lundine was principal sponsor of a comprehensive anti-inflation bill that combined economic and regulatory policy recommendations with a program of voluntary wage-price guidelines. The bill, which he intends to reintroduce this month, called for the use of tax incentives to reward cooperation with the standards.

Speaking on the potential high cost of tax credits, Lundine said, "The possibility of heavy costs in such circumstances should prompt the (federal) government to re-examine its policies and start reducing its own contribution to the inflation problem."