



NEWS from **U.S. Senator Bob Dole**

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DOLE COMMENT ON CARTER TAX POLICY CHANGE

Statement of Sen. Bob Dole (R-Kan.) in reaction to President Carter's tax proposal announcement:

I commend the President for recognizing that economic conditions change and for withdrawing his tax rebate proposal. It would have been foolish to go ahead with an unsound economic program solely for reasons of political prestige. Now, as I stated to the President in a letter on Tuesday, the Senate will be able to base its decision on the most up-to-date economic information.

The Administration came to understand that a one-shot rebate would be inflationary without giving consumers any meaningful increase in their purchasing power. I continue to believe that permanent tax rate reductions should be part of comprehensive tax reform to be considered later in the year. The tax relief for individuals would be more gradual. It would be more lasting. It would improve business confidence and lead eventually to more production and more jobs. In order to avoid the ravages of inflation, this must be accompanied by substantial cuts in federal spending.

Despite encouraging signs of economic improvement, high unemployment is still an urgent problem. Congress should adopt measures that stimulate more jobs in the private sector which is far preferable to more federal funding of public service job projects.