



NEWS from U.S. Senator Bob Dole

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DOLE SAYS CARTER BUDGET FIGURES ARE OVERLY OPTIMISTIC

WASHINGTON -- Sen. Bob Dole (R-Kan.), ranking Republican on the Senate Finance Committee, said today that there is "no question that the economic projections submitted in the budget released today are overly optimistic."

"The President must make more significant cuts in the rate of federal spending before we will see any progress made toward balancing the budget," Dole said. "This budget indicates that the Administration has overestimated revenues and underestimated spending and employment.

"In several instances, it appears that the Administration relies on budgetary tricks and shifts in funding to make their economic picture seem brighter than it actually is.

"The \$1.7-billion savings the Administration says will occur due to the hospital cost containment program may be larger than is actually warranted. Also, the President says that because of Social Security cuts, spending will be cut by \$400 million, a figure which seems inflated.

"All of this creates some doubt as to the validity of President Carter's claim that inflation will be held at 7.4 percent.

"Last year the President submitted a budget which he described as 'lean and tight.' That budget called for a \$60-billion deficit. By cutting down the size of the tax cut, re-estimating many figures, and delaying some spending, Congress cut that deficit by some \$20 billion. The Administration has described the 1980 budget, which really only decreases the deficit by some \$8 billion, as 'lean and austere.'"