At Lancaster County farm equipment dealers' meeting

Rep. Wenger delivers sour Pa. business report

By DIETER KRIEG

LANCASTER — The social welfare programs in Pennsylvania are among the most liberal in the nation. The state is currently spending \$1 billion annually in welfare payments, with the costs of administrating the program in 1976 coming to a tab of \$166 million. That factor, along with others such as mounting regulations, debts and taxes - are killing small business in the Keystone State.

So says Representative Noah Wenger of Stevens. He made the remarks at the annual Christmas dinner meeting of Lancaster County farm equipment dealers. The event was held here this week at the Good'n Plenty Restaurant.

According to a study prepared in 1975 by the Fantus Corporation, a subsidiary of Dunn and Bradstreet of New York, Pennsylvania's overall business climate ranked 42nd in the nation. Wenger, who was recently elected to a second term in the State House, made it clear that he is concerned about such trends. He claimed that as a result of the welfare attractions the state is gaining unproductive people while turning the productive people away.

Factors which were considered in the Dunn and Bradstreet study included stability of state government, tax rates, workmen's compensation programs, and the financial state of the unemployment fund, among others.

While Wenger could not produce similar studies that were done either since or before the 1975 Dunn and Bradstreet work, he guessed that the business climate in

Pennsylvania hasn't improved since that time. He backed his claim up with the following information:

The bonding rate for loans granted to state government has dropped. "That seems to indicate that the business climate has dropped even more," Wenger explained during a conversation after his speech.

The unemployment compensation fund is now in the red by some \$1.2 billion dollars. In 1970 the same fund had a surplus of \$850 million. The \$1.2 billion is owed to the federal government and ranks as the highest such debt accumulated by any state. In fact, says Wenger, 20 per cent of all the unemployment money owed to the federal government is owed by the state of Pennsylvania.

"Excessive regulations are killing the small businessman," Wenger claimed. He said that in 1976 there were 75 regulatory agencies and that 60,000 pages of regulations or proposed regulations were printed in the Federal Register that year.

Another example of the growing, stifling bureaucracy is evident in the heart of Pennsylvania government, Wenger pointed out. He noted that former Governor William Scranton had an office staff of 170 persons, whereas Governor Milton Shapp has 900 people employed in his office.

Pennsylvania's budget has increased by 15 per cent annually since Governor Shapp came into office, Wenger pointed out. "That's way ahead of the inflationary and growth rate," the representative claimed. A Republican, Wenger is

optimistic about various improvements in state government once Governorelect Richard Thornburgh takes office.

"We're siphoning off too much money from our economy,"Wenger said in reference to government spending. "The best way to control taxes is to control spending," he exclaimed before the crowd estimated at 300 people.

In addressing the farm machinery dealers, Wenger praised both farmers and supporting businesses. "The services of equipment dealers are an integral part of the agricultural success story," he remarked. A farmer himself, he said he appreciated the close access to dealerships and the

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State Representative Noah Wenger, right, chats with executives of the Lancaster County Farm Machinery Dealers Association. At left is newly elected president Earl Martin. With them is outgoing president Merville Messick. Wenger, who served as guest speaker for the association's Christmas dinner, told the group that Pennsylvania is spending a billion dollars annually on welfare programs and ranks no higher than 42nd among the 50 states in business climate.





