

Campaign rhetorics near for primary election

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BY BEN J. PLASTINO

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Strenuous campaigning is near at hand for the May 25 primary election, topped by the Republican gubernatorial struggle between Lt. Gov. Philip E. Batt and House Speaker Ralph Olmstead.

However, there are a few interesting contests for other state offices — Congress, judiciary, legislative and primary — but the main event will not take place until the Nov. 2 general election.

As has generally been the case in recent years, the Republicans offer the most interesting contest and consequently attract three times the vote as their Democratic adversaries.

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Batt and Olmstead already have trod on the east Idaho turf several times and likely will call many times more in their quest for the gubernatorial nomination. They know this area is the crucial one that generally decides elections in close contests and this likely is true for this one.

Private polls show Batt comfortably ahead at this time but these should be taken with considerable reservation, in the light of inaccuracies in the 1980 polls.

A recent private poll conducted by one of the candidates indicated Democratic Gov. John V. Evans ahead of Batt 37-31 and leading Olmstead 42-26. It did not give the sampling on a head-to-head Batt-Olmstead contest.

Batt has had the most viable campaign so far but Olmstead is now coming out of the wings and getting more exposures. The talk in Boise heavily favors Batt but it is east Idaho which generally tips the scales.

Although Batt can be considered a favorite at this time, there is the sobering thought the Republicans have never nominated a moderate gubernatorial candidate since Gov. Robert E. Smylie 20 years ago. Olmstead is well aware of this and is attempting to portray himself as the true conservative while trying to pin the moderate label on Batt.

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Primary contests for the other state offices are scanty and may generate little interest. The one of particular interest in Idaho Falls pairs Nolan Young, longtime former CPA in Idaho Falls but now of Boise, against State Sen. Dean Van Engelen, R-Burley. Van Engelen has received more publicity because of leading the legislative budget-slashing forces but at the same time he also has attracted wide opposition. The campaign each conducts could determine the outcome but Van

Engelen at this time must be considered the slight favorite.

In the 2nd Congressional District, Richard H. Stallings, Ricks College instructor, shouldn't have much trouble winning the Democratic nomination over George Anthony, Buhl, to oppose Republican U.S. Rep. George Hansen in November. Anthony appears to have little campaign organization.

The 1st Congressional Democratic nomination contest is in doubt because a late filer, Louis Hatheway, Grangeville, is charged with not having the minimum 500 bona fide signatures to qualify. A hearing is scheduled on this matter, according to the secretary of state office. In any event, Larry LaRocco, aide to former U.S. Sen. Frank Church, must be considered a top-heavy choice to win and oppose Republican Rep. Larry Craig in November.

Another unexpected contest developed when Ronald R. Hove, a Hayden Lake naturopath filed to oppose Attorney General David H. Leroy for the Republican lieutenant governor nomination.

These are the headliners for the state and congressional offices but interest will be heightened by some interesting tussles on the judiciary, legislative and county levels. These will be analyzed later.

State revenues lag due to sales tax decrease

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Idaho revenues, are below predictions for the first nine months of the state's fiscal year, mostly because of a sharp drop in the sales tax, it was shown in the monthly report from the Division of Financial Management.

The amount accrued by April 1 totals \$285.2 million, compared with \$289.4 million anticipated to date. This is based on \$426.2 million expected for the state's 1982 fiscal year ending June 30.

The sales tax was below expectation at \$75.1 million, compared with the \$80.5 million predicted.

This was offset by miscellaneous revenue which totaled \$31.5 million, above the \$26.5 million predicted to date.

Personal income tax also sagged, reaching \$152.5 million, compared with \$155.3 million anticipated, but it was listed within expectations.

The other categories were within expectations. Corporate income tax

totaled \$16.2 million, compared with \$17.5 million predicted; and product taxes reached \$9.8 million, compared with \$9.6 million predicted.

Lawrence C. Seale, division administrator, said the figures are based on the revenues of \$228.1 million for personal income tax, \$42.9 million for corporate income tax, \$106.5 million for sales tax, \$12.8 million for product taxes and \$35.9 million for miscellaneous, such as various fees and licenses — or \$426.2 million total.

Seale said "the individual income tax receipts dropped below the estimate in March due to a dramatic increase in the size of the average refund. Since the withholding tables presume constant wages over the year, anyone who was laid off at some time during the year would have had earnings overwithheld."

Seale said a reliable estimate on this source will have to await receipts during April, as will estimates on the corporate income tax.

"The bright spots are the miscellaneous receipts which continue to grow in excess of predictions, and the sales tax, which has reversed its decline," he said. "Almost one third of the fiscal 1982 increase in sales tax collections over fiscal year 1981 occurred in March."

Seale said Idaho is also likely to turn around in the third quarter of this year, led primarily by the response of the manufacturing sector to stronger national demand.

"However," he said, "the growth beginning at that time should be quite slow, as total non-agricultural employment is expected to grow to approximately 339,000 employees by the end of 1984, still below the 1979 levels."

He said national housing starts are projected to average 1.25 million for the second half of 1982, 1.5 million in 1983 and 1.5 million in 1984.

"That improvement, if it is not choked off, will pull many of Idaho's industries

along in its wake," he said.

He said "the bright side to the outlook is the remarkable reduction in the inflation rate over the last few months. This has been largely experienced in those sectors which have contributed most to the inflation for several years — housing and energy. In addition, the recession has caused the outlook for labor costs to decline to the six percent range from the nine percent recently experienced."

He said that nationally preliminary estimates of the real Gross National Product for the first quarter of 1982 show a 4.5 percent annual rate of decline. March's national unemployment rate of 9 percent reached the peak of the severe 1974-75 recession. Estimates indicate that industrial production dropped by 13 percent in the first quarter of 1982, following the 15.5 percent decline of the previous quarter.

He said a moderate upturn in economic activity this summer remains the most likely prospects.