

It involves placing everybody in the business community on an equal footing. It involves not taxing an industry that may have a large gross profit but because of some unusual activity during the year sustain a net operating loss—not having them pay a big tax on their gross profit when they didn't make any money. It involves not pointing the finger at an industry that has to carry a large inventory against that of an industry that can get along with a small inventory.

These are things that we have to try to rationalize and study and make proper so that our State will be one of the most attractive and equitable states for new industry to come into. And Western Maryland needs its share of new industry very badly. The Appalachia programs are geared to this end and I will continue to fight for industry for this section of the State.

Now one other thing. I have talked to you about spending money so much. I want to talk to you a little bit about saving money and what we're trying to do about it. I created under the very capable leadership of John Lauber, who is the former deputy director of the Budget of the State of New York, and the former director of the Budget of Montgomery County, a Task Force on Modern Management. The purpose of this group is to go into every one of the over 200 agencies of the State government to make an analysis—to make those agencies justify and re-justify their existence and what they are spending money for and whether any useful purpose is being achieved by their spending such money. I have a feeling that when these studies are finished there will be millions of dollars saved in costly duplications that are occurring among the agencies of the State government.

We are looking for a modern structuring—we are trying to make State government streamlined—and as it has grown into this cumbersome operation of over 200 agencies, there isn't any doubt that there are subagencies of one particular department performing the same functions as subagencies of another one. Some of them can be eliminated; they are virtually useless. We are going to get in there and cut out all this inefficiency and we intend to save some money.

Before we could get to the point of saving it, we had to create and produce a task force, a "beefing up" of the Governor's executive staff so we could make the study. And I took a lot of criticism when I did this. But I will prove to you by the end of next year that there will be significant savings in the operation of the State government that could not have come about had not these staff increases and personnel studies been launched. Mr. Lauber feels as confident as I do that this is in the