

Under the direction of James J. McIntyre of Baltimore, the study group known as the Governor's Operating Economy Survey was created by the Governor to take a close, hard look at State government operations and recommend economies that can be made.

"The rising demand for additional State services has sharply increased the cost of government," the Governor said. "With the State experiencing a revenue crisis and with our taxpayers already overburdened, it is imperative that we receive a dollar's worth of goods and services for every dollar we spend."

The Governor met with the study group in his Annapolis office this morning and noted that the private sector of our economy has increased profits by reducing waste and inefficiency. "I believe," he told the group, "that your knowledge of the methods and practices of modern business procedures will result in recommendations which will enable the State to operate more efficiently and effect substantial savings."

A nine member Executive Committee will direct the operations of the 75-member study group. The Executive Committee is composed of the following members:

James J. McIntyre, Partner-in-Charge of the Baltimore Office, Price Waterhouse & Co.

Austin E. Penn, Chairman of the Board, Baltimore Gas & Electric Company

Nicholas V. Petrou, President, Westinghouse Defense and Space Center

Tilton H. Dobbin, President, Maryland National Bank

Curt H. Heinfeld, President, Baltimore Life Insurance Company

Henry J. Knott, Chairman of the Board, Arundel Corporation

W. Arthur Grotz, President, Western Maryland Railway Company

Robert L. Tate, Chairman of the Board, Tate Industries, Inc.

John E. Weyer, Chairman of the Board, Union Trust Company

The study group will be divided into survey teams which will look into six specific areas of the executive branch of State government. The primary concern of the survey teams will be with administrative and operating procedures. Professional functions within departments will not specifically come under review, but if in the course of the study certain functions in this area are found to be adversely affecting operating costs they will be pointed out in the final report. The survey is being underwritten entirely with private funds and is expected to take between six and eight months.