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Front Page Edit Page Other Page

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Rail Group Will Open Research Bureau Here

Railroads serving the Western and Southwestern parts of the United States will establish a central research bureau here, The Globe-Democrat learned yesterday.

The bureau officially will go into operation Jan. 1.

Its headquarters will be located downtown in the Syndicate Trust Building at 915 Olive st.

The bureau will be a joint undertaking of all railroads that operate between the so-called "western gateways," which include Chicago plus points on the Mississippi River, such as St. Louis, and the Rocky Mountains.

CARLOADINGS DECLINE

Establishment of the industry-wide research offices follows sharp declines this year in railroad carloadings. This short-term decline has been attributed to a general business recession but railroads for a number of years have been losing business to trucks, pipelines and barges.

Railroad sources here said there was opposition among some railroads in the group which favored Chicago rather than St. Louis as the base for the new research office but the St. Louis advocates won out.

PRINCIPAL JOB

Thomas Maguire, chairman of the executive committee of the Western Traffic Association, Chicago, told The Globe-Democrat that the research office's "job is to investigate and recommend necessary changes and adjustments in rates, rate bases and service as will enable rail carriers to maintain a proper competitive position and to improve their volume of business and revenues."

The research office here will be known officially as the Research Committee of the South-west and Western Railroad Line Railroads.

Mr. Maguire disclosed that Dr. Paul H. Banner of Washington, D. C., has been named chairman of the research committee and its chief economist. He will move to St. Louis shortly.

ECONOMIC CONSULTANT

Dr. Banner received his B. A. degree from the University of Michigan and his Ph.D. from Harvard University. He has served as

an economist with the Office of Price Administration and the Federal Reserve System and also did work for the Central Intelligence Agency. More recently he served as an economic consultant to several Senate legislative committees.

Two other "top staff" members of the research committee are still to be selected. In addition, other "experts," including a statistician, and clerical personnel will be hired, the official added.

The research office here will be one of three similar bureaus which will study railroad traffic matters in the entire half of the United States which is west of the Mississippi River. All are being sponsored by the Western Traffic Association which Mr. Maguire heads.

ADVISORY COMMITTEE

Each of the research offices will operate under an advisory committee made up of the railroads in its territory.

The advisory committee for the office here will be made up of representatives of Burlington Route, Rock Island, Soo Line, the Frisco, Chicago & North Western and Missouri Pacific Railroads. The MoPac representative will be chairman of the advisory committee.

Russell L. Dearmont, MoPac president, told a reporter he is "hopeful the research committee will be of great importance to the railroads and shippers as well."

Another railroad official declared that plans call for the research group to be a permanent body. "It is not a one-shot effort," he said.

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