Kennedy Bids U.S. Investigate G.M. Locomotive and Bus Role

WASHINGTON, Oct. 16—Senator Edward M. Kennedy, Democrat of Massachusetts, charged today that the General Motors Corporation might have deliberately brought about the decline of rail and bus passenger transportation because selling automobiles was more lucrative than selling buses and locomotives.

He called for immediate investigations by the Justice Department's Antitrust Division of the consequences of G.M.'s position as the dominant manufacturer not only of automobiles but also of locomotives and buses.

G.M. is the only American manufacturer of locomotives. There are two other bus manufacturers but both are heavily dependent upon G.M. for major components of their buses.

In his letter to Attorney General Richard G. Kleindienst calling for an investigation of the situation, the Senator charged that "for more than four decades, General Motors appears to have guided the development of bus and commuter rail transportation consistent with its fundamental interest in selling private automobiles." The Senator suggested, among other things, that G.M. might have held back on making technological improvements in its buses and locomotives because it was more interested in selling cars.

The Senator noted that General Motors was convicted, in 1951, of engaging in a criminal conspiracy, beginning in 1937, to induce cities to scrap electrically powered streetcars and trolley-buses, which G.M. did not make, and to substitute gasoline-powered buses. The company actually financed the purchase of old streetcar equipment and its replacement with G.M.'s buses. Although the Government won the case against G.M., it never imposed any penalty on the company other than small fines.

The Senator cited a memo-