

HIGHWAYS ARE NATIONAL ASSETS

Remarks by Francis C. Turner, Director of Public Roads, Federal Highway Administration, U.S. Department of Transportation, prepared for delivery at the annual convention of the West Virginia Petroleum Association, Daniel Boone Hotel, Charleston, West Virginia, October 24, 1968.

It is a great pleasure to join you in West Virginia at this 31st Annual Oil Convention.

West Virginia is not the largest State in the Union in terms of either population or area. Nor is it the richest State in terms of per capita income or the other measurements which we usually apply. But it has great wealth in other ways -- in lakes, rivers, parks, forests, in some of the most scenic and undisturbed country still remaining east of the Mississippi.

It is also a rich State in terms of its representatives in the Congress. In fact your State carries more weight in matters of transportation than many others much larger in area, population and wealth. Your Senator Jennings Randolph is Chairman of the Senate Public Works Committee and your Representative Harley O. Staggers is Chairman of the House Interstate and Foreign Commerce Committee. So between the two, West Virginia has very strong voices in the shaping of the highway program and in the development of a total transportation system geared to the dynamic growth of this country.

I have had the privilege of working very closely with Senator Randolph particularly over a number of years in the

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evolution of the Federal-aid highway program. And if a "Mr. Highways" were to be designated in the Senate, certainly Senator Randolph would qualify for the title through his long and enthusiastic devotion to the cause of better, safer highways for his State and the Nation as a whole.

I have been in a historically-minded mood recently because the Bureau of Public Roads observed its 75th anniversary on October 3 and in that connection I have looked back over the years to see how far we have come since the Office of Road Inquiry, as it was then called, was established in 1893, long before there was any Federal-aid highway program. The first Federal-aid Road Act was enacted in 1916 and it carried an appropriation of \$5 million. This year the Federal share amounts to an authorized \$4.8 billion.

To come closer to home, the West Virginia legislature created the office of State Commissioner of Public Roads in 1909. The Commissioner sent a report to the Governor in 1910 recommending appropriations for the Office of Public Roads. For 1911, he suggested \$9,500, and for 1912, he recommended \$10,000. So your highway program in West Virginia started in a very modest way, as did the Federal-aid highway program across the Nation. It is a commentary on the ever-increasing importance of highways that your people will be voting November 5 on the question of a \$350 million bond issue to

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advance the highway program, both Federal-aid and those elements financed entirely by the State.

I don't normally take sides on how highway funds should be raised in a particular State and I won't in connection with your bond issue. However, I think we have historically thought too much in terms of highway expenditures rather than highway investments. Any sum committed to highways is truly a wise investment because highways are national assets and they pay tremendous and continuing dividends.

Our studies of the benefits inherent in the National System of Interstate and Defense Highways, for example, are striking evidence of this. The studies indicate that the highway user benefits of the Interstate System will total some \$11 billion during the first year after the System is completed. These savings result from lower operating costs, time savings, accident reduction, and lessened driving strain. Most important of all, the safety features of the Interstate System are expected to save at least 8,000 lives and countless injuries during the first full year of operation. We pay a stiff price for inadequate roads and streets; not only in deaths, injuries and damages, in nerve strain and inconvenience, and in time and gasoline wasted, but in the cost of everything we buy.

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Highway transportation is a tremendous generator of employment. Our three largest corporations, and seven of the ten largest, are automobile and oil companies. However, it must be remembered that the continued growth of these job-producing industries depends to a great extent on the continued growth of highway capacity. Our Highway Statistics Division has gone into this and related subjects quite intensively and some of its conclusions are noteworthy. We now have nearly 100 million motor vehicles. By 1975, we expect to have more than 118 million, and by 1980, more than 130 million. These will be using 107 billion gallons of motor fuel in that year.

Your industry is sensitive to increases in the gasoline tax and so is the American motorist. However, it probably never occurs to the average car owner that the taxes he pays to build and maintain the highways over which he drives are really not such a serious burden after all. In fact he spends more on parking and toll road fees than he does for highway use taxes which build and maintain the highway system on which he drives.

An analysis of automobile operating costs made by the Bureau of Public Roads shows that the typical motorist spends 11 cents a mile to own and operate a car. Of this 11 cents, 1.8 cents goes for garage, parking and toll fees; 1.2 cents

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goes for State, Federal and local taxes which build and maintain the highways. The biggest expense is depreciation, which accounts for 2.8 cents of the 11 cents per mile. Maintenance, accessories, parts and tires cost 2.1 cents; gas and oil 1.7 cents, and insurance 1.4 cents. Note that insurance costs more than the road system, as does upkeep and operations of the vehicle. Also it costs as much to keep the vehicle stored while standing still as to provide the roadbed when it is moving.

One of the interesting features of our study was the cost of various "extras" or "optionals" on automobiles when reduced to the same cents-per-gallon measurement which we apply to the motor fuel tax. The West Virginia gasoline tax is 7 cents and the Federal tax is 4 cents per gallon. But an automatic transmission, according to our reckoning, also costs 7 cents a gallon to own and use. Thus the owner pays as much for the convenience of not shifting gears as he does to the State of West Virginia to build and maintain its part of the highway system.

An automobile air conditioner, with the tinted glass and heavy duty battery that go with it, costs the owner the equivalent of 8-1/2 cents per gallon on every gallon of gasoline used during a car's lifetime for its ownership and

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operation. This is more for this convenience than he pays to West Virginia to furnish the roadbed on which to enjoy his air-conditioned auto.

And so on with every gadget, gimmick or convenience. I'm sure that the average motorist doesn't think in these terms and I doubt if it would make much difference if he did. An economist once said that if everyone realized the full cost of owning and operating a private automobile, the sales totals would be considerably less. I doubt this, too, because the popularity of the family car is longstanding and well documented and people do not reckon much with the cost of something which they want or need.

I was interested to learn that your WEST VIRGINIA OIL NEWS carried recently an account of the significant findings in two national opinion surveys undertaken for the National Academy of Sciences. These surveys covered 5,000 homes and the results were overwhelmingly in favor of the private automobile for most kinds of trips. The study was about five times the size of the usual national polls. In fact, about 88 percent considered the auto to be much preferred as the mode of transportation for all trips except for business trips of more than 500 miles. Public transportation of all kinds -- air, train, rail, bus, and taxi all combined --

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was the preferred form of transportation for only 12 percent of those polled. The conclusion, couched in one of the great understatements of the year, was that automobile transportation is a deeply ingrained way of life that Americans wish to continue.

This is not to indicate that there is no opposition to the automobile. There are those who say that highways are fine but the vehicles which use them pollute the air. In other words, the internal combustion engine is the villain of the piece. These critics would substitute a battery-powered motor or a modern steam engine to propel our vehicles and, as you know, there is a great deal of current experimentation with such vehicles.

It is significant that both have been tried and both failed historically to provide the service which the gasoline engine provided; hence they became outmoded. I am not saying that there is no future for either, but both are some distance in the future as practical substitutes for gasoline-powered cars while the need for mobility is here today and growing. I suspect that there is plenty of room in the future for all of the kinds of power we now have or can dream up in the future.

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Major improvements in pollution-suppression devices are being made and these will go a long way toward reducing the air pollution which is admittedly a problem, even though the gasoline engine is only one contributing factor. A recently completed study suggests that through the use of control devices, reduction in the range of 83 to 94 percent in the pollutants expelled from combustion engine vehicles is commercially feasible. Some experience indicates that a smoother running and more efficiently operating engine is obtained at the same time.

If the electric or steam-powered car should attain any great feasibility and popularity in the years ahead, it would be necessary of course to reassess the highway-use tax structure since the gasoline tax pays the major share of the cost of roads at both the State and Federal levels. Whatever your feelings about the gas tax, I doubt if any of you would want to go back to the pre-1956 system when there was no linkage between highway-related Federal excise tax revenues and disbursements for Federal highway aid. These taxes appear to be the only effective way to finance an adequate highway program to meet present and future needs. I hope you and your industry will continue to actively and aggressively support this businesslike principle.

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Changes in our society have been dramatic in recent years. Americans are more affluent; they have more leisure time, and more social, cultural and recreational interests. They travel more often and go farther in the family car. Many families have two or three automobiles. They demand not only more highways, but more safety and increased traffic services, as well as more attractive highways. They gravitate to the urban areas in increasing numbers, and it is in the urban areas where the highway official has the greatest problem in trying to fit a new traffic facility into the environment with a minimum of disruption.

But the problems are not confined to the cities, as you well know. Here in West Virginia your rugged terrain makes construction work both difficult and expensive. But you are making progress and your stake in the highway program is substantial and continuing. You have a natural recreation and vacation center that a good highway network will make easily accessible from much of the northeast, including such great population centers as Cleveland, Philadelphia, Pittsburgh, Washington and Baltimore. Your recreation resources and scenic beauty are among your most valuable assets, which are made more valuable by the highway assets under development. With the completion of the presently planned Interstate and other

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routes, West Virginia will become not only a destination itself, but also a major corridor for both north-south and east-west travel, both pleasure and commercial. Our critics sometimes overlook the fact that driving for pleasure is still a primary form of outdoor recreation.

I assume that your industry is interested in what the future may hold in terms of a highway program and I will outline in a general way some of the present indications. First, let me say that you are meeting at a time when it has become necessary to reduce Federal-aid highway spending by \$200 million during the fiscal year 1969. The reduction is one of a number of measures which the Administration is taking in response to a directive of the Revenue and Expenditure Control Act of 1968. This required that Federal expenditures be decreased by a total of \$6 billion from planned levels during the fiscal year ending next June 30.

The \$200 million reduction will be accomplished through the temporary deferral of submissions by the States for approval of new Federal-aid highway projects. The deferral will remain in effect until about December 1 in order to delay \$200 million in resulting expenditures which otherwise would be experienced during fiscal 1969. Starting about December 1, new project submissions will be accepted for approval at a

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rate which will enable the States to obligate most of the deferred funds during the remainder of the fiscal year.

The cutback, therefore, is of a temporary nature and should have relatively minor long range effects.

As to the longer range, early this year, in accordance with legislation enacted in 1965, we submitted to Congress the 1968 National Highway Needs Report. This deals with the period 1973-1985 and is the first of a series of reports to be submitted every two years on the highway needs of the Nation. I believe some of its broad findings and conclusions may be of interest. For example, on the basis of State highway department estimates, the report gave preliminary figures for the annual cost of road and street needs for the period 1973-1985. These arrive at an average capital cost of \$17.4 billion per year, more than double the \$8.5 billion per year estimated annual capital accomplishments during the remainder of the period, 1965-1972.

In general the report suggests that there will be only a modest growth in the extent of our national road network; it already reaches practically everywhere and it has for many years. We had nearly 3 million miles of roads and streets in this country in 1916. In the years since, this total has increased by only about 700,000 miles -- to some 3.7 million

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miles of roads and streets of all kinds, but many of these miles have had to be widened into 4, 6 and 8-lane roadways.

The report recommends that the Interstate System should be restricted to its presently authorized limit for the time being. The Federal-Aid Highway Act of 1968 authorized the addition of 1,500 miles to the previously authorized 41,000 miles but provided no additional authorization of funds for this mileage. The Interstate program would terminate upon the completion of the presently authorized System under present legislation. However, this does not mean that the need for additional freeways will end with the completion of the Interstate System, so there is need for a legislative program to accomplish this future need.

The estimates by the States include some 53,000 miles of needed freeway improvements on systems other than Interstate. These are the miles needing improvement, but they may be considered as roughly indicating the total miles of freeways that will need to be in service in 1985. It would appear, then, that to serve the traffic anticipated in 1985, additional mileage of the freeway kind at least equal to the present 41,000 mile Interstate System will be needed.

I won't take your time to discuss the various recommendations in the Highway Needs Report except one which undoubtedly will have a most important bearing on the future

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course and direction of the Federal-aid highway program. This recommendation has since been acted upon by Congress and has become a basic feature of the Federal-Aid Highway Act of 1968. This provision requires the Department of Transportation to make a study of the Nation's entire road network and to classify our roads and streets in accordance with the functions they perform. This functional classification study is important, fundamental in fact, to intelligent decisions on how to allocate spending among various types of roads. This will be the first all-encompassing functional highway classification study undertaken on a national scale.

Then after the classification study is completed, it will be followed by two related studies. One will be an estimate of cost of needed improvements on each of the functional systems. The other will deal with highway user benefits that will flow from such improvements, including reductions in accident costs, travel time, vehicle operating costs and maintenance expenses, as well as increased capacity. The needs and benefits studies will supply the data for a larger and much more comprehensive 1972 Highway Needs Study. This, in turn, will form the basis for recommendations on the type and size of the program needed to meet future highway requirements and on the form and extent of the future highway systems.

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The road ahead is already carefully sketched out for us thanks to Senator Randolph and others of our friends of highways in the Congress. There would seem to be nothing in the foreseeable future that will eliminate, or even substantially reduce, the need for a continuing highway program at a high level to accommodate the desire and need for mobility on the part of our dynamically expanding economy and population.

On the other hand, each step of the way to a future Federal highway program will require the support of Congress, the general public, and the highway-related industries. The petroleum industry has played a prominent role in various ways in the development of this country's highway assets, including the mustering of public support for the Interstate System. You have been leaders in the fight to assure that Highway Trust Fund revenues are devoted exclusively to highway purposes. I need not remind you that that fight does not stay won. It must be constantly fought to avoid the diversion of taxes intended for highways to other less utilized modes of transportation.

So in closing I want to thank you for your past efforts and ask you to continue your support of the development of an adequate highway network, which is to your own particular interest as well as to the larger interests of the American people.