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Opening Statement by Francis G. Turner, Federal Highway Administrator,
U.S. Department of Transportation, at a panel discussion at the 50th
Annual Convention of the Associated General Contractors of America, Inc.
Washington, D. C., March 19, 1969

During the last calendar year Federal-aid highway construction contracts amounted to only \$3.6 billion compared with about \$4.2 billion during other recent years. I would hope that a more normal contract award program will be possible this year. We are currently working toward changing the present controls on authorizations to the State highway departments from a monthly to a quarterly basis. This should permit the States to plan and operate on a more logical basis.

Also on the brighter side, I can report that we are very well pleased with the contributions which the contracting industry has made to the highway program in terms of improved quality of work and in keeping bid prices at a reasonable level in spite of the tremendous increase in hourly wage rates.

We have issued a memorandum to our field offices this week commenting on frequently recurring deficiencies on highway construction noted during the past year. We were happy to be able to preface the listing by saying . . . "These reviews indicate that on a nationwide basis, project procedures and the quality of construction have improved significantly during the past several construction seasons."

I sincerely hope and believe that those deficiencies which still exist will be cut still further next year.

In regard to bid prices, you may well be proud that although average hourly earnings on highway work increased 50 percent in the past ten years, average bid prices have increased only 21 percent. This of course has been made possible through your ingenuity in increasing the productivity of each employee by the use of more efficient methods and equipment.

In the area of equal opportunity, you were advised by Secretary Volpe on Monday that we have now issued instructions that make it mandatory to include the specific equal opportunity requirements in the advertised specifications in place of the previously used prequalification procedure. Included in the new instructions are special provisions to be used in spelling out the affirmative action requirements for project activities under each contract. These special provisions were developed cooperatively with AGC, AASHTO, and ARBA. It should be understood that the new procedure is not intended in any way to reduce the objectives of the equal opportunity program. In fact, we consider that this new program will actually be more effective since uniform specific responsibilities are clearly covered in the contract.

The combination of using these contract requirements and the training programs recently agreed to by AGC and ARBA should permit us all to achieve positive equal opportunity results.

It might be well to point out that this area is somewhat complicated in that we are operating under two Congressional Acts and two Executive Orders. These special provisions were issued pursuant to section 22 of the Federal-Aid Highway Act of 1968. In addition, we are subject to Title VI of the Civil Rights Act of 1964 and Executive Orders 11246 and 11375. The

requirements of your contract pertaining to the Executive Orders and Title VI are covered in another part of the contract known as Form PR-1273. The equal opportunity provisions of Form PR-1273 are specific except for the requirement that the contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or national origin.

The intent of the special provisions is to spell out what affirmative actions are required. The special provisions have been approved by the Office of Contract Compliance in the U. S. Department of Labor, which has general responsibility for implementation of the Executive Orders. Therefore you can be assured that the special provisions satisfy the affirmative action part of Executive Order 11246 as well as the intent of the Federal-Aid Highway Act of 1968.

It is always a pleasure to work with your organization in resolving our mutual problems. At this time, I would like to thank you all for your commendable efforts to provide high quality work at reasonable prices. I would like to ask you all to make full use of the proposed training programs and take whatever other steps are necessary so that positive results can be reported in regard to equal employment opportunity.