

c.2 (50)

U.S. DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20590

REMARKS BY SECRETARY OF TRANSPORTATION, ALAN S. BOYD, BEFORE
THE SECOND ANNUAL AUTO INSURANCE INDUSTRY TRAFFIC SAFETY
RESEARCH SYMPOSIUM AT THE MARRIOTT MOTOR HOTEL, IN CHICAGO,
ILLINOIS, AT 7:30 P.M., TUESDAY, MARCH 19, 1968

It's a pleasure to be here tonight - and a refreshing change to speak to a group and know that everyone in the room rode to the hotel with his seat belt fastened. Or to know that if it wasn't fastened, you were engaged in some sort of dangerous basic research. And that either way you were covered; and in good hands.

I am glad to be here for another reason - only marginally related to the business of the symposium. I am sure that at one time or another, some of you have found yourselves at a friendly little party and discovered that one of the guests was a psychiatrist. Most of us react the same way - watch out of the corner of an eye; wonder how much he can tell just by listening to us talk or by counting our drinks.

But until I came here tonight - as the man who has been asked to direct the first major analysis of the auto insurance industry - it never occurred to me to wonder how the psychiatrists feel at those parties. Now I know.

So, in the spirit of what I understand to be the first step in deep analysis, I would like to bring the subject of insurance out in the open briefly.

The Department of Transportation's concern with automobile accidents does not end when the wheels of the wrecked cars stop spinning. Our concern extends to the day when the wheels of justice have had their turn - when the car is repaired and the questions of compensation have been settled.

During the past six years, insurance rates in some areas have risen as much as 30 percent. Many drivers find they are unable to find insurance at any price - or at any price they can pay. As many as 80 insurance companies have gone into receivership or bankruptcy, which has placed yet another burden on people who have been injured in accidents. Our courts are jammed with automobile accident litigation.

These and other problems have become a matter of increasing national interest. You know, better than I, some of the ways this interest is being expressed. Some social critics, journalists, lawyers - and even some insurance executives - are calling for reevaluation of the traditional rules. Fault as a basis for shifting loss has been challenged.

So far, the discussion has been based on whatever set of facts was handy. And an effort to produce a solid foundation of fact as a basis for intelligent action to deal with the problem is long overdue.

To this end, President Johnson has called on the Department of Transportation to make a comprehensive study of automobile insurance. The success of the study will depend to a large degree upon the cooperation and assistance of the bar, the insurance industry, the state authorities and the consumer. We are, of course, pleased by the industry's response to the President's call for such a study. We look forward to your continued support, because it is essential to the success of our fact-finding mission. For our part, I can tell you we will make the study without pre-judgments; we intend to let the chips fall where they may.

(more)

In his message calling for the insurance study, President Johnson said automobile insurance is a "national problem." And he said it will become even more of a problem as we license more drivers, produce more automobiles and build more roads.

What brings us together here, then, is a common concern not just with insurance but with the many consequences of more drivers, more automobiles and more roads. It is a concern implicit in many of the President's messages in the past two years; messages which, in turn, reflect a changing national attitude toward transportation and its affect on human beings and their environment.

When he asked Congress to create our Department, President Johnson said that - as good as it was - America's transportation network "is not good enough when it builds super-highways for super-charged automobiles - and yet cannot find a way to prevent 50,000 deaths this year." In the months since he delivered that message, we have begun to get results from our efforts to prevent deaths on the highways - as you have heard and will hear during this conference.

In his message on the cities last month, the President said: "Never before have residents of urban areas faced a clearer choice concerning urban transportation - shall it dominate and restrict enjoyment of all the values of urban living, or shall it be shaped to bring convenience and efficiency to our citizens in urban areas?" And that is a question which not only our Department but the mayors and managers of every city in the nation are working hard to answer.

And the answer must start with the automobile.

The automobile dominates every balance sheet of American transportation. Nearly half of the total expenditure for transportation goes to buy and operate automobiles. When you add private trucks, you account for three-quarters of all the money Americans spend for transportation of any kind. Representing as it does about ten percent of the Gross National Product, the automobile is not only the backbone of American transportation, it is in some ways the backbone of the American economy.

(more)

The automobile not only dominates transportation financially, it dominates the landscape. It is at work, at school, at the market, on the open road in the summertime - giving Americans a mobility and range; a comfort and independence unmatched in the world. You can even find new models perched hundreds of feet in the air on slivers of rock if you follow the television commercials closely. It is truly this country's magic carpet.

Yet, with all of this, there are people who still doubt the automobile is here to stay. Some of its critics, to be sure, complain daily about what it is doing to the cities and then drive home in something with enough flair and power to win the Daytona 500. Some of them have it in mind that if they can just get enough other people out of their cars and into buses or streetcars it will be easier for them to drive to work in the morning. And some people just don't like anything that's happened in the country since the Hupmobile.

Much of the criticism of the automobile as we know it today is warranted. About half of the waste matter that pollutes American air comes from the car. It causes about half the nation's accidental deaths. And some of the highways we have built for it have been built at the expense of community values more basic than transportation.

But to base any judgment of the future role of the car on the car as it exists today assumes there will be no change. And changes already are coming.

Under the authority of the National Traffic and Motor Vehicle Safety Act, new safety equipment is being built into American automobiles - new types of windshields, head rests, seat belts and shoulder harnesses, collapsible steering wheels and others. If our preliminary statistics are accurate, the collapsible steering wheel, alone, will reduce deaths in auto accidents by one-fourth when every car is equipped with one.

The Department of Health, Education and Welfare is working toward material reduction of air pollution.

(more)

And the Federal Highway Administration is experimenting with new approaches to highway design in metropolitan areas - approaches like the Baltimore design concept team. In that city, highway engineers are working with architects, city planners, economists, sociologists and other professionals to design a highway that will not only carry traffic but will create new parks and new housing as it moves through the city.

Perhaps the biggest question mark in the future for the automobile is cost. Until now, we have managed to avoid looking the transportation bill collector squarely in the eye. We have not included the cost of polluted air, of courts, or dispersed neighborhoods in our transportation budget. Nor have we been strict in our accounting of the cost of parking space and other facilities in downtown areas.

The Federal Highway Administration recently inventoried highway needs in the 50 states for the years 1965 to 1985. They estimate that it will take nearly \$31-billion a year to build and maintain America's highways during the next 17 years.

They found that the minimum possible growth in highway travel by 1985 is 60 percent - and that 71 percent will be more like it if the present trend continues.

In terms of vehicle-miles, they found that urban travel is doubling every 20 to 25 years - growing at a rate twice that of the population.

None of the estimates includes money for parking in or near the cities. Yet, it makes no more sense to continue to build new urban highways without new parking spaces than it does to turn on another spigot over a bucket that's already full.

When you add these factors together, you find the future role of the automobile looks something like this: It will continue to dominate American transportation as long as people can afford it. It may well change substantially. It may be powered by steam and run on a cushion of air. It may be equipped to turn itself over to remote-control operation once it reaches a freeway. It may one day look like nothing whatever on the streets in 1968. But if it has the advantages of convenience and dependability that motorists get from their cars today, they will use it.

(more)

This is not to say that the automobile will continue to dominate the central business district. Forty percent of all Americans now live in the 30 largest metropolitan areas. And it is apparent that mass transit - rail or bus or both - will be needed in those and other areas.

Mass transit will be needed to take the pressure not only from commuter highways but from the downtown area itself. It will be needed to provide transportation for the poor, the elderly, the handicapped and others who cannot afford a car or who cannot handle one.

And if the Congress approves the transfer of mass transit to our Department, we will give the highest priority to research that will bring the same technological advances to transit as we expect will be brought to the automobile.

The Department of Transportation looks at mass transit as the best means in medium and large cities immediately at hand for solving the problem of peak hour commuting and downtown congestion.

It could help us relieve congestion at airports.

It is essential to more efficient use of our present highway network and for any future achievement of a balanced mix of transportation.

We do not believe mass transit has reached a point of no return.

Above all, we in the Department of Transportation have tried to work closely with transportation industry and unions, with our states and localities. For we are convinced that while the solution to our transportation problems will require some hard choices, that is not the same thing as choosing sides.

We can't solve our transportation problems by embracing one mode and eliminating or ignoring all others.

Nor can we solve them simply by letting everybody go his own way.

These approaches have been tried, and they don't work.

So now we're trying to do the job together, and this is beginning to show results.

With your help, I know it will work.