

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

23)

REMARKS PREPARED FOR DELIVERY BY SECRETARY OF TRANSPORTATION
ALAN S. BOYD BEFORE THE 34TH ANNUAL CONVENTION OF THE INTER-
NATIONAL NORTHWEST AVIATION COUNCIL, SUN VALLEY LODGE DINNING
ROOM, SUN VALLEY, IDAHO, SATURDAY, SEPTEMBER 28, 1968, 7:00 P.M.

The Department of Transportation has spent 18 months working toward an integrated transportation system. I don't think we can top what you have here today: A group of airplane drivers, meeting in a resort built by a railroad, and dedicated to the ski. I'm impressed with these skiers and their devotion to transportation . . . their chair lifts, ski tows and aerial trams. But I'm not sure our systems engineers would consider this an efficient use of technology. They would probably feel there are easier ways to sprain an ankle.

I have, in my time, worn many hats. The one I wore the longest, through the years, had wings on it and was marked "Aviation." That's the hat I'd like to wear today. I come here as one who has spent not a little time piloting airplanes and advancing the cause.

1

There is concern today in aviation, and that concern stems from the government's proposed regulation for dealing with congestion at five of our busiest airports.

I have noticed that in much of the discussion of this matter one fact is often overlooked. We have a problem that must be resolved. It's there. It can neither be ignored nor postponed. Somebody has to do something.

We asked the various segments of aviation several times to join together and work out a plan that would satisfy the aviation community. But there was no agreement on any one solution. There was hearty disagreement on most. We were obliged, consequently, to act.

Our action is limited. Our proposals deal with five airports out of 9,000. The regulations we are considering apply only to them.

The proposed action does not reflect the whim or prejudice of any individual or groups of individuals. It is an action directed by law. We have no alternative.

This law, which established the Federal Aviation Administration, directs the Administrator of that Agency to regulate the airspace under such conditions and limitations as he deems necessary to insure the safety of aircraft and the efficient utilization of airspace. Efficiency in our democratic form of government means the greatest good for the greatest number of people. The key word is people - not machines, not aircraft - but people.

Anyone looking at the laws regulating aviation or government actions promoting aviation, could - if he wanted an argument - label each one as "discriminating" against someone or "favoring" another. We do - if you will - discriminate against the carriers by providing government funds for smaller airports where - because of size - it is impossible for them to land.

Some might charge we are prejudiced against the weekend pilot because we insist he carry and can operate a two-way radio before he goes into an airport with an FAA tower.

We could also be accused of outright favoritism toward the military because we set aside for their special use certain climb corridors and large blocks of airspace.

The fact is, anybody who wishes can charge us with a variety of prejudices simply by selecting appropriate regulations. A brief study of all our regulations, however, would reveal our true prejudices - a tremendous prejudice for safety and an equal prejudice for justice in allocating limited resources among a variety of users.

I have talked to many people about these regulations and taken part in several meetings at which they were discussed. I think I've heard from just about every phase of the aviation industry - from representatives of the big carriers down to spokesmen for the various general aviation groups. Many of these who oppose our proposed rule argue vociferously that it violates habit, custom, and tradition. But it was trying to accommodate the congestion in traditional and customary ways that brought about the very problem we are trying to solve.

I have found in talking to spokesmen for general aviation people that one way to bring the discussion home is to tell them the experience of a youngster I know. He's the young son of a member of my staff. He was down at Washington National Airport in the Capital having a wonderful time watching the big jets take off and land. The 727's and the Caravelles and others would roar down the runway and zoom off and he thought it was great. Then he looked up the river and there coming in on final was a Piper. He looked at the jets and then back at the Piper and he said: "That poor little guy. Do they make him land here."

I note, finally, that our proposals meet an immediate and restricted situation. They represent no new policy beliefs of FAA or the Department of Transportation. They are, in sum, first aid and not a cure. The cure that everybody in government and industry knows and recognizes is increased capacity - more runways, reducing separation standards with the help of new equipment and expanding the whole supporting system. This is the only proper and lasting answer to our dilemma. The congestion problem, thus, widens to the bigger question, "How do we expand the system?" This is my major interest. General aviation is now beginning to take its place as a responsible contributor of needed transportation services. It is proving itself as a valuable complement to the air carriers. I am most eager, consequently, to see it expand and prosper.

I have in recent months sat in several meetings in which Uncle Sam studied his list of needs for defense, for education, for housing and health, and then reached for his wallet to see how much was left.

There is nothing to spare. There is simply not enough to bring about the long term changes necessary to accommodate the growth of aviation. If aviation is to grow - and grow it must - it is going to have to help pay the way. It's as cut and dried as that.

We have recommended to the Congress a number of user charges that we think will help provide the needed funds. But we are not locked in on any of them. We have an open mind to any proposals or suggestions. Form is not the problem, but substance is. Aviation must in one fashion or another help pay the costs of that expansion. That's the principle we are selling. And I would welcome from your Council, or from you as individuals, any proposals that you may have on an equitable method of financing this forthcoming growth.

At present, aviation is not paying its full share of current expenses. Through a passenger ticket tax, the air carriers are paying about 85 percent of their share of the airway costs that can be allocated to them. We are recommending that the ticket tax be increased and another tax levied on air freight. With these new taxes, the carriers would be paying all of their fair share of airway costs.

General aviation pilots now pay a minimal fuel tax. But total receipts from this pay only 4 1/2 percent of the total costs of the airways services provided by the Government to general aviation aircraft.

We are asking Congress to increase the tax on gasoline used by general aviation from the present two cents per gallon to seven cents. We are also asking that it then be increased by one cent a year till it reaches the amount of 10 cents a gallon by July 1, 1972 - the start of the government's fiscal year.

We are also asking that a jet fuel used by general aviation be taxed. There is no tax on it now. We are asking that this tax begin at 7 cents per gallon and be increased by annual one cent increments until it reaches ten cents a gallon by 1972.

Certainly, nobody likes taxes but I think if you were all to lean back and look ahead a few years, you would come to realize these taxes are in your own best interest. They insure your future. You will have a claim to benefit.

There is, too, the matter of justice and equity. It is a principle of our democratic form of government that those who derive special benefits from the government should help pay the costs of those benefits. Let's assume our new taxes are accepted. Even with these new taxes, general aviation will still be paying only 20 percent of its share of the costs of the services it receives.

I think there is, in this tax matter, an honest difference of opinion between you general aviation pilots and us in government. I have heard pilots say many times and accurately - "Look, I take off from a landing strip I cut out myself. I fly VFR all the way and I put down at a private field with no tower. I don't use any government facilities. Why should I have to pay taxes?"

That is one truth.

But these facts are also the truth:

The total of air carrier operations at all our FAA facilities last year was 9 million plus. Total of general aviation operations 37 million plus.

Total of air carrier aircraft contacted by our FAA flight service stations last year - about 700,000. Total general aviation - 7 million.

Total 1967 air carrier itinerant operations at airports with FAA towers - 9 million. For general aviation - 19 million.

We believe our two recommendations - for dealing with congestion today and for preventing it tomorrow - are an inevitable outgrowth of the progress of aviation. The increase in the number of aircraft and their improved

performance capabilities has meant a shrinking of the airspace in certain areas. In these areas regulations must be established to permit the greatest use of that airspace - by the greatest number of people.

This same increase in the number of aircraft - and the higher performance characteristics of these aircraft - are, at the same time, putting increased demand on the supporting systems - with the promise of still more demands in the future. This Federally owned and operated supporting system represents a special benefit to aviation. We think it is a simple justice that aviation and those who benefit from aviation should help defray its costs.

There's an Indian saying that is probably pretty familiar to you men out here. "Don't judge a man till you have walked in his shoes for a week." I've been trying to give you an idea what it's like in my size tens. Later on I'd like to hear how it looks from your side.

The difficulties in aviation I have been discussing today are the kinds of problems Americans like - the challenges of growth, progress, and prosperity. It has not always been thus. It was only a few years ago, I remember, that a special task force on aviation urged that future government actions take into consideration the urgent need to restore financial stability to the airline industry. That was 1961 - just seven years ago.

If we think about it, we find that most of the problems in the nation today are like those in aviation - challenges arising from our efforts to build a better world. The improvements have been vast in scope; they have come fast; they have changed our lives.

I go back in my mind a few years - back to 1960 - and I can hear the late President John Kennedy urging us to get the country moving again. I can hear him say, "I think we can do better. We must do better."

And I think we have done better. We have - in those eight years:

- Increased personal income by nearly 67 percent.

- Provided financial assistance to local elementary and secondary school systems to improve the educational prospects of 12 million poor boys and girls.

- Increased government loan and grant programs to assist 1 1/2 million young Americans with their college expenses.
- Expanded our Federally financed community health centers so they can serve 10 million Americans.
- Provided medical care for 20 million elderly.
- Expanded the whole economy by nearly 70 percent.
- Insured economic activity sufficient to provide 1.5 million new jobs every year.
- Lifted 5 1/2 million Americans out of the ranks of the impoverished.

And so we have done much. We have been moving. We have been doing better. But, at the price of strain - some uncertainty and some differences among us.

There are those who cannot stand movement. There are those who cry, "Stop the world, I want to get off." There are those who yearn for the solid certainty of standing still.

We cannot stand still. We cannot go back. We are still growing, we are still expanding, and we must still improve. In the next eight years, our population will increase 11 percent. Eight years from now, our birth rate will be more than 5 million infants per year. Eight years from now, we must have enough classrooms for 62 million students - 62 million, 4 1/2 million more than we have now.

We have no choice but to go on. And we shall. For my part, I look forward to it. I am not dismayed by the turbulence because I know we are moving. I am not fearful of the dissension because I know we are on course. I know, too, we have reason for great hope. There is no dawn more beautiful than the sunrise after a storm. There is no more unity in friendship than that which follows a dispute.

All this lies ahead if we but continue.

#

8xall