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REMARKS PREPARED FOR DELIVERY BY SECRETARY OF TRANSPORTATION JOHN A. VOLPE, BEFORE THE INTERNATIONAL DOWNTOWN EXECUTIVES ASSOCIATION, SHOREHAM HOTEL, WASHINGTON, D. C., THURSDAY SEPTEMBER 18, 1969, 10:00 A.M.

Let me say at the outset that it is a pleasure and an honor to be here with you this morning. Some people occasionally take the attitude that when a Cabinet member goes somewhere to speak, he's doing you a favor. That's a wrong impression, because to a certain extent, public appearances are very much a part of our job.

In a larger sense, you people here at this conference, are doing us a favor. Having been in business for a great many years, and having served a hitch as president of the greater Boston Chamber of Commerce, I know what it takes to get a group of your caliber together in one place at one time.

I am honored because you are here, because you recognize the necessity for the private sector to become fully involved in improving our cities in line with the aims and programs of the Federal Government.

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It is a special pleasure to have been introduced this morning by my good friend Harding Mott. Whatever good words he has had to say about me, I could multiply many times when speaking about him. Those of you who have never had the time or the occasion to visit his hometown of Flint, Michigan -- where the Mott Foundation has done so much to pull a populace up by its bootstraps -- should certainly take the time. That city is a fine example of what can be accomplished when good men make the effort to work together.

In his letter of invitation last June, Jim Oakes indicated to me that the objectives of this conference are to bring together top business leaders having an interest in the orderly development of the central areas of their cities.

My friends -- in these fast-moving times, the problems of the center cities are the problems of the entire Nation. The social ills of our urban areas are reflected directly upon our total American way of life. When we talk about cities today, we are talking about all America. When we talk about orderly development, we are talking about the future of our entire society.

Rather than come before you this morning with a typical, formal speech, I think I can feel enough at home with this particular group to give you what the bureaucrats call a "briefing" rather than a half-hour of oratory.

First, a few background facts. The Department of Transportation is the youngest Cabinet-level Department in the Federal Government, having gone into operation in April of 1967. If we were like most two-year-olds, we would be just learning to walk. But the nature of our responsibility has demanded from the very start that we move ahead at full speed -- because the Nation's transportation problems have passed the critical point in many instances, and are fast approaching the crisis stage in several sectors.

In our Federal Aviation Administration we are faced with congested airways and inadequate airports. There are some 14-thousand flights a day over the continental United States. Air passenger miles have doubled in the last three years, and are expected to triple in the next decade.

In the Federal Highway Administration we are given the responsibility of overseeing and allocating the Highway Trust Fund, used for the construction of our 42,500 mile interstate highway system, our secondary highways and urban feeder systems.

The interstate system is now 67 percent complete, with 28,219 miles open to traffic with 5,259 miles under construction. I think it's well worth pointing out that when the interstate system is complete it will comprise little more than one percent of the Nation's total road and street mileage, yet will carry 20 percent of all the Nation's traffic.

It is also worth noting that 24 hours from right now (at 10:15 tomorrow morning) there will be 10-thousand more cars in the United States than there are right now. I found that hard to believe at first, and asked my research boys to check it again. They came back and said, "Mr. Secretary, we were wrong. It will be closer to 12-thousand!"

Our Federal Highway Administration is also charged with the responsibility for safety on our streets and highways. 55-thousand Americans are killed in auto accidents every year -- over a thousand a week -- and coping with this tragic waste of human resources is one of our top priorities ...

In our Federal Railroad Administration we are responsible for the establishment of a policy that will enable the Nation to take best advantage of the world's largest rail network -- we are working to upgrade safety on the rails, we are studying the possibility of having a national rail passenger policy, and we are working toward the goal of less paperwork and a faster expediting of freight. As the movers of some 40 percent of all intercity freight, the railroads are certainly a key element of our economy.

In the United States Coast Guard we have an outfit -- a very fine outfit, I might add -- that conducts some 45-thousand Maritime search and rescue missions each year, playing the major role in safeguarding our waterborne commerce.

Our Urban Mass Transportation Administration works with and assists the Nation's hundreds of city bus and transit companies and their 6 to 7 billion passengers.

As if that weren't enough, we are also responsible for the Saint Lawrence Seaway, the Alaska Railroad, Washington National and Dulles International Airports, and even the standard-time daylight-time law.

(Someone once said "Time Flies" and a Washington bureaucrat said "If it flies put it in the Department of Transportation.")

On top of all these diverse elements we have one unified responsibility. President Nixon has directed our Department to formulate for this Administration a national transportation policy -- A policy that will give us guidance on crucial transportation decisions that will have to be made in both the short-range and the long-range future. The President recognizes the great value of sound, realistic planning, and has pointed out that we must not only deal with the problems of the present, but must forestall future crisis that could well come in a Nation of expanding affluence and population.

So there you have a general outline of our responsibilities; now I'd like to discuss for a moment how our work ties in with the cities of this Nation, and how you and the Department of Transportation can work most effectively together to improve the quality of our cities, the amenities of urban life and the prospects of downtown business.

Of absolute utmost importance to this group -- and to the 70 percent of our citizens who live on 2 percent of our land -- the city dwellers -- is the crisis today in urban public transportation.

I am firmly convinced -- and the President is equally aware -- that unless we start now to utilize transportation as an instrument of urban design we are headed for deep trouble. There is no question in my mind that in virtually every downtown area in the country we have too many people in too many cars trying to get to too many places all at the same time. They crawl in traffic, they're choked by exhaust fumes, they can't find parking places, and they're flocking to suburbia -- to shop as well as to live -- in ever-increasing numbers.

I have with me today a few slides, and if we can have the lights turned down I'd like to go over some figures with you.

(Lights ----- Slide Number 1)

I told you about the more than 10-thousand additional automobiles every day. On top of that automobile usage is going up. It is increasing about 40 percent every eight years.

Because everyone is in the habit of piling into their automobile every time they want to go somewhere, we are finding fewer and fewer people riding public transportation facilities.

Because they are all on the highways, we are faced with traffic jam after traffic jam in virtually every urban area in the Nation.

We have coped with the problem to a degree by injecting tremendous amounts of money into our highway system -- a system that is excellent -- a system that is one of the most extensive public works projects in history.

But we are caught up in a cycle, as highways contribute to urban sprawl -- putting people further away from where they want to be -- resulting in even greater automobile usage. Our highway system -- extensive and effective as it is -- needs company. It needs efficient public transportation.

(Slide Number 2)

Yet this next slide shows clearly and emphatically that public transportation has gone downhill -- fast -- over the past quarter century. We can see that while automobile registrations have nearly tripled since 1945, transit fares (and I'm talking about buses, as well as subways and rapid transit systems, of course) have also multiplied by nearly three. While all this has been going on, however, the number of transit passengers has fallen from almost twenty-four billion per year to about eight billion, and operating income has plummeted from 149 million dollars down to an eleven million dollar deficit.

(Slide Number 3)

The situation has deteriorated to the extent that cities and States simply cannot be expected to underwrite the cost of a massive upgrading of our public transportation facilities. Already State and local indebtedness in this country is well over one hundred billion dollars, and the economists predict that over the next ten years the States and the cities are going to run short by possibly another 250 billion dollars.

So you can't really blame the governors and the mayors for building highways -- which are Federally financed to the tune of 90 percent in the interstate system -- when the alternative is public transportation for which Federal financing has always been extremely meager. In fact, it was pointed out to me the other day that the Federal Government has spent more money on highways in the past 6 weeks than it has spent on public transportation in the last 6 years!

(Slide Number 4)

What we need -- and what President Nixon and I have proposed in the Public Transportation Act of 1969, now before the Congress -- is a 12-year, 10 billion dollar program to provide Federal funds on an assured basis for the construction, expansion and improvement of public transportation in growing urban America.

(Slide number 5)

I commented that funding must come on an assured basis. Those of you who are involved with municipal finances know only too well how difficult it is to sell bonds when there is no assurance of matching Federal funds a few years down the road. It was essential that this legislation contain some provision that would let our State and local partners know that this would not be an "on-again, off-again" program. The preamble to the President's legislation calls for the Congress to firmly indicate its intent to fund an on-going program, and is further bolstered by a budgetary mechanism known as "contract authority" which will enable cities to undertake long-range projects; such as subways in the larger cities, exclusive busways and other facilities in medium-sized cities, and perhaps fleet modernization activities in smaller cities. These are just examples.

(Slide number 6)

Our legislation seeks the authority to commit funds starting at \$300 million and rising to \$1 billion during the first five years, then holding level with an additional \$1 billion each year for the balance of the program.

The key concept to the program is the "contract authority" . . . which is, simply, the granting of Federal authority to the cities to enter into binding commitments to the full extent of the fund authorization.

I'll concede that this is not the trust fund I was plugging for. But as I stated publicly on many occasions, I favored a trust fund unless somebody could come up with something else that would work as well. And this approach will work. It obligates the Federal Government to support programs once the contracts have been signed. . . period. We will be legally obligated to follow through on approved plans, and that will give the cities the assurance of continuity they have always demanded.

Let's take an example: suppose city "X" needed a \$10 million transit grant from the Federal Government. We at the Department of Transportation could approve that request, and the city would be assured that the \$10 million would be forthcoming over the time period required for design and construction. Even though Congress had not actually appropriated the money, that city would know -- as well as would be known under the Highway Trust Fund, for instance -- that the funds needed would be appropriated by the Congress. Bear in mind the fact that the Highway Trust Fund has never been an automatic source of money for the building of our great interstate system. Our highway program has always relied on the biennial action of the Congress to appropriate money out of the fund for design and construction, and it was all the assurance of fund availability this Nation needed.

(Slide number 7)

Now . . . where will the money go? This next slide shows how we have proposed breaking down the \$10 billion, and you can readily see that this is not just a "Big City Bill." (I might point out that the cities named on the top section of this slide are examples only. We know full well that virtually every major metropolis in the Nation is looking for new and better ways to provide a basic channel of mobility.) Our bill pumps needed cash into cities of every size, and this legislation surely ought to have the support of conscientious leaders from all over the country -- from rural areas as well as urban areas.

(Slide Number 8)

In summary, we feel that we have a bill here that will get us underway on a task that certainly needs doing. There is no question in my mind that job training centers, employment opportunities, health facilities, educational institutions, recreational areas -- all of the things that are needed in all of our cities are not going to be fully utilized if people cannot get to and from them.

We need new systems, and we need to improve existing systems, in order to give every American the opportunity to share in the good life and keep this Nation strong. We need mobility in this Nation if we are to fulfill our pledges to the disadvantaged, the young, the poor, the elderly and the physically handicapped.

We need to do this now. Throughout the country, and we need to come up with the money at the Federal level. You know it, and we know it.

It is to the President's great and enduring credit that he recognizes the dangers of relying solely upon one mode of transportation to give Americans the mobility they require and demand. He knows -- and he and I have discussed this often -- that if we expect to make any headway with our urban problems of congestion, pollution, poverty and unemployment, we are going to have to try something new in the way of urban transportation.

That is why it is so important that this bill receive full support from the doers, the movers, in every community in this country. We are working day in and day out with mayors, governors, Congressmen and Senators. Support is building. We need your support.

This is a bill, a program, in which we can put our trust, as we work to untie the knot of center-city paralysis that threatens the mobility of all Americans.

(Lights) -- We can have the lights up now, please.

One other point.

In addition to our all-important Public Transportation Bill, our Department is also working very hard on another key piece of legislation, an Airport-Airways Bill. This legislation, based on a trust fund paid for out of user charges, is designed to raise a total of five billion dollars over the next decade, half of which is to be matched by State and local units of Government for a total of 7.5 billion dollars.

We are proposing that a user charge -- similar to our source of funds for highway construction -- be assessed to airline passenger tickets, general aviation fuel and air freight waybills. As in the highway program, those who benefit will be the ones who pick up the tab.

My friends, this is must legislation. Just day before yesterday I spent some three hours on Capitol Hill with the House Ways and Means Committee on this all-important bill. And several of those Congressmen -- and this was on a bi-partisan basis -- agreed that this legislation is long overdue ---- that we are approaching an emergency situation in airports and airways. We are optimistic about chances for passage of this bill, but our optimism is based on hard cold facts -- and the sheer necessity of making sizable investments to cope with the rapidly expanding use of our limited air space.

While you may say that airport-airways legislation has no immediate bearing upon downtown -- and to an extent you are right -- let me just point out that if any of our cities are to thrive, they must thrive together.

We are far beyond the day of "urban independence" in this Nation. Much of the wealth and prosperity in each of our cities derives from the fact that we are a Nation full of great cities. In that respect, improved efficiency and safety on our airways is of key importance.

Gentlemen -- I promised not to give a speech. This "briefing session," hopefully, has given you an outline of our goals. Our goals are in your best interests. They are in the best interests of everyone in this Nation.

I could have preached at length about the threat of perhaps having to close off some downtown areas completely to automobile traffic -- or even charging a toll to those who want to drive to the inner city. I could have threatened, warned and cried "danger."

Rather, I suspect you are more interested in knowing what we are proposing to do, and how you can help us do it.

You are influential men, and again, we seek your support.

You have my best wishes for a fruitful series of meetings, and I am confident that we will be able to work closely together in the weeks and months ahead.



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