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DEPARTMENT OF TRANSPORTATION

NEWS

OFFICE OF THE SECRETARY WASHINGTON, D. C. 20590

STATEMENT BY SECRETARY OF TRANSPORTATION JOHN A. VOLPE ON THE
DEPARTMENT'S ROLE IN THE RAILROAD ISSUE, SATURDAY, JANUARY 31, 1970
2:00 P.M.

I sincerely hope the people of America recognize the impact a
Nationwide railroad shutdown will have on our way of life.

It has been estimated that with rail freight service out of operation,
other modes of transportation will be hard put to assume much more than a
fraction of the transportation capability required.

A Nationwide rail shutdown will leave more than 50,000 communities
without rail service. Industries immediately impacted will be chemicals,
coal mining, agriculture, auto plants, and rail movements. If the shutdown
continues for more than a few days, the impact will spread to the entire auto
industry, construction, grain elevators, paper mills, and major defense-
oriented plants. Water purification and sewage processing could be seriously
hampered in cities and towns across the country, as the largest bulk of
chemicals used in these efforts is shipped by rail.

The average American consumer -- who purchases the goods that sustain
the life of his family -- is accustomed to taking those goods home in
shopping bags. But we must remember that those goods are shipped in
bulk at vital stages of their manufacture or processing, and that without
the mass movement capabilities of our railroad system, those shopping bags
could soon be empty.

Without the raw materials needed by American industry, pay envelopes
could soon become empty, as crucial elements of our manufacturing economy
grind to a halt.

Without the capacity to move heavy equipment and bulk supplies over
long distances, our defense effort will be seriously hampered.

We must be prepared for a sharp change in our way of living if the
Nation's rail system is to be shut down for any length of time.

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Should a shutdown occur -- President Nixon, by Executive Order, may delegate to the Secretary of Transportation, overall responsibility for the allocation of all other available transportation services to insure the maximum movement of goods essential to the national defense and the public health.

The Department of Transportation is ready to follow such an order should circumstances require that it be issued.

At this time we have established an information center here in Washington -- at our Federal Railroad Administration -- to keep track of all developments. We are prepared to request the Chairmen of the Interstate Commerce Commission, and the Civil Aeronautics Board, and the Secretary of Commerce to take whatever steps are necessary to utilize existing transportation units for designated priority commodities.

Let me stress, however, that America's transportation system is not diversified enough to provide overnight re-allocation and re-consignment of even priority goods.

A Nationwide rail shutdown -- as opposed to isolated strikes on one or even several individual railroads -- could do great harm to all Americans.

I am deeply hopeful that any shutdown will be of only short duration.

The Nation's economy -- as we know it and enjoy it today -- could not long withstand such a crippling blow.

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