



DEPARTMENT OF  
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REMARKS BY SECRETARY OF TRANSPORTATION, CLAUDE S. BRINEGAR,  
TO THE ANNUAL CONGRESS OF CITIES, NATIONAL LEAGUE OF CITIES,  
SAN JUAN, PUERTO RICO, DECEMBER 6, 1973.

It's a great personal honor to be asked to address this annual conference of the National League of Cities and the United States Conference of Mayors.

Urban centers represent a majority of the Nation's population and by far our most serious long-term National transportation issues. These issues deserve--and are getting--a great deal of thought in our department. Today I'd like to share with you our present positions on these most important issues, as well as outline some possible future directions.

To me, and I think to more and more Americans, it is becoming increasingly clear that our National concentration on highways and automobiles--to the point where we now have

3.4 million miles of the former and 100 plus million of the latter--is no longer appropriate. While our highways constitute a valuable National asset, and our motor vehicles are essential elements of our mobility, we have come to the time when we must use our streets and roads, our cars and buses, to better advantage. I'm convinced that the priority demands of the '70's and '80's--led by problems of congestion, air pollution, and an energy shortage--now give us little choice but to shift our thinking and our directions. To our cities these problems and the forthcoming changes pose issues of enormous importance and enormous urgency.

Given any one of our problems by itself--and given sufficient time, we might be able to manage a smooth transition from the old ways to the new ways. We have already made rewarding progress in controlling emissions, and we have a start on rebuilding the Nation's urban transportation systems. But the energy shortage has suddenly become a problem of an altogether different magnitude. Regrettably, we no longer have the luxury of planning and carrying out a leisurely transition. We must act now and act decisively.

Though the Department of Transportation made a rather late start, I believe we are now addressing the urban transportation issue in a number of positive ways.

One way--familiar to everyone here--is through our capital grant assistance program, the product of President Nixon's Urban Mass Transportation Assistance Act. Since January 1969 our department has approved 250 transit projects involving grants totalling \$1.83 billion. The 1973 Federal-Aid Highway Act doubled the available contract authority, extending it to a total of \$6 billion. In this fiscal year we have in the neighborhood of \$875 million to obligate for capital grants and we expect an increase in the next fiscal year.

A second significant way that we are moving forward to meet the Nation's urban transportation needs is through the resources newly provided under the terms of this year's Federal-Aid Highway Act. This was landmark legislation--a victory for flexibility and common sense in the use of Highway Trust funds. This law overcomes one of the obstacles that has most hindered the progress of public transit in the past--the inability of local planners and municipal authorities to bargain persuasively for transit funds when Federal dollars for highways were cheaper and more readily available. Now,

for the first time, cities can choose from a shopping list of transportation options in budgeting their portions of Highway Trust Fund monies.

President Nixon proposed this flexibility principle and supported it steadfastly. We worked hard to insure its inclusion in the final bill. Also, we received fine support from members of your organization, for which I'd like to express our great appreciation. The result is not only a new flexibility of funding, but immediate flexibility in the sense that only budget technicalities stand between urban communities and the accessibility of designated funds for transit purposes. Any city preferring an exclusive busway, for example, over a proposed freeway should make the fund application accordingly. We will work out the bookkeeping details.

In addition to the urban systems fund, another important source of potential transit funding is in the Interstate substitution provision. Mass transit projects--railways or busways--can now be substituted on a dollar-for-dollar basis for unbuilt Interstate highway segments no longer considered essential to the National system.

I wish to caution that the '73 Highway Act does not guarantee money for transit purposes; it simply makes it available. Whether funds are drawn down for highways or transit depends ultimately on local initiatives. For long-term success of these initiatives, in our view, we must have more comprehensive planning at the local level, better cooperation on the part of all the authorities involved, and closer coordination between local and state agencies. As part of President Nixon's doctrine of New Federalism, we believe that as much as possible of this decision-making should be at the levels of government closest to the people. I'm certain that this group shares this view with me.

The concept of returning decision-making to the local level--coupled with adequate financial resources--is a vital one. On the other hand, it's equally vital that local governments develop the institutions capable of assuming this leadership in decision-making. I am hopeful that under the broad provisions of the Highway Act, more and more highway people and transit people, state officials and local authorities, will find out how to sit down and work together. Perhaps, we'll even stop thinking of "highway people" and "transit people" as having different objectives.

We look to you Mayors to help prove our beliefs that public investments in public transit is money well spent. You must also show how future transit development and land-use planning go hand-in-hand. Certainly, unless transportation-planning and land-use planning are done jointly, new transportation systems--rather than relieving congestion, may actually lead to larger and more complex levels of congestion. Our freeways and expressways put us through this cycle in the last 20 years--let's not do it again with mass transit.

For our part we have a number of task forces of Federal Highway and Urban Mass Transportation people working to put the appropriate regulations together so that local authorities can make the proper applications for funds. I've encouraged them to keep it as simple as possible. I consider it highly significant that highway and transit advocates, once worlds apart--even in our own department--are now working shoulder to shoulder to implement the 1973 legislation.

Another factor forcing a re-thinking of our urban priorities is the push for cleaner air. According to the plans announced last month by the Environmental Protection

Agency, 22 major metropolitan communities will have to take substantial--and, in some cases, extreme--action to achieve compliance with those standards.

I must note that it's my personal view that some of the criteria specified in the legislation that the EPA must enforce are too strict and too inflexible. Revisions and flexibility are now especially appropriate because the energy shortage has altered the cost-benefit relationship. Nevertheless, while the realities of a short energy supply may require interim modifications and delays in meeting our environmental goals, I believe that over the long-term we must continue to push toward the broad goals of the Clean Air Act.

To reach these long-term goals, and to keep from laying all the burden on the doorstep of the EPA, we must see more positive local actions. I'm sure it's well known by this group that ideas that originate solely in Washington can have painful consequences. The changes before us must come from joint thinking and joint actions. It involves the automobile industry by challenging the manufacturers to produce an environmentally-acceptable engine that also uses fuel sparingly. It requires unusual cooperation at Federal, state and city levels in

developing, funding and implementing public transportation incentives. It necessitates the creation or the strengthening of local planning institutions empowered to take the lead in the structuring and coordination of transportation and land-use policies. The positive, joint-action approach also requires the re-allocation of some of the resources that are now going largely to highways.

I am greatly encouraged by the progress being made in each of these directions. The fact that 23 states now have departments of transportation shows the accelerating trend toward broad gauge transportation planning and thinking.

The really urgent factor now demanding new transportation approaches is, of course, the energy shortage. The roots of the problem are deep. Let me pause a moment to offer a little perspective.

Liquid petroleum provides almost half of the energy that makes our Nation move, our business prosper, keeps our houses bright and warm, and our living standards the highest in the world. With only some 6% of the world's population we consume over 30% of the world's energy.

Unfortunately, three years ago oil from the Nation's oil fields began declining. New oil discoveries--except for



Alaska's North Slope--have been disappointing. To offset these declines and to meet our growing energy demands we have had to reach abroad for new sources--increasingly into the unstable Middle East where enormous oil reserves lay undeveloped. Of the Nation's total present oil usage of about 17½ million barrels a day, over six million--nearly 40%--now comes from other countries. And of the six million, nearly half comes either directly or indirectly (for example, after processing in European refineries) by tanker from the Arab world.

Last Spring we were faced with a modest oil shortfall--say in the order of 3-5%. This resulted mainly from inadequate refinery and tanker shipping capacity. A 3-5% shortage can be managed by a few allocations and a few readjustments of oil usage. It was worrisome but not a crisis.

But suddenly the Middle East once again erupted into war--the fourth since 1948. The Arab world, because of our direct support of Israel, has successfully embargoed all Arab-source oil imports into the U.S. In addition to shutting off direct crude oil shipments, they have cut off or reduced oil to refineries in the Netherlands, Italy, Spain, and the Caribbean--refineries that were the source of sizable oil

product shipments to U.S. markets, especially those on the East Coast. In total, we face an immediate shortage of at least two million barrels a day and possibly as much as three million barrels a day. Whereas we thought we were dealing with a 3-5% oil shortfall, we now must face a 15-20% oil shortage. And no matter how you look at it, a 15-20% oil shortage is a crisis of major proportions.

The oil shortages for the next few months will be most critical in heating oils, diesel fuels, jet fuels, and the residual oils which are used to generate electricity. The Northeastern section of the U.S. will be most seriously affected. Shortly after the beginning of the year the shortage will hit gasoline and, if the Middle East embargo is not soon lifted, the present interruption will mean shortages for months ahead.

What do we do?

We do as we have done in other National crises. We use our heads and our ingenuity to manage as best we can. With care and cooperation we can squeeze the "slack" out of our energy usage without major impacts on living styles or employment. Disruptions, yes--but not frozen homes or massive unemployment.

President Nixon--in two nationwide television speeches-- has established some early directives for dealing with this shortage. The President has asked for:

1. A ban on the Sunday sale of gasoline in order to discourage leisure driving.
2. A nationwide speed limit of 50 mph for automobiles and 55 for trucks and buses.
3. A shift by refineries from gasoline production, insofar as possible, to production of scarce industrial fuels.
4. A return to daylight savings time.
5. Significant reductions in fuel usage by the air carriers and general aviation.
6. Significant reductions in heating oil usage.
7. Significant reductions in electrical usage, especially in non-essential lighting.

The thrust of these and other early steps is to quickly cut back on fuel usage in ways that will have the least impact on basic production and employment levels. The next steps--including that most unwanted of events, gasoline rationing--depend partly upon the success of these

voluntary actions, the winter temperatures, and the effectiveness and duration of the Arab oil embargo. For now, at least, prudent planning demands that we treat this like the serious National crisis that it could become. We hope it won't turn out that way, but we must be prepared to deal with it.

Please let me assure you that our department will do all it can to see that the Nation's transit systems receive adequate fuel supplies. To help with this effort we have established a new office--the Office of Transportation Energy Policy. I have asked this group to keep very close tabs on the fuel situation in mass transit.

Let's now shift away from today's programs and today's crises and attempt to focus on some of the longer-term urban transportation issues that are before us. While our present efforts are substantial--especially in contrast to even five years ago--it could well be asked: Is it adequate for the long-term?

It's my personal view that the answer is "No"--it is not adequate. But I would then quickly add: It's inadequate at all levels--Federal, state, and local. And it's lacking not just in dollars but in broad-gauge thinking and planning as well.

Here is a brief listing of what I see as some of the main items on our joint agenda for future thinking and planning:

1. The automobile's role in producing haphazard urban growth appears to be near a turning point. Let's grab the initiative and regain control of our cities' structures and life styles. But to do this requires more than agreement on the concept--it requires workable organizational structures and effective planning bodies at all levels. We are endeavoring to make these changes at the Federal level. Are you?

2. In my view too many cities have been approaching their urban transportation problems from the point of view that says, more or less, "if the Feds will finance it let's think big." I intend to change that to: "Let's think carefully." Capital funds--even taxpayer funds--are limited and must be used prudently. I believe all of us need better guidelines as to what types of transit investments and operations are proper for what types of urban settings. We would like to work with your organization, as well as with other interested groups, to develop workable criteria to guide our future decision-making. We see this as a high-priority project.

3. Additional sources of funds are unquestionably needed to help solve the serious urban transportation problems that are before us, and I am prepared to recommend a broader approach at the Federal level. But please recognize this most important qualification: additional state and local funding and additional state and local decision-making is likewise needed. In other words, we are willing to help but we can't do it alone. We lack both the knowledge and the resources.

4. We oppose narrowly-conceived categorical funding-- such as the Minish or Williams Bills on operating subsidies-- not because we're stingy or insensitive, but rather because we're convinced that it's the absolutely wrong way to get at the problem. The inflexibility inherent in these Bills treats symptoms only--and badly in our view--rather than reaching to the heart of the illness. As I told Governor Rockefeller and Mayor-Elect Beame last week, I believe the time is here to take a broader look at the question of future financing of both transit capital and operations. But I stressed that this look must be in the context of trade-off decision-making at the local level. Let me put it this way: Are you willing

to face up to the trade-offs between, say, urban highways,  
urban transit investments, and transit operating costs?  
Are you willing to help decide how available Federal dollars  
will be used amongst those types of alternatives? I believe  
you should be, and I believe that an approach such as this  
is now the proper one.

Thank you for the opportunity to review these vital  
matters with you.

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