



## DEPARTMENT OF TRANSPORTATION

# NEWS

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REMARKS BY U.S. TRANSPORTATION SECRETARY CLAUDE S. BRINEGAR BEFORE THE ATLANTA COMMITTEE FOR OBSERVANCE OF NATIONAL TRANSPORTATION WEEK AND NATIONAL DEFENSE TRANSPORTATION DAY, ATLANTA, GEORGIA, MAY 18, 1973

I am delighted that "National Transportation Week" has brought me back to Atlanta -- one of the Nation's "hub cities" -- for the second time in six weeks. Transportation forces have profoundly influenced this city. In fact, I understand that Atlanta even takes its name from a railroad - the old Western and Atlantic.

Considering what transportation has meant to Atlanta's past, its present, and will surely mean to the future of this community, I could not have picked a more appropriate place to visit during National Transportation Week.

My roughly 100 days as Secretary of Transportation have been eventful and educational. Recognizing the limitations of my experience, I'd nevertheless like to offer some comments on the major transportation issues before the Nation as I now see them.

The Nation's Department of Transportation came into being on April 1, 1967, with the avowed purpose of developing "National transportation policies and programs conducive to the provision of fast, safe, efficient, and convenient transportation at the lowest cost consistent therewith and with other national objectives, including the efficient utilization and conservation of the Nation's resources." The first Secretary, Alan Boyd, organized the Department from its scattered locations around Washington -- drawing, for example, the Federal Highway Administration from Commerce, the Coast Guard from Treasury, and the Federal Aviation Administration from its independent status -- and set it on its early course. The second Secretary, John Volpe, launched several vigorous initiatives -- including a new National Highway Traffic Safety Administration, a 10-year program to modernize and improve the Nation's airport and airways system, and, by pushing the enactment of the Urban Mass Transportation Assistance Act, a

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program to significantly improve urban public transportation. The third Secretary stands before you, charged by President Nixon with determining the effectiveness of these many programs, improving them or changing them, if possible, and with developing something that thusfar has been largely missing -- coordinated National transportation policy.

I find the Department's resources to be impressive -- we administer an annual budget of about \$8 billion and have slightly over 100,000 employees. Our career staff people are, by and large, a dedicated and hard working group. Our Federal highway program takes over half our dollars and the Federal Aviation Administration accounts for over half our employees. Our two newest activities -- the National Highway Traffic Safety Administration and the Urban Mass Transportation Administration -- have the capacity, either through the regulatory process or through direct capital grants, to have a major national impact on the future design of the automobile and on the future shape of our large urban centers. Two more crucial elements in the fabric of our society can hardly be found.

The overall national role of transportation is so well known as to require little documentation. When the various modes -- highway, rail, air, and water -- are working efficiently and cooperatively, when the demands and the service are in fair balance, our Nation can move its freight and its people smoothly and at low cost. The economy will expand and standards of living will rise. But an unbalanced system, or a system that cannot respond to the transportation demands placed upon it, can be a most serious hindrance to growth and to living standards.

In 1972 this Nation's total transportation bill was some \$200 billion, of which about 80 percent involved highways, either directly or indirectly. Did our 1972 transportation system meet the Nation's needs? Was this \$200 billion properly allocated? Though clear-cut answers are hard to come by, there is growing evidence that it did not and that the resource allocation is out of balance. And there is ample evidence that our regulatory framework is seriously out-of-date and, at least in part, is working against rather than for an efficient, comprehensive national transportation system.

For a number of reasons, some of which I will discuss subsequently, I believe that our long-term concentration on highways and automobiles -- to the point where we now have 3.4 million miles of the former and 100+ million of the latter -- is no longer appropriate. Highway growth properly served to tie the country together over the past 30-40 years. But inertia and vested interests now make the needed shift of direction most difficult. However, I believe that the priority demands of the 1970's and 1980's-- led by problems of urban congestion, an energy shortage, and air pollution -- give us little option but to find the way to make this shift.

Perhaps it would help bring some perspective to this key issue of redirecting our transportation effort if I took a few minutes to outline



the major transportation issues that I find on my agenda. Though there are obvious overlaps, it appears to me that they broadly fall into these three categories.

The first major one is inter-urban freight and passenger service.

Movement of the Nation's freight by the various modes -- rail, truck, water, pipeline, and air -- is, of course, of paramount importance to the working of our national economy. Our total intercity freight now exceeds two trillion ton-miles per year, and is growing steadily. Rail still has the biggest share, with about 35 percent of the total, water is second at 28 percent, pipelines are third with 20 percent, and trucks are fourth with some 16 percent. Air is less than one percent. For the last 25 years rail's share has been slipping -- it was over 50 percent in 1950 -- and the share held by pipelines and trucks has been rising.

The big freight issue is the conflict between the need for the Nation to have a system that meets its requirements at the lowest possible overall cost, and a system that meets the regulators' and the courts' historic ideas of "public convenience and necessity." This conflict is increasingly producing unfortunate results, especially for the Nation's railroads. Because the railroads have been delayed or even prevented from adjusting their operations to meet changing economic conditions, over half the rail systems of the Northeast are in bankruptcy and several Mid-West rail systems are perilously close. Though outdated regulatory policy can't take all the blame for this mess, I do think it deserves the lion's share.

A good (or perhaps bad) example of the regulatory problem can be seen in the data on the extent to which Federal regulations affect the various competitive modes: 100 percent of the rail and air ton-miles are regulated, 40 percent of trucking, and less than 10 percent of domestic water carriers. The different degrees of regulation are bad enough, but when it's realized that the economic theory behind most of these regulations has its roots in the era of the 1890's, when rail had little or no competition, it's little wonder that we've got problems.

It's not difficult to diagnose the causes of the regulatory problems or even to identify the major problems caused by the patchwork of regulations. The cure, however, is a different matter, for the passage of time has produced many vested interests that now prefer the status quo to the uncertainties of the world of competition.

Intercity passenger service poses somewhat of a different problem than does freight. The issue here is less one of encouraging competition and low costs and more one of options and the sharing of costs. How many passenger options (such as car, bus, train, and air) should there be between each city and who is to bear the costs of those modes -- such as rail passenger or the feeder airlines -- that are not economically supporting by themselves? Or, it could well be asked, should we even have such non-supporting operations? These issues generate much debate in Washington, but not much in the way of agreement.



The second major issue concerns the intra-urban movement of freight and passengers -- the movement within our cities.

The national concern about intra-urban transportation is fairly recent and long overdue. Unfortunately, the result of this neglect is painfully obvious -- especially during the so-called "rush" hours. (I suspect that "congestion hours" may now be a more apt term.) We have concentrated for decades on projects for connecting our urban centers with highways and airways and on ways for making the centers ever bigger through easy financing and various other encouragements to urbanization. We have spent billions on getting people and goods from city to city. But moving around within our cities? Quite clearly this question got lost somewhere in the shuffle. But with some two-thirds of the Nation's population now living in these urban centers, we can no longer avoid facing the issue.

Though we've made a late start, our Department is addressing the urban transportation problems in several ways. Our major effort is through the Urban Mass Transportation Administration, where we administer a planning and capital grant program that totals approximately \$1 billion per year of general fund monies. These funds, which are matched by local areas on a one-third local, two-thirds Federal basis, are provided for a wide variety of urban planning and transportation investments -- including buses, terminals, and, in a few instances, rapid rail systems. To illustrate what we are doing, during the calendar year 1972 we approved 133 separate grants to 61 urban areas. The major project effort is in support of bus purchases -- with our capital grants now being used to purchase nearly 85 percent of all transit buses built in the U.S.

We're also trying to help urban transportation by endeavoring to provide a small measure of flexibility in the way that Federal highway trust fund dollars can be used. This has proven to be a difficult task, largely, I think, because of misunderstandings about our proposal and because of inertia in the existing system. The Highway Trust Fund was established in 1956 by setting aside Federal fuel and certain other excise and use taxes -- many of which had previously gone into the general fund -- and specifying that they were to be used for construction of the Interstate Highway System and to assist various local rural and urban highways. Our 1973 Highway Bill proposed that about 20 percent of the trust fund -- that part that is regularly allocated to non-interstate highways in urban areas -- be available, depending upon local choices, for a variety of uses that would benefit urban transportation broadly. These uses could include the traditional highways, as well as exclusive bus lanes, traffic control systems, buses, and, in a few instances, even investments in rapid transit systems, including rail systems. These flexible trust fund monies would supplement but not replace the Urban Mass Transportation's capital grants. By providing this flexibility, we hope to find a way to stop the "use it or lose it" thinking that has forced cities to build highways simply because of the easy availability of the Federal dollars. We also hope to encourage much-needed inter-modal transportation planning.



Our proposal has caused many cries of protest, especially from those closely related to highways. Charges that we're out to "break the trust," that we're endangering the Interstate Highway System, and that we're neglecting the Nation's critical highway needs have been regularly heard in Washington in recent weeks.

The controversy is most unfortunate, because when the smoke clears and the trust fund issue is looked at in a longer-term perspective, I'm quite certain that it will be widely understood to be a timely idea and entirely consistent with the broad purposes to which trust fund monies can be properly used.

Our proposal passed the Senate by five votes but failed in the House by 25. A Conference Committee is now working on a compromise bill. I'm not sure what will emerge but I'm not optimistic. If we lose we will have to seek an alternative way -- including possibly consideration of some restructuring of the future make-up and objectives of the trust fund.

Although our Department is working hard to provide meaningful financial and planning support to the urban centers, my early days on the job have convinced me that there are still some large unanswered issues in urban transportation that must be faced. Here are two of the most important:

1. How much longer can we continue to think of urban transportation planning as being separate from urban land use planning? Clearly, transportation systems both shape urban centers and, in turn, are then shaped by the changes. A freeway will both cause shopping centers and housing areas to develop as well as providing service to pre-existing developments. Without a coordinated land-use-transportation planning effort we can find ourselves not eliminating urban congestion by adding new transportation systems, but rather sadly finding that we're now forced to cope with a higher and more complex level of congestion. "Congestion rises to meet capacity" may indeed be a perverse version of one of Parkinson's laws that will forever haunt the too-narrow urban transportation planner.

2. Who are the proper local community agencies to take the lead in developing and implementing coordinated transportation and land-use planning? What should be the make-up, responsibilities, and reporting relationships of these local, regional, and state agencies? How do they come into being when divergent interests cannot get together? It's difficult to under-estimate the importance of these questions in terms of finding the key to realistic local transportation programs. Since each major U.S. urban area has distinct characteristics and problems -- some are circular and light in density, some are narrow strips but heavy in density, some straddle



two states, some have decaying centers, and some are growing in all directions -- such differences make generalizations most difficult. Yet, it is clear that some urban areas -- and I would place Atlanta in this category -- are making plans and implementing them better than are others. My early analysis suggests that the better ones have agencies with at least these common characteristics: the agency's boundaries cover the relevant urban area; its charter comes from the state and gives it, as a well-defined metropolitan unit, considerable clout; it is involved both in planning and implementing; and it has widespread community support, backed by an adequate staff and a first-rate top executive. These characteristics may be no guarantee of success, but areas that are without them run a risk of failure.

Returning to my agenda of big issues, the third major item is to see that the important side effects of our transportation systems are properly recognized and dealt with. The three really vital ones are safety -- some 60,000 people a year are killed in transportation accidents in this country, mostly in or by automobiles; the full range of environmental concerns; and energy availability and usage.

These obviously are big issues all by themselves. I regret that time doesn't permit me to go into any details of what we're doing, but I can say that we're devoting a great deal of effort to them, as well as assisting other Federal agencies, such as the EPA and the Interior Department, many of whom also have key roles.

So much for the big national transportation issues that I found waiting for me in Washington. Let me now turn to a transportation matter that's closer to home -- and, one that has the interest and the attention of public transportation planners, and users, across the country.

It is President Nixon's belief that, given a chance, public transit can be revitalized; that, given the choice, people will respond to enlightened public transportation initiatives; and -- given the incentive -- people will patronize bus and rapid rail systems that provide service, economy and convenience.

What you are doing here demonstrates that public transit can make a comeback in America -- not in the guise it once wore as a "take it or leave it" mode of travel, but as a desirable means of intra-urban transportation.

Since March 1972, when the one percent sales tax made a transit fare reduction possible, demand for public transportation in Fulton and DeKalb counties has increased significantly. While transit systems in most other cities have been cutting back routes, raising fares and losing passengers, Atlanta has effectively reversed each of those trends.



MARTA began operations with 490 buses and a retreating ridership. Today the Metropolitan Atlanta Rapid Transit Authority operates more than 600 buses, with prospects for an 800-bus fleet in the near future.

New radial routes between the central business district and the suburbs have been established, along with additional crosstown and cross-county routes -- making bus travel accessible to more people.

The 60 percent fare reduction was made it possible to ride 30 miles or more for 15 cents, one of the best bargains in public transportation since the Staten Island ferry.

Bus ridership increased 12 percent in 1972 over 1971. But for the 83 percent of transit riders who benefited from the fare reduction, the increase was even more pronounced. Ridership in Fulton and DeKalb counties increased 28 percent between March and December 1972.

The progress of this past year is but a prelude to the still better public transit to come. The 50-mile rail and 14-mile bus rapid transit system that you have on the drawing board will give the people of this great metropolitan center the mobility they need, and the first Federal grant of about \$70 million in support of that system is now in the final clearance process and should be available in a matter of weeks.

This week has taken me from coast-to-coast and border-to-border, focusing on what's great about transportation in America, and looking into the nooks and crannies of our transportation deficiencies. I am convinced that the assets far outweigh the liabilities.

Yet the faults in our thinking, and the flaws in our system, are gnawing at the resources of our land and impairing the efficiency of America's mobility. Some repair work is in order, especially to change transportation practices that too long have traveled apart from environmental, social and community interests. We are hard at work on this repair.

President Nixon is strongly committed to the attainment of a balanced transportation system. One of the planks in that platform is flexible transportation funding for urban systems. When we follow, as a Nation, the example you are setting here, we will achieve the kind of mobility that will do honor to our cities, our society, and our kindred goals of environmental preservation and energy conservation.

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