



DEPARTMENT OF TRANSPORTATION

NEWS

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EXCERPTS OF REMARKS BY U.S. SECRETARY OF TRANSPORTATION JOHN A. VOLPE
TO THE AMERICAN TRUCKING ASSOCIATION, WASHINGTON-HILTON HOTEL,
WASHINGTON, D.C., WEDNESDAY, OCTOBER 20, 1971, 3:00 P.M.

Let me begin by talking for just a moment about our Northeast
Corridor Study Report -- because I think it has real meaning for
transportation people everywhere. The lessons learned here will have
impact throughout the country.

This study is of direct interest to the members of the American
Trucking Association. The theme of the report is future congestion in
aviation and in highway traffic. It concentrates on the mobility of
people but this -- as you know -- has a direct relationship to your
ability to move freight from door to door.

The major conclusion of the report is that work should be started now
to upgrade the existing rail system into a non-reservation, high frequency,
high speed ground transportation system for passenger traffic. We need this
alternative to the highway for private personal transportation. We need to
make high speed rail service efficient, clean, courteous, dependable -- in
short, respected and patronized. Believe me, this will go a long way toward
opening up additional highway space for motor freight -- a mode of trans-
portation that isn't nearly as applicable to alternatives as is the private
passenger vehicle, as you well know.

We foresee in the report that highway congestion in the Northeast Corridor
will, during the coming decade, increase drastically as a result of bottlenecks
in and around the metropolitan areas.

This congestion will ultimately reach such severity that it will affect
both the starting time of trips -- and decisions on whether or not to make
the trip. On the optimistic side, our study notes, however, that the existing
and planned highway network in the corridor area offers good opportunities for
improvements which can alleviate this congestion. These improvements should
certainly help motor freight.

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The aim of one of our highway improvement recommendations is to enable inter-city drivers to select alternate routes if there is traffic congestion ahead.

We are recommending, therefore, the development of a "real-time" information system which will tell drivers what the traffic congestion picture is on the road ahead. In order to provide access to alternate routes, we recommend the improvement of highway networks around the major metropolitan areas -- with construction of additional short sections of freeways and interchanges. The report also seeks the consolidation of some existing highways into a new north-south route which will pass well outside of congested metropolitan areas.

These recommendations, if adopted, should prevent a good share of the anticipated congestion.

We think the recommendations of the report are not only feasible and sound -- but they also show that it's the cost-effective way to go.

To upgrade the rail service, to make it appealing to those many motorists who don't really have to have the convenience of their private passenger cars, we estimate the total cost to be in the area of \$460 million.

The highway improvements -- breaking of bottlenecks, the inter-linking of adequate alternate routes, and the consolidation approach toward a new north-south road -- will cost in the area of \$190 million.

These would be effective improvements -- efficient improvements.

Let me say again that I don't want you to think that I'm completely provincial and that I'm talking about the Northeast Corridor just because I used to live and work at one end and now I live and work down here at the other end.

Because so many people live in the Corridor -- because it is just about the busiest slice of geography anywhere in the U.S.A. -- we feel that if we solve the problems there, we'll be able to find solutions almost everywhere.

There is another theme that is examined in the study -- a theme that is recurring more and more these days. The Northeast Corridor Study finds great inequities in regulatory and taxation policies -- inequities that are working to the distinct disadvantage of some transportation modes.

It urges that the major transportation institutional, regulatory and tax policies be thoroughly re-examined.

The **President's** Cabinet Committee on Economics also suggested similar regulatory changes -- on a nationwide basis.

And our own National Transportation Policy Statement -- issued last month -- also recommends updating regulations with increased reliance on the marketplace. The motives for these recommendations are similar. They seek to improve the efficiency of the various carriers, they seek to improve the financial condition of these carriers, and they also seek better transportation services at lower costs. To achieve these objectives, we have been considering for some time -- as you know -- legislation aimed at modernizing the regulatory system. I don't intend to speculate here today on what the final draft of the legislation will contain.

For two reasons. First, I suspect you already have a fairly good idea of some of the thoughts that are being tossed back and forth. And second, there are still some inputs to be made, some clearances still to be obtained, some more thinking and re-thinking to be done. And in that respect, I want the ATA membership to know that we have welcomed the recommendations of your leadership. Our over-riding goal is, very simply the public interest. But we are convinced that the public interest and the private sector can and will find a common ground.

While I am staying away from specifics, let me make myself clear as to general philosophy. As President Nixon said in his radio-TV address to the Nation on October 7, "1972 can be a year in which the American competitive spirit is re-born -- as we open up new markets, new careers, new job opportunities.

He said, "We are at the threshold of a great new era -- an age of movement and challenge and change. We have an unparalleled opportunity to create a better world for ourselves and for our children."

Gentlemen, we are all fully aware that rocking the boat sometimes makes a few people a little seasick. But if I may continue the metaphor, no sailboat ever moved over waters that were smooth as glass.

The trucking industry must be aware -- as a vital industry that is absolutely necessary to the continued prosperity of the Nation -- that if we are to have competitive equality with the rest of the world we must stimulate the American domestic competitive spirit.

The American economy -- under President Nixon's leadership -- is going through massive change. We are seeking prosperity for all -- and we are seeking it in conjunction with a full generation of peace. This requires sacrifice on everyone's part. It requires imagination, skill, intelligence, ambition, the willingness to give a dollar's worth of work for a dollar's worth of pay.

Management and labor both -- for far too long -- have been spinning off the backside of the wage-price spiral. American business -- American products -- American services -- have, for far too long, been taking a back seat. And as a result, American economic strength has deteriorated to the extent that firm steps had to be taken.

The President's new initiatives were put into effect because the time had come to:

- Increase employment
- Cut the rate of inflation
- Save American industries, and
- Defend the strength of the American dollar both at home and abroad.

The trucking industry knows as well as any other industry that in recent years our economy has weighed heavily on the conduct of war. Your industry knows how difficult it is to seek prosperity in a peace-time economy -- how difficult the transition from war to peace can be when you have been relying, in large measure, on shipments from defense plants, on shipments of the weapons of war. But I trust that you know in your hearts that such a transition must be made.

Right now there are two million Americans who are no longer waging war or earning the wages of war. Three hundred thousand men are home from Vietnam, and 1.7 million men and women are no longer employed in defense plants.

It's a fact that if the war were still being conducted at 1968 levels, unemployment today would be at just about the 4.3 mark. But waging war is not the way to peaceful prosperity. Those two million people deserve something more from this great land of opportunity.

They want to build products for a peace-time economy.

They want to build homes, bring up families, live happy productive lives through a full generation of peace. And I am sure that this is what you want for them too -- and for you own children. We need an economic climate in this nation in which American people build American products.

A climate of rising employment and this is precisely what the President's New Economic Policy is all about.

Nine weeks ago President Nixon announced the most far-reaching series of initiatives to re-vitalize the American economy that the nation has seen in many decades. In doing so, the President called upon all of us to make temporary sacrifices for the common good. He reminded us that hard work is good, that peaceful competition is challenging, and that all must co-operate to succeed. He outlined the follow-on procedures two weeks ago -- telling the Nation what will happen at the end of the 90-day period. He told us then, as I said, that we are at the threshold of a great new era -- an unparalleled opportunity to create a better world.

If we are to have that full generation of peace, if we are to have full employment, if we are to have full prosperity and industrial superiority, then all of us must broaden our minds and our attitudes.

I ask of you no small thing. But I ask it with sincerity and with conviction.

I ask your support for the President, just as I ask for your understanding and cooperation in strengthening the concept of free enterprise.

I know that working together -- not as adversaries but as Americans, not at cross-purposes but at common purposes -- the Department of Transportation and the American Trucking Association membership can contribute, can help, can make this a better nation and a stronger nation.

I thank you for this opportunity to be with you. I am confident that our relationship will continue to be effective in the public interest.

Thank you again.

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