



# DEPARTMENT OF TRANSPORTATION

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**NEWS**

## OFFICE OF THE SECRETARY

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REMARKS BY U.S. SECRETARY OF TRANSPORTATION JOHN A. VOLPE TO THE EMERGENCY CONFERENCE OF NEW YORK BUILDING AND CONSTRUCTION INDUSTRY, AMERICANA HOTEL, NEW YORK, NEW YORK, TUESDAY, JUNE 13, 1972

Transportation is a key item within the construction industry. The movement of people and goods accounts for just over 20 percent of the gross national product. It also accounts for a vast proportion of the construction activity of the Nation.

I might note that just since January of 1969, for example, the Department of Transportation -- through capital grants, demonstration projects, and other Federal aid programs has put some \$271 million into the greater New York City area alone! That's on top of the \$146 million we spend here every year in operating expenses and employment. One hundred and seventy one million dollars came to New York City from the Highway Trust Fund. The FAA has had about \$11 million worth of airport work, and our Urban Mass Transportation Administration has pumped some \$88 million into mass transportation.

And we have taken steps to insure future construction prosperity and growth!

Not too long ago, members of your organization and other New York State officials approached me and told me how strongly many of you felt about the way in which our highway obligations are made -- that is on a quarterly business.

I know many of you in the construction industry have wanted us to grant the total obligation on an annual basis -- all at once at the beginning of the Fiscal Year.

The Governors especially -- including my good friend Governor Rockefeller -- have pushed hard on this. And as I told the National Governor's Conference in Houston last week; I have received approval from the Office of Management and Budget -- and from the President -- to obligate the entire \$4.4 billion this week -- rather than on a quarter-by-quarter basis.

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I know that this will help the states in their highway construction planning. They will know what they will be receiving and will have assurance that no changes will be made from these obligation levels.

We are doing this -- releasing all the money at the start of the Fiscal Year -- because we are confident that the states and the highway officials, with proper planning, will do an even more efficient job of providing highway mobility for the Nation.

We are also equally concerned with the plight of urban transit. You people in New York well know the dimensions of the problem -- the difficulties of commuting, the rising costs of the subway, downtown congestion and on through the whole list of frustration and defeat.

Fortunately over two years ago we recognized the need to respond to this situation and President Nixon sent to the Congress a Bill to relieve the crisis. This landmark legislation -- the Public Transportation Assistance Act of 1970 -- passed with overwhelming bi-partisan support. It provided substantially more Federal funds to assist cities with their transit needs on a long range basis. We have gone from providing \$140 million in 1968 to \$1 billion for the Fiscal Year beginning July 1. We have provided as much Federal money in the last 18 months as had been provided over the previous five years. That's a sizeable jump.

Now we are proposing a complementary Bill that will increase the effectiveness of this Urban Transit Bill. I consider this the single most important piece of transportation legislation ever to come before the Congress.

We are proposing the establishment of a single category of funding -- derived from the Highway Trust Fund -- for urban transportation purposes. Money will be allotted to the cities and states, to be spent at their discretion in the solution of their transportation problems.

They can use the money either for highways or transit. It's their option. We are further proposing that this fund start with \$1 billion a year in Fiscal '74 and increase to \$2-1/4 billion annually by 1976.

And when I say "any and all," that's exactly what I mean. If New York wants to use every one of those dollars for highways, they can go right ahead! On the other hand they may want to use some or part of the funds for transit purposes. Possibly for express bus lanes, or for the new "People Movers" which can perhaps best be described as "horizontal elevators." New York will have the flexibility to use the funds for these purposes.

I know that some of you might be thinking that this would mean an overall cutback in Federal highway money. Well, let's take a quick look at the figures. Let's look at the collective totals of highway fund obligations to the states over the past four years.

For Fiscal Year 1968, the total obligation was \$4 billion, 169 million.



1969, 1970 and 1971 were \$4 billion, 570 million, \$4 billion, 600 million and \$4 billion, 490 million respectively, for an average of over \$4-1/2 billion per Fiscal Year.

That's an increase -- on the average -- of about \$371 million per year. I would hardly call that cutting back!

For Fiscal Year 1972 to date -- through June 1 with a full month to go -- the figure is \$4 billion, 360 million and there's no question that we will exceed the average of the past three years.

Nationally, once our new proposal is in full swing in Fiscal 75, more than \$1 billion additional will be available for obligation and will be obligated not just authorized.

This proves conclusively that we aren't declaring a moratorium on highways or transportation. This proves conclusively that we want to provide the flexibility in Federal aid transportation funding that all of us have been seeking for so many years. New York State and its major cities will be able to use those dollars as they see fit.

The most exciting part of this story of the future of transportation and construction, however, is not in figures or projections. It is rather, in the new systems that will be built in the decade to come. Ten days ago at Dulles International Airport outside of Washington we rang down the curtain on the most spectacular transportation exposition ever held anywhere -- TRANSCO 72, which was a showcase of the vehicles and systems of tomorrow. We had Tracked Air Cushion Vehicles; a new monorail system; other People Movers; modern highway construction machinery; Experimental Safety Vehicles; and a variety of other vehicles -- with some really new plans involving less pollution, less noise, and more travel ease and comfort. These were supported by exhibits of hundreds of supporting systems. The days I spent out there getting a glimpse of our world of tomorrow were some of the most exciting of my life. Gentlemen, we have before us a great future of new technology and growth and this exciting future will require new and imaginative building and construction endeavors. I envy you younger men who are just beginning. I wish I, too, were starting all over again.

I do not want to leave the impression that transportation construction is concerned only with ground transportation. We are also very actively helping our cities and towns expand and upgrade their airports.

One of the most immediate problems I inherited when I took over nearly four years ago was the explosive growth of aviation. Air travel and air freight were expanding faster than the airports and airways which served them. As a result we prepared for President Nixon a comprehensive Airport-Airways Bill which he submitted to the Congress, which set up an Aviation Trust Fund derived from charges placed on those who use the aviation system. This Bill was passed with overwhelming bi-partisan support. As aviation grows and air



travel increases, the special fund will grow accordingly. Under this new law, we have been able to step up airport improvement and construction. In fact, we've doubled it. That's twice as much money being pumped into the states for meeting the growing needs of aviation.

I have been talking about what we in Washington have been doing. I would like for a minute to talk about what you men in the construction industry have been doing here in New York.

You have, first of all, held this meeting wherein management and labor are discussing mutual problems. This is highly commendable. This is the way to progress.

Your industry has also moved forward in the area of minority employment. I am aware of the many questions within the industry in this matter but anyone who knows the true facts -- anyone who has taken the time to learn the true story -- knows you are making tremendous progress. You are doing the right thing -- the proper thing -- and I want to commend you.

I cannot stress too highly the importance of these advances by private organizations such as yours. And I say this as a former card-carrying union plasterer -- as a former businessman, former builder and contractor and as an officer of the United States Government -- but most of all as a concerned American citizen.

The program and activities of government are important to our progress but they are minimal beside what we Americans do as individuals. We have grown and prospered not because of what government did, but because of what people did.

Henry David Thoreau observed long ago that "The character inherent in the American people has done all that has been accomplished by the United States in the cause of mankind." And I believe the character in our people is no less strong today. We are an unselfish people inspired by a tradition of service.

So let us not be undone by the passions of the moment. Let us rather -- calmly and coolly -- examine and test our progress.

You can be sure your resolution and determination is being matched by President Nixon in Washington. I do not have to tell you of the tremendous breakthrough in international relations he achieved through his visit to Moscow and his Summit Conference there. The many agreements -- 10 in all -- have given us all new confidence in the future -- new assurance that we shall achieve the generation of peace and prosperity for all men of all nations.

There's still much to be done, yes. But compared to where we were a few years ago -- compared to man's age-old state of poverty, ignorance and ill health, we have done much. We can be proud. We have helped. Whether the challenge lies in transportation, in housing, in the overall range of huge urban problems -- or in the very real problems that confront rural America -- this Nation is on the right track.

I solicit your help in keeping this Nation on track; I solicit your well-known ability to reason sharply, to estimate accurately, to construct boldly.

I could think of no finer or more responsible group to bring this message to.

As this Nation moves ahead into times that are filled with change, we must re-dedicate ourselves to being architects of proper change -- rather than victims of disastrous change.

Knowing this industry -- knowing you men -- knowing the traditions that reach down to bedrock -- I am confident that we can count on you in these times of stress, change, and opportunity.

Again, my heartfelt thanks for inviting me to be with you this evening.

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