

U. S. Department of Transportation news:



Office of Assistant Secretary for Governmental and Public Affairs
Washington, D.C. 20590

STATEMENT OF SECRETARY OF TRANSPORTATION BROCK ADAMS ON TRANSBUS April 27, 1979

It is extremely disappointing to hear American industry tell the elderly and the handicapped that it will not build the bus of the future that can and should be produced in this country.

Transbus has been under development since 1971. It can be a practical solution to the public transit needs of our cities. We will go ahead with the bid opening on May 2 and hope that at least one manufacturer makes a proposal. If they do not, then years of honest and open effort, in which the major bus manufacturers were full participants, will be lost.

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I urge all solvent railroads operating in the Milwaukee's region to participate in solving the crisis. We will offer our assistance to the Trustee and interested railroads for the purpose of negotiating purchase and transfer agreements.

We will urge Congress to pass the Administration's rail legislation which will include authorization of \$250 million in new budget authority to fund the program in Fiscal Year 1980.

Finally, we will urge the Court and the Commission to proceed cautiously in the areas of embargoes and directed service orders. We believe all parties can work together to insure that essential rail services are maintained and that the cost to the taxpayer is as low as possible.

When I announced the Administration's proposal to deregulate the freight railroads, I pointed out that the nation's rail system has reached a crossroads. We can fall into the mistake of providing heavy long-term subsidies to the industry and thus begin the slow process of nationalization, or we can create a framework in which the railroads themselves come forward to provide innovative solutions. More than anything, I view the Milwaukee crisis as a challenge to the private freight railroads themselves to show that they can work together to address a common problem. I look forward to working with them to solve this problem.

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