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REMARKS PREPARED FOR DELIVERY BY SECRETARY OF TRANSPORTATION BROCK ADAMS, TO THE CHICAGO MARITIME COUNCIL, GREAT LAKES MARITIME DINNER, CHICAGO, ILLINOIS, MAY 15, 1979.

We are celebrating during this National Transportation Week the 20th anniversary of the St. Lawrence Seaway -- truly one of the 20th century's most remarkable and farsighted engineering feats.

On my way out here, I remembered one of my favorite stories about the British statesman John Burns.

He was showing some visitors from the United States around London, and he became a little irked when they did not seem properly impressed with the River Thames.

So he stood on the steps of the House of Commons, pointed to the great river, and proclaimed that: "The St. Lawrence is water, and the Mississippi is muddy water, but the Thames is liquid history!"

And indeed it is. The history of London and of all England is, to a great extent, the history of the Thames.

But here on this side of the Atlantic, there is no clearer picture of the "liquid history" of North America than that provided by the eight states and two nations whose common boundaries are the Great Lakes.

Unlike Winston Churchill's famous pudding, the region of the Great Lakes -- in both the United States and Canada -- has a very distinct and definite theme. That theme is commerce.

The Great Lakes and the St. Lawrence Seaway are the ties that bind the heartland of North America to the commerce of the world. It is the fastest growing of all the world's trade routes. And there are good reasons for this.

Along the 1350 miles of this continent's fourth seacoast, we find concentrated industrial development; access to transoceanic shipping routes; proximity to the vast agricultural heartlands and the major urban centers of the American mid-continent; and a store of natural and man-made resources unsurpassed on this, or any other continent.

Within a 300-mile radius of the port of Chicago, we find the source of 33 percent of the gross national product of the United States.

Not since the time of Marco Polo has a single trade route laid open such a diversity of commercial wealth and natural resources.

Yet because of the diversity of the Great Lakes region, we also find here a sharper-than-average portrayal of the prime social and economic conflicts of our day.

There exists within this region a constant need and a steady pressure to maintain -- and, in some cases, to restore -- the delicate balance between the necessities of economic progress and the demands of social and environmental preservation.

These are natural combatants in a society which has gone --in little more than half a century -- from roughly 70 percent agricultural to more than 75 percent industrial.

Yet the knowledge that this conflict between commerce and conservation, progress and preservation is a natural phenomenon does not make the demands easier to meet or the decisions easier to make.

To a very great extent, the future of Great Lakes commerce depends on our ability to deal with some of the problems that exist here and now, and to ward off potential problems <u>before</u> -- rather than after -- they become crises.

There can be no more serious problem today than our lack of a ready and reliable supply of energy.

Aristotle once noted that "it is possible to fail in many ways ... while to succeed is possible in only one."

The problem is that I don't know -- and I don't think anyone knows -- the price people will pay before they're willing to change their lifestyle. I believe we're beginning to see some shift, toward public transit for example, but as long as people feel that getting gasoline is more important than what that gasoline costs it will be very difficult to achieve any significant degree of voluntary conservation.

What, then, can we do to avert a mobility crisis?

For one thing, we can avoid being sidetracked by secondary issues such as Amtrak cuts. Amtrak may be a future system but right now it is not an energy-saver because it isn't used efficiently or by very many people.

As you know, I have proposed a 43 percent reduction in the Amtrak network, to take effect next October, for the simple reason that after seven years of experimenting and paying more and more tax money for each passenger, people still don't ride the present system in enough numbers to make it worthwhile.

The Senate Commerce Committee has upheld the plan I submitted because it found as I did that rail travel has little if any perceptible effect on gasoline consumption, and that in its present condition Amtrak is benefiting one percent of the taxpayers at the expense of the other 99 percent. Under the existing fare structure, for example, it would be cheaper to buy a Chicago to Seattle passenger a \$170 airplane coach ticket and two drinks than pay the \$178 taxpayer subsidy required to operate the train.

The north coast Hiawatha cost the taxpayers \$18 million last year, since passengers paid only \$6 million of the \$24 million it cost Amtrak to provide the service. therefore, I have recommended that the Hiawatha be dropped. Spokane will continue to be served by the Empire Builder, running between Chicago and Seattle. This train has a better passenger—mile per train—mile record, and it gives tourist access to scenic areas and provides important all-weather service along the northern border of our country. I've also asked the bus companies to work out joint ticketing with Amtrak so that all can be served.

As for the energy savings that have been attributed to Amtrak, they are over-rated. A Congressional Budget Office report concludes that only the Boston-Washington route is energy-efficient, because it is largely electric-powered, and that even if Amtrak got new equipment and filled its trains, under the present system any real energy savings would be negligible.

There are two areas where I believe we can; and must, do a better job to guarantee the American people their mobility at energy costs we can all afford. These are public transportation, and a fuel efficient car.

Mass transit isn't going to <u>displace</u> the car in our society, but well-conceived transit systems can replace much of today's commuter traffic. We're seeing something of a shift already. Texans, for example, are proud of their cars and very possessive of their driving rights, but cities down there are passing mass transportation subsidies at a surprising rate. We're getting separated bus lanes in more cities and we're filling urban grant requests as fast and as fully as funds permit.

Here in Spokane bus ridership increased nearly 17 percent in 1978, with ridership the first two months of this year up 34 percent over the same months in 1977. Operation of your spanking new advance design buses -- the first in the Pacific Northwest -- should increase transit use even more.

In the last  $2\frac{1}{2}$  years we have approved something like \$5 billion in federal transit grants to more than 400 communities. We're trying to produce acceptable alternatives to the automobile, because we can't continue to depend on the private car for 90 percent of all the passenger miles traveled in this country. We have to begin equalizing the balance between public transit and the private car, because as you are now seeing with even a small gas shortage a shift of even 10 or 15 percent overloads the transit system in most cities.

So we have to move people to carpools and vanpools, and to buses, light rail and people-mover systems, and then to subways as all those various systems come on line. What we really have to get away from is the one person/one car concept for the daily commute. Fifty-eight percent of the workers coming into the District of Columbia, for example, drive alone. We're trying to change that. Over 90 percent of the spaces in the Department of Transportation garage are now allocated for carpools, and the President's recent order eliminating low-cost parking for all government employees will add a strong economic incentive to carpooling throughout the federal workforce.

We know that people will shift (1) when a public system is convenient and attractive. Ridership has been good and is growing rapidly on Washington, D.C.'s new Metro rail system. And they will shift (2) when they are forced to by circumstances. Los Angeles area transit buses, for example, have been operating at close to capacity during the commuter hours and the "commuter computer" service in that city has been getting 600 calls a day since the gas lines began forming.

So we have to do more with transit. The second big energy payoff depends on our success in building and marketing super-efficient automobiles.

That's why I have urged the automakers to look beyond the  $27\frac{1}{2}$  miles per gallon industry standard specified for 1985, to cars that will deliver 40 to 50 miles per gallon.

As I have said before, I don't buy the theory that economy doesn't sell cars. The cars with the best mileage capabilities are in heavy demand today; dealers can't get enough of them. Fuel-efficient diesels are bringing premium prices, and there are waiting lists for many of the highest-mileage small cars.

When I say I want to "re-invent" the car, I mean that we must improve on the automobile as a means of personal mobility. That means we have to change industry thinking on the car -- from big to small, from a performance image to an economy image; and, in the process, make passenger safety and low emissions "standard" equipment, not "options."

My talks with industry leaders have reinforced my feeling that america's automakers have not been sufficiently oriented toward basic research. The biggest companies think in terms of so many millions of units per year and worry so much about the consequences of a mistake like the "Edsel," that they do not move. The smaller American companies are afraid to take chances, and so they wait until the bigger companies have acted. They are each structured for gradual, methodical progress and when you try to turn them in a new direction it's like moving a 9,000-pound elephant.

That's the gap I'm trying to fill by focusing on likely areas for basic research, involving the universities, government, private technicians, and anyone else who has an idea for a better engine, or powertrain or new way of doing something. I think we can do this and also work with the auto industry, and together we'll come up with a breakthrough.

I am so confident that we can retain our individual mobility, and still reduce our dependence on imported oil that last year I put a task force to work on the problem. We held a major conference in Boston in February, attended by 700 of the world's leading experts on automotive technologies, for the purpose of identifying the directions we should take to promote greater driving economy.

Later I went to Detroit, meeting with auto leaders and touring their research facilities.

Last month the House and Senate Commerce Committees held hearings on the subject, and this week -- on Friday, in fact -- President Carter and I will be meeting in Washington with the chief executives of the auto industry to determine how we change our ways of doing things so we can preserve our personal mobility in the 1980's and 1990's. This is the "summit conference" we have planned for some time, and I expect that it will be followed by a basic research agenda with the resources needed to move the program forward.

I believe we can do it. I believe we can weather the energy crisis and avoid a mobility crisis. We will have to make adjustments in our transportation habits and in our transportation systems, but we can preserve the national economy. In fact, if we do the job right, the shift to greater energy efficiency may help our cities, produce new transportation choices, and increase productivity in the business community.

If we are successful, we can enrich America's reputation for transportation proficiency, and assure the strength of our economy.

This is not, after all, the automobile industry's problem; it's the nation's problem. It's time we all joined in producing a solution, instead of contributing to the problem like the owner of the van who filled his tank at a Southern California station and then proceeded to also fill up two 50-gallon containers. A sticker on his van said: "I am an American."

That's neither the image we want or the attitude that will work. We will survive the energy crunch when we devote as much time and effort to saving fuel as we now give to consuming it.

I'm glad to have been with you today. I am gratified by the excellent turn-out for this meeting, and I appreciate your interest and concern.

Thank you.