

# U. S. Department of Transportation

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TALKING POINTS PREPARED FOR DELIVERY BY U.S. SECRETARY OF TRANSPORTATION NEIL GOLDSCHMIDT, BUILDING AND CONSTRUCTION TRADES, WASHINGTON HILTON, WASHINGTON, D.C., MARCH 31, 1980

It is an honor and privilege to speak to the building and construction trades and to be on the dais with the President of the United States.

Yours is a group that knows better than most how serious is the threat of inflation and energy dependency on foreign countries. For yours is the union that has literally built this nation--and you feel just as strongly as the President the danger that inflation and foreign oil may tear down all that we have worked so hard to construct.

These two issues--the cost of foreign oil, which we do not control, and inflation--are directly linked. That's why the President's program attacks the two problems together.

First is energy policy.

We must be determined to re-gain our energy independence from foreign, even hostile oil producing nations. The right to determine the policies of this nation belongs solely to the people of this nation. We cannot allow our dependence on foreign oil to leave us vulnerable to their blackmail. After 10 years and two ineffectual Republican Presidents, President Carter has succeeded in putting into place this country's first energy policy to safeguard our energy security.

Second is the economy, because we must protect our economy from the shock-waves that hit whenever oil prices are raised by OPEC. Those of you who do the roadwork that uses oil-based materials know what has happened to those costs. It's not labor that's responsible for that inflation, it's the materials. But when we hold down oil imports, we hold down costs for materials, and that means more jobs for Americans.

That's the same reason we must join together to combat inflation. When you read about inflation in the papers, it sounds as if the President is worried about "the economy." It's not "the economy" that's the issue, or even inflation: The issue is what inflation's doing to the working men and women of America. This issue is the jobs that are being lost because the cost of materials is going through the roof. The issue is the invisible tax that inflation places on the backs of our people and particularly those least able to afford it.



The way to solve these problems is the old fashioned American way--with self-discipline, self-restraint and self-reliance. The way to solve these problems is by balancing the budget and making our spending really count--producing more energy here at home and making sure our transportation system is safe and efficient.

In the short term there will be pain. Balancing the budget means spending less. But we should not let the short-term pain obscure the long-term gain.

Today, inflation is our common enemy; and it will take common effort to control it.

But I am confident that we can and will win this battle--and that we must look beyond our fight against inflation to the promise of America that lies ahead. For we still have before us the work of finishing and preserving our nation's transportation system. In the remainder of this century, our country has plenty of work to do to build and re-build the multi-billion dollar system that keeps our economy and our people on the move:

\* In the decade before us, we are committed to spending \$50 billion for transit improvements--aiding in our energy security and guaranteeing mobility for Americans regardless of the cost or availability of oil. We will go to work to modernize the old systems, make additions to growing systems and even build some new ones.

\* Our highway system faces even more massive needs. The Department of Transportation has estimated that 20 percent of all bridges and arterials in this country are deficient in some respect. It could cost as much as \$20 billion to make the needed repairs. Just maintaining the trillion dollar investment we have in the interstate system would require a continuing \$950 million per year program. And the cost of finishing the Interstate system--which we are firmly committed to do--is now estimated at over \$50 billion.

We have these needs at a difficult time for the highway system. For the first time in our history, this year revenues to the highway trust fund were programmed to be less than expenditures--we were going to spend more than we would take in. The long term health of the highway system demands that we re-evaluate and re-structure the trust fund to remedy this problem. And so we are prepared to open hearings this year--and we welcome your participation--on ways to re-structure the trust fund to ensure that we will have the dollars needed to keep our system safe and in top condition.

\* The capital needs for the nation's railroads are huge as well. We have estimated that \$40 billion must be spent on the capital needs of the railroads--and that \$16 billion of that is money that the railroads simply do not have under current operating conditions. And yet we know how critical a healthy system of railroads is to this country --to move the coal that will help us earn energy security and to move the goods to market, particularly those we export. And so we are looking at investments that will make the railroads more efficient and more productive--not only along the line, but at the terminal cities where the rails meet the water.

\* To modernize and improve our nation's airports we estimate a capital need of \$4 billion over the next five years. Matching funds should boost that figure to almost \$5 billion.

This is America's outstanding capital bill--the work order we are waiting to fill.

It holds the promise of jobs for the working men and women of this country and it is the blueprint for our nation's strength.

It is work that we will do--once the task of beating inflation has been accomplished.

For inflation threatens to make our wealthy nation capital poor, devaluing our labor and driving the cost of these projects beyond our reach. Once inflation has been checked, the investments we make in these--and the other capital projects that are outstanding--will be sound and strong and true in value.

Because this President is firmly committed to the foundation that undergirds the house of labor, let us not lose sight of the work he has done and the battles he has fought on behalf of and along side of this country's working men and women.

\* It was Jimmy Carter who put over 9 million Americans to work; he added more jobs in three years than any other President ever added in four.

\* It was Jimmy Carter who brought inside the government people who understand the issues that affect labor; and I can tell you, after serving alongside Ray Marshall, he's one of the best.

\* It was Jimmy Carter who finally put OSHA to work to eliminate the dangers of the workplace--because he believes no worker should risk his or her life to hold a job.



It was Jimmy Carter who fought for labor law reform and common situs picketing--and is determined to renew that fight.

\* And it was Jimmy Carter who has said emphatically that any attempt to repeal Davis-Bacon will be met by a firm and resounding Presidential Veto.

We are living a time of change, a time of national decision. We are not only building America anew, we are writing a new chapter in this nation's history books. The challenges we face in energy and the economy can be met; we have taken on these issues in the past and emerged from the test even stronger: That is the history and the heritage of America. With the help and support of labor, we will do it again. Now is the time to join together in a common effort that will mean a strong economy and a strong America.

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