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ELIZABETH HANFORD DOLE
WOMEN'S BUSINESS OWNERSHIP CONFERENCE '84
ORLANDO, FLORIDA
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I'm pleased to see so many women business owners from Florida and other parts of the country gathered together for this event. Knowing how time-consuming a commitment you make to your own businesses, I am doubly glad you could be here today.

I'm delighted to see Governor Bob Graham, and to be here in Senator Paula Hawkins' home state -- because Senator Hawkins was one of the organizing sponsors of the Administration's Job Training Partnership Act and fought successfully to see that the special employment needs of women were included. Thanks largely to her efforts, \$100 million was designated under amendments to that Act for vocational education for women. Senator Hawkins is a real friend of the working woman, the displaced homemaker and all women competing for a place in today's business world.

The presence of so many women business owners in this room is a powerful statement of something you and I have always believed. Namely, that women share the American dream to own and operate their own businesses. Indeed, each year thousands of women enter the business world through the portals of small businesses. They go on to contribute to the growth of products, services and employment. And in the process, they propel this country even closer than ever before to the social and economic opportunities that complement and enhance legal equity. You represent the three million women entrepreneurs whose businesses generate over \$40 billion in receipts.

I am truly honored to be here today among such a distinguished group of natural allies in what I like to call America's "quiet revolution," the tidal wave of qualified and talented women who are entering the work force in record numbers. According to Janet L. Norwood, Commissioner of Labor Statistics, "The dramatic increase in the participation of women has been the most striking change in the U.S. labor force in recent decades." More than half of all American women now work, a significant shift from 20 years ago.

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The impact of this change has been tremendous. The number of women receiving masters degrees in business administration has soared by 2400 percent in the last decade alone. In my own experience, I have seen the number of women entering Harvard Law School increase from 4 percent when I was there in 1962, to 40 percent today.

Between 1960 and 1980, the proportion of women in the professions increased from 38 to 46 percent. The number of women managers doubled from 14 to 28 percent. By 1980, one in every 12 working women in the private sector owned her own business. These changes in the female labor force exemplify a continuing and increasing change in female entrepreneurship. What's more, businesses owned by women are the fastest growing segment of the small business community, increasing at a rate five times faster than those owned by men.

It's fascinating what's happening and I don't think the ramifications have been fully realized yet. By 1995, more than 90 percent of all women between the ages of 25 and 34 are expected to be working.

All this would not be possible without a strong national economic base. For no business can thrive unless it can plan for a healthy future. America's economic recovery is now firmly and broadly based. It has grown more strongly than almost anyone predicted. In fact, 1983 wasn't just a good year for the economy; it was a year many thought couldn't happen at all, or at least not before the 1990s. It was the first year in more than a decade with so favorable a combination of consistent growth, low inflation and falling unemployment.

The good news on inflation continues. The Consumer Price Index rose 3.2 percent in 1983, the lowest annual rate since 1967. The latest figures on economic growth suggest a recovery fast turning into expansion. The Gross National Product in the first quarter of this year grew at an annual rate of 8.8 percent, exceeding the most optimistic forecasts and, I might add, with no speed-up in inflation. The nation's leading economic indicators have increased monthly for 19 of the last 20 months. Business investment plans for 1984 show continuing confidence. In fact, all the leading indicators point to still more growth in the months ahead. The drop in unemployment has been no less dramatic, from 10.7 percent to 7.5 percent in just 17 months.

But the quiet revolution of which I spoke earlier -- that growing reliance upon the skills and experience of working women -- is not the only challenge to the economic status quo. No less revolutionary is the growth of the small business community itself, and the rebirth of the entrepreneurial ethic in this country among whose greatest ideas and most striking advances have historically been the work of individual risk-takers.

The numbers alone are impressive. According to the New York Times, between 1977 and 1982, Fortune One Thousand companies actually gave up some 1.5 million jobs. Yet other firms -- the vast majority of them classified as small businesses -- added 8.3 million jobs to the economy.

You and your firms comprise a vibrant part of the economy. Personally, you are serving as role models for a new generation of women who will find their way into the business and professional worlds easier because of your efforts.

To aid women in business, the Reagan Administration has created a three-point National Initiative Program. First, there is the Advisory Committee on Women's Business Ownership, headed by Angela Buchanan Jackson, former Treasurer of the United States. The Committee's 15 members are holding hearings about the problems that women business owners encounter. If you have any suggestions for the members, please write them, or talk with Jean Hailes, who is here today. Your perspective is invaluable.

The second part of our initiative is the Interagency Committee on Women's Business Enterprise, comprised of high-level Federal officials representing the various departments and agencies. They have been charged with making certain that in its dealings with women-owned businesses, the Federal government sets an example for private enterprise.

A series of national conferences for women business owners, co-sponsored by private sector groups, is the final part of our initiative. These gatherings are designed to help women acquire management skills and compete more effectively in the business world. They recognize that in today's evolving economy, information is almost as vital a part of doing business as capital.

Conferences like today's have already been held around the country -- from Somerset, New Jersey, to San Francisco and New York, where President Reagan addressed the group. I'm encouraged by the results already chalked up.

In Atlanta, for example, local businesses agreed to publish, at their own expense, a directory of women-owned businesses for the state of Georgia. And several banks established a hot line -- with a number for women to call to learn about everything from the availability of venture capital to where to obtain help in drawing up a contract.

Here in Florida, the Private Sector Committee has been working with the SBA right from the start on this Conference. And members of the Women's Business Ownership Educational Conferences of Florida will build on this event by promoting similar conferences throughout your state without any further governmental involvement.

Within the Department of Transportation, we have had a Women's Business Enterprise Program in effect since 1980. It works the same way as our program for minority businesses. States and agencies which receive financial assistance must set goals for the use of women-owned businesses, just as they must set goals for minority businesses. It is our policy that improving opportunities for women-owned businesses is as important as similar efforts for minority businesses and our program will continue to reflect this commitment. The Women's Business Enterprise Program, which is still growing, helps women business-owners share in the many programs funded through the Department of Transportation.

Women-owned businesses participate both in contracts awarded directly by the Department, and in contracts awarded under our grant programs to state and local transportation agencies. Women business owners may obtain counseling on how to contract with the Department from our Office of Small and Disadvantaged Business Utilization, as well as at national and local procurement and business opportunity conferences sponsored by private and public organizations. Women business owners may

be eligible for special short-term lending and bonding programs, sponsored through a national network of 12 Program Management Centers established by the Department. And we rely upon women-owned businesses for help in achieving many of our transportation goals. One such firm is conducting safety testing of cars.

Women-owned businesses are also finding a place in the Federal highway program. The Surface Transportation Assistance Act of 1982 increased the gas tax by a nickel-a-gallon, permitting record increases in highway repair and construction spending. The Act also set a national goal of disbursing at least 10 percent of Federal highway and transit funds to disadvantaged small businesses. Under the criteria set by Congress in the Act, women -- as a group -- do not automatically qualify as disadvantaged business owners. However, if a woman demonstrates social and economic disadvantage, she can qualify.

During fiscal 1983, states receiving Federal Highway Administration funds awarded \$255 million in contracts to women-owned businesses. That was up about eight percent from the previous year. Agencies receiving funds from the Urban Mass Transportation Administration awarded \$48 million in contracts to women-owned firms. The Department, in its direct procurements, distributed \$26 million to women-owned companies in fiscal 1983, almost double the amount awarded the year before.

Here in Florida, the State Department of Transportation set a goal in the beginning of the 1984 fiscal year: to award two percent of Federal-aid highway contracts to women-owned businesses. According to the Florida Department of Transportation, as of April 30, the state had already awarded \$15.9 million in contracts to women-owned businesses -- over 20 percent of Florida's 1984 Federal-aid highway funds.

Women in the 1980s comprise a diverse group with varied interests. Some, like you, seek their own careers in business. Some run for political office. Others focus on the home and family. Some seek to do all these things. They are members of a growing group called working mothers and their days often resemble a script from "Mission Impossible." No role is superior to another. What's important is that every woman have the right and opportunity to choose the role she wishes. And whether the choice be career, homemaking, or both -- the Reagan Administration is trying to help in many different ways.

That's why the President's program has struck hard at the so-called "marriage tax" which unfairly penalized working women. As a result, two-wage earner families with a combined income of \$30,000 can expect to keep an extra \$375 this year alone. Business owners who are married women can reap even greater benefits from this change. Since most of your businesses pay personal, rather than corporate taxes, you have more money to invest or save. Women-owned businesses have also been aided by the accelerated depreciation schedule established in the 1981 tax reform law.

The Administration has been outspoken in seeking pension reforms to treat women more fairly. We went to the Supreme Court to argue against pension benefit schedules that treated men and women differently. Among the legislative reforms we have endorsed is a provision acknowledging that women generally begin working at an earlier age than men. It would enable those now entering the work force to begin pension participation at age 21 instead of 25.

Nor is that all. Millions of women, both homemakers and those in the work force, stand to gain from the virtual elimination of the estate tax, another highlight of the Reagan 1981 tax reform law. It permits a surviving spouse to keep a small business or farm instead of having to sell it to pay the taxes. Women, especially those in low or middle income families, benefit no less from substantial increases in tax credit for child care expenses.

As women committed to the free enterprise system, you recognize that government -- any government -- can only do so much at the top. Our efforts, to be successful, must infuse every agency, every department and ultimately, every manager and planner. When I arrived at the Department of Transportation, I asked how many of our employees were women. I was told 19 percent. Then I asked, what was the percentage when the Department was established in 1967? The answer: 18.5 percent. What's more, women in upper grade positions make up only one percent of the entire Department's work force. It didn't take long for us to design a program to change all that. Now we are helping more women enter our work force, and we're preparing more women than ever before to assume managerial responsibilities and to broaden existing skills -- for example, to become air traffic controllers and move into higher paying jobs. Many of my closest advisors, office directors and Administrators are capable and talented women.

In a Department of 102,000 people, that vision of change is indeed a challenge; it takes many women to move that female percentage up even one point. But we are totally committed to the task.

We are also proud of what we're doing to assist women-owned businesses in competing for Federal contracts and sharing in Federally-assisted programs. We depend heavily on the private sector, now more innovative and responsive than ever before because of the new perspective, vigor and dedication you bring to free enterprise.

"The American dream of human progress through the freedom and equality of opportunity in competitive enterprise," President Reagan has said, "is still the most revolutionary idea in the world today." And he correctly adds, "It's also the most successful."

The spirit of enterprise is sparked by small businesswomen with big ideas. Barbara Proctor grew up in Black Mountain, North Carolina, in a shack with no running water or electricity. Through sheer determination, she earned a college degree in three years and went on to become the first black woman in advertising in Chicago. Barbara Proctor quickly rose to the top of the company, then started her own business, Proctor & Gardner Advertising, with an \$80,000 loan from the Small Business Administration. That was 1970. Her company had \$13 million in billings last year. Barbara Proctor serves on numerous Boards of Directors, has received countless awards and has been cited by Business Week as one of the 100 top businesswomen in America.

Words like unachievable, unattainable, impossible and unimaginable have never been part of the American businesswoman's vocabulary. And it shows. Your success not only speaks well of the American system, it strengthens it. I am proud to have participated in this Conference which promotes a commitment to excellence that spans 52 weeks of the year -- the year of the female entrepreneur in an economy more than ever dependent upon her for its progress and its potential. Together, I have no doubt, we will realize both.

Thank you very much.