



**News:** 

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REMARKS PREPARED FOR DELIVERY BY
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NATIONAL BUSINESS LEAGUE
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It is a distinct honor to join you in celebrating the 84th anniversary of the National Business League. I appreciate the spirit of cooperation you have shown me, first as Assistant to the President for Public Liaison, and now as Secretary of Transportation. If I leave you with no other message today, I want you, C. J. Patterson, and other members of the NBL to know this. I understand that the National Business League stands for a strong economic foundation for Black America and my heart, my mind and my door will always be open to you.

During the last 200 years America has undergone major economic, social and political changes which profoundly affect the way we live and think. The questions may change -- the strategy may change but the goal remains the same -- equal access to jobs, education and the political process, and economic independence. Over the years the work of the NBL has always been in the forefront of Black progress. Today as you prepare to elect your 12th national president, I am certain that you will not only continue but strengthen "serving a legacy toward self-sufficiency".

A headline in the publication <u>Mainstream America</u> asks: "Who speaks for Blacks in Business?" That question reminds me of the <u>NBL's legacy</u> of leadership. I thought of Berkeley Burrell tirelessly promoting the cause of minority business enterprise until the day he died. As an early member of the President's Advisory Council on Minority Enterprise, Berkeley Burrell was an architect of the modern minority business enterprise program. I recall the dynamic personality of Ted Hagans, and his willingness to give extra of himself for the good of minority business. These great leaders, like many of you in this room today, understood the wisdom of your founder, Booker T. Washington who said: "... without a solid economic foundation, it is impossible ... to make enduring permanent progress ..."

Ladies and gentlemen, as I look around this room and see so many familiar faces — people I've had the privilege of working with over the years, I say: you pay the price — often higher than demanded of others; you take the risks in the marketplace; you show courage in the face of adversity, determination against seemingly insurmountable odds and you deserve a lion's share of the credit for a Black America on the move and participating in a growing national economy. Blacks today are gaining strength from our economy, with an annual inflation rate of about four percent, and from interest rates far below the 20-plus percent of four years ago. Our expanding economy is generating jobs at a rate of about 300,000 a month. In the months since the end of the recession, this economy has generated over six million jobs. One in six of those jobs has gone to Black Americans.

We must do more. We must be bold in our search for new solutions to old problems such as the aging of our inner cities. For example, we have been vigorously seeking Congressional approval for the enterprise zone experiment. We would like to test it in cities all across America. Businesses in designated zones would be relieved of many tax and regulatory burdens, producing incentives for new business and new jobs. Although not a comprehensive answer to the problems in our inner cities, enterprise zones offer real hope for the mostly minority communities trapped at the bottom of America's economic ladder, in the heart — the often forgotten heart — of our cities.

Our challenge, mine and yours, is to use the tools provided by the Administration to strengthen that economic foundation for Black America. As President Reagan once stated: "I believe what Black Americans need more, or most, is more opportunity, more enterprise, a bigger cash box and economic emancipation."

We have made a good start in education. I was involved at the White House in shaping the President's Executive Order on historically Black colleges and universities. As Secretary of Transportation I am deeply committed to giving life and relevance to such a statement of official policy. In keeping with the President's directive, DOT increased its fiscal 1983 awards to Black colleges and universities by 69 percent. This is not just another statistic, it represents bringing Black America's long untapped resources into the marketplace.

For example, we want to assure minority employment opportunity in aviation-related professions. To accomplish that goal I will announce within 30 days a one-time grant of \$2.25 million to a minority institution for establishing and supporting an airway science curriculum. The Federal Aviation Administration is reviewing 15 proposals from schools in nine states, Puerto Rico and the District of Columbia. This unique grant will assure minority participation in aviation-related technical fields.

We are also doing everything we can to encourage stronger working links between Black colleges and universities and business. For example, DOT recently awarded a contract to a minority-owned CPA firm, to provide technical assistance to historically Black colleges and universities with DOT contracts. Our goal: to help those colleges improve their ability to respond to DOT accounting and reporting procedures and at the same time promote minority business enterprise.

Of course, this program is only a small but, I think, a significant part of the opportunities surfacing in transportation today. I view these changes as tremendously positive with an immediate effect on the expansion of the Black economy -- not only for the jobs and business opportunities that will be created, but for the economic benefits that come when any horizon is broadened and the quality of life improved.

But today's minority businessmen and women are reaching far beyond the basics of good education to grasp new opportunities never dreamed of a few years ago. I pledge you my support in one important realm for minority business -- Federal contracting.

Between 1983 and 1985, we expect the Federal government's purchases of goods and services from minority-owned businesses to total \$15 billion. That may be a conservative goal. The minority share of Federal procurement dollars can be as high as all of us, working together, want to make it. And the kinds of services contracted are as diverse as the interests of minority entrepreneurs. In my own Department, a Blackowned firm is performing a \$20 million contract for computer work for the FAA and another is building a tug boat for the U.S. Coast Guard -- the first ever built by a minority firm. I'm proud to say that the christening of this tug boat November 2 will take place right here in California -- San Diego. Minorities are participating in dynamic expansion of the air space system. For example, I recently announced a \$163.3 million contract award for 137 new-technology radar beacon systems. It includes an option for another 59 units for an additional \$57.8 million. This highly technical equipment will give controllers more accurate position information. This contract will mean substantial improvement in air space management and at least 10 percent of the work will be subcontracted to small and disadvantaged businesses.

We are also broadening the base of minority participation in Federal contracting in the 8(a) Pilot Program we are conducting with the Small Business Administration. Many of you will recall that in September 1983, President Reagan designated DOT as the participating Federal agency in SBA's 8(a) Pilot Program. We negotiated many months with contractors and the SBA. Last May I announced an agreement between the FAA and SBA to award \$139 million in four contracts to 8(a) firms. The first two of these multi-million dollar contracts under the Pilot Program will be awarded in the near future.

One contract involves replacing radio control equipment at the FAA's 23 air route traffic control centers; installation of new radio control equipment at all 61 automated flight service stations; and replacement or installation of new radio control equipment at airport control towers. A second contract assures minority participation in establishing an automated weather observing system that will transmit surface weather data directly to pilots and to the National Weather Service for use in preparing forecasts. We have great hope for this pilot program and feel it opens yet another door to minority contracting.

If I had to choose a current transportation program where real opportunities lie for minority economic advancement, it probably would be the increased construction program resulting from the Surface Transportation Assistance Act of 1982.

In a nutshell, the law which gave us the nickel-a-gallon gas tax is adding \$4 billion a year for construction and rehabilitation of highways and bridges, and an additional \$1 billion a year for improvements to transit systems. A significant part of that work was done by minority contractors. In fiscal 1983 alone, over \$1 billion in Federal highway contracts went to minority firms. When the FY 84 figures are in I'm confident we will surpass that mark. In the first nine months of FY 84, more than \$850,000,000 or 13.3 percent of the highway contracts, went to small and disadvantaged business. In the same nine months the Urban Mass Transportation Administration reported \$220 million, or 13.2 percent of contracts and subcontracts for transit construction and rehabilitation, went to small and disadvantaged firms. And we intend to do more with

each fiscal year that passes. Let me assure you the ten percent watermark set by that law is a goal to be surpassed. For I realize these contracts mean more Black businesses -- more jobs for Blacks and therefore, increased economic growth for Black America.

To insure success, we have initiated various innovative programs. For example, I am pleased to announce today a \$300,000 grant from our Urban Mass Transportation Administration to the Golden State Business League, host for this convention. The grant will enable Golden State to examine joint development opportunities for minorities in and around transit stations.

And I'm also working to solve some of the problems that keep minority business enterprises from realizing their full potential. We know, for example, a large Federal contract means little to a minority firm unable to secure adequate bonding and financing. DOT has established specific programs to deal with that old problem — lack of access to capital and bonding. The first of these is a short-term working capital and — to a lesser extent — long-term capital loan program for transportation-related projects. The second is a bonding assistance program. Last fall Congress approved extending the use of these funds from just railroads to all forms of transportation.

These programs in but one corner of the government represent what we can accomplish when well-meaning people open their minds and hearts and work together. We seek to sharpen the tools by which millions of underprivileged Americans can benefit from the economic opportunity before us. You and I are determined to bring them into the mainstream of society, socially, economically, politically.

And let us work together on those problems which know no racial barriers. One is highway safety. The drunk driver does not discriminate, bringing death to 25,000 people a year and grief to thousands more. I urge you to lend your strong support to the campaign to rid our highways of drunk drivers. I'm determined to fight until we get the last drunk driver off the roads. That campaign extends to safety belts.

The case for safety belt laws is persuasive. Together with concerned segments of the private sector we are undertaking a campaign to inform the public on occupant protection and assist in promoting state safety belt laws. The auto industry, I'm pleased to report, is providing a substantial portion of the private sector's contribution.

At the top, this program will have the full weight of Administration support. But the greatest impetus will come from the people themselves, acting through their elected state representatives through formation of a National Network of State Officeholders for Safety (SOS), a bi-partisan action force in every state capital. The members of this Committee will keep me up-to-date on strategies for achieving legislative goals. They will be spokespersons in their state houses for safety belt protection and other safety initiatives. I will announce soon the full membership of a core group of legislators, charter members in an expanding fraternity of state law-makers devoted to greater safety for America's motorists. Within a few weeks we will bring together representatives of the auto industry, the insurance industry, the health/medical community and safety organizations dedicated to occupant protection. This consortium of safety experts will comprise an "alliance for life," armed with greater resources and with a greater potential for saving lives than any safety organization in our nation's history. And I ask you to support me in this effort too.

Sometimes we all feel weary as we strive toward goals that will make a real difference -- a positive difference in people's lives. I think, too, of the verse of scripture I keep on my desk to remind me that though we grow weary, we have a source of strength beyond our own. You know the verse -- Isaiah 40:31: "They that wait upon the Lord shall renew their strength. They shall mount up with wings as eagles. They shall run and not be weary, and they shall walk and not faint." Ours is neither the time nor is this the place for those with faint hearts, feeble courage, weak commitments, or selfish motives.

We must continue to strive for the America envisioned by Langston Hughes who wrote: "Oh yes, I say it plain, America never was America to me, and yet I swear this oath -- America will be!"

Not long ago I had the privilege of delivering the commencement address at Livingstone College in my home town in Salisbury, North Carolina. And I was very proud that day to be awarded an honorary degree. I reminded the graduates that the founder of the college, Joseph Charles Price, was a Black leader of great intellectual stature who always looked beyond the trials of the present to the triumphs of the future. "I don't care how dark the night," Price once wrote, "I believe in the coming of the morning." Ladies and gentlemen, your morning has come and I look forward to sharing many bright days.

Thank you and God bless you all.

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