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REMARKS PREPARED FOR DELIVERY BY
DEPUTY SECRETARY JIM BURNLEY
TO THE JOINT CONFERENCE OF THE NORTH CAROLINA INSTITUTE
OF TRANSPORTATION ENGINEERS AND THE PUBLIC TRANSPORTATION FORUM
ASHEVILLE, NORTH CAROLINA
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It is a pleasure to be in the company today of such a distinguished group of legislators, engineers and transit officials. I was pleased to learn shortly after joining the U.S. Department of Transportation that North Carolina's transportation professionals enjoy a reputation nationally as leaders in the never-ending battle to stretch limited resources to meet limitless demands.

I also want to pass along best wishes for a successful conference from another North Carolinian, Secretary of Transportation Elizabeth Dole. I know you share my pride in the job she is doing as the first woman to hold that position. You may not realize that she is also the first woman to head a military service, since the Coast Guard is a part of the Department.

I have the good fortune to come before you at a time when the U.S. economy is causing many of the experts to revise their assumptions and reprogram their computers. We can plan for the future secure in the knowledge that our economy -- our financial infrastructure if you will -- is again robust, perhaps stronger than it has been in two decades. The Gross National Product in the first quarter of this year grew at an astounding rate of ten point one percent. Second quarter growth continued to be strong -- at a rate of seven point six percent. Inflation remains low, at a modest annual rate of four percent. Since December, personal income in the United States has risen more than ninety-five billion dollars. Consumer confidence is at an historic high and business investment plans for 1984 and beyond mirror similar faith in the recovery.

Transportation is sharing in this new economic prosperity and is, in fact, responsible for some of it. The transportation industry is not only big business, it's the engine of our nation's economy -- a six hundred and ten billion dollar industry that accounts for twenty percent of our GNP.

Like other industries, it is adapting to a new economic climate. In aviation, deregulation has transformed an industry long shielded from real price competition and new competitors. It suggests the continuing validity of at least one economic theory -- that a little competition is a good thing -- and a lot is better still, especially for today's air travelers. Passengers looking for air transportation, shorn of its frills, but safe and reliable, can readily find that kind of service. Since some carriers, including those born of deregulation, have lower operating costs, they can offer low fares and still turn a profit. Deregulation has served North Carolina very well. Many of our larger cities -- including Charlotte, Greensboro and Raleigh -- have experienced major improvements in air service.

Since deregulation, service to and from Charlotte has increased nearly one hundred and thirty-three percent. Piedmont alone increased its flight operations there substantially. Three other major airlines -- Pan Am, Ozark and USAir -- along with five new regional airlines have introduced service into Charlotte. We are all proud that the airport has received an international designation and now serves west coast cities with direct flights. Such growth induces yet more growth in other sectors of our state's economy. For example, when the Royal Insurance Company relocated in Charlotte, bringing with it fifteen hundred new jobs, one reason for the move -- according to the company -- was the excellent air service now available.

Raleigh-Durham is a similar success story, where flights have increased ninety-four percent since 1978. Six years ago, there were forty-five daily flights by four major carriers at the airport. Today, nine major carriers provide eighty-five flights a day.

In Greensboro, flights have increased sixty percent since deregulation. Satisfactory levels of air service are being maintained in Asheville and in other cities across this state.

The U.S. Department of Transportation is working to meet the needs of this aviation expansion. So far this year, we have awarded over thirteen-and-a-half million dollars for airport improvement programs to eighteen different airports in North Carolina. These grants range from more than five million dollars to Raleigh to the fifty four thousand dollars we gave to Oxford.

While deregulation has changed the economic structure of the airline industry, we remain firmly committed to our responsibilities in overseeing the safety of the nation's airspace system. In July, Secretary Dole announced a broad safety audit of private and business aircraft operations in order to determine the effectiveness of FAA standards for operator qualifications and operations and maintenance. This audit, which will encompass two hundred and ten thousand aircraft, is a follow-up to the special National Air Transportation inspection of the scheduled air carriers that was conducted earlier this year.

Just a few days ago, the Secretary announced the award of two contracts totaling two hundred forty-six point seven million dollars for an Advanced Automation System which will meet the nation's increasing demand for air traffic control services into the twenty-first century. When operational, the new AAS system will enhance flight safety through the application of new aircraft separation techniques, increase controller productivity and reduce flight delays through improved traffic metering. This contract is a part of the National Airspace System Plan, which is a ten billion dollar program to modernize the air traffic control system.

Recently, six busy airports -- JFK, LaGuardia and Newark in the New York area, Chicago's O'Hare, Denver's Stapleton and Hartsfield in Atlanta -- have experienced flight delay problems at certain peak hours. Delays at these key airports quickly ripple through the entire system. Although this is not a safety issue, the Department is aware that the delays caused by the crowding of scheduled arrivals and departures during peak hours has been a source of inconvenience for air travellers. In order to ensure that the scheduling problems at these airports are resolved, the Department has come out in support of allowing the airlines to meet and discuss scheduling adjustments to reduce delays. Last Friday, the Civil Aeronautics Board granted antitrust immunity to the airlines for a period of forty-five days, thus allowing airline executives to get together to discuss this issue. The meetings - which began yesterday and will end early next week -- will be limited to a discussion of schedules at the six airports.

Aviation is only part of the story of transportation growth in North Carolina. A few years ago there was anxiety here as elsewhere over the deteriorating state of America's highways. Clearly something had to be done, and the Administration took decisive action. For just a nickel increase in the federal gasoline tax -- the first in nearly twenty-five years -- federal highway assistance to the states has risen more than fifty percent in just two years. To show you how this translates into dollars and cents, North Carolina's share of federal highway funds jumped from one hundred and forty-eight million dollars in 1982 to two hundred and twenty-eight million dollars this fiscal year. In addition, North Carolina is receiving eleven million dollars in discretionary highway funds in 1984. I should note that North Carolina's Senators, Jesse Helms and John East, are very effective in bringing North Carolina's highway and bridge needs to our attention.

This increase in federal dollars combined with higher levels of state highway investment assures completion of the Interstate system and its preservation. It enables us to renew our roads instead of just patching them. We are also repairing and replacing bridges at an unprecedented rate. The rehabilitation work we are doing today saves costly reconstruction in the future.

Overall, federally assisted highway construction levels increased more than seventy-three percent in 1983. Bridge construction and rehabilitation projects grew by fifty-six percent. Resurfacing projects accounted for more than eleven thousand miles of improvements on the federal-aid highway system, and work began on nearly one thousand miles of new roads.

For North Carolina, with one of the largest state-maintained highway systems in the country, this federal policy is producing highly visible results. The bridges over the French Broad River on I-240 are going to be rehabilitated -- at a cost of three point eight million dollars. Work is scheduled to begin in a few months. Just last fall, the North Carolina Board of Transportation approved a three-year bridge replacement program, affecting five hundred bridges at a total cost of one hundred and sixty-five million dollars. And on I-40 in Haywood County -- just outside Asheville -- seven point six million dollars of repair work has just been approved.

North Carolina's eight hundred and sixty-two miles of Interstate are nearly ninety-two percent complete, and excellent progress is being made on the remaining mileage. Earlier this year, thirty-three miles of I-85 from Lexington to southern Greensboro were opened; and here in Asheville, the new three point three-million-dollar interchange of I-40 with U.S. 25A is in the developmental stages.

Of course, a key factor in our ability to move forward with the completion of the Interstate Highway System is the Interstate Cost Estimate -- the so-called ICE. As I am sure you know, both the Interstate Cost Estimate and the Interstate Substitute Cost Estimate must be approved by Congress before apportionment of the remaining Interstate construction funds can be made each year.

Unfortunately, the ICE approval for fiscal year 1985 was derailed by a proliferation of add-ons, which obstructed the flow of Interstate funds to the states. Thanks to a compromise, a clean six-month ICE was finally approved and signed by the President in March.

This month we must go back to the Congress for approval to release the balance of the 1984/85 funds for ICE and ISCE. At the same time, we need Congress' approval to release the fiscal year 1986 ICE funds so that construction plans can move ahead without further delay.

We are concerned that there will be another effort to attach a number of special projects to the ICE legislation -- threatening its approval. Your support, as transportation professionals, for a clean ICE bill would be both very welcome and valuable toward ensuring the uninterrupted flow of interstate dollars to North Carolina and the other states.

Our commitment to rebuilding our transportation systems also extends to our urban public transportation system. As you know, one cent of the five-cent federal tax increase is dedicated to transit. With capital funding from the Urban Mass Transportation Administration, communities are putting new buses on their streets, improving rail systems and providing more efficient facilities -- from maintenance shops to bus shelters -- to ensure better urban transit service.

Of North Carolina's fifteen urbanized areas, eleven have some form of public transportation. This year, nineteen million dollars in federal money will help support North Carolina's transit needs. Charlotte, which runs close to one hundred peak-hour buses, received three point seven million dollars for capital and operating expenditures. In March, I was in Winston-Salem to award a one point two million-dollar grant to the city for six new transit buses, twenty vans and design work on a new transit facility for the central business district. Raleigh was granted eight hundred and forty thousand dollars for construction of a downtown bus station, and in April, the Department awarded Fayetteville two hundred and eight-thousand-dollars to buy four vans for elderly and handicapped citizens and for needed transit facility renovations. Two months ago, we awarded a four point two million-dollar grant to North Carolina for twenty-three public transit projects in small urban and rural communities.

You may have noticed that I have emphasized the role of the federal government in assisting capital investments by transit systems. We believe that local communities should bear primary responsibility for operating costs, since they are in a far better position than the federal government to make the decisions necessary to control those costs.

Surely, we already have one of the finest national transportation systems in the world. That does not prevent us from working together to improve it. And while we are privileged to use a system noted for its safety, we are committed to improving on that record as well.

All safety experts agree that we could dramatically reduce highway deaths and injuries if we removed drunk drivers from our roads, persuaded more people to wear safety belts, and increased the use of child safety seats.

We are making progress on all three fronts. Traffic fatalities have declined by seventeen percent since 1980. The 1983 highway death toll was the lowest in twenty years, and the fatality rate the lowest ever recorded in our country. Still, forty-two thousand five hundred people died on our highways last year, and we must do more to reduce that number.

Two months ago, President Reagan signed into law a bill providing federal incentives for states dealing sternly with those convicted of drunk driving -- and encouraging states to set twenty-one as their legal minimum drinking age for all alcoholic beverages. About half the states already have such a law. A uniform drinking age, as the President said, will do away with today's "crazy quilt" of different state drinking laws that has resulted in what have been called "blood borders" -- where teenagers cross state lines to take advantage of lower drinking laws. We normally defer to state governments on traffic law issues, but this was one instance where the interstate nature of the problem justified federal action. We know there are a lot of responsible young people, but statistics show that drivers between the ages of eighteen and twenty are more than twice as likely as older drivers to become involved in alcohol-related accidents. In every state where the drinking age has been raised, teenage driving deaths have declined.

We want to work with the states and communities to eliminate this tragedy on our highways. For example, Raleigh received one hundred and seventy-two thousand dollars in federal funds to fight the drunk driving problem. An estimated seventy-five thousand dollars worth of support was also donated by groups like Mothers Against Drunk Drivers, companies contributing billboard space and time donated by law enforcement personnel. The project has nearly reached its goal of a ten percent reduction in overall drunk driving charges within a two-year period. To date, sixteen states have qualified for federal funds under our Alcohol Traffic Safety Incentive Grant Program by enacting stricter drunk driving laws. We would like to add North Carolina to this group, because we know of your strong interest in making roads safer for everyone.

But getting drunk drivers off the road is only one approach to a king-size problem. The cost of highway accidents -- in lives, injuries and property losses -- demands greater efforts toward occupant protection. Safety belts, for example, are proven life-savers. Studies show that safety belts can cut moderate to serious injuries in half. However, for people who won't wear them, their effectiveness is zero.

We have made some progress in the last two years through our concerted public/private sector campaign to increase safety belt use. More and more, communities and employers are joining in this effort, through volunteer incentive programs, and in urging drivers and passengers to buckle up. At Chapel Hill, a community-wide incentive program raised safety belt use from fourteen to forty-one percent in six months. As with the fight against drunk driving, the campaign in North Carolina to get people to buckle up must be led by the people in this room today.

Encouraging parents to use child safety seats is an extension of our safety belt campaign. North Carolina has made real progress in child protection. The

comprehensive child restraint program in effect here since 1977 is operational in eighty-eight of our one hundred counties. The program, which includes public information, education and safety seat loaner programs, has gained widespread support among civic groups and health organizations. In 1981, North Carolina passed a child restraint law and as a result, use of child safety seats increased from sixteen percent to fifty-seven percent. There are now one hundred and twenty-four loaner programs staffed by many hours of volunteer work. There is also a dollar-for-dollar match by the private sector for each dollar contributed in state funds for parents who need safety seats for their children and cannot afford them.

This is typical of the positive approach we in North Carolina have always taken on transportation issues. As legislators and transportation officials responsible for highway and transit systems, you know this is also a time of many challenges. North Carolina is setting a strong pace among the Sun Belt states in industrial and population growth. You know better than anyone what this means for you as transportation planners, engineers and administrators. You must be ready to meet the growing transportation needs of this dynamic state -- efficiently, effectively and safely. Let me assure you that you have our Department's support. Working together, we will keep the Tar Heel state's reputation for leadership intact, delivering the transportation services our citizens deserve.

Thank you for inviting me to join you this afternoon.

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