

TALKING POINTS PREPARED FOR SECRETARY DOLE  
GANNETT/USA TODAY YEAR END MANAGEMENT MEETING  
WASHINGTON, D.C.  
DECEMBER 10, 1986

INTRO -- BOB DOLE TO FOLLOW -- GREAT CHANCE TO SEE HIM -- TWO SHIPS  
PASSING IN THE NIGHT!

A. 1986 ACCOMPLISHMENTS

- CONRAIL: FLAGSHIP OF PRIVATIZATION
- MY GOAL IN SELLING THE RAILROAD ALWAYS WAS TO BE SURE THAT IT  
IS FINANCIALLY VIABLE. TAXPAYERS INVESTED \$7 BILLION IN  
CONRAIL.
  - BEATING BACK RAIL REREGULATION
  - BEATING BACK LABOR PROTECTION
  - LARGEST INITIAL PUBLIC STOCK OFFERING
- SPACE TRANSPORTATION -- TAKING THE LEAD IN DEVELOPING A  
PRIVATIZED UNMANNED ROCKET INDUSTRY.
  - SHUTTLE FOR MORE IMPORTANT RESEARCH AND DEVELOPMENT/SDI
  - COMPETITION WILL DRIVE DOWN COSTS, SPUR INNOVATION

- FEDERAL EXPRESS; SAFETY STANDARDS
- PURSUING THE PRIVATIZATION ALTERNATIVE WHEREVER POSSIBLE. OUR URBAN MASS TRANSIT ADMINISTRATION, FOR EXAMPLE, IS AGGRESSIVELY PROMOTING OPPORTUNITIES FOR PRIVATE TRANSIT OPERATORS.
- ENCOURAGING LOCAL COMMUNITIES TO CONTRACT OUT TO PRIVATE ENTERPRISE THROUGH COMPETITIVE BID THOSE SERVICES THAT CAN BE DONE BY THE PRIVATE SECTOR MORE EFFICIENTLY AND AT A LOWER PRICE.
- DALLAS CONTRACTS OUT TO TRAILWAYS SOME BUS SERVICE AND MAINTENANCE
  - PHOENIX SAVES \$700,000 A YEAR BY CONTRACTING OUT SUNDAY SERVICE

- PITTSBURGH TAKING BIDS FOR EXPERIMENTAL MINI-BUS SERVICE, WHICH COULD INCREASE RIDERSHIP AND ACTUALLY TURN A PROFIT!
- MORE THAN 50% OF MASS TRANSIT SYSTEMS HAVE 50% MORE BUSES THAN NEEDED.
- GOOD ARGUMENT CAN BE MADE THAT SUCCESSFUL PRIVATIZATION CAN GENERATE LOWER PRODUCTION COSTS, INCREASED EFFICIENCY, INNOVATION AND FLEXIBILITY, BETTER SERVICE TO CONSUMERS, AND GREATER RESPONSIVENESS TO COST CONTROL AND CAPITALIZATION NEEDS.
- DON'T THINK FEDERAL GOVERNMENT IS MEANT TO BE IN THE BUSINESS OF RUNNING FREIGHT RAILROADS ANY MORE THAN IT'S MEANT TO BE RUNNING AIRPORTS.



- NATIONAL/DULLES AIRPORT TRANSFER -- NOT PURE PRIVATIZATION, BUT A GOOD EXAMPLE OF FEDERALISM; PUTS THOSE AIRPORTS ON PAR WITH OTHER AIRPORTS.
- \$700 MILLION SAVINGS TO TAXPAYERS
- \$150 MILLION INDEXED FOR INFLATION
- \$37 MILLION UNFUNDED PENSION LIABILITY

#### B. 1987 INITIATIVES

- COMMERCIAL SPACE -- CONTINUE TO CREATE CLIMATE FOR PRIVATE SECTOR UNMANNED SPACE MISSIONS.
- HIGHWAY AUTHORIZATION BILL -- FAILURE TO GET A BILL PASSED IN THE 1986 SESSION WAS DUE TO LOADING OF THE BILL WITH SPECIAL INTEREST PROJECTS.
- EARLY RESOLUTION NEEDED -- SHORT CONSTRUCTION SEASON

- FAA REAUTHORIZATION -- PROVIDES A PLATFORM FOR US TO DISCUSS IMPORTANT AVIATION ISSUES AND INITIATIVES (NAS PLAN, AIR TRAFFIC CONTROL SYSTEM AND CONTROLLERS)
- PRESS FORWARD WITH DEREGULATION ACROSS ALL MODES -- TRUCK DEREGULATION; WILL BE EFFORT TO REREGULATE -- THERE ARE STILL SOME SKEPTICS IN CONGRESS AS TO THE BENEFITS OF DEREGULATION. IT'S OUR JOB TO VIGOROUSLY POINT OUT ALL THE BENEFITS OF DEREGULATION (MORE CHOICES TO CONSUMERS, LOWER COSTS TO CONSUMERS, MORE COMPETITION, INNOVATION, ETC.) WE WANT TO COMPLETE TRUCKING DEREGULATION AND CONTINUE TO ENSURE THAT GOVERNMENT DOES NOT OVERREGULATE OUR TRANSPORTATION INDUSTRY. WE WON'T HOWEVER, DEREGULATE SAFETY, WHICH HAS ALWAYS BEEN MY TOP PRIORITY.

- HIGHWAYS: 93% OF FATALITIES OCCUR ON OUR NATION'S HIGHWAYS. 1985 HAD THE LOWEST FATALITY RATE OF ANY YEAR; TRAFFIC FATALITIES INVOLVING PEOPLE WHO WERE LEGALLY INTOXICATED HAS DROPPED 25% OVER 5 YEARS.
- RAILROAD RULE -- SUCCEEDED AFTER 12 YEARS IN FINALIZING A RULE ADDRESSING THE SIGNIFICANT PROBLEM OF DRINKING AND DRUGS ON RAILROADS.
- OIL SPILL LIABILITY.
- OTHER ISSUES (SAFETY)

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