

TALKING POINTS FOR
SECRETARY ELIZABETH HANFORD DOLE
TO THE GENERAL AVIATION MANUFACTURERS ASSOCIATION
MAY 12, 1983

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#3 - 5/11/83

Thank you, Ed, for inviting me to share for a few minutes in your Board meeting. I'm pleased to have this opportunity to discuss issues that jointly concern us and our plans for the future.

* Since meeting with Ed and a number of other aviation leaders in my office late last month, I have had occasion this week to address the Executive Board of ALPA, and members of the Regional Airline Association and Airport Operators Council.

* So while National Transportation Week begins next Sunday, I feel as though I am already participating in "national aviation week."

* These have been difficult times, I realize, for the aviation industry and for your segment of it in particular. I hope, however, that your forecasts -- like ours -- remain optimistic. We continue to foresee significant growth in civil aviation, and in the general aviation side of the industry especially.

* Our airway and airport development programs are based on the assumption that substantial increases in capacity will be needed to accommodate the growth in air transportation over the next 10 to 15 years.

- Private and business aircraft flying is expected to nearly double over that period.
- The commuter industry alone is growing at a rate of almost 20 percent a year.
- Since deregulation, the number of aircraft operated by the regional and commuter carriers has increased by 50 percent and revenue passenger miles by 145 percent.

- The "workhorse" of these carriers -- their members reminded me when I met with them yesterday -- is the eight or nine seat twin like the Cessna 402 and the Piper Navajo.
- * The general aviation plane, whether for business or personal use, remains a very important part of aviation in America as well as a vital part of our economy.
 - We are very mindful, I assure you, that American aviation and aerospace products together constitute a major U.S. export, second only to agriculture.
 - We want the American aircraft manufacturing industry to remain strong and competitive, both in the domestic market and internationally.
- * The recovery now taking hold should soon result in a resurgence of general aviation aircraft sales and orders.
 - All of the economic indicators continue on the up side.
 - The GNP grew at an annual rate of 3.1 percent in the first quarter, the biggest quarterly rise in two years.
 - The Dow-Jones average is at an all-time high.
 - Inflation has been virtually nil over the last six months.
 - If the President can successfully resist efforts in the Congress to increase domestic spending and impose new taxes, we should see a further easing of interest rates -- which is the one remaining factor needed to improve aircraft sales.
- * We are continuing with our plans for modernizing the air traffic control system.
 - The doubling of capacity will assist the regional and commuter airlines, and general aviation. Phasing-in of the new system over a 15-year period will

provide ample time for those using the system to acquire and integrate the necessary equipment.

- The microwave landing system, for example, will benefit commuter carriers by giving them more approach options at MLS-equipped airports.

* We estimate that the \$1 billion in the President's FY '84 budget is all that the FAA can contract for in the year ahead. The Senate Budget Committee has proposed cutting that request by \$400 million, which we oppose. We also will continue to defend the \$286 million requested for research and development.

* For airports, the \$700 million requested by the Administration for FY '84, when combined with the \$750 million for the current fiscal year, exceeds by \$56 million the two year authorization contained in the original Airport/Airway Act. So at a time when other domestic spending programs are being cut, we are -- in effect -- increasing Federal grant assistance for airport improvements.

* Like you, I am also concerned about aircraft noise problems, especially at "close-in" airports.

- We believe the generally quieter planes that you build, and your customers fly, are "good neighbors" to the community.
- In amending the Metropolitan Washington Airports policy recently, to give commuter carriers more slots at National, we acted on the belief that the community will be better served by the addition of smaller planes and more short-haul flights.
- Federal aircraft noise compliance rules, of course, include exemptions -- until 1988 -- for the operators of smaller turbojet aircraft providing service to small communities.

* While we have not changed the longstanding administration position on federal preemption of airport noise ordinances, and still do not favor federal solutions to local airport noise problems, I have asked my staff to review the relationship between noise and airport access. They will be looking to consider whether local ordinances are having a serious impact on the national air traffic system, and whether circumstances warrant the appointment of the commission proposed by groups such as yours.

* Above all, of course, air safety will remain our principal concern and our first consideration. I greatly appreciate the emphasis that GAMA has always given to aviation safety, as you do to all matters pertaining to America's aviation leadership. I look forward to working with you in the months ahead.

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