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Office of the Assistant Secretary for Public Affairs
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Contact: Dale A. Petroskey
Tele.: (202) 366-4570

REMARKS PREPARED FOR DELIVERY BY
SECRETARY OF TRANSPORTATION ELIZABETH HANFORD DOLE
NATIONAL-AMERICAN WHOLESALE GROCERS' ASSOCIATION
CHICAGO, ILLINOIS
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WHAT A PLEASURE TO BE AMONG SO MANY PEOPLE OF LIKE MIND AND FRIENDLY PERSUASION AND TO HAVE THIS OPPORTUNITY TO THANK MY GOOD FRIEND JACK BLOCK, AND DENNIS ZEGAR AND EACH OF YOU FOR BEING SUCH STRONG VOICES FOR PROGRESS ON CRITICAL TRANSPORTATION ISSUES. I HAD THE PLEASURE OF SERVING WITH JACK BLOCK IN THE PRESIDENT'S CABINET AND HE WAS HIGHLY RESPECTED BY HIS COLLEAGUES IN THE CABINET AND THE WHITE HOUSE STAFF. AND WAS AN OUTSTANDING MEMBER OF THE PRESIDENT'S CABINET. I'M ALSO DELIGHTED TO JOIN YOU IN HONORING MEMBERS OF THE TRADE PRESS, WHO SERVE EVERY DAY AS THE BRAINTRUST OF AMERICAN INDUSTRY. WITHOUT THE KNOWLEDGE PROVIDED BY THE LITERALLY HUNDREDS OF OUTSTANDING TRADE PUBLICATIONS IN THIS COUNTRY WE WOULD NOT HAVE MANY OF THE INDUSTRIAL INNOVATIONS WE TAKE FOR GRANTED TODAY.

NOW FROM ITS BIRTH 80 YEARS AGO, THE NATIONAL-AMERICAN WHOLESALE GROCER'S ASSOCIATION HAS BEEN A TREMENDOUS FORCE FOR PROGRESS IN OUR NATION'S ECONOMY. YOU'VE BEEN A STRONG EFFECTIVE ADVOCATE FOR ECONOMIC DEREGULATION BY HELPING TO REDUCE COSTLY AND UNNECESSARY GOVERNMENT REGULATION AND RED TAPE. YOU'VE SAVED BILLIONS OF DOLLARS NOT ONLY FOR YOURSELVES, BUT FOR THE AMERICAN CONSUMER AS WELL. AND BELIEVE ME, YOU AREN'T MERELY SEARCHING FOR "NEW DIRECTIONS" AS YOUR 1987 CONVENTION THEME SUGGESTS, YOU ARE OUT FRONT LEADING THE BAND. AND THE SIGNPOSTS ALL POINT THE SAME WAY: TOWARD TOTAL ECONOMIC DEREGULATION OF THE TRUCKING INDUSTRY AND A MORE PRODUCTIVE ECONOMY.

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LIKE YOU IN NAWGA, WE IN THE REAGAN ADMINISTRATION BELIEVE IN FREE ENTERPRISE, AND WE'RE DOING EVERYTHING WE CAN TO RESTORE IT, TO STRENGTHEN IT, TO EXPAND IT. OUR SHARED PRIORITIES INCLUDE ECONOMIC DEREGULATION, AND A STRONG COMMITMENT TO A SAFE AND DRUG FREE TRANSPORTATION SYSTEM. AND THIS YEAR, AS NEVER BEFORE, I'M GOING TO NEED YOUR HELP.

WE ARE FACING A SERIOUS REREGULATORY THREAT FROM CAPITOL HILL. LAST YEAR WE WERE BARELY ABLE TO BEAT BACK A MAJOR ATTEMPT TO GUT THE STAGGERS RAIL ACT AND SUBSTANTIALLY REREGULATE THE RAILROADS. THIS YEAR THE ATTEMPT MAY BE EVEN STRONGER. AND WE CONFRONT AN EQUALLY POWERFUL THREAT TO REREGULATE THE NATION'S AIRLINES. WE ALSO FACE OPPOSITION THIS YEAR IN OUR EFFORTS TO TOTALLY DEREGULATE THE TRUCKING INDUSTRY. I LOOK FORWARD TO WORKING SIDE BY SIDE WITH YOU AS WE MOVE FORWARD IN THIS IMPORTANT DEBATE.

I KNOW I DON'T HAVE TO CONVINCE ANYONE IN THIS ROOM THAT PARTIAL DEREGULATION OF THE TRUCKING INDUSTRY HAS BENEFITED SHIPPERS, CONSUMERS, AND CARRIERS. HENRY FORD, NO STRANGER TO INNOVATION, USED TO COMPARE AMERICAN BUSINESS TO THE CHICKEN, WHICH IS NEVER HEALTHIER THAN WHEN IT HAS TO SCRATCH AROUND A LITTLE FOR WHAT IT GETS. LIKE HENRY'S CHICKENS, THE AMERICAN TRUCKING INDUSTRY, REENERGIZED BY A HEALTHY DOSE OF COMPETITION, HAS NEVER BEEN MORE VIGOROUS. SINCE 1980 THE NUMBER OF TRUCKING FIRMS IN THE MARKET SOARED FROM ABOUT 18,000 TO WELL OVER 30,000, INVIGORATING THE INDUSTRY WITH NEW COMPETITION. AND AS JACK BLOCK SO ABLY PUT IT IN TESTIMONY BEFORE THE CONGRESS, "WE NEED MORE, NOT LESS, COMPETITION TO KEEP TRANSPORTATION COSTS DOWN." THANKS TO DEREGULATION, THE TRANSPORTATION OPERATIONS OF NAWGA MEMBERS ARE NOW PROFIT CENTERS, NOT COST CENTERS. NEW PRICE AND SERVICE OPTIONS HAVE BEEN INTRODUCED. ESTABLISHED CARRIERS HAVE BECOME MORE EFFICIENT AND INNOVATIVE BY RESTRUCTURING ROUTES, REDUCING EMPTY BACK HAULS, BY PROVIDING SIMPLIFIED RATE STRUCTURES AND OFFERING SHIPPERS INCENTIVES TO MOVE FREIGHT MORE EFFICIENTLY. IN 1980, TOTAL DISTRIBUTION COSTS, WHICH INCLUDE TRANSPORTATION AND WAREHOUSING WERE 14.7 PERCENT OF THE GNP. AFTER THE MOTOR CARRIER ACT, TOTAL DISTRIBUTION COSTS FELL TO ONLY 11.1 PERCENT OF THE GNP.

THE SHEER MAGNITUDE OF THE BENEFITS CONFERRED BY THE PARTIAL DEREGULATION OF THE INDUSTRY MAKE THE REMAINING REGULATIONS EVEN MORE EXASPERATING. THERE ARE LITERALLY TENS OF MILLIONS OF DOLLARS WASTED EACH YEAR FILING PAPERS WITH THE ICC THAT DON'T MEAN A WHOLE LOT AT THIS POINT IN TIME. IT'S ONE BIG PAPER CHASE. AND IT SEEMS PRETTY CLEAR TO ME, THAT MONEY CAN BE SPENT MORE EFFICIENTLY. IT'S VERY HARD TO UNDERSTAND, FOR EXAMPLE, WHY JIFFY POP POPCORN IS REGULATED AND ORVILLE REDENBACHER POPCORN ISN'T. "COLLECTIVE RATEMAKING," BY ANY OTHER NAME, WOULD BE KNOWN AS ILLEGAL PRICE FIXING AND THERE'S NO REASON WE SHOULD TOLERATE EITHER ONE.

AT THIS POINT, THE INDUSTRY HAS ONE FOOT IN AND ONE FOOT OUT, AND THE UNCERTAINTY OF THE SITUATION HURTS EVERYONE. I'M REMINDED OF A STORY ABOUT JUSTICE OLIVER WENDELL HOLMES, WHO ONCE FOUND HIMSELF ON-A TRAIN, BUT COULDN'T LOCATE HIS TICKET.

WHILE THE CONDUCTOR WATCHED, SMILING, THE 88 YEAR OLD JUSTICE HOLMES SEARCHED THROUGH ALL HIS POCKETS WITHOUT SUCCESS. OF COURSE, THE CONDUCTOR RECOGNIZED THE DISTINGUISHED JUSTICE, SO HE SAID, "MR. HOLMES, DON'T WORRY. YOU DON'T NEED YOUR TICKET. YOU WILL PROBABLY FIND IT WHEN YOU GET OFF THE TRAIN AND I'M SURE THE PENNSYLVANIA RAILROAD WILL TRUST YOU TO MAIL IT BACK LATER."

THE JUSTICE LOOKED UP AT THE CONDUCTOR WITH SOME IRRITATION AND SAID, "MY DEAR MAN, THAT IS NOT THE PROBLEM AT ALL. THE PROBLEM IS NOT, WHERE IS MY TICKET. THE PROBLEM IS, WHERE AM I GOING?"

UNLIKE THE JUSTICE I THINK EVERYONE IN THIS ROOM KNOWS WHERE WE'RE GOING -- OR AT LEAST WHERE WE SHOULD BE GOING. YOU KNOW IT'S TIME TO COMPLETE WHAT WE STARTED IN 1980 AND LIBERATE THE TRUCKING INDUSTRY ONCE AND FOR ALL. YOU IN NAWGA KNOW BETTER THAN ANYONE THE BENEFITS OF A FREE MARKET. THE WHOLESALE GROCERY INDUSTRY IS TRUCK-INTENSIVE. GROCERY PRODUCTS ARE TRANSPORTED SEVERAL TIMES BEFORE THEY REACH THE SUPERMARKET COUNTER AND TRANSPORTATION COSTS AFFECT NOT ONLY YOUR PROFIT MARGIN BUT THE COSTS CONSUMERS PAY FOR GROCERY PRODUCTS. AS IT IS, WHOLESALE GROCERS AND FOOD MANUFACTURERS ARE AMONG THE MOST EFFICIENT IN DISTRIBUTION SERVICES. THE LEAST THE FEDERAL GOVERNMENT CAN DO IS GET OUT OF YOUR WAY AND GIVE YOU THE CHANCE YOU DESERVE TO IMPROVE THAT ALREADY IMPRESSIVE RECORD.

I THINK WE'VE BEEN GUILTY OF BOTH OVERSELLING AND UNDERSELLING THE IMPORTANT REFORMS OF THE MOTOR CARRIER ACT OF 1980. WE'VE OVERSOLD IT IN THE SENSE THAT MANY PEOPLE BELIEVE WE HAVE ALREADY TOTALLY DEREGULATED THE TRUCKING INDUSTRY. THEY CAN'T UNDERSTAND WHAT THE NEW DEBATE IS ALL ABOUT. BUT WE'VE ALSO UNDERSOLD IT TO THE EXTENT THAT WE HAVEN'T REALLY COMMUNICATED THE TREMENDOUS BENEFITS THESE REFORMS HAVE PROVIDED, AND HOW IMPORTANT AN ISSUE IT IS TO EVERY PRODUCER AND CONSUMER, AND EVERY MANAGER AND WORKER IN THIS COUNTRY. DEREGULATION HAS MADE US MORE EFFICIENT. IT HAS SAVED US BILLIONS OF DOLLARS ALREADY. THE COMPLETE, REGULATORY REFORM OF TRUCKING, ACCORDING TO A RECENT PRIVATE STUDY, WOULD SAVE AMERICAN BUSINESS \$87 BILLION IN DISTRIBUTION COSTS OVER THE NEXT FIVE YEARS AND INCREASE OUR COMPETITIVENESS AGAINST FOREIGN IMPORTS. THAT'S WHY PRESIDENT REAGAN HAS PUT DEREGULATION IN THE TRADE BILL: IT'S NOT JUST DEREGULATION, IT'S OUR SURVIVAL AS A PLAYER IN THE WORLD ECONOMY.

IN GENERAL, TRANSPORTATION AVERAGES 25 PERCENT OF THE COST OF A DELIVERED PRODUCT. YOUR TRANSPORTATION COSTS ARE ABOUT 16 PERCENT OF YOUR GROSS PROFIT MARGIN BECAUSE, AS I MENTIONED EARLIER, YOUR INDUSTRY PUTS TREMENDOUS EFFORT INTO NEGOTIATING DISTRIBUTION CONTRACTS AND USING THE BENEFITS OF PARTIAL DEREGULATION. WHETHER WE ARE TALKING ABOUT 16 PERCENT IN THE WHOLESALE GROCERY INDUSTRY OR 25 PERCENT IN GENERAL, REGULATION ADDS AN AVERAGE OF 20-40 PERCENT TO THE TRANSPORTATION COST. IN AN INCREASINGLY COMPETITIVE WORLD ECONOMY, WE CAN'T AFFORD TO IMPOSE A SINGLE PENNY'S WORTH OF EXCESS REGULATION. INDEED THE REMOVAL OF INEFFICIENT AND BURDENSOME REGULATORY RESTRAINTS AND RED TAPE IS ONE PIECE OF TRADE LEGISLATION THAT REALLY WORKS.

LET ME TAKE A MOMENT TO MENTION A FEW SPECIFIC PROVISIONS OF OUR BILL. WE WOULD ELIMINATE ALL ICC REGULATION OF MOTOR CARRIER RATES AND ENTRY AS WELL AS ALL VESTIGES OF ANTITRUST IMMUNITY FROM THE TRUCKING INDUSTRY.

IN ADDITION, TWO VERY IMPORTANT PROVISIONS HAVE TO DO WITH THE STATES. ONE PROVIDES A MECHANISM FOR ACHIEVING UNIFORMITY OF STATE MOTOR CARRIER ADMINISTRATIVE REQUIREMENTS, AND ANOTHER PROVIDES FOR TOTAL PREEMPTION OF STATE ECONOMIC REGULATION OF THE OPERATIONS OF INTERSTATE CARRIERS.

I WANT TO EMPHASIZE, HOWEVER, THAT THE ECONOMIC DEREGULATION OF AN INDUSTRY DOES NOT MEAN THE DEREGULATION OF SAFETY. THE DEPARTMENT OF TRANSPORTATION HAS UNDERTAKEN A COMPREHENSIVE EFFORT TO ENHANCE TRUCK SAFETY. THAT'S WHY I HAVE JUST PROPOSED TO IMPROVE EQUIPMENT STANDARDS AND TO TIGHTEN INSPECTION PROCEDURES FOR THE NATION'S TRUCKS AND BUSES. THIS PROPOSAL WOULD UPGRADE STANDARDS OR INTRODUCE NEW ONES FOR SUCH PARTS AS AXLES, FRAMES, BRAKES AND STEERING SYSTEMS AND FUEL TANKS. IT WOULD ALSO EXPAND EXISTING FEDERAL MOTOR CARRIER SAFETY INSPECTION REQUIREMENTS TO INCLUDE A MANDATORY INSPECTION OF THE VEHICLE AT LEAST ONCE A YEAR.

OUR MOTOR CARRIER SAFETY ASSISTANCE PROGRAM, OR MCSAP, HAS HELPED THE STATES TOUGHEN THEIR ENFORCEMENT OF MOTOR CARRIER SAFETY STANDARDS. THE NUMBER OF STATE INSPECTORS TRAINED UNDER THIS PROGRAM WILL INCREASE TO 4,000 BY THE END OF THIS FISCAL YEAR. I'VE DOUBLED THE NUMBER OF FEDERAL SAFETY INSPECTORS. AND IN AN ERA OF BUDGET CUTTING TO REDUCE DEFICITS, I ASKED FOR, AND GOT, A 200 PERCENT INCREASE FOR MCSAP.

RULEMAKINGS ARE CURRENTLY UNDERWAY TO PROHIBIT COMMERCIAL DRIVERS FROM HOLDING MORE THAN ONE LICENSE AND TO ESTABLISH MINIMUM NATIONAL STANDARDS FOR A CLASSIFIED TRUCK DRIVER LICENSE SYSTEM. THIS WILL INCLUDE THE ESTABLISHMENT OF QUALIFICATION STANDARDS FOR THE OPERATORS OF TANK TRUCKS AND VEHICLES CARRYING HAZARDOUS MATERIALS, AND WILL UPGRADE LICENSING REQUIREMENTS. WE ARE ALSO COMPREHENSIVELY REVIEWING ALL MOTOR CARRIER REGULATIONS, FEDERAL AND STATE, AND CONDUCTING A NATIONWIDE INSPECTION OF ALL CARRIERS TO REVIEW THEIR SAFETY FITNESS.

BUT NEITHER STATE-OF-THE-ART TECHNOLOGY NOR THE FINEST HIGHWAYS IN THE WORLD MEANS MUCH IF THE PERSON AT THE CONTROLS IS IMPAIRED BY DRUGS OR ALCOHOL. DRUG ABUSE IS PERVERSIVE IN OUR SOCIETY, A POTENTIAL THREAT TO TRANSPORTATION SAFETY AND DEVASTATING TO GLOBAL COMPETITIVENESS. AT DOT, WE HAVE A MANDATE TO FOCUS ON BOTH SIDES OF THE PROBLEM --SUPPLY AND DEMAND FOR DRUGS. THE COAST GUARD IS ENGAGED AS NEVER BEFORE IN PATROLLING THE WATERS WHICH SURROUND AMERICA, COMBATING THE SCOURGE OF ILLICIT DRUGS WHICH MIGHT POISON THE VEINS OF OUR COUNTRYMEN.

AT THE SAME TIME, WE ARE MOVING TO COMBAT THE DEMAND FOR, AND USE OF DRUGS, IN TRANSPORTATION. I HAVE PROPOSED A SERIES OF ANTI-DRUG INITIATIVES, INCLUDING A COMPREHENSIVE PROGRAM FOR ALMOST 27,000 DEPARTMENT OF TRANSPORTATION EMPLOYEES IN SAFETY AND SECURITY RELATED POSITIONS. THE DEPARTMENT'S PROGRAM INCLUDES REHABILITATION ASSISTANCE FOR EMPLOYEES WITH A PROBLEM AND RANDOM TESTING OF THOSE WHOSE FUNCTIONS HAVE A DIRECT IMPACT ON

PUBLIC HEALTH AND SAFETY, THE PROTECTION OF LIFE AND PROPERTY, OR NATIONAL SECURITY. THIS INCLUDES SUCH AS RAILROAD, TRUCK, AVIATION AND HIGHWAY INSPECTORS, AND AIR TRAFFIC CONTROLLERS. BELIEVE ME THIS DOESN'T MAKE ME THE NATION'S MOST POPULAR PERSON! I AM PROPOSING A REGULATION REQUIRING PRE-EMPLOYMENT TESTING, POST-ACCIDENT TESTING AND RANDOM DRUG TESTING FOR COMMERCIAL AIRLINE PILOTS AND CREWS, AND OTHERS DIRECTLY RESPONSIBLE FOR THE SAFETY OF FLIGHT OPERATIONS. RAILROAD EMPLOYEES ARE ALSO INCLUDED. AND THE LEGISLATION JUST PASSED BY THE SENATE COMMERCE COMMITTEE INCLUDES TRUCK AND BUS DRIVERS.

WE ARE ALSO INITIATING A COMPREHENSIVE RULEMAKING TO ESTABLISH A FEDERAL ALCOHOL INTOXICATION STANDARD FOR COMMERCIAL MOTOR VEHICLE OPERATORS. ONCE ESTABLISHED, THE STANDARD WILL APPLY TO COMMERCIAL TRUCK AND BUS DRIVERS IN BOTH INTERSTATE AND INTRASTATE COMMERCE. WHILE MOST COMMERCIAL DRIVERS SHUN THE USE OF ALCOHOL AND DRUGS, WE ARE DETERMINED TO RID OUR HIGHWAYS OF THOSE FEW IRRESPONSIBLE DRIVERS WHO DO OPERATE THEIR VEHICLES WHILE UNDER THE INFLUENCE OF INTOXICANTS. ESTABLISHING A FEDERAL BLOOD ALCOHOL CONCENTRATION STANDARD WILL PROVIDE US WITH A STRONGER TOOL TO REDUCE THE INCIDENCE OF ALCOHOL ABUSE AMONG COMMERCIAL HIGHWAY USERS.

AGAIN, YOU'VE BEEN AN IMPORTANT ALLY. AND ULTIMATELY, TRUCK SAFETY RESTS WITH THE DRIVERS OF TRUCKS IN YOUR INDIVIDUAL COMPANY FLEETS. AT ANY GIVEN MOMENT, YOUR COMPANIES HAVE 20,000 TRUCKS ON OUR HIGHWAYS. CONGRESS CAN PASS LAWS, AND I CAN PUT INTO EFFECT NEW REGULATIONS, BUT THE ULTIMATE RESPONSIBILITY FOR TRUCK SAFETY RESTS WITH THE MAN OR WOMAN BEHIND THE WHEEL IN THE CAB.

NOW I'VE TALKED ABOUT THE DEREGULATION EXPERIENCE, AND HOW IT'S ONE WAY IN WHICH THE PRIVATE SECTOR HAS SHOWN WHAT IT CAN DO IF GOVERNMENT GETS OUT OF THE WAY. PRIVATIZATION IS ANOTHER. THE WORD PRIVATIZATION, AN AWKWARD WORD AT BEST -- WAS ASSOCIATED WITH MARGARET THATCHER'S SPLENDID PROGRAM IN GREAT BRITAIN. I HAD THE OPPORTUNITY ON SEVERAL OCCASIONS TO DISCUSS IT WITH HER IN DEPTH. THE TIME HAS COME TO USE THE BRITISH MODEL HERE. WE'VE ALREADY TRANSFERRED THE ALASKA RAILROAD TO THE STATE. AND I'VE SIGNED THE LEASE TO TURN OVER THE LAST TWO FEDERALLY-OWNED AIRPORTS, WASHINGTON NATIONAL AND DULLES, TO AN INDEPENDENT REGIONAL COMMISSION. THAT'S IMPORTANT FOR THESE GATEWAYS TO THE NATIONS CAPITAL. THEY CAN USE THE REVENUE BONDS LIKE EVERY OTHER AIRPORT, THEREBY OBTAINING THE \$700 MILLION NECESSARY TO MAKE THEM FIRST CLASS FACILITIES. I AM PRESIDING OVER THE FLAGSHIP FOR PRIVATIZATION, THE SALE OF CONRAIL, OUR GOVERNMENT FREIGHT RAILROAD. IN A VERY SHORT TIME, THE LARGEST INITIAL INDUSTRIAL PUBLIC OFFERING IN U.S. HISTORY WILL TAKE PLACE, PRODUCING AN ENORMOUS SUM FOR THE FEDERAL TREASURY AND REDUCING THE FEDERAL DEFICIT.

I HEARD ABOUT A MAN WHO COMPARED THE GOVERNMENT TO CHRISTOPHER COLUMBUS -- WHEN HE LEFT, HE DIDN'T KNOW WHERE HE WAS GOING; WHEN HE GOT THERE, HE DIDN'T KNOW WHERE HE WAS; WHEN HE GOT BACK, HE DIDN'T KNOW WHERE HE HAD BEEN; AND HE DID IT ALL WITH SOMEONE ELSE'S MONEY. THAT MAY HAVE BEEN THE WAY IT WAS A FEW YEARS AGO IN TRANSPORTATION BUT OUR SUCCESSES IN DEREGULATION AND PRIVATIZATION ARE CHANGING ALL THAT.

FOR EXAMPLE, THE CONRAIL SUCCESS HAS ENCOURAGED ME TO LOOK FOR EQUALLY BOLD AND CREATIVE WAYS TO PERMANENTLY WEAN THE AMTRAK SYSTEM FROM ITS DEPENDENCE ON FEDERAL TAX DOLLARS. AMTRAK PROVIDES LESS THAN ONE PERCENT OF INTERCITY TRAVEL AND IT COSTS US TAXPAYERS AN AVERAGE \$30 EVERY TIME SOMEONE STEPS FOOT ON THE TRAIN. IT'S HIGH TIME WE GOT THE GOVERNMENT OUT OF THE BUSINESS OF RUNNING RAILROADS AND AIRPORTS. CREATED BY CONGRESS IN 1970, AMTRAK WAS INTENDED TO BE A SHORT TERM EXPERIMENT. INSTEAD, IT HAS BECOME A LONG-TERM DRAIN ON THE TREASURY.

EARLIER THIS MONTH I ANNOUNCED THE CREATION OF A COMMISSION THAT WILL EXPLORE WAYS TO BOTH RELIEVE THE TAXPAYERS AND PRESERVE VIABLE RAIL PASSENGER SERVICE IN THIS COUNTRY. OVER THE NEXT FEW MONTHS, THIS COMMITTEE CHAIRED BY FORMER ILLINOIS GOVERNOR, DICK OGILVIE, WILL REVIEW EVERY POSSIBLE OPTION AND PRESENT TO ME THEIR BEST THINKING AND RECOMMENDATIONS FOR AN INDEPENDENT FUTURE FOR AMTRAK.

COMMERCIAL SPACE TRANSPORTATION IS YET ANOTHER EXAMPLE OF PRIVATE SECTOR POTENTIAL. FOR THREE YEARS I'VE ARGUED WITHIN THE GOVERNMENT, THAT THE FEDERAL MONOPOLY IN SPACE MUST BE ENDED. THE PRIVATE SECTOR IS NOT GOING TO MOVE OUT ON ITS OWN, AS LONG AS IT'S COMPETING AGAINST UNCLE SAM, WHO WAS OFFERING A 40 PERCENT SUBSIDY. FINALLY THE GREEN LIGHT WAS GIVEN BY THE PRESIDENT THAT ROUTINE COMMERCIAL SATELLITES WOULD NO LONGER BE LAUNCHED BY THE SPACE SHUTTLE. THAT ANNOUNCEMENT HERALDED THE BIRTH OF A DYNAMIC NEW TRANSPORTATION INDUSTRY WHICH IS ALREADY MOVING OUT TO COMPETE WITH THE FRENCH, THE CHINESE AND THE RUSSIANS. THAT LEAVES THE SPACE SHUTTLE FREED TO PERFORM THE MORE EXOTIC AND MORE IMPORTANT MISSIONS. THIS IS A PURE CASE IF THERE EVERY WAS ONE FOR PRIVATIZATION AND DEREGULATION CLEARING THE WAY EXCESSIVE FEDERAL REGULATIONS.

LADIES AND GENTLEMEN, A FEW MONTHS AGO, MILLIONS OF US THRILLED TO THE SAGA OF TWO PILOTS -- A MAN AND A WOMAN FROM CALIFORNIA'S MOJAVE DESERT -- WHO FLEW NONSTOP AROUND THE WORLD. TOGETHER, THEY WERE PART OF A MODERN DAY ADVENTURE UNMATCHED SINCE LINDBERG FLEW TO PARIS AND CHUCK YEAGER BROKE THE SOUND BARRIER.

IN THE WAKE OF THIS HISTORIC JOURNEY, DICK RUTAN STRUCK THE KEYNOTE OF OUR PHILOSOPHY. HE TOOK THE OCCASION TO THANK THE PRESIDENT FOR ESTABLISHING AND MAINTAINING AN ENVIRONMENT CONDUCIVE TO PIONEERING. AS HE PUT IT, HE HAD TO FILL OUT ONLY TWO PIECES OF PAPER IN THE SIX YEAR HISTORY OF VOYAGER. ONE WAS AN APPLICATION FOR AIRWORTHINESS. THE OTHER, AN APPLICATION FOR A TAIL NUMBER.

WHO KNOWS WHAT LONG RANGE APPLICATIONS WILL COME OF THIS GRAPHITE SHIP OF THE AIR? THIS MUCH WE KNOW: VOYAGER DID NOT ORIGINATE IN THE DEPARTMENT OF TRANSPORTATION. ITS BIRTH CERTIFICATE WAS A RESTAURANT NAPKIN, ITS FIRST BLUEPRINT A SERIES OF DOODLES BY AN AERONAUTICAL DREAMER. DICK RUTAN SAID IT BEST...

"WHAT KIND OF WORLD WOULD THERE BE IF THERE WAS NO DARING?"

IT'S THAT QUESTION WHICH PROMPTS THE INNOVATORS IN EVERY GENERATION TO CHALLENGE THE STATUS QUO AND PUSH OUT THE BOUNDARIES OF CONVENTIONAL WISDOM. AND GOVERNMENT CANNOT BE IMMUNE TO DARING. THANKS TO YOU IN NAWGA, IT WILL NOT BE. MY HAT IS OFF TO MY ALLIES IN THIS POWERFUL TRADE ORGANIZATION. AND DON'T FORGET: THERE ARE YET PLENTY OF BARRICADES FOR US TO SURMOUNT.

THANK YOU AND GOD BLESS YOU ALL.

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