



DEPARTMENT OF TRANSPORTATION

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The U.S. Department of Transportation Broadcast News Service for Thursday, March 29 has two actualities with Federal Railroad Administrator John Ingram, from an address he made today to the Eastern Railroad Association in Boston, Massachusetts.

The first actuality concerns Secretary Brinegar's report to Congress proposing that the six bankrupt railroads in the Northeast be consolidated into one or more profitable private corporations.

"Railroad nationalization would probably be like some of the programs which have already wasted so much of our treasure -- and which President Nixon is trying so hard to restructure. Some of these programs, originally well-motivated, have just not worked out as planned. There may be many causes for this -- but there is only one efficient remedy -- stop pouring money down the drain, and start over again to solve the problems. That is what the President is trying to do -- terminate 115 programs that aren't working -- and avoid, say, a 15 percent increase in all our taxes. We must all work now to help the President cut the budget -- not increase it with unnecessary purchase or subsidy to the private railroad industry.

The second actuality of Mr. Ingram concerns railroad nationalization and the budget.

"At this critical point in transportation history, we have every confidence that the free enterprise system can produce a low cost equitable answer -- that cooperative enterprise by reasonable men can solve our railroad problems in the northeast.

"The plan calls for major regulatory reforms, for the maintenance of Core Rail Services in the area, for new and or existing privately owned companies to operate these Core Services, and for equitable and compassionate planning for the problems which may be associated with the necessary changes.

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