DEPARTMENT OF TRANSPORTATION

NEWS

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20590

FOR RELEASE MONDAY
March 3, 1975

DOT 23-75
Phone: (202) 426-4321

Acting U.S. Secretary of Transportation John W. Barnum today announced award of the final seven contracts in the U.S. Department of Transportation's program of university research for FY 1974.

These seven university research contracts, amounting to $465,236, follow the award of 19 similar contracts announced last June.

"The Department of Transportation is interested in continuing the relevant, high-quality and innovative transportation research being conducted by university faculty members and their students," Secretary Barnum said. "Through this research program, universities have been making some striking contributions to the development of national transportation policy."

"In addition to the excellent research," he said, "we hope this flexible, interdisciplinary program will attract more of the nation's best young talent to careers in transportation."

The seven projects announced today include examinations of tourist impact on U.S. historical and scenic monuments, the planning of high-traffic urban corridors, multi-passenger taxi services, vehicular control and the dynamics of moving objects, and finance requirements for state transportation improvements.

In 1974, DOT's Office of University Research received 188 proposals from 108 universities for research projects under the FY 1974 budget, and it selected 26 recipients.

The seven contracts announced today are:

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The seven contracts announced today are:

Carnegie Mellon University — $70,000 from DOT (plus $ 3,500 in matching funds)
Pittsburgh, Pennsylvania
Project: Ride-Sharing Agency/ Multi-Passenger Taxi Services
Principals: Tung Au, Department of Civil Engineering
Alfred Blumstein, School of Urban Affairs

Colorado State University — $96,559 from DOT (plus $18,683 in matching funds)
Fort Collins, Colorado
Project: Secondary Impacts and Consequences at Highway Projects
Principal: Evan C. Vlachos, Professor of Sociology

Michigan State University — $31,297 from DOT (plus $ 7,019 in matching funds)
East Lansing, Michigan
Project: Transportation Investment Requirements and Growth Patterns in Michigan
Principal: W. C. Taylor, Chairman of Department of Civil Engineering

Ohio State University — $99,923 from DOT (plus $80,831 in matching funds)
Columbus, Ohio
Project: Fundamental Studies in Automatic Longitudinal Control of Vehicles
Principal: Robert E. Fenton, Professor of Electrical Engineering

University of Pennsylvania — $69,928 from DOT (plus $34,266 in matching funds)
Philadelphia, Pennsylvania
Project: Planning Model for High Accessibility Urban Corridors
Principal: Edward K. Morlock, Associate Professor of Transportation Engineering

University of Pennsylvania — $29,442 from DOT (plus $ 1,471 in matching funds)
Philadelphia, Pennsylvania
Project: Improved Wheel and Rail Performance via Control of Contact Stress
Principal: Burton Paul, Professor, Department of Mechanical Engineering and Applied Mechanics

Tufts University
Medford, Massachusetts
Project: Impacts of Tourist Transportation and People Overloads on National Historic and Scenic Monuments, and Strategies for their Resolution
Principal: Herman H. Field, Professor of Environmental Planning and Design

$68,087 from DOT (plus $ 9,887 in matching funds)

Inquiries for proposed FY 1975 university research projects may be sent directly to the Office of University Research, U.S. Department of Transportation, Washington, D.C. 20590.

The program is administered by the Assistant Secretary for Systems Development and Technology. Initial proposals are reviewed by office directors throughout the Office of the Secretary of Transportation, then are presented to the DOT University Research Review Board for decision.

The review board includes, among others, the five DOT assistant secretaries, the general counsel and the deputy secretary.

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ERG/10AM/2/26/75/TST-60

DEPARTMENT OF TRANSPORTATION

NEWS

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20590

FOR IMMEDIATE RELEASE
March 6, 1975

DOT 24-75
Phone: (202) 426-4321

Acting Secretary of Transportation John W. Barnum today described National Airlines' proposed "no frills" fare as a potential cost breakthrough for the traveling public.

"It is heartening to see an industry proposal that relies on competitive market forces to improve economic performance," Barnum said. "A 35 percent reduction in fares should do far more to encourage air travel than offering free drinks or other superfluous amenities that characterize today's efforts to compete," he said.

"We hope that National's proposal of February 27th is only the first of a series of innovative, inflation-fighting, industry-sponsored efforts to enable carriers to achieve higher load factors while passing on the economic benefits to their customers," Barnum said.

In testimony before Congress, the Department of Transportation has advocated that more flexible fares and service options be encouraged as alternatives to the present air fare structure. The Department is working with other elements of the Administration to develop an airline regulatory reform bill which would facilitate these types of innovative and constructive competitive practices in the airline industry. Barnum said that the Department, in keeping with these policies, will ask the Civil Aeronautics Board (CAB) to approve National's proposed fare in principle.

National's proposed 35 percent discount would apply to designated cabin areas of its wide-body jets in the New York-Miami market and from Florida to New Orleans, Houston, Las Vegas, San Francisco and Los Angeles.

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Unless disapproved by the CAB, the fare would become effective April 14 to June 30 and from September 3 through December 16 and would be available on Monday through Thursday flights. No meals or alcoholic beverages would be offered to passengers traveling at discounted fares and confirmation of reservations would not take place prior to payment of the fare.

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WWB/2PM/3/4/75/TPI-6/9AM/3/5/75/5:15PM/3/5/75

DEPARTMENT OF TRANSPORTATION NEWS

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20590

FOR RELEASE MONDAY
March 10, 1975

DOT 25-75
Phone: (202) 426-4321

The U.S. Department of Transportation today invited public participation in an interagency review of U.S. international aviation policy.

Concern over the conditions of international air transportation in general, the international regulatory structure and the financial difficulties facing the U.S. flag air carrier system has prompted the review.

The review will consider changes in international aviation including declining traffic growth rates; changes in the world economy; environment and energy considerations; international aircraft sales; the conditions of U.S.-foreign aviation agreements; and the shrinking or vanishing profits of U.S. international carriers.

In addition to the Department of Transportation, the steering committee for the international aviation policy review is composed of representatives of the Council on International Economic Policy, Office of Management and Budget, Domestic Council, National Security Council, Council of Economic Advisers, Civil Aeronautics Board, and the Departments of Commerce, Justice, Treasury, State and Defense.

The issues to be resolved and the areas of examination for both the policy review steering committee and its interagency working groups are:

A. Steering Committee

Issues to be resolved. Identification and priority ranking of U.S. international aviation objectives; determination of policies to advance objectives. The committee also provides coordination and policy guidance to working groups.

Areas of examination. Specificity of objectives; domestic vs. international objectives; public vs. commercial; U.S. vs. foreign; priority of objectives; analysis of working group recommendations; relating policies to objectives; assessment of overall U.S. International Aviation Policy formulation of policy recommendations.

B. Working Groups

1. Relative Role of Private/Public Sectors

Issue to be resolved. Extent and limits of Federal Governmental financial participation in international aviation; role of the U.S. Government regarding the ability of U.S. carriers to compete with foreign carriers.

Areas of examination. Role of the Federal Government; organizational structure of U.S. flag air carriers; financial condition of industry; efficiency of U.S. carriers; direct and indirect subsidies; scope and effect of user charges; currency exchange rates; subsidized foreign companies impact on U.S. companies; military airlift requirements; Civil Reserve Air Fleet induced operating penalties; Department of Defense impact on overall system; foreign discriminatory practices.

2. Rates, Fares, and Costs

Issue to be resolved. Proper rate and fare levels and how to achieve them; the role of rate regulation.

Areas of examination. Existing and future costs of various services; price structures; breakeven load factors; load factor standards; capital requirements; revenue levels; return on investment; structure of scheduled and charter fares; charter rate criteria; scheduled fare criteria; passenger and cargo rate regulations and controls; relationship between passenger and cargo rates and costs; relationship between rates for various classes of service; industry equilibrium and efficiency; fare setting mechanisms; IATA/CAB rate powers.

3. Demand, Capacity, Routes, and Competition

Issues to be resolved. Role of scheduled and supplemental services; degree of competition and participation; capacity and payload standards; access to domestic markets; international route structures.

Areas of examination. Demand, forecast, and confidence levels for passenger and cargo services; area vs. point-to-point competition; U.S.-foreign carrier competition; competition between U.S. carriers; chosen instrument; effect of competition on capacity and vice versa; regulation of capacity; capacity agreements; pooling; degree of competition; energy constraints; domestic route support; certificate and bilateral route structures.

4. Tariff Integrity and Role of Agent/Middleman

Issues to be resolved. The relationships between agents, carriers, and customers; the integrity of passenger and air cargo tariffs.

Areas of examination. Types of agents/middlemen; authority of carriers to act as agents and tour operators; tariff filing procedures, and IATA rate agreements; types of, and basis for, commissions; impact of antitrust exemptions in establishing commissions; reasonableness of commissions; the role of travel agents and tour operators in generating traffic to and from the U.S.; enforcement procedures (IATA/CAB): need for licensing and regulation of agent/middleman; the role of government tourism departments in international aviation.

5. Role of the U.S. Aircraft Manufacturing Industry

Issue to be resolved. Role and prospects of the aircraft manufacturing industry; role of U.S. industry in developing/implementing major technological improvements for air transport; U.S. industry role in enhancing energy and economic efficiency in air transportation.

Areas to be examined. Relative position of U.S. aircraft manufacturing industry in world markets, present and future; present status of jet transport orders; foreign aircraft industry competition; joint manufacturing programs; demand for aircraft; lead times and delivery schedules; disposal of used aircraft; aircraft financing; petroleum availability; impact of new equipment introduction; the need for new aircraft types in the next decade.

6. Safety, Energy, Environmental, and Security Standards

Issues to be resolved. Adequacy and implementation of statutes, regulations, standards, and procedures relating to safety, energy, environment, and security.

Areas to be examined. Certification and operation of aircraft including the transport of hazardous material; airspace system; conservation, availability, allocation, and cost of fuel; environmental objectives and their impact; security objectives and their impact.

7. <u>International Regulatory Structure and Negotiating Strategies</u>

   Issue to be resolved. Achievable regulatory structure and negotiating strategies which best attain U.S. objectives.

   Areas to be examined. Existing international regulatory structures and their effectiveness; route exchange methodology; status and balance of charter activities; types and enforcement of U.S. foreign agreements, adequacy of current air transport agreements; negotiating strategy; route exchange methodology; feasibility of multilateral agreements; desirable changes in agreement provisions; consolidated vs. separate agreements of scheduled, charter, and cargo services; enforcement of bilateral provisions.

8. <u>Current and Future International Environment</u>

   Issue to be resolved. The international economic, technological and political environment within which objectives should be achieved.

   Areas to be examined. Market outlook; cost picture; technological developments and potential impact; foreign government policies and objectives; market shares.

The public is invited to comment in writing by April 17, 1975, on any or all of the working groups' areas of review. Comments should be addressed to:

Executive Secretariat
International Aviation Policy Review
c/o John B. Flynn
U.S. Department of Transportation
Washington, D. C. 20590

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WWB/3675/11:00/TPI-6

DEPARTMENT OF TRANSPORTATION

NEWS

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20590

FOR IMMEDIATE RELEASE
Wednesday, March 19, 1975

DOT 27-75
Phone: (202) 426-4321

The U.S. Department of Transportation and the Canadian Ministry of Transport announced today that mutually satisfactory arrangements have been completed for the provision of coordinated pilotage service in the Great Lakes for the 1975 and 1976 shipping seasons.

Pilotage is normally required for ocean vessels serving U.S. and Canadian Great Lakes ports.

The understanding was approved by John W. Barnum, Deputy Secretary of Transportation, for the U.S., and by George A. Scott, Senior Assistant Deputy Minister of Transport, for Canada. The understanding covers:

1. Allocation of pilotage assignments in District Two (pilotage in Districts One and Three continue under existing procedures), and

2. Continuation of bilateral talks on pilotage services throughout the Great Lakes, including the Welland Canal after 1976.

"I am most gratified that effective pilotage service can now be assured for Great Lakes shipping as the new season opens," said Deputy Secretary Barnum. "Like our Canadian counterparts, with whom we cooperated closely in developing this understanding, we attach great importance to the promotion of viable shipping service in the Lakes."

Mr. Scott, in commenting on the arrangements, said: "They will ensure stability in current pilotage service as both countries seek agreement on other issues relating to pilotage operations."

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District Two begins at Port Weller in the southwestern part of Lake Ontario and stretches to Port Huron at the southern end of Lake Huron. Included in this district are the Welland Canal, Lake Erie, the Detroit River, Lake St. Clair, and the St. Clair River.

Under terms of the new understanding, rules for pilotage assignments in District Two west of Port Colborne have been changed so that, to the maximum extent possible, transit to and from U.S. ports of call will be handled by U.S. pilots; and transits to and from Canadian ports of call will be handled by Canadian pilots. Through transits from Port Colborne to Port Huron will be shared on the basis of a formula worked out by the two governments.

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OFFICE OF THE SECRETARY
Washington, D.C. 20590

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DEPARTMENT OF TRANSPORTATION

NEWS

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20590

FOR RELEASE FRIDAY
March 21, 1975

DOT 28-75
Phone: (202) 426-4321

Representatives of the public, the aviation industry and government will meet on March 28 in Washington to discuss the U.S. Department of Transportation's recommendations for establishing compensatory North Atlantic air charter rates.

In a letter of invitation, Assistant Secretary of Transportation for Policy, Plans and International Affairs Robert Henri Binder said, "The U.S. Department of Transportation has long been concerned that the use of non-compensatory charter rates threatens the availability of low cost air charter transportation across the North Atlantic.

"It is the position of the Administration," Binder said, "that charter rates should be compensatory and the Civil Aeronautics Board should use its recently authorized legislative authority to suspend and reject non-compensatory charter rates."

Among the proposed criteria to be discussed at the public meeting are:

1. A charter rate will be considered compensatory and not deserving of suspension as long as it is not below the carrier's own direct operating expense.

2. Even if not compensatory, a charter rate will not be deserving of suspension if the carrier files it to meet the competition of a compensatory rate.

3. The complainant bears the burden of proof in determining the non-compensatory nature of a tariff.

The procedure under which carriers will file North Atlantic charter cost data also will be discussed.

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WWB/11AM/3/20/75/TPI-6/3/21/75

DEPARTMENT OF TRANSPORTATION

NEWS

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20590

FOR RELEASE MONDAY 10:00 A.M.
March 24, 1975

DOT 29-75
Phone: (202) 426-4321

President Ford today sent to Congress a legislative proposal to improve the efficiency of the nation's railroad industry by providing financial assistance and regulatory relief.

The proposal -- the Railroad Revitalization Act of 1975 -- would provide up to $2 billion in federal loan guarantee authority to finance improvements in rolling stock, track, terminals and other railroad facilities; and it would, by amending the Interstate Commerce Act, remove regulatory constraints that prevent the fuel-efficient railroad industry from competing at maximum effectiveness in the transportation market.

The act authorizes the secretary of transportation to pay varying amounts of interest on the loans to railroads. Up to $200 million a year for three years would be made available for this purpose.

The act also would provide $15 million for design and implementation of a national freight car scheduling and control system for better utilization of rolling rail stock.

"This proposed legislation will be a major step toward the Ford Administration's goal of revitalization of the nation's railroad industry," Secretary of Transportation William T. Coleman, Jr., said.

"Too many of the nation's railroads face financial crisis. The largest railroad -- the Penn Central -- and most of the railroads in the Northeast are bankrupt, and the malignancy has spread. Many solvent roads earn so little that they are unable to adequately maintain their track or replace deteriorated equipment. The financial aid we propose will help railroads to deal with their most pressing financial problems," Secretary Coleman said.

In citing the need for regulatory reform, Secretary Coleman said, "Federal regulation of the railroads has grown so cumbersome that it retards technical innovation, prevents pricing adjustments to reflect changes in competitive conditions and has generally served to stifle an industry that should be both healthy and competitive.

"Removal of unnecessary and excessive regulatory constraints will enable this low cost and energy efficient form of transportation to operate more efficiently, provide better service and to more fully realize its great potential," the Secretary said.

The proposed bill addresses the regulatory problems by amending the Interstate Commerce Act to permit increased pricing flexibility, to expedite ratemaking procedures, to outlaw anti-competitive rate bureau practices and to improve the procedures for dealing with intrastate rates.

The Railroad Revitalization Act builds on rail legislation proposed in 1974, which was overwhelmingly passed in the House of Representatives, but failed to reach the floor of the Senate.

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DEPARTMENT OF TRANSPORTATION

NEWS

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20590

FOR IMMEDIATE RELEASE
March 26, 1975

DOT 30-75
Phone: (202) 426-4321

A meeting set by the U.S. Department of Transportation to receive public comments on the department's proposals for establishing criteria to identify non-compensatory North Atlantic air charter rates has been rescheduled for Friday, April 11, starting at 10:00 a.m. The meeting was originally set for Friday, March 28.

The rescheduled meeting will be in Conference Room 10234 of the department's headquarters, 400 Seventh Street, S.W., Washington, D.C.

Assistant Secretary of Transportation for Policy, Plans and International Affairs Robert Henri Binder said the postponement was necessary to allow more time for public, aviation industry and government representatives to respond to the proposed charter rate criteria.

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WWB/032475/TPI

DEPARTMENT OF TRANSPORTATION

NEWS

OFFICE OF THE SECRETARY

WASHINGTON, D.C. 20590

FOR IMMEDIATE RELEASE
March 26, 1975

DOT 31-75
Phone: (202) 426-4321

Under the auspices of the national Energy Resources Council, the federal government today initiated a joint industry/government program to reduce the fuel consumption of trucks and buses.

The program, which involves voluntary cooperation among manufacturers, suppliers, trade organizations and vehicle users on the one hand, and the U.S. Department of Transportation, the Federal Energy Administration and the Environmental Protection Agency on the other, aims for a major improvement in commercial vehicle fuel economy.

By notice in today's Federal Register, the U.S. Department of Transportation opened a docket to receive public reaction and factual comments on several questions that need to be resolved if the program is to work smoothly.

Additionally, the docket seeks comments on the related "Truck and Bus Panel Report (No. 7)" of the U.S. DOT/EPA "Report to Congress: Potential for Motor Vehicle Fuel Economy Improvement."

The panel report says an 18 percent gain in fuel efficiency by newly-built medium to heavy duty trucks and buses should be possible by 1980 from technological improvements alone.

Although the panel report focuses on new vehicles, the total fuel consumption savings envisioned by the Energy Resources Council would result from more than hardware refinements and technical improvements.

The Energy Resources Council expects by 1980 not only thriftier technology in new vehicles, but also greater vehicle-fuel frugality by all interests, including:

- more -

o Cannier management of vehicle fleets

o Fewer empty miles and more full loads

o Thriftier driving techniques by drivers

o Loosened state and federal regulations where they affect fuel economy.

"Since the heavy truck and bus fleet currently burns over 2 million barrels of petroleum per day, every ten percent gain in heavy vehicle fuel efficiency will save the nation 1,000 semi-trailer loads of fuel each day," Federal Energy Administrator Frank G. Zarb said.

"We realize that heavy truckers and truck manufacturers have always been one of the more fuel-conscious groups in the nation, and have sought the most productive equipment on the market," Secretary of Transportation William T. Coleman, Jr., said. "However, it's quite plain that further gains in fuel economy are possible."

"We are counting on heavy truck and bus operators who choose their vehicles 'custom made' from a tremendous variety of options to closely examine the fuel performance of every vehicle they order," he said.

Copies of the "Truck and Bus Panel Report (No. 7)," as well as the first, overall "Report to Congress: Potential for Motor Vehicle Fuel Economy Improvement," are available from the Office of Public Affairs (S-80), U.S. Department of Transportation, Washington, D.C. 20590. (202) 426-4321.

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ERG/6PM/3/25/75/TST-50/