DEPUTY SECRETARY OF TRANSPORTATION JAMES B. BUSEY DAEDALIONS AWARDS DINNER JUNE 13, 1992 SACRAMENTO, CALIFORNIA

It's always a great pleasure for me to take part in this annual awards dinner. This year, I again have the privilege of presenting the LTG Harold L. George Daedalion Civilian Airmanship Safety award. It is an honor again this year because of the extraordinary courage, skill, and teamwork performed last September by the crew of Northwest Airlines Flight 18 under the command of Stephen C. Bowen. Four pilots and 17 flight attendants displayed the utmost professionalism and proficiency in safely returning their 747-400 and nearly 300 passengers under very trying circumstances.

Their saga began when Flight 18 took off from Narita, Japan into heavy rain and gusty winds. The post-typhoon weather was a harbinger of what was to come. At flight level 240 a host of messages in the cockpit began to show a variety of mechanical breakdowns. It was an electronic system nightmare: 42 EICAS messages, 12 caution and warning indications, repeated activation of the stick shaker, and abnormal speed information. Many messages conflicted. The crew justifiably thought engine number one was having problems when it was, in fact, fine. Engine two was on fire, but the crew had no way of knowing.

At flight level 260, cabin pressure was changing rapidly and couldn't be controlled, and the captain began an emergency descent back to Narita. At this point, the crew swung into action. The first officer, with the help of the other first officer, handled all ATC communications. The additional captain kept up communications with the lead flight attendant and with the airport. As 160,000 pounds of fuel were being dumped, the attendants prepared the cabin for landing and briefed the passengers for an evacuation in heavy rain and strong winds.

Flaps were extended early due to abnormal leading edge flaps. Despite moderate turbulence, the ILS approach and landing were normal. With emergency equipment standing by, maximum reverse was applied to engines two and three, and half reverse on number four. Maximum brake pedal was applied and held.

The tower soon informed the crew of a fire on the left side of the aircraft, and the pilots began fire procedures for engine number one. Despite all the warning signals in the cockpit, none had revealed a fire. The tower called again to tell the pilots of a fire on the right wing. If that were not enough, the tower called again to warn that engine number two was on fire. Evacuation proceeded on the right side as rescue workers foamed the left side.

After struggling with jammed cabin doors, the attendants helped passengers get down the chutes. The heavy rain and foam sprayed from the other side of the aircraft led to very fast rides down the slides, which resulted in several injuries to passengers and crew. But the crew managed to gather the somewhat panicky passengers together as they waited for about a half-an-hour for the buses and ambulance to arrive.

Beyond question, superior airmanship got Flight 18 and all 296 of its passengers safely back to earth. The outstanding performance of each member of the crew reflects great credit upon each of them, Northwest Airlines, and the entire aviation industry.

It is, therefore, my great pleasure to present plaques and the Daedalion Civilian Airmanship Award to the three pilots who are with us tonight and to the lead flight attendant.

DEPUTY SECRETARY OF TRANSPORTATION JAMES B. BUSEY GULFSTREAM '92 WORKSHOP JUNE 2, 1992 SAVANNAH, GEORGIA

Good morning. I'd like to extend greetings from the nation's capital, otherwise known as Disneyland Northeast! While Washington's a pretty serious place, there's enough fun 'n games and Mickey Mouse going on that I think it warrants that description.

It's good to be back with old friends from the aviation community. For those of you who haven't heard, I'll be leaving the Department of Transportation for the private sector sometime this summer. One of my big regrets is that I won't have the kind of opportunities to deal with the aviation community as I've had over the last three years both at the FAA and now as Deputy Secretary.

Tribute to Allen Paulson

There are few sectors of American life that can boast of as many interesting, dynamic, and enterprising individuals as the aviation community. And, of course, that includes Gulfstream's own Allen Paulson. In fact, I'd put him among those at the top of the list. His life is one of those genuine Horatio Alger stories of rising from the bottom to the top. From a mechanic for TWA over 50 years ago to the guiding force behind the world's leading designer and manufacturer of large corporate jets -- that's a success story few can match.

Where else are you going to find a Chairman of an aviation company who is a member of the Society of Experimental Test Pilots? Add to that, Allen's numerous world records and awards, and you've got the stuff of legends.

Allen, I know you closed another chapter in your life when you stepped down yesterday as CEO of Gulfstream. I'd just like to take this opportunity to salute you for your tremendous achievements. You made a difference. And an important part of aviation will never be the same because of you and what you've accomplished over the course of your

productive life. Fortunately for Gulfstream, you'll continue to serve as Chairman of the Board.

Welcome to Bill Lowe

Gulfstream is just as fortunate to have someone as capable as Bill Lowe at the helm as its new CEO. Bill's a proven leader with a great track record at Xerox and IBM. He's a man who knows how to get things done -- an indispensable attribute in the highly competitive world of corporate aviation. I'm looking forward to following Gulfstream's progress under Bill's oversight.

Importance of the G-4 to the U.S. Government

One thing's for certain about Gulfstream Aerospace. Worldwide, it stands as a symbol of U.S. aviation excellence. The fact that 120 Gulfstream's are currently serving 33 governments around the globe speaks for itself.

As for the FAA's own Gulfstream IV, I have to say, it was one of the best parts of the job when I was FAA Administrator. That left seat was one of my favorite places to work. It sure beat sitting behind the desk! In fact, it made all the frustration of the desk work worthwhile. Not only is that aircraft a joy to fly, it's a fantastic workhorse for the U.S. government. And it provides a good bang for the buck, I might add, to the U.S. taxpayer.

The National Transportation Safety Board would be severely hampered in its work if it didn't have the G-4 to get investigators as quickly as possible to the scene of an accident. Because of our G-4, the United States was the first to get an outside team of investigators to Lockerbie, Scotland to look into Pan Am 103. The next year, the G-4 got officials up to Alaska immediately to check out the Exxon Valdez accident. Later that year, President Bush was able to get his Secretary of Transportation, Sam Skinner, out to California within hours after hearing of the San Francisco earthquake.

It took the G-4 to fly cross-continent to look for Congressman Mickey Leland who was killed when his plane went down in a remote part of Africa in 1989. I could go on and on. But I think I've made the point: If the G-4 is not a good deal for the U.S. taxpayer, I'm not sure I know what is.

You'd be interested to know that just last week we installed dual GPS sensors and TCAS in our G-4. We're committed to seeing that it's always equipped with the latest in avionics equipment. We plan on having it around for a long time -- like our G-1, which still performs as good as ever. The G-1 has been a mainstay of our fleet since the government bought it new in the mid-1960s.

Current Transitions at DOT

That G-1 has seen a lot of government leaders come and go. I suppose, from a certain point of view, it's too bad some of our leaders don't stick around as long as some of our equipment. I know that some feel that way, particularly in regard to the FAA. On the other hand, change can be very good. And in our system, there's really no other option --personnel changes at the top occur fairly frequently. That's just the way it is.

I say that because I know that the recent and impending changes at the Department of Transportation are of concern to many of you. I understand why many are concerned. But I also want to assure you that the future bodes well for the FAA and the aviation community.

First of all, Andrew Card has gotten off to an outstanding start as Secretary of Transportation, and has demonstrated a genuine interest in aviation. And look who the President has nominated to head the FAA.

Tom Richards knows aviation, is committed to safety, and is a proven leader. He's a four-star general with a distinguished career in the U.S. Air Force. He has over 5,000 flight hours flying propeller, single, and multi-engine jet aircraft -- including, by the way, the G-4. General Richards has done consulting and strategic planning for a number of major U.S. corporations. And he gained valuable experience in

commercial aviation and security issues as a member of the Pan Am 103 Commission. I think he'll make an excellent FAA Administrator.

But take a step back for a moment and look beyond personnel. Remember when President Bush was sworn in, and how he promised a "kinder, gentler" America? I believe -- and I think you'll agree with me -- that we delivered on that promise at the FAA. And that achievement was by no means the work of just a few at the top. What we set out to do, and what we accomplished to a significant degree, was to change the overall culture of the FAA and its employees. We <u>institutionalized</u> the kinder, gentler approach. And that should lessen concerns, it seems to me, about personnel changes at the top.

I've talked at length about changes in leadership because I know that's of interest to you. But also because we're all painfully aware of the turbulent times the aviation industry has been going through these past few years. It's going to take strong leadership to help the industry recover.

Importance of General Aviation

The simple fact is that general aviation is too important to ignore. It contributes more than \$38 billion to the U.S. economy and provides more than 530,000 jobs. Virtually all pilots learn to fly in small, single engine airplanes. And how could corporate America operate efficiently in today's fast-paced world without the services you provide day-in and day-out? In a word, the broad spectrum of general aviation is a vital part of America's transportation infrastructure. It's a national asset that the country cannot afford to lose.

The best hope for the general aviation industry -- as for all industries -- is a sustained recovery of the overall economy. While it's been a long time coming, I have no doubt that a genuine recovery is now underway. Practically all the numbers I'm hearing back in Washington point to better days ahead.

Streamlining Federal Regulations

To help spur the economy out of lethargy, the Administration continues to streamline its regulatory oversight of industry in general. About four months ago, President Bush ordered a freeze on new federal regulations and a paring down of existing rules. Already, this initiative has met with great success, saving American consumers and workers between \$15 to \$20 billion a year. That's up to \$300 a year for the average American family. And that's why the President extended his original moritorium for another four months. He's bound and determined to slash the red tape that is choking economic growth through excessive and unnecessary regulation.

At the Department of Transportation, we're committed to weeding out those rules that needlessly burden the aviation industry -- except, of course, for those that secure the safety of the traveling public. Let me give you just a few of the actions we're taking.

- We're moving to create common international aircraft standards that could save U.S. manufacturers and operators up to \$1 billion a year.
- Industry could save \$1 million on each new aircraft design with a new category of FAA certification.
- An alternative, optional noise certification procedure for light helicopters will save \$3 million a year.
- Removing restrictions on simulator technology will save industry another \$400,000 a year.
- Private pilots will be helped significantly by phasing in, over time, the newer "Mode S" transponders.

Product Liability

No regulatory burden, however, can compare to the damage inflicted by the ever-increasing costs stemming from product liability lawsuits. Due to its outstanding safety record, I know this issue is not as pressing for Gulfstream as it is for some manufacturers. But I know many of you have a personal interest in what has become the virtual destruction of the light aircraft industry in the United States.

The Bush Administration continues to push hard for product liability reform. But I must tell you, the fates of the two reform bills introduced in Congress last year aren't quite as promising as we hoped earlier in the year.

We recently held a summit on the issue with major manufacturers, the insurance underwriters industry, and numerous FAA and DOT officials and congressional staffers. We are now looking at specific ideas raised at that meeting to help us move the general aviation industry forward.

Frankly, there's a powerful lobby in Congress opposed to reform, and I don't think important legislation can be passed without more pressure from the industry and the electorate. The irony here is that general aviation safety has continued to improve over the years. For example, over the past decade, the air taxi accident rate has been cut by more than half. Fatalities have been practically cut in half, as well. And the safety record of corporate aviation is virtually on a par with that of the airlines.

We've got to do a better job, however, in getting our message out. I urge all of you to get involved <u>personally</u> in helping keep up the pressure for reform.

Airspace and Terminal Area Route Initiatives

The Bush Administration is pushing ahead on a host of other initiatives that promise to transform aviation in the United States. We are in the process of reclassifying U.S. airspace to conform with international airspace classification standards. The changes will be introduced in three phases, and will be fully in place by September of next year. At that time the familiar designations that you're all used to will be replaced by six new classes of airspace.

Our reclassification won't be complicated. In fact, one of our objectives in doing this is to simplify matters and make the airspace

safer. It will increase the standardization of equipment and pilot requirements, as well as increase pilot understanding of air traffic control services. And it will finally bring the United States in line with the classification of the International Civil Aviation Organization.

We're also moving ahead on a nationwide terminal area route program to help pilots avoid certain types of controlled airspace. We made a commitment to Congress that we'll have these routes developed in three years. The use of these routes will be strictly voluntary, and will in no way relieve pilots of the responsibility to comply with federal regulations. But they will make it easier to avoid the most congested IFR airspace and to navigate through and around busy terminal areas.

Reclassifying the airspace and creating the new terminal area routes will require substantive chart changes. Rest assured, we'll be getting the word out to FAA employees, inspectors, ATC specialists, pilots, and all segments of the aviation industry. We're going to mount an educational campaign that will use just about every conceivable means to get the necessary information into your hands -- press coverage, audio-visual materials, publications, training sessions -- whatever it takes. It'll be our biggest educational campaign in years.

Noise Compatibility

We are now underway on another campaign of vital importance to the industry. We're in the midst of implementing the ground breaking aircraft noise initiative that was hammered out over the past couple years.

The good news is that the number of U.S. citizens exposed to excessive aircraft noise should decline by 85 percent over the next eight years. The bad news is that this reduction could cost the industry as much as \$4.5 billion.

It is partially for that reason that the new federal law and our rules are intended to limit the proliferation of local noise restrictions that will burden the industry with additional costs and uncertainty. The current rules establish a more predictable environment in which industry can

respond to market demands and the orderly phaseout of their Stage 2 aircraft. Communities around airports, in turn, can be assured that the transition to Stage 3 aircraft will result in a quieter environment.

While all airports will benefit from the national rule, if relief is not sufficient or if special local problems exist, then negotiations should be pursued. The Administration remains opposed to additional noise restrictions. We think that voluntary agreements between parties can, and should, be the solution to lingering disputes on noise issues.

Conclusion

Whether it's hammering out reasonable noise requirements, reclassifying the airspace system, fighting for product liability reform, or streamlining the burden of federal regulations -- the Bush Administration has a solid agenda in place to reinvigorate U.S. aviation. I doubt if there's been a recent administration more supported of -- and more friendly to -- the aviation community. I have full confidence it's going to stay that way.

And I believe you can look forward to a partnership between industry and government that will continue to address aviation's challenges in the most prudent, productive manner possible. At stake is nothing less that building a truly global aviation system for the 21st century.

Thank you.